



Sales and service

The fibre of Australian retail

Closely intertwined, sales and service have long been the backbone of retail. Recently the impacts of technology, economic unpredictability, social awareness and environmental responsibility are changing the stakes for both retailers and consumers.

Credit: Katherine Mechanicos, Media and Communications Specialist at the Australian Retailers Association (ARA)



**Australian
Retailers
Association**

Terms like connection, relationship building, consumer loyalty and customer experience are increasingly used to express the new ways in which retailers and consumers interact. Customers now have access to information about price and competition, and as a result this is changing the way in which traditional and physical retailers operate. Their ability to comment through social media is challenging retailers with less than desirable customer service standards. This is great news for brands with a commitment to customer service, and retailers who offer a unique, highly coveted product; but unfortunate news for others. Whilst the trading environment may be rough, there is a real opportunity for dynamic businesses to thrive in the new world of retail.

In today's retail environment, being customer centric is all about having an underlying commitment to placing the customer's interest at the centre of every business decision. The classic saying 'the customer is king' is now more relevant than ever, but rather than signalling the death of retail, this attitude creates space and opportunity for retailers to tailor their offering and provide value for their customers that goes deeper than the product itself. Retailers need to become smarter about how they connect with, and appeal to their desired customers. There is no better time than now to be a retail customer because there is so much choice. Using technology, consumers are able to globally source, price and purchase products from the comfort of their living room, or in-store via their smartphone. Retailers, both large and small benefit from paying close attention to how they develop and put in place their sales and service strategies, because in modern retail, the success of their business depends on it.

In fact, the spirit of retail lies with its staff, as salespeople are essential to the growth and sustainability of the retail industry. How staff approach, interact with, learn about, and introduce their product to customers is a strong part of the business and every effort made to resolve customer expectations and complaints is an investment for the business. When customers measure the performance of a retailer, brand or store, a different set of rules apply. Each customer varies, and they may have differing expectations for certain retailers, yet there are several consistencies in how they decide whether a retail experience was to their liking or not. Ultimately the aim of great salespeople is to develop long-term relationships that provide the opportunity for future sales.

With great service being the key to retail success, it's important to take a close look at the recruitment process. Employment, training and staff development all contribute to business growth and sustainability. Investing in your retail staff not only instils a strong service culture, but it gives staff an opportunity to grow. The Australian Retailers Association (ARA) assists retailers in enhancing the staff development process, transforming retail from a stepping-stone industry to a long-term and fulfilling career. Representing over 7,500 local and international members in more than 40,000 locations, the ARA's employment, training and development workshops sustain business growth by investing in the next generation of retail leaders.

The ARA's training department, the Retail Institute, specialises in both accredited, non-accredited and employment training solutions. The Retail Institute's educational workshops are designed by industry leading specialists, ensuring Australian retailers remain competitive in the fast-paced and dynamic retail environment. These include a wide range of training courses on Retail Buying, Visual Merchandising, Financials, Marketing, Operations, and Sales and Service Strategy.

Although training and development is a crucial element in the retail industry, the ARA also promotes and protects employer interests. As Australia's largest retail peak body industry, the ARA is a strong pro-active advocate for Australian retail. The ARA works to ensure retail success by informing, protecting, advocating, educating and saving money for its small, medium and large members.

For more information regarding the Australian Retailers Association and its fundamental training and development services, please contact the ARA on **1300 368 041** or email info@retail.org.au.





AMAZON IS HERE AND THE SHOW MUST CONTINUE

Like many industries, the retail sector has, and continues to experience, enormous disruption. Its evolution includes several fast-paced technological advancements, and a surge in online shopping. For retailers to succeed in this environment, they will need to operate a connected business model which navigates changing consumer demands, click and collect services and the transitioning of many product categories from department stores to the Large Format Retail sector.

The recent arrival of Amazon to the shores of Australia is yet another disruption to retailers; one which has attracted extensive media attention and speculation about the impact it will have. There is no denying that Amazon is a monolithic organisation to be carefully monitored, but the idea that the end is looming for the physical retail landscape as we know it, is far from true.

Much of the commentary about Amazon has been based on its success in the U.S. However, this is not necessarily an accurate comparison for Australia. Australia has 12 times the land mass of the U.S. per 1000 people, which will make it extremely difficult for Amazon to service customers the way they're expecting. In fact Canada is a more realistic comparison with its more similarly dispersed population. The impact of Amazon has been far less invasive in Canada than the U.S.

Australia poses logistical challenges for Amazon in meeting delivery deadlines in areas outside metro centres, and its distances will impact postage surcharges. Delivery times and postage fees for regional areas are already creating a headache for the company in the U.S. and Canada.

Amazon's launch in Australia did not generate the expected disaster for retailers, who saw minimal impact on sales over the festive season.

But this is expected to change. Amazon's arrival in Australia has certainly created a stir and retailers would be foolhardy not to assess their readiness to compete in the online market. The retail giant still has hurdles in its path, and Australian retailers still have a small window to sharpen their appeal to customers and embrace a blended approach to deliver their customers what they want, when they want it, across both their physical and online stores.

Credit: PHILIPA KELLY Chief Executive Officer, Large Format Retail Association

