

WHAT'S THE COST OF POOR EXECUTION?

7 Metrics That Suffer

When retail execution slips, important performance metrics take a hit.

Missed displays, stockouts, and disorganized processes don't just frustrate customers, they chip away at your bottom line. And it's not only about what doesn't get done, but also about the mistakes, delays and missed steps throughout the process. Sloppy execution and inefficiency in your stores cost you sales, time and customer trust.

Metrics That Matter Most

7 important metrics that take a hit by poor execution – and impact your bottom line.

1 Sales Metrics

- **Same Store Sales (Comp Sales):** Poor execution results in missed sales opportunities due to stockouts, inadequate customer service, or poorly merchandised products.
- **Conversion Rate:** Without clear merchandising or customer service execution, window shoppers stay just that – window shoppers – leading to a drop in conversion rates.
- **Average Transaction Value (ATV):** Incomplete execution on promotional items or inconsistent upselling strategies reduces average customer spend. Fewer add-ons mean lower ticket values.

ThinkTime Can Help:

ThinkTime's task management tools provide real-time tracking and validation of promotional setups, ensuring stock replenishment and merchandising tasks are completed as planned. Personalized Dashboards provide team members with a clear view of their tasks, prioritized by urgency, and distributed by role and location. Retailers using ThinkTime consistently report stronger sales performance, with comp sales increasing by as much as 5% due to better task execution.

2 Inventory Metrics:

- **Turnover Rates:** Poor inventory management leads to slower inventory turnover, affecting cash flow and increasing holding costs.
- **Stock-Out Rate:** Shelves without product frustrate customers, directly impacting your sales.
- **Shrinkage:** Lack of disciplined execution on tasks such as loss prevention will increase shrinkage due to theft, damage, or loss.

ThinkTime Can Help:

ThinkTime's automated notifications and task reporting ensure that critical inventory tasks, like restocking and inventory checks, are completed on time and consistently across all locations. By creating requirements to request specific feedback, photographs, or surveys, task completion can be verified from the floor with a phone or tablet. Retailers who use ThinkTime have seen stockouts decrease by as much as 10% alongside improved turnover rates and significantly reduced shrinkage.

3 Operational Efficiency Metrics

- **Task Completion Rates:** Low completion rates signal cracks in execution usually cascading into other performance areas.
- **Labor Efficiency:** Ineffective execution of staffing and scheduling tasks lead to either overstaffing or understaffing stores. This directly impacts productivity, labor costs, and service quality.
- **On-Time Launch Rate:** Timely setups mean capitalizing on initial demand. Delays leave money on the table.

ThinkTime Can Help:

ThinkTime brings clarity to task priorities, ensuring that every team knows what to do and when to do it. ThinkTime's Completion Calendar allows field leaders to see all scheduled tasks and match them against budget and staffing requirements, balancing the flow of work week-to-week so no store team is overloaded. With features like task scheduling and updates based on real-time data, teams stay focused, leading to higher task rate completion and fewer delays. ThinkTime Retailers have reported reducing launch delays, thereby increasing early-stage sales of new items by 15%.

4 Customer Experience Metrics

- **Customer Satisfaction Score (CSAT):** Disorganized stores, missing product, or poor customer service due to inconsistent task management mean lower scores.
- **Net Promoter Score (NPS):** Poor execution negatively impact a customer's willingness to recommend stores to others, particularly if service or availability issues are recurring.
- **Customer Retention Rates:** Execution issues affect customer experiences; unhappy customers rarely return.

ThinkTime Can Help:

ThinkTime's Real Time Monitoring enables field leaders to view store progress instantly and respond to issues with integrated help ticketing. This ensures that customer-facing tasks like restocking and store organization are always top priorities. With structured task schedules and real-time tracking, stores stay organized, shelves stay stocked, and customers have better experiences. In fact, some ThinkTime retailers have noted customer satisfaction scores improving by 10% leading to a 3% increase in foot traffic.

5 Financial Metrics

- **Gross Margin:** Poorly managed markdowns, promotions, and inventory can lead to excessive discounting and higher costs, which cut into profit margins.
- **Operating Expenses:** Inefficiencies in task execution lead to excess overtime, repeated corrections, and unnecessary inventory adjustments, resulting in an increase in overtime costs.
- **Profit Margin:** Execution gaps that lead to increased operation costs or lower sales ultimately impact profit margins.

ThinkTime Can Help:

Thinktime provides tools for tracking markdown schedules and prioritizing operational tasks, helping retailers avoid excessive discounting and unnecessary costs. Retailers who use ThinkTime have realized as much as an 8% increase in gross margin improvements, after introducing disciplined markdown processes.

6 Compliance and Risk Metrics

- **Compliance Score:** Low execution and the failure to complete health, safety, or regulatory tasks expose stores to violations and fines raising their compliance risk profile.
- **Audit Failure Risk:** Poor execution of compliance tasks increases the risk of failing internal and external audits, exposing retailers to legal and reputational risks.

ThinkTime Can Help:

ThinkTime ensures that critical compliance tasks, like health, safety, and sanitation checks are completed consistently and on time. Validation features assign follow-up tasks for field leaders to confirm completion after stores sign off on a task, ensuring important compliance tasks are completed to high standards. Automated reminders and task tracking ensure stores stay head of regulatory requirements, reducing the risk of violations and fines.

7 Employee Related Metrics

- **Employee Engagement and Satisfaction:** Inconsistent task execution leads to frustration and low morale, as employees struggle with unclear priorities.
- **Employee Turnover Rate:** High turnover often stems from employees feeling unsupported or overwhelmed by unmanageable tasks.
- **Training Completion Rate:** Missed or incomplete training directly affects task performance, creating a cycle of errors or inefficiencies.

ThinkTime Can Help:

ThinkTime provides employees with clear task schedules and prioritization, reducing confusion and frustration. With built-in training trackers, staff stay on top of development programs thus improving performance. Retailers have experienced upwards of a 20% increase in employee satisfaction after implementing ThinkTime, and turnover decreases of 15% – saving thousands in recruitment and training costs.

By focusing on improving execution across these metrics, retailers can increase operational efficiency, customer satisfaction, and overall profitability. Every missed task chips away at your metrics. But with ThinkTime, every metric has the opportunity to improve. Are you ready to change the story that your metrics are telling?

Let's, improve store operations and drive results where it matters most.