



VALUING THE BACKBONE OF THE RETAIL INDUSTRY: RETAIL EMPLOYEES

The Impact of the Retail Employees' Day (RED) in engaging the retail workforce
July 2016



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CREDITS

This whitepaper is a result of an independent impact assessment study on RED commissioned by TRRAIN and conducted by Sattva.

About TRRAIN:

TRRAIN is a public charitable trust formed in 2011 by Mr. B. S. Nagesh, with the vision of Empowering People in Retail and works to achieve immediate and lasting change in the lives of retail associates in India. Trrain is committed to upgrading the lives of people in retail, both at work and at home.

www.trrain.org

About Sattva:

Sattva co-creates inclusive businesses that are scalable, sustainable and globally relevant. By serving as a bridge between business and social goals, Sattva designs and implements solutions that can bring long-lasting social impact. Sattva works with corporations and social organizations to help them find their 'magic quadrant' where they can maximize their social impact along with economic value. As end-to-end program partners, Sattva helps organizations execute inclusive models that are innovative, economically viable and add equitable value to all the different stakeholders involved in the chain.

www.sattva.co.in

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FOREWORD



A midnight craving for pizza on a rainy day, or an urgent list of groceries for the house- there is always someone who wades through the water or hops onto his cycle to make these wishes come true for you at the earliest. Isn't it?

Every day, each one of us encounters these experiences of great customer service delivery provided by retail employees all year round. And yet, most often these pass by unnoticed and not acknowledged. In a country like India, with a population of over 43 million retail employees serving the customers daily, it's time to take a step forward and thank the most important pillar of the retail industry- the retail employees.

TRRAIN conducted an in-depth research in 2011 to understand ways to improve the lives of people

who work in retail, both at work and home. To our surprise, the feedback we received was that there was a lack of pride in working for retail amongst the community.

Keeping this in mind, a simple thought emerged amongst a team of five members at TRRAIN in 2011, leading to the creation of Retail Employees Day on 12th December. A day that unites the retailers and customers to come together and thank the retail associates for the untiring effort they put through the year.

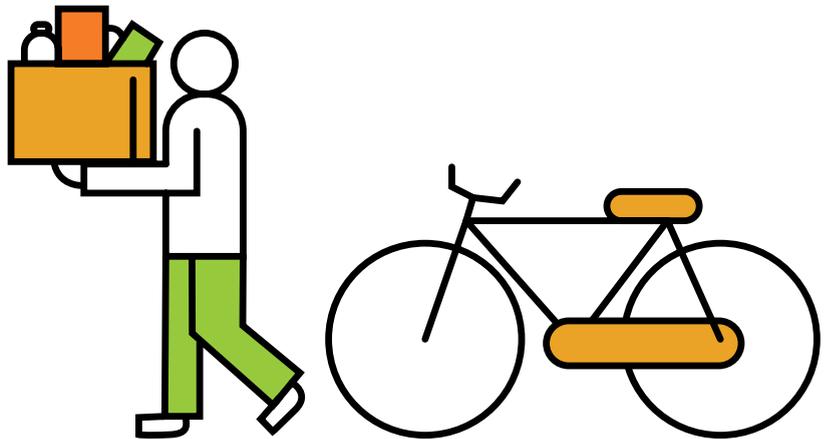
5 years later, we are pleased to announce that Retail Employees' Day is now widely celebrated by over 2 million retail employees in the Indian retail industry. Each retailer has adopted his or her unique way of celebrating the day with employees. It can be cake cutting to signed

thank you cards, a grand red carpet welcome for employees and family day celebrations at work. The HR team at every organization is striving to make the celebration bigger, better and more meaningful with each passing year.

In 2013, Retail Employees' Day inspired Boyner Group in Turkey to celebrate the day with its 12000 employees leading the entire country to take up the celebrations in 2014. Around 2 million people from the Turkey retail industry celebrated Retail Employees' Day.

Retailers who have been participating in Retail Employees' Day have noticed the importance & significance of this day in the life of a retail employee.

This report thus aims to highlight the impact of a single day of



At TRRAIN, we believe that with more retailers celebrating this day, it will become an industry wide celebration in India and across the world.

celebration on productivity and employee morale. Employees have credited Retail Employees' Day in creating a better working environment at the store level. The celebrations have started reflecting the sheer joy and pride of belonging to the retail industry amongst the employees.

We appreciate the efforts undertaken by the Sattva team in researching & publishing this report. We are confident that the insights gained from the report will encourage modern & traditional retailers to come on board and celebrate this day in India & Worldwide.

Regards,

Ameesha Prabhu
CEO, TRRAIN

EXECUTIVE SUMMARY

Retail is one of the fastest growing industry sectors in India and has seen remarkable transformation over the last 2 decades. India's retail market has the potential to grow from USD 630 billion in 2015 to USD 1,100-1,200 billion in 2020 on the back of a young demography, rising income levels and increased urbanisation.

The retail industry employs over 43 million people, making it the second largest employer in India. As the industry evolves, employee engagement, talent management and training are key challenges that are yet to find suitable solutions. There is a growing realisation that happier employees create a better store ambience, resulting in far more effective customer interaction and sales.

Trust for Retailers & Retail Associates in India (TRRAIN) was set up with the vision of empowering people in retail and achieving lasting change in the lives of retail associates. One of TRRAIN's flagship programmes is the **Retail Employees' Day (RED)**, started in 2011 in partnership with the Retail Association of India (RAI) in India. RED is celebrated in several unique ways by retail stores across the country on December 12th every year to applaud the efforts of retail associates.

Today, RED is celebrated by over 4 million people across 2 countries – India and Turkey, and has become one of the top 3 days in the retail calendar.

Five years since the inception of RED, TRRAIN has undertaken an independent study in order to determine the impact that Retail Employees' Day (RED) has on different aspects of employee performance, employee engagement and well-being in the retail sector.

The study has mapped the stakeholders involved in retail and conducted detailed one-on-one interviews with CEOs and HR heads of retail brands, focus group discussions with store managers, field visits to stores celebrating RED in Bangalore and Mumbai, and gathered



responses from over 200 employees. The qualitative data has been backed by secondary research on the retail industry and employee growth. The study has attempted to gain a deeper understanding of all the employee growth factors that are being positively impacted by RED.

This whitepaper examines the impact of RED at 3 levels:

Impact on the employee

Impact on contribution to business outcomes

Impact on the retail industry

The study found the following:

Impact on employee: All stakeholders spoken to agreed unanimously that RED has a high impact on employee engagement and employee morale

🛒 **Employees feel recognised and valued for their efforts** through the public appreciation received from within and outside the organisation

🛒 **Employees value the interaction opportunities RED provides** with store managers, customers, teams, the top management of the company and other retail brand employees

🛒 **There is increased bonding and camaraderie** built among the store employees and between employees and their superiors

Impact on business: While there has been some impact on business indicators like sales and employee retention, it is difficult to isolate the direct impact of RED on business outcomes considering various internal and external factors. However, RED has enhanced employees' ability and motivation to contribute to business outcomes:

🛒 There is a definite **increase seen in the productivity** of retail employees.

🛒 There is **improved team work and relationship building** among store employees and with their superiors leading to a better working environment at the store.

🛒 The **immediate positive energy created by RED helps employees perform better** in terms of sales and customer service during the busiest festival seasons in the year.

At a larger level, RED has become **an opportunity to bring together key**

Impact on the retail industry:

 **Stakeholders from several retail brands, product owners and mall owners** to engage with each other over a common purpose, as one retail fraternity.

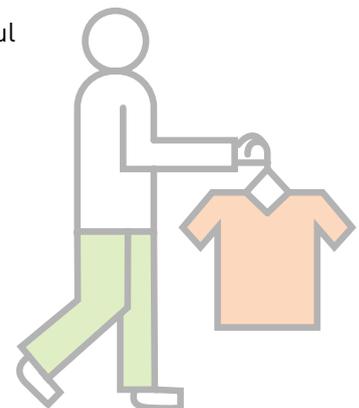
RED is unique in the fact that it has provided an **avenue for interactions between retailers and their supplier product companies** and between **people working for different brands.**

Through the entire industry standing together as one to celebrate their retail associates, it has also brought about a **sense of pride and belonging** among the retail workforce.

Here is a summary of how various retail stakeholders perceive the impact of RED on key aspects of employee growth and engagement:

	CEO	HR	Store Managers	Store Employees	Malls
Morale					
Productivity					
Customer Service					
Employee Engagement					
Team-work					
Attrition					
Absenteeism					
Ownership					
Sales					

 No impact  Somewhat impactful  Definitely impactful



About the study

Assessing the Impact of Retail Employees' Day (RED)

Retail Employees' Day today has grown to become one of the top 3 calendar days in the retail industry. The executive leadership of retail companies set aside time and budgets every year for this day. Customers have become an integral part of the celebrations. Celebrity endorsements for RED have been significant over the years. There are cases of several innovations in the way in which the day is celebrated by stores, brands and malls.

🛒 **However, has the initiative brought about a positive change in the lives of the employees?**

🛒 **Has it helped create better affinity for the job and engagement at work?**

🛒 **Has it positively impacted employees in enabling them to perform better at business outcomes like sales and customer service?**

The study sought to gain a deeper understanding on the impact RED has had by measuring the same at 3 levels:



1 Impact on the employee



2 Impact on the business outcomes

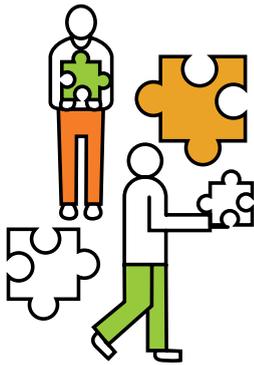


3 Impact on the retail industry

Impact of RED measured at 3 levels

Methodology

The impact assessment took an approach of engaging with stakeholders at all key hierarchies in the retail value chain to understand how they perceived the impact of RED.



Stakeholder mapping



Data collection through
1-1 interviews, Focus Group
Discussions and surveys



Impact assessment methodology

The study was conducted as a 4-step process:

1. Stakeholder Mapping: An exhaustive identification and mapping of stakeholders in the retail ecosystem
2. Secondary research on the retail industry and employee engagement trends
3. Data Collection: 25 top management personnel (including CEOs, Operations Heads, Marketing and HR Heads of companies, mall owners), 25 store managers and over two hundred retail frontline employees were interviewed for the purpose of this study. The following activities were undertaken to obtain feedback
 - 🛒 Interviews with store stakeholders across retail stores in the cities of Bangalore and Mumbai
 - 🛒 Interviews with the top management of companies, store managers and retail associates



Field visits and interaction
with employees



Synthesis and analysis

- 🛒 Interviews with top management in malls and the Retail Association of India (RAI)
- 🛒 Surveys to over 50 people among top management in retail, HR heads and store managers
- 🛒 Focus group discussions and interactions with the store retail associates
- 🛒 Field visits to RED celebrations in Mumbai and Bangalore

4. Data Synthesis and Analysis: Qualitative feedback gathered via primary research was consolidated along with the survey results and synthesised with extensive secondary research across diverse retail formats and cities.

The study engaged with a wide cross-section of store types, from small multi-brand retail stores to large single brands and mall format stores in the segment of food, fashion & apparel, accessories, sports and other lifestyle goods.

A cross-section of retail brands were engaged on the study



Limitations of the study

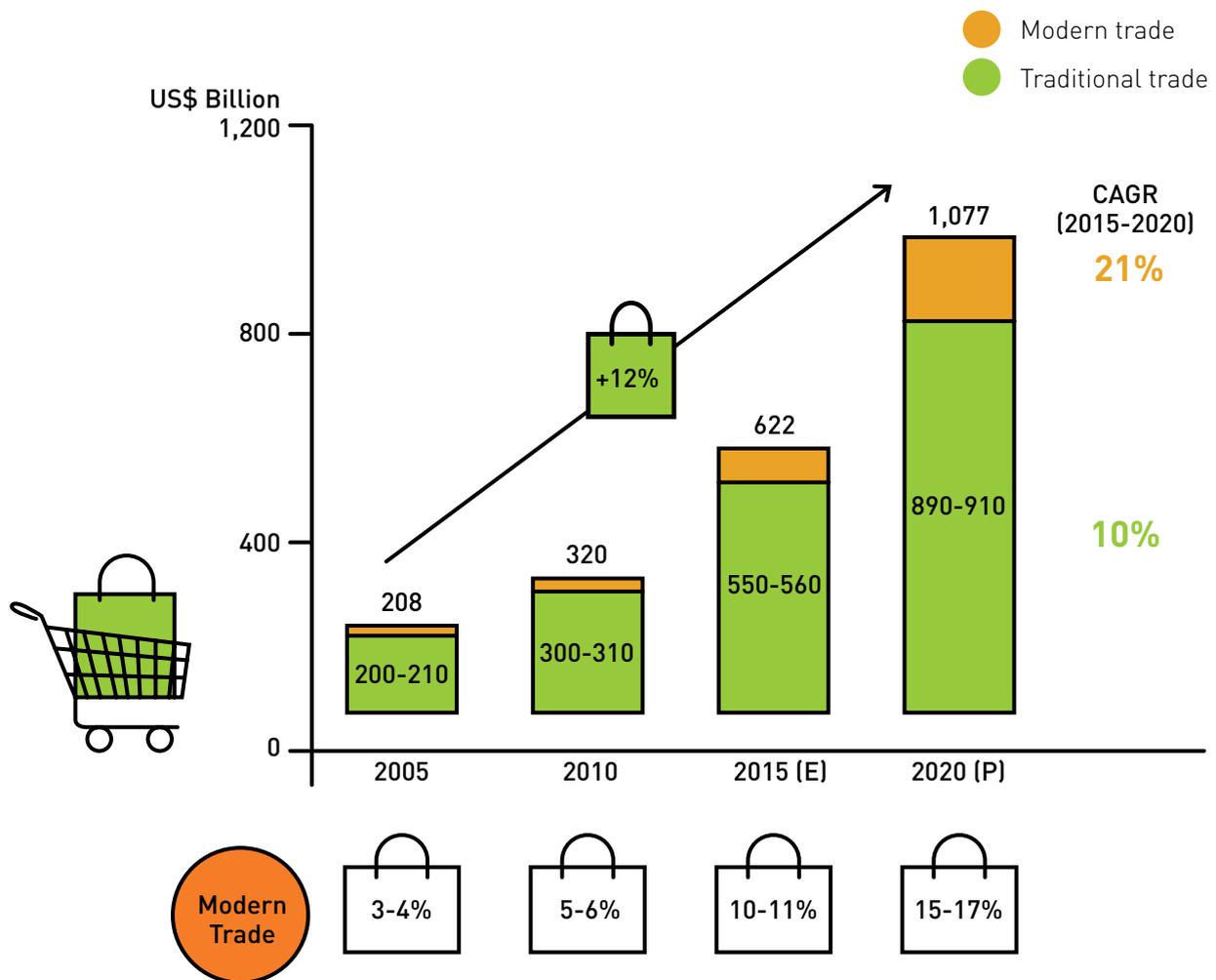
This study was done as a dipstick to assess the perception of various stakeholders on RED. While it is rich in qualitative inputs, it does not have rigorous quantitative data to support the findings. Business data from the participants of RED was not available and hence the impact on business performance has also been qualified through perception-based feedback.

Given that RED celebrations are held once a year, it becomes critical to build a robust approach to isolate the impact of the event. This has been the first time that an impact assessment was undertaken for the RED initiative. Going forward, Sattva recommends setting up a monitoring framework to track key indicators and perceptions over a period of time to understand the stand-alone impact created by RED.



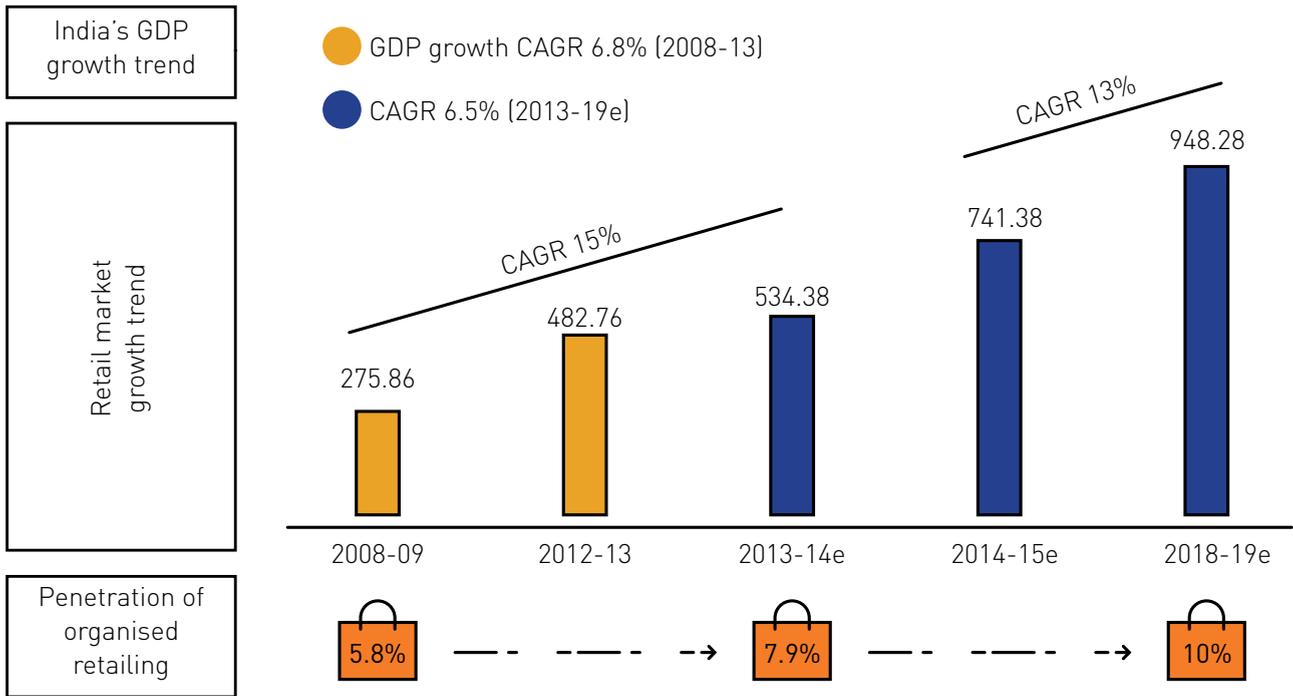
Indian Retail Sector

India has emerged as one of the most attractive retail destinations in the world. With a current market value of INR 15.5 trillion, 15 million retail outlets and a CAGR of 15 to 20%, retail is one of the fastest growing industry sectors in India. India's retail market has the potential to grow from USD 630 billion in 2015 to USD 1,100-1,200 billion in 2020 on the back of rising income levels and increased urbanisation, says a report by the Boston Consulting Group and CII.



Predicted growth of retail in India

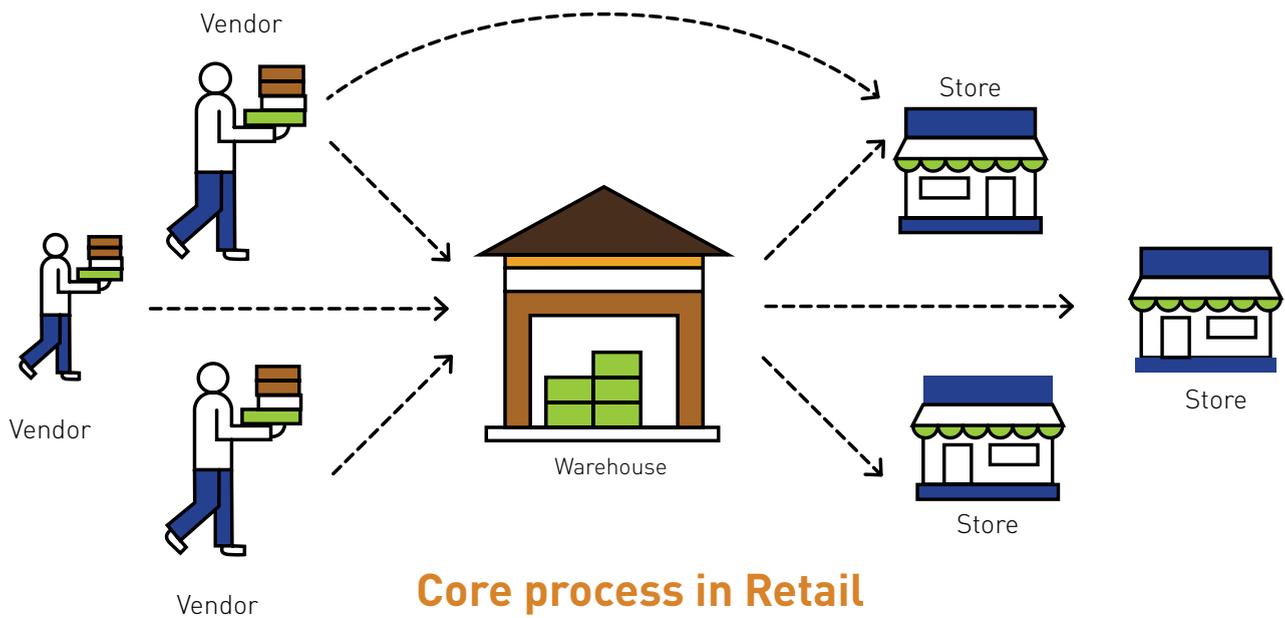
Source: BCG-RAI Study 'Retail 2020: Retrospect, Reinvent, Rewrite'



India's retail sector-size and growth chart

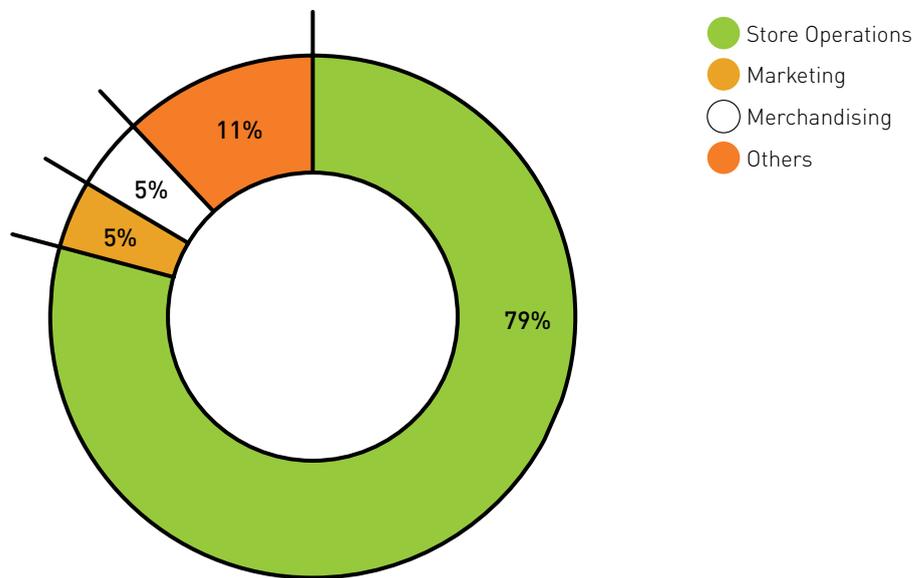
The retail sector engages 43 million employees in the industry, making it the second largest employer in the country, providing over 10% of all formal jobs.¹ Retail jobs are fast growing - according to an NSDC report, India needs over 56 million skilled workers by 2022 in order to support the booming retail sector growth. Front-end retail workforce in stores form a major proportion of the employment in the retail sector while store operations account for almost 79% of the total manpower employed in organised retail.

¹IBEF Report: Retail Industry in India, NSDC report on retail industry



Value chain of retail sector

Source: NSDC report on Organized Retail skill gaps



Distribution of employment in retail industry

Source: NSDC Report on organized retail

While the retail sector is credited as being one of the largest employers, retaining and engaging its workforce has remained a challenge. A survey conducted by TCS and Retailers Association of India (RAI) between 2012 and 2013² discovered that a third of Indian retailers are seeing attrition rates of more than 8% per month which translates to over 100% a year.³

From an inability to cope with the strenuous nature of shop floor jobs to constant expectations of high performance, lack of a visible growth trajectory, disconnect with superiors and team members and insufficient recognition programmes, there are several documented reasons for high turnover and less than desirable engagement among shop floor employees in retail.

² http://www.business-standard.com/article/companies/a-third-of-retailers-facing-100-attrition-tcs-rai-survey-113021100687_1.html

³ <http://www.tcs.com/SiteCollectionDocuments/White%20Papers/Consulting-Whitepaper-Indian-Retail-Operations-Benchmarking-Excellence-Survey-0113-1.pdf>





TRRAIN

Given the aggressive growth projections in Indian retail, the effective engagement of employees in the retail industry is an increasingly critical requirement to accelerate growth by providing exemplary customer service levels and maximising sales.

Making employees feel valued and striving to build genuine relationships with them can help create loyalty, boost performance and nurture positive attitude. This in turn is crucial to hitting sales targets.

It was in this light that Mr B.S Nagesh, Non-Executive Vice Chairman of Shoppers Stop, established the Trust for Retailers and Retail Associates of India - TRRAIN in 2011, with the objective of achieving immediate and lasting change in the lives of retail associates in India.

TRRAIN has undertaken various initiatives to enable retail associates to upgrade their skills through TRRAIN Education Program and build pride and dignity through the TRRAIN Retail Awards and Retail Employees' Day. TRRAIN's initiative on building an inclusive retail work force by training and employing People With Disabilities in retail roles through the project Pankh (a TRRAIN- Youth4Jobs Foundation initiative) has received tremendous support from the industry.



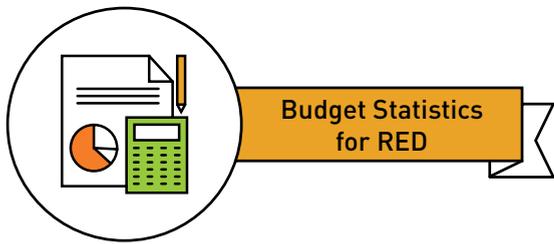
Cake cutting by members of Panda Retail.

Retail Employees' Day

The contribution of shop floor employees among retail employees is undeniable as they are essentially the 'face' of the business – they hold the relationship with the customer, and the effective engagement of these employees is a fundamental part of successful workforce management.

It is in this spirit that Retail Employees' Day was started. RED is celebrated on the 12th of December every year, encouraging employers and customers to recognise the efforts of retail associates across the country and express gratitude for their untiring support.

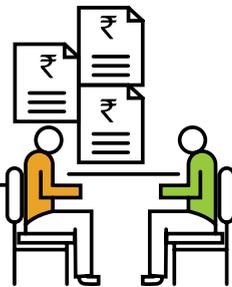
Since its inception in 2011, RED has grown to reach over 4 million employees across 2 countries – India and Turkey. RED has found widespread acceptance across retailers and brands of all sizes and across geographies. Planning for RED starts over 1.5 months in advance leading to buzz being created one week before the day. Most companies have a separate budget crafted to carry out activities on this day. Top management blocks their calendars every year for RED and visits stores. It has become an occasion for employees from HOs and stores of different brands to celebrate together.



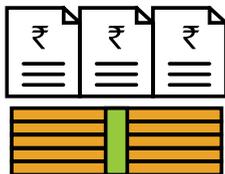
Budget Statistics for RED



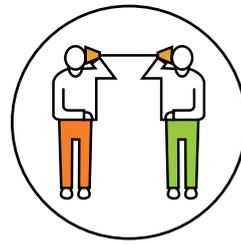
Per Employee Budget
Rs. 100-1000



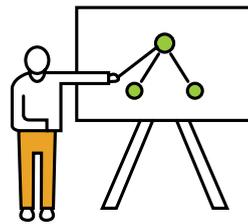
Average Budget/ Employee
Rs. 300



Total Budget Spent
1L-50L

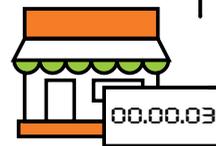
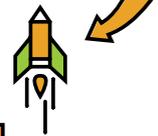
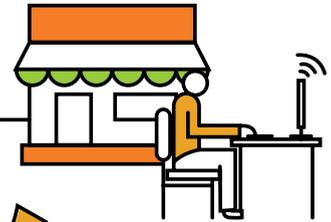


Communication Approach for RED



HRs starts planning for RED
1-1.5 months in advance

Store Managers get communication
2 weeks in advance



Countdown in stores starts
a week in advance

Planning for RED

Source: Study

In 2015, the buzz around Retail Employees' Day was greater than all of the previous years – it received 16 letters from the Ministries of Central and State Governments of India and a letter from the Prime Minister of India Shri Narendra Modi, congratulating TRRAIN & the Indian retail industry on this joyous occasion.

The event also received support from brand ambassadors across multiple brands; renowned celebrities like Salman Khan, Boman Irani and Virat Kohli tweeted and shared video messages thanking all the retail associates. RED 2015 garnered an estimated digital footprint of 10 million.

RED Timeline of Growth

An increase to **150+ retailers**, along with **500,000 people** participating in the event



2011



Few retailers along with **20,000 people** celebrated the first ever Retail Employees' Day

2012



The concept went international with **160+ brands** and inspired by Boyner group in Turkey to celebrate the day with its **12000 employees**

2013

The entire country took up the celebration with **2 million** retail associates celebrating in Turkey

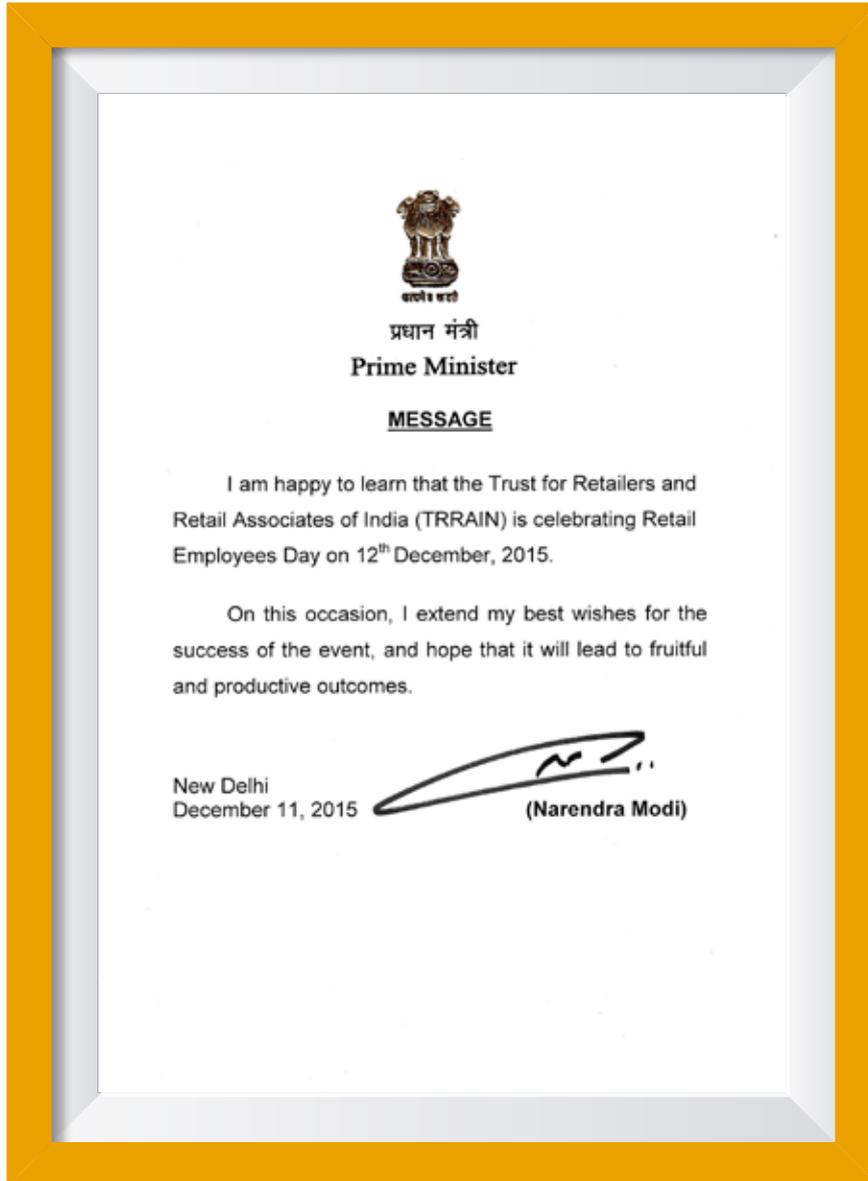


2014

2015



Outreach extended to **350+ retailers. 70 shopping** centers and **4 million people** in India and Turkey. Elicited acknowledgement and excitement from celebrities, governments and customers.



Today is #RETAILEMPLOYEESDAY, A special thanks to all my wonderful team at Being Human stores.

- Salman Khan
Celebrity (via Twitter).

People in retail industry provide service to end consumers tirelessly throughout the year including weekend, festivals and public holidays. I extend my best wishes to all of them on the occasion of retail employees day

- Devendra Fadnavis,
Chief Minister,
Maharashtra State.

Happy RED to all retailers and their employees! Special wishes for my favourite retailer MOM&ME which continues to spread happiness

- Anand Mahindra,
Chairman & MD, Mahindra
group (via Twitter).



VIJAY MUMAR

Impact of the Retail Employees' Day: Results of the Study

With **4 million** people celebrating it across **2 countries**, RED has become one of the top **3 days** in the retail calendar.

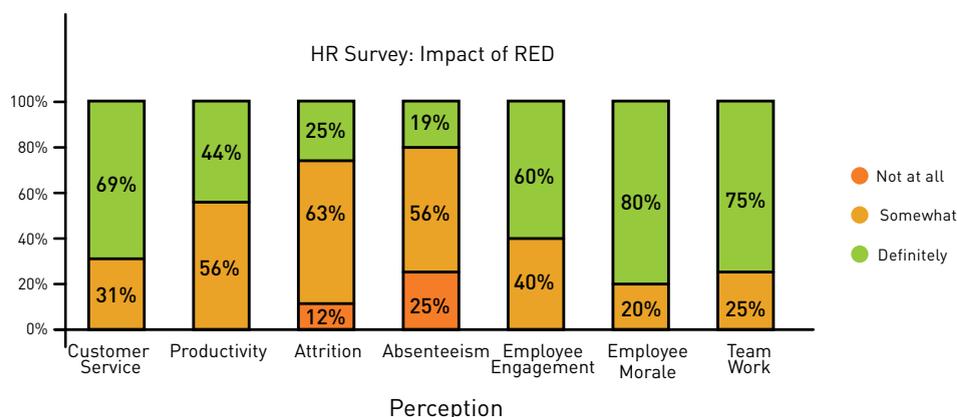
Five years after RED started as an initiative, the impact study looked to examine how the day has contributed to employee engagement, the contribution to business outcomes and on the retail industry.

The study mapped stakeholders in retail and conducted:

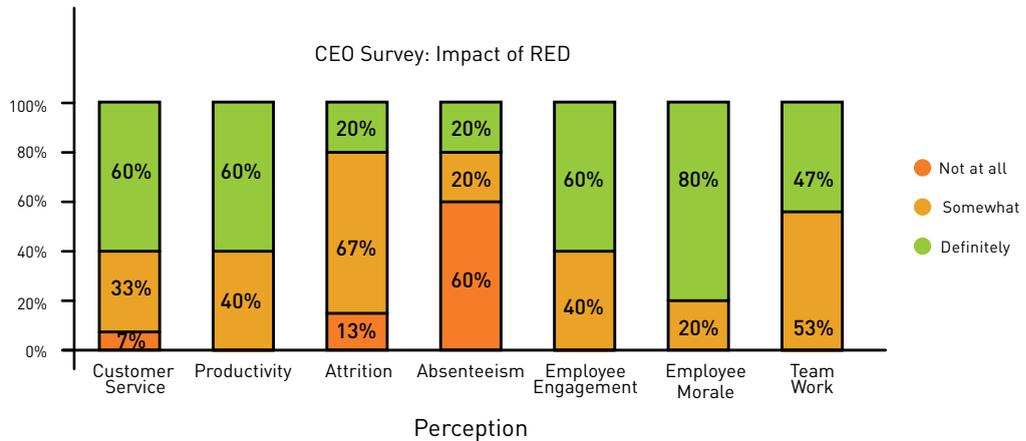
- 🛒 One-on-one interviews with 25 CEOs and HR heads of retail brands
- 🛒 Surveys with 50 top management personnel
- 🛒 Focus Group Discussions with store managers
- 🛒 Field visits to RED celebrations in Bangalore and Mumbai
- 🛒 Interviews with over 200 retail employees.

At a glance, RED has had a high impact on employee engagement and morale

- 🛒 Employees feel recognized and valued for their efforts
- 🛒 Employees value the interaction that RED provides with store managers, customers, teams and the top management of the company
- 🛒 There is increased bonding and camaraderie among store employees, and between employees and supervisors.



HR Survey: widespread agreement on RED being a great platform for employee engagement (Survey and interviews with over 16 HR heads)

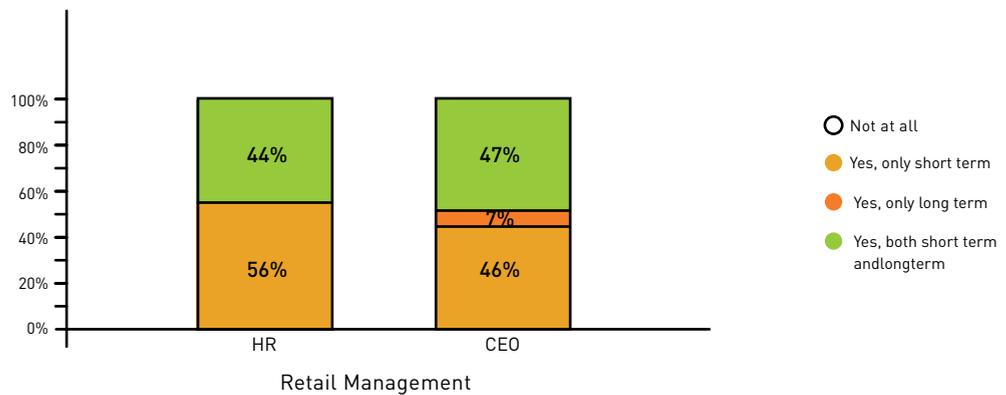


CEO Survey: RED has definitely had a positive impact overall on employee engagement and motivation.

(Surveys and interviews with over 20 retail CEOs)

RED has had a positive impact on short-term business outcomes, increasing customer service levels and sales potential

- There is a definite increase seen in the productivity of retail employees
- There is improved team-work and relationship building among store employees and with their superiors leading to a better working environment at the store
- The immediate positive energy created by RED helps employees perform better



HR and CEO Survey: Impact of RED on Business Outcomes

RED has helped the retail industry come together on one platform:

- Bringing from several retail brands, product owners and mall owners to engage with each other over a common purpose.
- Provided an avenue for interactions between retailers and their supplier product companies and between people working for different brands.
- Brought about a sense of pride and belonging among the retail workforce.



LANDMARK GROUP

THANK YOU

a Big Thank You

You make a difference to thousands of lives every day. And they all say

RETAIL EMPLOYEES' DAY DEC 12

lifestyle homecentre™ Splash



Impact of RED on Employee Engagement

People management process is an area where there has been considerably lesser progress in achieving maturity, according to a retail operations excellence study conducted by TCS and RAI.⁴ There is a growing realisation that happier employees create a better store atmosphere, resulting in far more effective customer interaction and sales.

Retail Employees' Day strives to increase employee engagement and boost affinity through various activities involving employees and the ecosystem that they engage with.

Our study records employee engagement as one of the biggest impacts of RED. All the senior management spoken to including retail CEOs, HR heads and store managers, perceive RED to be a strong avenue to create employee engagement.

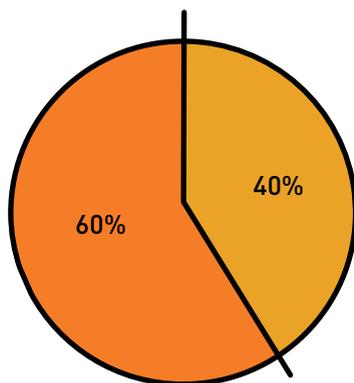


RED not only helps in achieving greater engagement levels with our employees, but it also helps us in engaging and involving customers in our celebrations

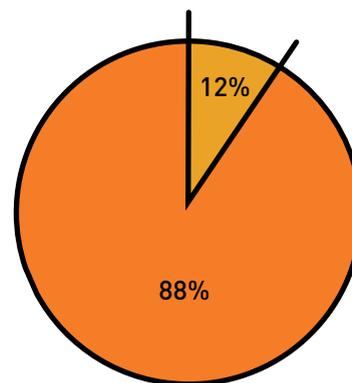
– Arvind Iyer, HR Team, Madura Fashion and Lifestyle



Impact on Employee Engagement
CEO Survey (N=15)



Impact on Employee Engagement
HR Survey (N=16)



● Not at all ● Somewhat ● Definitely

Is RED a strong avenue to create employee engagement?

Source: Study

⁴ <http://www.tcs.com/SiteCollectionDocuments/White%20Papers/Consulting-Whitepaper-Indian-Retail-Operations-Benchmarking-Excellence-Survey-0113-1.pdf>

Impact of RED on the Retail Industry

RED has often been quoted as the day that helps the retail sector stand together as one, unlike any other celebration. The fact that RED is planned, designed and celebrated with so much enthusiasm by every organisation level in the retail value chain, from single store formats to malls, makes it that much more impactful as an occasion for the industry to come together.

Creating pride for work among retail employees: RED started as a day to say a simple thank you to all retail associates and has now grown into a space for the entire industry to come together, recognize employee and celebrate the sense of belonging to the 'retail family'. Several people interviewed also stated that RED has helped change mindsets across the retail industry into valuing employees more.

The vision is to make the retail sector a more enticing option for people to seek employment in. Celebrating RED goes a long way in ensuring that employees believe retail being an exciting career option.

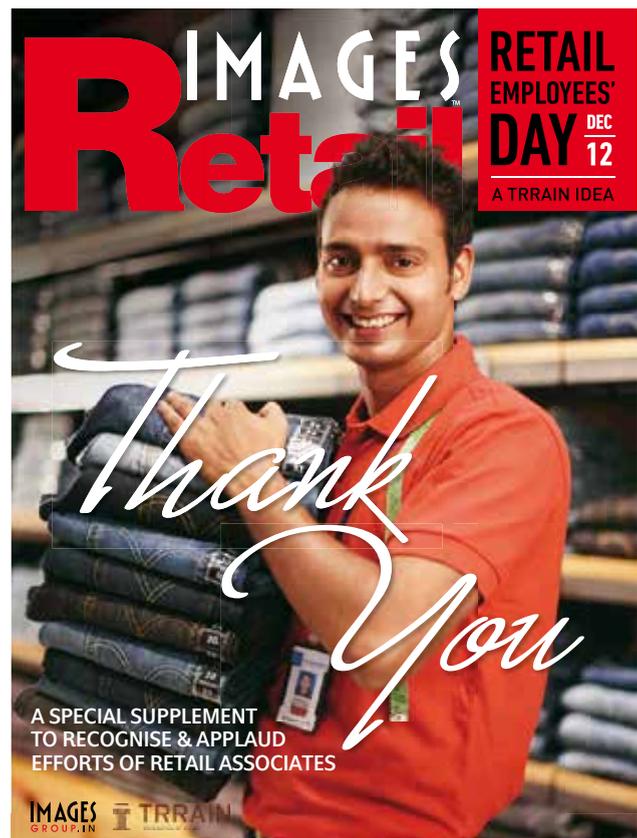
Connecting product companies and retailers: RED has helped product firms like Microsoft connect in a much stronger way to the retail associates that sell their products in outlets like Croma. Microsoft has been able to engage and thank the associates who are talking to their customers daily and helping drive better sales.

Malls as a platform for RED: Mall owners spoken to during the study are proud to be a platform for different retail brands to come and celebrate RED in their premises. This is a day even for mall employees and the mall's corporate teams to come together. Malls go further in engaging customers and retail associates throughout the day and are able to involve brands of all sizes, even the ones that celebrate RED in a small way. For malls, better service levels from

employees benefits them indirectly by bringing in more footfalls, which is crucial in an environment of tough competition.

A dedicated magazine for RED!

Images Retail, the leading magazine on the retail sector, released an entire 48-page colour supplement to talk about the stories coming in from hundreds of retail brands across the country.



“

“It is the busiest month for the retail sector, this day helps in bringing a lot of positivity and accountability on the part of the store employees. There is a sense of pride among the employees to be associated with the retail sector”

- HR Head, Enrich

“This day brings in new energy and the whole store is joyous and enthusiastic. We have cake cutting and snacks every year. We also have a speech from our MD. Company even offers us incentives on this day. It is like Diwali for us. Our sales manager is here with us today to celebrate this day with us. It gives us a sense of belonging when such senior persons come and enjoy with us. We are like a big family. Most employees here have been working for more than 5 years. It is this sense of belonging that keeps us going and keeps us loyal to this family. Like every year, even today we have an address of our MD over the radio. I remember he had said on the last Retail Employee Day that you are the actual players and we are just the support system. That gave us confidence that yes we are going on the right track. Such addresses push us to perform even better.”

- Store Employee, Metro Shoes

”

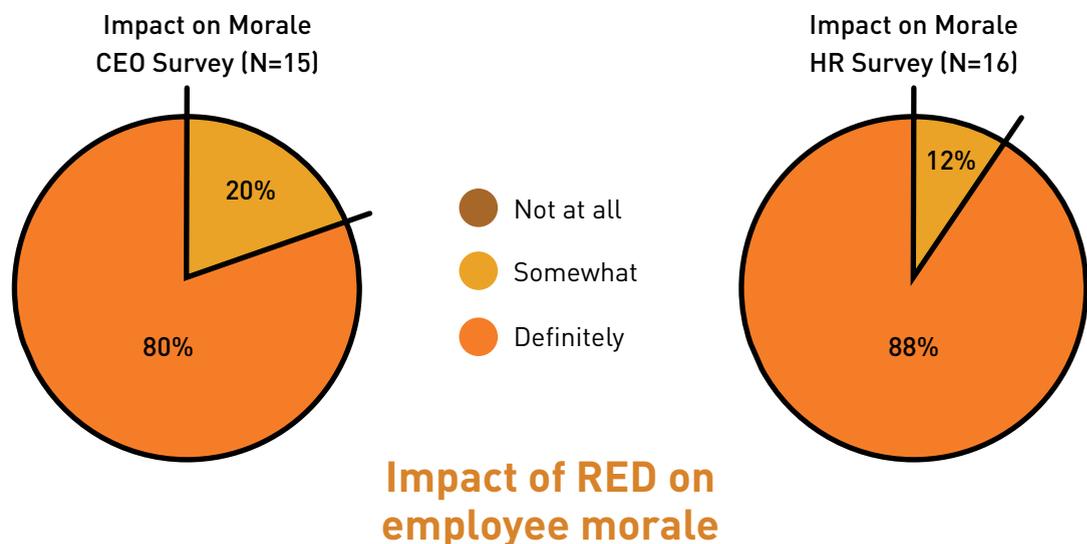
Employee engagement has helped establish a favourable environment for retail associates with the following outcomes:

1. Increasing employee morale

Research states that employee morale is attributed to the perception towards the job, work environment, team members, managers and organisations as a whole. Studies have also mentioned that organisations who have motivated employees tend to be more efficient, punctual and productive. Fun at the work place is seen to be an important factor that drives high retention rates in retail chains.

RED has helped foster better relationships among store employees and between store employees and supervisors through a variety of celebration initiatives that bring people closer together in an environment of fun, camaraderie and natural bonding. Events like cricket matches, quizzes, performances, talent competitions and ad-hoc fun activities go a long way in breaking ice and strengthening relationships at work.

HR Heads and CEOs spoken to during the course of the study agreed that RED had a definite and positive effect on employee morale.



Sample RED initiatives by retailers towards boosting employee morale

- **Shoppers Stop** raised the bar of celebrations by forming a 15-member committee in each store to plan the day. Inputs of employees were taken into account on how they wish to celebrate this event. Based on these inputs, RJ Jeetu of Radio Mirchi visited the stores and also spread awareness around it through his radio



RED at Shoppers Stop Mumbai

channel. Employees created a 'retail song', which is used as an inspiration on a daily basis at the stores even post the event.

- To create morale through fun-at-work initiatives, **Landmark group** held celebrations across its **Max** and **Lifestyle** stores. At Max, talent competitions were held at store and regional levels, leading up to a dazzling final national level event on RED. Other highlights across both stores were awards for various customer service categories, dance performances, fashion shows and other fun activities.
- At **PUMA**, RED 2014 kickstarted with a note from the management going out to all Brand AdvoCATs, its name for retail associates. The note detailed the brand's appreciation of their efforts, their passion and lauded their PUMA way of carrying out every day operations. Across cities, store managers gathered to indulge in breakfast spreads set up for them, while engaging in hearty discussions with the broader team. Being a sports brand, PUMA gathered its staff together in teams, to organise a tournament of cricket and football that always saw intense on-ground competition followed by equal camaraderie off-ground.



"It is really a great way of telling our employees that we do care for them. It makes them motivated. Their energy level goes high which ultimately benefit the organization only. Company also get benefits as when employees start feeling united, they don't leave the company."

- Store Manager, Pantaloons

"Didn't expect the management to arrange a fashion show for all of us. No wonder we are ranked no.1"

- Employee at Max Fashion India

"Higher Morale and engagement levels can be seen at the business level. Building pride creates an opportunity to attract and retain the number and quality of staff in the retail sector. I have no doubt that it was only a highly engaged staff who will be able to take the customer engagement and business to next level.

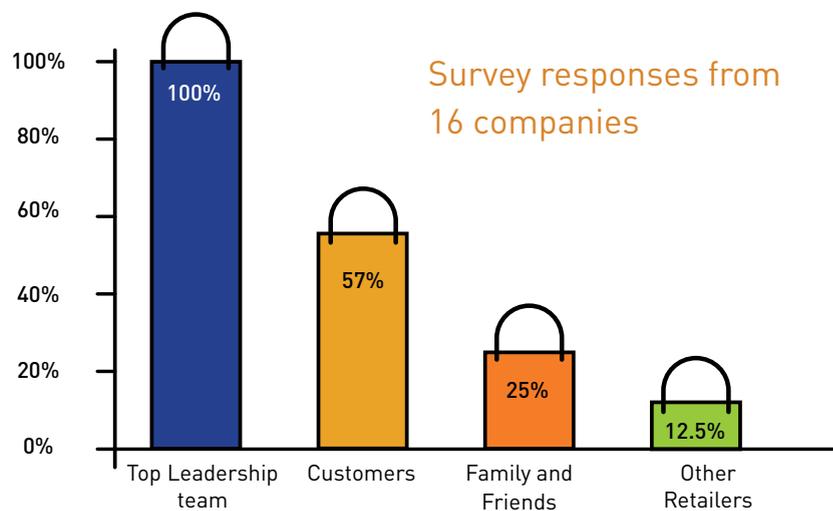
- Renu Jethani, HR Head,
Godrej Nature's Basket



2. Affinity for the business through recognition from top leadership

Avenues that create interactions and information exchange with the top tiers of company management and leadership forge a much stronger correlation between the company's purpose and the role of each and every employee in achieving the same.

RED ensures that senior management of retail chains are involved in celebrations and are easily accessible to employees on that day. RED is a single day where all levels of the retail chain come together to celebrate and recognise efforts. As a result of this, employees feel important and proud of their role and company.



Survey responses from Stakeholders involved in RED

Source: Study

Sample RED initiatives taken up by brands towards recognition for employees

- **Big Bazaar** and **Reliance** provide an opportunity for employees from their corporate offices to take up roles and work in the store on RED. The corporate team members play various roles ranging from being the in-store sales person to being the cashier.
- **Lifestyle** created a short AV of the top management thanking the retail employees and screened it widely on RED. The store manager even sang songs on the request of the employees!
- At **Metro Shoes**, a special campaign has been initiated for RED – a Whatsapp video campaign called 'From the Chairman's Desk', shared with all showroom managers who can forward this and play



Felicitating employees at Arvind Brands.

to all staff in the store. In addition, the Head Office employees visit stores and spend time with store staff and their families.

- **Arvind Brands** has its business and HR teams travelling out to stores across the country to personally thank all the retail associates and express their gratitude for the role they play in furthering the business.
- Several brands leverage RED as a day to present their retail employees with awards for performance. Receiving recognition amidst all key stakeholders including the top management serves as a big encouragement for retail associates

“

“Our MD addresses all employees on this day. It inspires the employees and we see a different energy and enthusiasm in them”

- Store Manager, Metro Shoes

“On a single day, I received a Thank You from the customer as well as from the top leadership team, this rarely happens in any industry. It tremendously increased my morale and gives me positive energy for the next few weeks”

- Employee, Peter England

“No matter what happens, they are always there on their toes with a smile just to ensure that the customers have a satisfied and memorable shopping experience. RED provides us the opportunity to honour the efforts and acknowledge them for their hard work, thus leading to more enthusiastic and motivated employees”

- Richa, HR Team,
Big Bazaar

”



“On Retail Employees’ Day, I am delighted to receive an acknowledgement card by one of the customers. The most overwhelming experience was the store manager singing for all the employees”

– Employee, Lifestyle Stores

“Retail Employees’ Day gives us a chance to appreciate and thank employees for their hard work. This year, we’re creating a platform for customers to go beyond a simple ‘Thank You’ to share their experiences and stories appreciating the dedicated services they received from our associates. The customized messages will be shared with the associates to kick-start the celebrations.”

– Gopalkrishnan Sankar,
CEO & Founder,
Reliance Footprint



3. Building pride through appreciation from customers

Across many interviews with store employees, one of the key findings is that store staff derive their sense of job satisfaction when a customer appreciates the work that they do – this makes them feel proud that they have been a part of a successful customer experience.

Given that customers are spoilt for choice in today’s retail landscape, the manner in which frontline staff engages with customers becomes a game-changer. And there is no greater validation for happy customers than receiving a personal word of appreciation from them.

RED innovations in involving customers

- As a part of RED celebrations, customers of **Van Heusen** brought personalised gifts for their favourite store employees and the **Landmark group** invited their loyal customers to thank their retail store employees.
- **McDonald’s** involved their customers in the celebrations by taking them on Restaurant Tours, burger making fests, clicking selfies with the crew at photo frames specially designed for RED and getting the customers to read about real heroes at McDonald’s.
- In one of the focus group discussions conducted for the study, employees had stated that they were happiest when they received a thank you from their customers.



Giving back. Helmet awareness campaign at Pune Lifestyle Store.

4. Recognising the role played by families in employee success

The concept of a 'Family Day' is not new in the history of Human Resource Management. Families are one of the biggest motivators and influencers of how employees perform at the workplace and perceive its value. Many organisations involve families of their employees as a gesture to show the importance of their employees to their families. Employees are in turn proud to be associated with an organisation that respects and recognises the support roles that families play in their success at work.

The study found that employee engagement is enhanced by the involvement of families. Most stakeholders felt that RED was a fitting day to express gratitude to the family members of employees for lending their support to the organisation, many expressed that since family time was often compromised in the face of work pressure, it was important to make families realise how much they were contributing to.

How brands use RED to thank the families of employees

- **C Krishniah Chetty Jewellers** celebrated RED 2015 by setting the theme of the day to be 'Family', just like the culture in the Army where families are always involved in any of the army personnel functions. With Mr. Vijender Kadyan, an ex-Army officer, leading HR at CKC, it was natural that family members of all the employees and the customers of the store were invited to celebrate this day. Frontend staff efforts were recognised and appreciated in front of a large audience. The day was filled with a lot of high- energy, interactive activities.
- **Pantaloons:** Beginning with a red-carpet welcome for employees and their families, Pantaloons brought in senior managers to thank all employees and their families for their incessant efforts in making Pantaloons achieve greater heights every quarter. Awards were given away on this day followed by much merrymaking through singing, mimicry and quizzes. The event culminated with the Pantaloons anthem where all the employees and support staffs were seen proudly singing their brand anthem. The event signalled that retail employees of Pantaloons are special to the eye of their managers and hard work and dedication doesn't go unnoticed.



Family involvement at C Krishniah Chetty Jewellers celebrations



"Family participation at CKC has created a high level of loyalty in our employees. It is one of the reasons why we celebrate RED as a family day."

- Store Manager, C Krishniah Chetty Jewellers

"RED recognises all the hard work that our colleagues do during the entire year including making sacrifices like staying away from family even during festive seasons"

- Mehul R Joshi,
TrentHypermarkets



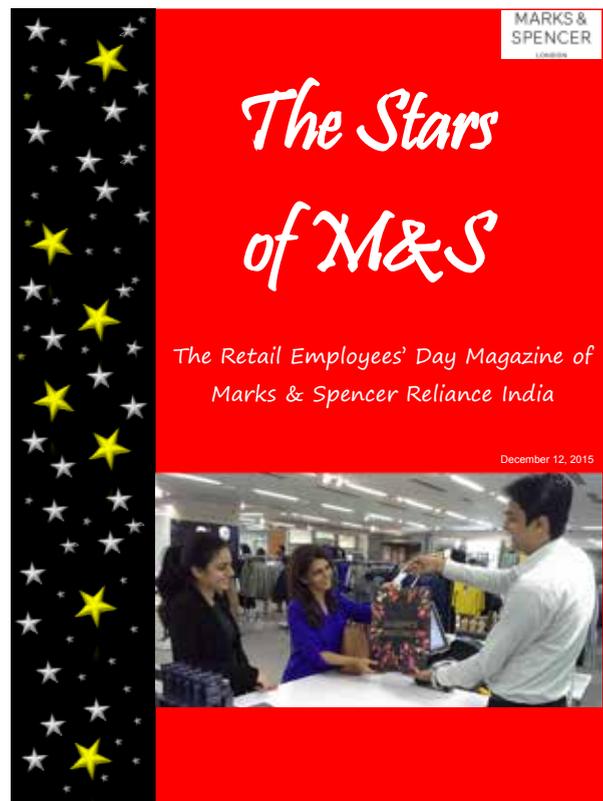
CASE STUDY:

How Marks and Spencer adopted Retail Employees' Day wholeheartedly and innovated to engage employees through a magazine

Marks and Spencer Retail has always been an advocate of RED, marking the day since its inception in 2011. The retail chain celebrates RED with a grand cake cutting ceremony. Senior management take time out on RED Day to visit stores and personally thank all colleagues with signed 'thank you' cards. As M&S grew to 50 stores in India over 2 years, RED celebrations grew bigger with events being planned much in advance and fun activities taking place in groups of stores across regions.

In 2015, the brand took the philosophy of RED – to showcase the hard work of retail employees – several notches higher by publishing a dedicated magazine, "The Stars of M&S", narrating stories of exceptional customer service delivered by M&S employees in different stores across India. The magazine featured heartfelt messages to all employees from the MD and senior management along with snippets detailing the growth and success of M&S. Each employee of M&S went back home with a copy of Stars of M&S on Dec 12, much to their delight. The Indian team's efforts towards employee engagement and employee recognition through RED were much appreciated by the global sustainability team of M&S.

M&S has demonstrated how retailers can infuse pride and recognition among their employees and engage them in innovative ways. It also shows how much HR and top management have adopted RED as they see it creating value in employee engagement.





At M&S Store

Impact of RED on Business Outcomes

Employee performance in the retail sector is measured by 4 key metrics: sales, productivity, customer service and team work.

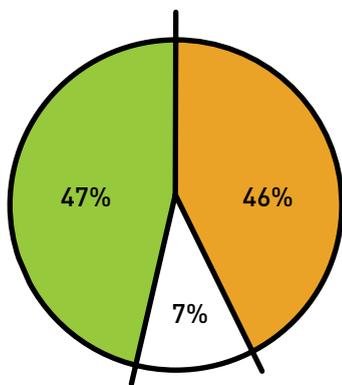
Impact on Sales

- 🛒 A motivated and enthusiastic team of retail associates is not only able to meet, but also exceed sales targets. RED motivates the employees and leaves them with a renewed sense of enthusiasm, which boosts their energy and contribution at work.
- 🛒 The study discovered that 47% of the senior management perceive that RED has a favourable effect on the short and long term sales figures, and 46% of them think that the effect is more in the short term.
- 🛒 44% of HR heads say that RED has both short and long term impact on sales.



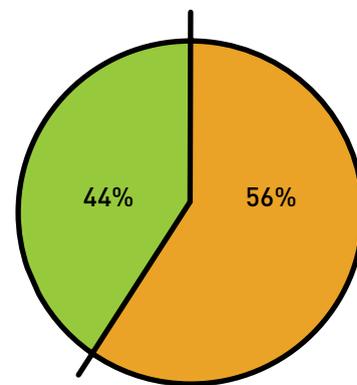
“Employees in the store provide more committed levels of customer service and that does help in better sales”

– Store Manager,
Louis Philippe



Impact on RED on Sales -CEO Survey

- Yes, only short term
- Yes, only long term
- Yes, both short and long term

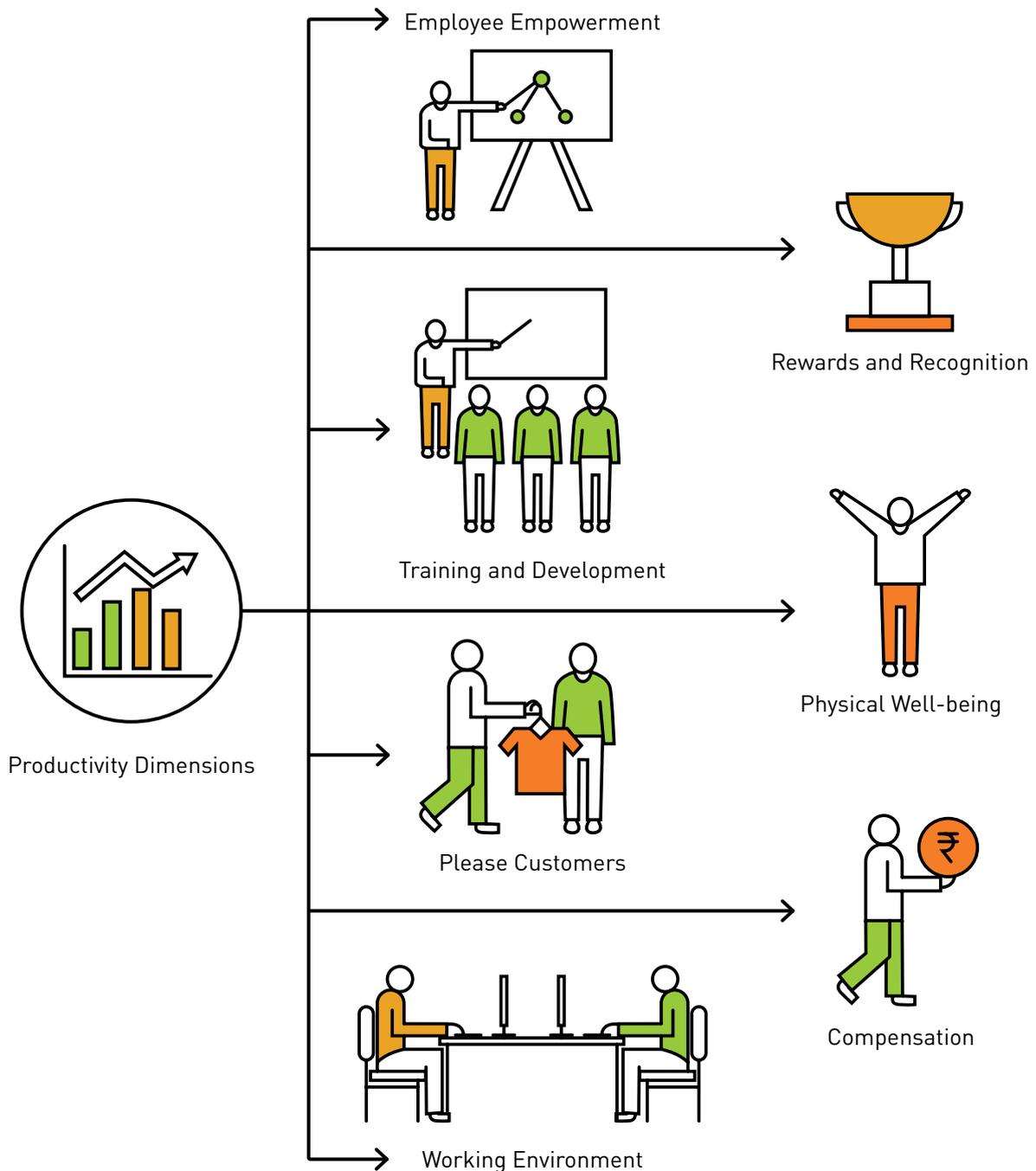


Impact on RED on Sale HR Heads

- Not at all
- Yes, only short term
- Yes, only long term
- Yes, both short and long term

Impact on Productivity

The AIMA Journal of Management Research, May 2015 issue quotes 7 dimensions of employee productivity in the retail industry: empowerment, rewards & recognitions, training & development, physical wellbeing, compensation, customer pleasing and working environment.⁵



Retail employee productivity

Source: AIMA paper

⁵ <https://hbr.org/2015/12/proof-that-positive-work-cultures-are-more-productive>

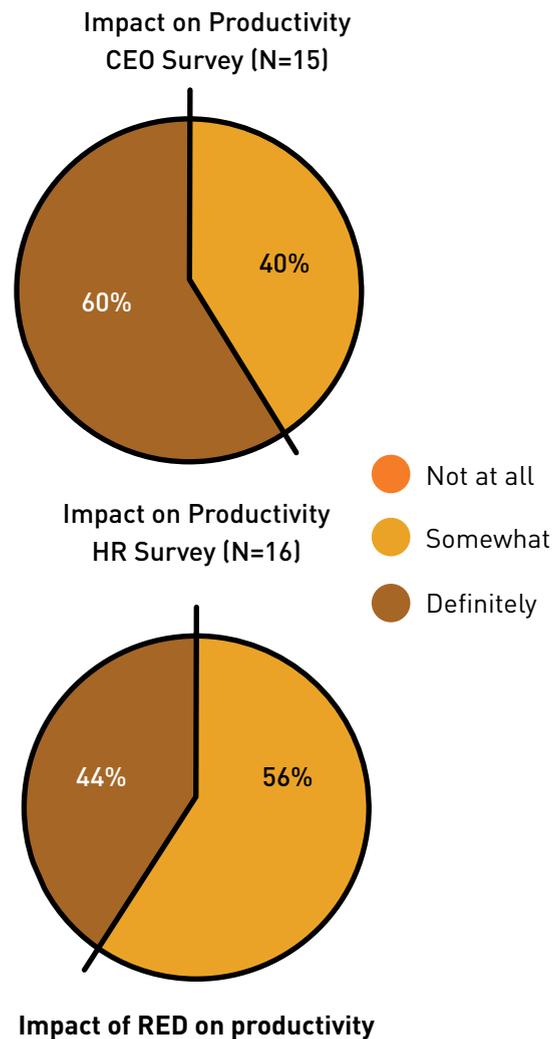
It has been demonstrated that productivity of employees increases when the working environment lends itself to smoother operation. Conducting events and competitions rewards the employees positively and renders a better perception of the workplace, helping them perform their work much better.

60% of the CEOs and 44% of the HR Heads interviewed for the purpose of this study reported the increase in productivity of their staff as a direct effect of RED.



“The celebratory environment in the stores helps ease out the stress and we become more productive”

- Focus Group Discussion with Store Employees, Shoppers Stop.



Impact on Customer Service

Excellent customer service is one of the key factors that influences customer retention, brand perception and customer loyalty. Research states that delivering good customer service motivates the retail staff to work harder on this front, which in turn gives them a deeper sense of job satisfaction. Retail staff takes pride in being to solve and sort the

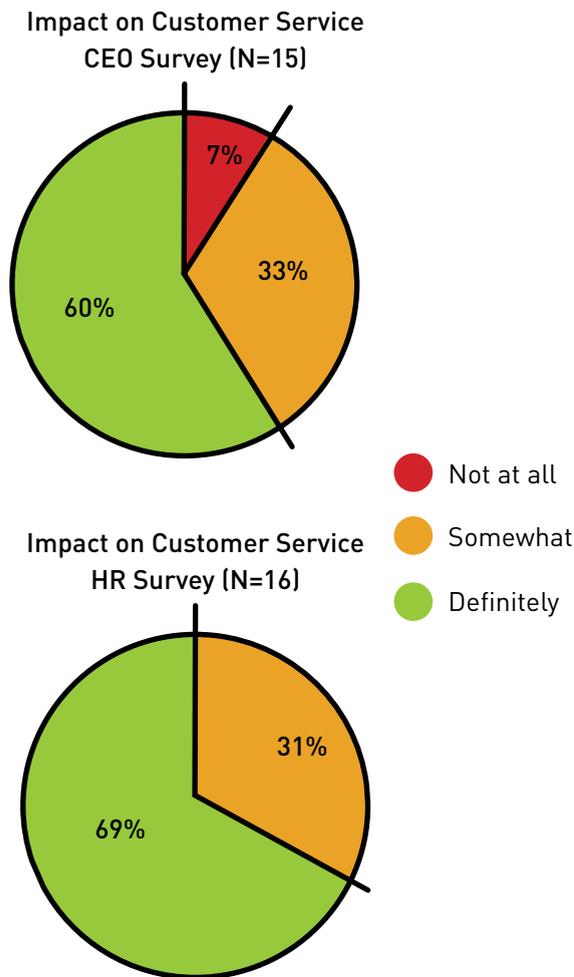
⁵ https://apps.aima.in/ejournal_new/articlesPDF/9-Sweta%20Saurabh.pdf

problems faced by customers, which increases their morale.

A Harvard Business Review study on the influence of positive work environments on productivity says that happier employees make for not only a more congenial workplace but for improved customer service. When organizations develop positive, virtuous cultures they achieve significantly higher levels of organizational effectiveness — including financial performance, customer satisfaction, productivity, and employee engagement, says the study.⁶

By increasing positive emotions and wellbeing through a series of activities, RED is able to help employees amplify their abilities and deliver better results.

70% of CEOs and HR Heads perceived a positive effect of RED on the levels of customer service rendered by their store employees.



Influence of RED on customer service



“Due to the celebratory mood in the store, we do not feel the pressure of handling difficult customers. Our job is to go out of our way to help the customer because we are a part of the retail industry and I feel proud to be associated with it”

- Store Employee, Big Bazaar

“One of the direct, tangible impacts that RED has is the reduction in the number of customer complaints that are received in stores.”

- Ganesh Tharayil,
Head of Sustainability,
Marks & Spencer's



⁶ <https://hbr.org/2015/12/proof-that-positive-work-cultures-are-more-productive>

Impact on Team Work

The Harvard Business Review study on work culture ⁷ also says that there is only one way to build wellbeing at work – from positive culture. The study points to six essential characteristics of a positive work culture – from supporting one another as friends to inspiring each other at work, emphasising the meaningfulness of work and treating each other with respect and gratitude.

A sizeable achievement of RED has been in creating an occasion for retail colleagues to celebrate and bond together, irrespective of cadre, role, performance or seniority. On the occasion of RED, HO, store employees and management gather in stores and celebrate with each other irrespective of their roles and position in the company. This has been one of the biggest achievements of RED in forging relationships between all levels in the company.

RED has also helped in enhancing relationships between retail associates, and has enabled them to understand each other better. The employees complement each other's skills, which positively impacts their overall performance as a store.

75% of the HR Heads who were interviewed were in agreement of the fact that RED celebrations helped in improving the relationship between the members of teams.



“The nature of food retail business is such that we have to depend on other teams mates in order to provide exceptional customer experience to our customers, RED has helped us in breaking the ice with my team members as well as my supervisor”

– Store Employee,
Domino's Pizza



Influence of RED on teamwork

⁷<https://hbr.org/2015/12/proof-that-positive-work-cultures-are-more-productive>



Employees at House of Anita Dongre

Recommendations for TRRAIN and way forward for the Retail Industry

The Retail Employees' Day has earned wide acceptance and scale in the retail industry today.

1. TRRAIN should focus on sharing good practices among companies a lot more effectively. There are a lot of initiatives that have emerged from companies; sharing this will help them make the most of the day.
2. There is a huge opportunity for product owners to establish stronger relationships with their retail workforce at the last mile and thus impact customer experience. In a retail outlet with many brands, there are very few opportunities for brands to build engagement with the workforce at the last mile. RED offers them the opportunity to do so.
3. Companies should setup impact metrics to measure the impact of the day. Our discussions with companies reveal that there is substantial investment that is going in to celebrate this day. It would help to setup metrics and integrate it with the existing operations across the stores for companies to understand the impact. TRRAIN can help define a standard framework that retailers can adopt.
4. The larger insight is around how employee engagement directly impacts the morale and performance of the employee and that is more reason for retail companies to look for ways to not make this a one-time but an ongoing engagement with employees.

