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Behind the Scenes:
Harnessing the Potential of Facilities Management Technology in Retail Environments

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For years, the retail sector has been in a state of perpetual flux, driven by shifting consumer behaviours, technology advancements, and dynamic market forces. The need for constant connectivity means that digital and physical experiences are becoming blurred.

As a result, traditional retail organizations need to go one step further to remain competitive. They must provide in-store and employee experiences that not only exceed consumer expectations but also help to support brand image and retain talented sales staff.

This means that retail facilities management (FM) is undergoing a transformation right now too. In order to offer the best customer experience, organizations must embrace effortless and efficient facilities management practices.

Anyone who has ever gone shopping and abandoned a purchase halfway through due to faulty equipment, an uncomfortable environment, or distracted shop staff knows all too well how important this is.

However, this goes far beyond simply fixing broken tills or producing an attractive window display. A functional and engaging physical space is no longer enough to sell goods or groceries. In fact, this is the bare minimum. Instead, retailers need to provide memorable, and in some cases Instagram-worthy experiences to create meaningful connections with their customers. And as we know, customer experience starts with seamless facilities management.

So, by putting an efficient facilities management plan in place and automating key processes and workflows wherever possible, retailers can ensure maximum uptime of services and equipment, improve employee experience, and better manage costs.

This frees up time and resources to focus on creating truly meaningful experiences that will engage consumers.

With all of this in mind, we're going to take a peek behind the curtain and look at how creating a strong facilities management strategy is crucial for innovation and meeting ever-evolving consumer needs.
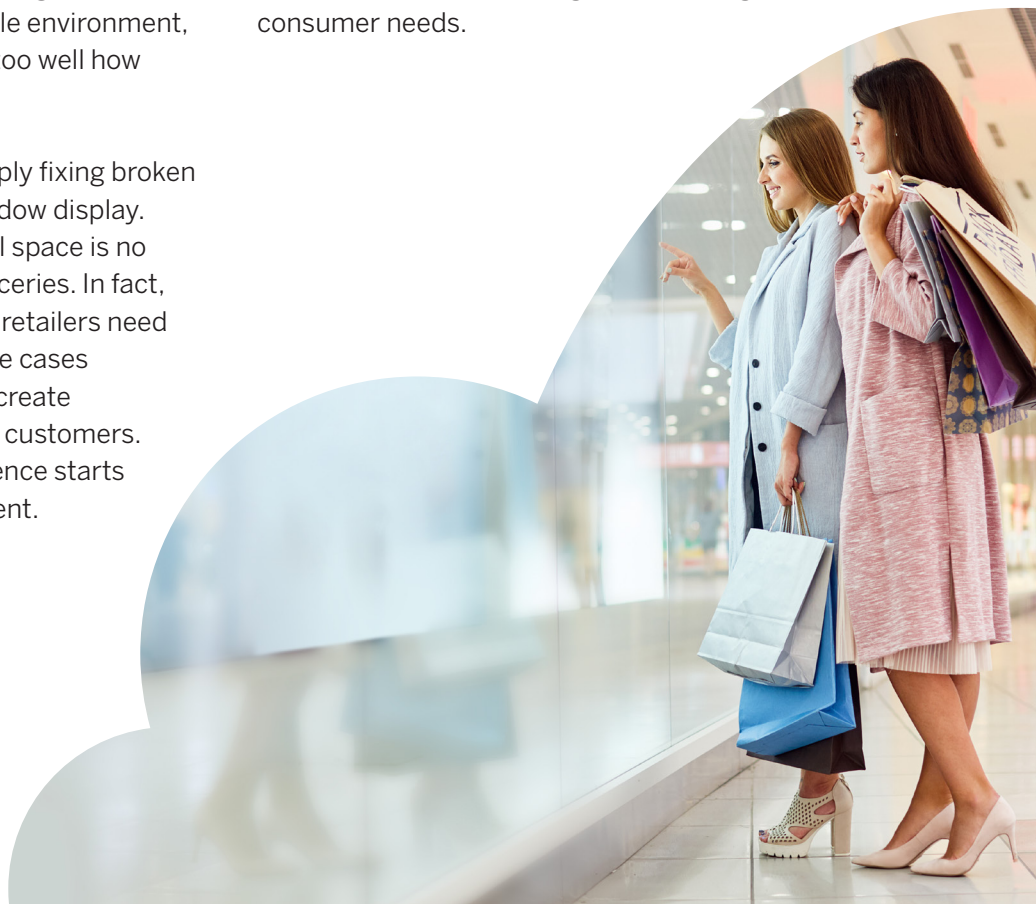
Why is facilities management so integral to the customer experience?

As most facilities management processes take place back of house (BOH), it's far too easy to separate this entirely from in-store experiences.

However, a study from Business Wire found that a staggering 93% of consumers would not return to a retailer if they experienced issues with the facilities. Therefore, it's easy to see how FM is intrinsically linked to the customer experience and there are several reasons for this.

⇨ Meeting consumer expectations

Often, it is the user experience that leads to the final sale, helping to keep customers coming back and remaining loyal to your brand.

In fact, creating a positive experience can build trust and gain loyal customers. Another study found that increasing customer retention by just 5% can improve your sales by as much as 25-95%, depending on which sector you operate in.

But today's consumers have much higher expectations. Let's take a moment to look at some real-world examples of how high-end brands are going one step further to meet these expectations and draw customers in.

The Adidas flagship store in London has a DJ playing every Saturday and Sunday to attract customers and provide a unique experience that consumers want to share online.

Also in London, the large department store group, John Lewis, has a rooftop bar that offers consumers a moment of relaxation from a busy shopping trip.

While American urban brand Vans created House of Vans, a store concept with a concrete skating area for customers to use, as well as a music venue. Customers can not only look for their new favourite pair of skateboarding shoes but interact with a community of like-minded individuals.

The aim of the game is not just getting people through the door but keeping them there longer and keeping them coming back.

However, creating the perfect retail environment front of house (FOH), and providing unique experiences like these is not possible without a strong underlying facilities management strategy.

⇨ Offering a great experience 24/7

What's more, this need for a welcoming environment is no longer confined to the typical 9 to 5.

As retailers stay open later, some even operating 24 hours a day, consumers are shopping at all hours. So it doesn't matter whether it's a trip to the shops at 5:00am or a late-night dash to grab some snacks, consumers expect a first-class shopping experience whatever time of day they visit.

Ensuring a clean shop floor, hygienic toilets, operational tills, and working escalators, lifts, or travelators is crucial. Interestingly, it's thought that if an escalator isn't working then the volume of people in the upper floors could fall by as much as 60-80%.

Of course, this requires planning and coordination and all of these demands must be met through more connected and streamlined retail operations.

⇨ Gathering data and insights

Not only does FM directly impact the cleanliness and safety of the retail experience, but it also allows managers to take advantage of analytics, automation, AI, and IoT devices to gather valuable data.

This can help to track and analyze customer shopping habits, reoccurring issues, and other helpful insights. Armed with this data, retailers can improve the overall shopping experience.

⇨ Freeing up time to focus on FOH tasks

Finally, the last thing any retailer needs is the downtime of revenue-generating assets like vending machines, such as smoothie dispensers, or negative customer reviews due to poor experiences. By ensuring the proper management of BOH processes and gaining visibility into their operations and associated risks, they can guarantee the smooth operation of FOH activities.

This frees up the valuable time of retail sales staff and employees to focus on other important tasks like creating beautiful window displays, advising customers, refurbishing the store, or working on branding projects.

What are the best practices for FM in retail?

Understanding the importance of FM for retail organizations is not the end of the journey; far from it, in fact. Facilities management is an ever-evolving process, particularly within retail environments and leaders are recognizing the need to be agile and proactive.

New technology, particularly Internet of Things (IoT) devices, has made it much easier to get strong facilities management initiatives in place and to automate outdated processes. That being said, it's still important to lay the groundwork for an effective strategy by always ensuring best practices.

In retail environments, this should include:

1 Providing a clean and hygienic environment

Ensure cleanliness and hygiene across the entire retail environment, from the car park to the toilets, fitting rooms, aisles, and everything in between.

The aforementioned study from Business Wire found that 78% of consumers would be prepared to abandon a store because of bad odors, as well as dirty restrooms (66%), dirty surfaces (65%), and unkempt or dirty entryways (60%).

2 Choosing the right layout

Enhance the overall shopping experience by carefully curating the physical layout of your retail environment. Every inch of space within your establishment should be thoughtfully utilized with the primary goal of maximizing the customer journey. Choosing an efficient and user-friendly layout like this is key to ensuring that customers can navigate the store effortlessly.

3

Tracking and analyzing data to provide actionable insights

In order to be proactive and to keep adjusting your FM accordingly, you need to track and measure as many relevant key metrics as possible. For example, you should be keeping track of utility bills, active and completed work orders, equipment costs, and planned vs. reactive maintenance.

By analyzing this data it's possible to spot trends and areas of strength and weakness. This makes it possible to drive informed decision-making and put meaningful changes in place. It can also help to enhance resource allocation and operational efficiency.

For example, knowing how much you spend a year on sending service equipment, such as

ladders, to technicians travelling to a site to correct an issue can inform future decisions. This was the case for a popular convenience store who, once they had analyzed the data, were able to renegotiate contracts and save $1 million a year.

Alternatively, understanding how long routine maintenance takes, such as checking gaskets on refrigerators or checking plumbing in the customer toilets, allows you to schedule this more effectively. That way, you can better communicate to customers how long it takes to get things back up and running. This can help to avoid negative customer experiences.

4

Streamlining facilities management

One of the most important things you can do is automate and streamline your facilities management, scheduling, and operations wherever possible. This will create a connected workplace, as well as having a number of other key benefits.

Increased efficiency and customer experience
Automated workflows for scheduled maintenance mean that no routine maintenance task is forgotten. This ensures the retail environment is as safe, functional, and welcoming as possible and increases productivity for employees and facilities managers.

This also means that should an incident occur, it's easier to resolve the problem and get the customer experience back on track quickly. This is important for meeting high standards and brand expectations.

Improved responsiveness

Creating a clear and concise issue response plan can help to protect employees and customers. Having this in place in advance ensures that in the case of an emergency, such as a cracked shop front window or someone driving off with a petrol pump attached to the car (this happens more than you would expect with one petrol station retailer in Sweden reporting they have to deal with this incident once a day on average), employees can stay calm under pressure and effectively resolve the problem.

If these workflows are mobile-friendly, this also means that facilities managers can act decisively and safely. For example, if a leak were to occur in a supermarket roof, the manager can quickly evacuate the area and get in touch with relevant third-party vendors or internal technicians to get this fixed as quickly as possible.

Automation of this can further enhance responsiveness, streamlining vendor communication and task delegation to ensure efficient resolution of issues.

Cutting costs

Streamlining processes and introducing automated systems where possible can reduce the risk of unplanned maintenance work. This is not only important for reducing disruption but it can also increase productivity of store visits, reduce repeat visits, and therefore, reduce costs on last-minute repairs or work orders.

Prevention of customer loss

All of the above is important for ensuring that customers have a pleasant and memorable shopping experience. This keeps them coming back time and time again as they know what to expect, reducing basket abandonment and increasing retention rates, word-of-mouth marketing, and brand reputation. All of which contribute to a retailer's success and profitability.
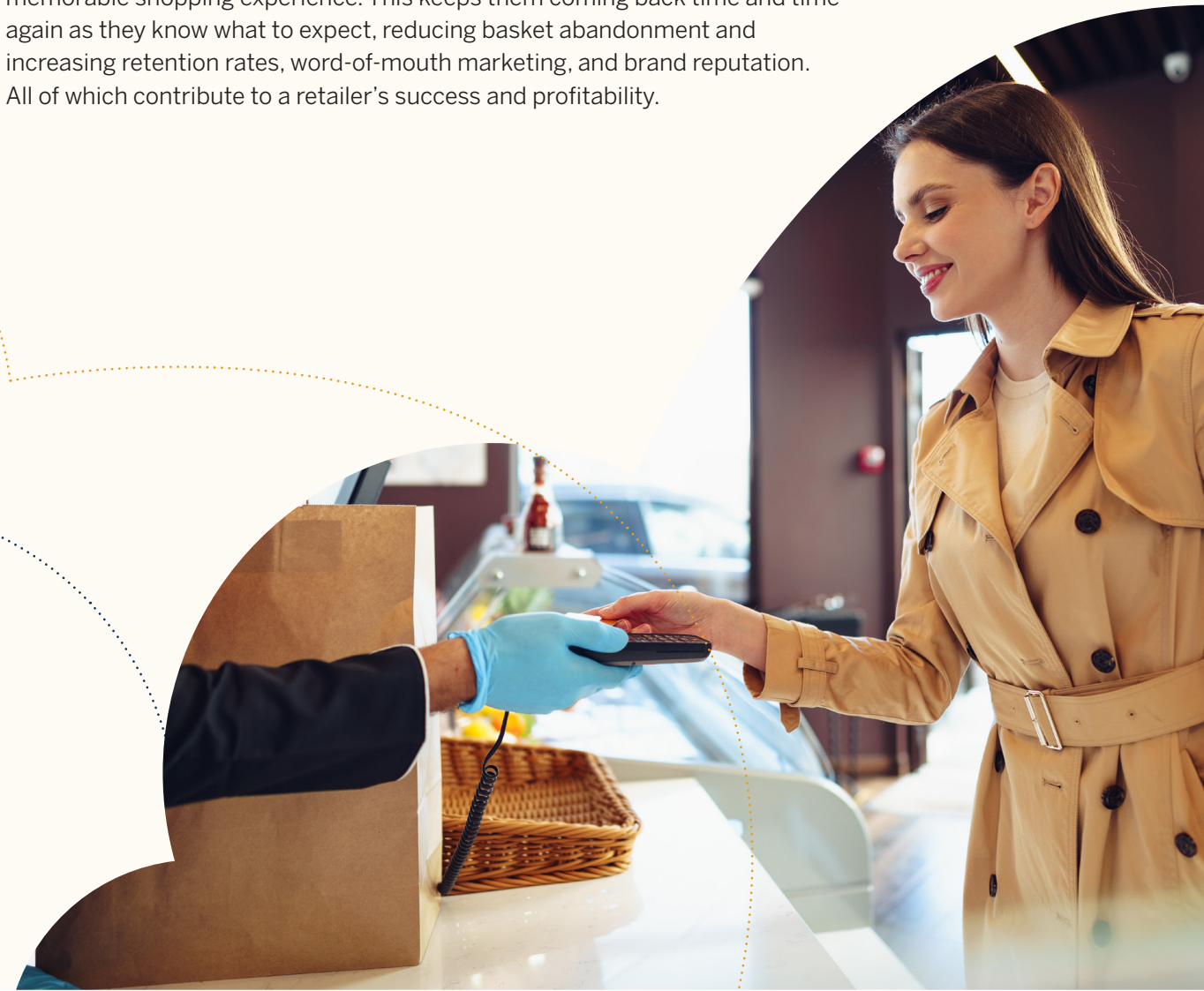
5   Getting sustainable practices in place

Today's consumers also expect responsibility from retailers. This might seem unrelated to facilities management, but it's not.

It's important to invest in sustainable practices that both improve the retail environment, boost branding, meet customer expectations, and help to save the planet.

For example, swapping paper towels for hand dryers in the toilet facilities, ensuring effective recycling facilities are provided for both customers and employees, or stocking sustainable products from responsible vendors.

6   Preparing for the future

When it comes to FM, you can't rest on your laurels, you need to make sure you're always planning for the future.

Using facilities management metrics, you can make decisions based on performance, investment needs and funding priority. This is vital for effective capital planning as it allows retailers to get more accurate budgets and forecasts in place.

You can also prepare for the future by mapping out possible scenarios and making sure the infrastructure (or at the very least, a plan) is in place to tackle challenges as they arrive.

For example, the Covid-19 pandemic rapidly increased the need for signage, security, and hygiene stations across retail environments. Those that weren't prepared for this scenario (which unfortunately was most retailers) saw a slump in sales and had to act quickly to rectify the situation.

How to be strategic with facilities planning

In order to be strategic with facilities planning, organizations must understand every aspect of the Store Lifecycle Management process and whether their initiatives will be effective. In today's retail environment, it's about being efficient but also unique and memorable.

Through strategic facility planning retailers can enhance the customer experience and ensure that all facility management initiatives are in line with corporate goals, brand standards, and the wider vision.

This also allows leaders to get a strong facilities management strategy in place in order to create an environment that is productive, positive, and cares for the wellbeing of workers. Because a clean, comfortable, and engaging retail space offers the best possible experience for customers, but it's also important for employees.

But what exactly is a facilities management strategy?

This is a detailed plan that focuses on improving the retail environment for both employees and customers. It gives facilities managers a deeper understanding of what the business needs, so they can make the right capital investments to meet these needs.

In order to build an effective strategy, managers must look beyond the day-to-day operations

to longer term initiatives. Data-driven decision-making is going to be crucial at this stage.

In this next section, we'll look at other key considerations when building your FM strategy and how this can be seamlessly integrated into existing business operations.

⇨ Understand your goals and capacity to reach them

In order to create an FM strategy and ensure its success, you need a clear focus. By setting objectives and goals for facilities management and keeping these at the core of your strategy, you create a roadmap to follow.

But for this to be successful, every goal you set must be clear, tangible, and measurable. If you can't track metrics and measure your progress, you won't be able to determine if you're meeting your targets and improving FM across the business.

⇨ Analyze and understand your retail environment

Using analytical tools and scenario planning, you can get a better understanding of the current situation, areas of strength and weakness, and where you need to focus your efforts.

By experimenting and analyzing in this way, you can build a deeper understanding of your unique retail environment and the performance measures that are specific to your business. These might include asset condition, health and safety risk, brand alignment and store performance.

This allows you to create a systematic layout of your plan and how every aspect will be introduced across different processes and teams. It also helps you to evaluate investment decisions against performance improvement and ROI to the business.

⇨ Assess your tech

Technology can be your secret weapon, helping you to keep things running smoothly and efficiently. With that in mind, you need to assess your existing setup to see if it can support your forward-thinking facilities management strategy.

If your current tech stack is not up to scratch, you need to think about investing in the right tools. Workflow automation can be particularly powerful, allowing you to streamline routine tasks, cut costs and boost productivity across your retail facilities.

⇨ Create a detailed plan

It's now time to come up with a detailed step-by-step plan. This should outline the changes that need to be made, the time frame, and any new investments or tools that need to be implemented in order to make this possible.

The plan should also detail how every new tool or integration connects with one another and who will be responsible for ensuring everything is connected and running smoothly at each stage.

⇨ Start making changes

With the plan now in place, it's time to act. Once every step has been approved, leaders across the organization can begin to execute the relevant changes in line with the strategic FM plan. New processes, vendors, and tools may be introduced and integrated with new and existing systems.

This includes cross-functional collaboration and fostering synergy amongst different teams from store managers to field technicians.

Leaders should also start tracking and reporting on these changes right away, gathering real-time data to determine whether these initiatives are proving successful.

Introducing the right tech: Your key to success in facilities management

We've spoken a lot about improving processes and getting best practices in place for effective facilities management, but for a truly efficient retail organization, it's important to deploy the right technology. Some of the most common FM tools for the retail environment include:

➜ Maintenance management systems
This allows you to accept, prioritize and assign routine work orders, as well as repair requests

➜ Workplace analytics platforms
These help you to maximize the retail space, whether that's the office, toilets, or shop floor

➜ Task management software
This helps facilities managers to stay on top of daily tasks and delegate these where necessary

➜ Asset management systems
These enable facilities managers to keep track of core business assets and equipment

➜ Property management systems
This helps real estate teams manage retail property lease workflows, get alerts for important dates and milestones, and gain valuable insights into portfolio performance

That being said, we suggest finding a comprehensive platform that allows you to connect your people, places, and spaces from one place, such as **Nuvolo Connected Workplace**.

A single platform that can automate facilities and asset maintenance, integrate vendor management, lease admin, capital projects, and many other features, will help you to reduce costs, improve operational efficiencies, and achieve an exceptional retail environment. But what does this look like in reality?

Allocation of Time

⇨ Simplified facilities maintenance

Nuvolo Connected Workplace helps you digitize, manage, and measure your facilities and maintenance processes in several ways.

You can track all assets (such as lighting, refrigerators, cash tills, HVAC and plumbing systems, or revenue-generating equipment) right from within Nuvolo — from purchase to maintenance, sunsetting, disposal, and beyond. This gives you better insight into the performance of your assets. Plus, you can use the platform to dispatch technicians within seconds of a critical equipment down work order. By automating these processes, store managers don't have to focus on the small details. They can instead focus on the customers.

⇨ Staying on top of project details

When you need to make wide-reaching changes across multiple locations, this can become messy, fast. Therefore, creating a space where you can manage initiatives such as constructing new buildings—and even re-branding projects where you need to roll out new signage, logos, and redesigned stores across all locations quickly and on-budget is critical.

The Projects solution connects to your business operations data, meaning that data is consistent between team members, departments, functions, and business units. This enables you to make more strategic decisions and ensure you're keeping critical projects on track and on time.

⇨ Centralized vendor management

Large retail organizations often outsource store operation services to hundreds of local and regional vendors. Because of this, it's often difficult to track their performance. However, if your contractors are breaching SLAs, and if your assets (such as chillers or smoothie and coffee machines) aren't functioning, this can impact sales and damage your brand. With Connected Workplace all vendors use the same platform.

They become trusted partners, and because they can update work orders, inventory information, and asset history from a laptop or on their mobile device, the data is up-to-date and accurate.

Centralizing vendor data in this way makes it possible to catch discrepancies and potential overcharges before they become an issue. This can also be integrated with different financial systems to tackle invoicing and vendor expenses, making this part of the process easier.

⇨ Creating a connected workplace

Nuvolo can also help to align processes across different retail stores, allowing IT and facilities to work effortlessly together from one solution. They can submit tickets and work orders from one place so that the issue can be fixed as quickly and efficiently as possible with no delays.

This also means that employees can submit tickets when required, and the work is automatically sent to the right vendor. For example, reporting a broken refrigerator, smashed window, or broken sink within a matter of minutes. All of which helps to bring more transparency to facilities' work and costs.

⇨ A unique advantage

Nuvolo Connected Workplace is the only integrated workplace management system (IWMS) platform natively built on NOW™ and this gives it a unique advantage. Nuvolo and ServiceNow offer a transformative solution, enabling you to build upon your current ServiceNow capabilities and seamlessly connect IT, facilities, HR, real estate, and more.

By consolidating all essential information in one unified platform, you gain the power to efficiently oversee operations across departments and teams.

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For more information on how
we can help you modernize
your retail infrastructure,
check out our website:
www.nuvolo.com ➔