



RULES OF ENGAGEMENT

Franchisees should never underestimate the importance of exceptional customer service, especially in these tough economic times where the threat of online retailing continues to loom, writes Michael Sherlock

Every day the media reports that retail chains are doing it extremely tough and increasing numbers are failing in this unprecedented financial environment. The outgoing Woolworth's CEO, Michael Luscombe, said recently that those retailers who wanted to survive had to be at the top of their game. So what is peak retailing? Essentially it's about focusing on the customer – knowing who they are and building strong, ongoing relationships through exceptional service.

Know your customers

Consumers usually buy with three elements in mind: quality, service and price. With the greater uptake of online purchasing, shop-based retailers find it hard to compete on quality and price, which leaves service as their key differentiator in the fight against online competitors. In order to sell, franchisees

and their teams need to build a relationship with their customers and help solve their problems.

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 get the most out of the ones they already have and to increase their frequency. Customer relationship management is all about satisfied customers who return time after time and tell their friends and family about great quality, service and price. This is called word of mouth advertising. It's an endorsement; the cheapest and most trusted form of advertising.

In today's social media world this word of mouth advertising process has been amplified. The internet has levelled the media playing field and every customer is now a potential