

Beat the impact of inflation

**A pocket guide to using modern staff scheduling
to improving efficiency and productivity in retail
and hospitality businesses.**



Record-high inflation has affected bottom lines and back pockets everywhere. But inflation's impact on retailers and hospitality businesses is arguably greater than in other sectors, because it raises costs for the business while also reducing consumers' spending power and confidence.

You can't do anything about inflation itself, but you can adapt to the new conditions. And for retailers and hospitality providers, that means making the most of your most valuable and competitive resource: your workforce.

Rotageek builds workforce management software that helps to optimise labour spend, increase worker engagement and productivity, and create measurable efficiencies that improve the bottom line. Some of the UK's biggest retailers and hospitality companies use our solutions, and you'll find some of their stories in these pages.

Those who survive in today's tough landscape will be well placed to thrive when favourable conditions for retailers eventually return. The Bank of England¹ has forecast that inflation will start to fall from the middle of 2023.

Here's our guide to living with inflation by optimising your productivity and minimising waste, so you can reposition your business for future growth.



The cost of inflation

The UK's annual inflation rate peaked in 2022 at 11.1%, the highest rate since 1981, and has remained high for months. High inflation damages retail and hospitality businesses in a number of ways:

- **Profitability is reduced** as the cost of goods and overheads, such as power for shops and restaurants, rises. Some retailers have tried to absorb this reduced profitability for as long as they can, rather than risk losing market share by raising prices.
- **Sales volume is reduced** as most businesses eventually raise prices. The impact is greatest in sectors where competition is based on price, such as electronics and casual dining.²
- **Hiring and retention become more costly** as wages rise and retail and hospitality talent seeks out the most competitive employers.
- **Consumer confidence falls** as households are hit by the rising cost of living. Confidence hit a record low of -49 in the UK in 2022.³
- **Staff productivity may be reduced** if worries about the cost of living make sick workers afraid to take leave (leading to presenteeism), or make unhappy workers afraid to quit (leading to quiet quitting).⁴

Combating these impacts means addressing areas within your control, with cost-efficient solutions that deliver value.

11.1%

In 2022, UK inflation peaked at the highest rate for 40 years

-49

Consumer confidence hit a record low in 2022

-1.4%

The UK economy is predicted to shrink in 2023.⁵

Take action

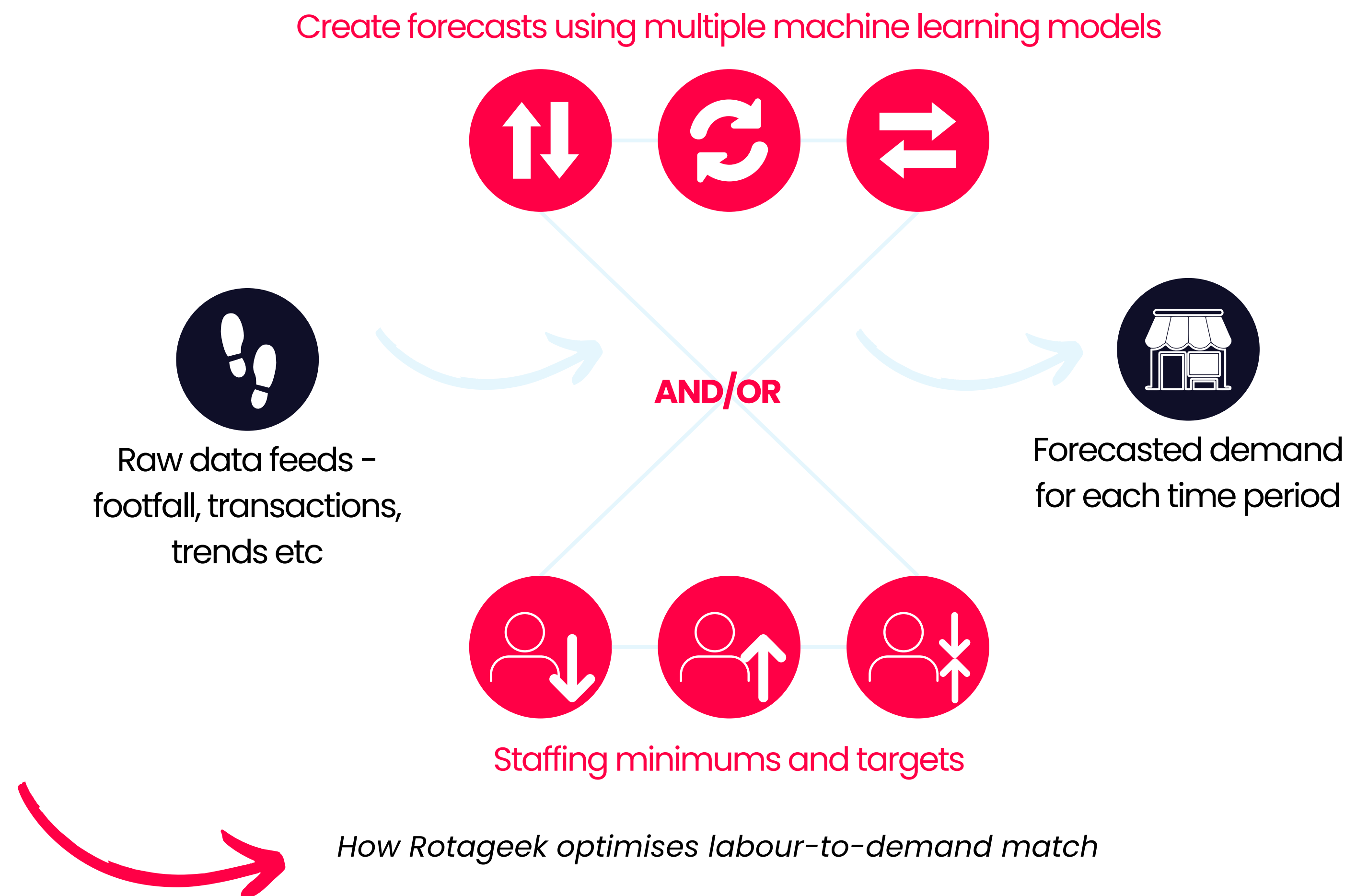
One of the most effective actions for retailers and hospitality companies, according to analysts McKinsey, is to transform operations to optimise productivity. Businesses should look to reset their models by “deploying technology and analytics, resetting labour allocation and scheduling, and taking an end-to-end view of costs.”⁶

Optimise labour costs

As inflation drives up costs across the business, labour is an area where retailers and hospitality companies can look to create efficiencies.

However, it's important not to make cuts that result in understaffing, loss of company knowledge and skills, or damage to the customer experience.

Use intelligent technologies to identify labour cost efficiencies, so that you have only the skills you need to meet the real demands of each shift.



Workforce management solutions like Rotageek provide data-driven forecasting that optimises labour-to-demand match. They work by:

- **Tracking and accurately forecasting demand for each shift** by analysing data from the business such as transactions, check-ins, or footfall.
- **Understanding staffing needs for each shift and available skills** based on employee data and HR rules the business can configure, such as minimum staffing requirements.
- **Reporting in real-time on staff, skills and costs** so you can keep improving performance and ROI.

This approach can help you eliminate the costs over-staffing, while still delivering the right level of customer experience to maintain or increase sales.



How Lush optimised their labour to reduce costs and save admin time

Global cosmetics retailer Lush needed to move away from time-consuming rota spreadsheets and start digitising manual processes for greater efficiency. Rotageek has helped the company:

- Create rotas in 30 seconds, instead of 2-3 hours
- Reduce staff costs by 8% with optimised scheduling
- Improve internal productivity by 16%, accounting for an extra sales worth £83,000

“Less time is being spent on scheduling and more time is being spent with teams and customers.” – Kasey Swithenbank, UK&I Retailer, Lush

[Read the full story.](#)

LUSH

Focus on wellbeing to improve productivity

The cost-of-living crisis arising from high inflation has made life tougher for your workers, too. And when workers feel under pressure financially, problems such as presenteeism and low engagement become more prevalent. It is vital, however, that your workforce is engaged and giving their best, if you are to remain competitive in lean times.

Focus on worker wellbeing to improve engagement and productivity. Research shows that retail and hospitality workers highly value flexible, purpose-driven work.

- **94% of workers said more flexible work would benefit them** in the form of less stress and better work-life balance, according to a Deloitte survey.⁷
- **A 2022 CIPD employer survey finds wellbeing is strongly linked** with engagement and productivity.⁸
- **Only 33% of workers have high levels of overall wellbeing**, according to a 2022 Gallup survey.⁹

You can use modern workforce management software to increase engagement and workplace flexibility. For example, Rotageek provides a mobile app that all employees can use to flexibly drop, swap, and pick up shifts, plus communicate with managers. Our retail customer, Lakeland, saw the app was adopted by 100% of store leaders and teams.

How William Hill improved staff work-life balance

Iconic high street brand William Hill uses Rotageek to engage more than 7,000 employees across over 1,400 UK locations. Employees benefit from:

- Being better able to plan their lives with a more agile platform
- Clear communications and greater transparency
- Increased visibility of rotas, with all schedules communicated well in advance

“A solution that helps us plan thousands of colleagues working in hundreds of locations, gives our colleagues visibility and agency to plan their lives, and drives our goals” – Joe Leith, Productivity Manager, William Hill

[Read the full story](#)



Reduce waste with automation

A surprising number of retail and hospitality businesses still use manual workforce management processes, such as Excel spreadsheets for staff rotas. Planning rotas this way typically takes several hours per week. That is time managers, who are typically among the most skilled and experienced staff in the business, cannot spend with customers or their team. Freeing this time can help you improve the customer experience and substantially reduce costs.

Using automated scheduling software can eliminate the cost of this wasted time. Rotageek, for example, provides:

- **Automatic schedule building**, instead of manual spreadsheets or paper forms
- **Automatically broadcast shifts to staff** via the Rotageek mobile app, removing the need for emails, printouts, or text messages.

This approach has helped to reduce schedule-related admin by up to 85% at leading UK retailers.

How Merlin uses less time to create optimised rotas

Global family entertainment provider, Merlin needed to move away from manual spreadsheets that were prone to errors. They started using digital, automatic scheduling to eliminate human error which has helped the company to:

- Reduce time spent on this activity by a week, every month
- Be confident they are building compliant rotas

"Rotageek has definitely helped to make sure we have the right people in the right place at the right time. It's freed up so much time so we're able to spend more time on tills, with customers and have one-to-one time with our teams instead of one-to-one time with the rota."

[Read the full story.](#)

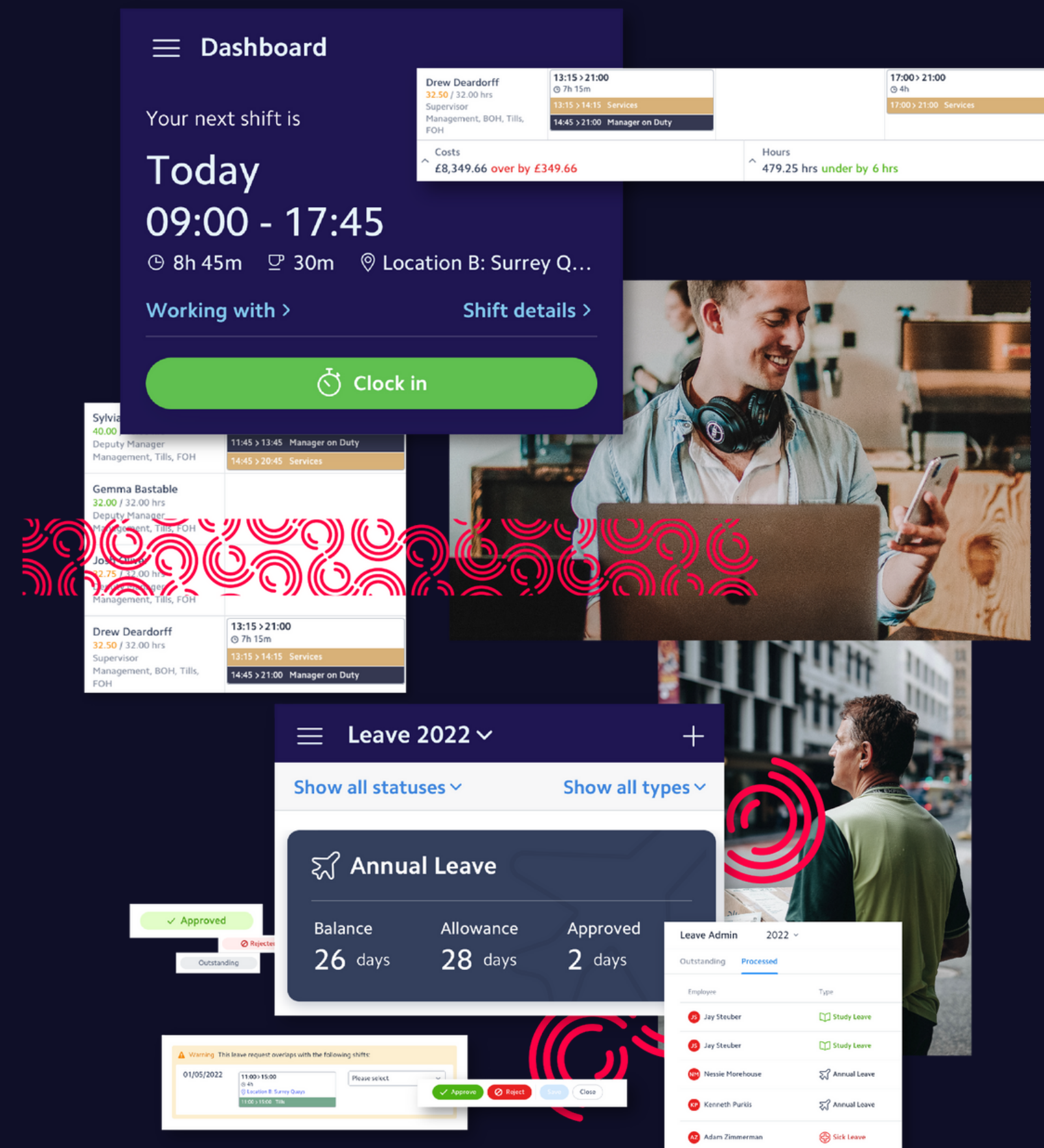


Next step: calculate inflation-beating savings

Inflation is set to have a long-term impact on retail and hospitality businesses. Workforce management software can help you optimise in areas you can control, such as scheduling, engagement, and automation of manual tasks, while maintaining or improving the customer experience.

In a few seconds, you can get an accurate estimate of your savings with a scheduling solution from Rotageek. Just click below and answer six simple questions about your business.

[Try the calculator](#)





References

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