

# Excellent customer experience matters more than before

**A**re Asian retailers lagging behind their American counterparts in creating excellent customer experience? What happens when customers are served poorly, and can excellent customer experience really create more business?

In an omni-channel retail world, customers have the bargaining power. They shop wherever they are with their devices and are in control of their shopping process from research to home delivery to click & collect. Armed with information and reviews, they no longer depend on retail front-liners on the shop floor to answer their questions.

With a more sophisticated customer relationship management system, customers expect personalised communication and service from retailers based on their likes and transaction history. They have a voice and they will use it to share their experience and recommendation.

Therefore, in this digital era, customer experience matters even more than before. Retailers must go beyond order-taking and fulfilling to engage their customers emotionally through strategic brand activation. Brand Activation refers to seamless activities that bring brands to life and encourage positive customer participation — physically or digitally.

Customer Experience is a form of brand activation that can help to grow the business. Retailers with better service culture — supported by retail staff who demonstrate good understanding of their core customers, their shopping preferences and can deliver excellent customer experience at every touch point — will perform better than others.

Yet this remains a common problem at Asian retail stores.

Recently, I was at the store of a leading electrical goods chain. I was planning to buy an oven and was looking at one of the display models. I approached a retail staff for help, but although she was polite, she could not answer my questions because, she said, this was not her brand and that the promoter concerned was out for lunch.

At the ladies shoes department of a downtown department store, I

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approached a retail staff for help to get my shoe size. I had the same response again: “Sorry, I am not the promoter of this brand.” I was left alone. Given these encounters, am I better off with online shopping that allows me to shop globally with a click? Or should I try the click-and-collect way to shop, even though this service is currently at its infancy stage in Asia with many retailers not yet equipped to provide it?

Asian retailers must be more customer-centric to give customers the best shopping experience. What are some of the barriers they need to overcome?

## **Leased department operations**

In larger retail formats, some of the space is leased to other brands that become accountable for their own merchandising and retail front-liners, commonly referred to as ‘promoters’. From an operational perspective, they manage within the boundary of their brands, and this prevents customers from enjoying a seamless shopping experience at the store.

## **Lack of service intent and standards**

Most retailers focus on profit, on sales

per square foot. But shouldn’t they also focus on smiles per square foot by engaging, delighting and making their customers smile? That may be a better way to encourage purchasing and repeat patronage. The goal of delighting customers often leads to making more money — the result of customer-centricity. Therefore, it is good to focus on building service culture and delivering excellent customer experience.

Retailers should develop, communicate and equip their employees with their service intent and standards so that everyone is clear, aligned, empowered and accountable. At Apple’s stores, employees are taught not to sell but to help customers solve problems. Their service behaviour is ‘operationalised’ into A.P.P.L.E service standards, meaning:

- A**pproach customers with a personalised warm welcome.
- P**robe politely to understand all of the customer’s needs.
- P**resent a solution for the customer to take home today.
- L**isten for and resolve any issues or concerns.
- E**nd with a fond farewell and an invitation to return.

## **Lack of staff development**

Based on the service intent and standards, performance gaps analysis on all employees can be conducted. Learning interventions can then be made to close performance gaps. Regular service audits can also be conducted to promote continuous improvement in creating excellent customer experience.

## **Lack of pay-for-performance**

Once the performance goals and standards are specified, there is a need to link pay to performance for clarity, alignment, motivation and accountability. The performance should include sales and non-sales tasks.

At the end of the day, customers want to feel respected and cared for. Creating excellent customer experience truly matters. Retailers who can carry it through will be able to build a lasting business. **ra**