



Using AI-Powered WFM to Optimize Labor Forecasting in Turbulent Times



Zebra
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Introduction

Disruption is quickly becoming the new normal in retail. Already strained labor forecasting processes are being pushed to the breaking point by labor shortages and other staffing challenges. While retailers may have an abundance of data collected from sales, customer traffic, employee performance, and other sources, disruptive events make such an impact that some data may not accurately reflect current conditions and cannot be used to forecast current and future in-store labor requirements.

The ripple effect from inaccurate labor forecasts and schedules can be catastrophic. If stores aren't staffed properly, store associates could be so overburdened with work that they aren't able to complete critical tasks and projects. Inaccurate forecasts can also result in schedules that put retailers at risk for violating labor laws and regulations, leaving them vulnerable to incurring steep penalties and fines because of noncompliance. They can also lead to scheduling too many store associates, wasting your labor budget and eroding profitability.

Improving the intelligence of labor forecasting and scheduling processes is key to overcoming these challenges. Zebra Reflexis AI-powered Workforce Scheduler quickly detects changes in data patterns, providing more accurate labor forecasts during periods of disruption and more agility during turbulent times. This solution can simulate important scenarios and create best-fit forecasting models, accounting for far more variables than traditional models, such as geographic region, store characteristics, and sales data. By using Zebra Reflexis Workforce Scheduler, you can quickly adapt to unforeseen changes in customer traffic, product demand, and other disruptive events.





Here are a few ways that you can use AI forecasting to improve forecasting accuracy during turbulent times:

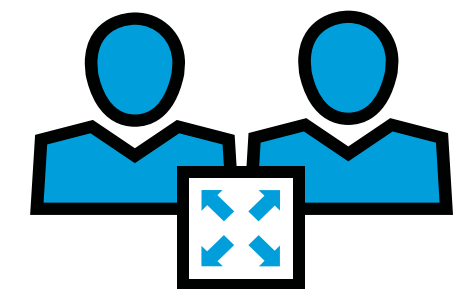
1 Personalize Forecasts to Account for Geographic Region



2 Respond to Rapid Changes in Customer Traffic and Demand



3 Understand the Labor Needs of New Initiatives



Strategy #1

Personalize Forecasts to Account for Geographic Region

Public health crises, natural disasters, and other crises often have a disparate impact on different regions, whether it's a state, a city, or even areas within cities. This disparate impact makes it extremely difficult to accurately create labor forecasts, especially when your organization has stores in dozens of states and cities across the United States. Without personalizing labor forecasts to account for the impact of disruptive events on different regions, it's impossible to create labor schedules that adequately account for the nuances between different states and cities.



By using Zebra Reflexis Workforce Scheduler, you can create machine learning models that detect patterns across clusters of stores, driving improvements in scheduling accuracy across all stores.

This is especially helpful if disruptive events drag on for an extended period of time, with occasional fluctuations in severity of disruption. Workforce Scheduler can use data gathered to forecast during similar disruptions in the future, optimizing labor schedules and ensuring that you have the staff you need to carry out all critical in-store tasks.



Strategy #2



Respond to Rapid Changes in Customer Traffic and Demand

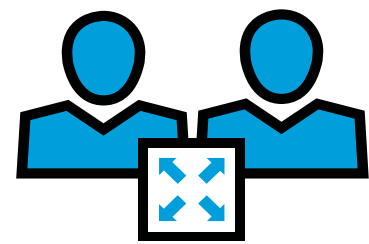
Customer traffic is always somewhat unpredictable, but during disruptive events, it can be extremely difficult to predict. The same is true of product demand. As the severity of disruptive events fluctuates, it's uncertain which products are going to be in high demand and for how long.

This makes it difficult to understand how to adequately staff your stores. Without the ability to adjust quickly to trends in customer traffic and product demand, you may not have enough store associates scheduled to handle long lines at checkout or shelves that are frequently empty from high demand. During a disruptive event, this can be incredibly detrimental to the customer experience. If customers are stressed or employees are strained, it's far more likely that inefficiencies will negatively impact the customer experience, making it far less likely that customers will return next time.

Zebra Reflexis AI-powered Workforce Scheduler uses machine learning to quickly identify micro-trends and clusters based on those trends, using that intelligence to create more accurate labor forecasts across your organization. It can provide specific recommendations, identifying when and where you need to increase or decrease staffing at your stores. With this intelligence, you can avoid long lines and empty shelves, and ensure that customers can quickly complete their in-store shopping.



Strategy #3



Understand the Labor Needs of New Initiatives

Well into the future, disruptive events will continue to alter the way that customers shop at retail stores. With this in mind, many retailers are already implementing new initiatives to acclimate to these changes, such as expanding curbside pickup options, online returns, and other omnichannel processes.

Without insight into how these initiatives will impact labor needs, sales, and other key metrics, as well as where initiatives are likely to be the most or least successful, it's impossible to implement and forecast labor accordingly without taking a huge leap of faith. This could quickly prove disastrous if labor schedules don't accurately account for how these initiatives change customer demand, creating staff shortages or communication breakdowns that grind these initiatives to a crawl.





By using AI and machine learning, you can simulate the impact of these initiatives and more accurately predict their impact on sales, customer traffic, and other key metrics. Zebra Reflexis AI-powered Workforce Scheduler will help you not only determine where they will be most successful, but also whether you need to hire new staff or change store associates' roles to account for the extra workload. Understanding labor needs will help you ensure success with new or expanded omnichannel initiatives from day 1, giving customers what they need to efficiently shop at your stores.

To learn more about how to optimize labor operations during turbulent times, please email Reflexis.info@zebra.com and we'll connect you with a knowledgeable member of our team.



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