

Know the retail dating game

Retailing is not what it used to be, with rising operating costs, many alternative ways to shop and the increasing sophistication of customers.

The power does not lie with the retailers, but the customers. Instead of a single channel, customers are now spoilt with choices from multiple and integrated channels. Customers migrate from “I want to buy stuff” to “I want to experience it”, and in many cases, brand experience is rated higher than product features.

Today’s customers have changed as a result of smart technologies. They expect more from retailers and brands. They want to be understood and in control. They want to be engaged, entertained, surprised and amused. They want engaging and rewarding experiences. In short, they want retailers to court them — with a degree of sophistication supported by the capabilities presented by digital information and tools.

Retailing feels like dating; retailers have to get to know and win the hearts of customers. By courting them, retailers have an opportunity to build stronger and more meaningful relationships.

Why date?

The old retail business model is based on earning financial currency; selling to the customers and earning their monies. As a result, retailers develop strategies



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based on marketing messages, price and promotion to move their products.

But what if retailers focus on earning social currency instead? Get to know customers and their needs. Interact and socialise. Generate conversations, build and foster relationship, not one-time sale. Invest in executing marketing messages by creating unique store experience that exceeds customers’ expectations. This kinship can lead to more and better transactions due to the trusted encounters. If customers are emotionally engaged with the retailers as a result of dating, they will stay in good times as well as bad.

To go after the financial currency retail model is to go after the single sale and miss out on the community of customers and their future transactions. To go after the social currency dating model is to focus on building relationship first, and be confident that financial currency will follow down the road.

How to date?

To date customers, retailers need to

change their customer journey mapping. Instead of a path to purchase, it is now a path to kinship.

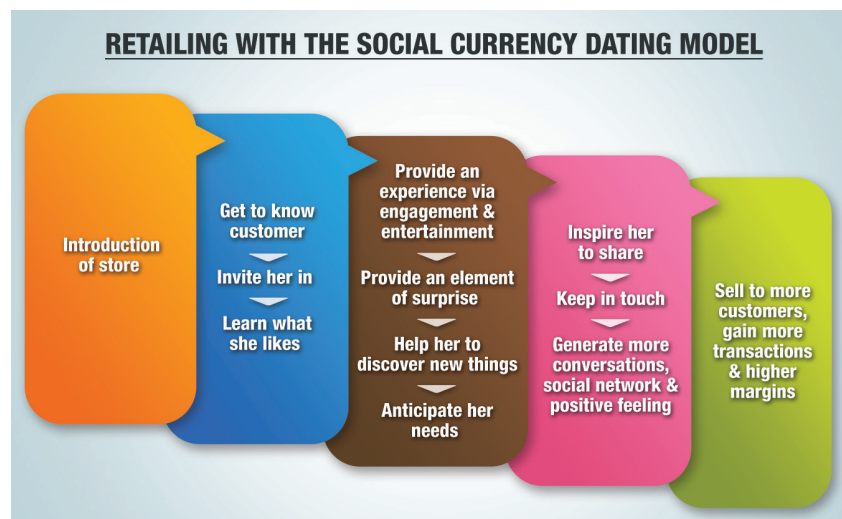
In the financial currency retailing model, the customer journey mapping for brick-and-mortar retailing is transactional and straight-forward. Throughout, the focus is on very practical aspects and doing well in steps such as identifying customer needs, demonstrating solutions, handling questions, closing the sale, payment and offer of after-sale service.

In the social currency dating model, the customer journey mapping focuses on making meaningful connections and building relationships, as illustrated in the diagram below.

Sell to more customers, grow transactions and margins

Engaging experiences help to build relationship and social currency. With social currency, customers will buy more and even refer their friends. Here is a list of actions to jumpstart the building of social currency:

- 1. Get noticed:** Be clear on who to court. Stand out with the value proposition that appeals to them. Be branded, not boring.
- 2. Be reliable:** Be clear and consistent. Be honest at all times. Build and protect reputation.
- 3. Get to know her:** Gain deep insights. Understand her needs, now and in the future.
- 4. Do something special for her:** Capitalising on digital information, think innovatively to surprise her, every now and then.
- 5. Stay connected:** Communicate regularly to engage her even when she has not bought for a while. Let her know that you are thinking of her.
- 6. Be nice to her friends:** Welcome and treat her friends well. They are important to her.
- 7. Be there:** Never give a busy signal. Be responsive with a high sense of urgency. It is about her since she has the power. ra



Retailing practice in the social currency dating model focuses on making connections and building relationships.

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