## **Retail Marketing Strategy**

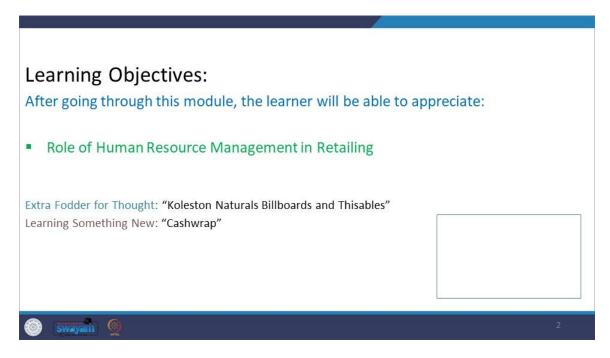
#### Prof. Sourabh Arora

### **Department of Management Studies**

### Indian Institute of Technology, Roorkee

#### Lecture-36

Welcome back everyone. Today we will be beginning with week 7 of the course retail marketing strategy. As far as week 1 to 6 are concerned, I really hope that you had a great learning experience and we were successful enhancing your knowledge with respect to the basics and advanced concepts in retailing.



Now, as we move further today as far as this module is concerned, once we are done the learner will definitely be able to appreciate and pick up nuanced perspectives about the role of human resource management in retailing. Along with that we are again back with our two exciting elements which is extra fodder for thought and learning something new. So, as far as extra fodder for thought is concerned, we will be learning about a brand cold stone and we will be learning what is so magical about their billboards.

Along with that we will also be learning about disables and we will also be understanding what is the perspective behind specifically disables and how they are bringing social perspectives into a broader picture. And finally as a part of learning something new, we will be delving into the facets of cash trap.

Human Resource Management (HRM) plays a crucial role in the retailing industry.

Retail, being a people centric industry, depends largely on its personnel to provide excellent customer service, uphold operational efficiency, and foster company growth.

The numerous activities that are necessary for managing and growing the human capital within the organization are included in HRM functions in the retail industry.



Now, see no matter you look at any industry, human resource management definitely plays a crucial role and likewise is the case with retailing. If you specifically look at retailing, it is undeniably a people centric industry right.

If you go to a store, you see people who are taking your orders. Along with that there are also a lot of people who are processing your orders at the backend. Even when you enter the store, you have people who are there at the security counter right. Along with that if you look at the companies like Swiggy, Zomato, you also have people who are delivering your orders. Along with that you also have people at the backend who are processing your orders.

So, even if you look at people who are in the front and also teams who give bring in a strategic perspective, let us say even if you want to understand this from top management perspectives, human resources definitely occupy an important role. Now, when we are specifically considering retailing industry, we cannot deny the fact that it is only personal or people who work in the retail stores that provide excellent customer service, uphold operational efficiency as well as foster company growth. Just imagine if in a retail store there are no people to handle your doubts and in a way make sense with you with respect to understanding which product is going to be most suitable for you. Along with this we also need to understand that there are numerous activities that are necessary for managing and growing human capital within the organization. I definitely gave you a perspective about when you get to the store there are people who are handling your doubts, even processing your orders, handing over you the products or let us say even when the products are delivered you have people which are indeed hired by the human resource department.

Along with that there are lot many things that we will be deliberating upon today, right kind of training that needs to be provided to these people, there are also a venues which are provided for their development so that an organization is able to retain these wonderful employees who eventually contribute to the growth of an organization. So considering this session we are definitely going to delve upon these facets and a lot more. Now, if you really want to understand the role which is played by human resource management in retailing industry the one thing which we really need to understand is workforce planning.

# Workforce Planning:

## Managing workforce demand and supply

HRM in the retail sector entails determining the optimal staff size, as well as the abilities and competencies of the workers, and aligning the workforce with corporate objectives.

This include creating job descriptions, deciding on recruitment strategies, and assessing personnel requirements based on sales projections.



Now see whenever you are talking about workforce planning it simply means that you are managing the workforce demand and supply. You will be surprised to know that as far as retailing sector is concerned churn rates are very high specifically when it comes to retail sales.

You might see a lot of people joining and also see a lot of people leaving that job and going somewhere else. Now they might be shifting to another retailer or they might be even getting on to the another industry but whatever the case may be a retail store is definitely required to manage demand and supply. See if you are not managing workforce you might not have enough people in the retail stores to take care of customers. Many times you will see if you go to a particular retailer and there are long queues as far as processing of orders or let us say billing is concerned or handing over of products to the customers is concerned you are definitely going to get agitated. So this again can be a part of workforce planning right which is all about making sure that if you are running a retail establishment considering the size of the store and footfall or the quantity of customers that comes into the store even with respect to the product

categories that you are handling you are required to have enough and sufficient number of workforce who will be dealing with these customers.

Otherwise as I told you, you are definitely going to feel agitated. So considering this HRM in the retail sector entails determining the optimal staff size. Now optimal staff size simply means that you have to identify or arrive at this number very systematically. As I was telling you this could be dependent upon let us say if a store is always very crowded because of its location which means the footfall is very high then you definitely need more of staff. If the variety or the product categories which a retailer is dealing with are specialist product categories you might need right kind of staff for every product category to interact with customers right.

So there could be a lot more factors also which will eventually help you determine the optimal staff size. For example let us say if you have a particular retailing service establishment in which you are precisely adopted the principles of self-service. Now in that case where customers are picking up the product themselves they are checking the information themselves let us say you might kind of establish some electronic terminals where consumers can check information they can even go to the counters and process their orders you might not need that much staff. Along with that you also need to make sure or check upon the abilities and competencies of the workers right and this again has to be aligned with the corporate or the retailers objectives. I will give you one example for this.

Let us say there is a particular electronics retailer who is saying that our staff is very much knowledgeable if you come to our store they will be help you to identify the best product fit for you. Now just imagine when you are kind of hiring people or selecting people for certain jobs you are not focusing on this that is definitely going to work out in other ways you can also say you are not delivering on the promises that you are making to the customers. So along with this whenever you look at the facet of managing workforce demand and supply we are also saying that you need to keep account of the recruitment and selection activities right only when people will apply for jobs in your organization only then you will be hiring them. So this includes creating job descriptions deciding on recruitment strategies and assessing personal requirements based on sales projections. Now before we move further we definitely need to understand what recruitment is.

Recruitment: A positive process that aims at attracting people to apply for jobs in the retail organization

Sources of Recruitment: Internal and External

Internal Sources: Current Employees, Employee Referrals, Notice Board,

Former Employees, Collected Pool of Applications

External Sources: Advertisements, Campus recruitments, Exchanges,

Professional Organizations: Search Firms, Job fairs etc



. .

Now recruitment definitely is a positive process that aims at attracting people to apply for jobs in the retail organization. Now there are two key concepts recruitment and selection definitely we will be talking about selection also but let me give you a perspective now itself. So whenever you are looking at recruitment it is basically a positive process what this means is that your focus is on making sure that more of people apply for jobs in your organization only then you will be able to select the best of slot from them right. If let's say only a handful of people apply you don't have much of options that's why it is called as a positive process and the focus is always on making sure that large people apply for jobs but along with that facet of keeping it large the objective is also to make sure that at least they have an idea about what kind of jobs they are applying and also you give them a perspective about what is the required skill set. Now receiving applications which are completely not in tandem with the profiles that you have advertised is also not going to make more of sense that's why we really need to create job descriptions for that and as we move further I will also be explaining you that concept.

Now whenever it comes to recruitment there can be two sources of recruitment first is internal other one is external. Now internal simply means that you are trying to fulfill the requirements of employees from your current employees or maybe let's say by using employee referrals which means you are not going outside you are asking your current employees if they want to recommend someone or you might also put a notice on the notice board of your organization or let's say at some designated places in today's time you might also send them an email asking them to refer people who could be suitable for this job and you will be surprised to know many organizations also give incentives to people when they refer good people and they are eventually hired because eventually

you are cutting down on the cost of recruitment which you could be incurring if you are going for external sources of recruitment. Another form of internal source could also be the collected pool of applications which means the people who have on their own applied for jobs in your organization if you visit any company website you will be able to see they have a specific tab called work with us or jobs or careers or something like that and if you click on that they always advertise about the kinds of people that they are looking for and many times it is also a ruling ad in which people can apply in any time of the year and once the recruitment rounds are done then their applications are processed right. So, another source is external which means you are going outside your organization and then you are inviting people to apply for jobs in your organization. Now one form could be advertisement this could be about giving newspapers digitally or magazines or maybe even sending the brochure of ads or information to colleges which also then takes the form of campus recruitments where you visit various colleges and campuses which are aligned with the kinds of people that you are looking for let's say if you are looking for managers you will be definitely going to business schools and might be recruiting a lot of MBA students right you can even reach out to employment exchanges or professional organizations or search firms like naukri.com indeed.com and all these companies you can also visit job fairs and there also you could make an effort to attract people.



I really hope that you got a fair idea about the internal and external sources of recruitment we really need to understand the advantages and disadvantages of internal and external sources of recruitment. Now whenever you are talking about internal sources the first advantage is reduce time to hire see simply because you are not going outside let's say if you put out on the notice board or you drop a mill many people could

respond back saying that they are recommending this person and the process could happen in the fast paced manner it is definitely going to be cost effective because you are not incurring any additional cost like buying a media space let's say newspaper or in a magazine or let's say somewhere else where you could be sharing information about the kind of jobs for which you are looking for people along with that it is also going to have a very short on boarding and short induction process because many times as a part of internal recruitment you also consider the people who are working on different roles let's say there could be someone who is on working in the administration department but you might see that he has that knack for selling and could even be considered for the retail sales profile so in this case the induction process is very short and even on boarding process becomes a lot more easier and is curtailed down now along with these benefits it also enhances employee morale and engagement let's say if there is a position which could appear to be more like a promotion for someone else so whenever you are first considering your internal employees for that now this again also comes as a facet of recruitment it is definitely going to increase their morale because they will feel very much encouraged that they are being considered for higher positions now see whenever you use internal sources of recruitment you definitely have someone who is recommending the prospective applicant right so it becomes a lot more easier for you to gain information about their behavior now if it is going to be let's say internal movement to a higher position then definitely you get access to their work performance parameters also now we have already looked at the advantages of internal sources of recruitment now what we need to understand is what are its disadvantages so the first disadvantage is it stagnates organizations culture or you can also say that it promotes inbreeding which means that there are no new people who are coming in there is no new thought process the people who are already working to the organizations have also been accustomed to the work culture and their thought process has also been developed like that until as you have someone who is coming up with a different work experience only they can recommend what are the strategies that can be adopted to make this organization better or even how the organization culture can be changed to increase or improve the performance of our employees right along with this you are also going to have limited pool of applicants because you are not going to an external role you might have a handful of people who are applying for the same jobs it also create gaps let's say if you have internal movement as I was giving you the example of someone being promoted it is definitely going to increase their morale will also push the engagement which they have with the organization but it is also going to create gaps because now their position has become vacant it can also push the laid-back attitude in the people who are already working in your organizations because they might feel if not now maybe in the next round they are definitely going to get a chance if the focus is too much on internal recruitment they might not give that much focus on working on themselves improving their performance or learning new skill set along with this it can also lead to jealousy

because whenever you talk about internal movements you will be considering one and you might be rejecting the other or not considering the other person which will eventually lead to a lot of problems in the organization it can eventually take the form of conflict and subsequently will lead to lower performance or can impact team performance as well



now we will also discuss about the advantages and disadvantages of external sources so the first advantage is whenever you move out of the organization or utilize the external sources of recruitment you are definitely going to make an effort towards bringing in new ideas and new talent in your organization right which we also looked at as a disadvantage of the internal source of recruitment it also gives you a chance to bring in more experience and qualified people in your organization which eventually is also going to impact your organization culture you will have new thought processes entering your organization new ideas flowing in which can give you a lot of fodder for how things can be improved it again gives you an opportunity to hire the best talent right because until unless you move out of your organization you might be missing out on the best employees that you can have now many times you might also see employees moving from your competitors to your organizations right the best of employees but this is only going to happen when you give them a chance this is indeed also going to promote competition as I was telling you one of the disadvantages of internal sources of recruitment indeed is that it also promotes laid-back attitude in the people because they feel that if not now in the next time we are definitely going to be promoted or considered if there is a too much focus on internal sources but when you start using external sources of recruitment it is definitely going to promote competition and overall it provides you avenues for better growth and diversified staff but it also has certain disadvantages which are increased training cost increased hiring cost because I was telling you you might be buying some media space to advertise you might be paying also some fees to the exchanges or professional organizations or search firms who will be doing this job for you you might also be incurring some expenses to get some space in job fairs as well where the objective is all about attracting new talent now the another disadvantage is it can definitely lead to resentment now why this may happen is let's say if you have a higher position now the people who are working on the positions just beneath that or one level lower beneath that will always feel that we must have been considered now if you bring someone by using external sources it can lead to resentment mismatch can also happen because it is not like if you are bringing someone from outside they are always going to be the best match but what this indicates is that your recruitment process definitely has to be more robust this can also give push to jealousy as an outcome of resentment along with this you also have limited access to past history it's just that you need to have again a very stringent process for reference check and collecting more information about the people who have applied or eventually you are being considered for the job maybe you can reach out to someone in the past organization and can do some robust search to figure out that they are going to be best fit for your organization or not but do you know that what is gaining momentum these days it is definitely using social media channels for recruitment and it is called as social media recruiting



now in this case what happens is companies basically use social media sites like LinkedIn Twitter Facebook and Instagram to distribute job posts to reconnect with industry experts and even to scout out possible job candidates for the positions which they want to advertise now in order to establish this understanding we will be looking at one of the videos which comes from the LinkedIn recruiter and has been derived from

the official account this video is definitely going to give you a perspective about how social media recruiting happens along with this I will also urge you to go and Google more about social media recruiting you will be surprised to see the statistics how majority of companies are now using this as a part of recruitment channels so please have a look at this video and then we'll be moving forward

hello and welcome to LinkedIn recruiter let's walk through some key features that will help you find and engage the right candidates fast it all starts with the role you're recruiting for let's say it's an account manager begin by creating a project this acts like a folder to organize all your work for that role stay organized by creating a separate project for every role you recruit for now let's begin searching for potential candidates using the world's largest professional social network over 700 million LinkedIn members start big then narrow your list of candidates with over 40 advanced filters and get granular with your search using spotlights allowing you to identify candidates actively looking for jobs using open to work or filter for other specific criteria such as more likely to respond LinkedIn recruiter also provides recommended matches learning from preferences and previous actions taken in your project once you've narrowed down your list of potential candidates save them to your pipeline where you can track their movement through your recruiting process okay we've identified some potential account manager candidates now it's time to connect by sending a direct message called an email draft your message and send it to multiple candidates at once you can even save it as an email template for future use while you wait for responses to your in mail you don't have to sit at your desk stay on top of your work from anywhere with the recruiter mobile app you'll be notified as soon as a candidate replies to your message and as you begin to hear back from potential candidates dig into your in-mail performance metrics identifying opportunities to improve your response rates now that you've identified a shortlist of candidates you're ready to align with your hiring team and LinkedIn recruiter makes it easy share profiles directly with your hiring managers or clients they can review candidates without even logging into recruiter for seamless collaboration with your team at key stakeholders to your project now they can see all the candidates in your pipeline and add notes to their profiles providing visibility across the team and you can get even more from recruiter thanks to seamless integration with other LinkedIn solutions and partners now you can manage your entire talent acquisition process from a single platform search engage collaborate now that you've got the basics you're ready to find the right talent fast using LinkedIn recruiter

I really hope that you enjoyed looking at the video we definitely discussed about recruitment right which means inviting people to apply for jobs in the organization but as I was telling you you also need to provide them some document to understand if they are fit for the job or not right if majority of people who apply are not fit for jobs again you

will end up incurring a lot of expenses without gaining anything so for that what becomes important is conducting a job analysis

Job Analysis: Systematic process of collecting information about a job, Identifies essential activities and is utilized to determine qualifications of potential employees

Job Description: Tasks, duties, function and responsibilities of a position, activities employees need to perform, performance expectations expressed in quantitative terms

Job Specification: Lists the qualifications and skill set required for a role



now it is a systematic process of collecting information about a job it aims at identifying essential activities and is utilized to determine qualifications of potential employees see once you have understood what job is all about or in a way when you are conducting an analysis of a job you will be eventually moving ahead with job description and job specification now job description clearly specify what are the tasks duties function and responsibilities of a position right and activities which employees are required to perform in this case many times you also specify what is it that is expected as a part of a job and more likely in quantitative terms because it is only when you specify it in quantitative terms it is going to make more of sense and will also make it easier for the other party to understand what they are required to do let's say if you have prepared a job description for a retail sales profile now you are not specifying how much targets they are required to achieve they might not get a clear-cut idea but one thing again which you need to understand is as far as today's jobs are concerned everything may not be quantitative there could be a lot of qualitative objectives also which they might be required to achieve which could be like working towards fostering relationship with people who are coming into stores many times calling and wishing people let's say on their birthdays or working towards building a relationship with them which again becomes a part of customer relationship management or if a customer is coming to the retail store or establishment with respect to some grievances handling them is all going to be a part of your qualitative objectives so I am again repeating it you really need to understand that both quantitative and qualitative objectives are going to be important but it's just that when you clearly specify the expectations in quantitative terms it becomes easier for the other party to understand what they are expected to do maybe consider this example if I am writing you are supposed to achieve sufficient targets now how to decode sufficient is definitely going to be conflicting the other party may decode it in a different way and you might be assuming something else but if you clearly specify that you are required to sell 50 units of this product in a month or a week or however it is decided it is definitely going to give them a clear-cut indication now this was about job description which again can be summed up in the form of task duties functional responsibilities of a position now once you have identified job description you will also be looking at the qualification and skill set which would be required or will be in tandem with the job description now let's say if you want to hire someone for analytics job who are required to do retail analytics analyze the data of customers or analyze their baskets as far as grocery markets are concerned so you really need someone who can do that right who have a very good analytical skills or can work with data or play around with numbers now you're hiring someone who is very good in soft skills but might not be good in analytical skills it is definitely not going to work in this case right so you really need to understand that whenever you are executing recruitment process first is to analyze the job then prepare job description and job specification now as

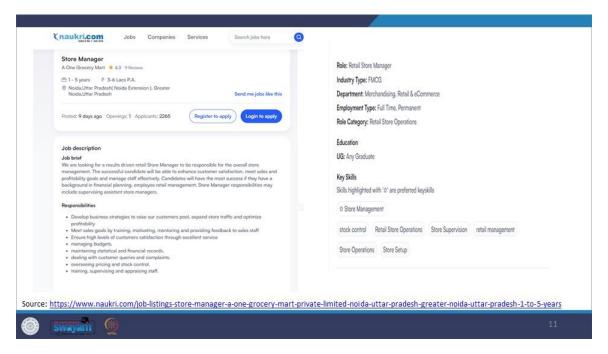
Think about the job analysis for selling high-involvement merchandise like jewellery or selling apparels in a retail store or selling high-tech equipment in B2B retail store or someone working in a theme park or hiring someone for job of a retail analytics

Job analysis can be conducted by taking interviews of those who perform these jobs and by observing the performers too. Top/Best performers are also analyzed to execute job analysis



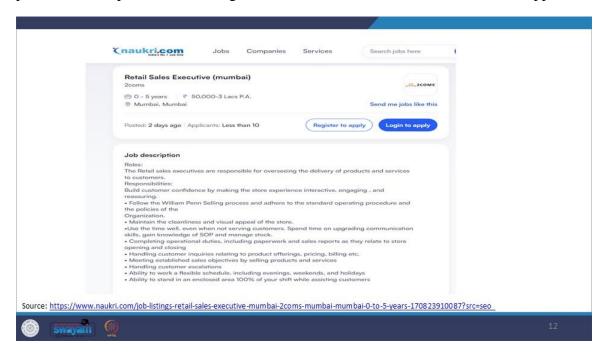
I was telling you think about the job analysis for selling high involvement merchandise like jewellery or selling apparels in a retail store or selling high-tech equipment in b2b retail store or someone working in a theme park or hiring someone for the job of a retail analytics the job description for all these jobs is going to be very different if you talk about someone you want to hire for a b2b retail store they are definitely required to be well versed with the product knowledge or at least have the skill set to understand let's say if it requires some technical skills they will definitely be required to have that and as

I was telling you if you are looking for someone who needs to do the job of retail analytics they have to be good in that otherwise things will not work so job analysis can be conducted by taking interviews of those who perform these jobs or can also be done by observing people when they are performing jobs because it also gives you an indication of the stages or let's say activities which are required to perform to execute a job effectively many times top and best performance are also analyzed to execute an efficient and efficacious job analysis so in order to give you a clear perspective about this I have got these snapshots for you now you can see the snapshot from naukri.com a store manager is being hired for even grocery mart location is noida uttapradesh

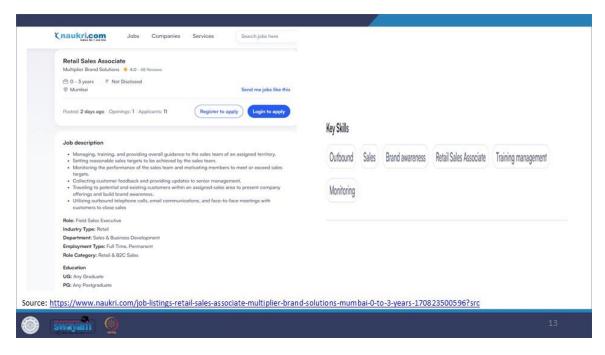


now they have clearly specified they are looking for the people who have an experience of one to five years salary is going to be three to six lakhs per annum now let's look at the job description and job brief we are looking for a results driven retail store manager to be responsible for the overall store management the successful candidate will be able to enhance customer satisfaction meet sales and profitability goals and manage staff effectively candidates will have the most success if they have a background in financial planning employee retail management store manager responsibilities may include supervising assistant store managers as well now let's look at their responsibilities develop business strategies to raise our customers pool expand store traffic and optimize profitability meet sales goal by training motivating mentoring and providing feedback to the sales staff ensure high levels of customer satisfaction through excellent service managing budgets maintaining statistical and financial records dealing with customer queries and complaints overseeing pricing and stock control training supervising and appraising staff right now just imagine how clearly to an extent this is specified what they are exactly looking for when it comes to education any graduate skills highlighted

with star are preferred skills now it is all about stock control retail store operations store supervision retail management store operations and stores—setup now this is how job descriptions are usually prepared so along with this we will also have a look at this one now as far as this snapshot is concerned they are looking towards hiring—two retail sales executives for Mumbai location now let's look at the job description in this case—the retail sales executives are responsible for overseeing the delivery of products and service—to customers—when it comes to responsibilities they are required to build customer confidence—by making the store experience interactive engaging and reassuring they are required to—follow the William Penn selling process adhere to standard operating procedures and policies of the organization maintain the cleanliness and visual appeal



and if you look at the earlier job description they did not specifically mention about visual appeal but in that case also it goes without saying that this is something which would be required in a retail store use the time well even when not serving customers spend time on upgrading communication skills gain knowledge of SOP and managed stock you can have a look at other facets also like the last one is ability to stand in an enclosed area hundred percent of your shift while assisting customers ability to work in a flexible schedule including evenings weekends and holidays right so there is one more



snapshot but you can have a look at it on your own once slides are shared with you but I really hope that you got a very practical way of looking at job descriptions because this is what is exactly coming from the organization's themselves but one thing which I would like to highlight is see let's say if you are hiring people for the sales job retail sales profile in different locations many times even languages are specified let's say if you are hiring someone for Bangalore or Chennai it would be required that when it comes to Bangalore they at least are very much comfortable in speaking Kannada or when it comes to Tamil Nadu they are very much comfortable in speaking Tamil otherwise they might not be able to interact with a lot of customers who come to the store so language again is going to be a key factor whenever you are recruiting people for different locations so this was one thing which I again wanted you to understand now as we move further or we get to the next module we will be looking at some more interesting facets as far as the rule of human resource management in retailing is concerned so looking forward to meeting you in the next session wishing you a good day for now you