

46 ENTERPRISE

There's no service with a smile online

Michael Sherlock

When consumers lack confidence they don't spend as much, particularly on discretionary items, which negatively affects retailing.

Additionally retailers are confronting increased competition from more efficient and cheaper online retailing sites which now compete on quality, leaving customer service as their only key differentiator with online competitors.

For many businesses with a customer focus, the service environment is the crucial element to success. To compete with online, retailers have to create an exceptional service environment. If consumers are served by robots, they might as well shop online.

Research shows shoppers will pay more for a product if they are in a first-class service environment, are relaxed, engaged and have made human contact.

Retailers need to get back to the basics of the theatre of retail, providing the experience of human connectivity with the customer. It is rare these days to experience a smile, eye contact and genuine appreciation for your patronage.



Customers buy more if the service environment is right.

Photo: BLOOMBERG

The best customers are the ones businesses already have. Retailers have recruited the customers who understand the brand and service offering. So while it's very important to recruit new customers, often not enough is done to fully "mine" the ones they already have and to increase their frequency.

Customer relationship

management is all about satisfied customers who return time after time to tell their friends and family about great quality, service and price. This is called word of mouth advertising, an endorsement, the cheapest and best form of advertising.

In today's social media world this process has been amplified. The internet has levelled the media

playing field and every customer is now a potential media commentator, food reviewer or secret shopper.

Now if customers receive good or bad service they have the means of instantly communicating their opinion of their experience, good or bad, to a wide audience.

This means it is more important than ever to have exceptional customer service. In order to sell, business owners and their teams need to build a relationship with their customers and help solve their problems.

It is also important to plan social media strategies as part of the wider business plan. You don't go to a cocktail party and sell. People usually ask what you do. If you sell real estate they may ask for your card and follow up outside the party. You have connected. Treat Facebook and Twitter like a cocktail party.

In my experience, the training of frontline team members is the best investment any retailer can make. Many shy away from training because of the expense, but they need to look at the real cost that ignorance plays in diminishing their business.

One easy-to-follow customer engagement process, SEE — ME, can be used to showcase your brand

in any retail or service organisation.

The letters stand for:

S = Smile

E = Eye contact

E = Enthusiastic greeting

— = ... slight pause (mentally

summarise the customer's needs and how to connect)

M = Meaningful response
(Repeat the order and strategically upsell. One in four will say "yes".)

E = Evermore (Offer loyalty card, discounts etc to encourage repeat sales. And say thank you.)

If the serving person's first contact with the customer is to give them a genuine warm smile and make eye contact with a greeting, the customer's experience is enhanced; they are likely to be more committed and ready to buy. It is so simple, but how often do you experience it?

Ensure your business provides exceptional customer service. Customers prefer this environment to the uncertainty and delay of online. They will weigh up the options and shop human to human.

■ Michael Sherlock is the former chief executive officer of Brumby's Bakeries and co-author of *JumpShift!* which has suggestions for retailers.