

A young woman with dark hair, wearing a white sleeveless top and a necklace, is smiling and looking at a tablet computer she is holding with both hands. She is in a retail store, with clothing racks and garments visible in the background. The scene is brightly lit, suggesting a window or large indoor lighting. A semi-transparent dark grey box is overlaid on the left side of the image, containing the title text.

The 10 Best Practices of Customer-Centric Retailing

As our physical and online environments continue to come together, consumer behavior keeps changing and retailers need to react. Today's consumers are extremely connected and live a digital lifestyle. They are educated, expect speed and have become extremely demanding. With an overload of mass marketing, some customers have lost trust in retailers and have become less loyal.

In this guide, we will take you through the 10 best practices that every customer-centric retailer needs to follow in order to increase loyalty, new customer acquisition, visit conversion, transaction value and to optimize marketing and customer engagement costs.



- 1 KNOW your customer
- 2 AUTOMATE customer engagements
- 3 PERSONALIZE the customer experience at every channel
- 4 EMPOWER sales associates and improve the store experience
- 5 SURRENDER to self-service
- 6 EMBRACE online communities, social media and customer-to-customer relationships
- 7 LISTEN to and NURTURE your best customers
- 8 ADAPT branding to customer segments
- 9 INTEGRATE systems, channels, supply chain and organization as a whole
- 10 JOIN the mobile revolution

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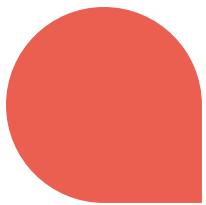
KNOW your customer

Customers are interacting with brands from many different touch points, whether it is in store, on social media or e-commerce platforms and it is critical for retailers to capture this information wherever they may be.

Collecting business intelligence empowers retailers in many ways, such as being able to better understand consumer behavior and preferences, profiling and segmenting customers, measuring performance by channel, forecasting sales and identifying trends in category performance.

Retail KPIs

- Average transaction value
- Average transaction size
- Customer gross profit
- Point of purchase
- Campaign response
- Social media presence



Convert these insights into action (campaigns, tactics, and engagement workflows) and optimize marketing and customer service investments.

2

AUTOMATE customer engagements

Capturing, processing, and analyzing critical customer data allows retailers to improve customer loyalty by engaging customers in ways that really interest them and at the right time. Create a sense of exclusivity and urgency by providing time-limited offers or follow up on abandoned e-commerce carts by sending targeted messages.

Sample Workflow



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PERSONALIZE the customer experience at every channel

Establish one-to-one relationships that are highly personalized in product, service and outreach at every channel. Whether in store or online, retailers should be able to access a complete history of the customer's purchases and should be collecting valuable data such as customer preferences, contact information, lifestyle information, wish lists and more. Sales associates can advise a customer when a new collection from their favorite designer has arrived in store or head office can send a coupon for an item found in the customer's online wishlist. The opportunities are endless!



A multi-channel customer spends 3 to 4 times more than a single-channel customer.

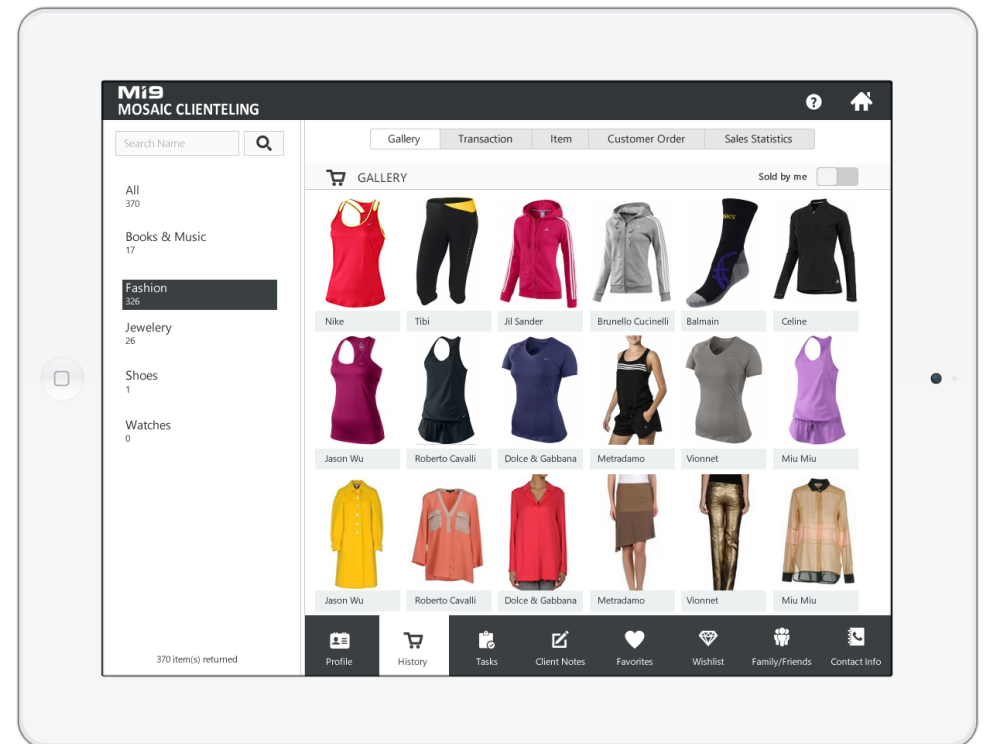
SOURCE: Women's Wear Daily, Retailers Pursue Mobile with Conviction, 2010

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EMPOWER sales associates and IMPROVE the store experience

Store experience, customer service and sales associate education are important in increasing store traffic, conversion, average transactions value and gross margin.

Empower your sales associates with mobile technology and the right set of tools so that they can provide outstanding customer service and employ best selling practices. Several capabilities to consider include inventory lookup, product browsing, accessible in-depth customer information (purchase history, preferences, wish lists) and mobile transactions.



Conversion rates increase as much as 9% when customers were assisted by associates who possess a high degree of product knowledge and demonstrate strong interpersonal skills.

SOURCE: Deloitte, The Changing Face of Retail, 2011

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SURRENDER to self-service

Does the phrase “Thanks, I’m just looking” sound familiar? Every customer is unique and there are some that simply do not want to be served by a sales associate. In this case, encouraging self-service is key and associates can reply by informing the customer about their newest product or a current promotion and then let the customer browse the store until they are ready to engage.

Several successful practices to consider in order to manage self-service include providing in store digital product browsing, way finding, ensuring consistency across all channels, personalized recommendations and offers and access to account information.



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EMBRACE online communities, social media, and customer-to-customer relationships

Consumers are connected and more social than ever. They are talking about your brand and products, and it critical to be present, to listen and to become part of the conversation.

- Have personalized conversations
- Ask questions
- Be open to suggestions and complaints (customer service)
- Recognize those that contribute to the conversations
- Give offers and rewards
- Share compelling content (videos, images) that resonate with consumers

Keep an eye on follower growth and engagement activities such as likes, retweets, mentions, comments and shares.

78% of consumers said that companies' social media posts impact their purchases.

SOURCE: Forbes, Are Brands Wielding More Influence In Social Media Than We Thought?, 2012

71% of consumers are more likely to make a purchase based on social media referrals.

SOURCE: Hubspot, 71% More Likely to Purchase Based on Social Media Referrals, 20



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LISTEN to and NURTURE your best customers

Customers know much more about your business than you may think and there's valuable information to learn from them. Listen to their suggestions and don't hesitate to solicit them for their ideas.

Ongoing engagement, whether it's before, during or after a sale, is also important. Keep the associate-customer relationship active by sending thank you e-mails or letters, confirming deliveries and following up on replenishment items.

The goal is to enhance loyalty and convert customers into brand evangelists and advocates who will fuel viral word of mouth. Remember that brand evangelists have a high ROI.

Not only do brand evangelists help lower your costs by acquiring new customers for you, they lower the cost of that acquisition by up to 50%.



SOURCE: Zuberance, Brand Advocates:
Turning Enthusiastic Customers in to a Powerful Marketing Force, 2012

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ADAPT branding to customer segments

The way customers interact with and buy from retailers has completely transformed. Customer loyalty still exists and is generally focused on the brand, much more than the sales channel. That being said, customers are being bombarded with thousands of brand messages every day and the only way cut through the clutter is by delivering highly relevant messaging. In order to keep up with customers, retailers must adapt brands, in-store and customer experiences to different profiles, emotional connections and cultures.



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INTEGRATE systems, channels, supply chain, and organization as a whole

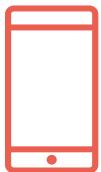
Customers are interacting with retailers across many channels and not only do they want an omni-channel experience, they expect it. It is also a way for them to differentiate one brand from another. In order to keep up with the changing retail landscape, retailers must integrate all touch points: stores, web, mobile, call centers, appointments/service, etc.

“67% of online shoppers have made purchases in the past six months that have involved multiple channels.”

SOURCE: Zendesk, The omnichannel customer service gap, 2013



Websites



Mobile



Store



Email



Social Media



Call Center



Digital Print



Search

10

JOIN the mobile revolution

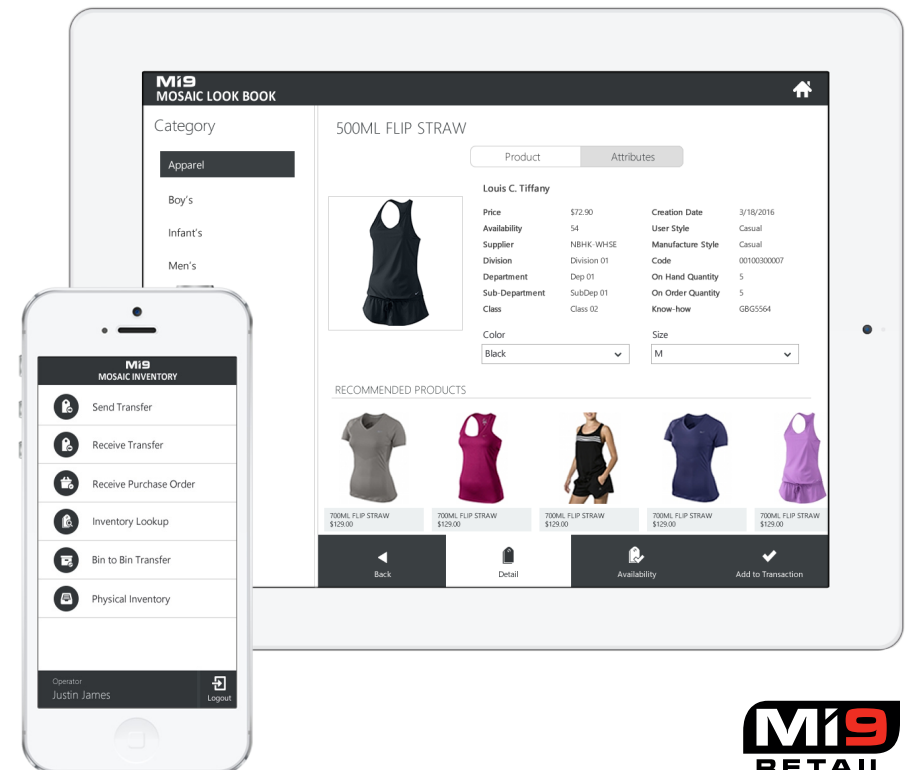
Today's customers are more and more connected through mobility in their daily lives. They have access to information such as reviews and comparative prices when and where they want it and as a result it is not uncommon for a customer to actually have more information about a product than the in-store associates themselves. Retailers have begun addressing these new shopping habits by providing better tools to associates, more specifically by empowering them with mobile solutions.

Several common mobile solutions to consider include:

- POS
- Clienteling Inventory Management
- Analytics

The definition of in-store mobility is rapidly expanding to consumer-facing solutions which can be used in the store as well. Here are several examples of consumer facing applications:

- M-commerce friendly site
- Mobile couponing, promotions, and product recommendations (text messaging and/or rich apps)
- Location-based services
- Personalized kiosks
- Proprietary apps
- Joining networked/community apps (Facebook, Pinterest, Instagram)



Mi9 Retail, a premier provider of enterprise retail merchandising, business intelligence, e-commerce, and customer-centric software, empowers the world's most successful retailers to build strong personal relationships with their customers, process high volumes of transactions in real time and optimize inventory across all channels utilizing a single, accurate source of the truth. Built using cutting-edge technology, the software minimizes costs of ownership and provides the industry's fastest time to value.

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