

THE MOM PROJECT

RETAIL INDUSTRY REPORT

Who's Driving the Cart?

How Investing in the Right People
May Boost Retail Sales

Pamela Cohen, PhD

President, Mom Project labs





Retail Industry Report

BY MOM PROJECT LABS

In an unprecedented era of brick and mortar retail decline, with intense pressure on companies to flex and compete in e-commerce while continuing to drive shoppers into physical stores that still exist -- the critical question arises,

WHAT ELSE CAN BE DONE?

For physical retail locations to serve and delight customers at scale, is there any way to succeed?

YES.

How?

The answer may surprise you.

PEOPLE.

A groundbreaking study of the retail industry by Mom Project Labs unveils the surprising truth: Retail can be saved by the people working right in the stores; checkout staff, stockers and managers, the badge wearers, the very people customers ask for help, and even the folks working in the warehouse...the real front lines of retail.

BY INVESTING STRATEGIC RESOURCES TO
ACTIVATE STORE LEVEL RETAIL EMPLOYEES,
RETAILERS CAN DRIVE POSITIVE ROI.

The E-War on Brick-and-Mortar Retail

First, a quick look at the macro factors that have influenced and created such an intense maelstrom in the retail industry.



WHY RETAIL MATTERS TO THE MOM PROJECT



WOMEN

The decline of brick and mortar retail, and thus jobs, predominantly affects women. Women outnumber men in retail at a ratio of 2:1, and as retail roles have vanished for women at an alarming rate, they've actually increased for men as e-commerce shifts demand to warehouse and delivery jobs.



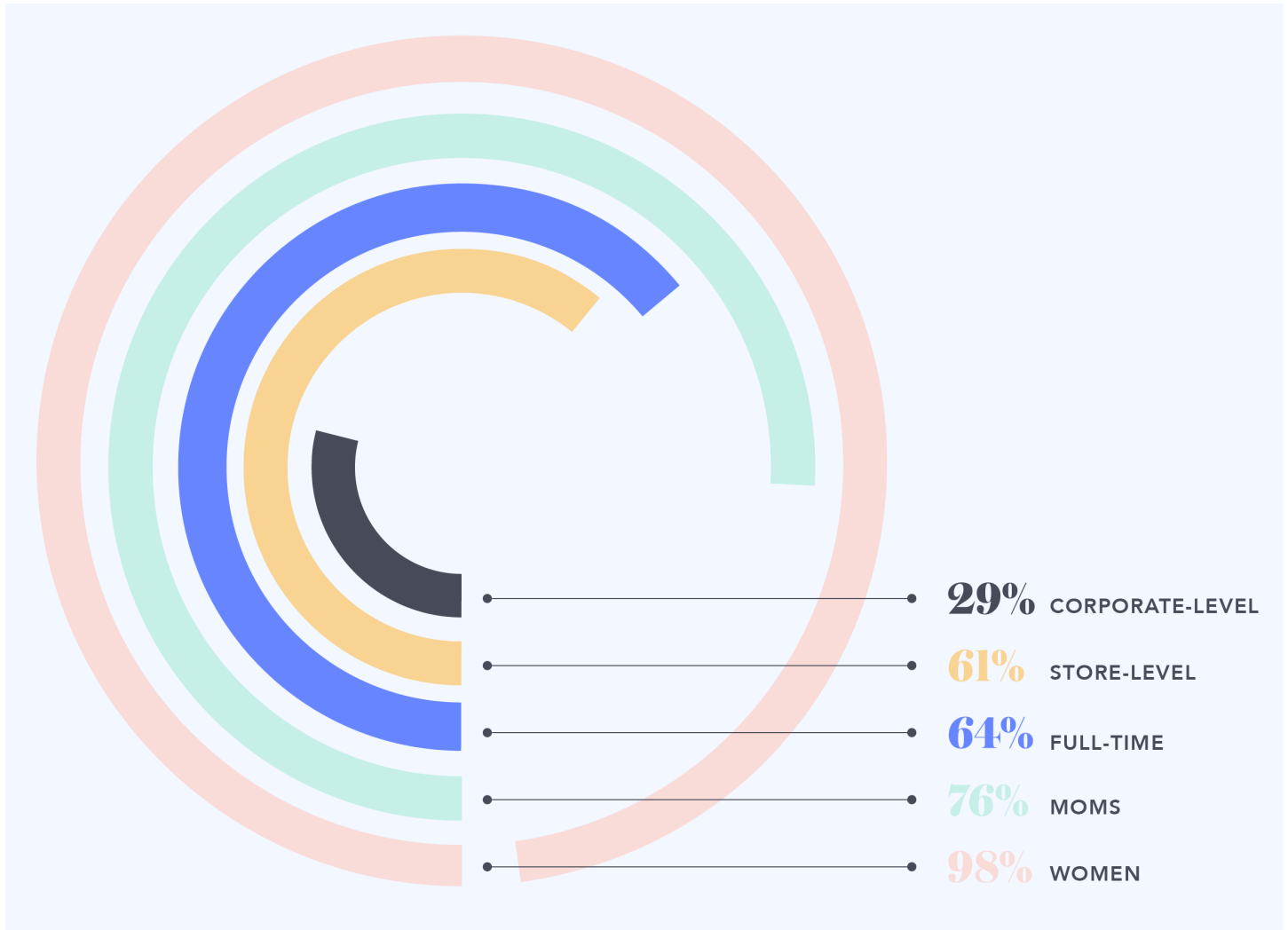
POWERING THE ECONOMY

74.9% of women identified themselves as the primary shoppers for their households. Keeping women engaged in the workforce drives the economy. More revenue for retailers, more jobs for women, more money in the pockets of female head of households. It's a challenge worth solving for all of us.

We have a vested interest in keeping women at work with great companies AND this means helping the retail industry understand how they can compete in a ruthless landscape.

Overview of Study by Mom Project Labs

1,380 SURVEY RESPONSES



Based on the aggregate results and analysis, we've built a proprietary model specific to employee sentiment in the retail industry; PRISM.



A customized **PRISM** will guide retail companies with recommendations around the levers to pull and strategic investments to drive increased ROI. Aggregate results from our initial study are shown on the following page as an example use case.

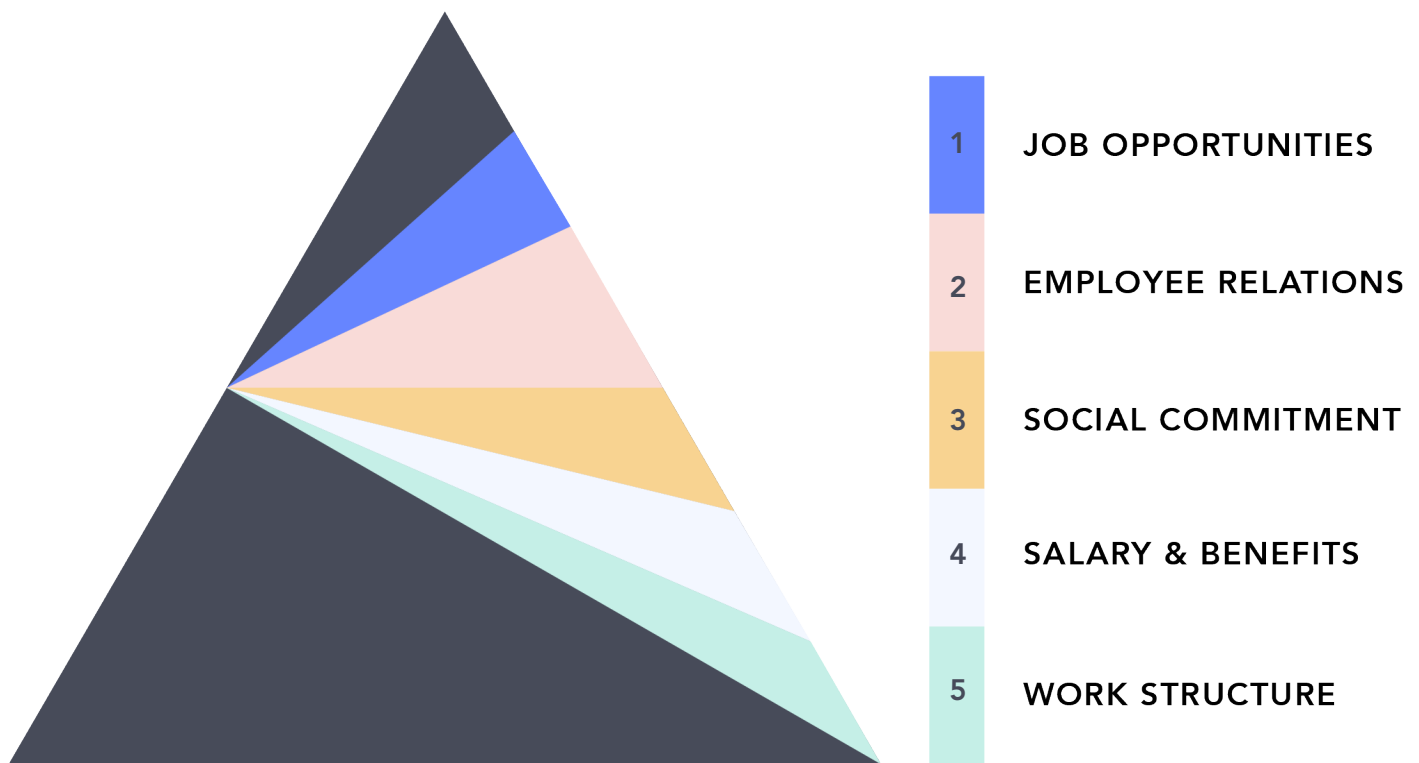
PRISM

BY MOM PROJECT LABS

Pamela Cohen, PhD

Principal Researcher and President of Mom Project Labs

PRISM by Mom Project Labs illuminates how employee sentiment (and happiness levels) affects a retail corporation's bottom line.



The data identifies five main drivers of employee sentiment.

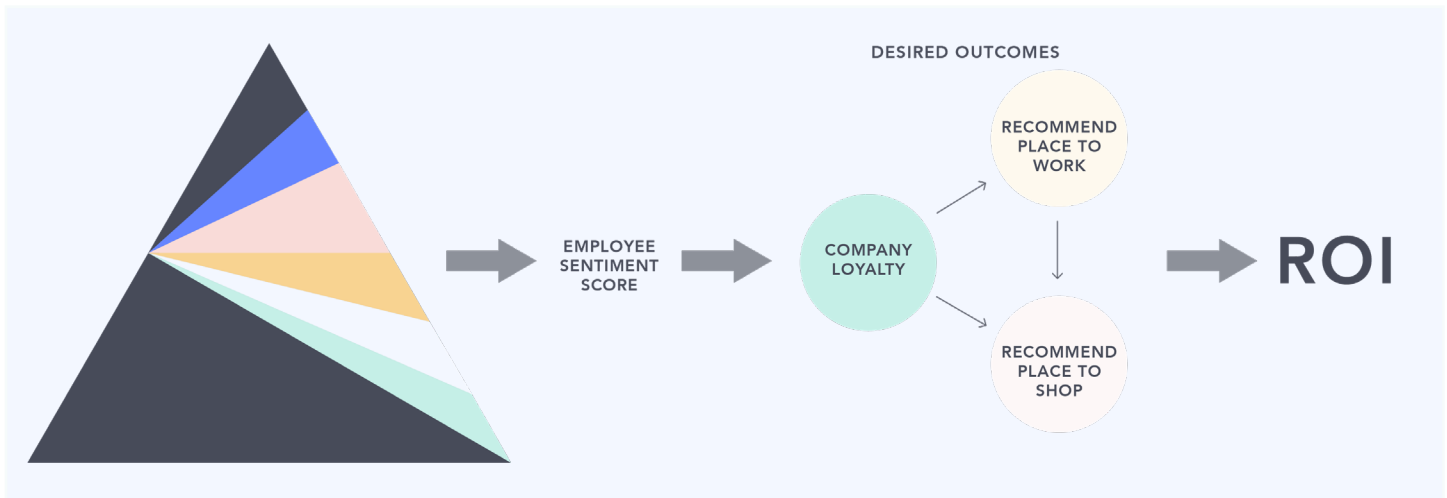
PRISM Key Drivers

Drivers are made up of clustered components; we've unpacked the strongest of each driver:

| DRIVER | CLUSTERED COMPONENTS |
|--------------------|---|
| JOB OPPORTUNITIES | <ul style="list-style-type: none"> ★ Providing access to resources needed to do one's job well <ul style="list-style-type: none"> Clarity of job responsibilities Opportunities to do interesting work Encouraging people from diverse backgrounds to join and succeed How well the organization provides opportunities for advancement |
| EMPLOYEE RELATIONS | <ul style="list-style-type: none"> ★ Leadership positively addressing questions or concerns <ul style="list-style-type: none"> Leadership showing care for employees' well-being Leadership showing that ideas are welcomed and valued Leadership providing positive feedback and encouragement to succeed |
| SOCIAL COMMITMENT | <ul style="list-style-type: none"> ★ The corporation's overall commitment to corporate social responsibility <ul style="list-style-type: none"> The corporation's commitment to supporting local communities |
| SALARY & BENEFITS | <ul style="list-style-type: none"> ★ 401k/retirement plan <ul style="list-style-type: none"> Family/parental leave policies How well one's salary reflects experience and contribution The extent to which one's salary is competitive for their role |
| WORK STRUCTURE | <ul style="list-style-type: none"> ★ Fostering a climate of respect for work life balance <ul style="list-style-type: none"> Corporate PTO policy Corporate policy supporting flexibility in work hours as needed Corporate policy supporting remote work as needed |

★ STRONGEST INDICATOR OF DRIVER

Desired Outcomes



- Employee sentiment is directly connected to performance outcomes and linked to bottom line ROI.
- Calculation of impact: by improving employee sentiment we can gauge the expected effect of a change in each one over performance outcomes.

DESIRED OUTCOMES FOR RETAIL CORPORATIONS

| | |
|--------------|---|
| LOYALTY | Feelings of support and allegiance toward the company. |
| "WORK HERE!" | Willingness to recommend the retailer to others as a place to work. |
| "SHOP HERE!" | Willingness to recommend the retailer to others as a place to shop. |

What else can **PRISM** shine a light on?

For the purposes of this report, Mom Project Labs selected to segment and analyze employee sentiment for store employees compared to corporate employees to understand how the drivers and impacts might differ. The opportunities are extensive with regards to segmentation and customization to unlock insights using PRISM.



Corporate and store employees diverge not only in overall positive sentiment levels, but also in what they value as employees of the company. In fact, corporate employees score all drivers higher than store employees.

THE VALUE DIVIDE

Corporate Employees

STRONGEST DRIVER: Employee Relations

The strongest indicators are:

- Leadership positively addressing questions or concerns
- Showing care for employees' well-being
- Feeling that their ideas were valued and that leadership respected them

Store Employees

STRONGEST DRIVER: Job Opportunities

The strongest indicators are:

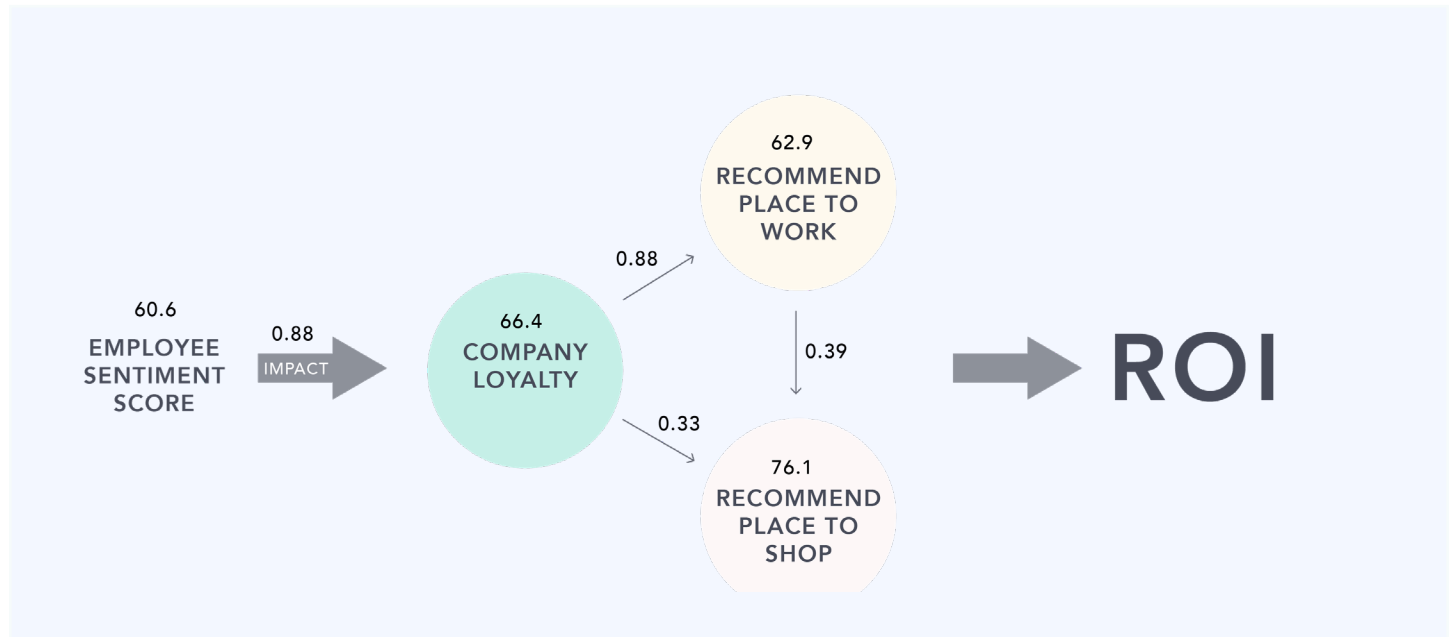
- Providing access to resources needed to do one's job well
- Job clarity
- Opportunities to do more interesting work within their jobs
- Encouraging people from diverse backgrounds to join and succeed

QUICK TAKE: Being able to decipher these motivations and implement strategic initiatives that directly impact the specific driver and highest ranking component allows companies to dial into the most effective use of funds.

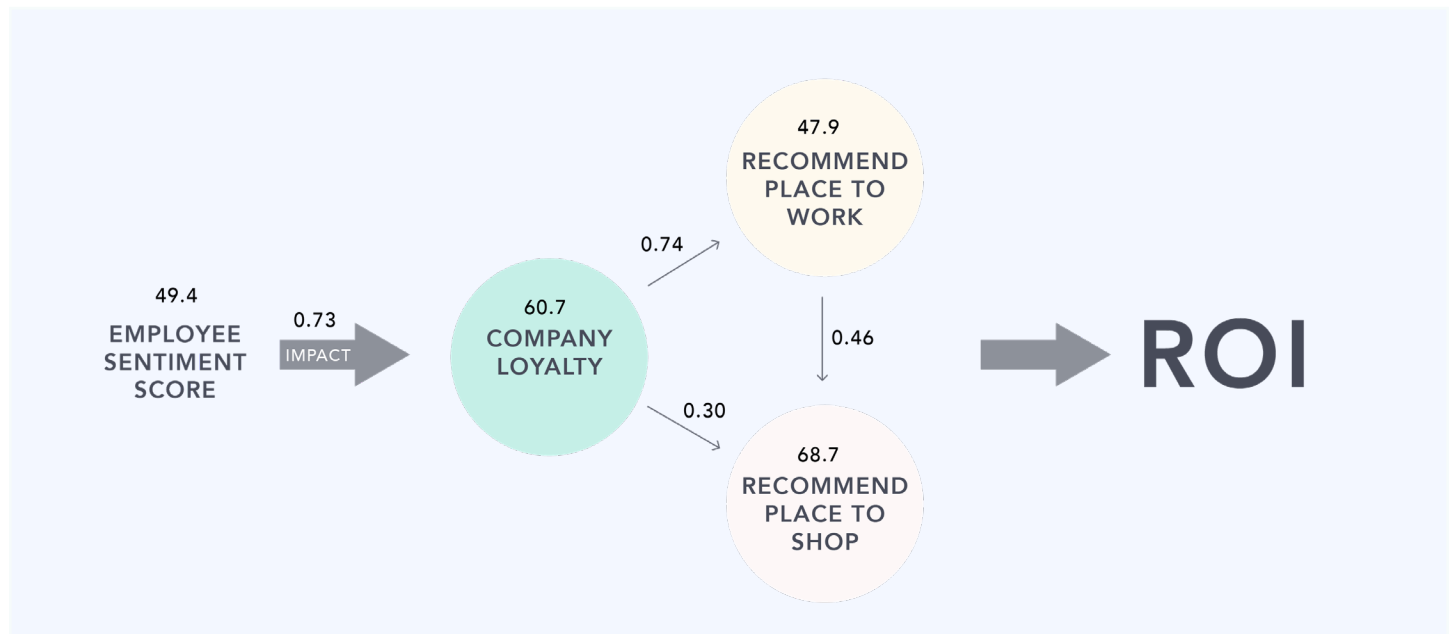
PRISM: A Predictive Impact Model

Prism calculates the cause and effect impact of a change in sentiment on desired performance outcomes.

CORPORATE EMPLOYEE



STORE EMPLOYEE



Explanation: for corporate efforts that create a one-point score increase in any driver, we'd expect to see the corresponding impact added to the score of the next level driver

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I REALLY WANT SUPPORT FROM OUR EXECUTIVES; TO KNOW I'M DOING GREAT WORK, AND THAT THEY EXPECT THAT OF ME.

“

I WANT TO BE ABLE TO TRY NEW THINGS, HAVE NEW CHALLENGES, TAKE CHARGE OF MY ROLE.

Recommendations

Corporate and store employees care about very different factors at work. Though they are employed at the same company, their worlds are very different.

- Employee-centered initiatives to focus on drivers that matter most to target audience must take into account bias that would favor corporate employee strategy over store level employees.
- While employee sentiment is low at the store level, by focusing on greater opportunities within their current roles, among other drivers, can have great impact on increasing not only sentiment, but also loyalty, willingness to recommend as a place to work, and willingness to recommend as a place to shop.
- Changes in employee sentiment for corporate employees through improved employee relations will have a strong impact on increasing not only sentiment, but also loyalty, willingness to recommend as a place to work, and willingness to recommend as a place to shop.

In short, Retail Companies looking to drive shopping dollars in-store must look further than employee sentiment tactics that are planned by, authorized by, and mostly impact HQ-level team members. It takes a greater change in employee sentiment for store-level employees to increase in the selected performance outcome, but these outcomes are then also greater.

With effort, increasing employee sentiment at the store level through predictive modeling and strategic investment will drive ROI where it counts, right down to the size of the in-store shopping cart.

SO, WHO'S DRIVING THE CART? WOMEN WORKING AT THE STORE LEVEL.

By investing in strategic programs geared at women working on the front lines of retail (at the store!), companies can drive the greatest ROI.

Women are driving the cart, in and outside of your store. Do you have a plan on how to keep them engaged?

THE MOM PROJECT





THE MOM PROJECT

The Mom Project is the career destination for moms. Through our digital marketplace and community we connect professionally accomplished women with world-class companies for rewarding opportunities. The Mom Project is changing the way women work and redefining career structures by providing women with real work opportunities that are in balance with their personal goals. This evolution will keep more talented, professionally accomplished women in the workforce.

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