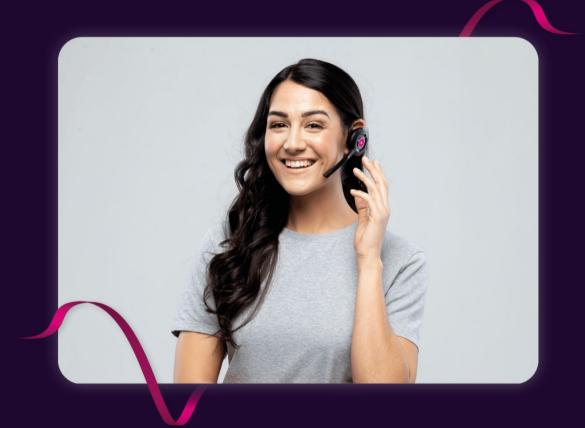


Whitepaper:

Cost-savings generated by VoCoVo communication headsets in a convenience retail store – Proof of Concept results



Introduction

VoCoVo is a plug-and-play headset communication system designed to help customerfacing teams collaborate more effectively and discreetly across the entire premises – be it a shop floor, restaurant, show room or forecourt.

For retail businesses to operate efficiently, staff must be able to deliver exceptional customer service while carrying out important tasks on the shop floor – VoCoVo empowers colleagues to collaborate and multi-task.

This document reports on primary data obtained from a convenience store using VoCoVo. It aims to quantify the benefits that a retail business could expect to see from implementing a VoCoVo solution and to present a balanced analysis on the study's results.

PoC Methodology

The subject of the study was a convenience retail store. The business' estate is made up of 25 stores in total, with an average of 10 employees per store.

The project was broken down into three areas of study:

1. Efficiency study

The efficiency study aimed to quantify the distance colleagues travel during their shifts. Using pedometers, the distance colleagues travelled on the shop floor was measured for two weeks without VoCoVo headsets, then for two weeks using VoCoVo headsets.

2. Time and motion study

The time and motion study aimed to understand common questions which colleagues asked each other during a shift and how use of more effective communication could save time and generate cost-savings. The headset voice conference was listened into for a 6 hour shift (the average length of a shift across the estate), and every task colleagues asked each other to complete and the time it took was recorded. The longest time taken to complete a task was always used to ensure savings reported were "worst-case scenario". Two Customer Assistants were then asked to complete each task without the use of a VoCoVo headset, and the time difference in time taken to complete the task was recorded.

3. Team work study

An anonymous survey among store employees was conducted before and after the implementation of VoCoVo headsets which asked colleagues the following questions:

Do you know enough about	How effectively do you feel	How would you rate the
what is going on to do your	you work together with your	amount of communication
job effectively?	colleagues?	between colleagues?
Do you feel comfortable helping customers with their enquiries?	Do you feel you can resolve customer enquiries quickly?	Do you feel you can resolve customer queries all the time?
How happy do you feel	How well supported do you	How safe do you feel during
during your shifts?	feel during your shifts?	your shifts?

Results

The data from the participating store suggests that investing in a VoCoVo system could generate cost-savings per store of **£11,406.38 over three years** (the approximate life span of a VoCoVo headset):

Balance over three years:	<u>+ £11,406.38</u>
Time and motion cost-savings over three years:	+ £5,455.47
Efficiency cost-savings over three years:	+ £8,736.00
Cost of a 10 user VoCoVo system:	- £2,785.09

If expanded to the business' 25 store estate, **cost-savings of £285,159.50 over a three-year period could be generated.**

In addition, the data suggested that VoCoVo headsets can help staff to feel happier and safer at work and resolve customer queries quicker.

1. Efficiency study

The following results were observed from the efficiency study:

Job role	Average distance pre-VoCoVo	Average distance with VoCoVo	Difference
Tills	2.3 km	2.7 km	+ 0.4 km
Supervisors	5.9 km	4.7 km	- 1.2 km
Retail Operations	5.8 km	4.3 km	- 1.5 km
Stockroom Operatives	4.1 km	3.2 km	- 0.9 km
Area Managers	5.8 km	5.0 km	- 0.8 km
TOTAL:	23.9 km	19.9 km	<u>– 4.0 km</u>

The 10 staff employed by the participating store travelled on average a total of **4.0 km less per day** when using VoCoVo headsets compared with when headsets were not used. The difference in distance travelled by employees in the participating store can be translated to cost-savings of **£8,736.00 per store over a three-year period**:

12 minutes (Average time to walk 1km) x 4.0km = 48 minutes saved per day
(48 minutes per day x 364 retail working days per year) x 3 years = 873.6 hours saved
873.6 hours saved x £10.00 average store hourly wage = £8,736.00 saved

2. Time and motion study

During the time and motion study, colleagues were heard communicating the following tasks via the VoCoVo headset system:

Do we have any ordinary sugar?
Can someone have a look at Fridge 3? It's over temperature.
When is the delivery due?
Store Manager, are you still in the office?
Can I have assistance at the Hot Food bar please?
Did we get chicken fillets this morning?
How many cases came in?
Can someone help with yellow shelf toppers?
Has the waste sheet been printed yet?
Can someone waste the bread out the back please?
Can 2 people to help me bring in the delivery please?
Where is porridge on the shopfloor?
Do we have any toilet roll out back?
Can someone send down the [xxx] cage please?
We have no sugar on the shop floor. Can someone bring some down?
Can somebody bring trolleys to front check out please?
Need help on tills
Someone on the phone for you SM, where shall I put it through to?
Where is water out the back?

When these tasks were subsequently set for two colleagues to complete without using the VoCoVo system, the tasks took in total **30:49 longer**.

If this benefit were experienced every retail working day during a year (364 days), a total of 181 hours and 51 minutes could be saved per year, resulting in a cost saving of £1,818.49 per year per store in wages (based on the average store wage of £10 per hour). Over the course of a three-year period, cost savings of £5,445.57 per store could be generated.

3. Teamwork study

Compared with before the use of a VoCoVo system, the results of the anonymous questions answered were as follows:

Question	Change
Do you know enough about what is going on to do your job effectively?	+ 167%
How effectively do you feel you work together with your colleagues?	+ 461%
How would you rate the amount of communication between colleagues?	+ 237%
Do you feel comfortable helping customers with their enquiries?	+ 96%
Do you feel you can resolve customer enquiries quickly?	+ 336%
Do you feel you can resolve customer queries all the time?	+ 237%
How happy do you feel during your shifts?	+ 180%
How well supported do you feel during your shifts?	+ 199%
How safe do you feel during your shifts?	+ 79%

Discussion and conclusion

Cost-savings

The suggested cost-savings from this study are based on retail businesses being able to save significant time every shift using VoCoVo as a communication tool. Broadly, they are able to achieve this by reducing the amount of time they spend moving around the store to communicate with each other and/or find the right person to ask a question.

VoCoVo headsets operate using one open talk group, which means that when you talk into the headset your message is communicated to every headset which is live on the system. The benefit of this is that colleagues can have open, dynamic communication regardless of where they are located on the premises. Instead of moving around the store to ask a colleague a question, which often results in having to find different colleagues to ask them the same question, the question only needs to be asked once and can be answered by anyone who has the answer no matter where they are or what they are doing.

Cost-savings during this study have been calculated based on the cost of a 10 user system because the average number of employees across the business' 25 stores is 10. £10.00 per

hour has been used to calculate wage savings as this is the average hourly wage across all employees included in the study. This data could be interpreted differently based on a different store's makeup (for example more or less employees or a different average hourly wage), but the premise for calculating cost-savings should remain the same regardless of the store.

There are a few factors which are not accounted for in the results of this study. One is the ongoing costs of maintaining the system, for example purchasing replacement wearables which can be broken with heavy or clumsy use. However, the cost of replacement parts is small – for example, a replacement headband, neckband or ear hook costs around £15.00 RRP (ex. VAT).

The study also does not factor in the savings that a retail store could make by being more proactive against theft. VoCoVo headsets allow staff to communicate instantly, clearly and discreetly across the shop floor, which can aid them in reducing the financial losses resulting from theft. While this would be impossible to quantify during a study like this unless a theft took place at the time of the study, qualitative data from other customers in the retail sector overwhelmingly suggests that VoCoVo is highly effective. The cost-savings suggested in this study may therefore be greater as a result of reduced financial losses through theft.

Teamwork and staff welfare

This study was able to somewhat quantify the impact of using VoCoVo on staff's ability to collaborate effectively and their welfare at work. While we know from the quantitative aspects of the study that VoCoVo generates cost savings for the business, it is less easy to demonstrate the impact VoCoVo has on descriptive factors, such as how staff "feel".

The data strongly suggests that VoCoVo can have a significant positive impact on retail staff across several descriptive factors – this is based on their answers to questions before and after using VoCoVo headsets. This part of the study had to follow a before-and-after methodology, so it should be acknowledged that some degree of parallax could be present in the results because staff knew that they were being asked questions before being given a proposed way to improve their answers. However, the improvements reported were so significant (the lowest still being an improvement of 79%) that the results can be considered reliable.

One area which would provide deeper insight into the impact of VoCoVo headsets in retail stores would be to gain the perspective of customers. We hypothesise that when an customer sees a worker equipped with the right tools for the job it can boost their credibility and even influence the way they behave. From research on the use of body-worn cameras, for example, we know that seeing a Police or Security officer wearing a BWC is likely to deter criminal and antisocial behaviour – it would be interesting to understand if VoCoVo headsets being part of a retail store's uniform has a similar effect.

For more information on VoCoVo, please visit <u>www.syndico.net/vocovo</u> or contact Kane Brewer on 01489 287 287 or <u>kane.brewer@syndico.net</u>.

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