Retail Report

Frontline Retail Revealed: Motivations, Technology Attitudes and Insights

EXPLORE



2024 Retail Research
US Edition
Report 1 of 2

Foreword



Samuel Mueller,
CEO & Co-founder, Scandit

Since 2009, Scandit has supported many of the world's largest retailers with their data capture needs. Our vision then was to improve the daily lives of workers, customers and businesses with our technology – and that ambition still holds in 2024 and beyond.

What has changed in that time is the retail landscape. In one of the most dynamic industries in the world, keeping up with changing consumer behavior and dealing with macroeconomic factors is a constant challenge for retailers. And retail workers on the frontline play a critical role in their success or failure.

Negotiating labor shortages, pressure on operational efficiency and the advent of the AI era have further complicated how retailers consider attracting and retaining their workers.

Understanding the importance of empowering workers with the right technology and insights to meet these challenges, while making their work simpler and more satisfying should be a priority for retailers today.

To clarify the state of play, we surveyed 2,000 retail workers worldwide to learn what drives their loyalty, satisfaction, and specifically to hear their views on the tools they use to perform daily operational tasks.

Our findings in this report are clear. No longer is up-to-date technology a hygiene factor. It impacts the employee and customer experience, and ultimately a retailer's profitability.

This two report series highlights where to prioritize to help navigate an ever-changing landscape and gain an edge on the competition.

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Summary

Research Methodology

An online survey conducted by Coleman Parkes in January 2024 on behalf of Scandit:

2,000
Frontline retail store associates

1,000
Smartphone users

1,000
Dedicated scanning device users



North America
USA 500

Europe
UK 300
Germany 300
France 200
Italy 200
Spain 200

APAC
Japan 300

9 Sub-Sectors

23%	18%	14%	9%	9%	9%	7%	6%	6%
Grocery	Fashion	Electronics	Sports & Hobbies	Cosmetics	DIY	Drugstores	Home Goods	Convenience Stores

Introduction

2,000 store associates (not including checkout workers) were surveyed about the technology they use to complete daily store tasks, including 500 from the USA.

Specifically, the mobile devices and applications used to complete typical operational and customer service tasks, especially scanning workflows.

We asked how happy they are with their devices, what factors drive loyalty and their attitudes to technology investment and innovations that impact their roles.

What is clear is how diverse the current retail workforce is. Our respondents range from under 18 years of age to over 66. Some have been in their role for less than 6 months. Others for over 10 years.

Understanding associates is key to unlocking how to attract, retain, and empower them.

Different ages, levels of experience and types of employment can all contribute to how well associates get on with their devices when performing tasks.

Identifying the nuances of different groups can help retailers provide not only the right tool for the task but also the right tool for the person. We'll highlight the global trends and the specific answers and insights from the US respondents.

Done correctly, it can motivate associates and drive workplace loyalty – as we discover in our first section.

Advice from the Frontline

"When selecting scanning devices, our employers should consider the specific requirements of our job and industry."

Grocery store respondent



Section 1

Workplace Loyalty and Satisfaction Factors



Factors Driving Workplace Loyalty

The 'Great Resignation' may be over for retailers, but the effects of a turbulent few years are still being felt. Recruiting and retaining workers is a challenge. The pandemic pushed people to consider what's important in their lives and to rethink where and how they work.

To gauge the current workplace satisfaction temperature – and provide insights into where retailers should focus – we asked store associates why they might choose to stay or leave their roles and then rank these factors in importance.

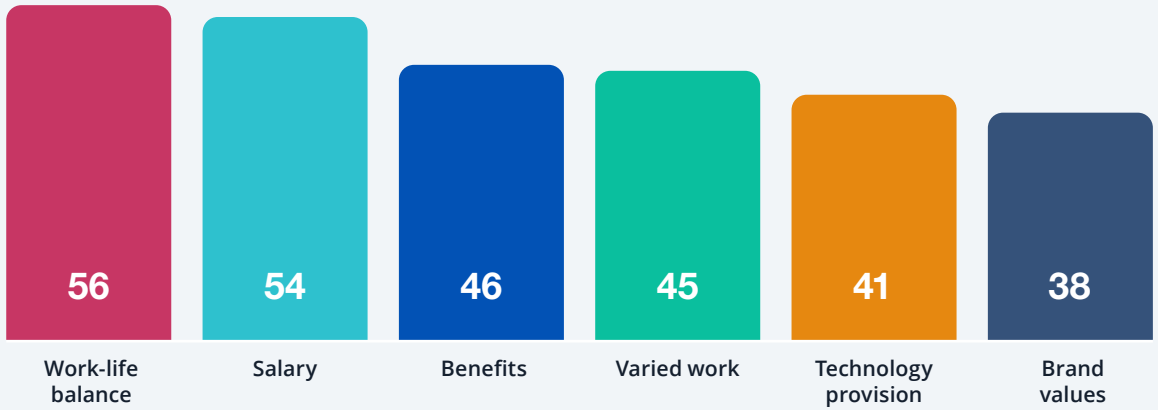
Unsurprisingly, work-life balance, salaries and benefits topped the charts for factors driving workplace loyalty.

Salary	Work-life Balance	Benefits
2nd	1st	3rd

Top Factors Driving Workplace Loyalty

Which of the following is your employer doing well that encourages you to stay with them?

% of respondents ranked factor in the top 3



Top Loyalty Factors Per Country

Work-life balance



Salary



This post-Covid re-assessment sees work-life balance as the top factor. Meanwhile, increased interest rates and a rising cost of living globally have emphasized the importance of financial rewards (salary and benefits) as everyone becomes more money-conscious.

41%

However, one additional option appeared as a top 3 factor for 41% of respondents globally (the highest overall was 42% for US associates) – the employer-provided technology.

Many retailers might traditionally underestimate the importance of technology to retention, but it is undoubtedly an important factor in workplace loyalty.

US Data Spotlights

58% of US respondents said work-life balance was a top 3 factor. Second only to UK respondents (62%).

42% of US respondents said easy-to-use tech was a top 3 factor. The highest of all countries.

Salary is less of a factor for loyalty among US respondents under 18 – 29% had it in their top 3. 58% of those aged 43+ had it in their top 3.

Reasons to Leave

In addition to why they are happy to stay, we asked respondents to rank the top factors that might drive them to leave their current roles. Unsurprisingly, salaries and work-life balance again made up the top 2.

38%

Interestingly, ranking third was increased workload due to needing more staff (38% of store associates listed it in their top 3).

This indicates that significant numbers of associates are feeling the strain of their workload – and the perception of an increased burden might cause them to look elsewhere for employment.

Tedious tasks (such as inventory counting) and frustrating technology were cited as top 3 reasons to leave by around a quarter of all store associates.

This indicates it's not just the quantity of work but also the nature of the work, technology and processes required to complete it that can frustrate workers.

US Data Spotlights

Top Reason to Leave for US Store Associates

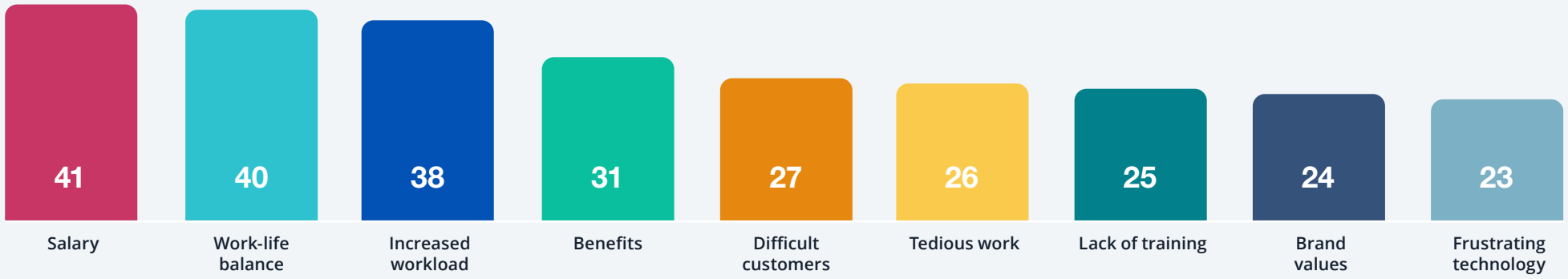
41%

Work-life balance

Potential Factors Driving Workers to Leave

Still thinking about your current role, which of the following would be most likely to cause you to leave that role?

% of respondents ranked factor in the top 3



Increased workload due to being short-staffed is the factor with the highest percentage (44%) of top 3 votes for grocery workers, even trumping salary and work-life balance.

Increased workload as a top 3 factor to leave jobs, split by sub-sector

As omnichannel offerings expand, so do the number and types of tasks that store associates must handle. Picking, assembling and staging orders for collection and delivery has joined traditional jobs like shelf management and customer assistance as a staple of daily shifts.

Simplifying and automating tasks, especially in the grocery sector, can reduce the burden on workers and encourage greater loyalty.

44% Grocery



35% Fashion



32% Electronics



41% Cosmetics



41% DIY



40% Home Goods



36% Sports & Hobbies



36% Drugstores



39% Convenience Stores



Device Impact on Satisfaction

With technology cited for impacting workplace loyalty, we zeroed in on associates' device satisfaction.

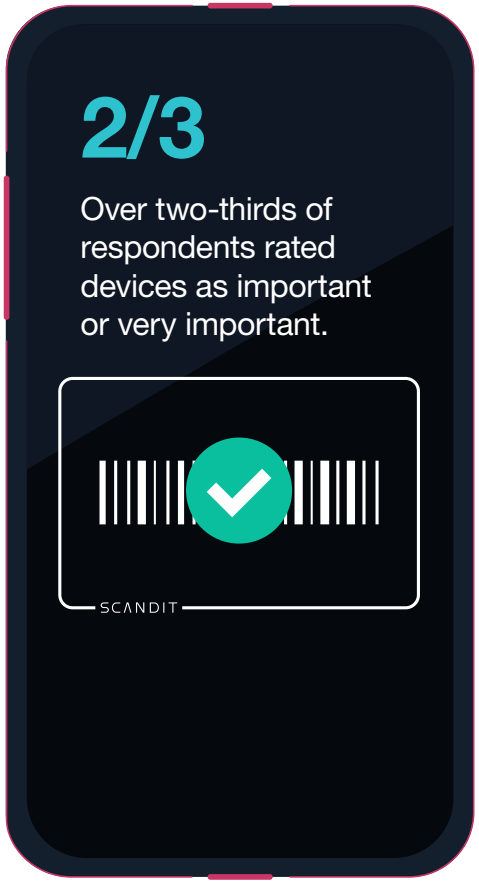
Core retail tasks commonly involve using smartphones or dedicated scanning devices to scan items or shelf labels to manage inventory, make sales and fulfill customer orders – sometimes scanning many hundreds of items during a shift.

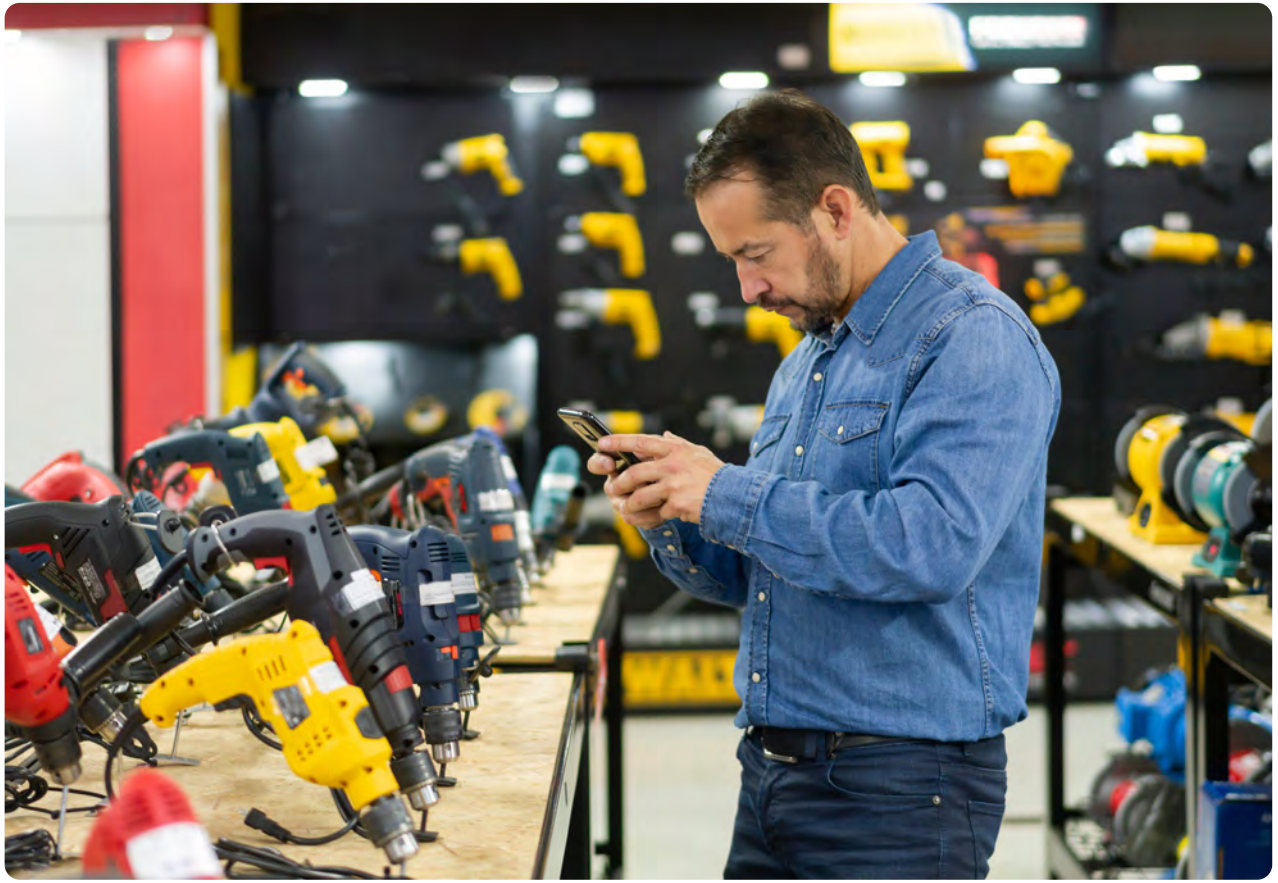
We wanted to see how important the device used for everyday tasks is in choosing to stay in their current role.

Advice from the Frontline

"We should be regularly surveyed by our employer about our level of satisfaction with our devices."

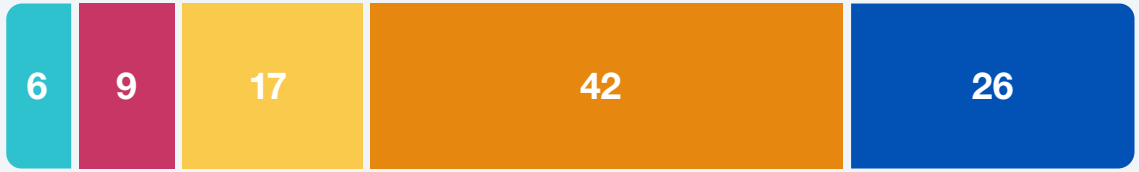
Drugstore respondent





Importance of Device in Choosing to Stay

How important a factor is the device you use to complete day to day tasks in choosing to stay in your current role?



% of respondents ranked on a 5-point scale from very unimportant to very important

US Data Spotlights

73% of US respondents said devices were important to their satisfaction. The second highest behind Germany (75%).



Younger US store associates place more importance on devices. 85% of under-18s rated devices as important vs 71% of over-43s.

Scandit Insight

Key point – Technology as the unexplored element of satisfaction

4 million

The North American retail industry had approximately four million more open positions than candidates searching for work in June 2023.

McKinsey citing JOLTS June 2023 data

The labor shortage has come when more is expected of store associates. Changing shopper behavior has expanded their roles in stores, placing new demands and stress factors on them.

While all retailers strive to deliver more balanced and competitive packages, our findings suggest the devices given to store associates to carry out daily tasks are a significant factor in satisfaction levels and reducing churn and its associated costs.

The importance of daily tasks

Beyond ROI, retailers need to consider employee needs. Our research shows associates are overloaded and at risk of leaving. Automating tasks can ease workload, eliminate tedious work, and reduce frustration – all reasons associates might leave their roles.

Views from the Industry

"Retaining talented workers is vital for success. Understanding the high importance workers place on the quality of the technology you provide, especially amongst Gen Z, means focusing on investing in areas that improve their experience is key."

Andrea Comi,
Global Director, Digital and Technology DTC, VF Corporation



Section 2

What Associates Value About Their Devices



Store associates rely on their devices for tasks crucial to efficient operations. The provision and updating of these devices are often part of digital transformation initiatives to improve retail performance.

But digital transformation is a huge topic, and recent Forrester research has shown that 73% of decision-makers say retail digital transformation initiatives have not yet reached the frontline.

With store associates in mind, where should retailers focus their technology investments and digital transformation efforts?

We asked associates what they valued most about their smartphones and scanning devices when doing daily tasks – and to rank the 3 factors most important to them.

The data indicates that associates truly value features that make their lives easier and remove hassle.

70%

The ability to use their devices for multiple tasks and instant access to information were ranked in the top 3 for 70% and 67% of respondents respectively.

Advice from the Frontline

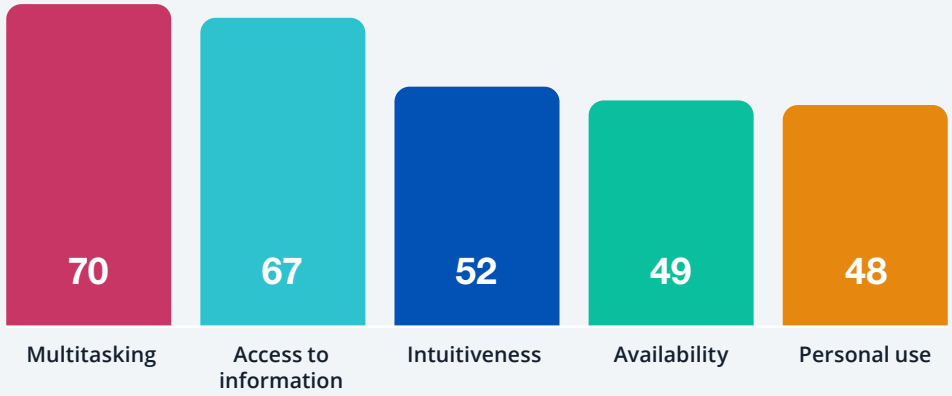
"The device needs to be integrated with the systems we have now so we can access information easier."

Electronics store respondent

Most Valued Features of Devices

What do you like most about using a smartphone / scanning device in your daily tasks?

% of respondents ranked factor in the top 3



The Most Valued Feature Per Country

Multiple tasks



Product information



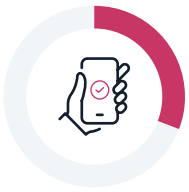
Usability



US Data Spotlights

Closely following the number one factor of multitasking for US respondents were access to information and device intuitiveness.

What do you like most about using a smartphone / scanning device in your daily tasks?



31% Multitasking



27% Access to information



24% Intuitiveness

% of respondents ranked the factor as number 1 (Top 3)



Scandit Insight

Key point – Democratize data for better decision making

In section 1, when evaluating reasons to leave, increasingly difficult customers were cited as a top 3 reason for 27% of associates, with the pain notably felt in the US where 31% listed it in their top 3.

For some time now, shoppers have been armed with information at their fingertips on their smartphones. They expect store associates to have the same if not better access, but this isn't always true.

1/4

A Teamwork Commerce report found that a quarter of store associates said they often or always have issues accessing inventory data when helping customers.

In retail, data can remain siloed and in backend systems. Democratizing data by getting it to the frontline where associates can action it enables better on-the-spot decision-making and customer support.

In addition to serving store associates with relevant insights, democratizing data also includes providing devices on a 1:1 basis to access such information. Enabling this democratization of data will reduce the frustrations during in-store interactions, boosting satisfaction for associates and customers.

Views from the Industry

"After introducing an inventory management smartphone app, one Metro store manager said he'd never seen such significant store operations changes. With one scan he had access to product-specific information, like descriptions and stock, on the go."

Pavel Ryukhov,
Head of Store Operations, Metro



Spotlight on US Store Associates

Overall, there are similarities between US store associates' attitudes to technology and their satisfaction levels. But there are some subtle differences.

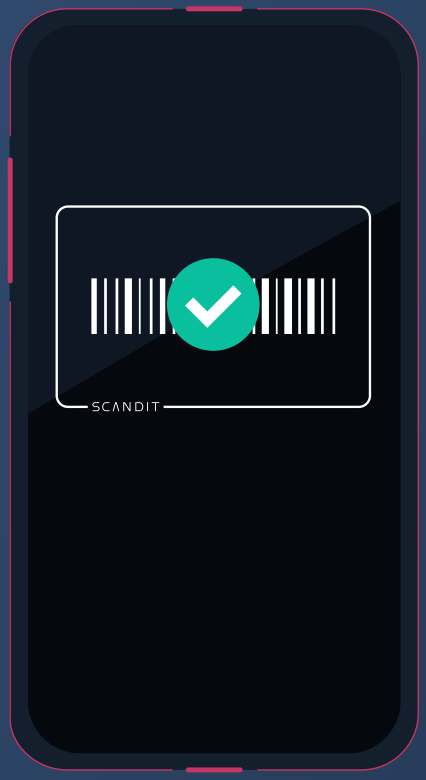
Devices and Happiness

A high percentage agree that their device impacts their job satisfaction.

Over two-thirds of respondents rated devices as important or very important.



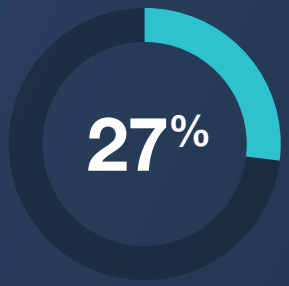
And US associates are the happiest with their devices compared to other countries.



Tech Investment and Links to Proficiency

I am happy with the device I use for my daily tasks and it helps me to do my job better.





US respondents felt their employers had made the most significant investments (27%) in technology, which could contribute to their speed of onboarding.

Over half (54%) said they were proficient in two weeks or less, one week faster than the global average.

The findings indicate that US retailers are ahead of other regions in adopting the latest technology to meet the needs of their associates. The region was one of the worst affected by the great resignation.

Perhaps retailers are already wise to the importance of providing the right technology with the aim of empowering, satisfying and retaining their workforce.

Section 3

Training Views and Time to Proficiency



Employee churn is a big pain point for retailers and it has been reported that churn rates sit at 60%. Indicating that just over half of store associates will change roles in the next year.

Constantly recruiting and training store associates is resource-intensive. The cost of churn is estimated to be $1,500 for an hourly worker.

Getting associates up to speed quickly helps to optimize efficiency. So not only are they onboarded and proficient, but they are enjoying work and finding it rewarding.

To learn more, we asked store associates how they rated the training to use their devices – and how long it took them to become proficient.

Quality of Training on Device Usage

Store associates were asked for their views on device training:

- **Quality:** Was the training clear and easy to follow?
- **Quantity:** Was there enough training provided?
- **Usability:** Was the device intuitive and easy to use?
- **Support:** Was support sufficient when things went wrong?

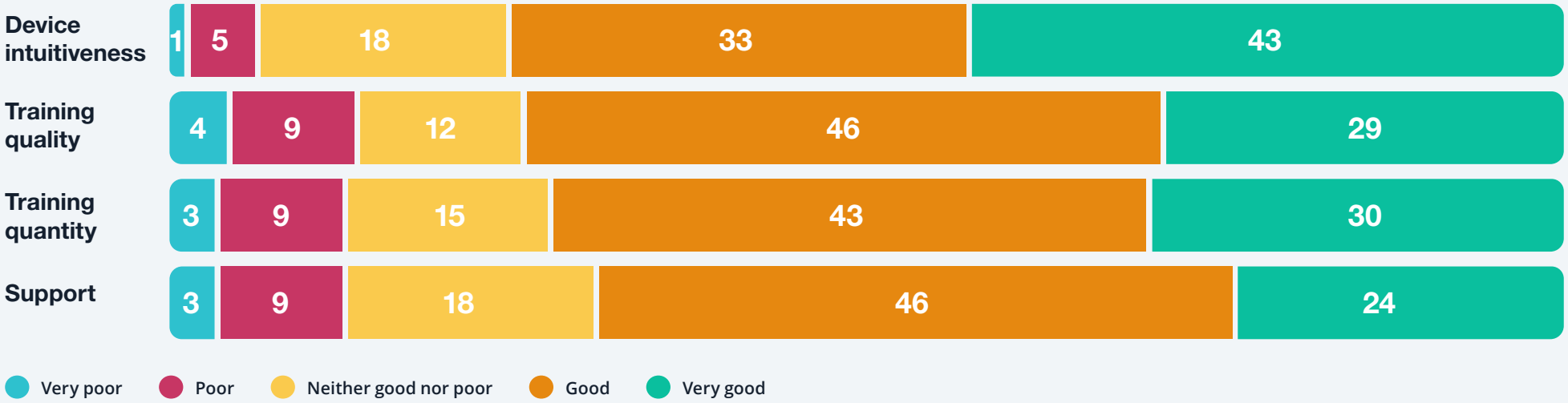
Our respondents generally rate their device training and usage as good – with all four factors receiving a good or above rating from 70% or more. Training is clearly a priority for most retailers.

12-14%

However, there is room to improve, with 12-14% of respondents giving a poor rating for training quality, amount and the help available.

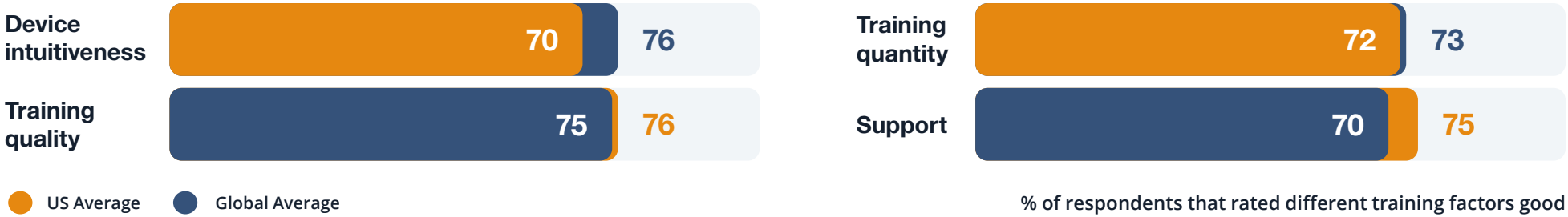
Device Training and Support

Firstly we'd like you to think about when you first started your current job, or first started using your current device, and the training you were given on the scanning device or smartphone you use to complete daily tasks. How would you rate the following?



% of respondents rated different training factors on a 5-point scale from very poor to very good

US Data Spotlights



% of respondents that rated different training factors good

Onboarding and Time to Proficiency

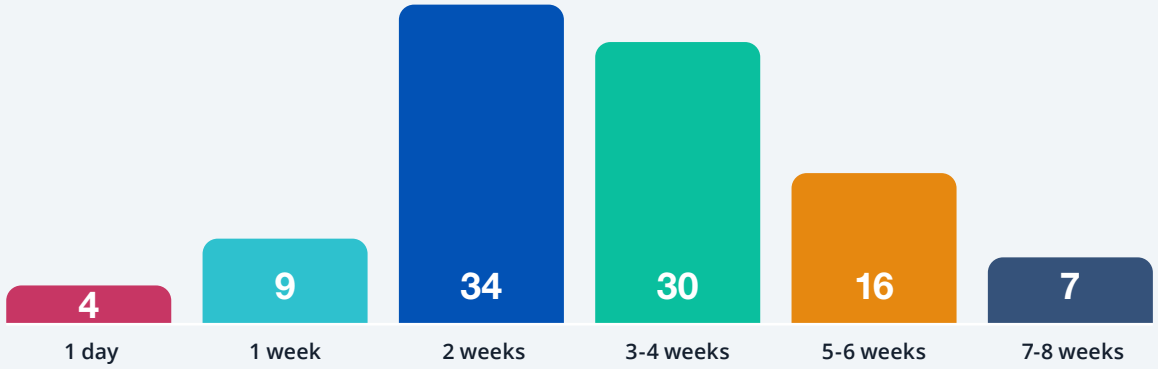
When associates started their roles, the average time taken to work with the same speed and effectiveness as more experienced colleagues was 3 weeks.

5+ weeks

Almost one-quarter said it took them 5 weeks or more to reach the same level of proficiency.

Time to Proficiency

Think back to when you were issued with / started using your device. How long did it take you to get up to speed with using the technology provided and to work as effectively as more experienced colleagues?



% of respondents reported how long it took to get up to speed.

Advice from the Frontline

"To optimize performance, make sure devices have user-friendly interfaces."

DIY store respondent

US Data Spotlights

On average it took US associates one week less to become proficient than other regions. 39% said it took them two weeks and only 18% said 5 weeks or more. Training levels had similar ratings to global averages so another factor must be at play.

The data reveals that younger US employees (under 18, 18-27) adapt quickly to new technology, requiring less time to reach proficiency. Hinting to their position as digital natives.

Scandit Insight

Key point – **Accelerated onboarding boosts productivity**

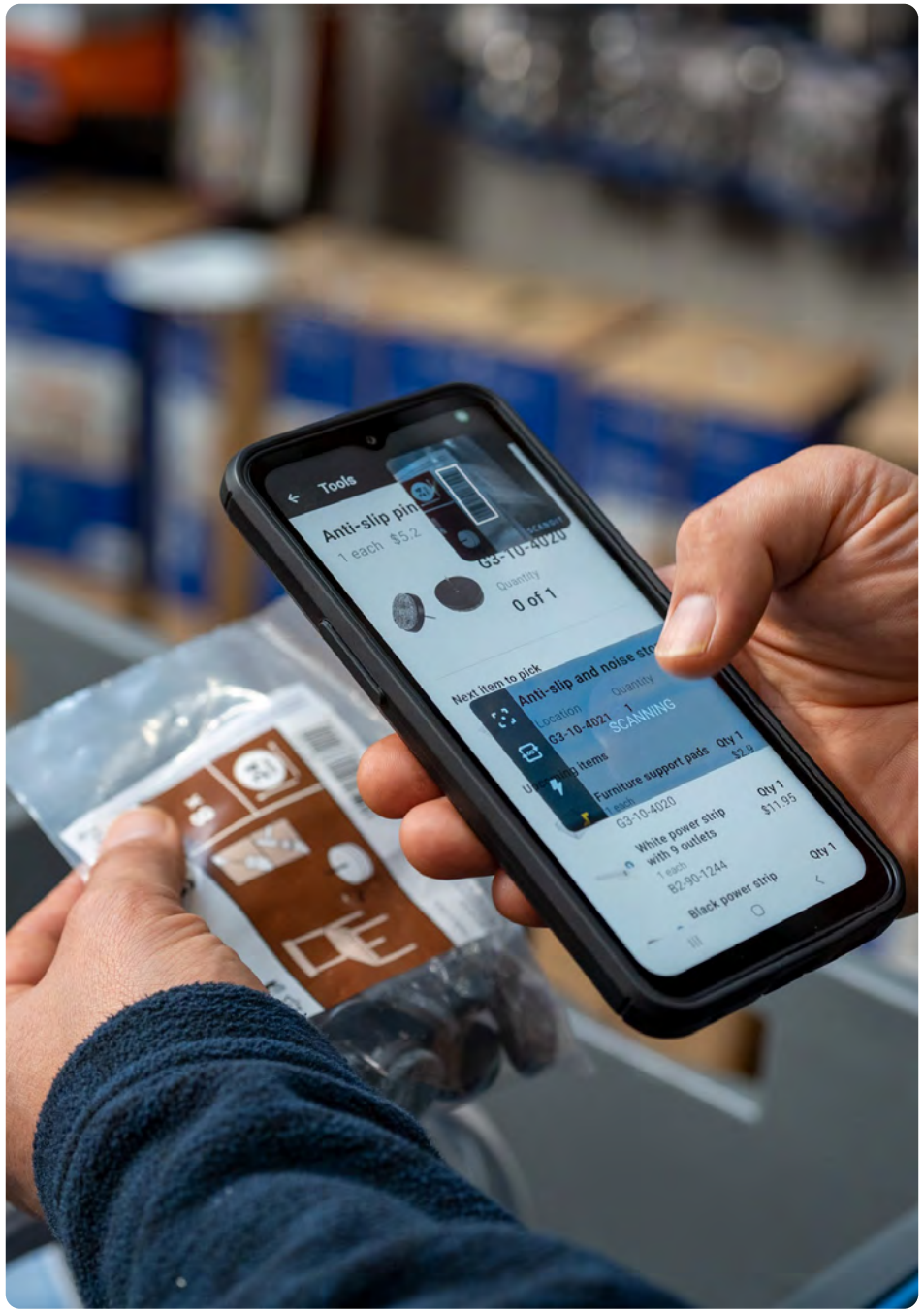
Although general ratings were good for training and support, a significant percentage when spread across a global workforce were indifferent about training or said training and support were poor (over 10%). This can affect how productive and satisfied store associates are.

For gig or temporary workers, taking 3 weeks or more to get up to speed can impact a retailer's ability to execute operations at peak times. Especially when the length of employment might only be 6 weeks.

With new associates arriving frequently, finding ways to accelerate onboarding will be key to productivity and retention – positively impacting the bottom line.

If resources or time prevent more in-depth training, device intuitiveness has an even bigger role.

Aligning with the desired features from section 2 – making user interfaces and workflows as intuitive as possible can speed up time to proficiency and slow down churn rates.



Section 4

Attitudes to Technology Investment



Gartner predicts that global retail spending on technology will reach $262.6 billion in 2027.

Technology buying goes in cycles. Investments are made in hardware with a specific ROI in mind. At times of economic downturn, retailers can be tempted to 'sweat assets' and use them beyond their planned time frame.

As devices come to the end of their life, it can leave store associates feeling frustrated with old technology and underinvested in – potentially tempting them to seek a new role at a retailer where the technology is best-in-class.

So we asked them if they feel their employer invests in technology to help them do their jobs better – and how happy they are with the devices provided.

Perceptions of Technology Investment

The data tells us that 60% of respondents feel that their employers have invested in technology to help them do their jobs better.

40%

However, this means 40% don't see their employer investing in their tech needs and 20% actively feel it's not a priority for their employer.

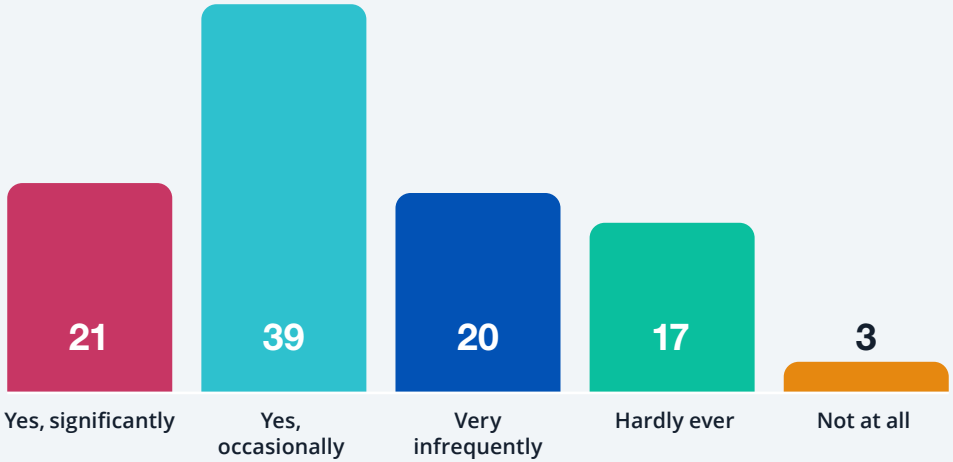
Advice from the Frontline

"Be innovative!"

Convenience store respondent

Perceptions of Technology Investment

Do you feel your employer invests in your day-to-day technology to empower you / help you do your job better?



% of respondents and their views on employer technology investment



US Data Spotlights

27%

US respondents felt their employers had made the most significant investments (27%). Indicating that US retailers are ahead of the curve when adopting new technology.

DIY and hardware retailers ranked highest with 80% of US respondents stating their employers were investing in technology – sports and hobbies ranked the lowest at 53% of respondents.

Overall Device Happiness

When it comes to overall happiness, 72% said they are happy with their device and feel that it helps them do their job better.

However, 12% of US respondents disagreed with the statement, suggesting room for improvement. An open question to store associates offered insight into what those improvements might be. We asked them if you could give one piece of advice to your employer about the smartphone/scanning device you use, what would it be?

Get more updated apps for us to use.

Electronics store respondent

Give us examples of best practices for efficient and secure scanning.

Grocery store respondent

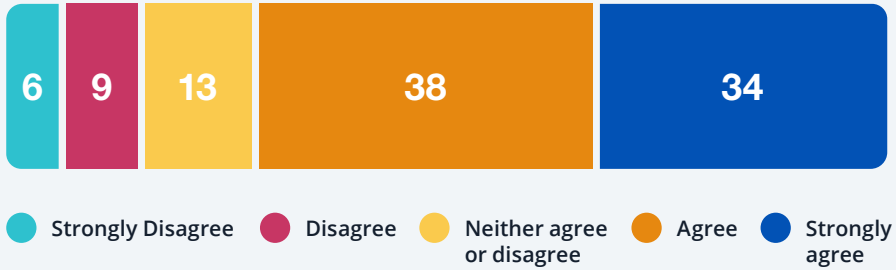
Be more aware of what we need to make our business grow, not just now but in the future.

Fashion store respondent

Device Happiness

To what extent do you agree or disagree with the following statements?

– I am happy with the device I use for my daily retail tasks; it helps me do my job better.



% of respondents on how strongly they agree with the statement on a 5-point scale

% Agreed Split by Country

US store associates are the happiest compared with other regions when it comes to the device they use.

US **77%**

UK **73%**

Germany **68%**

Japan **71%**

France **74%**

Spain **64%**

Italy **71%**

Scandit Insight

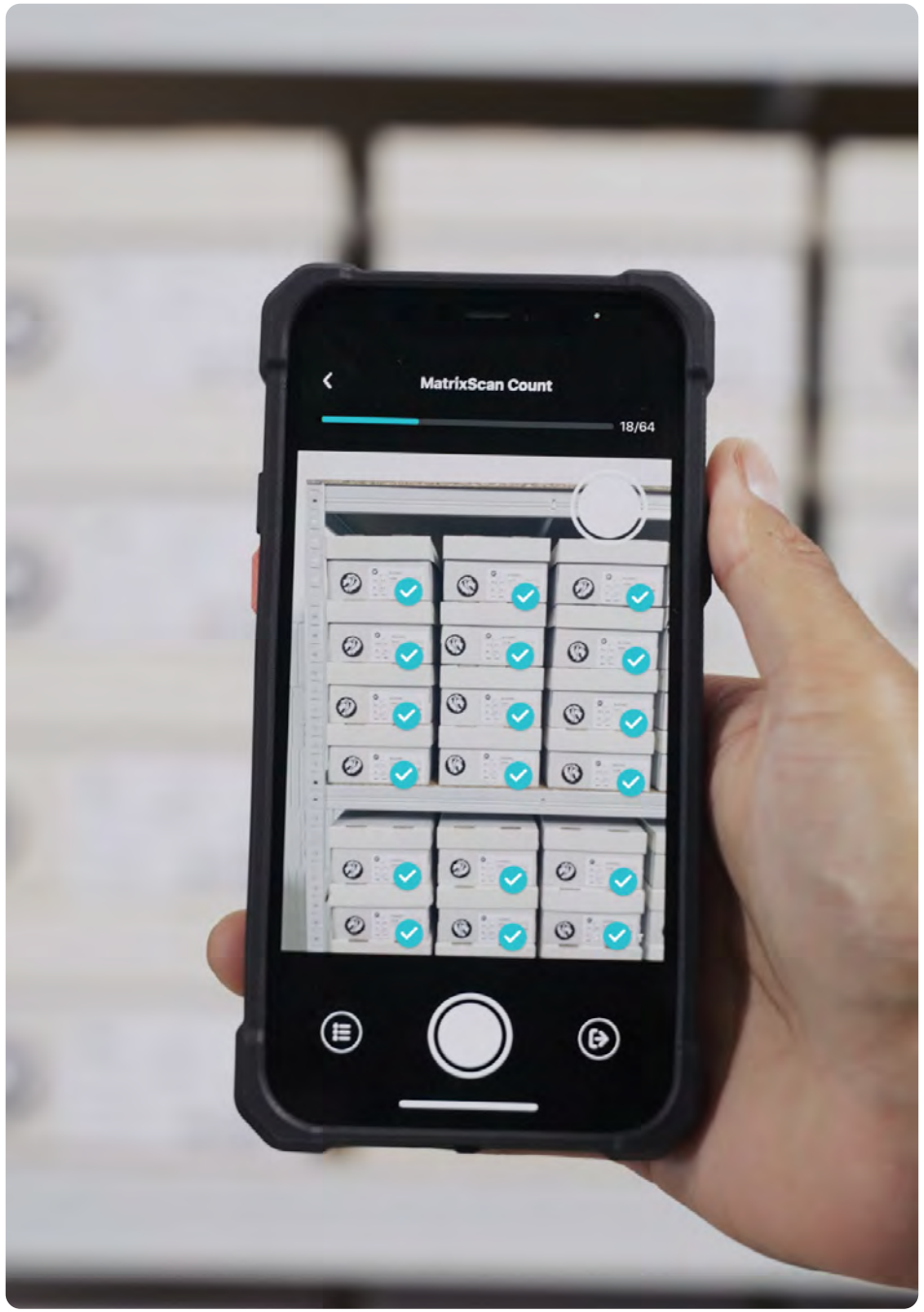
Key point – Establish a platform for innovation

A difficult balance exists between employee happiness and the cost of identifying, testing and deploying new technology – especially when any period of adjustment or transition could impact employee and operational efficiency.

At first glance of the data, it looks rosy for US retailers, they lead the way in device happiness. But diving deeper, there are still many unhappy store associates.

Associates generally accept their devices, but when asked in their own words what advice they would give their employer about them, upgrading to the latest technology was suggested by 21% of respondents. A lack of investment could dissatisfy store associates and increase churn risk.

A key takeaway for retailers is to find devices that can best support their current tasks and act as a platform for further innovation. Rather than incurring the high cost of new hardware, retailers should look for ways to augment their capabilities and regularly roll out new features that improve daily tasks and make their lives easier.



Section 5

AI and Automation Outlook



Job Security Concerns

We couldn't produce a report without mentioning artificial intelligence (AI) – probably the hottest topic in retail technology and one that has the potential to change retail work dramatically.

Data from a Nvidia study found that retailers that have adopted AI are experiencing economic benefits. 69% reported an increase in annual revenue and 72% said they decreased operating costs.

With this huge opportunity facing retailers, getting a jump on the AI era is a must. But what do store associates think about the impact of new technologies – specifically AI and automation – on their core work tasks and, ultimately, their job security?

50/50

Regarding job security, store associates are split 50/50.

50% have real concerns but don't think the impact will affect them in the short term, more so over the next 2-5 years.

Advice from the Frontline

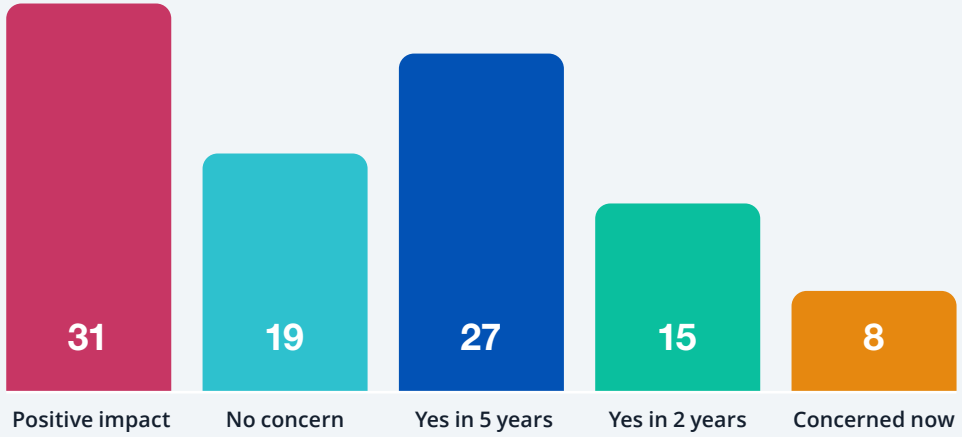
"Let us attend online conferences or webinars to learn about the current developments in retail."

DIY store respondent



The Impact of AI & Modern Technology

Are you concerned that modern technologies, like Artificial Intelligence (AI) or automation (e.g. self-service kiosks or automated inventory counts), will replace your core work tasks and affect your job security?



% of respondents and their views on the impacts of AI on a 5-point scale

US Data Spotlights



US associates coming to the end of their careers and those just starting are the most excited about the impact of AI and automation. 42% of those over 66 and 86% of those under 18 believe AI will positively impact their roles. 10% of those aged 18 to 65 are immediately worried about their job security.

1/3

Nearly a third (32%) of US respondents believe it will positively impact their roles by reducing stress and tedious tasks.

Scandit Insight

Views from the Industry

"The work associates do is evolving as retail becomes increasingly digital. With attitudes to AI split amongst workers, it's essential for retailers to ensure they are communicating the ways innovations like AI or automation can augment the human, alleviating mental strain or repetitive tasks."

Vsevolod Boikov,
Group IT Head, Apollo Group

Key Point – Carefully manage the message around AI and automation

AI has the potential to revolutionize the tools that workers rely on every day to carry out their jobs. For retailers, the in-store experience is a crucial part of their omnichannel strategies, a vital link between the brand and its customers.

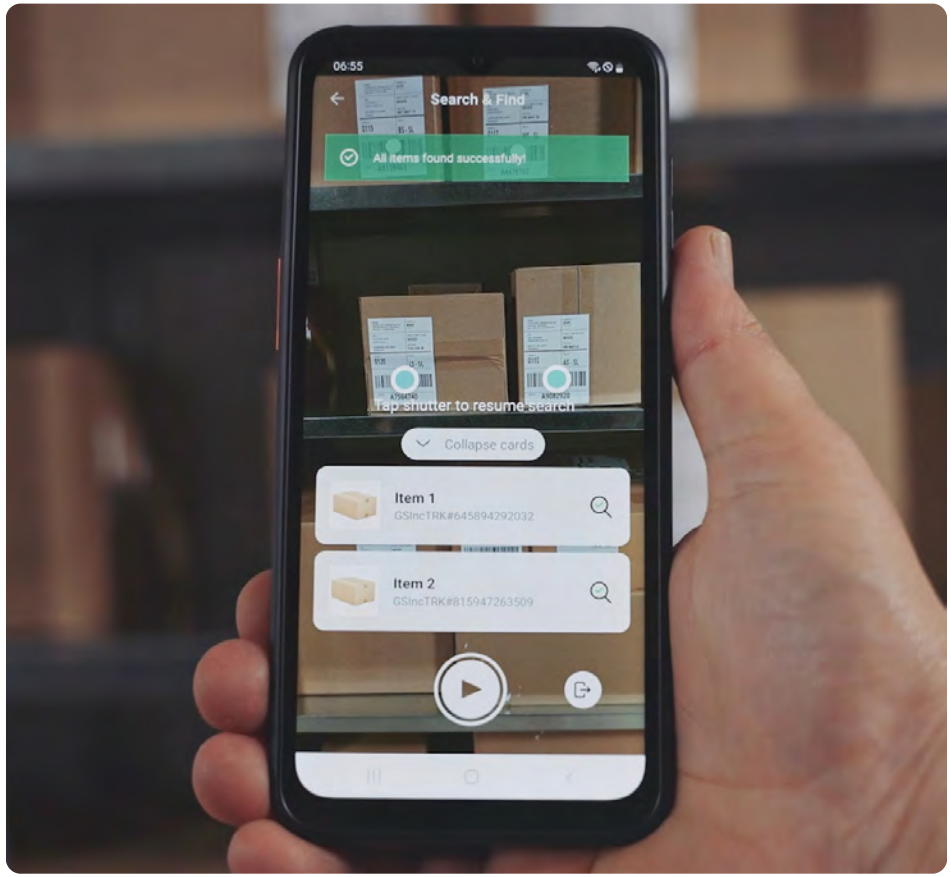
If store associates are better equipped to assist and engage with customers, it increases the likelihood of those customers returning to the store.

Moreover, many respondents mentioned an increased workload and tedious tasks as reasons to leave their roles.

Advanced tools can ease the burden on already stretched staff by enabling them to complete manual and repetitive tasks more easily.

As retailers get to grips with AI, it will be important to communicate that it isn't there to replace workers but to augment them so they can spend more time on varied and rewarding tasks.

Retailers will need to carefully manage the message and transition to new technology to ease the fears of those concerned but excite those keen to get started.



Summary

Store associates are a key component to retail success; their satisfaction is vital.

Benefits and flexibility must remain competitive, but there are other less obvious factors that retailers can invest resources into to achieve better outcomes.

Technology, training and effective communication about innovation play a big part.

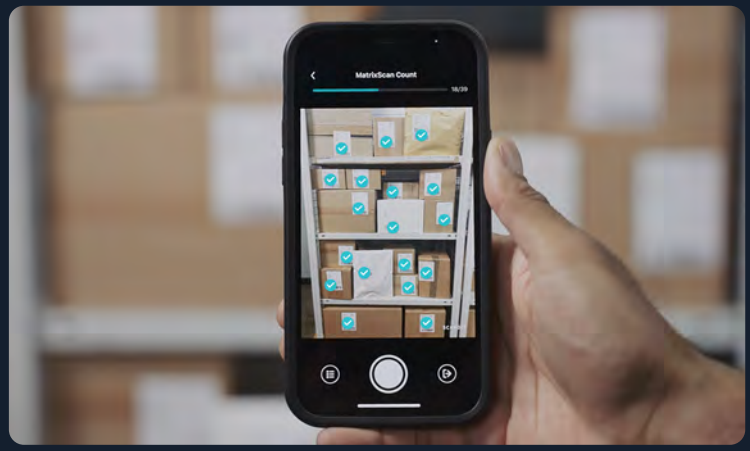
Providing associates with easy-to-use tools and access to real-time data helps them provide better customer service, equating to better business performance.

However, there can be a disconnect between their needs and the technology they use. Our data shows that many associates aren't happy with the devices provided, increasing the risk of churn.

To combat this, retailers should evaluate the technology provided and how up-to-date and intuitive devices are and act accordingly.

A clear message that technology augments associates, not replaces them is a must.

Investing in the right devices and capabilities that can serve as a platform for future improvements and upgrades can keep associates satisfied that their needs are being met while balancing costs.



Coming Soon!

Report 2 in this series lifts the lid on the capabilities that streamline tasks and customer interactions. It also uncovers the workflows where retailers have the biggest opportunity to improve working lives.

About Scandit

Scandit Smart Data Capture gives superpowers to workers, customers and businesses by enabling smart devices to interact with physical items by capturing data from barcodes, text, IDs and objects to automate end-to-end processes and provide actionable insights.

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