



RETAIL INDUSTRY LEADERS ASSOCIATION

RTech Council Conference Call | May 12, 2020

Attendees:

[See Link](#)

Notes:

RILA COVID-19 Response |

- Twice weekly (now weekly) CEO calls/zooms
- AP, HR, CFO, Supply Chain executives have all been on weekly calls
- Resource page with member only and Safe Shopping Blueprint
- Lobbying each package on behalf of the industry (Sec. Mnuchin joined CEO calls twice)– initially focused on liquidity, now on the various elements of recovery.
- Retail Innovation Center – hosting weekly COVID Technologies Showcases (needs from exec communities)– mix of startups from our network and established leading providers.
- RIC website resource with the list of startups who have solutions that address specific retail challenges.

Peer Discussion |

Navigating Crisis –

- We leveraged our partners in NY and Asia to learn about how they managed the crisis and what they were doing considering the huge spike in demand to online and groceries.
- On the customer side, it is really around the customer experience, leveraging our cloud infrastructure to be able to scale more rapidly. We have adapted some of our in-store technologies to help monitor how many customers are in the store and created marks outside 6 feet apart. We can now use our data to estimate average store-visit times and number of customers.
 - **Question: Have you had any insights in how predictive your past data was in what today's numbers are? Is it similar to pre-covid?**
 - We went in thinking we could tweak the algorithm, but we were way off, it is very different today. But, by using the sensors we could quickly get back on track and create the correct metering. We have less traffic and shorter trips, but they are shopping bigger baskets – this means they are spending more time planning their shopping trips ahead of time.
- On curbside, we were a little behind in some omni-capabilities a few years back – but opening up BOPIS was the catalyst for us to be able to bring back curbside as an option that could be a next-best option and alternative for in-store shopping. Our locations are

in areas where curbside is effective – this first phase is "no-tech" but it works, and people are adapting

- On the customer-side, we created a framework to accelerate innovation which came down to empowerment and approval rights. We gave teams direction and gave them the resources to make it happen and they were able to accomplish it. The other element was accelerating communication, we've been using ever bridge that helps us better connect with associates who do not have a corporate email address, using text and phone for hourly employees.
 - **Question: Any concerns about reaching them on personal devices?**
 - We use our system which pulls current employment status, if they are not furloughed then the system will notify them with any updates to the mobile number listed.
- For consumers, they are much savvier about omnichannel and that has given us a lot for us to think about in terms of contactless payments and what the future looks like.
- We are starting to transform online customer engagements and accelerating the digital.

Office Culture & Telework –

- We're probably not soon going to be back at 100% full capacity in the office.
 - **Question: Our culture was not ever built to be totally virtual – so how to measure engagement and emotional challenges with your team + potentially coach your workforce?**
 - This is something we are talking about regularly, we've stood up all the normal telework programs, but are partnering with health organizations to share tips with us and figuring out ways to see how our teams are coping.
 - Prior to COVID we had embraced NPS on the customer side, but also an employee NPS to help tie to financial incentives. This helped us figure out how our employees are feeling about us – we updated this to relate to COVID and see how they are doing during this pandemic. We were able to convert those insights by instituting an additional family PTO policy to allow employees to break up PTO hours and use an hour or two here and there when they need it, without taking away from their dedicated PTO.
 - We are shifting how we are surveying our teams to help us figure out what the right conversation needs to be.
 - The software is called "Wellnomics" – we use it as an early indicator of employee satisfaction.
 - We are now back in the office 50/50 due to relaxed restrictions but were effective withing 48 hours. We allowed employees to work the hours they needed to get their work done, so they could be away from their desks when they needed to. It has extended leadership hours quiet a bit, but we felt it was necessary to support the broader team. We also encourage to update your status regularly on their teams account.



- We've instituted virtual coffee breaks – so they could chat with each other and not talk business.
- **Question: Have people had challenges with teaching how to properly use Microsoft Teams [or equivalent] to be effective across teams?** We've noticed a lot of people don't know how to use it and it will become very disorganized.
 - We held organizational change management meetings to show how they used these tools and what it can look like when done well.
 - Teams was originally just used as a meeting place for our staff and place for them to get direction, but we've now started running training sessions as we begin to utilize it more.
 - We created training classes, from within our organization to give guidelines and best practices. Each team tended to have a super-user who then helped lead more teams within the organization. We've heard that many of our store teams want it, since it have become such a useful collaboration tools for the teams.
- I was really inspired by how quickly our leadership team had embraced new technologies. Before this outbreak, the timeline was looking more like 4 years away from getting the leadership team to join video calls, etc. We have an officer call each week and I give a segment on tips and tricks on how to work more effectively and how to build tech muscle for your teams.
- We plan to only have 50% in the office at any time moving forward, creating blended workforce to have rotations around when they will be in the office vs. away. It's less in response to social distancing, but meant to remove the stigma around teleworking. We want to encourage there to be more collaborative work for teams who can work anywhere and to open up possibilities to working differently moving forward.
- We're taking this opportunity to wipe the slate clean, creating new transformation programs to serve as a catalyst.
- It really depends around leadership and about how we look at reentering the workplace. If we go right back to normal, we will have missed an opportunity. It has to be intentional.
- We are seeing that as we come back to the office, many meetings are still taking place online as people don't want to risk exposure and we want to make sure that's okay and not frowned upon
- For things that are team-led and driven they create their own teams and channels and publish tips and tricks and offer weekly classes that employees can attend. Other company-wide teams are monitored strategically by PMs that run directly through what the CEO has directed.
- Half our team is west coast base and early adopters are happy that the rest of the company is catching up.
- **Question: What have these telework transitions meant for you in terms of talent?**
 - We've started looking at how we can now look at no longer being constrained by our location, but now we think it has leveled the playing the field for remote workers. We can now start to think about how to build a workforce in



any location as long as we can amp up how we work collaboratively with better communication.

- Originally our digital team started as a team of 4, but through acquisitions as our team grew, it grew globally and our team has been working remotely much more and now seeing how the full corporate has to get used to it. A big consideration is also time-zones as you begin to work more globally, but it becomes a great opportunity as more acceptance to different styles and realizing how quickly people can change – when they need to.
- **Question: What has been particularly challenging about the pandemic?**
 - Our major challenge is keeping our DCs (which are particularly hard) and stores open, which some days seems like a losing battle. From a business model perspective, we didn't care about being an omnichannel retailer – but now we care. We are starting to accelerate what that looks like and looking to figure out the changes in customer mixes and seeing what that will look like in the future. We are hitting the streets and talking to our customers a lot more, we can't really afford to miss when we aim so we are usually a laggard or fast-follower intentionally around technology – but looking through a new lens now to see how the landscape is going to change.

Retail COVID-19 Key Challenges:

Asset Protection

- Detect social distancing non-compliance; alert capabilities
- Max occupancy compliance – count customers & alert capabilities if stores exceed max occupancy; avoid having associates counting people
- Efficient, safe and accurate temp taking - thermal cameras for temperature checks (used as an initial check and if an associate flags hot they move onto a no-contact temporal check)
- Recording health screening responses – in compliance with HIPPA
- Contact Tracing - Identifies employees who may have been exposed to COVID-19 based on proximal location to the infected employee Easy to deploy physical inventory solutions – not having to rely on 3rd parties to count
- Returns Management: Helping to manage product quarantine protocols
- Crime – Help deter; identify (what's behind the mask?)

Compliance & Internal Audit

- Creative technology-driven employee training tools for a hybrid workforce (headquarters, work from home, DCs, and stores).



- Fast and easy to deploy technology that tracks businesses' COVID-19 related policy and procedures changes and business decisions creating a timeline and audit trail.

Supply Chain

- Models/tools for forecasting demand signals and inventory planning/allocation factoring in COVID buyer behavior
- Onsite virtual or social distanced training/onboarding solutions for distribution center associates
- Visibility/resilience tools for disrupted supply chain
- Tools for assessing supplier risk exposure & sourcing alternatives

Sustainability

- "No touch" rapid in-store sanitization technology for reusable PPE and customer reusable bags and cups
- More sustainable effective PPE: recyclable, compostable, or circular models
- Retailer + needy cause donation matchmaking apps/platforms

Environmental Compliance

- Remote sampling and monitoring; inspections; and compliance audits
- Science-backed tools that inform the selection of appropriate and safe disinfectants for treating products and surfaces

