

How to best engage with your customers

13 October 2011 | by 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.

Word of mouth advertising is particularly important in today's digital world.

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 media commentator – a food reviewer or a secret shopper. Now if a customer receives good or bad service they have the means of instantly communicating their opinion of their experience, good or bad, to a wide audience. They create the content regarding a brand and put it on record for all their friends and followers to see.

Getting it right

To compete on service, franchisees have to provide an exceptional service environment. If consumers are treated like robots, they might as well shop online. Retailers need to go back to the basics of the theatre of retail; that is, providing the experience of human connectivity with the person selling you the product. It's rare these days to experience a smile, eye contact and genuine appreciation of your patronage.

It is also important to plan social media strategies as part of your business plan. You don't go to a cocktail party and openly sell. People usually ask what you do, so if you sell real estate they may ask for your card and follow up outside the party. In this way you have connected. You need to treat Facebook and Twitter like your conversations at a cocktail party.

Training

The training of front-line team members is the best investment any franchisee can make. Many retailers shy away from training because of the expense, but they need to look at the real cost that ignorance of the product, lack of basic selling techniques and poor communication play in diminishing their business.



Customer engagement

There are six easy steps that any franchise can use to ensure excellent customer engagement. You just need to SEE - ME.

S = Smile - at the customer in front of you and if there is a queue all the people in it

E = Eye contact - look the customers in the eye

E = Enthusiastic greeting - "Good morning, how can I help you?" If there is a queue of customers, speak to all of them and reassure them that you will attend to them shortly

– = Slight pause - mentally summarise the customer's needs and understand where the opportunities are, use your product knowledge

M = Meaningful response - listen to the customer's response, refine the order and then up-sell. One in every four up-sell attempts will succeed so celebrate the rejections as you are one step closer to the successful up-sell

E = Evermore - offer or stamp their loyalty card – you want to keep your customers for evermore

The first three steps are the main drivers in any retail organisation. If the serving person's first contact with the customer is to give them a warm smile and make eye contact with a greeting, the whole customer experience is enhanced incredibly. Look out for this next time you shop.

Interviewing tip

When interviewing potential front-line team members, a good tip is to see if they can smile and make eye contact in the first 10 seconds of the interview. Even though they are in a pressured interview environment, if they can't smile or make eye contact with you, they're unlikely to do so with your customers when on stage in the theatre of retail.

So franchisees, be at the top of your game, treat all your customers like royalty, engage them, remember their names and buying preferences – connect with them. Customers will prefer this environment to the uncertainty and delay of online. They will weigh up the options and decide to shop human-to-human.

Michael Sherlock is the former CEO of Brumby's Bakeries and co-author of newly released book 'Jumpshift! Shift your business into Hyperdrive'



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