

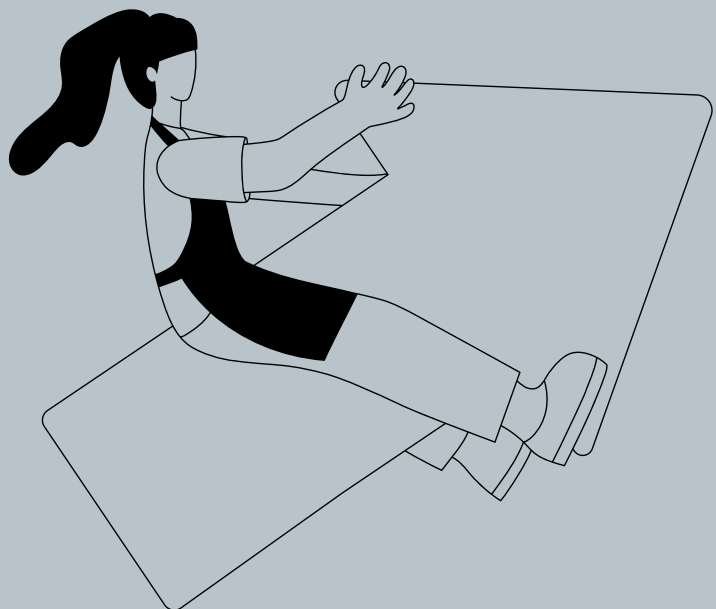
Embracing digitalisation



How German grocery giant EDEKA has transformed its stores

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Introduction: Changes at the checkout

Since the start of the COVID-19 pandemic, the retail sector has been under immense pressure – hurtling from one crisis to the next with barely any time to draw breath. Supply bottlenecks, online competition, rising energy costs, price pressure, and inflation affect retailers up and down the country. To keep up with these challenges and meet rising customer expectations, retail sorely needs to digitalise. Unfortunately, progress has been slow. The combination of high pressure and limited tools is affecting morale throughout the sector – especially among frontline employees. It is little surprise that staff turnover is at an all-time high while satisfaction levels are through the floor.

With all the buzzwords and non-stop crises, small retailers and large, decentralised organisations alike are struggling on their digitalisation journey. Luckily, Germany's largest supermarket chain is here to lead the way by example.

EDEKA realised that customer and employee satisfaction are closely linked and mutually dependent – happy staff makes for satisfied

customers. That's why the supermarket chain is focusing on improving employee experience through digitalisation. Not only does this set EDEKA apart from the competition and demonstrate its credentials as a forward-thinking brand, but it also helps improve internal business processes. For a decentralised franchise organisation such as EDEKA, these efficiencies confer a major advantage given the complex POS and technical system landscape.

Top Topics in retail trade from 2012 – 2022

Price
development

Energy
costs

Reluctance
to buy

Skilled worker
shortage

Source: HDE-Konjunkturumfrage: Werte vor Corona-Krise

In the following case study, we look at how EDEKA has satisfied all stakeholders in the value chain – all with a clever app for employees.

If the EDEKA story shows one thing, it's this: if you are unsure where to start optimising your digital processes, start with your employees.

Positive employee experience sets retailers apart from competitors and helps retain existing employees. In this white paper, we look at how Germany's largest supermarket chain, EDEKA, has succeeded in improving its communications, shift planning, and customer experience – all with the help of an employee app.

97%

daily usage rate among
in-store employees

54%

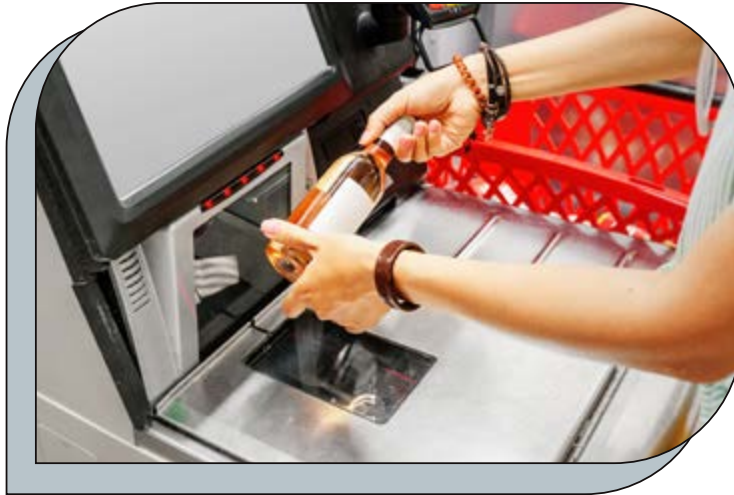
faster rota distribution

75%

faster rota changes & updates

Using EDEKA as an example, we show how decentralised organisations can connect their workforce, streamline and centralise processes, and deliver relevant communications to everyone.

Retail transformation: Turning shopping into an experience



We all go shopping – probably at least once a week. But how we shop – our customer experience (CX) – has changed a lot in recent years. Self-checkouts are increasingly replacing the traditional supermarket queue. Instead of pushing shopping trolleys through aisles, we order online and pick up pre-packed bags at the till. Local produce on the shelves has become more common as our focus shifts towards sustainability. And when paying, we pull out our smartphones to redeem personalised vouchers and make cashless payments.

Growing consumer expectations around personalisation, convenience, and digitalisation are increasing the pressure to improve customer experience. Given price pressures and rampant inflation, only the best offers and service will guarantee repeat customers.

As the face of any retail company, employees are immediately responsible for driving positive customer

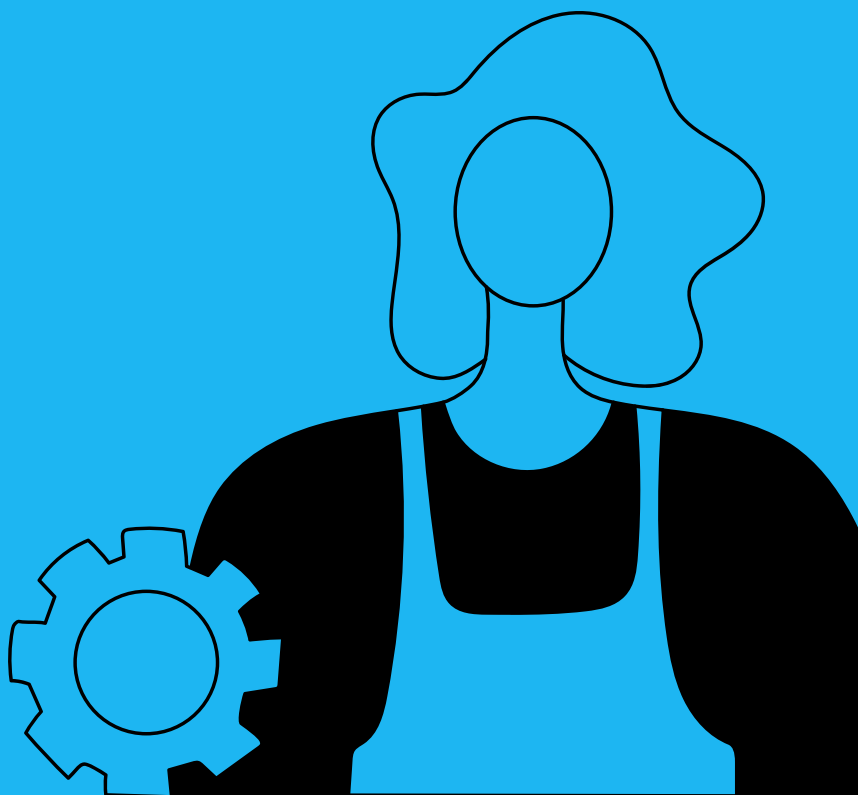
experience. Sounds simple, but not so fast. For employees to offer the best service, they need processes they can rely on and infrastructure that supports them. For that, businesses turn to operational excellence (OX) strategies.

Operational excellence covers all areas of an organisation – from a robust supply chain to sustainable employee development, optimal ways of working, and more. It requires all the moving parts of a business to work in tandem using defined, repeatable processes.

This operational excellence is almost impossible without technology, but behind-the-scenes retail digitalisation is still lagging.

When everything comes together, not only do you have operational excellence, but also more satisfied customers at the checkout, be it manned or self-service.

Digital transformation beyond the checkouts



It's no secret that brick-and-mortar retail is playing catch-up in digitalisation. That was clear even before the COVID-19 pandemic in 2019.

The pandemic acted as a digitalisation catalyst for retailers. As even diehard in-store shoppers were forced away from the tills and towards the online checkout, businesses focused on ramping up e-commerce efforts and transforming their online customer experience.

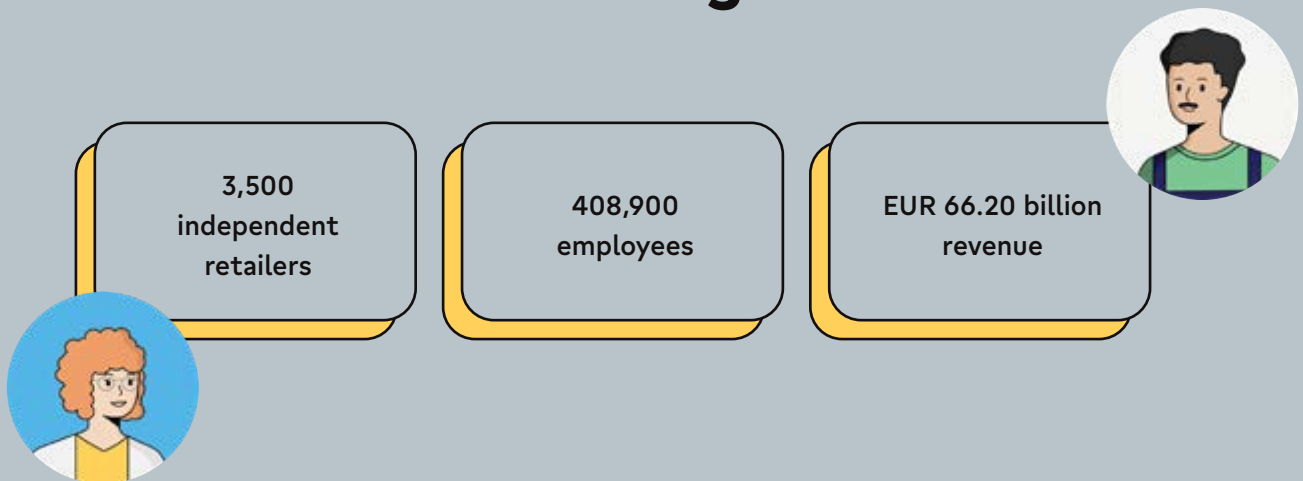
While the instinct to digitalise was well-founded, the tactics weren't always well thought out over the longer term. To respond to the immediate crisis, retailers centred their efforts around online CX with little concern for what happens when the world opens back up.

Now, returning shoppers are reminding retailers that customer experience starts in-store. It's operational excellence in the aisles and at the till that makes for happy customers – especially for decentralised franchise giants like EDEKA. **So that's where they focused their digitalisation efforts.**

27%

of retailers have no digitalisation strategy

EDEKA in figures



The EDEKA group is Germany's largest supermarket chain – their big blue "E" gleams atop 11,000 supermarkets in small villages and big cities alike. With a decentralised business model and over 400,000 employees, EDEKA's success hinges on operational excellence.

In this guide, we look at real-life examples from across different stores to show how digitalising the employee experience at EDEKA drives the German supermarket giant's success.

The status quo – key EDEKA figures

Three thousand five hundred independent managers run over 11,000 EDEKA stores across Germany. All use different, often incompatible, systems and processes, presenting a challenge for the top-down digitalisation efforts. Instead, EDEKA opted for a bottom-up approach; they started by digitalising the individual stores.

Like most retailers, EDEKA faced some key challenges common to the sector:

60%

of retail employees
only work part-time (Source)

30%

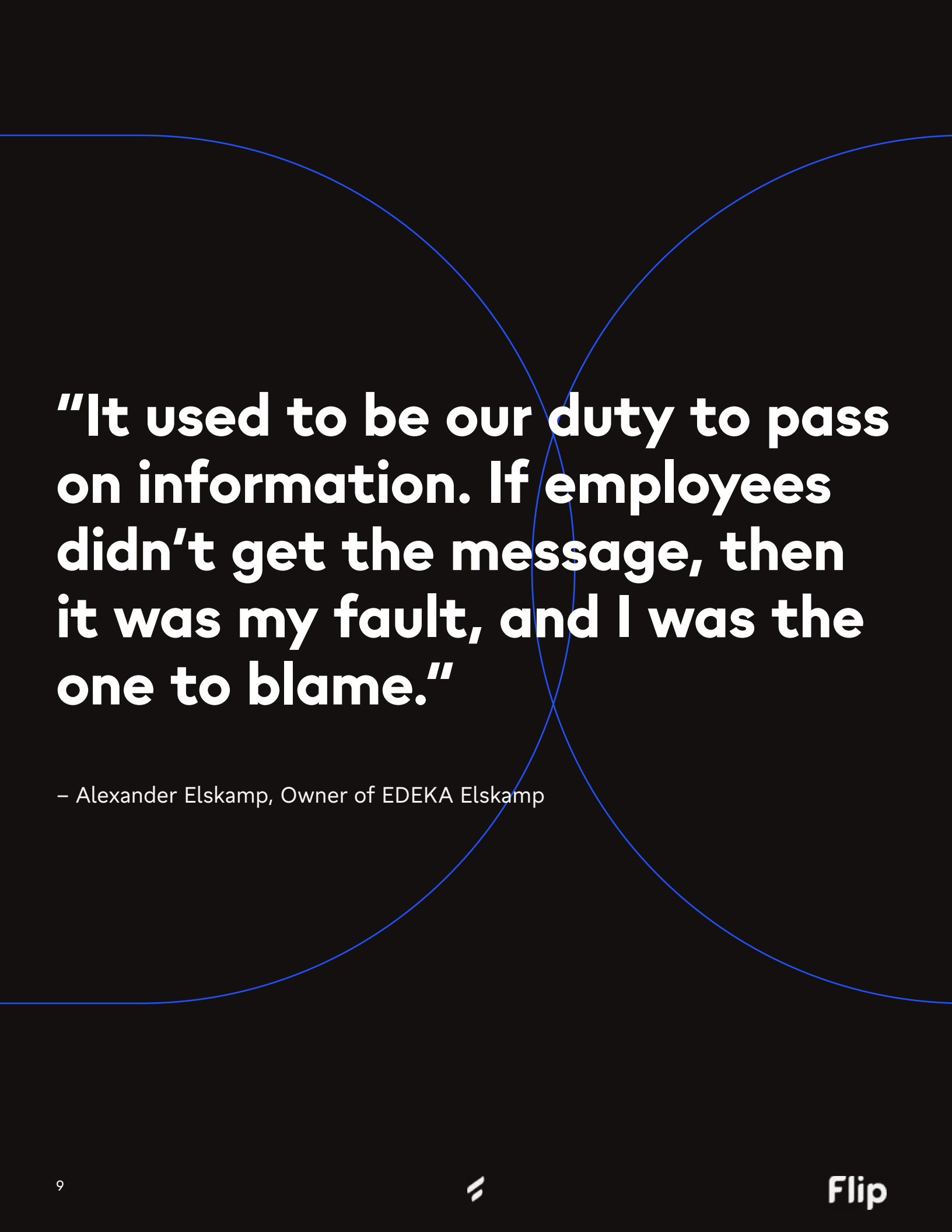
staff turnover rate
in the retail sector (Source)

3.1mil

employees
in the retail sector (Source)

The high proportion of employees on part-time or casual contracts is the first problem. With retail employees on-site less frequently, communication becomes a challenge. As EDEKA store manager Alexander Elskamp puts it: 'It's difficult to get all employees together and discuss issues. We have a lot of part-time employees, and meetings during opening hours are difficult because they disrupt our work.'

Viktoria Habig from EDEKA adds that she often heard staff say, 'Huh, I didn't even notice that' – with messages pinned to noticeboards, information was missed by the employees who needed it. According to Alexander Elskamp, communication in the EDEKA stores was also fragmented and confusing, making it impossible to reach every employee directly. Instead, workers received updates via HQ managers or from colleagues in the shops themselves.



"It used to be our duty to pass on information. If employees didn't get the message, then it was my fault, and I was the one to blame."

– Alexander Elskamp, Owner of EDEKA Elskamp



According to Alexander Elskamp, these communication issues were made even worse by analogue processes – channels used ranged from verbal information to printouts and even faxes, resulting in uninformed or misinformed employees. Smaller EDEKA stores in particular were reliant on paper-driven processes for communications, rotas, HR matters, and even day-to-day operational information like delivery bottlenecks.

"There was no clear process for passing on information or any way of ensuring that employees were also informed of holidays or other staff absences."

– Sebastian Lachmund, EDEKA Vela

It's these unclear processes, ineffective information flows, and inefficient ways of working that drive such low satisfaction and high turnover among retail staff.

Elskamp adds: 'We were aware of the problems, but I didn't know how to fix them.' That was, until he found Flip. With the Flip app, all EDEKA employees can receive relevant information at the right time – no matter where they are or how often they work.

Fit-for-purpose digitalisation: Why EDEKA opted for an app

EDEKA's goal was to roll out a single platform for all frontline employees that optimised processes, streamlined communications, and enabled collaboration. For digitalisation to be a success, EDEKA needed high levels of adoption.

In particular, EDEKA was searching for a solution with:

- Fast, modern communication tools
- Easy integration with existing HR & comms systems and minimal IT effort, especially in the stores
- A user-friendly, intuitive interface
- A high level of security around employee data

Fast, modern
communication

Strong
data security
credentials

Minimal
IT input

Intuitive
interface



EDEKA ultimately selected Flip's employee app. Their key reasons were:

Rapid implementation

The app was available on smartphones within 24 hours. This was especially crucial during the COVID-19 pandemic as it was critical stores could reach all employees.

Easy setup & BYOD

No need for lengthy IT projects – employees can download the app onto their personal smartphone in just two clicks. With EDEKA's 'bring your own device' policy, all required processes, tools, and information are easily accessible to in-store employees.

Intuitive

A straightforward menu, clean look, and familiar messenger interface make the app easy to use for all age groups. HR systems are integrated and can be accessed directly via single sign-on.

Data security

Though the app is accessible from everywhere on a personal smartphone, Flip is GDPR compliant, comes with enterprise-level security, and does not access personal smartphone data. No more company data on noticeboards.

Process optimisation

Flip not only offers chats and a newsfeed, it also digitalises HR processes like rotas and training. Employees can now complete mandatory courses from the comfort of their own homes.

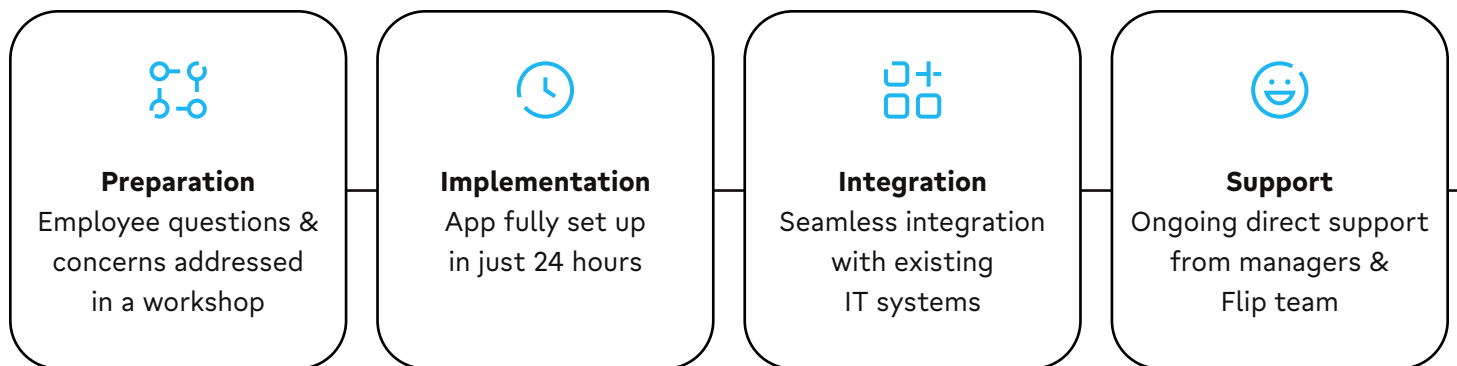
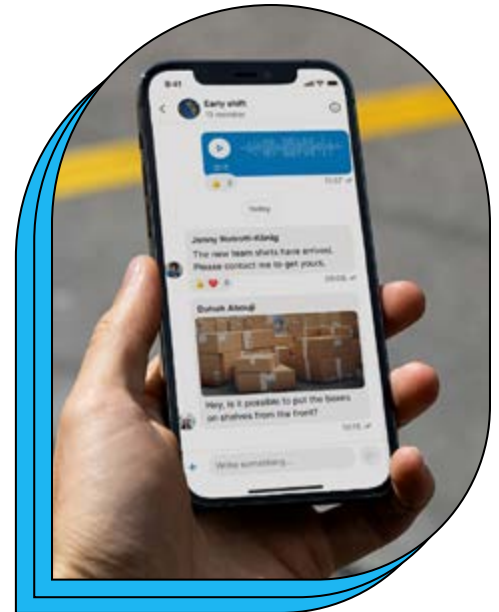
Frontline focus

Flip was developed with the help of store staff, so the features are specially tailored to their needs.

Obstacles on the digital transformation journey

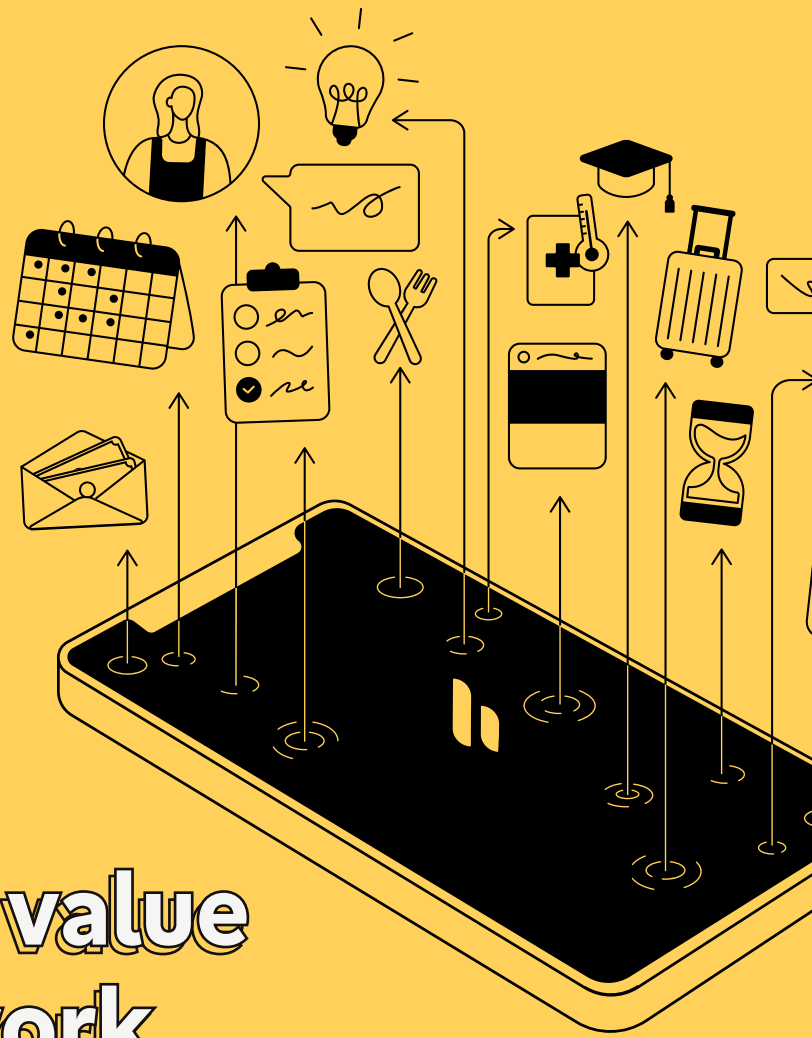
EDEKA's workforce spans a broad age spectrum, from young temporary workers to long-serving employees. Shop managers feared these older, less tech-savvy workers might not receive the app well.

EDEKA overcame this obstacle by thoughtfully managing the app's introduction. They took a 'helping people to help themselves' approach, where younger colleagues supported older colleagues in getting to grips with the app. Thanks to their help and the intuitive interface that looks like well-known messenger apps, Flip was quickly embraced on the shop floor.



→ The employee app was made available to staff via a QR code

How EDEKA's employee app provides added value in day-to-day work



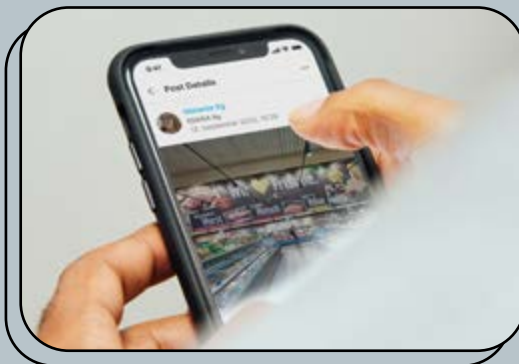
The employee app has transformed and improved everyday working life at EDEKA. Not only are internal communications seamless and efficient, but processes have also been optimised and streamlined. Thanks to the 'bring your own device' model, adoption is sky-high, motivating and engaging EDEKA's workforce through improved employee experience.

"The Flip employee app is ideal for all EDEKA shop managers who want to introduce digitalisation processes in their stores."

– Benedikt Paul, owner of EDEKA Paul

The following features are popular at EDEKA:

- **Newsfeed & Channels:** For quick communication with everyone at the same time. A Herculean task consisting of countless touchpoints has now been replaced by a couple of clicks in the app. All employees are kept informed in the newsfeed. If the message is not intended for everyone, it reaches the right recipients in tailored channels.
- **Forms & Page Builder:** For straightforward holiday requests, EDEKA uses the page builder. The requests are submitted directly via the app. It takes just a few minutes, uses no paper, and ensures the right request reaches the right person.
- **Tasks:** In shift work, employees are on-site at different times, making task management a challenge. With Flip, EDEKA managers can assign tasks to teams regardless of location, and receive a notification when an employee completes a task. EDEKA also uses this feature to announce new training courses.
- **Employee Cards:** A tool for employees to feel more appreciated. The digital employee card provides space for discounts or a shopping voucher as a thank you for a job well done – or just because!



With Flip, employees instantly and reliably receive updates like upcoming renovation work or new store processes. And because every employee can post in Flip, it's no longer down to the Internal Comms team alone to make sure the word gets out.

In a nutshell, the app has really sped up the flow of information at EDEKA. Rotas reach employees 54% faster than before, and employees are informed of any changes in just half an hour. Without the app, this would have taken up to two hours.

One of the most popular features is the newsfeed. According to Sebastian Lachmund, store manager at EDEKA Vela: 'We pass on a lot of internal information, so the newsfeed is the most-used feature.' Internal department information, from new goods receipts to farewell messages to retirees, flows into the newsfeed. As Alexander Elskamp explains: 'Today, everyone bears a personal responsibility for retrieving information. I make the information available, and everyone knows where to access it.'

And employees are indeed accessing it. All the EDEKA shop managers interviewed agree that Flip has helped staff stay informed. 97% of Benedikt Paul's employees use the app daily – adding likes, comments, and questions under the posts. However, the groups are used for more than communication. A popular use case at EDEKA is to provide information to colleagues in the groups. For example, on your way to the till, you notice spilt milk in aisle seven, but the checkout queue is long and needs your immediate attention. Now, no stress: you inform your colleagues in Flip, and they arrive to clean up.

Are phones too distracting? Not a problem for EDEKA Elskamp.

Some store managers were concerned that the smartphones would impact customer service. But for Alexander Elskamp, not having mobile phones on the shop floor was not a solution either. His pragmatic approach was to introduce **clear rules and mobile phone zones**.

Phones are banned at checkouts and in food prep areas like the cheese or deli counter. However, regularly checking the app in the break room or corridor is encouraged to make sure employees get timely communications or see upcoming tasks. Elskamp also shares tips about fraudsters in the app.

For him, the bottom line is that phones are allowed as long as customers receive the same or better standard of service.



Previously, reports of broken shelves, damaged display units or broken shopping trolleys, for instance, were passed on to the store manager in person, in writing, or both. Now, this is all done via a simple form in the app, taking less than five minutes on average.



"After a short time, 97% of our employees were interacting via the app."

*– Benedikt Paul
EDEKA Paul*



Digitalisation using toomunity

toom is also digitalising its processes with an employee app. Daria Ezazi, Head of Corporate Communications, explains how the DIY chain went about this in our success story.

[To the Success Story →](#)

Helping HR engage & retain employees:

- Engagement: Relevant HR information like training sessions or compliance notices can be displayed quickly and sorted by target group. And unlike a noticeboard, the app offers options for direct feedback.
- Retention: Employee experience and motivation are improved, with shop floor workers feeling appreciated as part of the EDEKA community.
- Efficiency: Digital processes require less time and effort. Instead of piles of forms, holiday requests are submitted and signed digitally, ending the days of frustration and wasted paper.

Enabling the internal comms team to reach the frontline

- Distribution: Easy circulation of information – everyone can communicate seamlessly regardless of their seniority, location, or hours.
- Adoption: With tailored, relevant communication that helps employees do their jobs more easily, the IC team drives acceptance, enthusiasm, and regular use.
- Bottom-up comms: Flip minimises the burden on the IC department to produce top-down comms because employees can also create posts, answer questions, and respond to information.

How EDEKA achieved digital transformation

EDEKA has shown that digital transformation doesn't have to be a headache. The EDEKA app gives employees everything they need at a glance – whether company information, rotas, or HR systems – and relevant updates appear on their display in minutes, wherever they are.

The biggest sticking point for many EDEKA stores during the COVID-19 pandemic – communication – is now seamless. But the app provides much more than that. It offers easy access to pre-existing EDEKA systems and digitalises previously analogue store processes. With EDEKA's workforce distributed across different locations and shifts, the app also helps to bring everyone up to speed by moving training from the shop to the sofa.

Better communication was the initial goal. However, the app has also increased satisfaction and replaced many other analogue processes, bringing about fundamental changes in the day-to-day work life of an EDEKA employee. Now that they feel involved and heard, thanks to rapid communication and smarter processes, workers are more motivated and engaged.



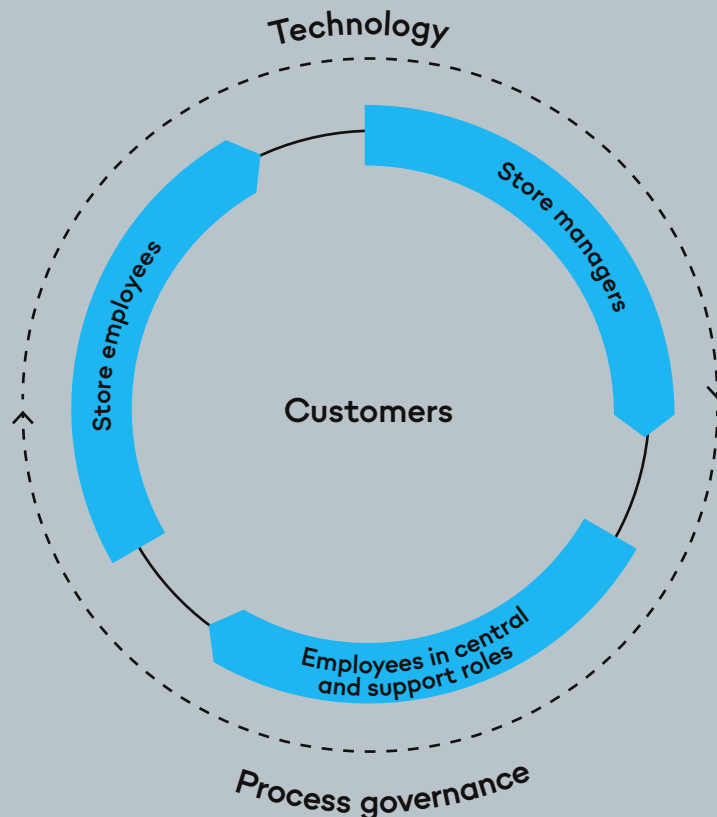
"I can keep all my employees updated in just three mouse clicks. "

*– Sebastian Lachmund
EDEKA Vela*

"Our day-to-day business is very fast paced. With Flip, we can now keep up with this pace. Everyone feels fully informed and is able to quickly find the information they are looking for."

– Alexander Elskamp, Owner of EDEKA Elskamp

That, in turn, improves the experience of customers – and not just because the milk in aisle 7 gets mopped up faster! EDEKA is not the only company to benefit; retailers like Kodi and toom are converts, too.



*By putting in place the proper technology and governance, store workers are supported in their day-to-day work and processes are optimised, driving the best experience for EDEKA customers.

EDEKA embraces digitalisation: The results

97%

of store staff use the app daily

66%

faster transfer of information to
employees

66%

faster stocking of promotional goods

54%

faster distribution of rotas

75%

faster last-minute rota changes

12min

less spent at the noticeboard every day

"We are fully informed and this makes us feel important and seen. Finally, I know what is happening and am up to speed!"

– Michaela Heuser, Shop Manager at EDEKA Paul

How much is disconnected frontline communication costing you?

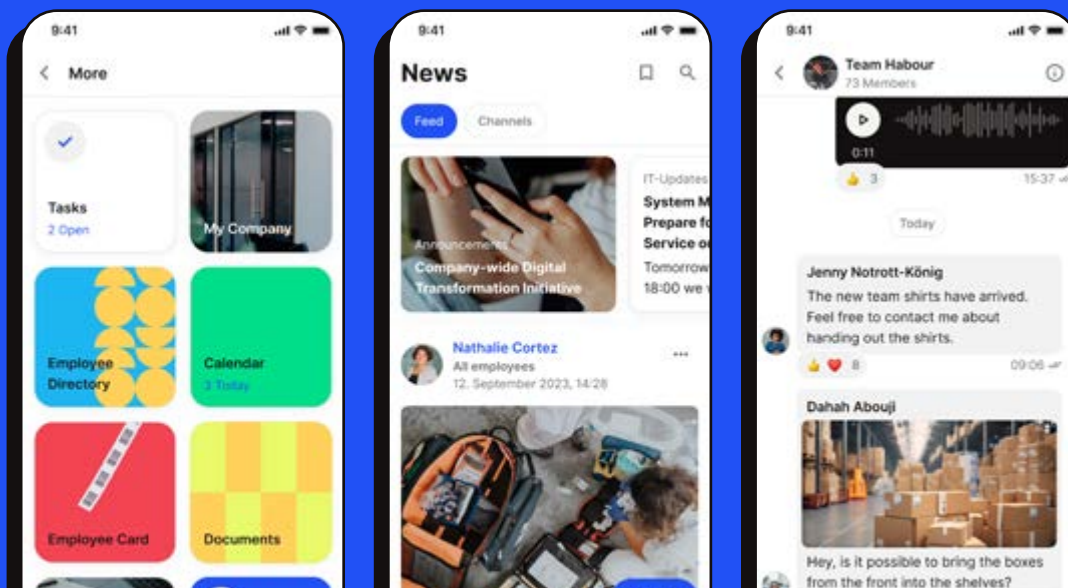
Get a line-by-line estimate of how much money your organisation could save due to employee retention, streamlined communications, process improvements, and more! All it takes is a few clicks.

[Access our free cost savings calculator →](#)

About Flip

Flip is the employee experience platform that heavyweights like Bosch, Porsche, and McDonald's Germany use to reach and rally their whole company, from head office to the shop floor. It's renowned for its super easy-to-use white-label app, which connects employees with the right people, news, and knowledge in an instant, and makes everyday tasks like coordinating shifts and sharing success effortless.

[Get to know the Flip App →](#)



Flip



getflip.com

**Embracing digitalisation: How German grocery giant EDEKA
has transformed its stores**

**A whitepaper from Flip
2023**