

Retail Operational Excellence Checklist



Operational excellence is a company-wide ethos of continual improvement; not only meeting customers' needs, but also exceeding customers' expectations. But are you ready to consider excellence or do you need to focus on effectiveness first?

- Do you provide accurate ranging and merchandising?
- What are the key price points and are you hitting them?
- Can you consider value engineering or pack sizes to maintain price but increase margin?
- Are you integrating your promotional planning and communicating correctly?
- Is the format/layout of your premises/website tailored to maximise sales?
- Do your green credentials adhere to your customers' expectations?
- What is shaping footprint? Do you need to consider in town or out of town premises? What about regional variations?
- What is the best sales technique? Can you stick with traditional retail or do you need to modernise your sales approach?
- What level of support do you need in the back office? Could you streamline support functions or do you need to increase resources? Should you consider flexible labour models?

- Have you assessed your fundamental retail processes to ensure supply delivery and effective selling?
- Do you have items that sell out quickly and bigger-ticket items with a longer lead time? Could you implement a two-speed supply chain?
- Do you find that you have cash ready when creditor payment is due? An optimised working capital cycle will ensure that you do.
- The integration and security of all suppliers in your supply chain is fundamental. Have you set up a contingency plan for your supply chain?
- Are you prepared for the new pensions auto-enrolment scheme?

Getting the basics right is the first step towards operational excellence. For more information on the issues raised in this checklist, visit kpmg.co.uk/retailtoolkit or email retailtoolkit@kpmg.co.uk to arrange an informal discussion.

Other checklists in this series (click to download):

Cash and Working Capital
Visibility and Control
Stakeholder Management
Value Preservation
Retail Strategy