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RETAIL CONNECTIONS



SHELFSPACE

THE ASSOCIATION FOR RETAIL ENTREPRENEURS

A Quarterly Magazine for
Retail Entrepreneurs

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Do they like you?

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About Shelfspace

Shelfspace, The Association for Retail Entrepreneurs (Shelfspace) was established in 1917 as the Retail Merchants' Association of BC (also known as Retail BC). In 2009, Retail BC and Retail Alberta merged to form Shelfspace.

Shelfspace is for retailers committed to excellence. Our values – that of entrepreneurialism, self-expression, relevancy, excellence and professionalism are also the veins that run throughout the retail industry. As an association made up of retailers, these values are the lifeblood of Shelfspace and as a result, we strive to support our community through savings, advocacy, performance and community.

Governed by a dedicated group of retail leaders, Shelfspace exists to serve the retail community. Through connecting like minds, offering perspective, sharing information, providing programs, products and services, and speaking as a voice for the industry. Shelfspace enables the community to share, connect and deliver excellence in the face of new ideas, emerging trends, complex policy changes, fluctuating labour markets, and changing economies.

If you are a retail professional, we are proud to serve you as part of this community and invite you to connect with others at www.shelfspace.ca. We are an evolving organization that is thriving in the space of interaction, of people learning from one another, of being a place where entrepreneurs express themselves, expand their knowledge, engage with other leaders, share success, overcome challenges and strive for excellence. Welcome to your space.

Share your passion for retail excellence.

Managing The Customer Experience

The Apple Way To Succeed

Ted Topping

One of the most important things you can do as a retail owner or manager is to step around to the other side of the counter and take a long, hard look at your business from that perspective.

Whether this happens months or years after you first open your doors, you eventually need to start taking your customers' thoughts, wishes and dreams into account or you will fail. And from that moment on, you will need to spend much more of your business life giving customers what they want.

The key to doing this is to manage their in-store experience more effectively. This is the Apple way to grow a business.

Service has become experience

Some decades ago, retailers focused on serving customers well. Being "nice" to customers meant a lot in the era when selling staff were the product-knowledge experts, but much of retail has moved past that.

Today, the focus of retail, especially smaller and specialized retail, has shifted to the total customer experience – the way that everything looks from the customers' point of view, where the buying decisions are made.

Demanding customers want small stores to create trends and delight the senses with something new and fresh on every visit. And although they may not even consciously know it, they

also expect retailers to establish an appropriate mood and give them good reasons to buy.

These last two items are emotional. And crucial to giving customers what they want because research shows that the vast majority of all purchase decisions are made precisely where the emotions reside: in the subconscious mind.

“Purchase decisions are made precisely where the emotions reside: in the subconscious mind.”

Premium brand, global comparisons

In many important ways, owner-operated retailers are like a premium brand. Customers specifically choose them as a better alternative to the department stores, the national chains and the big-box retailers.

Because they are a premium brand, customers expect them to perform not just as well as any other retailer, but better. And the comparisons stem beyond similar retailers to a consumer's global customer service experience across all industries. The best owner-operated retailers can take this comparison. They do that by focusing on delivering a consistently

positive in-store experience, which really helps their businesses stand out in the experience economy.

In their book “The Experience Economy: Work is Theatre and Every Business a Stage”, Joseph Pine and James Gilmore showed how successful companies – using goods as props and services as the stage – create experiences that

engage customers in an inherently personal way. While this idea seemed revolutionary at first, it is now being widely adopted.

That is the main reason why every retail owner and manager should set aside one morning per week to go benchmarking. This means taking the time to study a direct or indirect competitor in an organized way.

As a customer – but also as an informed insider – take time to look at a competitor's products and business practices with the ultimate goal of improving your own.

Benchmarking shows you how other companies achieve excellence,



and raise your expectations. And by sharing your insights with your staff, it will give team members the information and tools they need to improve performance.

Learning from the best

The Apple retail stores have for years been one of the best stores to benchmark. And in May 2011, they took a huge step forward when they significantly upgraded their in-store experience.

In case you missed the hype (not likely), iPads placed next to every Apple product now provide interactive product, service and support information. The devices also give customers the ability to summon a store employee to their side at any time.

Beyond this, an updated Apple Store app tells customers the number of people in line ahead of them and the wait time to speak with someone at the Genius Bar.

The customer experience provided at the Apple stores has even raised the level of expectations when people interact with other companies. Everything from telecommunications providers to financial institutions are now judged differently.

An interesting aspect to this story is that although the upgrades at Apple featured a lot of new technology, human help now seems even more accessible in their stores than it was before.

With the introduction of its stores, Apple's brand characteristics – innovative, friendly, cool and quirky – had to be delivered by its customer-facing employees. Few people today would argue that these frontline employees play anything less than a critical role in the in-store experience.

Customers feel that Apple staff know everything about everything in the store and they are clearly excited to share their knowledge. From this it follows that customers recognize Apple staff members as experts, and tend to look up to and respect them. But there is absolutely no pressure to buy. Customers are welcome to play with any product they wish, and they are allowed just to have fun discovering the features, attributes and benefits for themselves.

In short, the Apple stores are managing the customer experience by stepping around to the other side of the counter and then giving customers exactly what they want. Any retail business that does the same will no doubt succeed. ■



passion ■ FOR RETAIL ■

As presented at this year's Passion for Retail Conference 2011, Ted also runs a 3.5 hour interactive workshop for mid and small-sized retailers (including owner-operated), which includes:

- Managing by the Numbers
- The Physical Space
- Selling and Service
- Team Productivity
- Position of Leadership

Ted Topping (www.tedtopping.com) is a Vancouver speaker, writer, trainer and consultant. He is co-author of *Start and Run a Retail Business*. Ted is also facilitator of *Perfecting the Customer Experience*, a three-day benchmarking program that delivers serious business lessons in the fun environment of Disneyland®.

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