



WHY IS CUSTOMER CARE SERVICE A PRIORITY IN THE RETAIL SECTOR?

Abstract

No retail business can survive without customers, and you cannot attract or retain customers without good customer service. But if retailers can manage to effectively engage with their customers in-store and online and provide a good purchase experience, they can offer exemplary retail customer service. Focusing on even small things like listening to your customers, acknowledging your regular customers, and being responsive can help improve customer service and be a step above your competitors.



Introduction

Customers are at the heart of any business model - especially in the retail industry, where businesses directly interact with their customers daily. It does not matter whether you interact with them face-to-face in brick-and-mortar stores or online via email, social media, or live chat. You build customer loyalty and sustainable growth by focusing on delivering the best

possible customer experience and retail customer service.

Looking at the retail industry by numbers, there has been a 38% increase in retail engagement over the past couple of years, as 60% of customers report higher expectations when it comes to purchasing experience and customer care. More than 90% of the customers note that they will

go out of their way to engage and make repeat purchases with a business that offers positive and personalised customer service.

But what exactly is retail customer service? Why is it important? And how can you improve it to meet customer expectations? Let's find out.

What is retail customer service?

Customer care in retail is all about providing timely and relevant assistance to customers to help them solve their problems while meeting their expectations. Traditionally, retail customer care relied solely on in-person experience, with sales associates helping customers find the right merchandise or answering their questions via phone. Although this in-person experience is still a part of retail

customer service, today's digital world sees retailers interacting with customers across multiple channels.

The availability of multiple avenues is both a boon and a curse for modern retailers. On one hand, with increased customer engagement and interactions, retailers can build a dialogue and long-lasting relationships with their customers. On the other hand, customers today can easily

abandon a retailer for their competitors in the absence of satisfactory service. Just an omnichannel presence is no longer enough to engage and build a loyal customer base. Retailers today must offer a seamless customer experience and service across all these channels to maintain competitive advantage.

Importance of customer care in retail

Exemplary customer service is beneficial for everyone involved: your business, your employees, and your customers. In addition to your customers getting relevant answers, excellent customer service can **boost your revenue by 2-7%** and **profitability by 1-2%**. With 9 out of 10 customers expressing willingness to pay

more for excellent personalised customer service, it is not something retailers can ignore.

Additionally, it can also help you:

- Understand the needs, expectations, and challenges of your customers
- Proactively assist your customers with responsive customer care

- Build a loyal customer base that generates positive word-of-mouth for your business
- Increase average order value and lifetime value for each customer

But what does good customer care in retail look like?



Examples of good retail customer service

Good customer service comes down to meeting your customers' needs promptly and efficiently while ensuring pleasant interactions at every touch point. This can range from a simple greeting as the customer enters your store or sending them personalised offers to helping them find the right product or offering necessary after-sales service. Here are some examples of good retail customer service to help you level up your game:

- Remembering and appreciating your repeat customers
- Sending personalised messages to engage with new customers
- Proactively addressing shipping and delivery issues for online orders
- Incorporating a personal touch in customer interactions, starting from the first greeting to an after-sale call
- Cheering up your customers to make sure they have the best time shopping with you
- Working around stock-outs by providing appropriate substitutes or finding ways to fulfil the order through substitute channels
- Forging personal connection with your shoppers by finding common interests and engaging with them

- Observing the shopping behaviours of regular customers and using the information to provide personalised service
- Working with customers to find and recommend the best product for their needs. Knowing about your products and putting this knowledge to good use by interacting with customers, recommending them products, and educating them on its features, uses, and benefits

- Owning up to your mistakes – or even technical errors – and offering sincere apologies to affected customers
- Upselling and cross-selling your products without just pushing products by educating your shoppers
- Demonstrating kindness and compassion in each customer interaction

These are just a few examples of how you can enrich customers' purchase experience, get ahead of any issues, and forge

genuine connections with your customers. Good customer service is not about just answering customers' questions as they come to you but about being proactive in engaging and interacting with your customers. A good CRM or customer care outsourcing solution may be your best option to achieve this, as you can easily collect, analyse, and recall customer data to understand their needs, expectations, and experiences.



Tips to improve retail customer care

Now that you know what good customer care in retail looks like and why it is important, how can you improve your customer service efficiency to offer the best possible customer experience?

In today's digitally connected world, data is your best friend when it comes

to understanding your customers, personalising their shopping experience, and innovating your customer service strategy. But, beyond leveraging technology and data, here are some of the strategic best practices that can help you improve retail customer service:

1. Understand your customers better

Understanding your customers is the key to exemplary customer service. "Listen" to your customers carefully to understand their needs and expectations, purchase behaviour, and experience with your brand (or your competitors).

With this understanding, you can tailor a personalised customer service experience for them.

2. Set the right expectations, do not oversell yourself

It can be tempting to oversell your products to attract more customers. But this is playing with fire, as failing to meet customer expectations can lead them away from you. Understand your products and give customers what they want upfront, but do not make false promises or set unrealistic expectations that you will fail to meet.

3. Treat employees as your first customers

If your employees are not sold on your products or understand what you offer, they cannot connect with your customers and give helpful suggestions. So, consider your employees as your first customers, consider their feedback, and help them understand your products better. Also, treat your employees the way you want them to treat your customers. Make them feel valued and appreciated to motivate them to perform better.

4. Make sure your customers can reach you easily

Not being able to connect with a business in time of your need can leave a sour taste in your customers' mouths. Getting in touch with you should not be a hassle. With the increasing penetration of chatbots and social media tools, you can easily establish an omnichannel presence and simplify reaching you. But simply being present at every avenue is not enough. Advertising a 24/7 chat option with little to no responsiveness does more harm than good. So, focus on optimising the channels you are using instead of trying to exist on every channel.

5. Be proactive in acknowledging and addressing issues

Issues like shipping delays or faulty products are virtually unavoidable. But when you encounter such problems, being proactive in acknowledging and communicating them with your customers is crucial. This – coupled with your express efforts to fix the issues – can take your retail customer care game to the next level.

6. Personalise customer experience

This goes for both in-store and online interactions with your customers. For in-store retail experience, recognise and acknowledge your regular customers, have product recommendations ready based on their previous purchases, and genuinely connect with them on a personal level by engaging in common-interest conversations. For online customers, send them personalised messages, offers, and product recommendations based on their purchase history. Periodically surveying your customers, capturing their data, and analysing it for actionable insights can help you be customer-centric and personalise the shopping experience for every customer.

Apart from these, having a friendly face (or avatar) greet your customers, empowering your customers to help themselves, being ready to go the extra mile, and improving your checkout process are also some ways you can improve retail customer service.



Conclusion

Customers are the heart of any retail business, and customer service is the backbone. In today's market, customer service has the potential to make or break your business as customer expectations are at their highest, and they have the option to easily switch from one company to another. Where poor service can turn customers away from your business, good service can boost your revenue and profitability.

The keys to good retail customer service are understanding your customers, being proactive in personalising their shopping experience, and addressing any issues that may arise. Capturing and analysing customer data is the foundation of giving your customers the best possible experience and service. Working with leading BPM organisations providing [customer care outsourcing solutions](#) can help you leverage data, understand

your customers, and provide exemplary customer service. So start by listening to and acknowledging your customers and leverage CRM solutions to optimise your customer care strategies for a competitive edge.

* For organizations on the digital transformation journey, agility is key in responding to a rapidly changing technology and business landscape. Now more than ever, it is crucial to deliver and exceed on organizational expectations with a robust digital mindset backed by innovation. Enabling businesses to sense, learn, respond, and evolve like a living organism, will be imperative for business excellence going forward. A comprehensive, yet modular suite of services is doing exactly that. Equipping organizations with intuitive decision-making automatically at scale, actionable insights based on real-time solutions, anytime/anywhere experience, and in-depth data visibility across functions leading to hyper-productivity, [Live Enterprise](#) is building connected organizations that are innovating collaboratively for the future.

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