Contactless service and operations: Retail (nongrocery)

Improving and enabling human-oriented service and operations in response to COVID-19
The IDEA Framework in action: sector examples

Contactless Service and Operations was developed to provide a framework for reevaluating an organization’s key customer and employee journeys and interactions in light of COVID-19. It focuses on making those journeys and interactions better not just safer.

The goal of the IDEA Framework is to help organizations reimagines mission-critical priorities, investments, and operations while providing the “human” elements related to service.

This document provides a sector specific example on how the process of the IDEA Framework could be applied.

If you would like to view additional details of this approach please click here (link to CxO)

Organizations should follow local regulations and country-specific circumstances before implementation of specific interventions.

This content consists of insights from McKinsey’s operations and design practice and is provided “as is” solely for informational purposes. It does not constitute or is intended to be legal or safety advice. Organizations should consider all applicable laws, standards, and country-specific circumstances before adopting any measures. Organizations should engage their own legal counsel and safety experts to ensure compliance.
The IDEA framework provides a process that can help identify human-centered solutions for evolving business scenarios

Identify interactions & areas of concern
- Identify the types of work environment relevant to the business
  - Identify types of in-person interactions for priority journeys within three main buckets:
    - Employee to employee
    - Employee to customer
    - Customer to customer

Diagnose & prioritize areas of concern
- Prioritize areas of concern using multiple lenses:
  - Type of interactions
  - Evolution of customer and employee experience
  - Implications on operations and cost

Develop & Execute solutions
- Develop and roadmap solutions across three horizons:
  - Immediate needs to continue or re-start critical operations
  - Re-prioritizing and accelerating key initiatives
  - Investment in distinctive long-term solutions

Adapt & sustain
- Operationalize solutions across the organization, iterating and adjusting to meet the needs of the evolving situation
- Empower teams to stay ahead of emerging situations and bring learning back to the organization

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The first step of the IDEA framework is to identify interactions and areas of concern across key journeys and interactions.

<table>
<thead>
<tr>
<th>Detailed areas per type of interaction and operation</th>
<th>Goods transfer</th>
<th>Services</th>
<th>Internal tasks/processes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employee to employee</strong></td>
<td>Sharing of equipment and items</td>
<td>Employee meetings, trainings, and other events taking place at the store</td>
<td>Employees working in corporate or store offices at desks</td>
</tr>
<tr>
<td></td>
<td>Product disinfecting and cleaning</td>
<td>Check-out desks</td>
<td>Handing off paperwork and signatures</td>
</tr>
<tr>
<td></td>
<td>Loading/unloading, restocking and organizing shelves</td>
<td>Cleaning, maintenance, operations within the store</td>
<td></td>
</tr>
<tr>
<td><strong>Employee to customer</strong></td>
<td>Validating parking tickets</td>
<td>Conversations upon arrival</td>
<td>Customer support center</td>
</tr>
<tr>
<td></td>
<td>Handling merchandise</td>
<td>Delivery services</td>
<td>Processing return and exchange</td>
</tr>
<tr>
<td></td>
<td>Returning and exchanging products</td>
<td>Dining, snacks, water, and other accommodation services</td>
<td>Membership and other application paperwork</td>
</tr>
<tr>
<td></td>
<td>Fitting room and other product trial areas</td>
<td>Bathroom</td>
<td></td>
</tr>
<tr>
<td><strong>Customer to customer</strong></td>
<td>Customer picking up items and putting back on the shelf/rack</td>
<td>Customers lining up at check-out/customer service</td>
<td>Sharing the same space</td>
</tr>
<tr>
<td></td>
<td>Exchanging/handling products and clothes</td>
<td></td>
<td>Touching the same baskets, carts, products, and self-checkout kiosks</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Touching elevator buttons and railings</td>
</tr>
</tbody>
</table>
Once identified, organizations are advised to diagnose and prioritize areas of concern.

**ILLUSTRATIVE EXAMPLE**

<table>
<thead>
<tr>
<th>E2E: Employee to employee</th>
<th>E2C: Employee to customer</th>
<th>C2C: Customer to customer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-trip</td>
<td>In-store</td>
<td>Leaving the store</td>
</tr>
<tr>
<td>Research</td>
<td>Shopping</td>
<td>Facilities and other services</td>
</tr>
<tr>
<td>Preparation</td>
<td>Dining</td>
<td>Checkout</td>
</tr>
<tr>
<td>Commute</td>
<td></td>
<td>Exiting</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Parking lot</td>
</tr>
</tbody>
</table>

**Potential interactions**

- **C2C** Picking up baskets and shopping carts
- **C2C** Picking up and putting products back
- **E2C** Organizing and restocking products
- **C2C** Touching and examining products
- **C2C** Accessing fitting rooms
- **E2E** Collaborating to address customer needs
- **E2C** Answering customers’ questions
- **E2C** Searching products for customers
- **E2C** Checking out customers to get in line
- **E2C** Accessing membership profiles
- **E2C** Lining up closely
- **E2C** Wrapping and bagging products
- **E2C** Taking wallet or smart phones out for payments
- **E2C** Handing over receipts

Organizations should engage their own legal counsel and safety experts to ensure any adopted measures are compliant with applicable laws and standards in their jurisdictions.
Companies can seek to develop and execute solutions to help improve safety and experience across key business elements.

Potential levers that could be utilized in solutions:

- **New offers & services**
- **Policies**
- **Processes**
- **Digitization**

**ILLUSTRATIVE EXAMPLE**

Innovations and improvements could address guest and associate safety and comfort in and around the store:

- A Planning toward and delivering on holistic well-being and health
- B Automated disinfecting procedure in warehouses
- C Reduced contact, hybrid, in-store experience
- D Mobile, omni-channel retail experience
- E Social retail experience in a high-tech, no-touch context
- F Auto disinfecting fitting room
- G Temperature measurement upon entry
- H Remodeled movement flows
- I Seats spaced in resting area
- J Upgraded PPE for employees
- K Communication of guidelines to guest
- L Hot spot surfaces marked with color

Potential additional examples:

- Social retail experience in a high-tech, no-touch context

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The last step to consider is to pilot, adapt, and scale solutions as appropriate, keeping employee and customer experience in mind.

### ILLUSTRATIVE FUTURE STATE JOURNEY EXAMPLE

#### Potential actions to consider

<table>
<thead>
<tr>
<th>Pre-trip</th>
<th>In-store</th>
<th>In-store/online</th>
<th>Other facilities and services</th>
<th>Outbound logistics and delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Researching and ordering online</td>
<td>Inbound logistics &amp; warehousing</td>
<td>In-store</td>
<td>Other facilities and services</td>
<td>Outbound logistics and delivery</td>
</tr>
<tr>
<td>• Warehouse disinfection</td>
<td>• Being enticed to shop</td>
<td>• Shopping</td>
<td>• Parking</td>
<td>• Digital communications</td>
</tr>
<tr>
<td>• Employee safety gear</td>
<td>• Deciding if shopping is safe enough</td>
<td>• Wayfinding</td>
<td>• Packaging</td>
<td>• Membership status</td>
</tr>
<tr>
<td>• Cleaning &amp; maintenance</td>
<td>• Researching safe options</td>
<td>• Product trial &amp; examination</td>
<td>• Delivery services</td>
<td>• Marketing &amp; promotions</td>
</tr>
<tr>
<td>• Online ordering</td>
<td></td>
<td>• Checking out</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Touch-free journey

- Greeter is replaced by digital kiosks
- Pick-up of orders from touchless lockers
- "When to shop" recommendations to control traffic
- Motorized hands-free shopping carts
- Temperature checks as part of guest profile

- Employees in full PPE to handle product for customers
- Scannable codes with product information to avoid product handling
- Augmented-reality (AR) virtual fitting or product demonstration to minimize touching
- In-store route suggestion based on shopping list to minimize time in the store and avoid crowds

- Motion-activated doors, stalls, and dispensers
- Virtual customer service using chat function (in-app, text)
- In-store help via app—eg, share product image and chat with rep
- Fully contactless payment with no money or physical receipts exchanged

#### Reopen

- COVID-19 clean certification
- Employee safety gears & training programs
- Flexibility in product ordering, pick-up options, and delivery options

#### Reimagination

- Increased online shopping/delivery capabilities including more delivery windows and faster deliveries
- Content displaying in-store and delivery/pickup protective measures
- Seamless curbside pick-up and payment without exiting the vehicle

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