

Microsoft Teams Empowers Frontline Workers and Drives Business Performance for Retail Organizations

Frontline retail workers are essential to a brand's identity and are often the first impression customers have of a specific company. Until recently, retail leaders have focused their digital transformation efforts around improving customer experience (CX) through more efficient operations, supply chain practices, and secure payment options. However, there is a growing realization among retail executives of the impact on CX of investing in and empowering their frontline workers. By implementing technologies that target the activities and needs of these critical employees, retail organizations can design an elevated experience for both frontline workers and customers, ultimately driving better business results.

[Microsoft Teams for frontline workers](#), with its customizable range of apps to improve engagement, efficiency, and productivity, serves as a modern, intuitive, and security-enhancing solution addressing the needs of frontline workers at retail organizations. Employees can access Teams on a wide range of devices, including smartphones, tablets, and other mobile devices, facilitating collaborative work within frontline teams as well as between frontline employees and the rest of the organization. Teams helps to close the long-standing technology gap that often separates frontline workers from the tools, resources, and expertise they need to do their best work.

To better understand the benefits, costs, and risks associated with deploying Teams for frontline workers, Microsoft commissioned Forrester Consulting to interview decision-makers from seven organizations and conduct a Total Economic Impact™ (TEI) study.¹



Return on investment (ROI)
345%



Net present value (NPV)
\$14.79M

This abstract will focus on two interviewees from the retail industry— a VP of IT at a retail chain and a VP of retail operations at a grocery chain— and the value Microsoft Teams has brought to their frontline workers and organizations overall.

INVESTMENT DRIVERS

The interviewees' organizations adopted Microsoft Teams to optimize the workforce experience for their frontline. Their organizations struggled with several challenges in their legacy environment, including:

- **Lack of an efficient solution for real-time communication.** Frontline supervisors were constantly busy responding to the demands of the ever-changing retail environment. The need to spend an additional 15-20 minutes searching for a specific employee or superior on the retail floor to respond to those evolving circumstances



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was an added burden. There was no channel for instant communication in place, causing frontline workers to feel siloed and disconnected. The VP of retail operations said, “it was critical for us to adopt a solution that could simplify our team’s ability to contact who they needed, right when they needed to.”

- **Limited access to knowledgeable sources to deliver optimal customer experience (CX).** Frontline workers often needed additional information through data documents or supervisor approval to respond to customer requests or determine the appropriate course of action. Their inability to access those resources on the spot hampered their ability to act. The VP of retail operations stated, “There are periods of time where folks off the floor are unavailable to the floor employees. We needed to make sure this didn’t prevent the floor employees from doing their job and serving our customers.”

“We used to have four or five different systems. With Teams, we have everything that is essential for our frontline workers in one place. It is easy to use and allows our employees to be more productive.”

VP of IT, retail

- **Difficulty relaying information from shift-to-shift.** Interviewed retail organizations did not have a designated system for shift employees to leave instructions regarding unfinished tasks, changes in priorities, or new instructions for the incoming shift. This often caused unforeseen errors and inefficiencies. “We had no system for reporting information forward, which made it hard to keep an action plan up to date,” stated the VP of IT.

- **Poor user experience and employee engagement.** Interviewed executives relayed that their retail organizations used a myriad of communication and collaboration tools before Teams. However, these tended to pose technology and user problems in the frontline setting, which made real engagement difficult. “For store associates and managers, using our [legacy] communication tools was rare because the extra time it took to actually understand them and get them up and running made them seem like a burden instead of a tool,” stated the VP of retail operations.

SOLUTION REQUIREMENTS

The interviewees’ organizations chose to invest in Teams for the following reasons:

- **One tool, multiple capabilities.** Teams serves as an all-in-one solution for fostering productivity, collaboration, and communication across frontline workers, housing tools such as Walkie Talkie, Tasks, and Shifts. Users also have access to multiple communication channels including secure chat messaging, voice calling, video calls, and online meetings. Additionally, Teams plugins and integrations can be used to further promote business efficiency. The VP of retail operations stated, “We ultimately selected Teams because it was way more robust than any other solution we were considering.”
- **Consistency across all users.** Teams could support the business and technical needs of store associates, managers, and back-office employees, and serve as a platform for real-time interaction and data sharing among all its users. “My store associates can get answers fast, without the headache,” said the VP of IT.

KEY RESULTS

The composite organization, which is representative of the seven decision-makers' organizations, experienced the following benefits:

Time savings of 43 hours per year per manager from enhanced productivity. Teams enabled frontline workers and supervisors to communicate and relay instructions or requests in real time, without interrupting their work in progress. The VP of IT stated: "With Teams, you're able to do more than just hold meetings. Our supervisor might think, 'I have a project and I need input from an IT person, a supply chain person, and a buyer. Let me get them on Teams and get the answers right away.' That's the kind of thing that would have taken a week to get all the input before Teams."

Retail organizations also cited Teams' Walkie Talkie app as a tool of extreme importance for their frontline: "It gives [our supervisors] additional functionality in terms of, 'Hey, you know what? I need our store associate to do something else. Let me get these three people on the Walkie Talkie app, and they're right there to collaborate in terms of what the store wants them to do,'" said the same interviewee.

A 25% reduction in errors due to misinformation. For retail organizations, Teams simplified the process of running meetings while boosting the frontline worker engagement seen on those meetings. This resulted in a better, more universal understanding of complicated topics.

The VP of retail operations at a grocery chain told Forrester: "We have weekly programs that we negotiate with food brands that have to be set up properly. I just get so much better execution when I can show the store employees a visual picture and talk through what it's supposed to look like versus something that goes out via email. And that means better sales for us and a greater likelihood that we'll get more of those programs than our competitors."

Increased revenue from a 30% improvement in customer experience. Interviewed retail executives described the ways in which providing frontline workers with access to the right information fast, allowed their organizations to provide better service and improve sales.

The VP of IT at a large retail chain explained: "How many times have you been in line, and you hear 'price check' and you think, 'Oh no!?' Now our cashier can use the Walkie Talkie app on Teams and have someone immediately check the price instead of waiting for associates to run around the store. ... [similarly,] when a customer can't find what they want in the store, the associate can quickly reach another store via Teams and say: 'We don't have it here, but there is another store 20 minutes away that has it. I can put it on hold for you.' That's a sale that probably would have been lost before."

An improvement in internal meeting productivity. Teams enabled retail organizations to deliver an intuitive and consistent meeting experience across all workers from one central solution. Employees could now meet from anywhere—an especially important facet for the COVID-19 pandemic—while staying engaged by seeing meeting materials, reading the faces and expressions of other participants, and asking questions.

Additionally, joining and running virtual meetings was now a smooth process, saving organizations several minutes of wasted time per meeting. The VP of retail operations stated, "With our old software, we would spend a lot of time in meetings waiting for people to

Increase in customers served due to Teams

15 to 20%



join due to technical difficulties or conducting a painful rollcall. On Teams, people can join faster, and you can see a list of individuals on the call. It allows us to move onto the meeting agenda quicker than we used to.”

Retired legacy collaboration solutions. All the interviewed retail executives cited that their organizations used alternative platform(s) for communication with frontline workers that were not optimized for their organizational needs. The VP of retail operations told Forrester: “We had a competitive virtual meeting deployment in our organization, and then we had a couple different conference bridge licenses. We had some small call bridges for 50 participants or less, and we had some super users with more than 450 lines available. We had combinations of all those around the company.”

Retail organizations were able to retire those tools once switching to Teams.

Team empowerment. According to the retail interviewees, both supervisors and retail associates valued Teams’ support for data democratization throughout their organizations. They were able to understand shifting priorities and the tasks at hand in real time, giving them more control over their workday. According to the VP of IT, “Whether it’s updating inventories, determining markdowns, or just collaboration across the stores, Teams gives [our frontline workers] more flexibility and more answers at their fingertips.”

TOTAL ECONOMIC IMPACT ANALYSIS

For more information, download the full study: “The Total Economic Impact™ of Microsoft Teams for Frontline Workers,” a commissioned study conducted by Forrester Consulting on behalf of Microsoft, July 2022.

STUDY FINDINGS

Forrester interviewed seven decision-makers at organizations with experience using Microsoft Teams for frontline workers and combined the results into a three-year composite organization financial analysis. Risk-adjusted present value (PV) quantified benefits include:

- Enhanced supervisor productivity, \$9.1M.
- Reduced errors due to misinformation, \$6.1M.
- Increased revenue from better customer experience, \$2.7M.
- Avoided security breach costs, \$551.3K.
- Increased meeting productivity, \$329.0K
- Retired legacy collaboration solutions, \$211.4K.



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Appendix A: Endnotes

¹ Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

DISCLOSURES

The reader should be aware of the following:

- The study is commissioned by <Client> and delivered by Forrester Consulting. It is not meant to be a competitive analysis.
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- <Client> provided the customer names for the interview(s) but did not participate in the interviews.

ABOUT TEI

Total Economic Impact™ (TEI) is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders. The TEI methodology consists of four components to evaluate investment value: benefits, costs, risks, and flexibility.

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