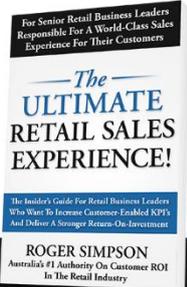


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It's time for a Retail Reset

Roger Simpson CEO The Retail Solution

Covid19 has certainly caused huge disruption to businesses and in particular retailers. With many having closed their doors for some time, the future of a number of retailers are certainly on the line and some will just not survive. For those that do survive though, here is the perfect opportunity for a re-set. Most have been given the gift of starting all over again; it's like opening for business for the first time. Retailers can now look at their business through a different lense, not one clouded by "that's the way we've always done it."

Retailers can look closely at what was working and what wasn't and make these changes when they reopen. Here is the opportunity for retailers to work on their business instead of in it and come up with the perfect model to take advantage of the shopping habits of today and tomorrow's savvy customers.

I've identified some key areas that all retailers need to work on which you will find listed below. These tips cover key areas such as hiring and training the right staff and how store managers can follow up and support their team members to offer an amazing service experience, every single time!

Retail Reset 1 – What does the returning customer need?

It's unlikely that customers will just flock back to stores when they reopen, I'm predicting a more cautious approach by customers as they get used to visiting stores. Retailers have a huge task in reconnecting with customers who have been made wary by all the restrictions imposed. One of the first steps all retailers need to do is build trust with customers so they feel comfortable in your stores. This starts with increased hygiene awareness and habits, so customers feel safe in your stores.



Customers will have gotten used to shopping online, so here is a massive opportunity to focus on the one thing they never got online – a human interaction resulting in a positive feeling. Every customer must be made to feel welcomed and treated like a gift, there's no second chance to get it right, as these customers know they can simply buy online.

Building rapport will be paramount, to break down any barriers and build trust, a commodity that has taken a severe hit with all that has been going on. Create memorable experiences with these customers so they realise why they need to shop in store and not just online.

Retail Reset 2 – What makes a great team member?

One area that I'd suggest always needs work is hiring and retaining great team members. Now is the perfect opportunity to determine, if you don't know already, what makes a great team member and use the influx of team members that have been laid off to strengthen your own teams.

So what makes a great team member?

There are a number of attributes that I would suggest which are:

- 1) A passion for helping people
- 2) A ready smile and maintains eye contact
- 3) A great listener
- 4) Ability to ask questions to determine the customer's needs
- 5) Open to feedback and learning new things
- 6) Goal focussed

From my experience the best sales people are not the ones who have heaps of product knowledge and fancy closing techniques as they can often just focus on over talking about products they love and then use pushy closing techniques.

The best sales people build trust, ask great questions, listen and provide solutions that meet the customer's needs as well as finding complementary products and therefore exceed the customer's expectations.

Retail Reset 3 – why training is critical to your success

One of the biggest areas that is overlooked in retail is staff training. Challenges with time off the job, having to find and use replacement staff and the overall cost are the biggest reasons given for not training frontline staff. Now is the perfect time to invest in training frontline staff, with the ease of availability of online training as well as the low cost of this type of training.



How can you expect your team to perform if they're not trained? It's no wonder service levels have been pretty poor over the past few years. Online shopping will have a larger foothold, now that customers have been forced to do this while at home, so retailers have to be even better to entice customers into their stores and provide them with an experience they simply can't get online.

Here are two vital areas that need to be covered to set your team up to succeed:

- 1) Clear expectations need to be set – how to serve customers from the moment they walk in right up to the time they leave. They need to be very clear on what they need to do to create an amazing experience every time
- 2) Basic product knowledge – use the 80/20 rule. Train team members in the 20% of products that bring in 80% of the sales.

Retail Reset 4 – Successful selling strategies

Another key area that is not done well by a number of retail sales people is selling. It's a well-known statistic that it's easier and far cheaper to sell more to existing customers than get new ones through the door. Yet, too many times I have seen customers walking out of a retail store with one item or worst still nothing!! Now I know that not every customer is going to buy when they walk in, however there's too much money being left in customer's wallets when they walk out.



Selling has to be done ethically, with the customer as the focus, otherwise it will result in a short-term sales bump but customers won't come back. Here are some tips on how to sell successfully and ethically:

- 1) It starts with building trust with customers
- 2) Ask questions to identify their needs (or problem they want solved)
- 3) Show you have listened (repeat back key points)
- 4) Present the best solution for their needs (based on their answers to your questions)
- 5) Suggest complementary items that will enhance their experience

If your team follow these simple 5 steps then they are well on the way to making sales for the right reasons and customers will thank them and come back.

Retail Reset 5 – Why follow up is critical

The previous key points have been emphasising the need to recruit the right team members and then induct and train them to your expectations. You have now set them up to succeed; however if the training is not followed up by store managers, most of this initial training will simply fall away. Team members need follow up on the job to ensure they put in place what they have learnt.

Here are 3 critical steps to make this happen:

- 1) Managers have to lead by example. Team members will look to their store manager for direction and if the store manager is not modelling the correct behaviours then the team won't either.
- 2) Evaluate your team dealing with customers. The only way to know if your team are performing to the required level is to observe them in action with customers. You can't give feedback unless you know what has or hasn't happened.
- 3) Now you know where each team member is at, it's time to give them feedback, ideally, immediately after they have served a customer, so it's fresh in their minds. This feedback is provided on the job in between customers, so it needs to be concise and to the point.

Retail Reset 6 – How to provide effective feedback that works

I find that most managers struggle to give feedback, particularly if it involves the negative kind! However, your team won't improve unless you are identifying the areas they need to keep doing and what they need to work on. I also find that most team members want to do a great job and are open to your feedback, particularly if you have followed my recruitment guidelines.

The easiest and best feedback you can give is positive feedback. Once your team are set up and serving customers, look for areas they are doing well and walk up and tell them. This feedback will take you as little as seven seconds, yet leaves them feeling great and wanting to keep going.



However if they aren't meeting the standards required, identify the area they need to work on and simply ask them how they could improve and why they think this change is important to the customer. If you use an approach like this, the response from most team members will be very positive.

The key now is to follow up again and catch them doing it right. This is so powerful as it shows you care enough to support them making a positive change.

If you follow these two feedback models your team will soon be delighting your customers.

Retail Reset 7 – Using KPI's to drive performance

KPI's are critical for all retailers to be across as they provide clear data on how each store and often each individual is performing. This data is essential to analyse who needs help and who needs praise.

In retail, my favourite KPI is items per customer. This is sometimes called basket size, and is an indication of how many items each customer is purchasing. Generally, the higher the number, the better. The secret to raising this number is pretty simple. As I have identified previously, great sales people have conversations with customers about other complementary products and when they do, customers will often purchase more than one item.

Items per customer will also increase average sale, another important KPI. My advice to retailers is to train their team on what these KPI's are, how they can move them and follow up to ensure the team members are having the right conversations with customers.

With sales being knocked around by Covid closures and low foot traffic, retailers must take full advantage of increasing these KPI's when customers return to their stores. Every opportunity has to be taken to increase items per sale to boost overall sales as well as profitability.

Retail Reset 8 – Setting your team up to succeed.

It's hard to predict how customers will respond once the present restrictions are lifted, my thoughts are customers will want to come back into stores, albeit slowly at first until they feel more confident. Every retailer has to work hard on ensuring customers and team members are safe in the first instance. This will build confidence and trust and keep customers coming back.

As retail is a people business, what I have been outlining is the importance of recruiting the right team, training them and following up to support them being amazing. This is all possible if store managers have their people as a key focus, rather than being stuck filling out reports.

A key way to set the team up to succeed on a daily basis is to have a quick chat with incoming team members before they start their shift. Too many team members simply arrive and go straight onto the floor with zero direction. This pre shift conversation should cover up to date KPI results and focuses for the day. Then during their shift, managers need to be following up and checking back in.

Putting in place these basic steps will ensure your team are focussed, motivated and productive.

Retail Reset 9 – Maintaining a high performing store

Your people are your greatest asset. This is so true with retail stores, who rely on great sales people working in their stores. I believe if retailers put a sharper focus on the performance of their teams, the result would be amazing, resulting in a consistently high level of customer service. If retailers want to beat out the competition (online and other stores), then the key difference is their people.



Maintaining great team performance, assuming you have recruited the right people, comes down to how well the store manager holds their team accountable. I have described in Retail Reset 5 – 8, what I believe to be the key steps managers need to take on a daily basis to get the best out of their team.

One of the biggest challenges facing all store managers in achieving this is finding the time to be on the floor working alongside their team. Two things will help:

1. Delegation – Managers must delegate more to free up time to be on the floor.
2. Management – has to stop taking managers off the floor to do paperwork



I understand there has to be a balance on the above two points, but store managers do their best work on the floor leading by example and coaching.

Let's make sure that retail returns to a wonderful place for customers to visit, firstly it is safe for them as well as team members and retailers provide an amazing experience every single time. This is the key to a flourishing retail business and an awesome face-to-face experience will beat an online experience every day of the week.

If you need help with any of the above challenges, please feel free to get in contact with me as follows:

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