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PUTTING DATA TO WORK BY DEMOCRATIZING YOUR MOST STRATEGIC ASSET: EMPOWER YOUR ORGANIZATION USING UNIQUE INSIGHTS UNLOCKED IN RETAIL CONVERSATION
VIDEO TRANSCRIPT

Shelley: Well, hi everyone, and welcome to this Perspective segment. I'm here with Accenture's incredible retail industry leader, and really a longtime friend of mine, Jill Standish. Jill, welcome.

Jill: Hi, Shelley!

Shelley: We have witnessed an incredible change in the last 15 months, you know. It's been written about, right, years of digital transformation and so, just in those few months, I guess the question I'm really asking, and people are asking me is, less now what's the new playbook, but really, how can we go faster, because the clock speed of our industry – the intersection of retail and technology – has changed dramatically.

So, some of the consistent questions I'm hearing, and I'd be curious to compare notes with you, is first, employee well-being. Right, how can we do more for our employees, because we know they've been working like crazy. [Number] two is that personalization and how can we deliver more personalized experiences for our customers.

The third question retailers are asking is, and I'm so happy to see this one, "How do we do more for the planet?" And then I think, the next one, the fourth, is really embracing new trends, whether sort of from east to west, whether it's live streaming commerce or all sorts of new capabilities that have fast-tracked during the pandemic.

And so, I guess from all these questions, really, one thing that's become very clear to me, is that the retailers that laid those digital tracks early, they have been better positioned to adapt. And actually, even though there was so much written about the retail apocalypse, many retailers are emerging post-pandemic with increased customer loyalty, seeing increased consumer spending, and they're actually driving growth.

So, underneath all that is what we're seeing that this industry is getting fueled by data. And if customers are the lifeblood of this industry, then data is their oxygen.

So, Jill, from your perspective, I'd love to hear about how do you think, and how do you advise retailers, as they make this pivot to becoming a more data-driven company?

Jill: Yeah, thanks Shelley. I mean you absolutely are spot on with what's happened over the last 15 months. I'd like to say that we are in a time of Retail's responsible reset. They are all looking at the last year and saying, "I wish I had," "I wish I had," "I wish I had."

And on everyone's mind is around how to leverage data differently because the models just blew up from how they've been running their company in the past.

So, speaking of data, I think there's a couple of key things: one is, how do you create and treat data as a strategic asset and also get that to be a strong commitment from senior leaders.

The second is, leverage the cloud and all what the cloud provides, technically, but also the fact that the cloud allows so much agility and real-time data analysis.

The next one is, make it value-led and make sure you're focusing on the real data that matters; as you and I like to say: there's a ton out there, as you mentioned, but really how much of that is really leveraged. 90 percent of it is probably not; there's five to ten percent that is driving probably ninety percent of that business value.

Shelley: I mean, you know we just look, and I love that you say, "Retail's responsible reset." What a great way to start, and I think that's the thing, is that in retail, we have to pick a place to start with the data, because there is no shortage of it.

I mean, just like kind of laying the groundwork, Jill, 40 petabytes of data is developed and distributed in this industry every single hour. And underneath that, or that is underneath, you know, 73 percent shopper journeys which are starting online.

1.1 million dollars is spent every single minute online in 2020, and that's the demand signal of the world. That's, I think for me, that's so incredibly exciting. But to your point in many ways, most of that data is unstructured; it's dark, it's unused.

And so, an area that I know we share is this passion about helping retailers become more data driven, and I'm really, you know, interpreting that signal. And, one customer that we've been working with very closely for a while now is Walgreens Boots Alliance, and how they're using data and AI to really help bring together consumer insights, and then also drive better, you know, on-the-shelf availability.

One of the projects that's been really exciting has to be seen, sort of, from the shop room floor, all the way back up to the home office: how they know what to put on the shelf – 200 million item forecasts a day, using the Microsoft Cloud, and we know that retailers care a lot about cost, and what I love about that story is they're getting better at the inventory predictions, but it's also a third of the cost than their previous solution.

So, a third of the cost and 3x the performance. Move to a, you know, really a different part of retail where we've co-innovated is at Chipotle; Chipotle is using Dynamics 365 Insights to better understand their customer preferences, personalize their marketing, and really enable them to grow their customer base.

They've actually seen a 30, and while many in restaurant industry has been hit hard, they're seeing a 30 percent increase in their customer base, and it's not just the growth in customer numbers, but it's the loyalty and the repeat purchases from those customers. So, data is that oxygen, and then when we put that oxygen into the hands of the retailers in the right way, they can really grow their businesses.

Jill: You know, a lot of times I get this question, which is what are the most important things that retailers should consider as they start their digital transformation journey?

Shelley: So, we're really partnering in every pocket of this industry. I've learned a lot along the way, I've made many of my own mistakes, but here are some of my top four, in terms of considerations for retailers.

And I'll do it sort of in a format that seems to play well, which is, sort of, the myth buster idea. And, so the myth buster number one is, you know, this idea that it's only innovation if it's never been done before. And I think our retail customers get trapped in the mindset: "It's only innovation if it's really brand new." But it's not just about those moonshot ideas, right, we like to call them the 'brilliant basics' – getting the brilliant basics right or the fundamentals, that's so important, and so I consider that true innovation and a myth bust that I like to go after.

The next kind of piece of advice is around having a multi-year strategy, right? I mean we grew up in a retail world where it was like winning, you know winning the weekend was a long-term plan, but that's not the world we're living in anymore, right? So, you've got to have a three horizon framework. And we're really starting to see customers accelerate their digital plans, you know, obviously like, they'll go so short-term, and they'll look at the short-term adaptation and that problem, but they might miss what's further down the horizon and really what's more important.

You know, if you just even think about the last 15 months, everybody could have just surged to work from home, but the real story was not just work from home; it's really this idea of work from anywhere, right? And contactless experiences -- it's not just about curbside, it's about empathetic experiences, because experiential retail is what is where we're going.

So don't just use POCs and get in this endless trap of POCs – it's a purgatory, because sometimes you do so many proof of concepts that don't scale, they don't deliver the value, or you're stuck in these pilots for way too long. So, we always advise our customers to solve for things holistically, look at that multi-horizon plan, and execute along the sort of end-to-end value chain versus rushing to those initial POCs.

The third piece of advice that I like to give is, and this is probably one for all of us as leaders too, is to focus on what you can control, right? I don't think any of us would have predicted the last 15 months but build a real roadmap of realistic use cases that you, as a brand, can go after.

Sometimes our customers almost get too ambitious about what they want to go after, and so they're so hard that they don't get that flywheel going. So, it's important to be thoughtful about where you start, find a place where there is some complexity, where you can scale up or scale down, and go for it! And that might not be the place where you see that initial ROI, but it actually is where you can start to get the flywheel going.

And the fourth one, which maybe is the most important, is culture, right? Culture, culture, culture. The thing I've seen with our retail customers is it's the reason they succeed or fail on this journey, flat out. So, changing how you operate, both inside and outside, it starts with the people and, you know, I just recently had the opportunity to interview the CEO of Lids. He talked about, amidst this pandemic, opening hundreds of stores, of deploying a mobile POS, but, in the end, it really wasn't about the tech or even the real estate. It was about empowering people to have meaningful interactions with their customers.

So maybe for you, Jill, I'd love to hear from you. How do you think about some of the things you've learned, or how do you advise customers and retailers about how to start?

Jill: You know, you mentioned the culture one, Shelley, so I'll be quick on this one. Intermarché is probably the best example. They have over 2,000 stores, and one of the largest grocery chains in France, and they really needed to change to be data driven, and what does all that mean?

I mean we always hear that phrase "data driven," but what does it mean? And I think the most creative work I've seen around culture was how you and I and the team created -- it was Microsoft and Accenture together created -- the data factory. And that didn't mean a technology anything, it actually meant roles of people and what are their new roles. I mean, some of them are so creative, like the guy who was handling or the gal who was handling security was called the data guard. The person who was healing the data or fixing the data was a data healer. The person who was doing data mining was actually the data detective.

So, having this like, demystifying, and making it so that people understand what their roles are and how to use data, was actually fantastic. And I'm also seeing companies actually start to train people differently, creating boot camps where they can have this upskilling effect, which I think is also one of the trends that we're going to see continuing on this year.

So, listen, as far as where to get going and where to start, we've said a lot, you and I. I guess my four things that I would say is to kind of keep in mind, what's the call to action? Number one, get senior leaders involved and aligned. We talked about leveraging cloud with all of its flexibility and get that migration strategy to be aligned with the business strategy. And then, I think, most importantly and, near and dear to both your heart and mine, is what does this mean for the workforce and the people? And let's not leave the people behind as we automate and change things. So, with that, Shelley, I want to say thank you to you for having me here and I know, I'll pass it back to you for your final words, as well.

Shelley: Thank you, Jill, I really appreciate, I agree with all of what you said. Thank you for taking the time to be with all of us today. It is an incredible moment, really our long-term moment at the intersection of retail and technology, and we really look forward to partnering with you and our collective customers as they accelerate their digital journeys, and really enable, at the end, their consumers and their workforce around agility, resilience – not just for today, but really for the future, so huge thank you to you.

Jill: No problem, and by the way, next time, let's go out to dinner.

Shelley: Okay, let's go shopping!

Jill: Yeah, let's go shopping. Thanks, Shelley.

Shelley: Thank you.