

RETAIL CUSTOMER SERVICE

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Module - 3

Outline

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- II. The Importance of Good Customer Service In a Retail Store
- III. Types of customers
- IV. Top 10 Ways to Turn Off Customers
- V. 21 Tips for Excellent Retail Customer Service
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- VIII. Dealing with the Disgruntled Customer
- IX. 11 Ways to Tell Your Customer No
- X. G.U.E.S.T

What is Customer Service?

"Customer service is the sum total of what an organisation does to meet customer expectations and produce customer satisfaction".

- **There are many models of customer service but all agree that organisations should have clear answers to the following basic questions:**
 - **Do customers have a clear idea of the service they can expect from you?**
 - **Do you gather high quality information about your customers and what they want on a regular basis?**
 - **Can you be contacted easily?**
 - **Do you have competent and well trained staff?**
 - **Do you respond quickly to queries and requests?**
 - **Have you made it easy for customers to complain and make suggestions about the quality of your services?**
 - **Do you involve your customers in the development of products and services?**

the **RIGHT** product
in the **RIGHT** place
in the **RIGHT** quantity
at the **RIGHT** time
for the **RIGHT** price

forecasting &
demand planning

supply chain
speed

inventory planning
& optimisation

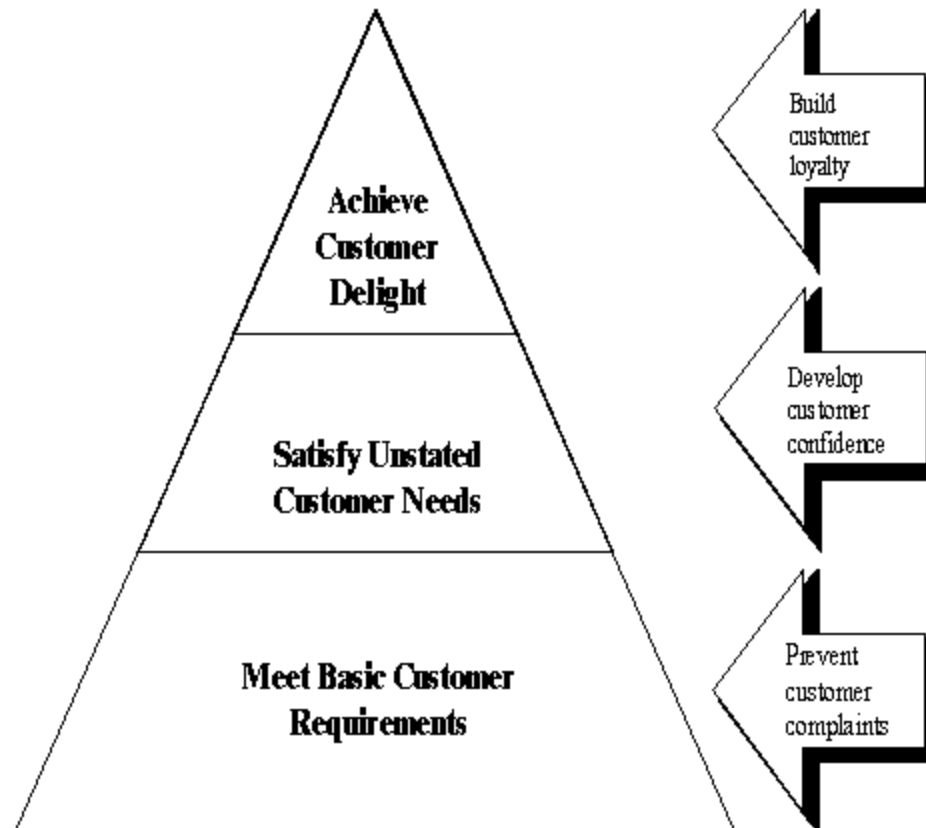
accurate,
available data

Customer service can be used as a framework to look at all aspects of your business:

- **Image and presentation**
- **Promotion of services**
- **Contact and communication with customers**
- **Service delivery**
- **Monitoring and improving services**
- **Resolving customer problems**
- **Customer relationship management**

- **Key to customer service is getting all members of your organisation to embrace it through training and development, at individual and team level. Creating a culture of customer satisfaction starts with effective management and leadership and having clear measures for customer satisfaction in all aspects of the business.**
- **This can be encouraged through:**
 - **Creating your own Customer Charter or Code of Practice**
 - **Benchmarking your activities against other organisations**
 - **Creating and monitoring specific measures of customer satisfaction**

Customer Satisfaction Model



CUSTOMER

Customer Centric / Facing
Functions

Operations
Management

Senior
Management

CEO

The Importance of Good Customer Service In a Retail Store

Good Customer service in a retail store goes far beyond making that one sale to that one customer. Here are 4 reasons why good customer service will increase your business and bad customer service can put you out of business.

1. Making or increasing the Sale.
2. Return Visit by the Customer.
3. Word of mouth advertising
4. Controlling Shrink.

The 5 Types of Customers

- Loyal customers – 20% providing 50% business.
- Discount customers
- Impulse customers
- Need-based customers
- Wandering customers



Top 10 Ways to Turn Off Customers

- 1. Dirty Bathrooms**
- 2. Messy Dressing Rooms**
- 3. Loud Music**
- 4. Handwritten Signs**
- 5. Stained Floors or Ceiling**
- 6. Burned-out or Poor Lighting**
- 7. Offensive Odors**
- 8. Crowded Aisles**
- 9. Disorganized Checkout Counters**
- 10. Lack of Shopping Carts/Baskets**

ATTENTION MANAGER OR OWNER

Wanted to let you know I am a paying customer who left.
Without buying

Because no one in your store said a word to me.

Consider this a gift since most people won't tell you why they
don't buy. But I just did.

Hope you do a better job with your next potential customer.

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**"The bad news is, our customers hate us. The good news is,
we have a lot fewer customers than we used to!"**



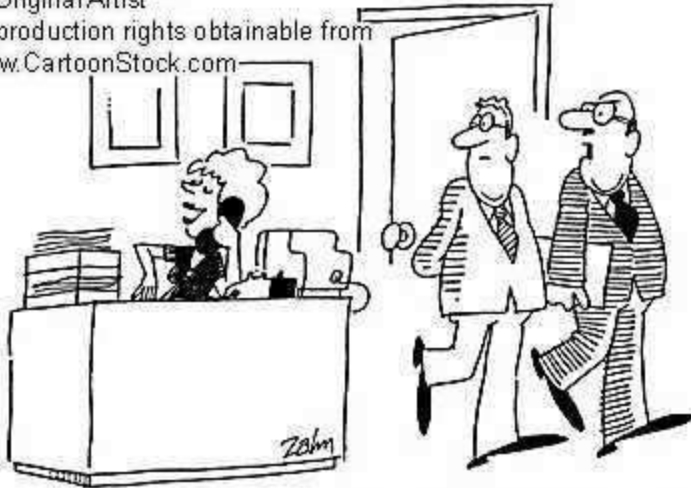
<http://www.youtube.com/watch?v=RskfYxj0n88>

<http://www.youtube.com/watch?v=uVqBzP0xdKk>

EXAMPLE OF VERY POOR CUSTOMER SERVICE



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"MUST BE A PERSONAL CALL - SHE SNARLS AT THE CUSTOMERS!"

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"Someone calling themselves
a customer says they want
something called service."

**you are NOT
just a salesperson**

**You are a
PROFESSIONAL
who represents your business**

**people will judge
your store
and the whole business
by the customer service
that comes from**





21 Tips for Excellent Retail Customer Service

1. Smile when greeting a customer in person and on the phone (and yes, they can tell if you are smiling over the telephone!).
2. Use age-appropriate greetings, and avoid referring to older customers and women as “guys.”
3. Be proactive and ask how you may be of service.
4. Stay visible and available, but don’t hover.
5. Don’t turn away, walk away, start to make a phone call, or duck beneath the counter as a customer approaches. (We’ve all had it happen to us.)
6. The live customer standing in front of you takes precedence over someone who calls on the phone.

- 7. Never judge a book by its cover—all customers deserve attention regardless of their age or appearance.**
- 8. Leave food and beverages in the break room.**
- 9. A customer doesn't want to hear about your upcoming break.**
- 10. Makes any personal calls when you're on a break and out of earshot.**
- 11. The correct answer is never "I don't know" unless you add to it, "but I can find out for you."**
- 12. If a customer wants something that isn't on display, go to the stock room and try to find it.**
- 13. If the item isn't in the stock room, offer to call another store or order it.**
- 14. Learn to read body language to see if a customer could use some help.**

- 15. Don't let chatty customers monopolize your time if others are waiting.**
- 16. Call for backup support if lines are forming.**
- 17. Be discrete if a customer's credit card is declined by asking if there is another method of payment he or she would like to use.**
- 18. Never discuss customers in front of other customers (they'll wonder what you're saying about them once they leave).**
- 19. Inspect merchandise before bagging it to make sure it's not defective or the wrong size.**
- 20. Make sure customers receive everything they've paid for before they leave your store.**
- 21. Smile as you are saying goodbye and encourage the customer to come again.**

Well-groomed

Friendly

Punctual

Reliable

Mature

Retail

Customer-Service

Approachable



Appealing to Repeat (Loyal) Customers

- It is more efficient to serve repeat customers than to heavily promote to lure new ones.
- Often, new customers are lured because of a special sale, buy goods that have a low markup to the retailer, and then switch to another store when it runs a sale event. Repeat customers are more apt to buy a full range of merchandise, not merely discounted items. This means that the retailer can reach its profit margin goals.
- Revenues can be increased (not just maintained) by placing greater attention on repeat customers. They can be encouraged to shop more often and to purchase more on each trip to the store.

These are some hints for targeting current customers better:

- Develop a data base with the appropriate customer information.
- Set up some type of frequent-shopper program that can reward people for their continued patronage. The program does not have to be complex.
- Communicate with repeat customers on a regular basis. Mail them a letter at least quarterly. Call them at least once per year. Customers are often quite impressed when they receive 'friendship' rather than "sales pitch" letters and calls. People like to feel appreciated.
- Run special events for good customers. This also lets them know how important they are to the firm.

- Offer extra services, such as free delivery or more liberal return policies, for good customers.
- Do not reward your new customers at the expense of the current ones. Think carefully about having promotions that offer benefits to new customers that are not available to current ones.

Customer Is King

And customer experience is
the key to commercial success.

Telephone Handling

- <http://www.youtube.com/watch?v=54xYxV1SoaU>

As we deal with customers over the telephone, we need to remember that:

- **It is a substitute for face-to-face conversations.** Therefore we need to work at finding ways to compensate for what we are missing out on:
 - we cannot see facial expressions, manners, reactions
 - we cannot see what the other person is doing
 - we cannot lip-read what the other person is saying
 - we cannot use illustrations to help them understand

- **Answering the phone professionally**
 - **Answer the phone within 3 rings**
 - **Use the four answering courtesies:**
 - Greet the caller
 - State your organisation (or department)
 - Introduce yourself
 - Offer your help
 - **Show enthusiasm when you answer. Help make the caller feel welcome**
 - **Use friendly phrases as part of your greeting.**
 - *“Thanks for calling.”*
 - *“May I help you?”*
 - **Remember to smile as you pick up the receiver.**

A

ALWAYS

L

LISTEN

F

FIRST

- **Closing the conversation**

1. Thank the caller.
2. Let the caller know you appreciate his/her business.
3. Provide assurance that any promises will be fulfilled.
4. Leave the caller with a positive feeling

- Some courteous closing statement examples:

- *“Thank you for calling. We appreciate your business “*
- *“Thanks for your order.”*
- *“Feel free to call us anytime.”*
- *“I’m glad we were able to help.”*
- *“Goodbye and thanks for calling.”*
- *“I enjoyed talking with you.”*
- *“If you have any additional questions please call me.”*

- **What to do when you have to put customers on hold:**
 - Ask them if you can put them on hold.
 - Tell them how long they will be on hold.
 - Assure them that you will be working for them while they are on hold (tell them what you will be doing away from the phone).
 - Wait for their response.
 - When you get back to them, thank them for holding.

Dealing with the Disgruntled

Customer Service Tips to Save the Sale

- **Stay Calm and Remember It's Not Personal**
 1. Listen carefully to what the customer has to say, and let them finish.
 2. Ask questions in a caring and concerned manner.
 3. Understand the customer's issue completely
 4. Don't be defensive
 4. Apologize without blaming and empathise
 5. Ask the customer, "What would be an acceptable solution to you?"
 6. Solve the problem, or find someone who can solve it— quickly!
- **Resolve Their Problem, Not Yours**
- **Contain the problem**
- **Explain the company's desire to improve**
- **Follow Up with a short Turn Around Time**

- **Educate your customer**
- **Satisfy the Customer**
- **Acknowledge the Customer**
- **Reward the Customer**
- **Follow Up with the Customer** even after the closure of the issue
 - Send personalized mailings
 - Invite them to special in-store events as a VIP shopper
 - Ask about their family or events in their life
- **Learn From Mistakes**
- **Recover**
- http://www.youtube.com/watch?v=8X-Ksqn_T_c
- <http://www.youtube.com/watch?v=WuHHC4tpXt0>
- <http://www.youtube.com/watch?v=ybCxN86n61k>

Turning Around Customer Complaints



11 Ways to Tell Your Customer No

- 1. Empathize with the customer's situation.**
- 2. Validate the customer's emotions while reiterating your intention to help.**
- 3. Focus on the primacy of the customer and the relationship.**
- 4. Treat every "no" like the first "no" of the day.**
- 5. Explain the reason why you have to say no.**
- 6. Offer your best alternative first.**
- 7. Give the customer realistic options.**
- 8. Be consistent.**
- 9. Be firm but polite.**
- 10. Get curious. "What else would be important for me to know right now in order for me to best help you?"**
- 11. Ask for feedback.**

G.U.E.S.T

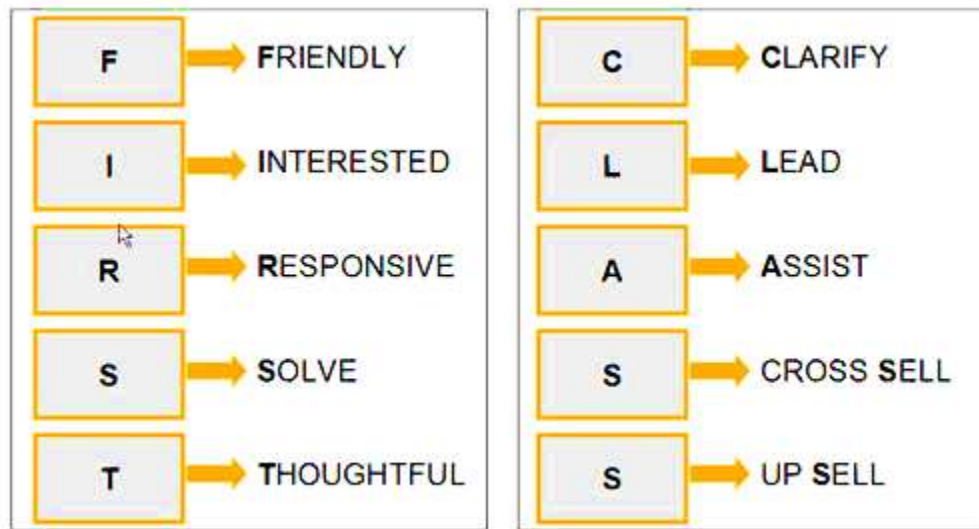
- **GREETING**

- Acknowledge the customer as soon as they enter
- Smile, enthusiasm and friendliness
- Time appropriate greeting
- Title
- Welcome
- Introduction and opening statement

- **UNDERSTANDING**

- Asking open ended questions
- Gaining clarity
- Understanding the type of customer [Customer profiling]

- **EXPLAINING THE PRODUCT**
 - Matching the product to the customer's requirements
 - Talk points of the product
 - Suggesting alternatives
 - Talking about offers, discounts or promotions
- **SELLING**
 - Suggestive selling
 - Upselling
 - Cross selling
 - Closing the sale
- **THANKING**
 - Capturing customer data
 - Smooth and pleasant transition from the POS to Exit
 - Thanking the customer
 - Endorsing the brand
 - "We look forward to seeing you again. Have a great day sir."



CUSTOMER SERVICE TOP TEN

- 1. APPEARANCE**
– first impressions last a long time
- 2. ATTITUDE**
– a learned behavior, make it positive
- 3. FRIENDLINESS**
– be generous, give smiles unconditionally
- 4. IMPRESSION**
– what's left in the room after I leave
- 5. RESPONSE-ABILITY**
– take action, exceed customers expectations
- 6. COMMITMENT**
– my pledge to service and teamwork
- 7. TEAM THINKING**
– my actions effect everyone in my organization
- 8. COMMUNICATION**
– active listening and positive responses
- 9. SERVICE**
– my personal commitment to make a difference
- 10. PERSONAL EXCELLENCE**
– I believe in my ability to make a difference



The Customer Service Manifesto



10 STEPS TO WIN OVER CUSTOMERS & CLIENTS

1. Have an **A*** attitude
2. Understand the **customers' needs**
3. Provide the **product / service** that best meets **their needs** (not yours)
4. **Do NOT** serve with **expectations**
5. Give them **options**
6. **Promptness** is a virtue
7. Be an **expert** in the product / service
8. **Professionalism** is crucial
9. Ensure full **customer satisfaction**
10. See your **relationships** with customers as **long term**

- *All of the above are tried tested and well researched guidelines from experts*
- *It is key to understand the nature of the customer and respond appropriately quickly*
- *This takes plenty of practice and role plays help hone your tools*
- *It takes a special person to be a part of the service industry*
- *Remember you are instrumental in giving a great experience to the customer. You are important.*
- *ALL THE BEST!!!!*