



RPA: the next step in retail automation



Introduction

The retail industry is in the grip of the biggest upheaval in its history.

Retail disruptors Amazon and Alibaba, alongside companies from other sectors such as Netflix and Uber, are tearing up the rule book. Between them they are pioneering new customer-centric services and supply chain models that are redefining and elevating consumer expectations.

For many retailers, digital transformation seems like an elusive and constantly moving target. Their aging legacy systems are so deeply woven into the core of their operations that any meaningful changes are both risky and prohibitively expensive. Fully adopting disruptive technology feels like trying to change the wheels on a speeding car.

But it doesn't have to be like this. Transformative technology already exists that doesn't disrupt existing legacy systems and enables retailers to work within their existing enterprise ecosystem, while creating the platform for longer-term innovation afforded by robotic process automation (RPA) and artificial intelligence.

What is a RPA robot?

RPA is a technology that harnesses the power of fast and highly efficient robots.

These robots are not the physical kind we've seen in Amazon and Ocado fulfilment centres, they are intelligent software that can recognise objects in a virtual environment and adapt to change. A "robot" can emulate and integrate the actions of a human interacting within digital systems to execute a business process. Software robots utilize the user interface to capture data and manipulate applications just like humans do. They communicate with other systems and trigger responses in order to perform on a vast variety of repetitive, rules-based tasks. Only substantially better: an RPA software robot never sleeps, makes zero mistakes and costs a lot less than an employee.

Why should retailers be interested in RPA?

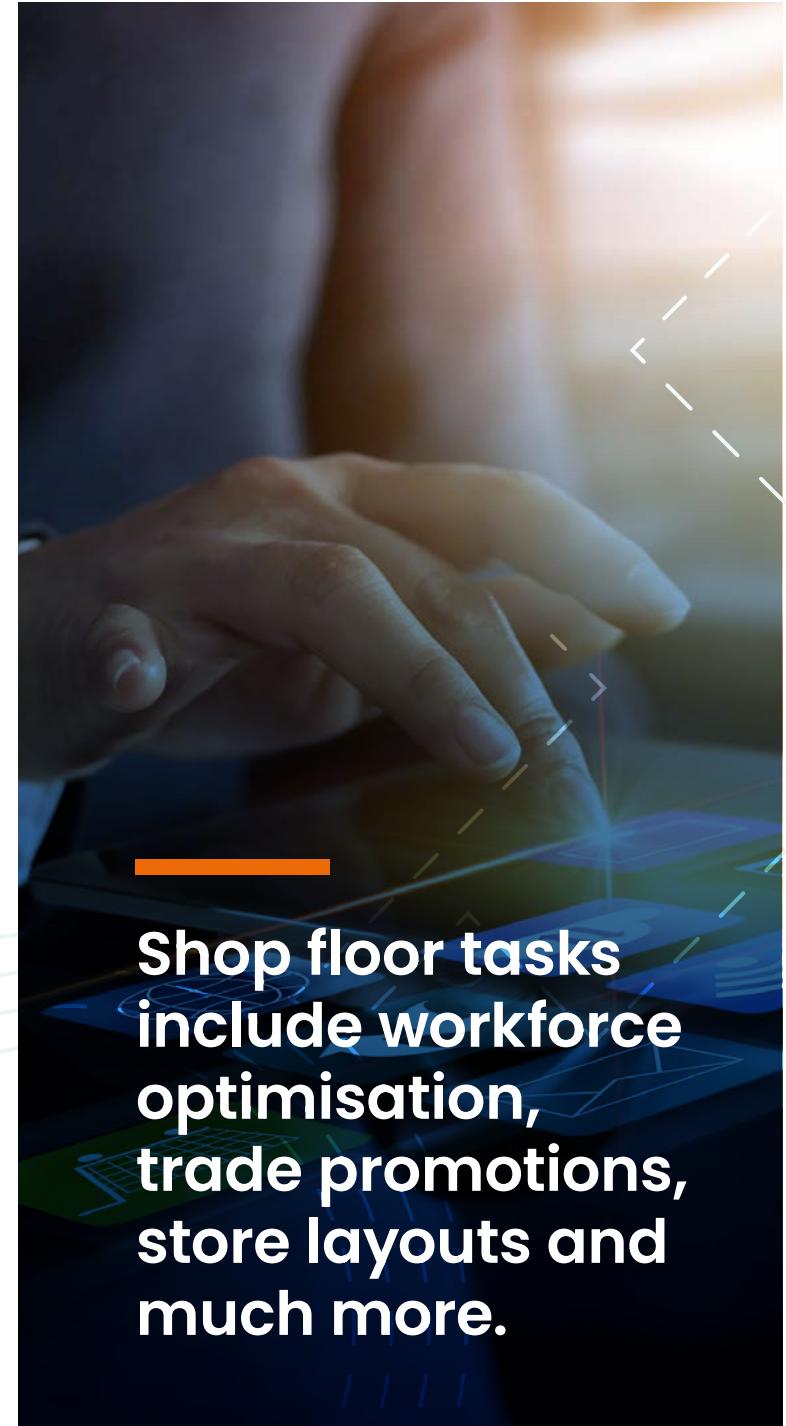
RPA Robots act as virtual workers, automating essential standard, high volume, repeatable, rules-based retail processes.

RPA automation can stretch from the retail supply chain right through to the back office and out on to the shop floor.

Back-office tasks ripe for RPA include invoice processing, bill checking, payments and practically any financial process. In these cases, you can set an RPA robot to work and leave it unattended, using its computer vision to handle high volume tasks in the background. The best unattended Robots are now self-healing and self-managing, capable of sensing and evaluating change.

Moving to the front office, think of call centres, chat robots and areas such as human resources and legal where there are exceptions that need human insight and approval.

Shop floor tasks include workforce optimisation, trade promotions, store layouts and much more.



RPA is of particular relevance in retail today, given the level of automation on which the industry depends and the vast data flows that it is now trying to get to grips with as a source of competitive advantage and cost management.

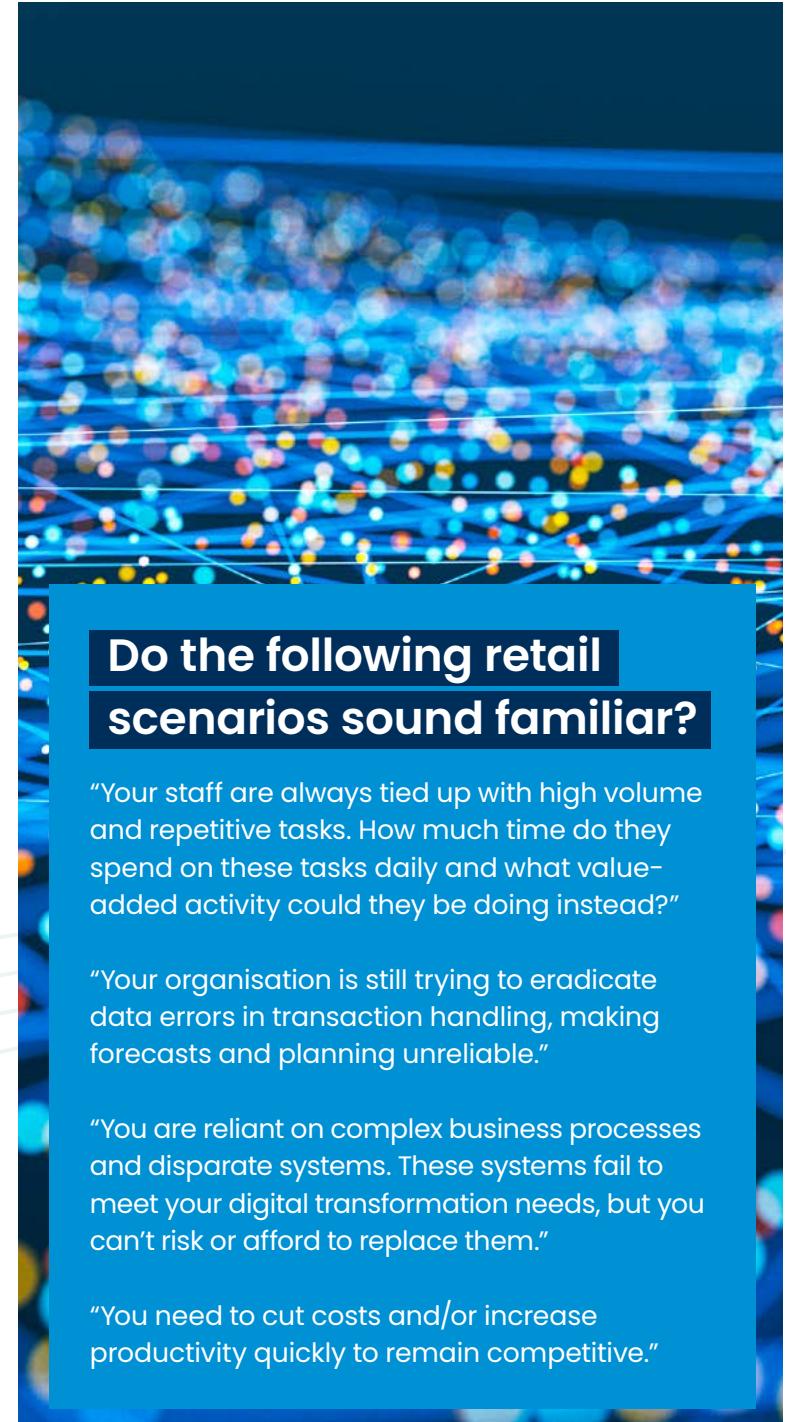
The beauty of RPA, especially for retailers with disparate systems, is that it can automate multiple standalone processes without the need for duplicate data input or analysis.

Take, for example, the payroll overlap between finance and HR. RPA software robots can automate the various, complex data flows needed for month-end close, HR compliance, new starters and leavers.

Another benefit of RPA is that it is a precursor technology, working in harmony with existing retail systems, while also being a significant yet manageable step towards adopting disruptive tech such as artificial intelligence (AI) and machine learning.

Robots can act like people. They can go to Citrix and get what they need, go to SAP, access another antiquated system and then put everything in an Oracle database. Just like humans—super-fast, super-accurate humans. With the agility and speed to do more—and let your real people focus on the important stuff.

This really is the future of work—freeing human capacity to do more, better things with their minds and time.



Attended versus unattended robots. What's the difference?

There are two types of RPA software robots;

Unattended robots that automatically complete pre-set tasks over time, at scale with minimal employee intervention and **attended robots** that respond to employee-triggered actions by automatically completing specific processes.

While unattended robots quietly and diligently carry out their work with little human input, attended robots effectively act as an 'extra pair of hands', completing essential routine tasks on behalf of a specific team or employee so that the human can focus on more value-added outcomes.

Many companies start with unattended robots and automate complete processes, redeploying staff elsewhere to gain immediate ROI. They then look to deploy attended robots to areas where customer experience can be enhanced, employee efficiency can be increased, and employee retention improved.

Attended robots are a big part of RPA's future. They come front-office ready - processing augmented workflows that extend the capabilities of your human managers. Having the digital fluency to manage blended human and robot teams is one of five "super skills" the Institute for the Future calls critical for success in the evolving workplace.



What are the retail benefits of RPA?

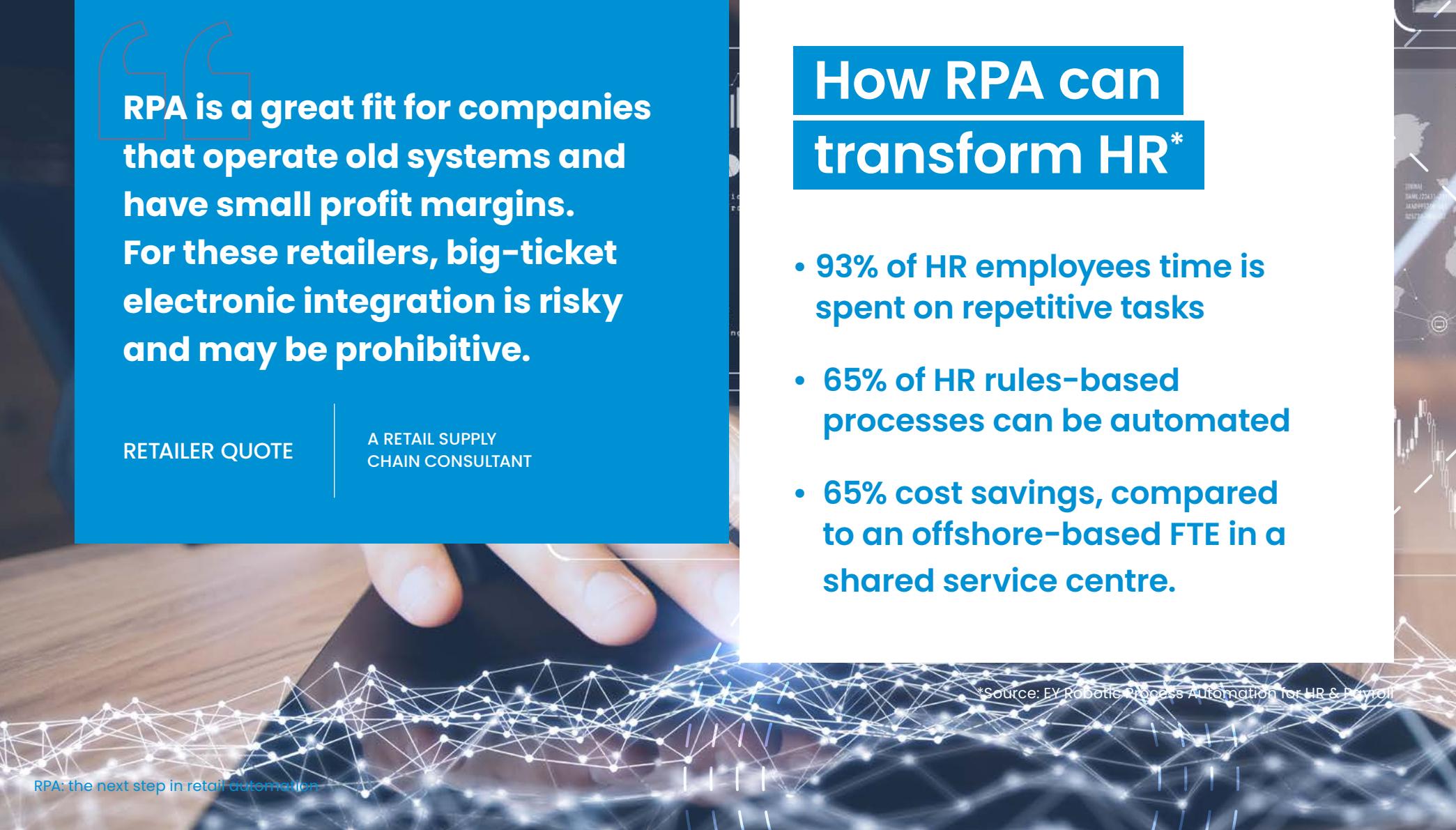
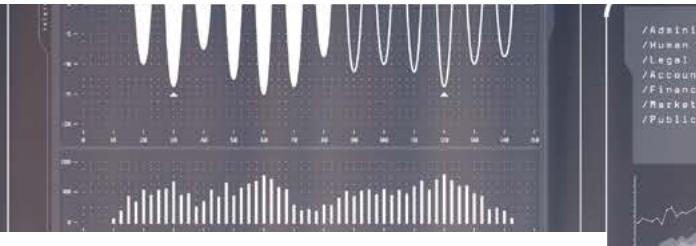
Retailers are finding themselves under pressure on two fronts. Margins are continually being squeezed while customer expectations continue to grow.

Squeezed margins are nothing new to retail and retailers are used to taking cost out of their operations, however for many, any further cost savings could negatively impact customer experience.

RPA offers retailers an effective way to square this circle. RPA can increase operational efficiency and productivity by cutting costs, boosting data confidence and speeding up processes, giving retailers an opportunity to redistribute their resources and boost customer experience.

Here are our top ten retail benefits of RPA:

-  **Improved efficiency:** a virtual RPA workforce operates around the clock every day of the year, greatly reducing the time and cost it takes to complete tasks.
-  **Improved data quality and control:** automation eradicates errors, caused by bored humans, that skew data sets, reducing confidence and effectiveness.
-  **Employee satisfaction:** RPA can automate many of the essential high volume daily tasks that erode employee satisfaction. Employees can instead focus on more rewarding, value-added activities.
-  **Customer satisfaction:** with reduced errors, improved efficiency and more accurate information, the quality of the customer experience is significantly increased, and there is greater opportunity to innovate.
-  **RPA works in harmony with existing IT systems:** adopting RPA avoids the many risks and costs associated with disruptive digital transformation, while helping you advance on your path to artificial intelligence.
-  **Data for process improvement:** undiscovered bottlenecks can be identified using data from robotic process performance, further optimising processes.
-  **First strategic step towards AI:** RPA can go live, alongside machine learning and natural language processing (NLP), within weeks. These three technologies are clear steps towards AI.
-  **Efficiency first:** RPA automates processes first, prioritising efficiency.
-  **Scalability and flexibility:** a robot workforce can be quickly and easily scaled up or down in size at minimal cost depending on workflow
-  **Fast to implement** compared to any alternatives.



RPA is a great fit for companies that operate old systems and have small profit margins. For these retailers, big-ticket electronic integration is risky and may be prohibitive.

RETAILER QUOTE

A RETAIL SUPPLY CHAIN CONSULTANT

How RPA can transform HR*

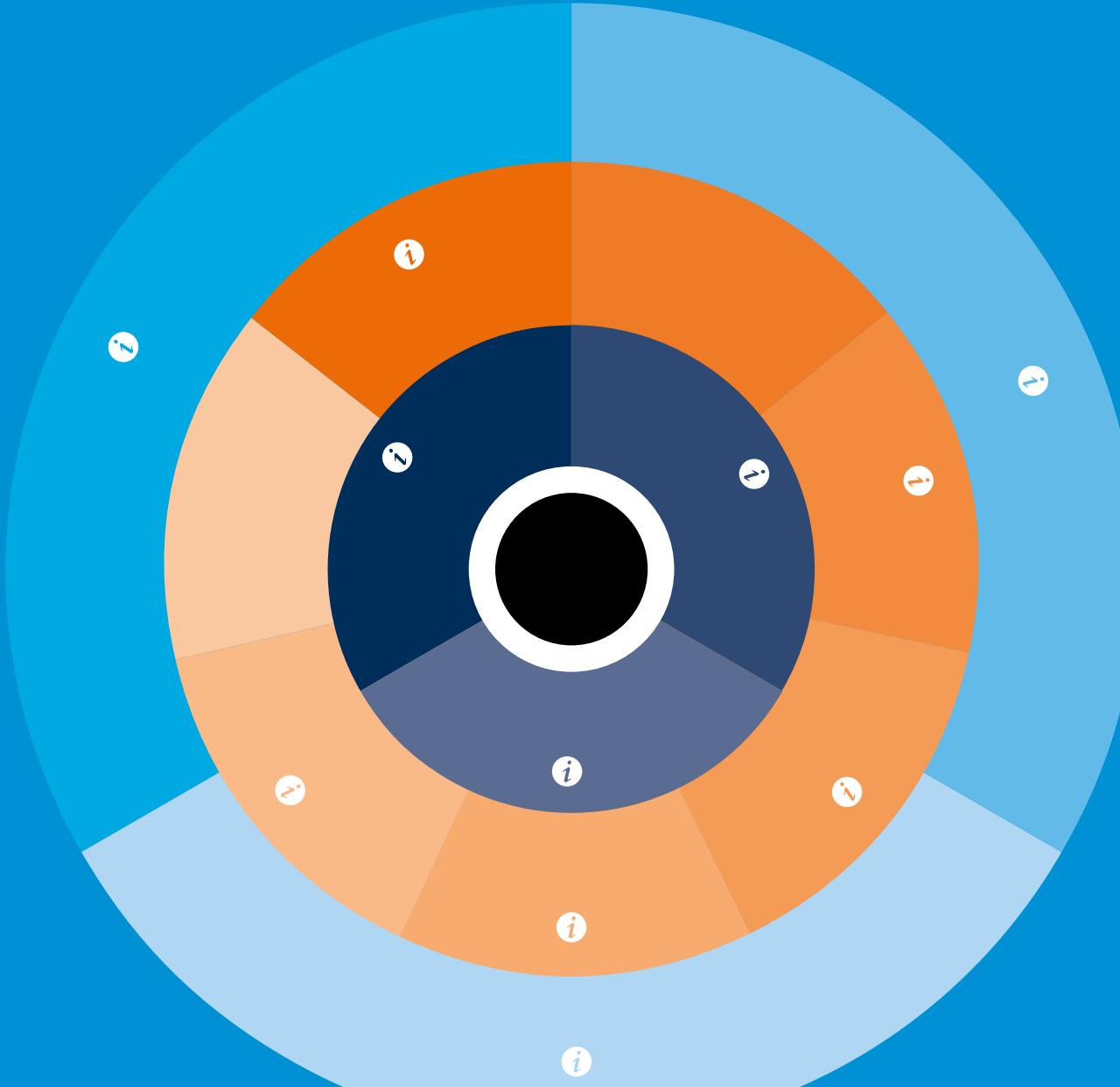
- 93% of HR employees time is spent on repetitive tasks
- 65% of HR rules-based processes can be automated
- 65% cost savings, compared to an offshore-based FTE in a shared service centre.

*Source: EY Robotic Process Automation for HR & Payroll

RPA in the...

- RPA on the shop floor
- RPA in the **back office**
- RPA in the supply chain

Click a
section for
more info



RPA in the supply chain

RPA is becoming increasingly advanced. This means it can now automate beyond tasks based on well-defined rules. An example of this is that supply chain judgements can be made based on data patterns, and RPA robots can trigger an alert if a delivery is likely to be late and automate supply/demand balancing.



Retailers can't make a silk purse out of a sow's ear, they need to go step by step. RPA software robots quickly improve the data retailers have today, enabling them to automate supply chain processes, increase efficiency and pave the way for AI.

RETAILER QUOTE

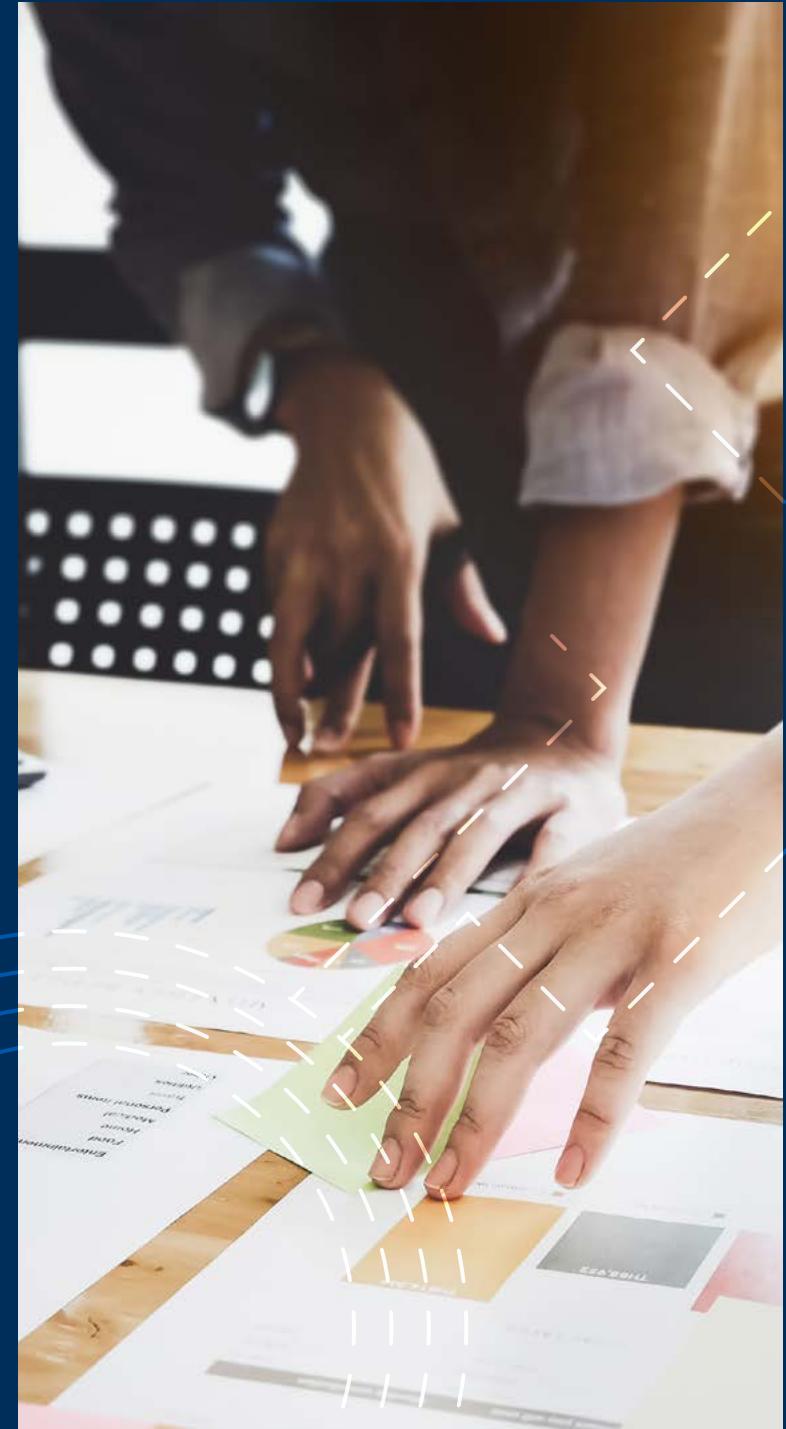
A RETAIL SUPPLY CHAIN CONSULTANT



Demand and supply planning

Until recently, demand and supply planning has been a laborious task that involved hunting for and gathering snippets of data, standardizing and formatting them, running simulations, finding out exceptions, and finally confirming and communicating the demand and supply plan. All of these tasks can be automated and streamlined with RPA, helping retailers to increase capacity and asset management while significantly improving customer, supplier and employee satisfaction.

Helping retailers to increase capacity and asset management

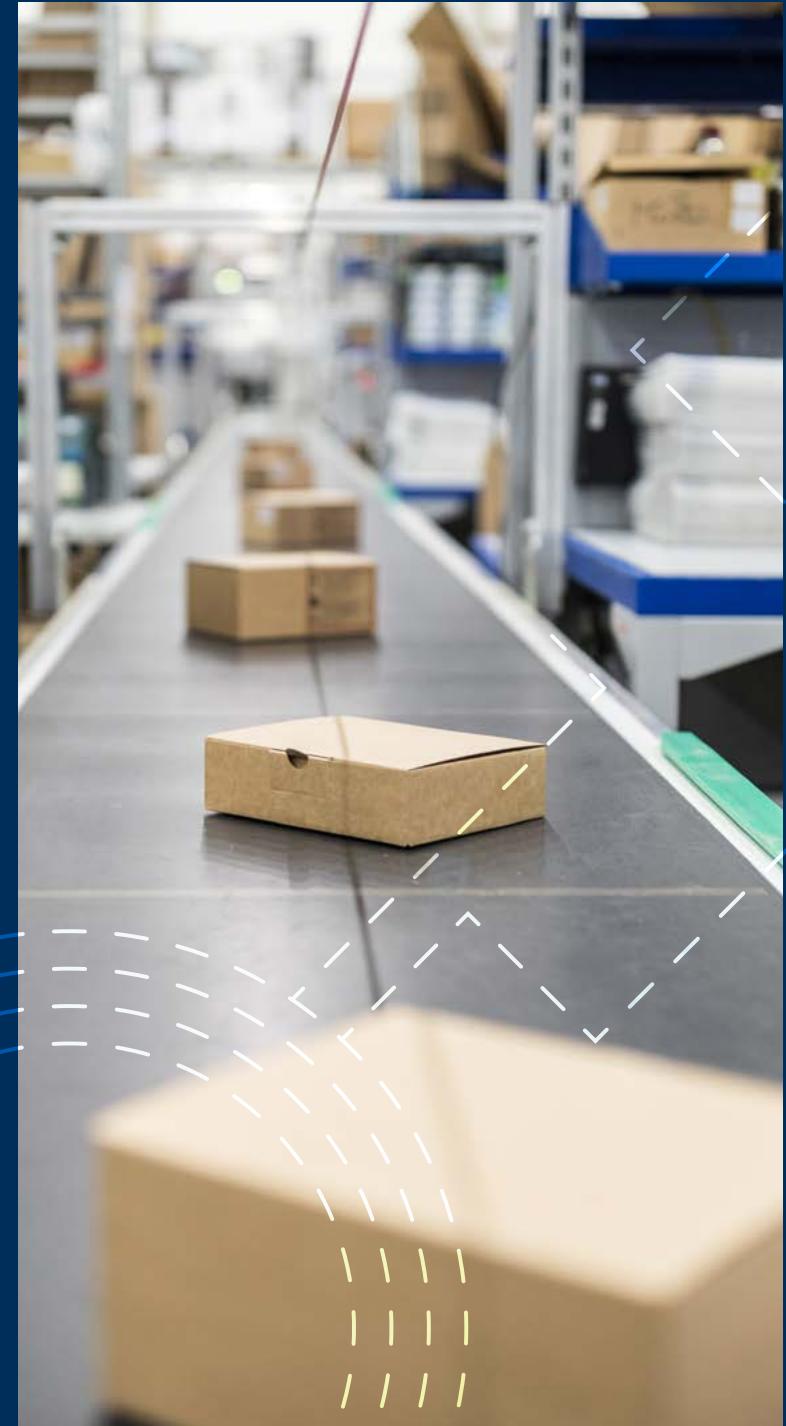




Logistics, supply chain and inventory management

Communication is a key ingredient of supply chain success. Emails automatically generated and sent using RPA is just the start of effective communications, alerting suppliers and customers when orders are booked, shipped, delivered or delayed. RPA can also help retailers monitor and maintain inventory levels, so they can ensure they have enough stock to meet demand. Stock level notifications can be automatically generated when products need replenishment. After assessing past orders, RPA can also help determine optimum order levels, improving procurement, reducing cost and lowering waste.

Stock level notifications can be automatically generated when products need replenishment.

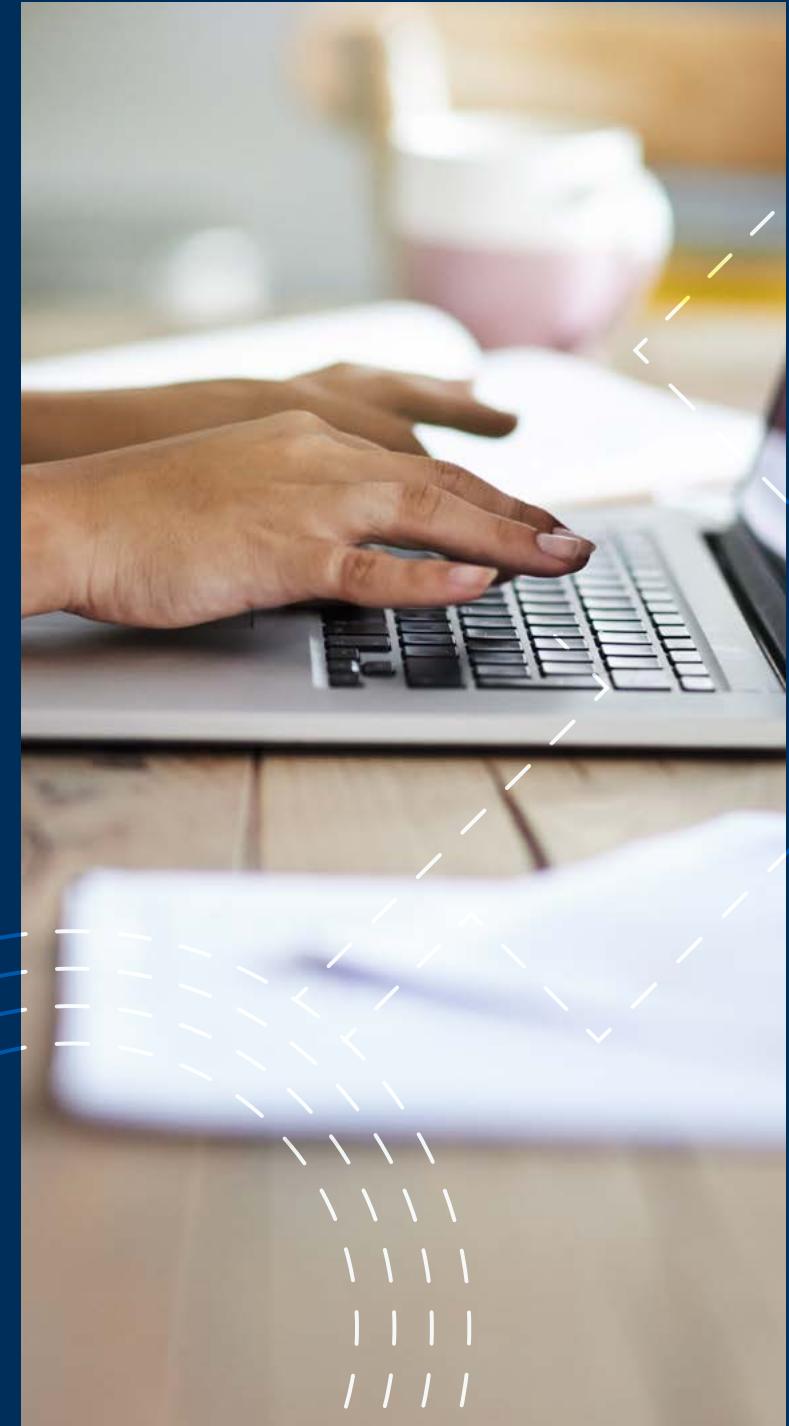




Quote, invoice and contract management

In most retail operations the source-to-pay process is standardised and repeatable, making it a great fit for automation. For example, a retailer that wants to source a specific product can use RPA to interrogate a database of suppliers, identifying companies that sell the product within a defined list of variables, cost being the most obvious. The RPA robots can then generate a request for quotation and review multiple quotations when they come back, based on costs, fulfilment times etc. Once supply begins, an RPA robot can continually monitor the contract and the suppliers' performance. For example, exceptions may automatically trigger mitigating actions and alerts can be automatically issued calling for human intervention if a supplier fails to get back on track.

Once supply begins, an RPA robot can continually monitor the contract and the suppliers' performance.



RPA in the back office

Anyone who has worked in a retail back-office function will have witnessed the sheer number of systems and processes used on a daily basis.

Traditional ERP systems have a set of integrated applications allowing retailers to collect, store, manage and interpret data from different business activities and departments in one place, but that's not to say these applications are easy to use, quick or cost effective. Here are just some of the ways RPA can streamline back-office processes, speed them up, boost data confidence, limit the need for human intervention and create opportunities for innovation.

We're looking at a range of applications for RPA including generating operational reports, managing finances, handling customer complaints, returns and failed deliveries as well as looking at automating our reaction to weather – for example, how does a heatwave affect what we sell and how we sell it?

RETAILER QUOTE

A MAJOR RETAILER

"We're considering automating costly customer experience processes where speed and labour costs are key. Our to-do list includes sorting emails by sentiment, ordering and sorting customer reviews, sorting NPS and NES store feedback, student discount processing, order tracking and automation of all fraud checking. We currently have a labour-intensive intervention in 25% of fraud checks."

RETAILER QUOTE

A LEADING HIGH-STREET FOOTWEAR RETAILER



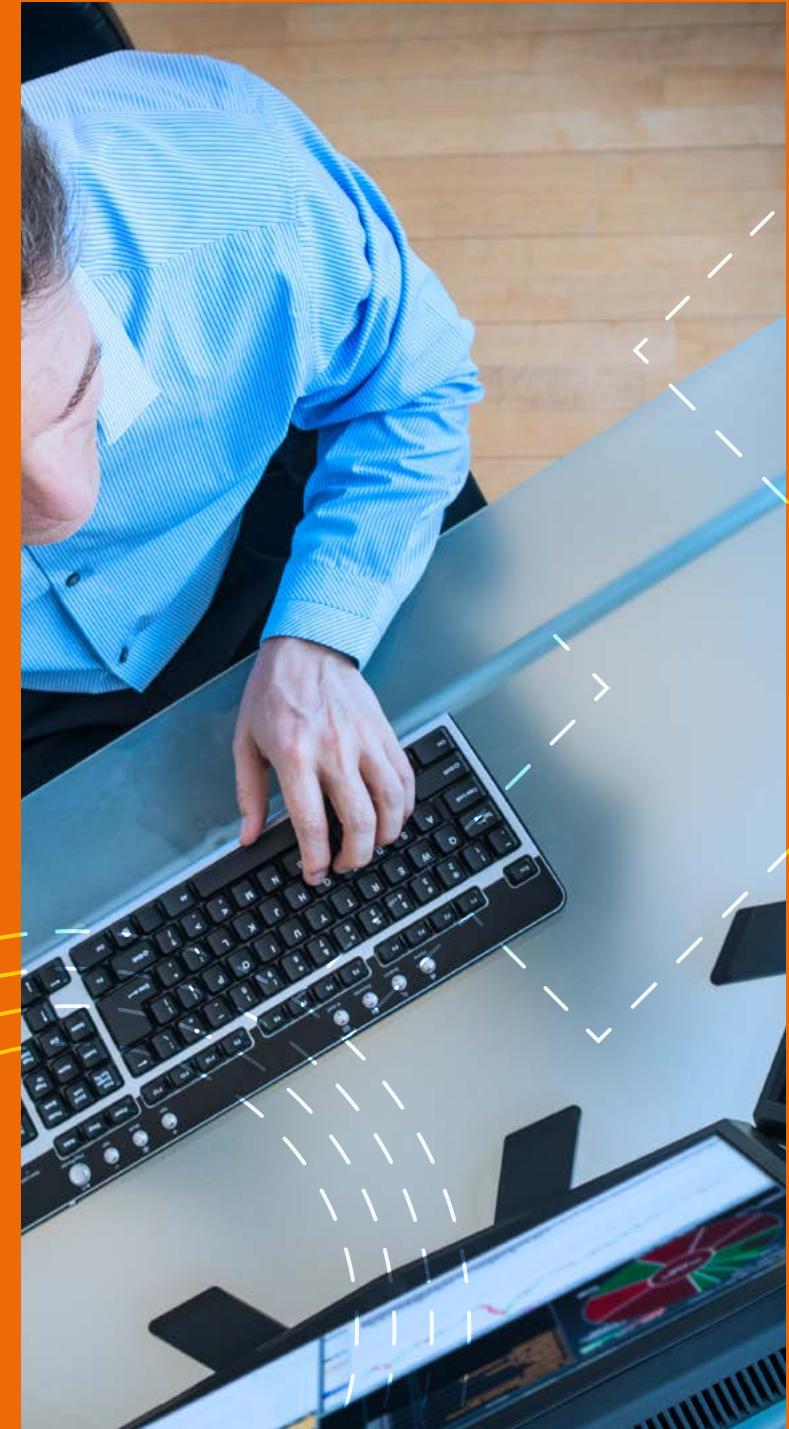
Customer support management

RPA can automate time and resource-hungry customer-focused activities such as complaints handling, loyalty scheme management and maintaining unconnected databases.

For example, RPA can solve the enduring headache of maintaining multiple unconnected customer records management systems. RPA-powered updates can quickly and efficiently synchronise multiple databases ensuring all CRM information is current 24 hours a day, seven days a week, boosting confidence and ensuring employees have the best possible customer data easily accessible when they need it.

Customer complaint handling can also be automated, prioritising issues, sending automatic responses and either resolving or escalating complaints to business specialists on a 24/7/365 basis. RPA can ensure customer complaints are resolved quickly and effectively, turning disgruntled customers into brand advocates.

Customer complaint handling can also be automated





Returns processing

Manual returns processing can be an incredibly time-consuming and expensive task if it is not done efficiently. Returns processing can, however, be transformed into a highly structured and rules-based process, making it a great fit for RPA.

For example, if a customer requests a replacement item, a sales order can be automatically created. If they would like a refund a credit memo can be automatically created and a refund triggered. RPA can also take care of financial accounting and inventory management activity and initiate creation of all the associated documentation, speeding up the process, minimising human intervention and reducing cost. In fact, RPA can transform returns process from a financial burden into a streamlined and automated service that builds customer loyalty and gives retailers a competitive advantage.

RPA can transform returns process from a financial burden into a streamlined and automated service





Accounting and finance

A certain level of accounting and finance automation can be achieved through existing systems such as ERP. RPA, however, is the next step forward in this journey, automating a large swathe of activities including order and invoice processing, accounts payable and accounts receivable, account reconciliation, procure to pay, order to cash, record to report cycles and consolidating account information.

Take invoice reconciliation for example, despite decades of digital innovation, invoice processing is still burdened with a large number of essential repetitive and high volume manual tasks and inefficiencies. This can result in issues such as delayed payments and incorrect payment amounts. Typical tasks include downloading invoice attachments from emails, reading them carefully and manually keying data into accounting systems.

Almost every retailer's invoice processing is supported by spreadsheets that track tax deductions and payments. Until now it hasn't been possible to automate this vital step in the process no matter how critical it is. However, RPA working alongside business process management (BPM) can provide nearly everything needed to automate invoice processing, ensuring that invoices are paid quickly and efficiently and suppliers are kept happy.

**Provide nearly everything needed
to automate invoice processing,**





Marketing and consumer behaviour analysis

Reliability and speed are crucial for retailers when it comes to marketing and consumer behaviour analysis. Speedy analysis and decision making can inject real agility into a retailer's operation, giving them significant competitive advantage over other retailers.

Campaign analysis is another area where RPA can be used to great effect, helping marketers assess their current actions and decide on the future course of action. It brings clarity in determining campaign goals, ascertaining campaign budget and identifies specific channels that need improvement.

The biggest benefit RPA provides here is that past actions can be repetitively performed in the future without manual effort. If a retailer tweaks strategies based on analysis, then RPA can help in measuring effectiveness of new strategies.

Product categorization is one of the most important but ignored functions in the retail industry. Customers quite often fail to find numerous products online because of poor product categorisation. RPA however can integrate with inventory databases assigning attributes and categorising products for a seamless customer experience.

RPA can also supercharge consumer behaviour analysis driving effective trade promotions, store specific planning, new product introductions, customer on-boarding from websites, managing subscription renewals, claims processing and complaint handling and loyalty card management, to name but a few.





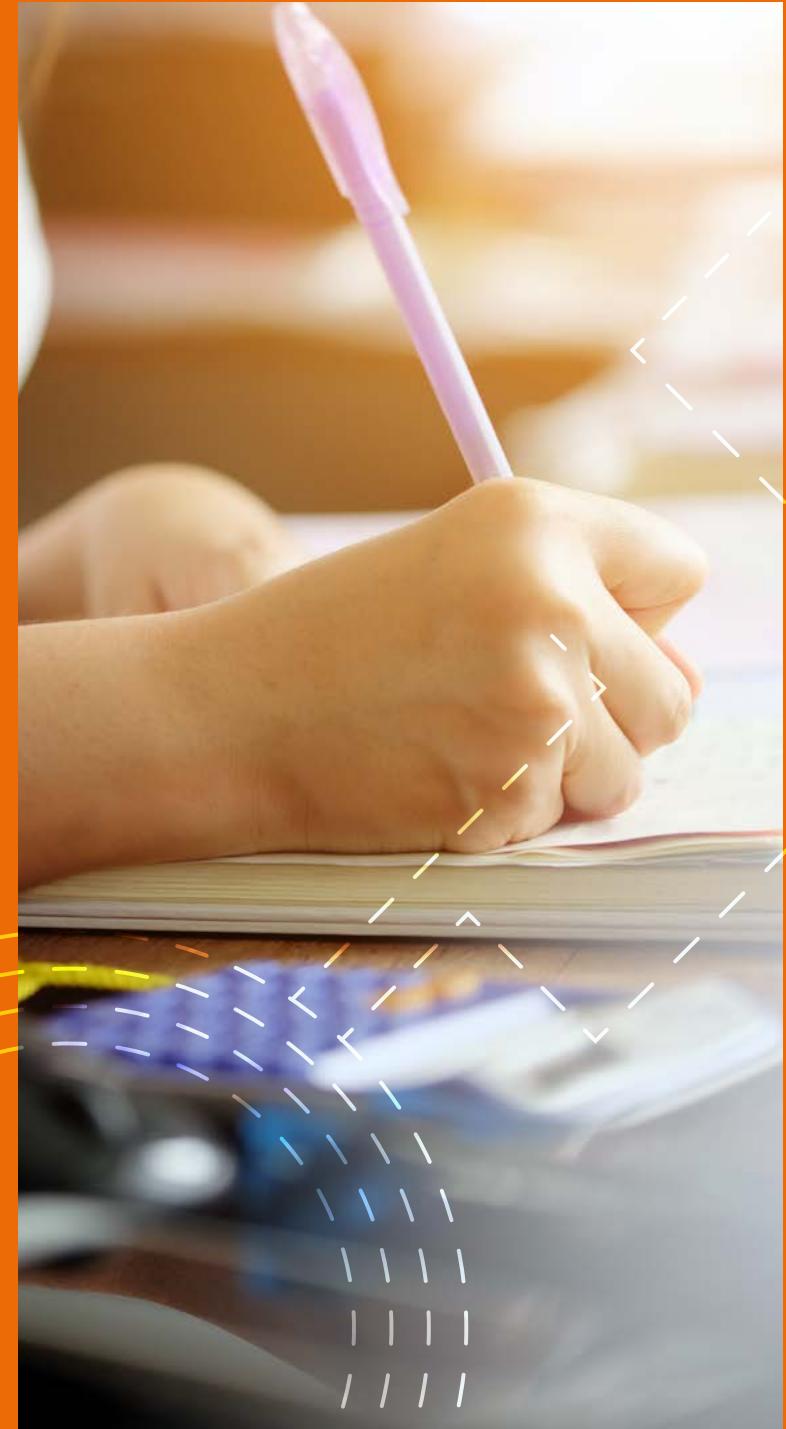
Payroll Management

Payroll demands perhaps the greatest amount of admin of any HR process, with every pay cycle calling for accuracy, timeliness, and well-planned coordination across numerous departments. Get any one of these steps wrong and a retailer is guaranteed to demotivate their workforce and possibly even cause them financial hardship.

High-quality service is therefore non-negotiable, but, as with all retail cost centres, there is a constant pressure on payroll management budgets. RPA presents a rare opportunity to simultaneously improve the consistency and quality of service in payroll, while also driving down the total cost of delivery.

It also promises to liberate finance and HR employees from essential high volume, repeatable tasks so they can analyse the increased level of data created during automation.

Simultaneously improve the consistency and quality of service in payroll





Employee on-boarding

RPA can streamline employee onboarding by updating and synchronising all HR databases with the same employee information. This makes manual data double entry a thing of the past, so there's less chance of introducing errors and HR teams are freed up to spend more time on value-added activities such as building relationships and fostering the corporate values and culture.

Once liberated from routine admin, RPA can help HR teams deliver personalised onboarding experiences for new employees. All the essential processes, the initial meetings with supervisors and briefings on safety, logging time and submitting expenses can be automatically organised in one place, in one bespoke experience.

Meanwhile thanks to RPA, a data-driven approach to on-boarding means that employee information can be collected effectively and kept in one place ensuring HR professionals have the information they need to do their jobs quickly and effectively.

RPA can also be used for employee off-boarding, consolidating leaver data from business areas and updating disparate HR and payroll systems.

Employee information can be collected effectively and kept in one place





Call centres outsourcing

Using RPA in customer call centres can strip out layers of cost and make it financially viable to bring this valuable function back on shore.

It's standard practice for call centre operators to toggle between multiple systems, searching for, and inputting data while speaking to customers on the telephone. If a customer interaction takes too long or the employee can't find the data they need, the customer suffers and brand loyalty is eroded. RPA streamlines this process by integrating data across multiple systems, so the employee has all the information they need on one screen. The employee also only needs to enter data once. This avoids errors and liberates the employee to focus on the customer, rather than carefully entering data in multiple systems.

RPA streamlines this process by integrating data across multiple systems



RPA on the shop floor

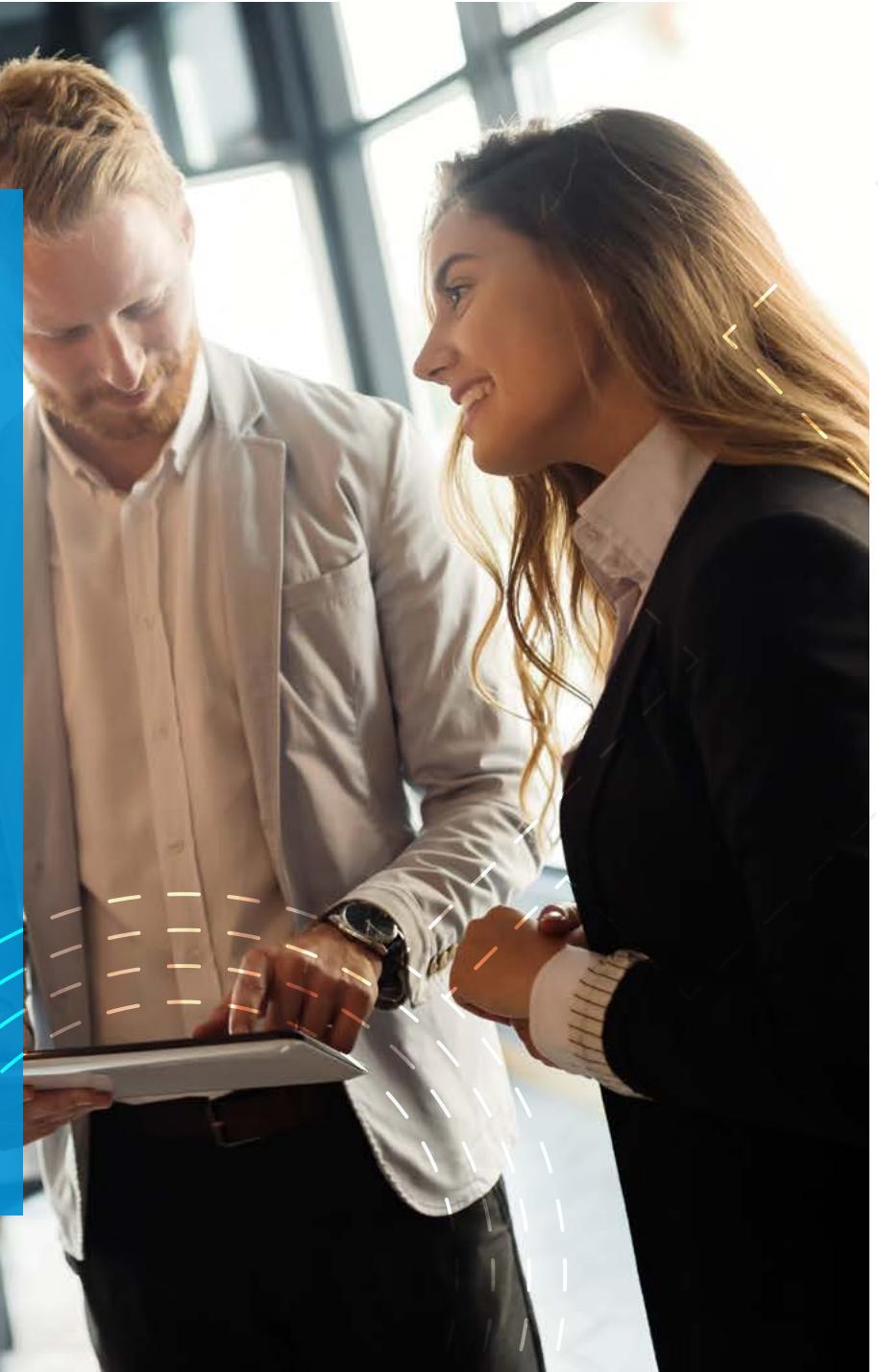
RPA will transform retail in the areas of merchandising, online shopping and the cashier-less checkout.

A MAJOR SHOPPING CENTRE OPERATOR

RPA offers retailers a great opportunity to strengthen the data that powers labour scheduling. Quite often data is inaccurate, and it isn't store specific, so the outputs are incorrect. RPA can change this.

A LEADING RETAIL SYSTEMS CONSULTANT

RPA: the next step in retail automation





Workforce management

Workforce optimisation is arguably one of the most critical, data-heavy processes used on the retail shop floor. Workforce optimisation is, in fact, a series of processes ranging from forecasting and scheduling to performance management and related email or text messaging with quite a few other processes in between.

RPA can streamline workforce management enabling real-time agility by linking and synchronising databases in HR, sales and payroll updating and analysing data and automatically triggering emails and text messages keeping employees informed.

**Streamline workforce management
enabling real-time agility by linking
and synchronising databases**





Trade promotions

Setting up shop floor trade promotions requires a significant amount of backend admin work that can tie up employees and hit retailers' bottom line.

Key admin tasks include creating and allocating funds for promotions and generating reports that give visibility of promotion performance. These processes are highly repetitive and involve manual inputting of data, which often makes them error prone. RPA, however, can automate up to 80% of trade promotions processes including validation, invoice processing, quality audit and payment approval. RPA can deliver a range of additional benefits including sustained accuracy, which cuts the sampling percentage needed for quality audits.

Automate up to 80% of trade promotions processes including validation, invoice processing, quality audit and payment approval.





Store specific planning

RPA can interrogate existing databases to give retailers a better view of individual store layouts and the demographics of customers who shop there. Equipped with this information retailers can fine-tune individual store inventory and the level of prominence they give each product.

Interrogate existing databases to give retailers a better view of individual store layouts



Conclusion

Robotic process automation offers hard-pressed retailers with a golden opportunity to achieve a raft of seemingly contradictory goals.

For example, it can eliminate errors while increasing speed, reduce cost while boosting customer experience, and transform digital capabilities without being disruptive. It also removes many of the repetitive elements involved in any task handling, thereby making life easier for employees by freeing them to focus on more productive, rewarding and creative tasks.

If you would like to find out more about how RPA can deliver the following six benefits for your retail operation, it's time to contact UiPath.

RPA is...

RPA is a technology that harnesses the power of fast and highly efficient robots that can see and think for themselves.

Complementary: overlays and connects existing systems – not disruptive

Accurate and consistent: removes human error and boosts data confidence

Productivity: Attended or unattended, robot liberate employees for value-added tasks

Scalable: scale up and down robot workforce depending on workflow

Auditable: fully maintained and automated logs essential for compliance

Reliable and fast: robots process tasks 24/7/365 at speed



RPA: the next step in retail automation

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