

Retail Marketing Strategy

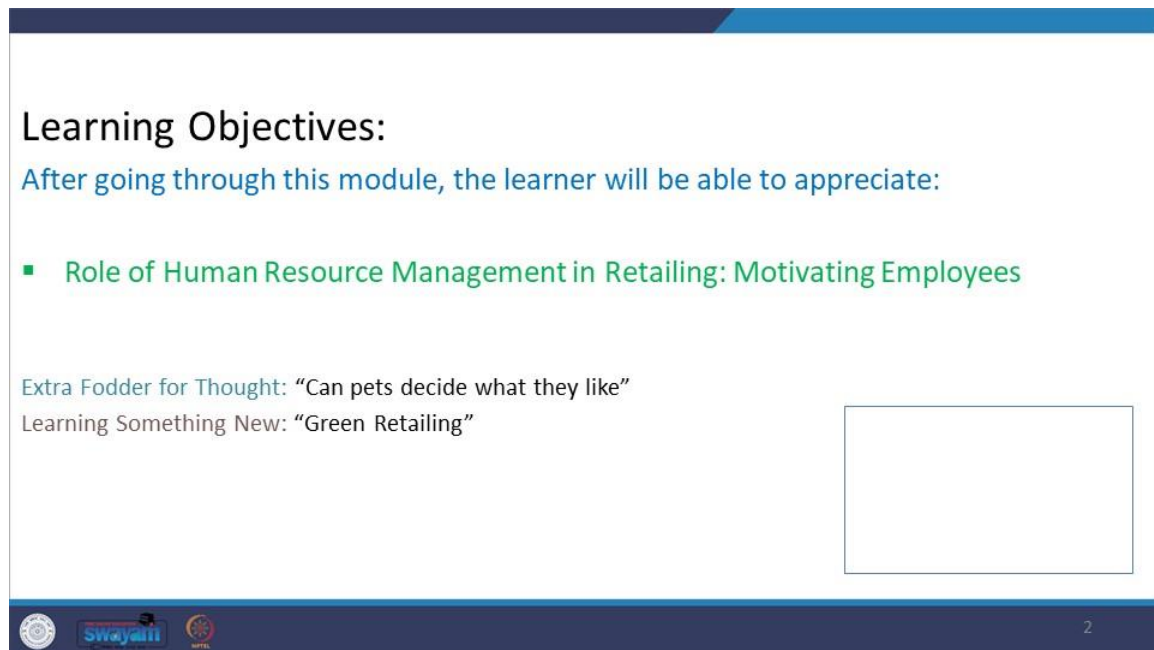
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Lecture-38

Welcome back everyone. Today we will be beginning with session 3 of the week 7 of the course Retail Marketing Strategy. So, as far as last two sessions were concerned we definitely dig deeper into the facets of role of human resource management in retailing. But in this specific module we will be learning how the employees can be motivated in retail establishments.



Learning Objectives:

After going through this module, the learner will be able to appreciate:

- **Role of Human Resource Management in Retailing: Motivating Employees**

Extra Fodder for Thought: "Can pets decide what they like"

Learning Something New: "Green Retailing"

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So, considering this module once we are done with this the learner will definitely be able to appreciate the role of motivation as far as the broad facets of human resource management in retailing is concerned. Along with this we are again back with our two exciting elements extra fodder for thought and learning something new.

So, as a part of extra fodder for thought I have a question for you. Can pets decide what they like and we will be looking how the mechanics of retailing in pets industry are changing these days by the usage of AI and ML techniques. Along with that we will be learning a new term which is called as screen retailing. Now before we delve further into the facets of how employees can be motivated we really need to understand what motivation is.

Motivating Employees:

A zeal that drives people to act

Motivation is the process of encouraging and prompting an individual to behave in a certain way.

Within an organization, motivation involves encouraging and prompting employees to perform at their best in order to meet the objectives of the organization.



So, to put it in perspective in the most simplistic way it is a zeal that drives people to act. If you want someone to behave in a certain way you really need to give them something right only then they will be achieving those objectives or targets. So, as far as motivation is concerned it is a process of encouraging and prompting an individual to behave in a certain way. But when we look at it from the perspective of organization motivation involves encouraging and prompting employees to perform at their best in order to meet the objectives of the organization. See even if you connected with a personal life many times you must have seen parents telling their kids if you get this much marks only then you will be getting a cycle or maybe let us say any other toy which they want.

That is a way to motivate them to study hard and to get those many marks. But when you look at it from the perspective of organization maybe let us consider the example of retail sales. If you want someone to sell these many units you really need to offer them something to get motivated and this could be related to incentives, this could be related to a gift which you are going to provide them which also means a higher salary when it can be clubbed with incentives which you could be providing them which is again going to be a source of motivation to work harder. Now in order to understand the facets of motivation in organizations we will be looking at three theories. So, the first is definitely the theory by Abraham Maslow which is also called as Maslow Need Hierarchy.

Maslow's Need Hierarchy

Maslow's Hierarchy of Needs (Hierarchy of Needs) is a psychological theory developed by Abraham Maslow, in his 1943 paper "A Theory of human Motivation". Maslow's hierarchy of needs describes a hierarchy of human needs. Maslow argues that people are motivated by a series of needs, ranging from physiological needs to higher psychological needs. The hierarchy is usually depicted as a pyramid, with five levels. Each level represents a category of need. Later on, Clayton Alderfer's ERG theory emerged as a modification to Abraham Maslow's Hierarchy of Needs.

So, as far as it is concerned the theory was proposed in 1943 which was written by Abraham Maslow in a paper a theory of human motivation. Now considering this theory what Abraham Maslow has prescribed is that there are going to be five set of needs which starts with physiological needs then it gets to security needs then social needs then self-esteem needs and finally self-actualization needs. So, he prepared a more or less kind of a pyramid which also indicates the hierarchy of these needs. Along with this he also specified that once lower order needs are satisfied only then higher order needs will become more dominant. Lower order needs indicate the facet of physiological needs and security needs and then they get to the higher needs of self-esteem needs and finally self-actualization needs.

So, as per Abraham Maslow each level represents a category of need and later on Clayton Alderfer also proposed ERG theory as a modification to the Abraham Maslow's hierarchy of needs and when we are talking about ERG it indicates the need for existence, need for relatedness and need for growth. So, this is how the pyramid actually looks like at the bottom or lower order needs you have physiological needs then you get to safety and security needs then love and belonging self-esteem and self-actualization.



So, this is how it actually works this is how the various parts of Maslow's need hierarchy can be decoded.



So, whenever you are talking about physiological needs these are the most basic needs for survival and take account of food, water, shelter, sleep and clothing and without fulfilling these needs and individuals physical well being is definitely going to be compromised. Now what this indicates is as far as retailing is concerned if you are offering a job to someone at least salary has to be this much so that they can make their

both their needs and they are at least able to survive and can take care of their physiological needs.

If that is not happening things are definitely not going to work out this can also be looked at from this facet. Along with that when you talk about safety and security needs so as per Abraham Maslow once physiological needs are met individuals seek safety and security this includes personal safety, financial security, health and a stable environment people want to feel protected and free from harm. Now you might be wondering how this becomes important in retailing just understand this from this facet whenever you hire people let us say for retail sales profile many times they will only be comfortable getting into this job if you offer them a package of fixed salary, but sales incentives for more sales right. If you do not have a fixed salary it is not going to provide them a sense of security and they might not be very comfortable taking these jobs. This is precisely the reason the jobs which only offer incentives with respect to the sales count that you make are considered very risky right because they do not have any fixed salary or a fixed component as far as the compensation packages are concerned.

So, this is one way in which you can understand this apart from this even retail sales environment has to be safer. Let us say if you have a retail establishment which is located near places where you know there could be an exposure to chemicals considering how the surroundings are now again this is not going to be very attractive. So, you can also look at it from this perspective then you get to the facet of socialization needs. So, once safety needs are satisfied the need for social connection relationships becomes important this includes the feelings of love, friendship and a sense of belonging to a community or a group. Now, if you want to understand this from a retailing perspective what you need to look at is the fact that you really need to organize regular meetings or let us say meetups or outings or parties to make sure that social needs of people are also fulfilled.

If you have an organization where people are not talking or they are completely living in isolation their work is also going to be impacted because fulfilling social needs is equally important right. So, this facet again can be looked at from the perspective of retailing. Then you get to the self esteem needs once social needs are met individuals seek recognition, respect and a sense of self worth. There are two facets to esteem needs the need for self esteem confidence achievement and the need for the esteem of others recognition and reputation. Now see if an employee is doing well and you are not giving them due recognition it might impact their self esteem and vis-à-vis can also impact their performance.

If you have a top performer you really need to appreciate them you really need to push their ego to make sure that these needs are also satisfied. Many times this is also

reflected from the offices in which the people sit or how they are treated by the organization. But what becomes important for us to understand the self esteem needs also needs to be satisfied to make sure that you can bring out the best from people. Finally you get to the needs of self actualization which are at the top of hierarchy which represents the desire for personal growth, self fulfillment and reaching ones full potential. It involves pursuing individual passions creativity and deep understanding of oneself.

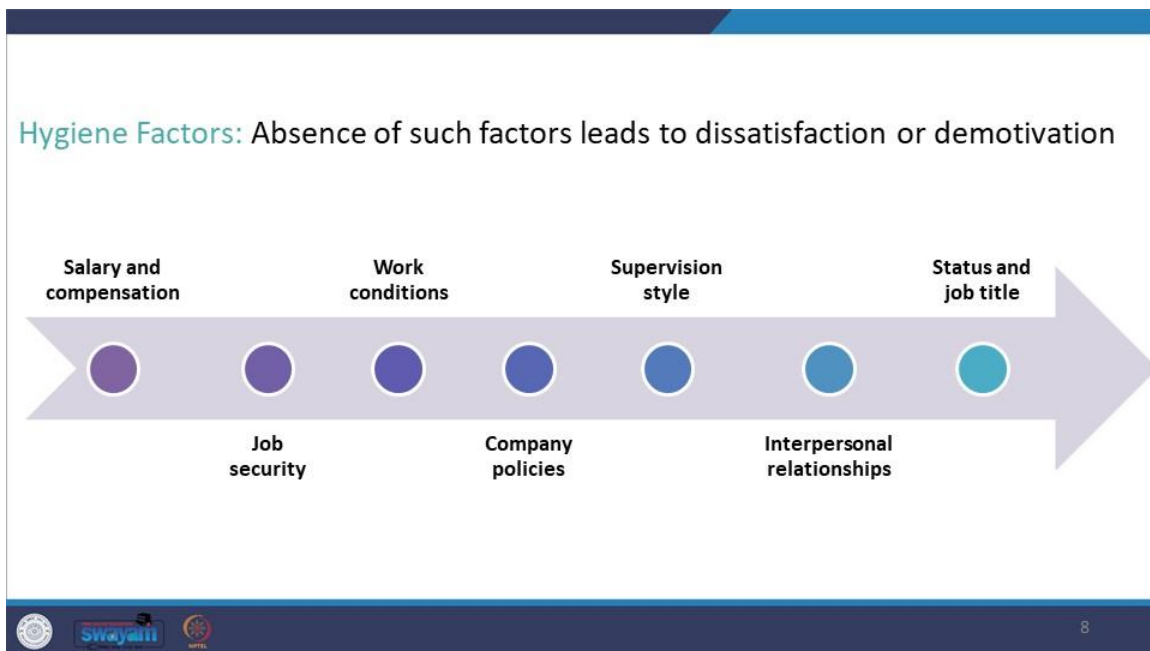
Now will you realize why you have the concept of sabbaticals which allows people to pursue or do things apart from the job which they are most passionate about. Self actualization can also be related to climbing up the career ladder that is why we talk about the facets of development right. You give them chances for growth you need to also enhance their skill set so that they can move to the next level and their self actualization needs could also be satisfied. Now this can also comes from the perspectives of how much creative the job is or how much challenging the job is. Even doing monotonous jobs can be boring for a lot of people and might not stimulate them as far as their work profiles are concerned.

So this again needs to be looked at from different perspectives. So I hope as far as Maslow's need hierarchy is concerned you have been able to connect the dots as far as this particular theory and the retailing world is concerned. Now the another theory which you really need to understand is the Frederick Herzberg two factor theory. Now why this theory becomes important is for the fact that it creates a clear demarcation between the factors that determine job satisfaction and dissatisfaction and the factors that can actually work as motivation factors. So how you look at hygiene factors and motivation factors precisely captures that.

Fredrick Herzberg 'Two Factor Theory'

The Two-Factor Theory (2F), also referred to as the Motivation Hygiene Theory (MHT) or the Dual Factor Theory (DFT), is a psychological theory about motivation and job satisfaction developed by Frederik Herzberg in the late 1950's. The goal of Herzberg's study was to identify the factors that affect job satisfaction and dissatisfaction.

But to put it in perspective the two factor theory also referred to as motivation hygiene theory or the dual factor theory is a psychological theory about the motivation and job satisfaction developed by Frederick Herzberg in the late 1950s. The goal of Herzberg study was to identify the factors that affect job satisfaction and dissatisfaction. So what the scholar has done is he has specified hygiene factors. Now hygiene factors are precisely factors the absence of which will lead to dissatisfaction and demotivation. What you need to understand is the availability or presence of these factors is not going to motivate the employees to do their best.

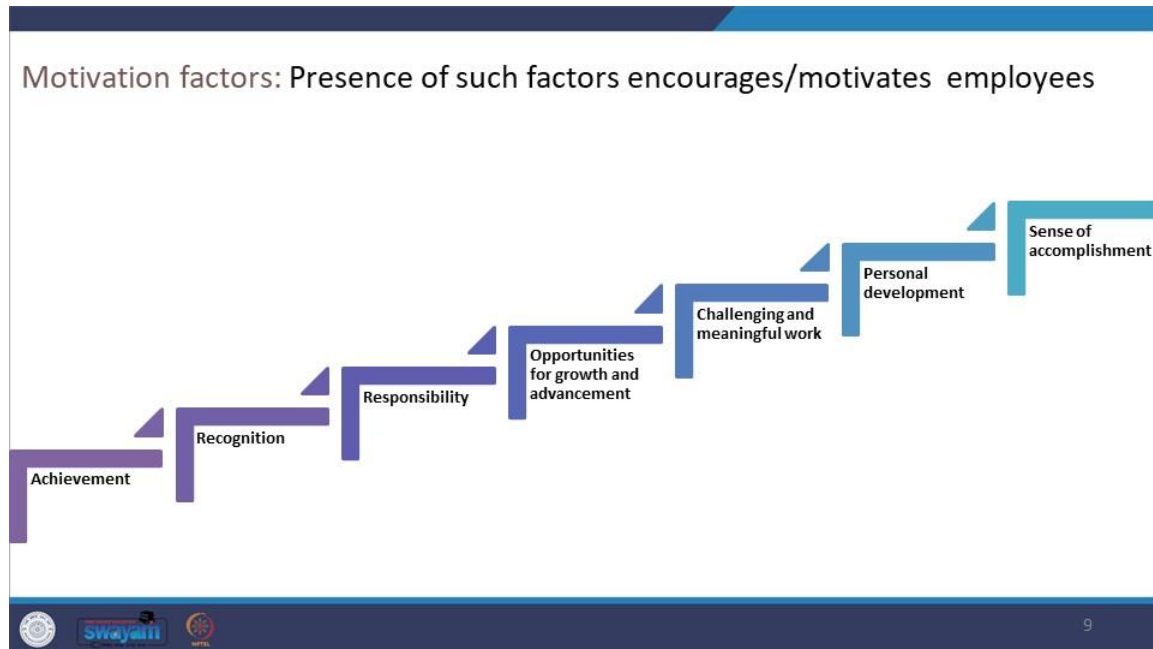


If these are absent that is definitely going to lead to dissatisfaction and demotivation. I will give you a very simple example for this. Let us say if you have a retail establishment you cannot say that we have proper ventilated space and this will work as a motivation factor it will not. But the absence of a proper ventilated space where people cannot even breathe properly is definitely going to be a source of dissatisfaction or demotivation. Along with that availability of drinking water is definitely going to be a hygiene factor you cannot expect this to be a motivation factor.

You will be surprised to know even the salary and compensation packages are considered as hygiene factors because after a certain factor the money loses its power to motivate people. However this can be definitely considered as debatable but I am only expressing what the research says. So as far as hygiene factors are concerned so as far as hygiene factors are concerned these are the facets which are considered salary and compensation, job security, work conditions, supportive company policies, supervision style, interpersonal relationships, status and job title. Now when you look at supervision style now let us say if the leader is very much empowering or transformational this is definitely going to be a hygiene factor because this will help employers to easily get settled in the organization and to perform to the best of their abilities.

Even hygienic work conditions or suitable work conditions is also going to be a case of hygiene factors likewise job security right because see you look at any retail jobs or jobs in any other sector if you do not provide security people are anyway not going to come and join. Even interpersonal relationships or taking care of the social needs of people to an extent is also going to be a case of hygiene factors. But whenever you are talking about motivation factors these are the facets we consider and I am again repeating it

motivation factors are precisely those factors which will encourage or motivate employees to give their best.



So in this what we consider is achievement if a retail staff or let us say in general also if an employee is performing to their best you definitely need to recognize their achievement that is why you see many companies have started giving awards or issuing certificates. Along with this you also need to recognize them if you have a retail sales employees or a store manager who is performing extremely good as compared to others and if you are not recognizing them they might feel that they are not getting their due.

So this again becomes important that is why in many places you see things like best employees of the month or best employees of the week and then you have their photographs pasted in and their name there. Then giving more responsibility which also brings in a kind of challenging or meaningfulness to their work is also going to be a case of motivation factors. Now developmental facets which captures the essence of opportunities for growth and advancement in their careers is also going to be a case of motivation factors which means when you give opportunity to people so that they can climb up the career ladder many times you will see organizations even sending their employees for trainings abroad in best of institutions or giving them chance to even pursue education as far as higher education is concerned. This can also be a case of motivation factors. Then sense of accomplishment in personal development are again going to be a case of motivation factors.

What you really need to pick up from this discussion is that there is indeed going to be a huge difference between hygiene and motivation factors. The presence of hygiene

factors is not going to motivate people rather their absence is going to bring in a feeling of dissatisfaction and you might have people leaving your organization right. But it is only the presence of motivation factors which is going to motivate people and will also encourage people to stay with the same organization which means higher retention rates and low churn out rates as far as organizations are concerned. Now the another theory which we are going to discuss is equity theory of motivation.

Equity Theory of Motivation

The Equity Theory of Motivation is a psychology theory that focuses on how people are driven by their impression of fairness and equality in social interactions. It was first put out by J. Stacy Adams in the 1960s.

According to this idea, people are driven to strike a balance between their inputs (effort, contributions), and their outputs (rewards, benefits), as compared to the inputs, and the outputs, of others with whom they engage. In other words, individuals aim for a feeling of perceived fairness in their interactions and relationships.

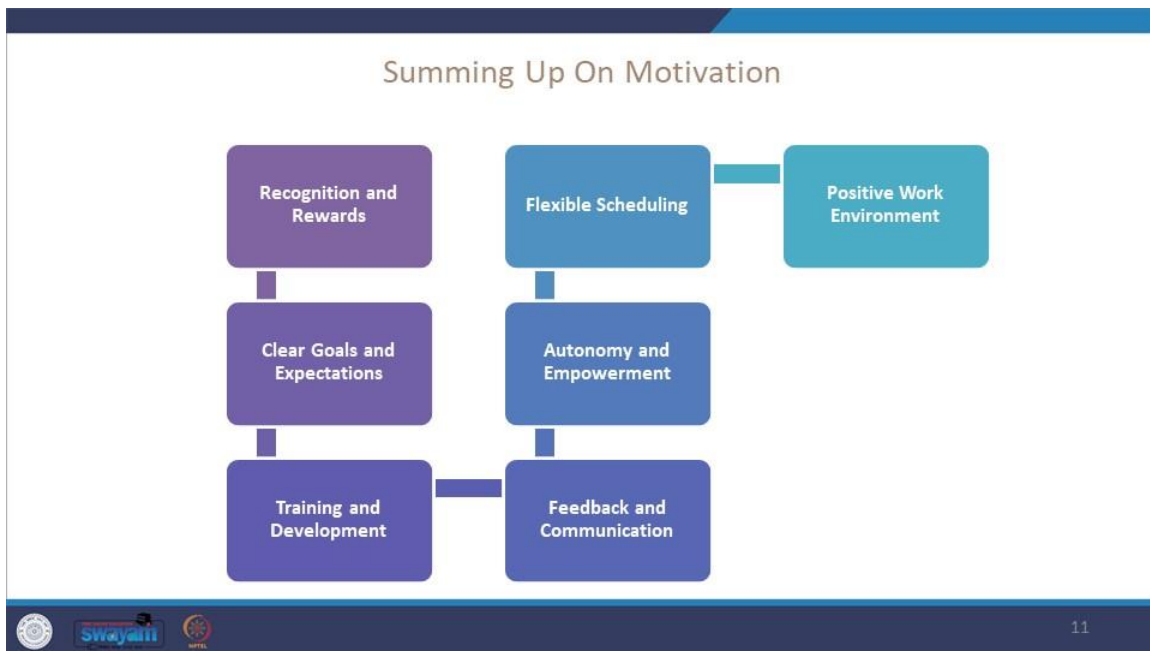
Equity theory of motivation is a psychological theory that focuses on how people are driven by their impression of fairness and equality in social interactions.

It was first put out by J. Stacy Adams in the 1960s. See let me give you a very fundamental perspective about this theory. It is just that people will see how they are being treated as compared to other people. Just imagine a simple case. You are hiring two people for the same job profile and they also have very similar profiles like equal amount of experience, similar kind of educational qualifications or even other skill set which could be required.

But the salary which you are paying out to them is very different. One is getting a higher salary, other is getting a lower salary. Other one is definitely going to feel that there is no equity and it is going to impact their work performance also and even their intention to stay within the organization. So that is why as far as this theory is concerned people are driven to strike a balance between their inputs, efforts and contributions and their outputs, rewards and benefits as compared to the inputs and outputs of others with whom they engage. In other words individuals aim for a feeling of perceived fairness in their interactions and relationships specifically in their personal life also and as far as the organizations are concerned.

See I gave you the example of two people getting different salaries. Now just imagine in a case both the employees have achieved you know very exceptional targets as far as their retail sales performance is concerned. Now you are recognizing one and you are not recognizing other. This again is going to be a source of dissatisfaction. Even with respect to incentives you can consider you are giving higher incentives to an employer for achieving same amount of targets which have been achieved by the other one.

Again this is going to be a source of dissatisfaction. So equity theory of motivation also becomes important and this also indicates the facets of the fact that when you classify jobs with respect to different roles, different profiles the compensation packages for them should always be same or similar. Definitely differentiation can be created with respect to the experiences and skill set one has. But when things are similar or identical this should not be done. Eventually this will lead to a sense of demotivation.



Now we will be finally summing up on the facets of motivating retail employees which again is very crucial for maintaining the higher levels of productivity, customer service quality and job satisfaction. Why customer service quality? If you remember the concept of internal marketing only when you will be keeping your employees happy they will be keeping their customers happy. You cannot assume that if you have employees who are not happy they will be giving their best in taking care of the employees. So we will be looking at some of the strategies that can be utilized to motivate retail employees. So the first one is recognition and rewards.

If you remember this can also be connected to the Frederick Herzberg two factor theory and this is definitely going to be a part of motivation factors if you specifically talk about

the element of recognition. Now recognizing and rewarding employees is definitely important which is all about giving them due for their hard work and achievements. Now this can involve both monetary incentives which could be bonuses and commissions and non-monetary rewards as well which could be giving them the certificates of employee of the month recognition or gift cards. Now see if you look at these facets of both monetary and non-monetary they are actually capturing the facets of both hygiene factors and motivation factors. Now when you get to the next facet which is about clear goals and expectations it is equally important to set clear performance expectations and goals for each employee.

When employees understand what is expected of them they are more likely to feel motivated to achieve their goals. See even when you are doing their performance appraisals and if you have not clearly set out what is expected of them just imagine again how disastrous this is going to be. Now training and development mechanics can also be utilized for motivating employees. Provide them the opportunities for skill development and career advancement offering training workshops, cross training in different departments and providing them the right pathways for growth within the company is also going to be a huge motivation factor for employees as it gives them a chance to enhance their skill sets and grow in the organization. Now we will be considering the facets of flexible scheduling.

Why this becomes important is for a simple fact that it allows people to achieve work-life balance. Because if you talk about women workforce they are also required to take care of their families and maybe you know juggle a lot of jobs. So for them flexible scheduling is going to be very important. Now this can be equally important for the other gender also right. So if you offer flexible work schedules this again is going to be a source of huge motivation.

Along with this autonomy empowerment is also going to be a source of motivation. When you allow employees to make decisions within their roles you give them the autonomy involving the decision making. This is also going to boost their sense of ownership and motivation right. If for everything they have to come and ask you or ask their superiors this again can be very controlling and they might not be performing to the best. Along with this feedback and communication is also going to be very important.

Regularly providing constructive feedback on performance, positive feedback definitely reinforces good behavior while constructive feedback helps employee improve. But one thing which becomes important is this has to be done on time. Along with this if you have very open channels of communication this also makes employees feel very valued and engaged. But what you need to remember is this has to be done on time otherwise this might not turn out to be very fruitful. Along with this when you look at the facets of

positive work environment the objective should be to foster a positive and supportive work environment.

Team building activities, camaraderie and a culture of respect contribute to a more motivating workplace. Because in many ways when you are promoting team building activities and a culture of respect, you are also giving them the venues to take care of their socialization needs. Along with this we will also be considering the facets of career pathways.



When you clearly outline potential career pathways within the company and when the employees can see that their efforts can lead to a greater responsibility and promotions they are definitely likely to stay motivated. Now incentive programs if you create right incentive programs that encourage healthy competition among employees they can also be a good source of motivation.

This could involve sales, contest, performance based rewards or team challenges right. So, they again are going to play an important role. Along with this wellness and work life balance when you focus on promoting employee well being by offering wellness programs or initiatives that support work life balance they are again going to be a great source of motivation. Healthy employees are more likely to be motive, engaged and definitely more productive. Today's organizations have also started focusing more on the mental wellness of employees.

You can Google about it you will be able to see that many organizations today organize meditation or mindfulness camps or yoga camps for their employees to make sure that they are paying equal attention to their mental health as well. Along with this

appreciation and thank you expressing gratitude for your employees contributions can also go a great length in motivating them. A simple thank you can go a long way in boosting employee morale and motivation. Along with this if you are holding regular meetings to discuss goals, challenges and successes they can also provide a great avenue for motivating employees. See when you are holding meetings regularly you need to understand it will also give them a chance to share their grievances with you.


Now if they are being handled properly and on time and that is only possible when you get to know about them and again regular meetings are going to be magical for handling these. So, this again needs to be understood in right perspective as far as regular meetings are concerned. They again are going to be very helpful in motivating employees and overcoming their grievances. Along with that these can also be used as a way for sharing feedback with them and how they can improve their performances. Now as far as this particular discussion was concerned I really hope that you were able to pick up how employees can be motivated and what is the relevance of motivation as far as retailing industry or in general it is concerned.

Along with picking up the facets from the perspectives of Abraham Maslow's need hierarchy theory, Frederick Herzberg two factor theory and J Stacey Adams equity theory. Now we are again moving towards the most exciting elements which is extra fodder for thought.

Some Extra Fodder for Thought: Pet Commerce

<https://www.youtube.com/watch?v=dEAQkHj25hg>

Source: Petz Official YouTube Channel

 Petz
81.5K subscribers

Source: <https://sites.wpp.com/wppedream/2019/progressive-use-of-mobile/pet-commerce>

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So, in this particular video you will be looking at the initiatives by pets commerce and you will be surprised to see that pets today can pick up or decide on their own toys and what is it that they like and you will also be able to recognize how this can impact the


pets industry which is definitely expected to grow multi force in the times to come. So please have a look at this video and then we will be moving forward.

This pet center in Brazil created Pet Commerce, the first online store where the dogs get to choose what they really want to buy. It's simple, you go to pets website, click on pet commerce and show the products to your dog.

Using facial recognition the tool detects when the dog is interested in a product adding it to the shopping cart. To do that we partnered with Tu De Jico Institute led by one of the best dog trainers in Brazil to categorize thousands of facial expressions from different dog breeds according to the position of the ears, mouth and signs of relaxation or alert. Then we trained an artificial intelligence activated by visual recognition to detect the same signs as the dog trainers did for every single breed. And finally we made the first ever UX and UI designed exclusively for dogs. Pet Commerce, shopping online so simple that even dogs can buy.




I really hope that you enjoyed looking at this video. So, finally we get to the facet of learning something new and we will be learning about green retailing.

Learning Something New



Green Retailing:

Green retailing occurs when a retailer consciously decides to adopt eco-friendly processes. For eg. Only recyclable paper bags would be used as compared to plastic bags. Another example could be using solar power for energy requirements in stores.

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So green retailing occurs when a retailer consciously decides to adopt eco friendly practices. Now this can be reflected from the fact when they say that will be only using recyclable paper bags for people if they want to carry out their orders. Along with that this can also be considered from the facet of using solar power for energy requirements in stores.

See it is not like you have to take very huge initiatives for this. Even when you decide to curtail on paper requirements or using less of printouts that can also be considered as a part of green retailing. But along with this what you think about green retailing or how you think this can be executed in retail stores please head to the forum and share your views and we will be happy to read about them. So considering this module I really hope that we were able to enhance your knowledge as far as the facets of motivation are concerned and finally discussing about the green retailing. So as we move further we will be again learning a lot more exciting things as far as the world of retailing is concerned.

But please do not forget and head to forum and we will be happy to read out your comments on how green retailing can be executed by the retail stores. So wishing you a good day for now looking forward to meeting you in the next session. Thank you.