

Workplace 2025: Retail

What are the challenges now, and the opportunities for retailers to engage, enable and empower their workforce?

Change is the order of the day in the retail sector. While traditional bricks and mortar retailers face stiff competition from their online counterparts, e-commerce vendors too find themselves competing with more and more agile rivals. There is also considerable economic uncertainty in Europe and beyond, as the political and economic tectonic plates continue to shift. Meanwhile, by 2025, millennials will represent more than 50% of the workforce, and will redefine corporate culture around flexible working, a more open approach to collaboration, and more user-friendly and joined-up technologies.

In order to better understand these issues, PAC partnered with Fujitsu to interview more than 600 employees at large and mid-sized businesses in Europe. This report highlights key findings from the retail section of the study and provides insight into how end users in the sector see workplace technology and culture today and tomorrow.

PRODUCTIVITY ON THE SHOP FLOOR IS IMPROVING

The retail sector is already taking a more modern approach to what constitutes the workplace. What came out strongly in our survey is that there is considerable room for improvement in the technology available to staff on the shop floor. 75% of retail workers currently struggle with service outages on a weekly basis, usually caused by poorly managed legacy equipment, that may be slow and out of date. Modernizing the technology available to staff on the shop floor has a number of benefits: less downtime in store means increased productivity for staff to assist customers; standardization reduces costs; modern technologies tend to increase job satisfaction and even help an organization attract and retain talent.

In our survey, retail respondents said that on the whole, they believe shop floor employee productivity is improving. 68% said they believe it has improved compared to two years ago, while 26% believe it has stayed the same, and just 7% believe it is at a lower level. Many retailers report that they are able to improve productivity and job satisfaction for their retail staff with disabilities through the use of assistive technologies: these can include the likes of text magnification software, text to speech and tactile keyboards for those who are blind or visually impaired.



66%

of retailers see increased automation technology boosting productivity



75%

say major service outages negatively impact productivity weekly



15%

are not confident in their organization's ability to protect data in a robust and effective way

Other retailers said that increased use of mobile and wearable technologies help to give shop floor staff the data they need, when they need it and on the most suitable device for them. Enabling employees to access relevant information from anywhere in the store empowers them to better serve and engage with their customers.

Of course, data, and the technology used to store, manage, share and analyze it, can have a big impact on productivity in the retail sector. While respondents report that productivity is improving, it's clear that it would improve even faster if companies were not suffering so many major service outages on the shop floor.

ATTRACTING AND RETAINING TALENT IN RETAIL

What impact does the current retail environment have on its ability to attract and retain employees? The news was less than perfect: while 54% said it was positive or highly positive, 29% answered neutral and a disappointing 17% that they felt it was negative or highly negative. It has been shown that younger staff, particularly, are keen to have access to easy-to-use, mobile or wearable technology to help serve customers better. They want retail technologies that are as intuitive as the sort of web applications and wearable devices that they use in their personal lives as shoppers, yet these are often not yet available.

There was also disappointing news when it came to whether the culture and technology in retail encourages store associates to engage with customers and partners: 23% said it does not and nearly half said it only does 'somewhat'. Meanwhile half of retail respondents said its workplace experience supports the needs of a multi-generational workforce, which will become a pressing issue as more millennials enter the workplace, and indeed younger customers drive change in the retail experience on the shop floor as well as online.

However, a great deal of optimism was expressed about the potential impact of their organization's use of artificial intelligence in the workplace. 77% of our respondents said that they expect it to be highly positive or somewhat positive for personal productivity in the retail environment. One example could include the use of AI in self-checkouts to minimize losses in stores, whilst freeing staff to focus on delivering a great customer experience.

UNDERSTANDING THE SIGNIFICANCE OF DATA PROTECTION IN RETAIL

Another area that needs improvement in retail is around data protection. Some survey respondents said that they are not confident in their retailer's ability to protect its data in a robust and effective way. But with more and more mobile and wearable devices being used in innovative ways to engage with the customer how, where and when shop floor staff prefer, data protection needs to be paramount.

It's not just about protecting data, either. It's also about ensuring that store associates are provided with the data in store that they need to do their job. Yet many respondents (23%) said the retailer's ability to give them the right data in context was merely adequate, with a handful saying it is poor or very poor. Without the right data in the right context, it is not only productivity that can suffer but also the customer experience.

In better news, respondents said they are reaping significant benefits from increased automation and rapid deployment mechanisms in their retail workplace technology. Here process automation, artificial intelligence, wearables and even robotics will play a role for forward-looking retailers. One third said they are seeing strong benefits; another third some benefits and 22% said neutral.



17%

say the current workplace environment has a negative or highly negative impact on the organization's ability to attract talent



78%

expect AI and increased personalization of the customer offer to be highly or somewhat positive for personal productivity



23%

say their company's ability to give them the right data in the right context today is merely adequate

Overall then, productivity is improving, and there is a good proportion of respondents that spend most of their time on the move. But at the same time many are being held back by unplanned outages and device issues, and lack of access to the right data in the right context on the shop floor.

Retailers must not ignore key issues such as reducing the dependence on ageing technology that continues to hold back their ability to innovate and adapt, and also threatens data protection and security. By embracing the latest technologies, retailers have the best chance of serving more customers, driving up the customer experience, supporting staff with disabilities through the innovative use of technology, and attracting the most talented workforce. [For the full results of the study, and recommendations on how to get your workplace future-ready, please visit Fujitsu's site here.](#)