

TECHNOLOGICAL CHANGE AND LABOUR PROCESSES IN THE ORGANISED RETAIL SECTOR: A CASE STUDY OF A SHOPPING MALL IN DELHI

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ABSTRACT

This paper examines the impact of technological advancement on the changing labour of frontline workers in the organised retail sector based on a case study of a shopping mall in Delhi–NCR. Its main concern is to see how labour use practices are being transformed by innovative technologies in the contemporary scenario. It also highlights the possibility that technological advancement can limit the role of workers and their mastery over the craft. The study shows how innovative technology demarcates the role of frontline workers, confining their functioning to the periphery of specific centres and allotted shelves.

Keywords: organised retail sector, frontline workers, technology, de-skilling, re-skilling

1. Introduction

Customer satisfaction can transform into customer loyalty, which is a key asset for retail outlets facing stiff competition in a globalised market (Orel and Ali, 2013). In this context, advancement in technology has revolutionized how customers and businesses interact (Lee and Kiseol, 2013). To create a more conducive shopping experience and win the trust of customers, some firms have started using advanced, state-of-the-art technologies from the shop floor to the point of sale (Pietro et al., 2014). These technologies provide customers a hassle-free shopping experience. Similarly, they are also utilised for accounting, recording product details, and surveillance.

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These technologies are highly interactive, and they play a key role in customer relationship management. Today, technologies like special product centres, self-service mode of shopping, using background music in store, CCTV cameras, announcement chambers, universal product codes, electronic points of sale, and electronic article surveillance have become an integral part of every modern retail outlet. Marketing strategists have argued that innovative customer support services and advanced scanning technologies can help sustain a smooth shopping experience and increase the productivity of a firm. However, less attention has been paid to what extent these innovative and interactive technologies have impacted labour use practices. In this regard, this study attempts to answer some crucial questions—how have these technologies changed the role of frontline workers? How have these state-of-the-art technologies changed labour use practices in retail outlets? What methodologies and strategies do the management use to control, de-skill, and re-skill frontline workers? To answer these questions, data have been collected from a hypermarket located in a shopping mall in Delhi–NCR.

2. Methodology

The data were collected through a pilot field survey conducted as part of Ph.D. dissertation of this author. Qualitative data were collected through non-participatory observation, field visits and open-ended discussions with frontline workers. Nearly 42 frontline workers were interviewed, of which 12 were female and 30 male. Of the 42 workers, 12 were promoters and 30 were firm employees. Among the workers, almost 23 respondents reported that they had finished their higher secondary education, 17 reported that they had either graduated or were pursuing their graduate degrees, and two reported that they were pursuing post-graduate degrees (Table 1).

The shopping mall to be studied was selected using the snowballing method. After interacting with acquaintances who were working in shopping malls in the area, a pilot survey was conducted in the respective malls. After five days of observation and contributory interaction with the workers of the three malls, one was selected for conducting extensive fieldwork. Based on the insights, one shopping mall famous for its heavy footfall was identified for detailed research. The selected shopping mall is located in the southeast zone of Delhi–NCR. It houses the retail outlets of many national and international businesses. It is well established and attracts a large number of shoppers from the surrounding areas. It is connected with a metro station and bus stops close by. It also provides abundant space for visitors arriving in private taxis and parking facilities for owner-driven vehicles. It has all the characteristics typical of shopping malls – a multiplex, restaurants, and other entertainment centres.

Table 1: Profile of the Respondents

Sample			
Gender	Male	Female	Total
Number	30	12	42
Age			
18-24 years	10	8	18
24-30 years	13	2	15
30-36 years	6	2	8
36 years and above	1	-	1
Working for			
< 6 months	21	10	31
6 months to 1 year	7	2	9
1 year to 2 years	1	0	1
2 years and above	1	0	1
Education			
12 th pass	14	9	23
Graduates	14	3	17
Post-Graduates	2	-	2

Source: Fieldwork, September 2014 to June 2015

This survey was conducted in a hypermarket which is part of one of the largest retail chains in India. It is located within the selected shopping mall and attracts customers from upper- and middle-class families. During the survey, it was found that the selected hypermarket is one of the main attractions across the three shopping malls visited in the first round. The hypermarket occupies a large area of the shopping mall, and is divided into 11–12 special centres: fashion, food, home and kitchen, chill station, electronic bazaar, footwear and jewellery, furniture bazaar, and other services. Each of these sections is further divided into sub-sections like formal wear, casual wear, night wear, personal care, toy zone, etc. Each special centre has its own workforce which varies as per product specialisation and requirements. Overall, this hypermarket employs more than 3,500 to 4,000 frontline workers.¹

The following is the scheme of the paper. Besides Introduction and Methodology sections, Section III provides a brief introduction to retailing. Section IV introduces frontline workers and their main responsibilities in the institution and briefly discusses their functioning. Section V examines the impact of innovative technologies on the de-skilling and re-skilling of frontline

¹ This information is based on fieldwork conducted in Delhi from September 2014 to June 2015.

workers. Section VI presents the labour processes methodology used by the management to convert the services of frontline workers into commodities. Section VII concludes the paper.

3. Retailing

Retailing is a purely commercial activity. It is a system of selling finished products to the customer. Over time, this system of selling finished goods has witnessed a sea change in the Indian market, from the evolution of new markets to the transformation of retail from unorganised to organised sector. The growth of the modern retail sector in India can be attributed to many factors, such as India's liberalisation policies; changing patterns of urbanisation; and the emergence of new consumer payment systems (for example, the plastic currency revolution based on credit and debit cards). Similarly, changes in the composition of the population and the workforce in urban centres is an important factor in this regard (Mathur, 2010). The advent of foreign direct investment (FDI) led to the emergence and formalisation of the modern retail sector. Big shopping malls, large retail outlets, hypermarkets (supermarkets), e-commerce (virtual retail market) and retail chains are the prominent features of the current organised retail sector.

Simultaneously, the retail sector has incorporated new, state-of-the-art technologies that seem to ease the customer's shopping experience and provides them with a fun and encouraging atmosphere. For instance, big box retail stores are divided into special centres, each with its own special products and services team (Price, 2011); one can find background music and air conditioning to relax the customer, attractive discounts and offers, and new methods of aggressive advertisement. Further, to gain the trust of customers, modern retail follows a self-service system. The service team of frontline workers helps answer customer queries regarding products, their quality, and use. Moreover, to assist customers with complaints or any requests for special products and information regarding their availability, there also exists an announcement chamber. The customer can be assisted by the store manager or the head of the respective special centre at the announcement chamber.

To speed up work, modern retail outlets use CCTV cameras, universal product codes (UPCs), electronic points of sale (EPoS), and electronic article surveillance. Through CCTV cameras the management does the surveillance of the shop floors and can check the quantity of the products required for shelves. The management can also monitor customers and send them help if required. Similarly, the UPC identifies a particular item, its name, quality, size, colour, and price. The UPC is a machine-readable bar code—containing a series of unique black bars with 12 unique digits beneath it. The UPC helps speed up the work at the checkout point. The EPoS is another technological innovation that helps in speeding up this

process. It allows customers to make payments by debit or credit card. It verifies the transaction and provides sales reports. The electronic article surveillance machine recognizes items that have not been billed at the checkout counter. It is a security system that helps prevent theft in retail stores. Disposable label tags or reusable hard tags are attached to the merchandise, and an alarm is triggered if a customer exits the store with a product with tag which was not removed at the checkout counter.

4. Frontline Workers

People with good interpersonal skills are appointed as frontline workers in the organised retail sector (Guptoo, 2009). They are either hired in large number through direct recruitment or based on market demand. Their work is to achieve the sales targets set by the management. These targets are fixed on a weekly basis at 110 per cent, 100 per cent, and 90 per cent. The other activities of frontline workers include performing the assigned functions of special centres, maintaining and cleaning the allotted shelves, arranging products on shelves, and maintaining records. Furthermore, their main responsibility is to uphold the firm's reputation. They must be excellent communicators who can sustain their energy throughout the day to interact with customers. Further, they are required to follow the firm's rules and regulations and look presentable in keeping with the dress code.

A person with basic education is qualified for the position of frontline worker. According to the norms of the firm, higher qualifications or technical education are not essential for the position. Frontline workers primarily manage the daily footfall in retail outlets. They are expected to make the shopping experience pleasant for customers through their interpersonal skills (Gruys, 2012). Their responsibilities include serving customers whenever they require assistance and provide them with information relating to the products.

5. State-of-the-art Technologies and Labour Processes

Prima facie, the shop floor of the hypermarket represents a fair political institution where every individual enjoys his/her rightful share. The firm has a platform to sell its wares, customers exercise their agency in choosing products, and frontline workers act as white-collar employees, utilising their interpersonal skills to serve customers in a constructive atmosphere. Nonetheless, a deeper interrogation shows that this constructed world is elusive – it is far from both reality and fairness. In fact, it is a “twilight zone between reality and a commercially produced fantasy world of commodified goods, images and leisure activities that gratify transformed desire and provide packaged self-images to a distinctive form of subjectivity” (Langman, 1992, p. 41). It is a world created by the bourgeois to accumulate resources by introducing a new shopping culture and subjugating workers in the name of new service norms.

It is generally claimed that the introduction of new technologies improves the ease of shopping in the retail sector; however, in reality, it appears that, instead, these technologies are used to suppress the individual's subjectivity and impose the firm's own ideas on him/her. In order to sell more, the organization adopts technologies that influence customer's logical thinking at the time of selection of products for purchase. Aggressive advertisement, big hoardings, sexual commodification of body, and lucrative offers and discounts are used to influence customers' selection of products. Similarly, the availability of a variety of national and international products at one place can lead to an increase in anxiety levels of the customers during shopping. Along with background music, cordial service of the frontline workers also manipulates customer's logical thinking. These tactics compels customers to make impulsive decisions and they often end up purchasing products that are not of their immediate use. In other words, it allows the firm to convert the finished product into a used product and maximise their profits.

New technologies also help institutions de-skill and re-skill their frontline workers. The purpose of re-skilling appears to be to utilise the needed skills to convert the finished products into used products for the customer. The practice of dividing stores into special centres is one of the most important methods adopted by the management to boost sales. It is based on the age-old formula of division of work and labour. It seems to be done with the intention of increasing the productivity and efficiency of workers. During the fieldwork, respondents noted that they were appointed to their respective centres depending on their prior work experience (if any), technical education, and knowledge. They further explained that the management could also allocate new recruits based on the demand from the special centres.

On the one hand, doing sales personnel work by frontline workers in a specific special centre for long periods of time actually reduces their capacity to learn new skills and leads to de-skilling (Price, 2011). On the other hand, it seems that working in the same centre for long periods increases their capacity to learn skills relating to particular products, hence leading to the acquisition of new skills. Nonetheless, the division of special centres clearly resembles the modern conveyor belt system of manufacturing. Like blue-collar workers, frontline workers are placed at different special centres to produce special products. In this system, their main responsibility is to sell special products of firm, like that of blue-collar workers whose responsibility is to fabricate special products for the industry. Consequently, workers gain mastery over producing special products, but there is reduced "craft mastery" as defined by Braverman (1998).

The fragmentation of frontline workers into promoters and firm employees in special centres further impacts their skill levels. During the fieldwork, it was observed that the frontline workers were broadly divided into two categories—promoters, who were appointed by the companies, and

firm employees, who are appointed by the retail outlet. The respondents reported that promoters are agents of the company and represent its products on the allotted shelves on the premises of the retail outlet. Though their work and services are directly managed by the company, they work under the direct supervision of the retail outlet. Gamble and Qihai (2009) have argued that firms appoint such agents to reduce costs and increase labour flexibility and availability.

The distribution of work between firm employees and agents in a single institution shows the emergence of new divisions of work that go beyond traditional methods of maintaining labour flexibility. The work is, *prima facie*, divided between the core workers of the firm and the periphery workers of the company, but in terms of responsibilities, both perform the same specialised tasks (Gamble and Qihai, 2009) of selling products. The promoters, as the company's representatives, are restricted to a limited role. They are made to acquire specialised skills to promote only their company's products in the assigned centre. Their knowledge remains limited to the company's products; they hardly gain access to other products—similar or different—in the same centre. This practice appears to not only reduce their capacity to acquire multiple skills, but also limits the scope for acquiring them. It in fact forces the workers to remain specialists of that product until they change jobs or get transferred to a new department with a different product.

6. Commodification of Workers

During the fieldwork it was found that the state-of-the-art technologies introduced by the firm to enhance the shopping process were being utilized for the social conditioning of workers. They have been trained to adopt the work culture established by the management on the premises. The respondents reported that they live in harmony with their peers and even with the promoters. But when it comes to achieving the sales target provided by the management, they act like true competitors. One respondent reported that she and her friend joined big box retail together and were placed in the same special centre. However, her friend is a promoter. She noted that they are good friends; nonetheless, when a customer visits their centre, they view each other as competitors. Another respondent reported that the incentives paid in addition to the salary were one of the main reasons for the competition. According to him, when they exceed the given sales target, they earn higher incentives on their salary. A third respondent added that apart from the incentives, they can also earn bonus gifts on account of their sales performance.

One respondent noted that the management has placed the performance board in the lunchroom to motivate or encourage them to perform well. Pragmatically speaking, it appears that the management placed the

performance board there deliberately to constantly remind the workers about their performance. This is done because their performance is directly related to the sales of the firm. The deployment of new technology in the retail sector appears to directly conflict with the inherent skills of the frontline workers. The introduction of new technologies across retail outlets has resulted in the de-skilling of workers and the conversion of their services into commodities. During the fieldwork, it was found that workers receive on-floor training. They are trained to interact with the customer in a polite manner and convert the finished products into used products. They are also trained to control their emotions while interacting with customers and to win their trust with smile and positive body language. The respondents reported that in training they are taught about the products and their quality also. However, it appears that technology has transformed the work of these active salespersons into emotional labour. The technology of self-service has reduced their work of introducing the product. During the fieldwork, it was observed that the customer hardly waits for the frontline worker's information or direction. Instead, they directly pick the product they want.

In this era of self-service shopping, the role of frontline workers seems limited to providing the emotional service of pleasing the customer with surface acting that serves the firm's purpose (Hochschild, 1983). It appears that the emotional service of frontline workers is utilised more than their craft mastery. Sales people's talent for selling products and their command over product information seems to be rendered redundant in self-service retail layouts. It was found that instead of leadership, the job emphasised the workers' interpersonal skills. Frontline workers have been reduced from playing a commanding role in the retail environment to being helping agents—their help is sought only when a customer seems confused while selecting a product or asks for assistance. The introduction of UPCs has also reduced the craft mastery of frontline workers. Generally, it is believed that UPCs help speed up work, especially at checkout counters. Nonetheless, it was observed during the field visit that frontline workers pay less attention to the cost of products because of this. If a customer asks about the price of a product, frontline workers either scan the product or tell the customer that they will get to know the price at the checkout counter. It was also found that stickers on product packaging, especially of eatables, contain information related to product quality, freshness, and expiry date—this also reduces the interaction between the customers and frontline workers.

Higher usage of technology has reduced the overall skill level of frontline workers. Instead, it helps the firm modify the inherent interpersonal skills of its workers as per the requirement. During the fieldwork, it was observed that through monitoring technology, the organisation manages to suppress the leadership qualities of the frontline workers. Technologies like CCTV cameras and announcement chambers play a vital role in this. The respondents reported that CCTV cameras are supposed to monitor the

customer and prevent stealing and the mismanagement of products. With regard to the announcement chamber, they reported that it is meant to help the customer with particular products or complaints. It also helps in coordinating workers and the store manager or general manager. Nonetheless, CCTV cameras and announcement chambers are also used to monitor frontline workers and their performance. It was also observed that the fear of continuous observation via CCTV cameras makes frontline workers more proactive in their performance. The announcement chamber also creates a fear of being incompetent in their work of pleasing the customer. The practice of pleasing customers with their soft skills to convert finished goods into used products is actually a process of socializing to adapt to a submissive nature.

Technologies like EPoS and electronic article surveillance have alienated frontline workers from the listing of items purchased by customers and financial transactions. In fact, advancements in interactive technologies have limited the role of frontline workers. Many methodologies adapted by institutions to de-skill and re-skill frontline workers use these advancements in technology. Evidence suggests that in an era of innovative and interactive technologies, frontline workers not only lose their craftmastery but also get confined to a more limited job role. Their work is reduced to pleasing the customer with their emotional labour. Their service has been commodified for the use of customers. Moreover, their actual work has shrunk to the allotted centres, where their focus lies on the maintenance of the shelf and the firm's reputation.

7. Concluding Remarks

This paper presents a case study of a shopping mall in Delhi–NCR. However, in the contemporary scenario, there are many such occurrences that point to the impact of technology on the overall role and responsibilities of frontline workers. The most prominent among these is the virtual retail market or e-commerce. Advancements in technology—computers, smart phones, GPS trackers, online banking, and shopping applications at the point of sale—have altered the role of frontline workers. These not only reduce the craft mastery of frontline workers, but also transform them into last-mile workers. In this new system, frontline workers only deliver products to assigned addresses. The use of new technologies has converted their product knowledge skills into location search skills. It seems that with the help of interactive technologies, the online retail sector has replaced the need for soft skills with the ability to transport packages through the shortest possible route—including the last mile—to deliver the product.

Through a case study on frontline workers employed at a shopping mall in Delhi–NCR, this study examines the impact of interactive technologies on

their role in the retail environment. It attempts to look at the role of the management in de-skilling and re-skilling workers with the help of advanced technologies. The study found that business farms use certain technologies to suppress unwanted skills and replenish the soft skills expected from the workers. Advancements in technology have restricted the role of frontline workers and reduced their craft mastery. It has actually limited their role to the periphery of separate special centres and allotted shelves. Further, it helps the organization mould the nature of the work of frontline workers according to their own requirements.

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