The Retail Operations Canvas: User Guide

A New Tool to Guide Retail Operations and Team Planning
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What Is the Retail Operations Canvas – and How Can It Help You?

Your organization looks nothing like it did 10, even 5 years ago. In the digital world, the needs of a role can change before you have even finished writing the job description. As retail rapidly transforms, you cannot look to the past – or to others – to chart the best path forward.

While it’s tempting to look for “best practice” examples from similar brands, that is likely not the best approach for your business. Because your culture and operations are different from everyone else’s, you should turn your attention to identifying the right workflow and capabilities for your organization. You need tools to help you assess your people, process and technology needs in ways that help your business uniquely innovate and grow.

This fact inspired us to develop the Retail Operations Canvas, a graphic tool that becomes a shared language for visualizing, describing and comparing teams. The Retail Operations Canvas categorizes the key groups of operational activities and outputs common to all retail enterprises, whatever their nature or origin. Essentially it extends the traditional product-centric value chain view to include three separate interwoven value chains – the product journey, customer journey and store journey.

Managers use the Retail Operations Canvas to map a given team or channel’s operational activities in the context of the broader organization, encouraging a more holistic and integrated perspective. This makes it particularly powerful for designing highly cross-functional groups such as digital or ecommerce. A key advantage is that it eliminates existing job titles and hierarchy from your initial thought processes, and helps you focus on your organization’s capabilities, decision points and workflow, within the constraints formed by your operational strategy. It also encourages an individualized view of your team by which you can design to members’ unique strengths and aptitudes. Retailers who use the Canvas tell us it is productive and thought-provoking, and gives them a whole new way of thinking about their organizational design process.

This document shows you how to use the Retail Operations Canvas while designing an appropriate team for your particular context. We outline situations we see in many retail operations, and walk you through how to explore them using our tool. This guide offers a visual and engaging way to generate new ideas, find new ways of working, shift priorities and make better decisions. It also has tips on how to use the tool to communicate your team’s capabilities and needs to your board and other stakeholders.
THE RETAIL OPERATIONS CANVAS

BRAND DEVELOPMENT

1. Brand vision
2. Brand vision
3. Brand vision

PRODUCT DEVELOPMENT

1. Available inventory
2. Brand content
3. Brand content

PRODUCT PREPARATION

1. Sellable products
2. Shoppers
3. Storefront

PRODUCT SALES

1. Sold products
2. Customers
3. Advocates

FULFILLMENT

1. Delivered products

CONTENT PREPARATION

1. Brand content

SHOPPER ACQUISITION

1. Shoppers

SHOPPER EXPERIENCE

1. Storefront

CUSTOMER RELATIONS

1. Customers

OPERATIONAL SUPPORT

1. Advocates

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Tips for Getting Started

THE RETAIL OPERATIONS CANVAS

Print a copy of the Canvas and tape it to the wall – or sketch it on a writable wall or whiteboard.

Round up several colors of sticky notes to serve as a key.

In each activity box, place sticky notes with the names of the people who execute those tasks.

Pay particular attention to any squares without a sticky note, or that are only covered by people who span more than one square. Is that square really getting the attention it needs? How are these activities prioritized? Are the outputs measured the same way they would be if there was a dedicated person?

TIP: Go beyond your immediate team of interest to identify the people who interact with them and those whose decision making or workflow influences your team’s ability to delight the customer. Place their names on the Canvas as well.

TIP: Do not write more than one name per sticky note, unless they truly do identical activities when considered at that level (e.g., a team of call-center operatives).

TIP: Don’t be distracted by reporting lines, matrices or organizational structure. The Canvas focuses only on workflow – making sure that there is clarity around who does what and how decisions are made.

TIP: Do not try to map pure managers or administrators onto the Canvas – this is only for operational tasks.

TIP: It’s likely that individuals will span multiple boxes. Place their sticky notes over the joining edge, or duplicate their note. If duplicating, be sure to number each to keep track.

TIP: Use color-coding to help with the decision at hand. For example, use one color for your own team and another for the broader organization. Or use colors to distinguish between central and in-market, group versus brand, and present versus the future.

TIP: Don’t be distracted by reporting lines, matrices or organizational structure. The Canvas focuses only on workflow – making sure that there is clarity around who does what and how decisions are made.
Your Challenge:

An Evolving Digital Workforce

As the cornerstone of a unified customer experience, digital is becoming increasingly important to your success. You need to integrate your previously siloed digital or ecommerce operation ever more deeply into the rest of the business.

Whether simply moving ecommerce from IT to the business, or developing a richer unified commerce proposition, this means everyone getting to grips with unfamiliar roles and activities. People need to forge new collaboration routes, and workflows such as content production will ideally be remodeled towards a digital-first approach.

On the next page, the Retail Operations Canvas is overlaid with the particular activities required to operate an online store. Many of these may not be digital in themselves, but underpin the website business-as-usual. Note that the Canvas itself is neutral in terms of channel – “Shopper Experience” could include activities to optimize a store, website and/or catalogue, and “Product Sales” could represent channel sales activities as well as cross-channel ones.

This Canvas view is useful for evaluating your current digital state and collaborating in planning its future evolution. Thinking about all the people who contribute to online commerce activities, place names on the Canvas, color coded by line of business or service area. Look at where the current boundaries are for the organization that owns the website’s P&L. Some web teams own online marketing, others do not. Some have their own digital content production facilities, others receive some or all assets from the brand. Some have to write the extensive product copy needed for the whole commerce operation themselves, while others receive this from elsewhere and focus more on generating rich attributes, categorization and search optimized copy.

As you map out this network of activities, consider how the business’ operational strategy influences the capabilities you need. At a tactical level, if you envision a great deal of promotional activity online, you will need more people in the sales square on the Canvas; if brand messaging is key you would need above average weight in content production, whereas a fast-changing catalogue demands extra headcount for enriching product information.

The Canvas also provides a systematic framework for exploring how well digital thinking infuses your overall business operation. The following pages illustrate strategic questions you can usefully ask about different parts of the workflow. Whether you are a digital leader looking outwards, or a CEO looking at aligning lines of business, this can give you a richer perspective on your organization’s fitness for a digital world.
THE RETAIL OPERATIONS CANVAS WITH DIGITAL FOCUS

BRAND DEVELOPMENT
- Define value proposition per customer segment
- Develop customer insight
- Define brand vision
- Develop brand positioning
- Define guardrails for customer engagement
- Plan campaigns

PRODUCT DEVELOPMENT
- Manufacture / buy product
- Buy product
- Forecast demand

CONTENT PREPARATION
- Manage site content calendar
- Manage content creation process
- Create images and image metadata
- Write editorial content

SHOPPER ACQUISITION
- Manage direct acquisition methods
- Acquire and manage partners

SHOPPER EXPERIENCE
- Execute test-and-learn approach
- Optimize user experience on site
- Define new experiences
- Manage new feature development

PRODUCT PREPARATION
- Create product images
- Create product copy and metadata
- Define product relationships

PRODUCT SALES
- Order / reserve inventory
- Place right products appropriately for acquired visitor
- Set price and promise for acquired visitor
- Reconcile orders and payments

FULFILLMENT
- Receive product
- Fulfill orders
- Handle returns
- Handle logistics escalations

CUSTOMER RELATIONS
- Maintain contact lists
- Provide customer service
- Manage retention programs
- Engage on social media
- Handle service escalations

OPERATIONAL SUPPORT
- Provide analytics and insight services
- Provide training on business systems
- Provide administrative services and financial services
- Provision and maintain back-end systems

Provide client-side tech development services
- Architect solutions
- Implement solutions
- Test and deploy system enhancements

Support client-side tech systems
- Manage accounts and permissions
- Monitor and troubleshoot feeds
- Provide technical support
YOUR CHALLENGE: **AN EVOLVING DIGITAL WORKFORCE**

Use the Retail Operations Canvas to **Articulate How Digital Enriches Business Strategy**

Consider using the Retail Operations Canvas to explore the extent to which digital thinking has penetrated your overall business strategy. For each square on the Canvas, ask:

- Who decides when the output of this activity group is completed?
- On what basis is that decision made? What data is used, and via what channels is it collected?
- How is success measured?
- How are activities prioritized?
- Is ownership and scope of responsibilities clear to everyone?
- Is the process for handover between individuals clear?
- Who owns which kinds of problems?

You are looking for signs of data feedback empowering your business operations: customer insight driving hypotheses, hypotheses driving tests, test results driving decisions, and metrics that capture outcomes reflecting real delivered value to the customer.

It can be particularly effective to brainstorm the answers to these and similar questions in a cross-functional group, using the Canvas to capture decisions made.

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**BRAND DEVELOPMENT**

1. Who defines the brand vision?
2. How does the brand learn about the customer and their needs?
3. How broadly is customer insight communicated?

**SHOPPER EXPERIENCE**

1. What drives decision-making on user experience priorities?
2. What insights are used to generate testable hypotheses?
3. How is performance measured?

**PRODUCT SALES**

1. What drives decision-making on sort order and spotlighting?
2. What drives promotion decisions within and across channels and geographies?

**FULFILLMENT**

1. Who owns the unified commerce fulfillment experience, and do they have control of it?
2. How are localization needs prioritized across regions?
YOUR CHALLENGE: AN EVOLVING DIGITAL WORKFORCE

If channels develop independently, chances are that their answers to the strategic questions don’t align very well. This is where conflicts can arise.

**EXAMPLE 1:** You may have added click-and-collect as an additional fulfillment method, but it has the side-effect of driving shopper acquisition for the store channel. This should ideally influence the way success is measured both for fulfillment and store acquisition. Challenges arise when the digital leader is responsible for the ecommerce fulfillment and customer satisfaction metrics, but has no authority to change the customer experience in-store.

**EXAMPLE 2:** Your website can easily require ten times more graphic assets than your store. In a traditional retail organization, ecommerce teams that do not have their own digital production frequently complain that they struggle to get the assets they need, whereas those who do will often have the alternative challenge that campaign planning does not allow enough time between creative brief and go-live. This issue can only be resolved by having a better understanding across the digital and store boundary, and ultimately a unified production capacity.

Looking for such synergies across Canvas squares can accelerate the leverage of digital for business growth.
YOUR CHALLENGE: **AN EVOLVING DIGITAL WORKFORCE**

# How Two Growing Businesses Used the Retail Operations Canvas to **Scale with Resilience**

## Moving Headcounts Between Teams

A brand portfolio building a D2C business used the Retail Operations Canvas to allocate tasks between the global portfolio group and the individual brands. Knowing the potential for conflict over content production, the portfolio manager chose to invest their own headcount in building digital capability within each brand, along with unified collaboration and decision making tools.

## Rethinking Job Descriptions

A retail store and website owner who had grown his business for 15 years with mostly family members as employees was struggling to hire external staff. Job ads were going unanswered, and a spate of resignations had left him overwhelmed. The Canvas gave him the opportunity to rethink his roles and let go of superfluous job requirements, such as deep product knowledge in roles where it was not essential. A few key hires are now helping plan for future growth.

**AH-HA MOMENT**

The size of a commerce team depends on the operational strategy and the scope of that particular team’s remit. There is no simple formula. However, mapping it out can help explain it to a traditional board, and then point out factors under their control that influence the resources needed.

You may be surprised by the number of interdependencies on your team – and how people are accountable to each other in ways you may not have realized.
Your Challenge:

It’s Time for Fiscal Year Planning

You know the team is overworked, but how do you decide what roles to add, and defend that decision in your plan?

In most organizations, individuals who perform well take on additional tasks until their job description no longer reflects their day-to-day duties. This is especially the case for organizations that started with multi-skilled individuals who could handle a wide range of activities. Often, these employees end up with roles and responsibilities that do not reflect their innate talents or interests. Before you hire new individuals, take a close look at who is doing what, and whether or not it is a good fit.

Begin by mapping your team members onto the Canvas. Note where individuals are stretched over multiple boxes. How do they prioritize between those activities? Are there some activities that are receiving less attention than they should?

How to Use the Retail Operations Canvas to Individualize Your Design

The Canvas segments activities by workflow and journey stage rather than by function or skill. This means that the activities in a square are focused on the same outcome, and attract people with similar perspectives on what’s important. Your operating model will modulate these trends to some extent, but common themes emerge.

Now consider the aptitudes and attitudes best suited to the activities within each square on your particular Canvas. Skills can be taught, but natural themes and strengths influence the extent to which a person will flourish in a particular role. For example, a sales role may need an analytical nature, methodical approach, and a degree of risk tolerance, while content creation might require a respect for deadlines as well as creativity.

Now you are ready to overlay specific individuals and the roles they fill. Do the individuals match the essential traits required for their role? Pay special attention to your multitaskers. Do they execute one task from the perspective of another? Do their prioritization decisions reflect their innate aptitudes rather than the demands of the role? Is there an opportunity to have them focus on the aspects of their role they enjoy most and are best at, and hire an additional person to take over the rest?

Chances are, it’s time to make a change. In an era of reduced budgets and crunched schedules, it can feel easier to assign tasks ad-hoc. But taking a deep dive into your existing workforce and looking for opportunities to reassign them based on their individual strengths will not only result in happier, more productive employees – it will also let you see clearly the opportunities to create new headcounts based on gaps.
### The Retail Operations Canvas: User Guide

#### Brand Development
- Define value proposition per customer segment
- Develop customer insight
- Define brand vision
- Develop brand positioning
- Define guardrails for customer engagement
- Plan campaigns

#### Product Development
- Manufacture / buy product
- Attention to detail
- Product affinity
- Empathy for customer
- Consistency

#### Content Preparation
- Manage site content calendar
- Manage content creation process
- Create images and image metadata
- Write editorial content

#### Shopper Acquisition
- Manage direct acquisition methods
- Acquire and manage partners

#### Shopper Experience
- Execute test-and-learn approach
- Optimize user experience on site
- Define new experiences
- Manage new feature development

#### Product Preparation
- Create product images
- Create product copy and metadata
- Define product relationships

#### Product Sales
- Order / reserve inventory
- Place right products appropriately for acquired visitor
- Set price and promise for acquired visitor
- Reconcile orders and payments

#### Fulfillment
- Fulfill orders
- Handle returns
- Handle logistics escalations

#### Customer Relations
- Maintain contact lists
- Provide customer service
- Manage retention programs
- Engage on social media

#### Operational Support
- Provide client-side tech development services
- Architect solutions
- Implement solutions
- Test and deploy system enhancements

#### Customer Relations
- Business-centric
- Numerate
- Problem solver
- Methodical

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### Example Attitudes and Aptitudes

**Brand Development**
- Attention to detail
- Product affinity
- Empathy for customer
- Consistency

**Product Development**
- Provide analytics and insight services
- Provide training on business systems
- Provide administrative services
- Provision and maintain back-end systems

**Operational Support**
- Business-centric
- Numerate
- Problem solver
- Methodical

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YOUR CHALLENGE: IT'S TIME FOR FISCAL YEAR PLANNING

How a European Luxury Brand and a Global Footwear Brand Portfolio Used the Retail Operations Canvas to Determine Where People Fit Best

A European luxury brand had merchandisers responsible for online sales and margin who had started out owning the content production schedule. As the brand launched in more countries, production and translation management became increasingly time consuming. Not only were the merchandisers burning out, they were also unable to focus on the core business of the site: selling. The Retail Operations Canvas helped the ecommerce director realize that the best use of talent would be to add a production manager role, and it gave her the ammunition to successfully gain that additional headcount.

A global footwear brand portfolio was planning to expand its UK team by adding a buyer and online marketer. But after plotting the team onto the Canvas, they realized that all the people who had responsibility for sales were actually divided across multiple functions: sales and product enrichment and localization, sales and customer service, and sales and user experience. As a result, no one truly owned the sales functions. Visual merchandising, sorting, personalization and site search tuning were simply not happening. Considering team aptitudes led them to adjust existing roles and use new hires to fill the gaps. Not only was the team happier and more engaged, sales picked up, too.

AH-HA MOMENT

You may have individuals performing tasks that do not match their strengths and are in roles in which they cannot flourish. Think about how you can tweak their roles to best suit them.

In ecommerce teams, it is surprisingly common to find a lack of attention in the sales square of the Canvas. People who own this task often juggle it alongside product enhancement, user experience design, or even content production management – all of which distract them from actually focusing on selling. Their history can influence outcomes as well. For example, creatives may define sorting rules for visual appeal rather than commercial effectiveness.
Your Challenge:

You’re Spearheading Global Expansion

How do you allocate resources and activities between global, regional and market teams?

Growing your business into new markets can be daunting in many ways. Although it is possible to test markets at a distance, once you have truly committed to a market you will have to localize, and that often means having people on the ground. Designing teams for global expansion involves striking a balance between global coherence and regional empowerment.

How to Use the Retail Operations Canvas to Help Orchestrate International Expansion

There is no perfect or ideal design for a globally distributed organization. Each model has advantages and disadvantages alongside ways of working to mitigate the drawbacks. One essential factor however is clarity: there should be no doubt in anyone’s mind about who has responsibility for a given task, how things get done, and how decisions are made. Global expansion brings inevitable culture change, such as a move to more agile ways of working as day-long creative brainstorming sessions at HQ are replaced by shorter but more frequent long-distance video calls. Good collaboration tools are essential when colleagues can no longer stop at one another’s desks.

You will need to plan global, regional and local activities and decision points. For example, while campaign planning is likely to be globally driven, online marketing and visual merchandising for sales are typically in-market, leading to gray areas around the production of localized digital assets and support for local campaigns.

Start by mapping your high-level activities onto the Canvas, color-coded as global, regional or in-market. Notice the handover points, and identify who makes decisions across them. Now you can look at the notes of the same color and think about how to group them into roles, considering the level of decision making and aptitudes required for each. If you have existing teams with processes that differ by market, it’s worth creating separate Canvases for each market, so that you can design around those individuals. Simply duplicate the regional and global activities on each.

If you haven’t already, it can be useful to create activity diagrams (also known as swimlane or process diagrams) to capture key workflows such as new product introduction, new site feature requests and campaign content production. These are the areas with the greatest potential for conflict, and it is powerful to involve all stakeholders in defining how these will work.
EXAMPLE REGIONAL RESPONSIBILITY DIVISIONS

BRAND DEVELOPMENT
- Brand vision
- Global campaign planning
- Local events planning
- Campaign coordination

PRODUCT DEVELOPMENT
- Available inventory
- Range planning
- Product management

CONTENT PREPARATION
- Brand vision
- Brand content
- Asset pool production
- Asset localization
- Asset selection
- Asset QA and testing

SHOPPER ACQUISITION
- Partner management
- Email marketing
- SEO and SEM
- Media buying

SHOPPER EXPERIENCE
- Landing page guidelines and templates
- New feature prioritization
- Landing page production
- New feature requirements capture

PRODUCT PREPARATION
- Product data enrichment
- Product selection
- Product data localization
- Category allocation and navigation

PRODUCT SALES
- Sold products
- Setting sales and margin targets
- Inventory planning
- Sales forecasting

FULFILLMENT
- Delivered products
- Reporting
- Order management
- DC management

CUSTOMER RELATIONS
- Advocates
- Loyalty scheme management
- Customer service center
- Customer communications

OPERATIONAL SUPPORT
- Customer insight
- Customer in-market research
- New feature delivery and rollout
- Training and best practice guidance

DESCRIPTION:
- Global = Regional
- Regional = In-Market
YOUR CHALLENGE: YOUR BUSINESS IS EXPANDING GLOBALLY

How Two Companies Used the Retail Operations Canvas to **Expand Globally**

An outdoor footwear brand underwent a top-down organizational change from heavily divided commerce groups to a unified, omnichannel structure. The shift in philosophy from channel-focused to customer-focused broke down barriers to efficiency and created a more holistic view of the organization – and the customer. One of their teams used the Retail Operations Canvas to brainstorm and agree on the division of responsibilities between regional and local in-market teams.

**AH-HA MOMENT**

When evaluating regional roles, keep in mind that what works well for one region may not be as effective in another. Plus, there are many ways to structure a distributed organization. The key is to align your management methods and style to match the structure you’ve chosen.

Some distributed organizations require local teams to go through an approval chain before putting anything live on their sites. Others pre-approve local decisions that stay within guidelines headquarters has provided. This latter method empowers employees and keeps decision-making close to where the responsibility lies, but it requires a global manager who is willing to travel extensively to keep teams on-message and in-culture. The director of international ecommerce for a fast-growing global sports brand says that she tries to visit each local team at least once a quarter, alongside weekly operational calls and frequent videoconferencing.
Your Challenge:

You Need Buy-In for Your New Plan from the Board and/or Senior Management

How the Retail Operations Canvas Can Help

The industry is changing, fast. It was not so many years ago that digital commerce seemed to be merely an interesting new opportunity to explore. Now it underpins a whole new way of doing business that may hold the key to commercial survival. It’s not unusual to find that the board or the C-suite are still focused on their traditional way of operating – even if they have embraced the need for a digital transformation, there is a tremendous knowledge gap to be overcome. Successful digital leaders are those who can communicate new perspectives in digestible ways.

The Retail Operations Canvas is a useful tool for explaining what your organization does. It gets away from ambiguous new job titles and politically driven organization charts, and focuses on the actual workflow that drives the outcomes that matter to the customer. It enables you to convey a complex cross-functional operational system via a single cohesive image. We have created a PowerPoint template, available for download, that will help you compile all those sticky notes into a C-suite-level picture.

“The Retail Operations Canvas was just what I needed for my board presentation. It helped me to justify the roles I have in my team by outlining easily on one slide what they do and why they are essential.”

Sara Oldroyd
Head of Digital
Share & Sons
Your Challenge:

You Still Need More Help

Our retail practice team has helped leading retailers identify opportunities for change that lead to a well-structured, unified-commerce-first workforce. Now that you have worked through the Canvas and have a strong start, contact commercecloud.com/visit to speak with our retail team of experts.

Adaptive. Collaborative. Network-centric. Learn how leading retailers are evolving to embrace the next stage of retail transformation.

Learn 5 Myths Undermining Organizational Development in Retail – and what you can do to overcome them in your organization.

About the Author

Julie Rousseau is a digital industry veteran with 25 years of experience consulting on how to use leading-edge technology to transform management decision-making and business operations. As Industry Principal for Salesforce Commerce Cloud, she leads the development of consultancy programs that empower retail organizational design and business transformation.

The Retail Operations Canvas is a view into the Activity square on Strategyzer's Business Model Canvas, tailored for retail.