Transformation for Resilience:
A Panel Discussion

In an ever-evolving hospitality and retail landscape, technological transformation plays a critical role in increasing business resilience. In this panel discussion, the focus is on how digital and tech advancements enable transformation and foster resilience in the industry. Joining Miya Knights, editor of Retail Technology, are panellists Vicki Lawrence, Head of Service Delivery at Seasalt, Scott Watson, Managing Director at Barron McCann, and Kieran Bowden, Chief Commercial Officer at Retail Assist.

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Throughout the discussion, the panel uncovers the ways in which technology empowers businesses to transform and adapt in the face of challenges and opportunities. Key questions addressed include the impact of the cost vs sustainable growth equation on transformation plans, the role of automation in bolstering resilience, and the evolution of physical outlets to support more resilient operations.

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How do you see your clients using digital technology to transform their businesses in a resilient manner?

Today, we've heard from various experts who have shed light on the topic of transformation for resilience.

One key observation is that retailers are caught between two opposing forces: the macro forces that demand them to do more with less, and the need for innovation and differentiation to sustain growth.

Given this context, I believe it's crucial to discuss how retailers can transform and innovate in a resilient way. This topic brings together many of the themes we've explored today. On a related note, I would like to congratulate Seasalt and Vicki on opening their first store in New Zealand. It's an inspiring example of a UK retailer expanding to distant shores.

With Vicki here as our retailer representative, I hope we can delve into the challenge of growth that retailers face while also ensuring efficiency and productivity. So, Scott, let's begin with the pressing question: How do you see your clients using digital technology to transform their businesses in a resilient manner?

From my perspective, and I believe the whole panel would agree, retailers don't want our engineers to be on-site because their presence usually indicates a failure. Therefore, our focus is on preventing those failures.

Today, digital technology has revolutionised this process. Instead of a phone call stating that a piece of hardware is broken, we now receive detailed information about the faulty component and its exact location. In some cases, the technology even provides failure data through self-diagnosis. All of this ensures that we send the right engineer with the right part to the right place at the right time. This technology was not available a decade or two ago, but now it significantly simplifies our work and benefits everyone involved.

Remote monitoring is becoming increasingly prevalent in our field. It's fascinating to observe how it prevents the need for engineer callouts. Even when on-site assistance is required, having better triage and accurate information prior to the visit greatly enhances the resolution process.

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On that note, our customers still have a strong preference for brick-and-mortar stores. They value the in-store shopping experience, interaction with our staff, and the overall ambiance. The technology we deploy in our stores is a crucial part of enhancing this experience.

Smooth checkouts and customer displays that provide product information add value. Having a reliable partner like Barron McCann to fix issues promptly within the agreed service level is vital in minimising disruptions and ensuring that customers continue to have a positive experience.

Our role is to not only respond to retailers' needs but also educate them on proactivity.

Over the past few years, we have noticed a shift in the critical areas of concern for businesses. These changes are directly influenced by how they engage with their customers.

For example, in the case of a cinema chain, the majority of tickets used to be purchased on-site, but now most are bought in advance. As a result, the network and communication systems supporting the ticketing process have become essential. If any issues arise in these areas, it becomes a significant point of failure. We are continuously working on implementing better monitoring and problem-solving mechanisms to address these evolving challenges.

2. How have you adapted to meet the challenges presented by technology advancements?

In terms of technology advancements and prevention systems, Scott and Kieran, how have you adapted to meet these challenges? For example, the Internet of Things and sensors can provide advanced warnings of potential issues. Are you using new systems to make better use of your service team and identify problems before they occur?

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Remote monitoring tools have been instrumental in our efforts. For instance, if we have a receipt printer with a limited number of prints in its lifespan, the software can track and notify us when it's nearing the end. This allows us to be proactive and schedule repairs or replacements, preventing any failures. By implementing proactive maintenance measures across multiple components, we can minimise downtime and ensure customer satisfaction.

Automation plays a significant role in response to changing needs.

While some retailers still rely on phone calls to report issues, we have started automating ticket generation and data collection. When a problem is detected through our network of endpoints across various customer locations, we generate a ticket with up-to-date and accurate information. This eliminates the need for constant back-and-forth communication and allows our analysts to focus on resolving issues promptly. We constantly look for opportunities to improve our processes based on customer feedback and apply these improvements across all our clients.

Automation has been beneficial for us. For example, we implemented a platform that provides real-time updates on order status and refunds. This significantly reduced the number of inquiries our customer services team received, allowing them to spend more quality time assisting customers with product-related questions.

By automating routine updates, we can provide a better experience and focus on building relationships with our customers.

Thank you for sharing that example, it really brings our discussion to life.

What I understand from it is that being proactive and embracing automation can benefit businesses in terms of customer service and overall efficiency.

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Now, let's shift our focus to strategic thoughts on technology and transformation. Kieran, have you noticed any impact on retailers' transformation plans as they strive to balance cost and sustainable growth?

Yes, I have. In the teams we work with, we've seen a range of approaches. Some retailers have extensive IT teams, while others are streamlining and transforming their structures. Roles are changing, and the responsibilities are being outsourced to suppliers. However, they also want to work with fewer suppliers to reduce overheads.

We've identified opportunities to take on more responsibilities in areas traditionally handled in-house. The strain on costs and internal resources, including not replacing staff who leave, has resulted in an increased demand for our services. We are also exploring how to automate more tasks through technologies like Microsoft Endpoint Manager and Intune. These tools improve support for remote users and allow us to embrace available technology more effectively.

Retailers recognise that certain touchpoints, such as application support or legacy systems, lack resilience and create single points of failure.

We help them to redistribute resources within their businesses or to us, enabling us to share knowledge and provide more reliable services.

You mentioned earlier the idea of categorising transformations and costs based on what is within a retailer's control and what is outside. It seems retailers are reacting to these external factors beyond their control, which are becoming more prevalent.

Absolutely. Costs related to logistics, for example, are impacting project delivery as businesses face higher overheads.

Additionally, factors like equipment availability and budget approval delay projects. We often find ourselves planning projects several months ahead, accounting for constraints we cannot control, such as budget cycles, technology barriers, and timing within retail cycles. Balancing these aspects with supplier coordination and team availability sometimes requires careful orchestration, but we strive to make it work.

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How do you successfully balance costs with sustainable growth?

Vicki, can you provide some examples of how Seasalt has successfully balanced cost with sustainable growth in its business transformation?

One of the things Seasalt has been doing is reviewing and improving processes across the business.

We noticed that we could only service customers from our main warehouse, which limited our stock availability. So, we came up with a solution to use stock in our stores as mini warehouses. This allowed us to advertise and sell that stock online, even during store closures due to COVID.

It was a great example of identifying process gaps, making an investment, and finding a practical solution.

It's impressive that Seasalt was proactive in transforming its business, especially considering the unpredictable nature of COVID.

Yes, it was a fortunate coincidence, but it has worked out well for us and continues to support us.

Scott, can you share your perspective on the cost vs sustainable model and how automation would free up your team to focus on customer communication?

Absolutely. Efficiency is crucial for our engineers who need to complete calls around the country. We have 27 warehouses strategically located to ensure parts are within 2 hours of every customer site. Using AI to automate inventory management would significantly improve our efficiency. It would also help with route planning and ensure engineers reach their destinations faster.

While customers may not see these operations directly, they benefit from quicker response times and efficient resolutions.

We value personal interaction with customers, and automation allows us to provide real-time data through a customer portal. Customers can access it at any time, which saves us time and enables our customer success managers to concentrate on service improvement plans and proactive measures.

This proactive approach is increasing the resilience of our customers.

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How does and/or will automation help your business become more resilient?

Vicki, I'd like to ask you the next question. We've already discussed it quite a bit, but automation is becoming a crucial theme. Have you observed this in your business? When we talked about what we wanted to share with the audience today, you mentioned the need for our support services to be highly efficient.

As I mentioned earlier, our customers prioritise a great experience, so it's crucial for support services like Barron McCann to be responsive. We want them to address the issues we face in our stores. Additionally, we have to consider the increasing costs of fuel and hotels.

When we have to send an engineer or use a third-party service, these costs are passed on to us as retailers. Therefore, any efficiencies you achieve in your operations can ultimately benefit us as well. It's convenient for us to have quick and proactive problem resolution without increasing costs if everything is well managed.

Kieran, from your perspective, is automation the way forward? I recall you mentioned a few examples.

Absolutely. Especially when it comes to compliance and security, which are essential factors.

You need to know what you have in detail to plan effectively and identify vulnerabilities. The next step is taking action to manage and maintain your equipment, ensuring it's patched and protected. Finally, the data you gather provides opportunities to make informed decisions, improve functionality, and assess performance.

Technology faces approximately 21,000 new vulnerabilities every year, so it's an ongoing challenge. To address this, gaining better visibility into your technology is crucial.

Companies that develop these products are experts in making technology work securely. They offer prepackaged solutions, like automated security patch deployments. By opting into these services, customers can ensure their devices are secure within 24 hours of a patch release. This ongoing evolution provides a comfort factor, minimising the risk of neglecting critical security measures.

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You've all touched on a point we hadn't planned to discuss, but it's important: legacy debt. When acquiring outdated technology, there is a significant risk of failure. Your examples demonstrate how automation can mitigate these risks.

It is surprising that some organisations with legacy technology avoid vulnerability scanning. They already know their systems are old and out of support, but they fail to realise that new vulnerabilities are constantly emerging. These vulnerabilities become increasingly exploited the longer the outdated technology remains in place.

It's crucial for people to understand that legacy systems aren't just harmless boxes in the corner; they pose growing risks by staying stagnant.

How are digital and tech advancements supporting business resilience in stores?

Let's discuss the impact of stores as points of failure on business resilience. It's clear that when stores have issues, it can be detrimental to a retailer's reputation. For example, when a store's tills or card machines break, it creates negative news headlines that are detrimental to the retailer's brand.

Physical outlets play a vital role in the retail industry. Vicki, as someone in a position to plan and anticipate future technology needs for Seasalt, can you share how digital and tech advancements are supporting business resilience in your stores?

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One trend we're seeing is the move to cloud-based systems. This offers numerous benefits, such as improved safety, security, and regular updates. However, one downside is the reliance on network or internet connectivity. If the store doesn't have a stable connection, it can disrupt operations.

To address this, we prioritise resilient connectivity and ensure that certain systems can operate offline without impacting the customer's experience.

This allows us to continue serving customers seamlessly until connectivity is restored.

This focus on resilient connectivity is crucial not just for us but for other retailers and industries as they adopt cloud-based solutions.

Vicki, with Seasalt expanding internationally, are there any additional considerations regarding physical outlets and connectivity?

While it's not fully clear at this stage, connectivity remains a significant factor, particularly due to our ERP system. Most functions will be available offline, but connectivity will still be essential.

I recall visiting a retailer during a network outage, and they resorted to using manual credit card swipes. Kieran, do you have any additional insights or thoughts on addressing these challenges?

Many retailers require support for their 24x7 trading platforms. We're seeing more RFPs with focus on compliance and resilience.

To meet these demands, our help desk analysts can work remotely, thanks to our cloud-based tools and systems. This allows us to continue supporting customers regardless of any disruptions.

That's impressive. Scott, as someone dealing with physical outlets, how do you balance the demands from retailers while building resilience into your business?

Brexit has posed challenges for us. To provide services across Europe, we've set up facilities in Poland, France, and Dublin to overcome customs hurdles. Although it adds overheads, having physical outlets in Europe allows us to ship parts more efficiently and support multiple installations.

Retailers now also seek better service improvement plans and proactive device maintenance to ensure a smooth operation during peak periods.