

Improve Staff Effectiveness, Increase Sales and Reduce Staff Turnover with Hughes Fully Integrated Distance Learning and Digital Media Solutions

Digital media is a widely accepted and frequently expected method of communicating information to a target audience. The availability of rich media, such as, videos, images, and eBooks on the Internet is changing the expectations of both consumers and employees on how information is delivered to them. Using digital media for corporate communications increases the flexibility, scalability, and general retention of organisations messages.

Digital media allows organisations to use video, motion, animation, sound, and other media-rich tools to create a message that evokes powerful emotions. When messages generate emotion, they are more likely to be remembered and influence the target audience. It doesn't matter if the purpose is to influence consumer purchases or to inform employees of a new corporate program or policy.

Communication, the art of influencing a target audience, is essential to any organisation's success. Distributed organisations are challenged by the fact that most of the workforce does not come to work at the corporate headquarters. This separation means that the employee perception of the company is limited to what they might see each day in their remote locations. By using video communication tools, forward-looking organisations can enhance the employee's experience by showcasing information from around the organisation through the use of video. Also, by using digital media and video tools to communicate, the organisation can change messaging in real time and update information much more quickly and easily than when using traditional paper or email-based methods.

For any target audience, the primary communications goal is to deliver a message in a way that impacts and influences the viewers. In today's world of instant information access communications must be dynamic. Changing the message to adapt to changing market conditions or events gives the ability to keep a target audience informed and influence them based on current inventories, promotions, or programs. Corporate communication is simply focusing on that message to improve business performance and improve results.

Reducing Time to Proficiency with Mobile Learning

When a new employee starts, there is a lot to learn, including: how systems work, what are the acceptable processes, and details about products and services offered. For an average retail employee, this is generally 30 days from start to full proficiency. Mobile learning and easy access to training content can reduce

this time by 7 days providing significant cost savings for the business.

Example: Based on £50 per day per employee this results in a savings of £350 per employee. If a retailer hires an average of 100 seasonal employees, this could result in £35K in savings per year.

Increasing Knowledge Retention with Interactive Virtual Classroom

When we read instructional material in a manual the typical person will retain <30% of the information. When we watch the instruction carried out by someone in person we retain >80% of information. There are two components that create the difference.

1. The visual process of seeing it done properly by someone.
2. The opportunities to interact and ask questions as you view the process.

Interactive virtual classrooms allow you to take the core company individuals and put them in front of the entire organisation without the time and expense of constant travel. It also means that the entire organisation will get the same training, creating consistency across the business. Greater knowledge retention will assist in faster time to proficiency for new employees and for all employees with new technologies, processes, and product information.

Example: Assume this improves time to proficiency by 1 day per employee. A retailer with 1000 employees can save £50K annually (based on £50 per day per employee) by improving the retention. Add to that the travel expense savings and improved productivity of the Training/Management team and you have additional positive impact on the bottom line.

Lower Employee Turnover with Communication and Training

Retail suffers one of the highest employee turnover rates. Keeping top talent requires engagement and culture. This builds loyalty and prevents turnover. The cost of lost output while a replacement employee gets up to speed and the logistical cost of recruiting and absorbing a new worker all have an impact on the business.

Example: A report was carried by Oxford Economics and reveals that replacing members of staff incurs significant costs for employers in retail; this is circa £20K per employee. For basic rate



HughesON is a suite of innovative, Cloud-ready network and digital media solutions designed for the unique needs of distributed enterprises in industries such as retail, hospitality, and retail petroleum.

Inceasing Staff Performance

front line associate employees, this is circa £3,000. With 1000 staff and 25% turn over this can be anywhere between £750k and £5M annually. Reducing this turnover by just 2% could save between £15K and £100K per year.

Increase Employee Efficiency with Training and Performance Support

Connected consumers come into the store seeking more information than they have already found online. As such, employees need to be briefed on the latest sales information and also have access to a second level of detailed information that will help them better serve this demanding consumer.

Example: If an efficient employee can answer just five additional questions per month from customers, and those questions result in an increase of £50 in revenue at the store (£10/question), a retail organisation with 300 locations and 1,500 employees can recognise a potential of £750 per month per store uplift in revenue or £225K per month across the entire organisation. With a gross margin of just 5% this results in £135K annually in additional revenue that can be spent on infrastructure, new store openings, or simply applied to the bottom line. This improved efficiency can be gained by providing on-demand product knowledge, training, and access to rich-media job aids.

Answer Customer Questions Quicker Through Performance Support

Today's consumer is "connected" and prior to arriving in the store they have done homework and have a knowledge base. They expect the in-store employee to have what they have and more. They also expect the in-store employee to provide answers at a speed similar to what they experience online. The service provided by the in-store employee will directly impact the likelihood the customer will return to the store. If your in-store employees have a mobile device in hand and the ability to look up and provide information to customers quickly and efficiently, it will increase the likelihood of a return visit. If you have an average of 500 customers per month and an average basket size of £50, increasing the return of 10% of the customers will result in £30,000 additional annual revenue per store.

Increase Store Revenue with Customer-Facing Signage

Store operations people are measured by the improvements in same store performance year over year. Increasing revenue is the most visible measurement. This impacts stock price as well as profitability. Showcasing new products to regular customers will create a 45% uplift in product sales. Using digital media in place of paper posters has shown increases up to 55%.

Example: If your store has 500 visitors per month, adds 1 new product per month and has an average Stock Keeping Unit (SKU) price of £10, the use of digital signage to announce new products can result in an additional £500K across a 100-store chain.

Loss Prevention Through Training

Every retailer deals with shrinkage, but there are common things that can be done to reduce the impact and the amount. Properly training employees on steps they can take to prevent theft and also

warning signs they can look for to predict a potential shoplifter can reduce the overall impact. Typical retail sees 4% shrinkage each year.

Example: With total value of UK retail sales of £358B in 2016 means shrinkage costs in excess of £1.4B annually. If properly trained employees can reduce that impact by 1%—it can save £14M annually.

Improve Conversion Factor with Effective Staff Training

Every retail organisation knows their visitor to customer ratio. Converting those window shoppers into purchasers depends a great deal on the retail associates ability to "close" the sale. Not just asking "may I help you?" but taking the opportunity to talk with the customer and through product knowledge and other skills bring the customer to the conclusion that they should purchase here and now. This can be accomplished through ongoing product and process training. Walking associates through simple and complex sales scenarios can increase the likelihood that they will close more business rather than just helping a window shopper to get information for a later purchase.

Example: If a typical retailer with 250 locations and an average ticket size of £25 can close one additional sale per day at each location, this will result in an additional £2.3M in annual revenue and with gross margins of just 5%, this provides an additional £115K that can be spent on infrastructure and other needed updates or improvements.

Adopting Technology Innovations in Store with Mobile and On-Demand Training

In order to compete with online sales and to create the successful Omni-channel experience for the consumer, typical retailers are deploying an average of two significant new system upgrades each year. Each of these deployments requires employees to learn new processes and procedures. The average system upgrade will generally require 5 working days for the employee to become proficient.

Example: For a retailer with 1,000 employees, reducing the time to proficiency by 2 days per deployment can result in £2.4M annual cost savings based on a value £100 per employee per day.

Effective Inventory Management Through Training and Performance Support

Inventory is an important aspect of retail management. Too much and you lose money; too little and you lose sales. Employees specifically store and department managers are responsible for this important business metric. Training them on how to properly estimate order and return product will increase the overall profitability of the brand. Consistent messaging of that information is also important so that one region doesn't get different information from another.

Handling Showrooming Through Training and Performance Support

When a customer comes into a store, looks at a product and then leaves to make the purchase online, this is called Showrooming.

Because of the availability and perceived value of online shopping, Showrooming is a fact of life in retail. The job of leaders is to find a way for the customer to pause and decide to make the purchase now within the store. This may be the result of having a specific size, colour, or model on the shelf, but most likely it will be the result of a highly trained and effective sales associate who awakens the desire to “have it now” within the customer. While Showrooming does not “cost” anything, the opportunity to capture greater in-store revenue by converting showrooming visitors into purchasing customers is great. Showrooming can be done on any product category, but the real opportunity lies in the large ticket items, such as home appliances and home electronics, where the ticket size will be larger. The opportunity to speak with an educated, qualified, and effective sales associate increases the chances that the customer will purchase now.

Example: Based on a retailer with 100 locations and average home appliance or home electronics ticket of £500 might convert two showrooming visitors to customers each month at each location. This can result in an increase of £1.2M per year across the chain. With gross margin of just 5% this can mean an additional £60k to put toward projects each year. With the Hughes Training and Performance Support services retailers can train and provide tools to their associates to grab that business and keep it in the store.

Retaining Customers with Different Requirements with Effective Training

Every customer is unique. In a world where the competition is strong and online purchasing is growing, it is important for the brand to retain existing customers. Customer retention comes down to two things; perceived value and customer service. It is reported that the typical customer will spend up to 5% more for a product from a provider that gives them high customer service. We also know that customers will pay a small premium for convenience and other benefits. Both of these facts are limited by the last interaction the customer had with the brand.

- How do you capture this level of loyalty and retain these valuable customers?

The answer is simply “through employees”, the face of the brand, the frontline associate, the feet on the street. However you characterise it, these individuals are the reason customers will stay loyal to a brand in the face of discounts and online options from competitors. To enable this, a retailer needs to communicate to associates just how important their role is and share with them the vision for how their role can be fulfilled and in turn, help fulfil the mission and goals of the brand. Access to training at a time, in a place and using tools that make it easy is critical. Utilising video (live or recorded content) to deliver the training is another important component.

Creating a Unique Selling Proposition Through Training and Performance Support

Unless you are providing a custom product that only your company offers, there is competition and your customers will wonder why they should purchase this item from you. Simply being the cheapest is too difficult to maintain. You need a unique selling proposition. In retail, the USP is often based on customer service. The only way to succeed is to make sure that your USP is well defined and widely known throughout the organisation. The marketing department will spend time and money defining the USP. But it is the job of frontline store associates to exemplify it.

Let them hear about the USP from the CEO. Listen to them explain what it is and why it matters. Then give them some examples of situations where they can exemplify the USP. When they have questions about specific situations, provide them easy access to knowledge and information on how to react.

Optimising the In-Store Experience

In order to optimise the in-store experience, employees need to understand the online experience and how the two experiences have been designed to work together. Once they understand how the two work together the business needs to help them work with both environments when a customer approaches the associate for help. Whether you’re talking about handling an out-of-stock issue with direct to home shipping or handling the return of an online purchased item, the employee needs to understand how this works and have the tools and information to perform the needed process. Utilising video segments to show them how it works and how to handle situations is a great way to maximize the effectiveness of information sharing. Tracking who has participated in the training and reviewed the job aids can be compared against results to see what benefit the training is providing to our associates as they work to optimise the in-store experience.

Reducing Shop Floor Bottlenecks

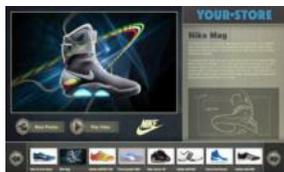
“Do you have this in red?”; “Can I have this shipped to my home?”; “What’s the price of this item?” These are all questions that our associates are bombarded with on a daily basis. Their ability to answer these questions quickly, efficiently, and most importantly, correctly will have a direct impact on the performance of the store and the loyalty of customers. If I notice a line of customers at the cash wrap in Women’s; and I am working in Men’s, what is the process for me to invite customers over to my cash wrap? Should I ask for returns to come with me? How can I help break the bottleneck? In life, when there are situations that will be high pressure, it is best to rehearse them ahead of time and know how you will respond before you are placed in that situation. When you know that you are going to have a lot of customers in the store, what can you have at the ready to help answer questions and provide speedy customer service? These items can be prepared and made available digitally. The Hughes MediaTraining solution allows you to provide training and job aids to the associates in advance and during the time of need. It also helps you track performance.

Experience the Hughes Difference

One of the biggest barriers we have found to purchasing a product or employee morale is the lack of information or not the latest information being available. If employees had all the latest information and customers could see specific products tailored to them, imagine the potential increase in sales to the business. Hughes is enabling business leaders to enhance corporate and consumer communication initiatives by providing communication solutions that are dynamic, flexible, and scalable. Our solutions offer high quality, easy-to-use content access, removing barriers and opening opportunities for our customers to enhance the end user experience.



HughesON MediaTraining: Solutions provide distributed enterprise customers with the ability to use video and rich-media content to educate and inform their workforce. Hughes is providing solutions for large and small enterprises with the ability to grow and expand as needs arise. Within the Hughes MediaTraining solution suite there are three key solutions: Hughes Learning Portal, Hughes Virtual Classroom, and Hughes Video-on-Demand (VoD).



Hughes Digital Associate: With the introduction of smaller footprint locations, many retailers are able to display fewer items on the shelf. The Hughes Digital Associate lets you create an endless aisle where the customer can shop and learn about products before making a selection. It saves shelf space, but also offers quality customer service.



Hughes Multi-Channel Signage: When there is the need to drive multiple screens at every location and have different messages for different areas of the location. This solution allows delivery of different messages on every screen and manages a wide range of display solutions, including shelf-edge ink displays. The Hughes multichannel solution provides the ability to set up rules about when and where content will play, eliminating the need to manage a lot of separate playlists. The multichannel solution also includes the ability to integrate advertising sales management as well.



Hughes Lobby and Breakroom TV: Reducing perceived wait time is an important business objective. When guests are given a chance to watch television, it will reduce the perceived wait time. This solution allows organisations to put some of their own brand and service messages on a screen alongside television channel input messages.



Hughes Ask the Expert: If there is an area of a business where specialty service is required this solution allows you to augment in-person staff with the Hughes Ask the Expert solution. This solution can provide standard digital media display until there is a need to speak to an expert and the customer can simply touch an onscreen button and open a direct two-way video chat with a product or service expert anywhere in the world.



Hughes Digital Bulletin Board: This solution allows you to transition the static, stale corkboard into a dynamic, exciting message platform. Employees are far more likely to notice the messages when delivered with rich media. Plus you have the added benefit of changing the messages or even the layout of the board at any time.



Hughes Digital Concierge: The primary purpose of this solution is to provide guests with information about local attractions and points of interest. The secondary purpose is to provide a platform for ultra-local advertising. Using the map functionality in a lobby location will get eyes on the screen. This viewership can be capitalised into an advertising platform where the local property owner can sell ads on the screen.

Discover all the benefits of the Hughes solutions and experience the Hughes difference.
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