RSR
Retail Systems Research

The State Of The Retail Workforce

Strategies For Building Stronger, More Engaged Teams

Benchmark Report

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Executive Summary

The State Of The Retail Workforce: Key Findings

How can brands entice shoppers into the store when it's becoming increasingly difficult to find and retain good workers? How can retailers recondition consumers who DO enter a store to engage with an associate, rather than just reach for their mobile device out of anticipated disappointment? And how do the best retailers plan to continue their brand's growth and succeed without the ability to offer a compelling customer experience utilizing the resources they have on hand?

For this 2026 benchmark study on the state of workforce management in retail stores, RSR surveyed 100 retail executives, store associates from 100 different brands, and 1,000 US-based consumers to find answers to these exact questions. Below is a summary of our findings:

Retail's Workforce Model Is Broken

- Nearly **75% of store associates feel underpaid and overworked**, with little control over schedules.
- Only **41% believe their employer offers real career advancement**.
- High turnover is undermining training, consistency, and service quality.

Retailers And Consumers See Stores Very Differently

- **49% of retailers believe customers "love" browsing stores**, but only **25% of consumers agree**.
- Retailers overestimate the store's appeal and underestimate how digital-first shopping has become.

Customers Are More Impatient, Informed, And Demanding

- **74% of associates say customers are less patient and less polite**.
- Theft, returns, omnichannel complexity, and price sensitivity are all rising.
- Grocery and FMCG workers face the harshest conditions.

Biggest Operational Challenges

- Store execution and productivity is inconsistent.
- Customers expect higher service than retailers can deliver.
- Employees are leaving before they can be fully trained.

Retail Winners Think Differently, And Act Faster

- High-performing retailers ("Retail Winners") are far more likely to:
    - Recognize that **customers want different store experiences** (73% vs. 45%).
    - Invest in **employee-facing technology**, mobile POS, and fulfillment tools.
    - Experiment with new formats (store-within-a-store, in-aisle checkout, automation).

Empowerment = Visibility + Communication

- Retailers define true associate empowerment as:
    - **360-degree visibility into customer activity across channels**
    - **Real-time communication with other employees**
- The combination of these two improvements improves customer satisfaction, associate confidence, and sales outcomes.

Technology Is No Longer Optional

- Top technology priorities include:
  - In-store Wi-Fi
  - Real-time inventory visibility
  - Mobile POS
  - Just-in-time training
  - Omnichannel fulfillment tools
- Many Winners now view tech investment as “the cost of doing business,” not an ROI debate

Small Retailers See Opportunity

- Smaller and mid-sized retailers are more likely to:
  - Emphasize **helpfulness and brand ambassadorship**
  - Differentiate through **better service**, not just efficiency
  - Move faster in adopting and abandoning technologies

The Bottom Line

- The future store is **phygital** (physical + digital), but execution is lagging.
- Retail success depends on **empowered associates**, not just cost control.
- Winners invest in tools, training, and trust- laggards remain stuck debating ROI.

Based on our data, we also offer several in-depth and pragmatic suggestions on how retailers should proceed. These recommendations can be found in the **Bootstrap Recommendations** portion of the report.

We certainly hope you enjoy it,

Brian Kilcourse and Steve Rowen

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Research Overview

Suddenly, talking about the retail workforce has become quite fashionable.

RSR has been conducting some version of a workforce-focused benchmark report since our inception in 2007. For most of those years, public relations ran high while change occurred glacially. Retail executives were quick to boast of associates as the most valued component of their operation, only to simultaneously underpay and undertrain these assets as a feature (not a flaw) of the design. When those workers would invariably burn out, a new crop of willing and able associates would be standing in the wings to take their place, starting brand new at baseline wage rates. It worked brilliantly.

Until it didn't.

The COVID-19 pandemic changed a LOT of things in the retail industry, but none more so than the breaking of this model – irrevocably. Workers (following consumers' lead from just a few years prior) now *demand more*. And in growing numbers, these would-be store associates are electing to skip the retail sales associate route entirely.

The effects have been enormous. We've spent the past three years of this ongoing research quantifying the impacts on both retailers AND on consumers. *How can brands entice shoppers into the store when the workforce is so sparse? How can they recondition folks who DO enter a store to engage with an associate, rather than just reach for their mobile device out of anticipated disappointment? And how on earth can retailers hope to continue their brand's growth and succeed without the ability to offer a compelling customer experience utilizing the resources they have on hand?*

Because necessity is the mother of invention (and because nature abhors a vacuum) the technology community has stepped in to help address these challenges with a new generation of solutions.

As a result, talking about augmenting the workforce with technology, empowering the workforce with knowledge, rewarding the retail workforce appropriately - all have become quite fashionable. Indeed, the solution space has quickly become crowded. And with many new technology players, at that.

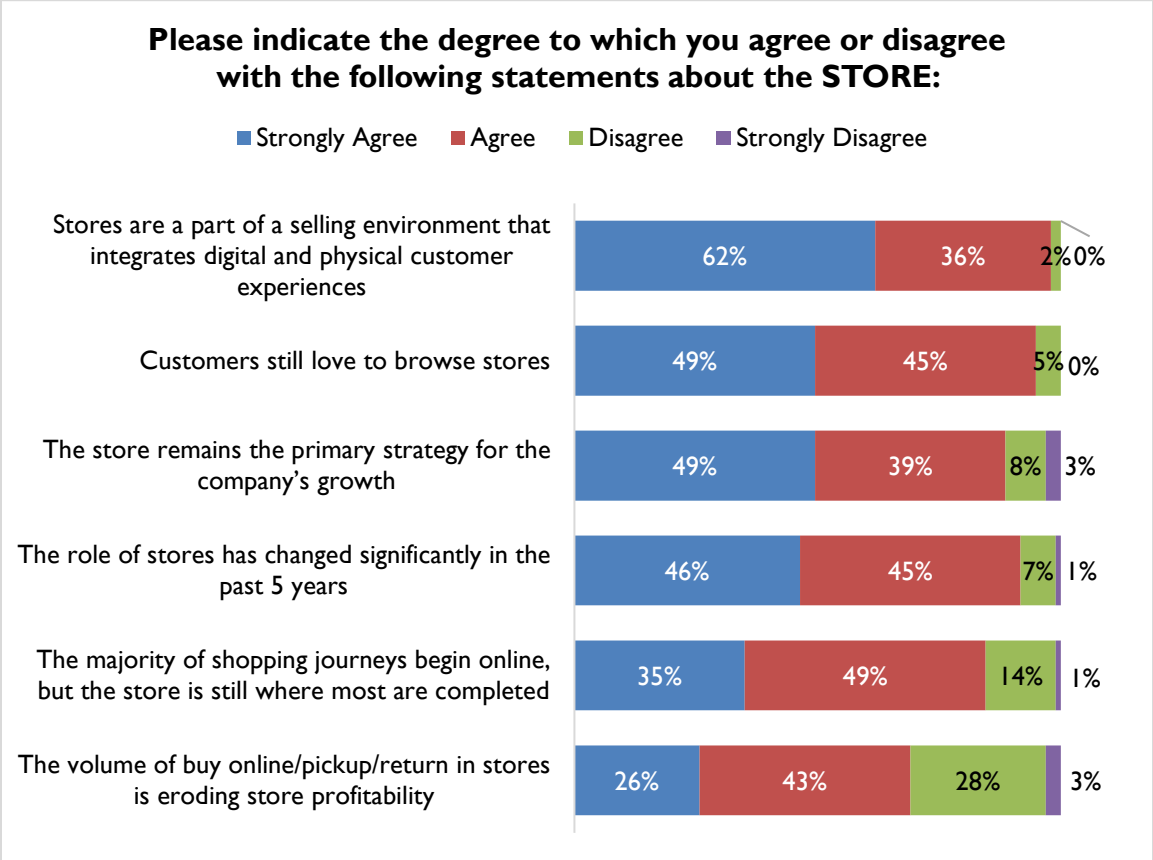
What this report aims to find out is which are the MOST practical routes for retailers' pursuit. The retail industry isn't known for rapid and widespread investment in next gen technologies – any progress made here will be measured and taken on with intent. Retailers clearly need a stronger, more engaged workforce – and time is of the essence. But which are the strategies and tactics they think are most worthy?

With all these realities as a backdrop, it's time to find out matters most.

The Future Will Be More… Futuristic

The very first thing to note is how retailers perceive the *future* of their stores. Figure 1 shows that for the majority, the horizon reveals a store that is part of a "phygital" endeavor, whereby the customer experience takes place in a physical space but is *dramatically impacted* by digital content and engagement. Nearly all retailers (98%) agree this is the way of the future, with 62% believing strongly in it.

Figure 1: A Physical/Digital Affair



Source: RSR Research, February 2026

However, if retailers believe this physical/digital hybrid model is so clearly the way, why do so few store experiences feel like phygital experiences? The findings in Figures 1 expose multiple paradoxical data from other recent RSR research that help explain the chasm between what is and what should be:

- Retailers maintain – with great consistency – that consumers **still love to browse stores** (49% strongly agree with this statement in 2026, while that number was 42% in 2025 and 48% in 2024). They persist in this notion, despite growing evidence to the contrary.
- For example, a recent survey RSR conducted of over 1,000 US-based shoppers found that only 25% of consumers say they **still like to browse stores**. And "like" is hardly the same thing as "love." Retailers appear to be significantly overestimating their stores' lingering appeal.
- In that same RSR survey, 40% of consumers said they would be conducting most of their holiday season shopping online – only augmenting digital shopping with store-based shopping when necessary. Yet when we combine agree with strongly agree in Figure 1, above, 89% of retailers agree that the store remains their primary "channel" for growth in the coming years. These findings do not align. If consumers self-report moving evermore of their shopping online, how can retailers be so bullish on the future of the store?
- The fact that only 35% of our retail respondents strongly believe that most shopping completed in-store shopping journeys begin online- in the year 2026 – is a significant blind spot.

There is quite clearly a break between what retailers think their stores should be, and how much urgency they feel to bring that reality to life.

What Matters Most?

Despite all the futuristic predictions of what a store should be, its *purpose* today is still the same as it has been for generations: make sure customers find what they are looking for, try to reduce theft, and squeeze as much productivity out of employees while holding the line on labor costs. When it comes to maximizing profitability, there is *nothing* futuristic about retailers' approach.

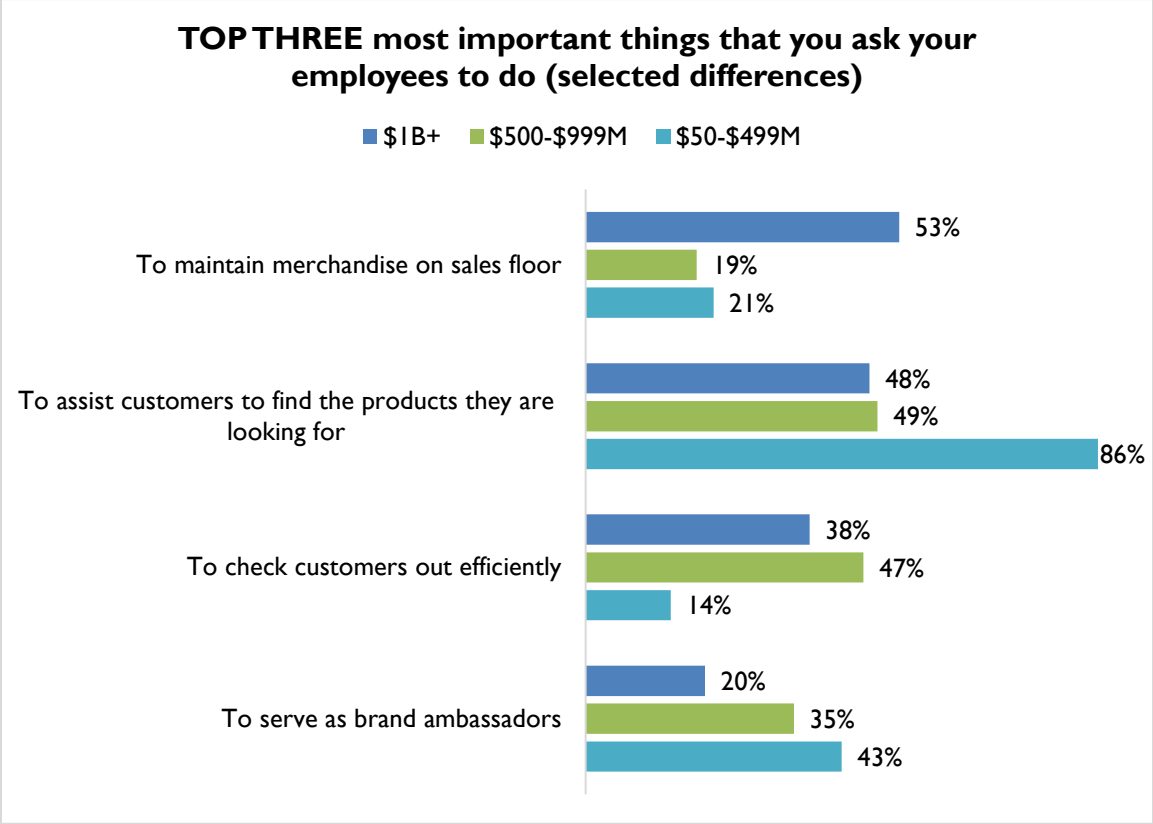
Figure 2: Retail 101



Source: RSR Research, February 2026

As a result, it should come as no surprise that *maintaining merchandise on the sales floor* and *helping customers find the products they are looking for* are the most important things that retailers ask their frontline workers to do. But look at how vastly different those priorities fall based on a retailer's annual revenue (Figure 3).

Figure 3: In A Sea Of Important Things, The Most Important Thing Is…



Source: RSR Research, February 2026

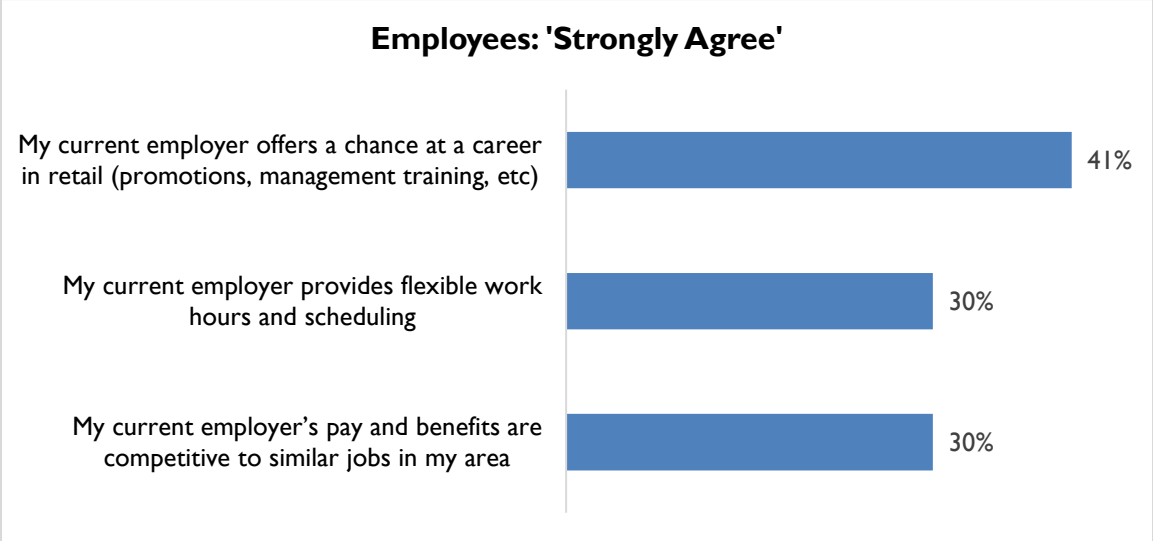
Throughout this report, we'll call out the differences that small to midsize retailers face, particularly in the **Business Challenges** and **Opportunities** sections. Spoiler alert: the smaller the retailer, the more they see an opportunity to seize this moment to differentiate via their in-store workforce. The chart above helps to set that stage. While mega tier-one retailers focus in on tasking their employees with making sure merchandise is simply where it should be, nearly 9 out of 10 small retailers say the most important thing their workers can do is be helpful – at a nearly 2:1 ratio over large retailers. This is no small matter. They are also twice as likely to say the folks they employ should be serving as ambassadors to the brand. Something big is happening at small retail shops today, and we'll be diving into it as we go.

We also thought we'd try something completely new for this year.

Something New

To add further clarity to the state of the current retail workforce, we decided to add an extra layer of analysis for 2026 – surveying not just retail executives about what *they* perceive as taking place in stores, but *surveying store associates* to gain their perspective as well. The very first thing we uncover is a serious problem: the results of Figure 4 speak for themselves.

Figure 4: I Don't See What You See



Source: RSR Research, February 2026

How could in-store associates be expected to deliver enthusiasm and professionalism day in and day out when only 30% feel they are even being compensated at a level commensurate to similar jobs in their area? In a world where perception is reality (more on that in a moment), nearly 3 out 4 retail employees believe they are being taken advantage of: underpaid and with little control over their own hours/schedule/life. Worse yet, 59% think they are stuck in this situation, as only 41% view their current retail employer as offering an opportunity for upward mobility in the form of promotions, management training, etc.

Retailers have a real problem to contend with. The good news is that many are a) more aware of this, and b) starting to take action to solve for it.

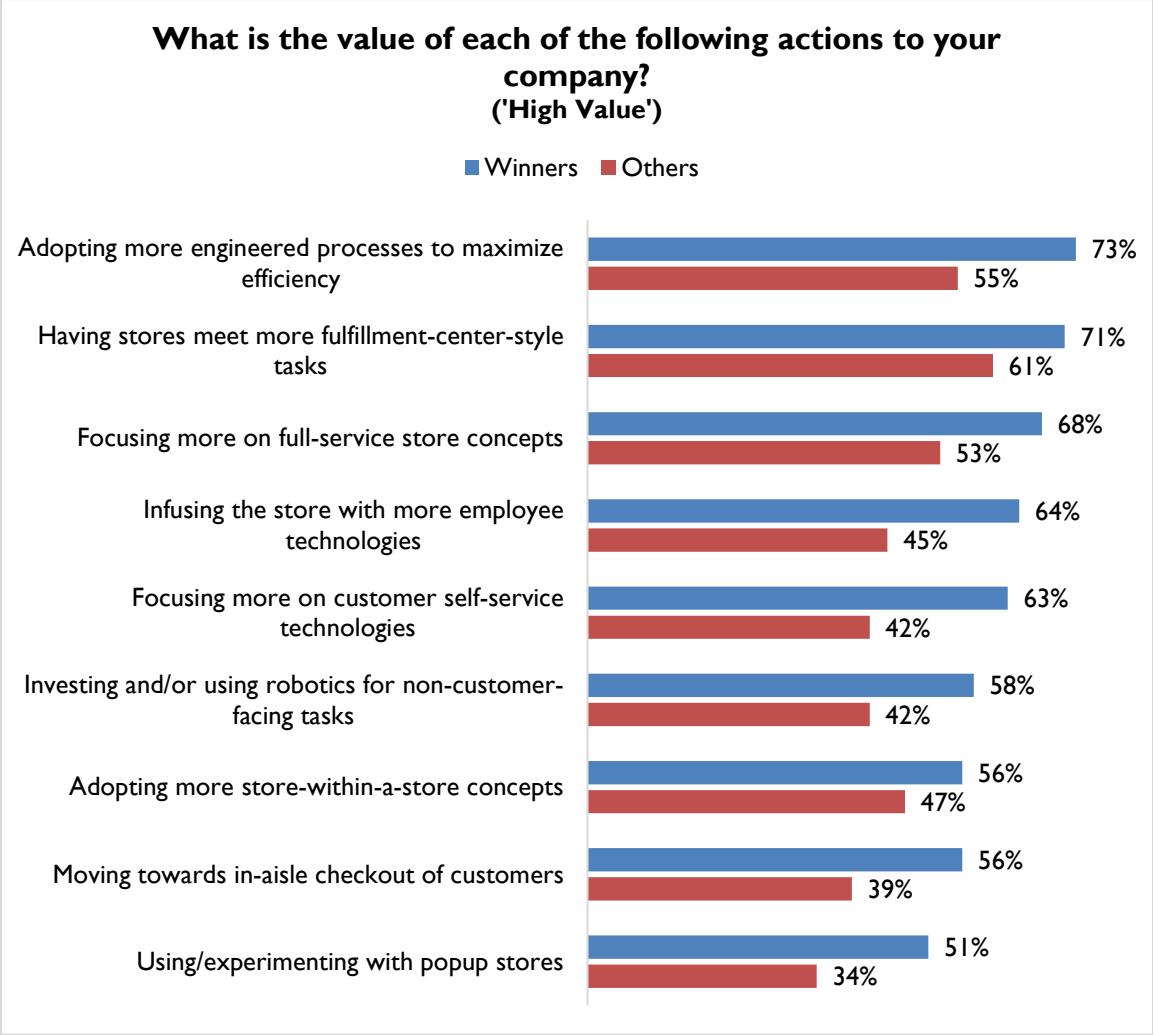
Retail Winners And Why They Win

In our benchmark reports, RSR quite frequently cites differences between retailer over-performers in year-over-year comparable sales and their competitors. We find that consistent sales performance is an outcome of a differentiating set of thought processes, strategies and tactics. We call sales over-performers "Retail Winners."

RSR's definition of these Winners is straightforward. Assuming industry average comparable store/channel sales growth of **5 percent**, we define those with sales above this hurdle as "*Winners*," those at this sales growth rate as "average," and those below this sales growth rate as "*laggards*" or "also-rans."

One trend that will emerge throughout this report is that Retail Winners are FAR more likely to understand that the future isn't some far off destination. While all retailers agreed in Figure 1 that the store's evolving role will have to be that of a point in an environment that integrates the digital and physical customer experiences, the best performers are the ones taking the necessary steps now to make that happen (Figure 5).

Figure 5: Winners: Reliably Reliable



Source: RSR Research, February 2026

Just when the data in this report appeared as though it would make for a foreboding indictment of retailers' unwillingness to let go of the churn-'em-and-burn-'em workforce model of yore, Winners step up to show us the way forward. As RSR has often said, "winning" isn't an accident.

Indeed, Winners outpace their average and underperforming peers by wide gaps in their perception of the value of several opportunities. They have a far greater focus on gaining efficiency from what they currently have just by looking at the processes they've enacted – which no doubt have many opportunities for improvement. This doesn't necessarily take tech investment, but it absolutely requires observational skill and the willingness/ability to question why practices are what they are: unto itself an investment of time and knowhow. It also happens to be one of the greatest areas where retailers have historically been able to uncover vast misuses of time and energy. It is hard work, but for those bold enough to give a hard look at their current operations, can yield tremendous dividends.

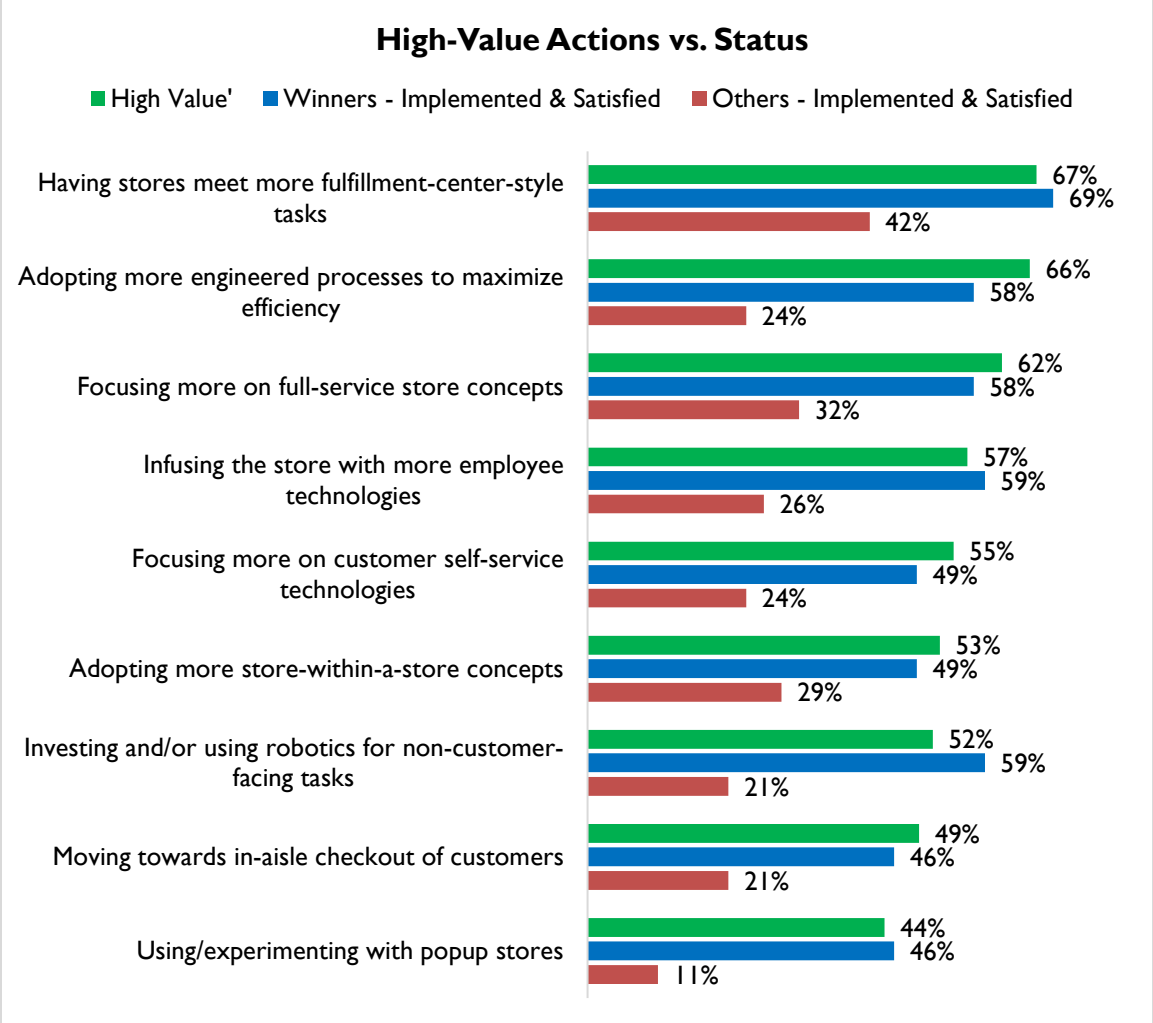
At the same time, Winners are far less timid to infuse stores with new technologies – by a margin of nearly 20 points. RSR has written extensively about this pattern in the past and will continue to whenever the data invariably proves the point again: experimentation - and the ability to fail, reject,

and learn quickly – is a hallmark of Winning behavior. Only once a technology has been thoroughly battle-tested will they roll it out to a region, a territory, and then the enterprise, but this entire process can only be mastered in a culture where experimentation is encouraged in the first place. Winners don't fear change.

The Store In Action

In what may well be one of the most telling charts of this entire report, Figure 6 shows three key things: what the entirety of our survey base values most as it relates to in-store actions, and what the best performers (compared to everyone else) have successfully leveraged. Winners are so very – very – far ahead. They see more value, they have taken more action, and they are happy with the progress they've made. Charts don't get much more straightforward – or as instructive.

Figure 6: The Chart Of The Year (So Far)



Source: RSR Research, February y 2026

As the data in this report unfolds, we'll discover a three-sided paradox, with each party quite wary of the other two:

- In aggregate, retail executives want more from their employees without having to significantly raise wages. To achieve that, it's going to take some very clever technology investment – much of it in training and salesfloor empowerment.
- Customers want a store experience that brings to life more of that they love about online – but with in-store associates that are FAR more helpful than they currently are. Again, this will require far more associate-empowering technology than is currently in stores.
- And associates want to feel valued. Less helpless, more relevant, and most importantly: part of something bigger and more hopeful than what they currently feel a part of.

As you may have guessed – none of these parties can get what they want without meaningful changes to most brands' workforce strategy and enablement tools. Read on to find out how this all plays out.

Methodology

RSR uses its own model, called The BOOT Methodology© to analyze Retail Industry issues. We build this model with our survey instruments. See Appendix A for a full explanation.

In our surveys, we continue to find the kinds of differences in thought processes, actions, and decisions cited above. The BOOT helps us better understand the behavioral and technological differences that drive sustainable sales improvements and successful execution of brand vision.

Survey Respondent Characteristics

RSR conducted an online survey from October – December 2025 and received answers from 97 qualified retail respondents. Respondent demographics are as follows:

- **2025 Revenue (US$ Equivalent)**

$51 million - $249 million	5%
$250 million - $499 million	9%
$500 million - $999 million	44%
$1Billion to $5 Billion	27%
Over $5 Billion	15%

- **Products sold:**

Fast moving consumer goods	16%
Apparel, footwear and accessories	37%
Hard goods	22%
General merchandise (discount, mass merchant)	18%
Specialty	7%

- **Headquarters/Retail Presence:**

	Retail Presence
USA	100%
Canada	31%
Central America	16%
South America	12%
UK	19%
Europe	20%
Middle East	4%

- **Year-Over-Year Sales Growth Rates** (assume average growth of 5%):

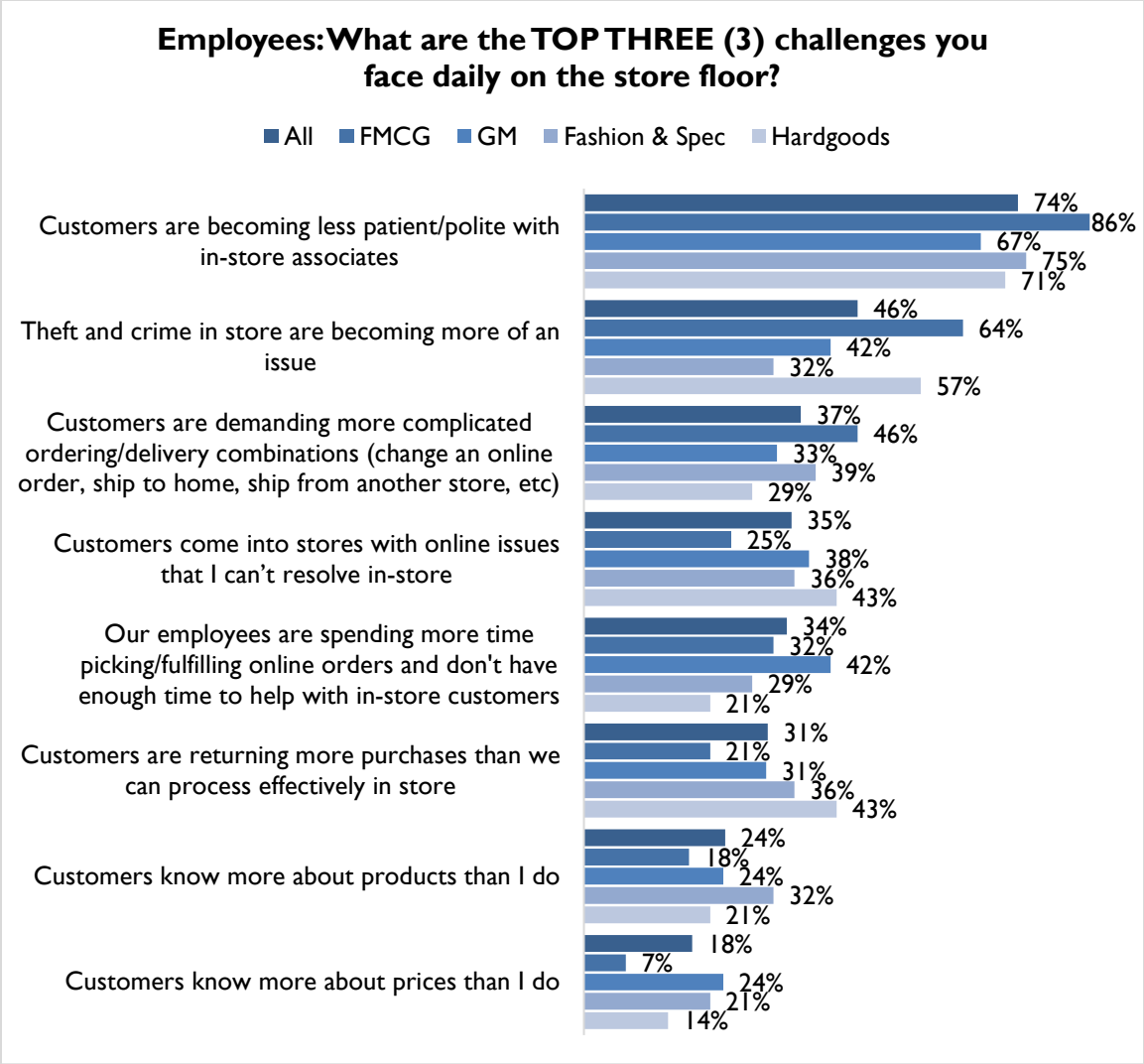
Better than average (“Retail Winners”)	61%
All others	39%

Business Challenges

Battleground: Storefront

As we mentioned in the intro of this report, we wanted to know what in-store associates are facing on the store floor this year. And it turns out to be quite a time to ask – they are facing a lot (Figure 7).

Figure 7: An Increasingly Hostile Environment



Source: RSR Research, February 2026

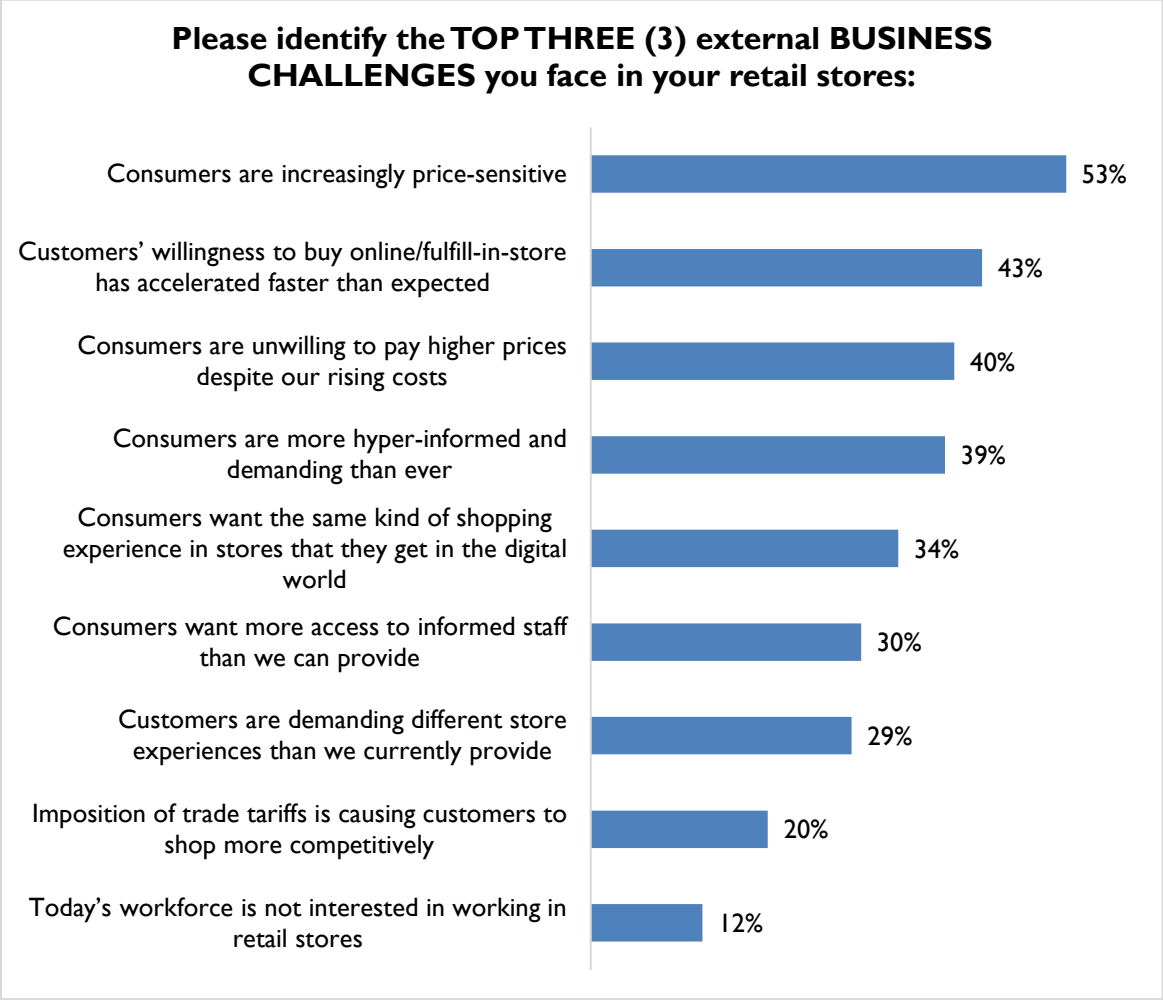
While associates across all the verticals we surveyed report increasingly bad behavior from decreasingly patient shoppers (customers being less polite, customer theft on the rise), those working in grocery stores, pharmacies, and convenience (FMCG) – seem to be having a tougher time than anyone else. This seems entirely plausible, if not for one reason alone: these are stores that must be shopped, rather than stores that consumers "get" to shop (fashion, specialty, etc.). However, we can't help but opine that the fifth data point down in Figure 7, above, might play a role as well: the fact that employees are spending more time picking and fulfilling online orders than ever before and as a result, don't have time to help with in-store customers.

A trip to your local grocery store may reveal this to be a similarly frustrating fact.

Perception = Reality

No matter what time of year we conduct this research, who the president of the United States is or how the Nasdaq is performing at any given point, retailers will invariably report that *consumer price sensitivity is on the rise*.

Figure 8:No One Is Happy About Prices… But Also…



Source: RSR Research, February 2026

As it just so happens, whenever we survey ***consumers***, the exact same trend is verified. This year 53% of retailers say consumers are increasingly price sensitive - while 62% of shoppers (not pictured) say that "*prices matter more today than ever*". And from in-store associate survey this year, "consumers are increasingly price sensitive" is the most strongly agreed with statement in a string of controversial offerings we put before them.

By all accounts, pricing is/was/will be an increasingly sensitive issue, no matter how high or low the actual cost of a gallon of milk or gasoline. And as it relates to rising prices due to supply chain shocks and instability (the third most challenging option facing retailers, above), RSR has recently published an entire report on the matter. From *Chaos: How Retailers Are Coping And Planning In A Market Of Permanent Instability* (August 2025):

More than half of retailers say they plan to partially absorb some of the increased costs – and for now, this makes good business sense. RSR has ample consumer data to show that customers are increasingly upset with retailers over a whole host of issues (undesirable inventory, irrelevant promotions, in-store associates who aren't particularly helpful) – and the levels of dissatisfaction in all these areas only increases more each year. As a result, this is hardly the time to be (angering them) further: jacking up prices at the first hints of increased costs.

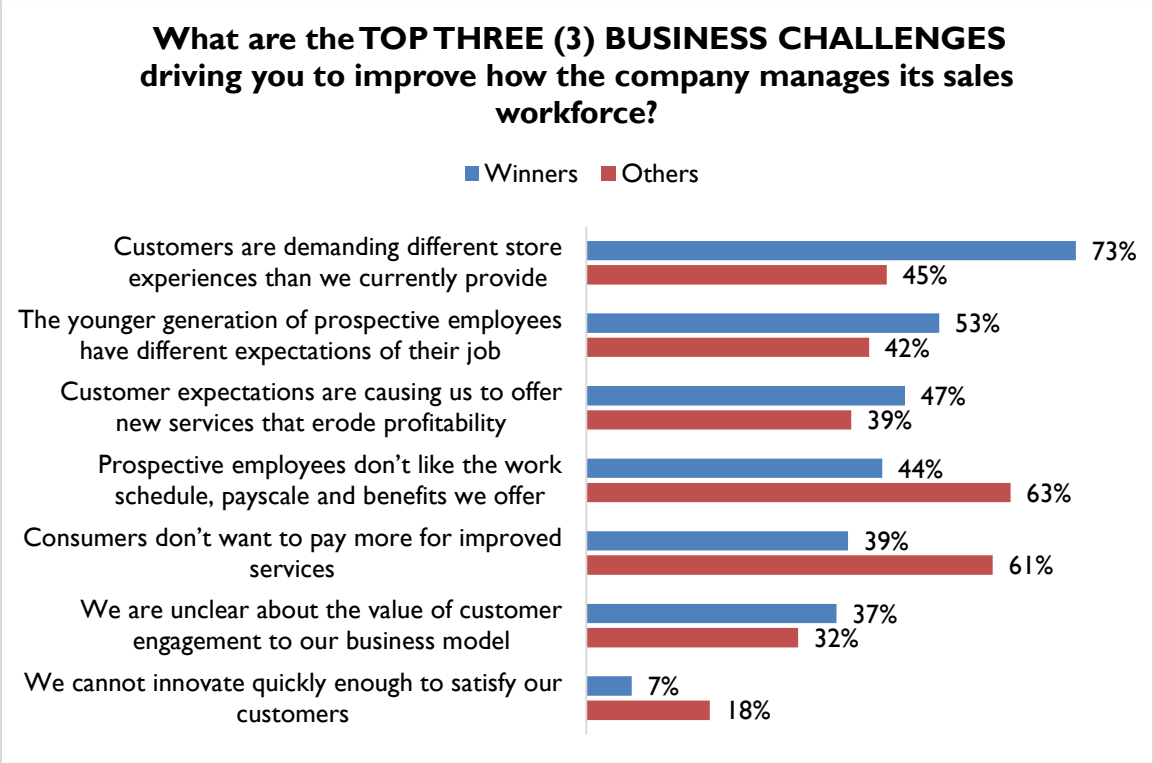
However – (this) will undoubtedly change with the passing of time. Our respondents have been clear since the opening salvo fired in this report: they cannot survive a long stretch in an environment of tariffs. When pressed, many have told us privately that 10% is about as high as they can absorb. Should 30% (or above) remain in place, retailers simply will not be able to absorb the costs. They will be forced to either pass them along to shoppers, shutter their doors – or in some cases, both.

But beyond pricing issues, some other real challenges face our retail respondents. The fact that nearly half admit that shoppers' willingness to buy online and fulfill instore has accelerated faster than they ever could have expected/planned for is chief among them. It's a reality few saw coming and completely alters the dynamic of what a workforce is and should be for.

Improve Customer Experience? Satisfy Employees? It Depends

In Figure 9, we ask the big picture question: *what is driving you to improve your company's workforce in the first place?* What the data reveals is stunning: for Winners, the need is being driven by *customers who are increasingly upset with the service they are getting in stores*: 73% report this as their top challenge in-stores and is *the* motivator behind their need to "up their game" with sales associates. For average and lagging retailers? ***The problem IS the employees, themselves*** – or more to the point, the lack thereof: 63% say that prospective employees aren't willing to sign on due to what the brand can offer in the way of salary, benefits, or scheduling. These are vastly different perspectives on a similar reality: *the old ways just aren't working anymore*.

Figure 9: A Performance-Based View Of Biggest The Challenge In Store

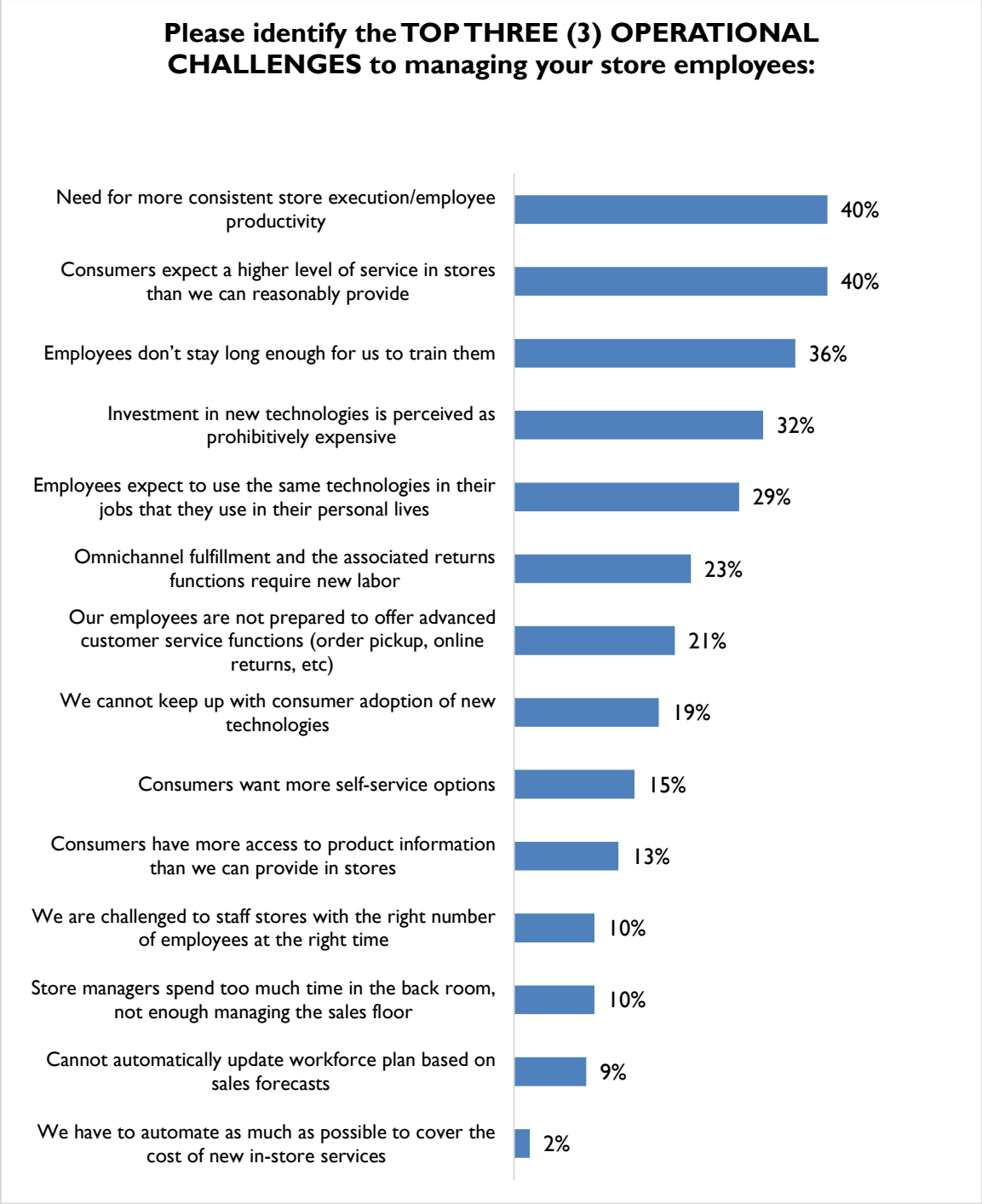


Source: RSR Research, February 2026

The Operations Conundrum

Understanding (and perception) of the challenges facing frontline workers is one thing; figuring out how to attack those challenges from an operations standpoint is something else entirely. When we ask retailers to identify the biggest operational challenges from a list of nearly 15 options, there are 3 that bubble to the top with conviction (Figure 10).

Figure 10: The Problem Laid Bare: More Is Needed On Both Side



Source: RSR Research, February 2026

If there was one chart to signify what's wrong with the current retail workforce operating model, Figure 10 is it. Many of these challenges stem not only from total staffing levels, but also from mismatches in skills, task coverage, and timing throughout the day. Retail executives are not frittering over the minutia of updating workforce plans based on store forecasts, or even issues about how to staff, when to staff, etc. They aren't getting the basics of what they need – and they don't think their shoppers are, either:

- From a list of over a dozen options, nearly 1 in 2 retailers say their biggest operational challenge in stores is providing a consistent level of store execution and/or employee productivity.
- At the very same time, another 40% say customers expect a higher level of service in store than they could ever provide.
- To add insult to injury, another third of retail respondents report that employees don't stay with to stay with the company long enough to receive proper training.

This is a problem beyond what previous research efforts in this have revealed. How can a brand be expected to provide a much-needed improvement to the in-store customer experience if they don't believe there's an attainable way forward that will make customers happy again? And if employees aren't sticking around long enough to be trained properly, what's the point in spending large amounts of already-scarce resources to train them up?

Both existential challenges have the same answer: there is no way to overcome them without a heavy reliance on next-generation technologies. Luckily, such technologies exist.

Let's now find out where the biggest opportunities lie.

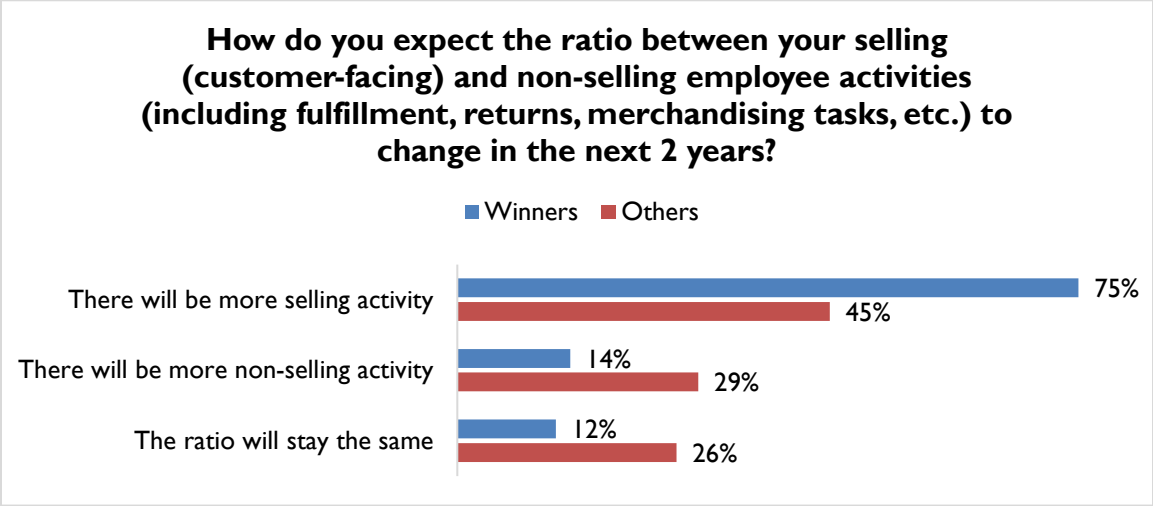
Opportunities

Looking Ahead

A wonderful thing about RSR's research into any topic – and at any time in our nearly 20 years of business – is that just when things seem dark, Retail Winners emerge with a different perspective and lead the way back into the light.

Yes, the in-store workforce faces unprecedented challenges. But Winners harbor a much brighter forward-looking view of what will be happening in stores in the next two years (Figure 11).

Figure 11: Winners More Hopeful



Source: RSR Research, February 2026

Put simply: the better a retailer's comparable channel sales are performing on a year-over-year basis, the more they expect the ratio between sales and sales-support activities to improve with time. How could this be? Retail Winners have steadily been investing more in the automation and optimization of more manual tasks. From our recent Supply Chain report

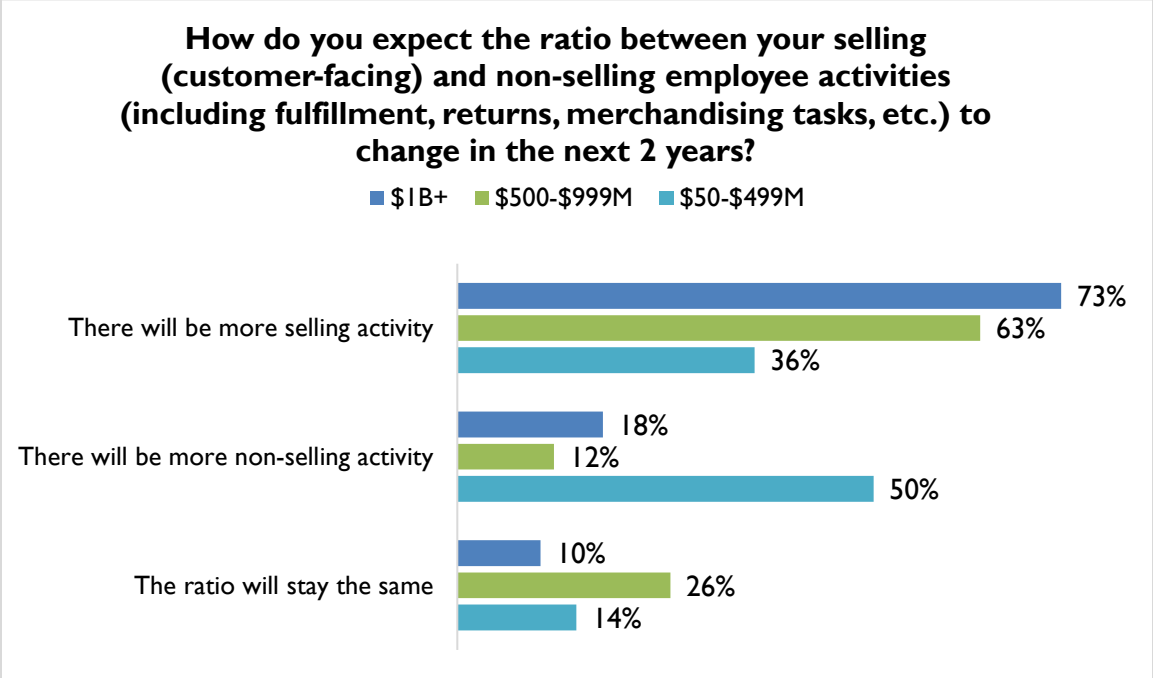
- 93% of Retail Winners (vs. 75% of all others) ascribe high value to technologies that improve forecasting to develop multiple demand generation scenarios. Stores invariably perform much better when the right products are in the right place at the right time.
- 56% of Winners (vs. 38% of all others) are already satisfied with the investments they've made to date to develop those multiple scenarios
- And 49% of Retail Winners (vs. 33% of all others) are in development with next-gen real-time inventory visibility and management tools. Far too much of frontline workers' time is currently spent dealing with breakdowns in inventory accuracy and visibility. Tools that help improve current inventory processes cannot come soon enough for the most forward-thinking retailers.

A Point Of Differentiation

A retailer's revenue does more than inform its P&L. In many cases, it informs their go-to-market strategy, particularly as it relates opportunities to differentiate. In theory, the smaller a retailer, the nimbler their operations *should be*, and the more flexibility they have in what the role of a frontline

worker *could be*, as well. Figure 12 is a perfect example of how small retailers perceive an opportunity to stand out.

Figure 12: Tomorrow's Strategy Depends On Today's Market Share



Source: RSR Research, February 2026

Indeed, smaller retailers are clearly on a tack to try something the big guys currently can't: provide an old-school, time honored version of better service: better informed employees, capable of being more helpful to customers at the point of decision. By all measures, this goal is simple: prevent the customer from reaching for their phone and instead, re-condition them to reach out to an in-store associate. In practice, however, this is going to take a rare ability to implement new technologies, quickly, and without constriction to abandon them just as quickly should they prove ineffective.

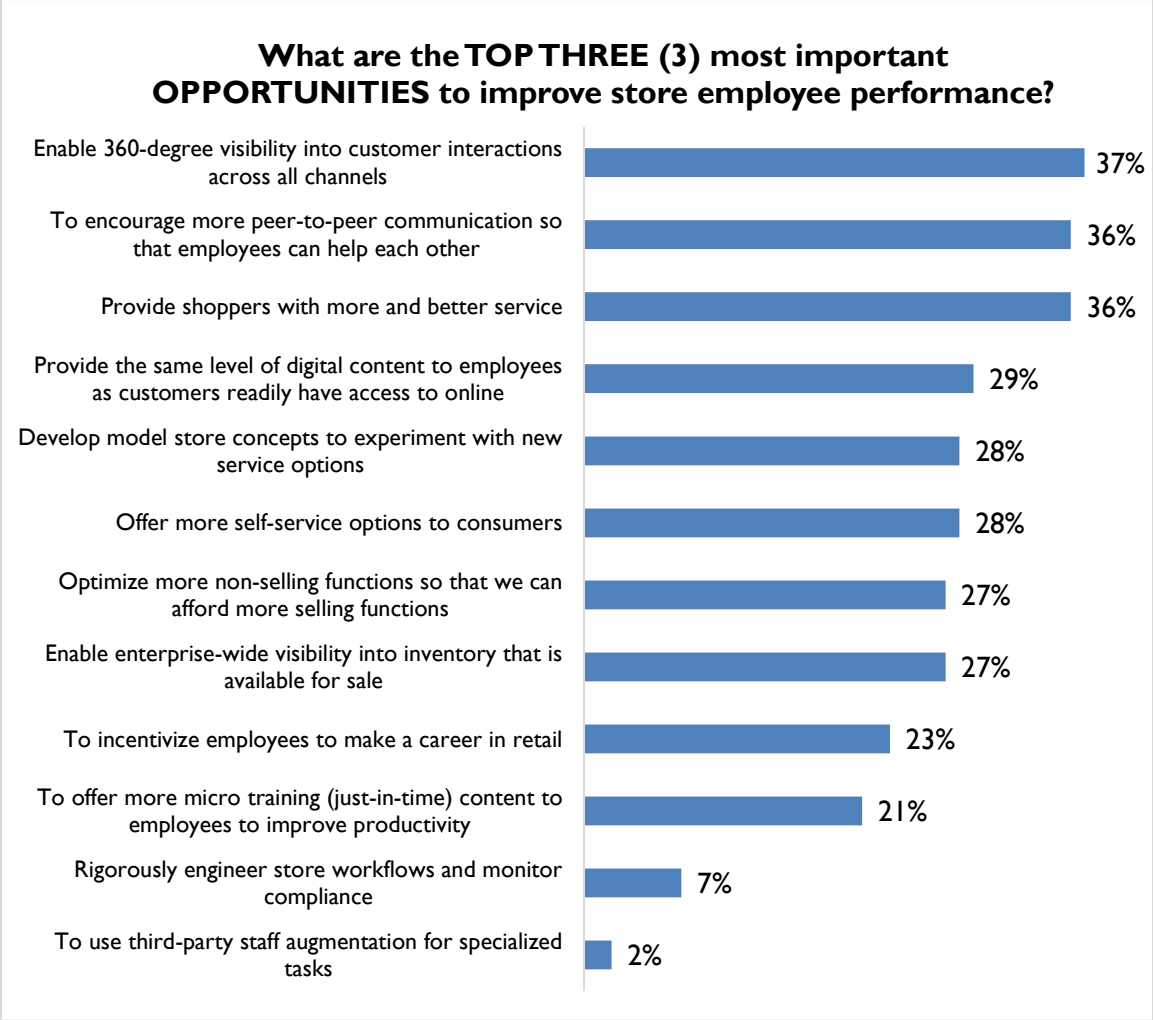
This is the small retailer's domain. We will be fascinated to track their progress in the coming years.

What Getting To 'Empowered' Means

As we mentioned at the beginning of this report, WFM has become a hot topic of discussion in retail as of late, with many solutions providers offering. And any conversation about the workforce will invariably lead to the word "empowered".

But what does it really mean? Figure 13 settles the score.

Figure 13: 'Empowerment' Defined



Source: RSR Research, February 2026

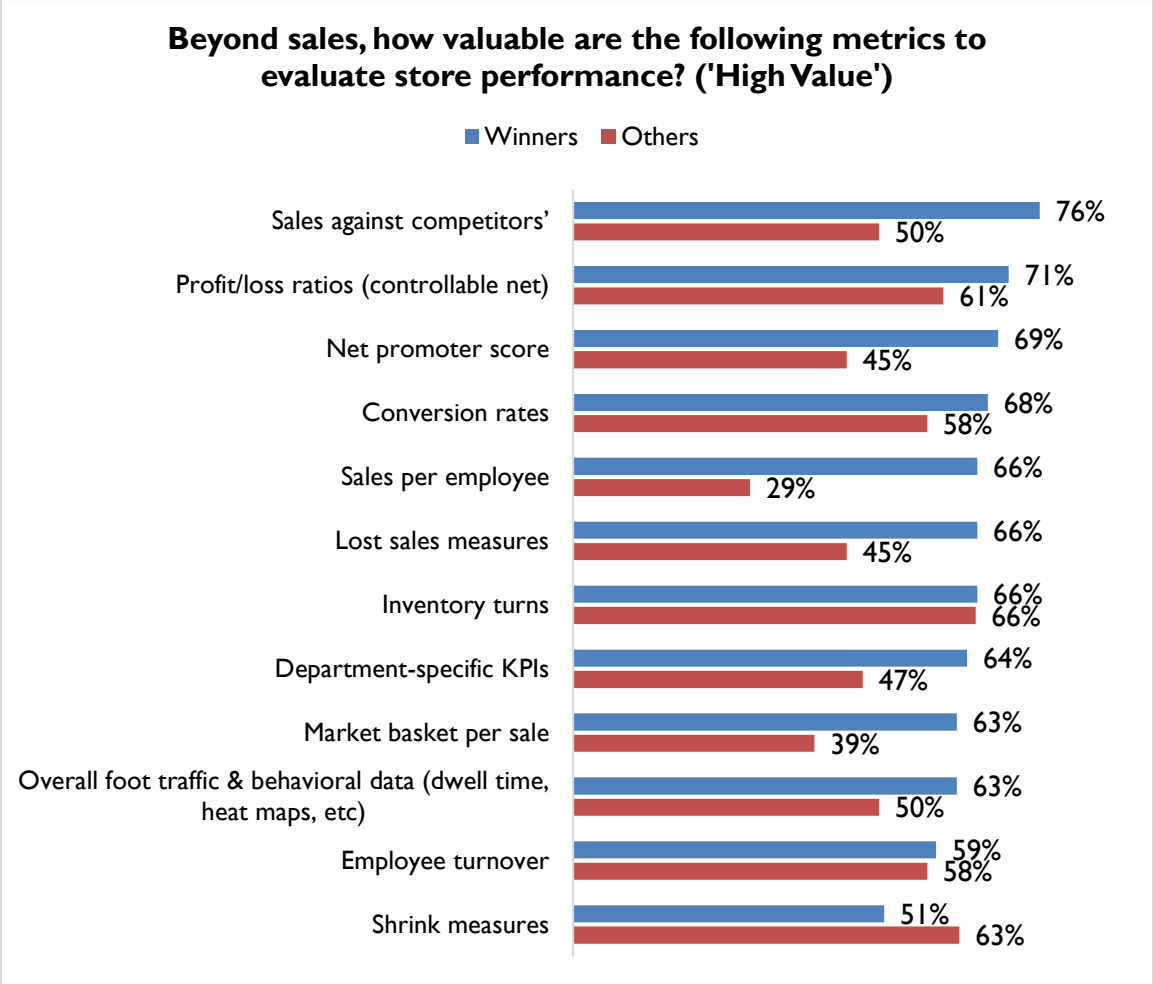
Retail executives are crystal clear: empowering a frontline worker means providing them with the power to know what an in-store shopper has been doing online ***before*** walking in the door AND the ability to communicate in near-real time with fellow associates. When combined, these two capabilities enable them to provide shoppers with improved service that all parties involved want. Customers walk out of the store more satisfied. Employees feel more valuable *and* valued. And executives are invariably pleased with the benefits that result from happier customers and associates.

The problem, of course, is the reality at hand: too few retailers can credibly claim they've empowered their associates to such a degree.

How To Tell A Win From A Loss?

As is so often the case, to know what winning "looks like" in the current environment, simply ask winning retailers the same question posed to everyone else and then notice the differences (Figure 14). Beyond sales, these are the metrics that matter in 2026.

Figure 14: What Winning Looks Like



Source: RSR Research, February 2026

Winners' priorities here serve as a masterclass in where all other retailers should be directing their own focus. Winners do not obsess over shrink or employee turnover, as they know these are outcomes that are both dramatically affected by the metrics they ***DO*** obsess over. For example, when sales against competitors are high, it is far more likely an associate will stay with the winning brand. By the very same token, when net promoter score is high, when sales per employee are high, when conversion and profit ratios are high – associates are happier. And happier associates do good things for the brand. They are also much less inclined to rob from their employer.

Put simply: Winners understand that if you want employees to leave less and steal less, do more to create an enjoyable store atmosphere. It's the brand-customer-associate/win-win-win they continually keep striving towards. It is a hallmark of Winning behavior.

It is now time to see what internal obstacles are currently preventing retailers from taking advantage of thse opportunities.

Organizational Inhibitors

Obstacles To Grabbing The 'Better Service' Opportunity

We saw in the **Overview** section of this report that retailers - and particularly small and mid-sized retailers - view *excellent customer service* as a key differentiator. In the **Opportunities** section, we also learned how retailers envision that happening: our response group rated "*enabling 360-degree visibility into customer interactions across all channels*" and "*encourage<ing> more peer-to-peer communication so that employees can help each other*" as key capabilities to "*provid<ing> shoppers with more and better service*".

Those capabilities are greatly enhanced by modern mobile and cloud-based solutions, and so we wanted to understand why more retailers haven't yet adopted them to make improvements possible. What we learned is that old concerns are still prevalent (Figure 15). Chief among them is that the overall capital requirements to modernize the stores is a big inhibitor.

Figure 15: Questions Remain



Source: RSR Research, February 2026

We're sympathetic to that problem. The math is brutal – even a relatively inexpensive technology (for example, a basic Apple iPad) multiplied by the number of units needed in each store over many locations can quickly escalate into a big number. *But it may not matter*; technology integration in the store is quickly becoming a barrier to successfully competing with larger retailers and online

players. Embracing technology has become essential to the stores for staying relevant and competitive.

Nonetheless, many retailers express a concern that they aren't sure if technology helps or gets in the way. This in fact is the top inhibitor for small and medium sized retailers (50% compared 32.5% for bigger retailers). The RSR team worries that about 40% of the retailers surveyed are still debating whether new technologies are a help or a distraction. And that finding is surprisingly consistent whether we looked at it by performance (Winners: 39%, Others: 34%), or retail vertical (FMCG: 41%, GM: 35%, Fashion & Specialty: 36%, Hardgoods: 38%).

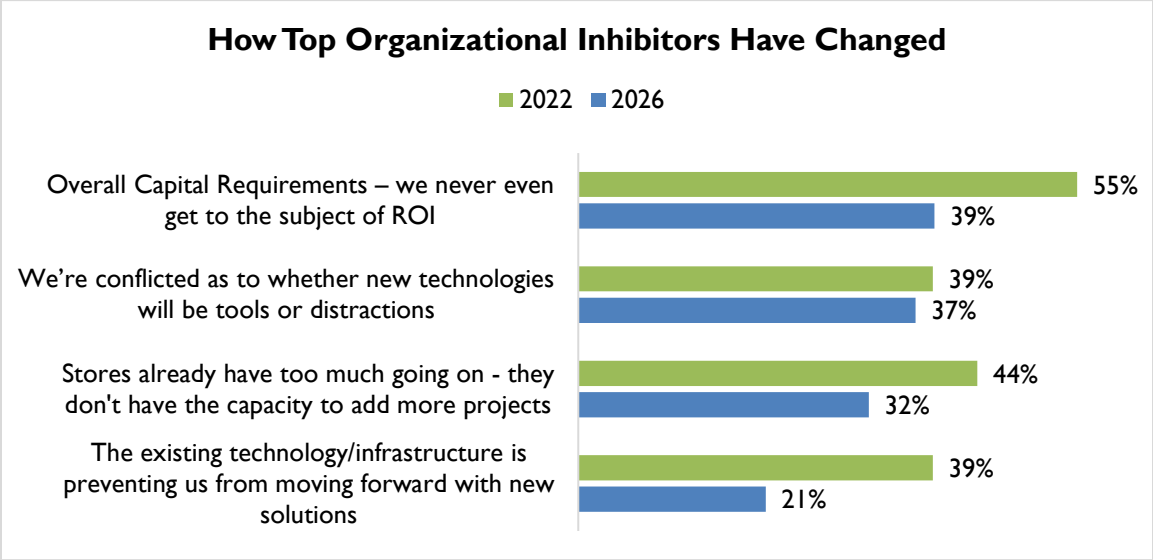
It's clear that solutions providers aren't doing enough to demonstrate the value of the solutions available vs. the cost.

Inevitable?

While the identified inhibitors to progress may be daunting, resistance has shifted from just a few years ago (Figure 16). While *overall capital requirements* remain a top concern now, significantly fewer identified it as a top issue in this study, compared to 2022.

There is a shift in who is most concerned, as well. Average and under-performers fret most about it now (non-Winners: 50%). But in 2022, 63% of Winners were concerned about that issue. Why the shift?

Figure 16: Slowly Coming Around

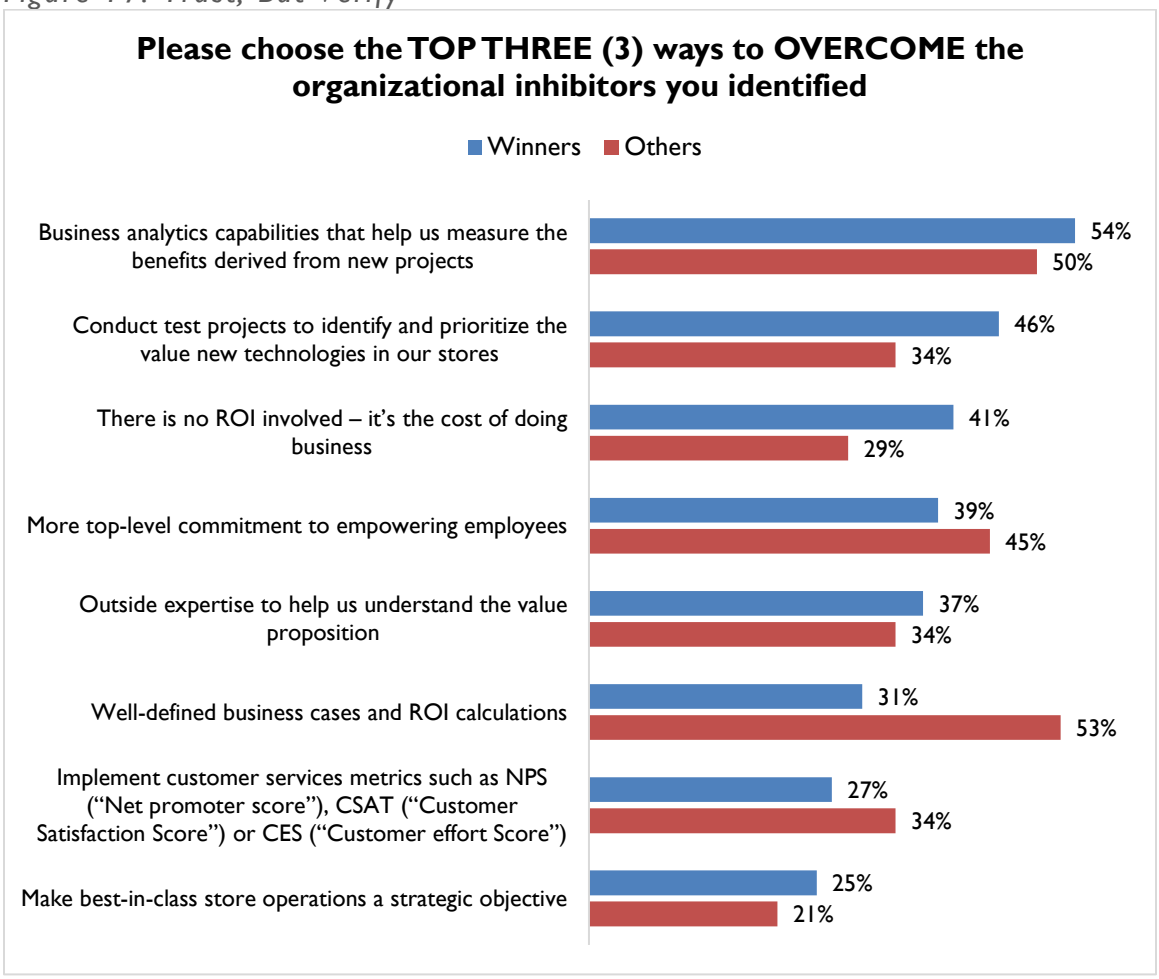


Source: RSR Research, February 2026

Most retailers - and Winners in particular - know that they need to address the opportunity to arm their employees with better tools, not only because consumers expect store associates to be able to serve them with relevant and up-to-date information, but also because employees themselves expect it. In our survey of store employees, a whopping 78% of those surveyed agreed with the statement that, "*I'd like to use the same technology in my job that I use in daily life (mobile phone, tablet, etc.)*."

So, it's not much of a surprise that more than 40% of over-performing Winners believe that "*there is no ROI involved – it's the cost of doing business*" (Figure 17), Indeed, **what once might have been a differentiator is now a baseline expectation** (much like point-of-sale scanning).

Figure 17: Trust, But Verify



Source: RSR Research, February 2026

Summing Up The Inhibitors To Progress

Retailers recognize the importance of thoughtfully integrating digital technology to enhance the in-store experience, collect valuable customer insights, and streamline omnichannel operations. Modern consumers expect the same speed and convenience in physical stores as they enjoy online. And just as importantly, retail **employees desire access to the same information in their work environment as they have in their daily lives**.

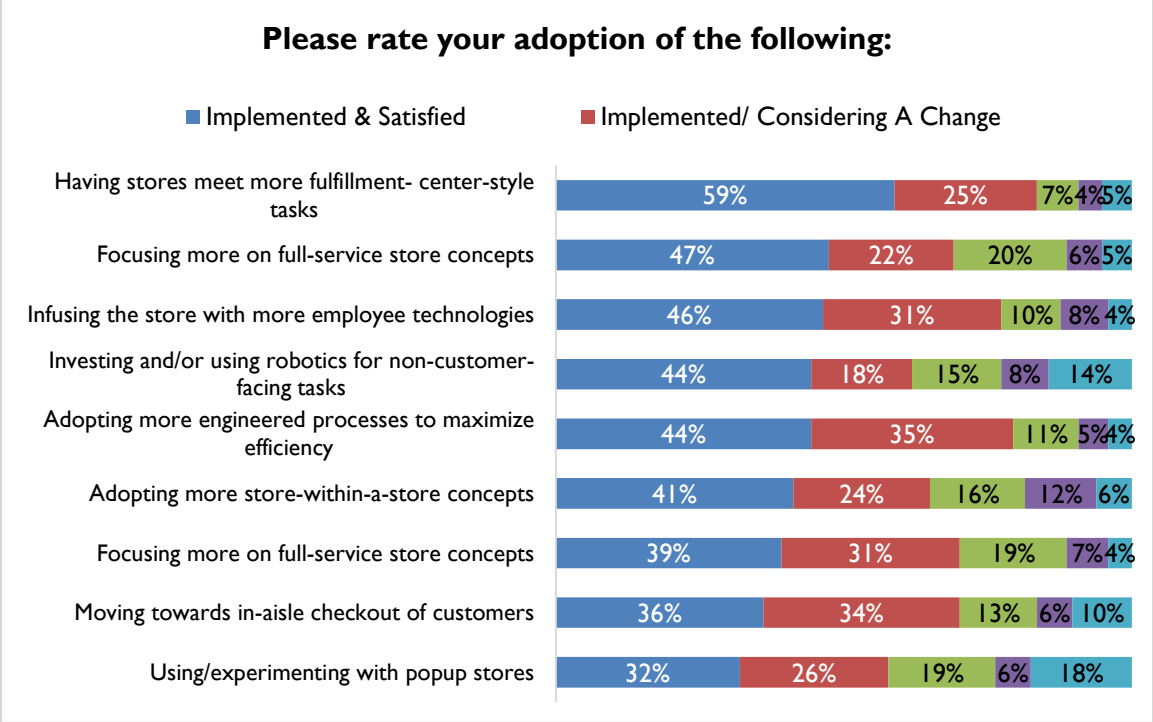
Technology Enablers

What's the Strategy For The Stores?

Before getting into the priority and status of specific employee and store management technologies, it's useful to take it up a level and be reminded of what retailers are trying to do with their stores (Figure 6, **Research Overview**). The good news is that retailers once again affirm that the stores are certainly not dead, but that they are in the process of being integrated into a selling environment that is equal parts digital and physical. But retailers aren't just integrating customer-facing capabilities; they are also focusing on *creating a differentiating environment for consumers* and *addressing operational efficiency* in meaningful ways.

When it comes to implementing technologies that address those two broad objectives, top of mind improvement that retailers are focused on is to better support consumer adoption of buy-online-pickup-instore (BOPIS) fulfillment tasks (Figure 18). But general *operational efficiency* capabilities are right behind that very specific objective, such as empowering employees with technology, using more robotics for non-selling functions, and implementing more engineered work processes.

Figure 18: Progress Made – But Much More To Do



Source: RSR Research February 2026

Retailers increasingly tell us that disconnected systems generate conflicting guidance, forcing managers to reconcile answers rather than acting on them. Technology providers promise that AI-enabled solutions deliver the most value when it operates within defined workflows, and can provide guidance in near real-time, rather than as standalone analytics and insight delivered after-the-fact.

Retailers show that they are not interested in layering new technology on top of old stores and processes. Some demonstrate a willingness to experiment with full-service and store-within-a-store concepts, in-aisle customer checkout capabilities, and even pop-up store ideas.

With those objectives in mind, let's now look at technologies that are most valued, and what their implementation status is.

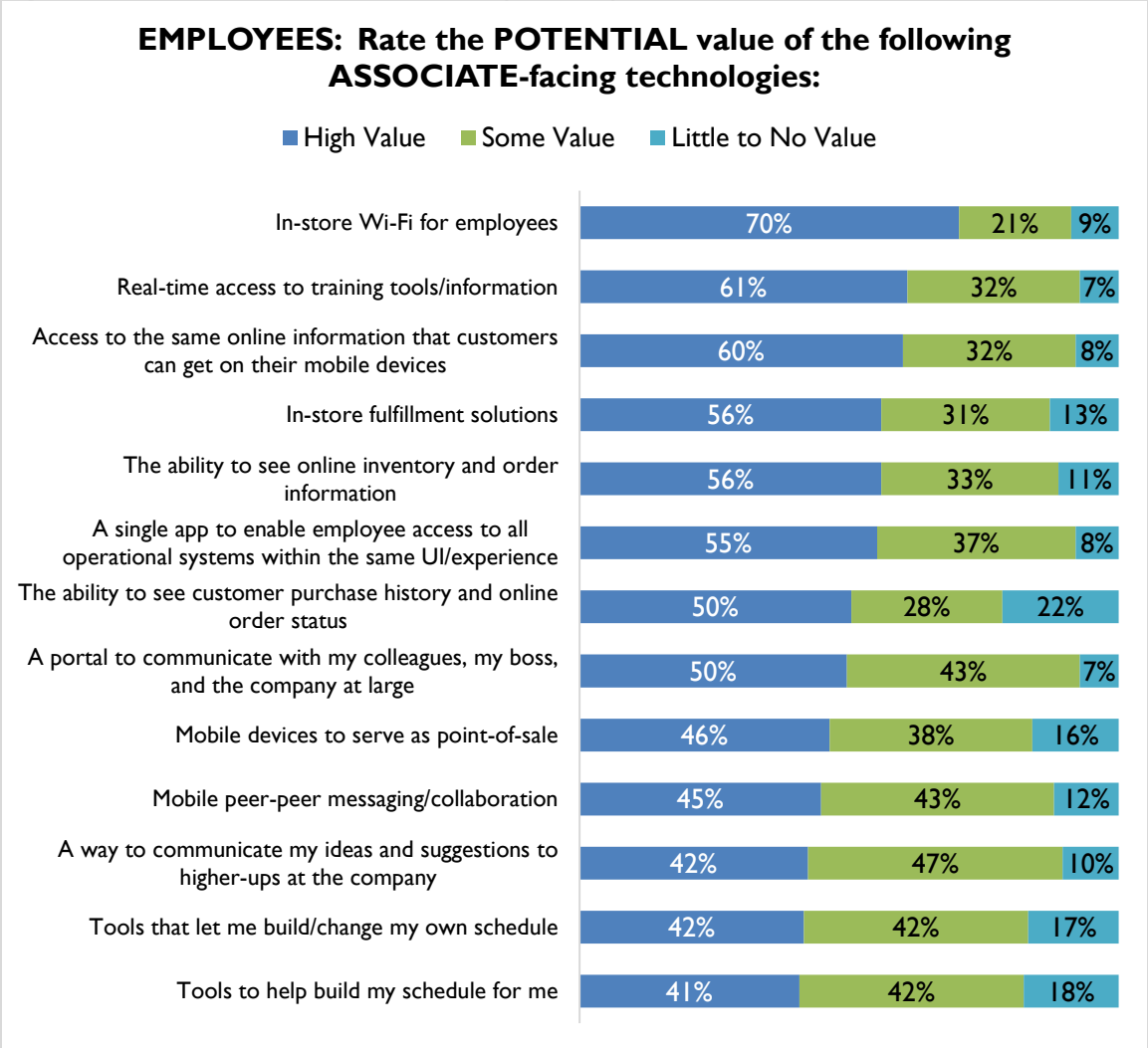
Pragmatism Prevails

The story so far in this report is that Winners know that by meeting consumer and employee expectations, re. enhancing the store experience with an infusion of technology, they can both improve employee job satisfaction and foster stronger customer loyalty, as well as strengthening their competitive position against online retailers and less innovative brick-and-mortar competitors. So, armed with an understanding of the challenges and opportunities that retailers are trying to address, we wanted to learn which technologies are most highly valued, and what their status is.

In addition to asking retailers, we also reached out to employees to ask how much value they assign to tools that theoretically enable store associates.

Let's focus first on the capabilities that employees prioritized (Figure 19).

Figure 19: Tell Me What You Really, Really Want



Source: RSR Research February 2026

The top-rated capability might seem obvious: *employees want WiFi access in the stores*. WiFi enables a plethora of employee capabilities, including mobile POS, real-time inventory management, automated pricing & shelf management, workforce productivity/task management, omnichannel fulfillment, and "just-in-time" training. But WiFi access in the store is arguably of even greater importance to customers, for product research and comparisons, mobile payments, wayfinding/accessing store maps, using digital coupons, loyalty program participation, or sharing information with friends and family.

WiFi access for employees is still very much a work-in-progress. While according to publicly available information an estimated approximately 90% of retail stores in the U.S. have Wi-Fi systems in-store, our study shows that 87% of Winners and 66% of non-Winners have implemented WiFi for store workers. But according to our data, far fewer are satisfied with their current capabilities, and 24% of all respondents are planning to upgrade. Even more concerning is that fewer SMB retailers are satisfied with their WiFi capabilities than any other group (Figure 20).

Figure 20: WiFi Adoption

Status Of In-Store Wi-Fi For Employees
('Implemented & Satisfied')

Winners	Others	$1B+	$500-$999M	$50-$499M
63%	42%	58%	58%	36%

Source: RSR Research, January 2026

Nonetheless, enabling WiFi access makes it possible for employees to access to training tools and content, and access the "*the same online information that customers can get on their mobile devices*" (the 2nd and 3rd most valued capabilities, according to store associates).

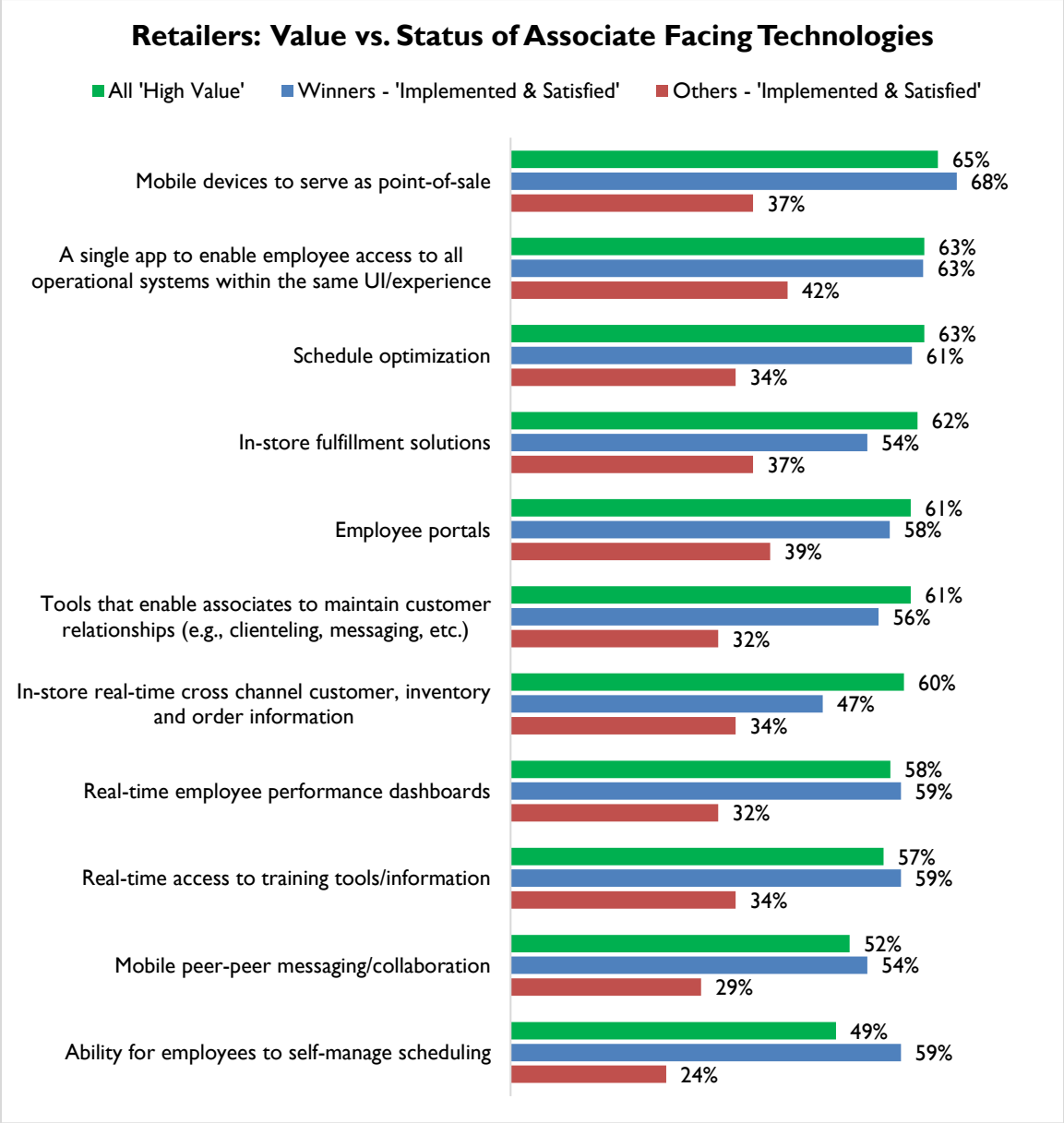
Getting The Message

It's clear from employee responses that they want to work in the same digitally enabled world that consumers do.

Let's address the most basic requirement first. Eighty-six percent of the respondents in our retailer survey assigned "high" or "some" value to providing WiFi access to store employees. Why that is so important to both employees and employers becomes clear when we asked retailers to rank the importance of W-Fi-enabled capabilities, as well as their implementation status (Figure 21).

When we compare "high value" to "implemented & satisfied" status, the results clearly show that over-performers are far ahead of their lesser performing competition. This is a pattern that is consistent across the spectrum of possibilities. **Winners are simply more aggressive in pursuing technologically driven improvements than others are**.

Figure 21: Top Associate-Facing Technologies



Source: RSR Research, February 2026

Generally, both retailers and store associates remain focused on using technology to **improve efficiencies and customer service**. But there are some nuanced differences in priorities worth pointing out:

1. At the top of the retailer list of high-value employee-facing technologies is "*mobile devices to serve as point of sale*". That has more to do with customers than it does store associates. Retailers across the spectrum of verticals and sizes assign a high value to that capability, and its popularity has steadily grown in the past several years (from 56% in 2019 to 65% in this study).

   But employees themselves don't put nearly as much weight on it as their employers do (46%, Figure 19). Our reading of that difference of opinion is that for employees checking

out a customer with either a mobile device or using a fixed location POS register is much the same thing. Customers may love it, and retailers themselves may appreciate freeing up valuable space for more merchandising, but for employees a checkout is a checkout.

2. Both retailers and employees place a high value on "*a single app to enable employee access to all operational systems within the same UI/experience*". This is primarily a training issue, although it has other benefits as well (for example, role-based access control to sensitive corporate data and functions). Both retailers and employees place a high value on a unified operational experience that delivers shared context and consistent answers across labor, inventory, and execution systems. While this simplifies training and onboarding, it also reduces confusion and improves decision-making on the store floor.

3. "*In-store fulfillment solutions*" is nearly as important for employees as for retailers. This is an efficiency and a customer service opportunity.

4. Retailers highly rate "*In-store real-time cross channel customer, inventory and order information*". Store associates seek those capabilities as well. This is clearly a customer service feature.

Where there is an important difference of opinion relates to **employee schedules and time management**. Effective labor scheduling is increasingly dependent on upstream labor planning, including accurate demand forecasting, labor standards, and skill-aware staffing models.

Retailers highly favor "*schedule optimization*" and the "*ability for employees to self-manage scheduling*". But employees are less interested in those capabilities.

This points to something elemental: store associates are realistic about what a job in retail is. In the store associate survey, we asked employees which tasks are most important to doing their jobs. They prioritized "*acting as a customer service agent", assisting customers to find the products they are looking for"*, and "*maintaining merchandise on sales floor*".

The message is clear: store employees just want the tools they need to do their jobs and satisfy customers.

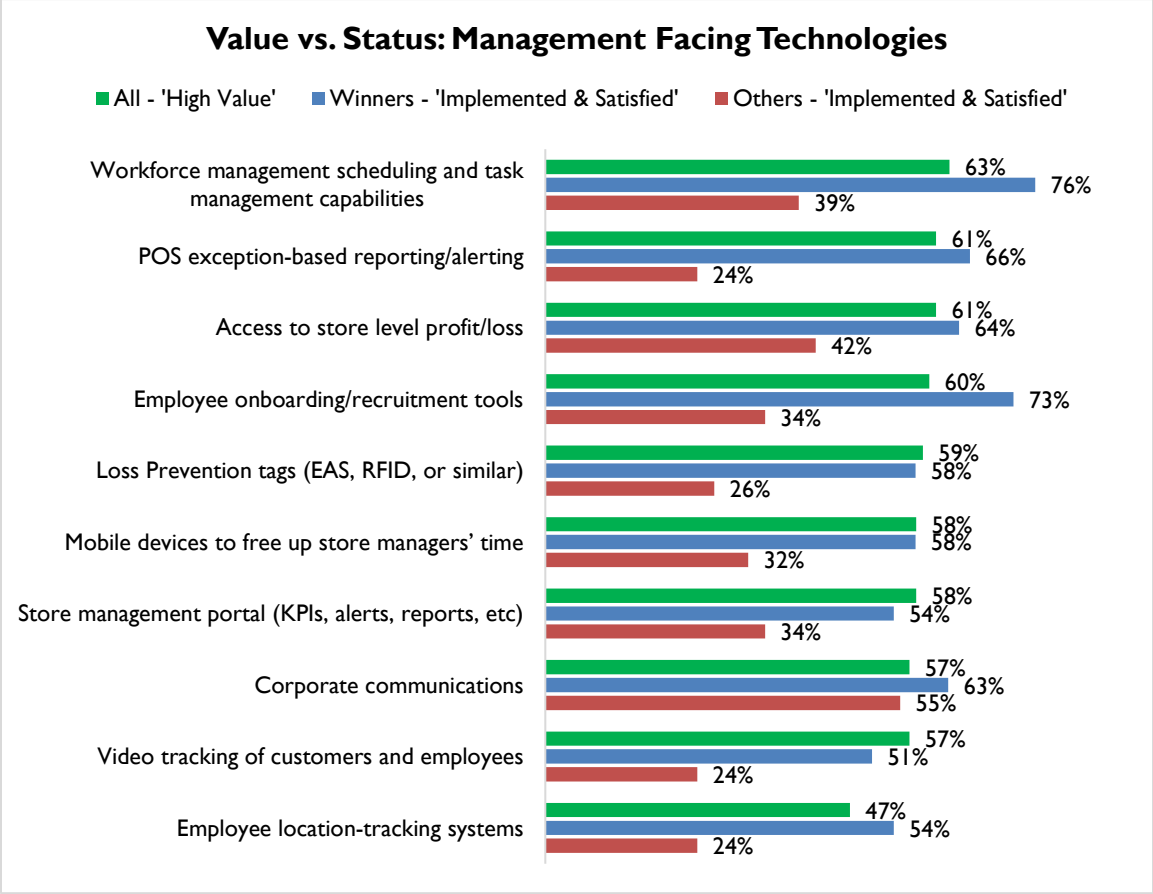
Enabling Store Management

When it comes to the store management team, the technology focus is all about maximizing efficiency. Ultimately however, they must go beyond scheduling and workforce and towards labor planning- forecasting, engineered models, budgeting and staffing.

But at the top of the list of capabilities that retailers is, "*workforce management scheduling and task management*" (Figure 22). As we pointed out earlier, while providing employees with the ability to self-manage schedules is more important to retailers than it is for employees themselves, task management is extremely important to retailers – because labor is the largest controllable expense in the store.

As we have come to expect, over-performing Retail Winners are farther ahead in successfully implementing task management capabilities than are average and under-performers. But looking inside the responses, retailers indicate that enabling these capabilities isn't a settled issue; 14% of Winners and 29% of others are **not** satisfied with what they currently have in place and are planning to upgrade.

Figure 22: Hyper-enabling Store Managers



Source: RSR Research, February 2026

For the other capabilities we asked about, over-performers appear to have prioritized their efforts in keeping with the value that they assign to each capability. Overall, those capabilities are focused on providing actionable information to managers so that they can operate at maximum efficiency.

Summing Up The State Of Enabling Technologies

If we had to summarize all that we have seen in this Technology Enablers section, it is that retailers are clear that they cannot win buy merely selling products, and so they are modernizing their stores to (finally) sync them up with the digitally enabled world that swirls all around them. As RSR has stated many times, if the consumer value proposition is reduced to price and availability, most retailers will be crushed by those mega-retailers than deliver those values so well. Creating a differentiating experience is important for all retailers, and over-performing Winners know that more than anyone. And achieving that, not by spending more on existing processes, but by optimizing processes to the max, is of vital importance.

But what about employees? In the last few years, RSR's studies have observed how retailers waffle between enabling employees to be true brand ambassadors to shoppers, or in making the shopping experience more self-service than ever, albeit with new technologies.

Now it's apparent that retailers, and particularly Winners, are recognizing that the store employee is a key component t delivering a relevant store experience. It's up to other retailers to catch up.

BOOTstrap Recommendations

Retailers must move from a *labor-minimization model* to a technology-enabled *empowerment model* where associates are equipped, trained, and valued. The customer experience, employee satisfaction, and financial performance are now inseparably linked.

Based on the report's findings (especially the BOOT analysis and the performance gaps between Retail Winners and others), RSR offers these recommendations for retailers:

Reframe Employees as Strategic Assets (Not Labor Costs)

Associate dissatisfaction (low pay perception, limited mobility, lack of empowerment) is directly undermining store performance. Winners understand that happier associates drive higher NPS, conversion, and sales per employee, which in turn reduce shrink and turnover.

Recommendations:

- Shift leadership mindset from "labor optimization" to "associate enablement."
- Create visible career pathways (management training, certifications, promotions).
- Improve communication around growth opportunities.
- Tie store success metrics to associate engagement and development.

Deliver True 360° Customer Visibility in Stores

Empowerment = knowledge + communication capability. Winners are significantly ahead here. The #1 opportunity identified is giving store associates visibility into:

- Customers' digital journeys before entering the store
- Real-time inventory across channels
- Order and fulfillment status

Recommendations:

- Implement unified customer profiles accessible in-store.
- Provide real-time cross-channel inventory visibility.
- Enable mobile tools for associates to access online browsing history (where consented).
- Integrate CRM, POS, and order management into a single interface.

Invest in WiFi & Mobile-First Infrastructure

Many retailers are still debating the ROI for new investments in store technologies. But Winners increasingly accept that there is no ROI. Rather, it's the cost of doing business. WiFi for employees and customers is foundational, but many retailers are dissatisfied with their current implementation and are planning upgrades.

Recommendations:

- Upgrade in-store WiFi reliability and bandwidth.
- Equip associates with mobile devices (scalable rollout).
- Consolidate systems into a single associate app/UI.
- Enable mobile POS where appropriate.

Automate Non-Selling Tasks to Free Up Associates

Winners automate aggressively so associates can focus on service and selling. But many retailers tell us that the stores are overloaded with:

- BOPIS fulfillment
- Inventory corrections
- Manual processes
- Task management inefficiencies

Recommendations:

- Improve per-store forecasting and demand planning, and tie store labor plans to anticipated sales.
- Improve real-time inventory accuracy tools.
- Optimize workforce scheduling and task management.

Prioritize Service as a Differentiator

Service is the differentiation strategy small retailers can leverage against mega-retailers. Smaller retailers see opportunity in:

- Knowledgeable associates
- Brand ambassador roles
- High-touch service

Recommendations:

- Train associates in consultative selling.
- Equip them with product knowledge tools.
- Make service excellence the brand promise.
- Recondition customers to engage associates rather than default to mobile devices.

Shift Metrics to What Actually Drives Winning

Shrink and turnover improve when experience improves. Winners focus on:

- Sales against competitors
- Net Promoter Score (NPS)
- Sales per employee
- Conversion rates
- Profit ratios

They do NOT obsess over:

- Shrink
- Turnover (as primary levers)

Recommendations:

- Align KPIs around experience-driven performance.
- Measure empowerment impact.
- Track sales-support vs selling ratios.
- Tie manager incentives to customer and associate outcomes.

Build a Culture of Experimentation

Winning is not accidental; it's a function of controlled experimentation. This is especially important when it comes to technologies that affect both store employees and shoppers. Winners are more likely to:

- Pilot new tech quickly
- Fail fast
- Scale what works

Recommendations:

- Establish store-level innovation pilots.
- Budget for experimentation.
- Encourage managers to test new workflows.
- Shorten decision cycles for technology adoption.

Appendix A: The BOOT Methodology©

The BOOT Methodology© is designed to reveal and prioritize the following:

- **Business Challenges** – Retailers of all shapes and sizes face significant **external** challenges. These issues provide a business context for the subject being discussed and drive decision-making across the enterprise.
- **Opportunities** – Every challenge brings with it a set of opportunities, or ways to change and overcome that challenge. **The ways retailers turn business challenges into opportunities often define the difference between Winners and "also-rans."** Within the BOOT, we can also identify opportunities missed – and describe leading edge models we believe drive success.
- **Organizational Inhibitors** – Even as enterprises find opportunities to overcome their external challenges, they may find **internal** organizational inhibitors that keep them from executing on their vision. Opportunities can be found to overcome these inhibitors as well. Winning Retailers understand their organizational inhibitors and find creative, effective ways to overcome them.
- **Technology Enablers** – If a company can overcome its organizational inhibitors, it can use technology as an enabler to take advantage of the opportunities it identifies. Retail Winners are most adept at judiciously and effectively using these enablers, often far earlier than their peers.

A graphical depiction of the BOOT Methodology© follows:



Appendix B: About Our Sponsor



Logile helps retailers run great stores with confidence. As a global leader in AI-powered Connected Workforce solutions, Logile cuts through operational chaos with one platform and one plan to keep every shift, shelf and store in sync. A retail AI trailblazer founded in 2005, Logile makes demand-driven operations real and repeatable by unifying forecasting, labor scheduling, task execution, inventory, fresh item management and food safety into a single platform. The result: less waste, labor aligned to real demand, stronger execution and consistently better-performing stores. Learn more at Logile.com.

Appendix C: About RSR Research



Retail Systems Research ("RSR") is the only research company run by retailers for the retail industry. RSR provides insight into business and technology challenges facing the extended retail industry, providing thought leadership and advice on navigating these challenges for specific companies and the industry at large. We do this by:

- **Identifying information** that helps retailers and their trading partners to build more efficient and profitable businesses;
- **Identifying industry issues** that solutions providers must address to be relevant in the extended retail industry;
- **Providing insight and analysis** about a broad spectrum of issues and trends in the Extended Retail Industry.

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