Guide

7 steps to increased sales in your retail business

Let's start by stating the obvious

To increase and generally gain sales, you need customers. Therefore, the 7 steps in this guide will be centered around how to create a shopping experience that gets you new customers and how to ensure that those you already have come back.

The 7 steps are as follows:
1. Make sure the customer experience is consistent across channels
2. Offer Click & Collect
3. Minimize the wait time at checkout in your physical store
4. Provide your customers with discounts and promotions
5. Establish a loyalty program
6. Make sure your pricing is dynamic
7. Give your employees the best conditions to provide good customer service

1

Make sure the customer experience is consistent across channels

We've talked about it before. Your customers expect the shopping experience to be consistent and frictionless across your channels. In other words, they expect to be met by the same prices, the same assortment, and the same options – regardless of whether they shop via your webshop, app, physical store, etc. Imagine a customer has ordered an item on your webshop to find out later that it is cheaper to buy it in your physical store. Or a customer that goes to your physical store in vain because a product available on your webshop is not sold in your physical store. This will result in a bad customer experience. The same applies with offers and discounts – the customer wants the same options regardless of where they choose to use a possible offer. Let's assume that you have a special offer on soda – "buy 2 packs of soda and get the third at half price". Your customer has bought two packs of soda in your webshop but decides when he later shops in your physical store that he wants to make use of the offer and buy the last pack of soda at half price. Here he will expect it to be possible even if his shopping journey moves across your channels. If not, he will probably leave your business with an experience of not getting the expected service.

Meeting customers' expectations of an omnichannel shopping experience specifically requires that:
1. The price is the same across channels.
2. Discounts and promotions are calculated correctly across channels.
3. There is always full product availability regardless of on which channel the customer shops.

With Fiftwo's data driven pricing engine, 52MASTERPRICER, you can be agile and consistent with prices, discount logic, and product availability – no matter where you meet the customer. 52MASTERPRICER seamlessly integrates into your omnichannel ecosystem, enabling you to handle even very complex pricing across sales channels. Adjustments are effectuated on electronic shelf markers in the physical store, in your webshop, and other digital sales channels simultaneously and instantly.

By embedding 52MASTERPRICER into your omnichannel ecosystem, you can master pricing and maximize sales efficiency – across all sales channels in real-time with complete transparency and flexibility. Finally, 52MASTERPRICER eliminates the traditional boundaries between different channels to enable the fulfillment of any order and discount policy by delivery or pick-up, regardless of local stock situations. See our 52MASTERPRICER fact box on page 10.

2

Offer Click & Collect

As an omnichannel shopping experience has become a natural part of consumer expectations, the demand for Click & Collect has grown.

Click & Collect means that your customers can order an item on your webshop and afterward pick it up at your physical store or showroom. With Click & Collect, you merge your offline and online sales channels, giving your customer the smooth shopping experience they expect.

To succeed with Click & Collect, it requires that the interaction between your POS, e-Commerce, and ERP work optimally. With an e-Commerce platform integrated with your POS and ERP solution, you create and maintain data in one place. That means all your core data, such as product information, stock status, prices, item numbers, and customer information, are identical across your channels.

The process of, for example, updating stock status and prices across your channels is automated, and your stock status and prices are updated in real-time. This means that you avoid selling an item to a customer on your webshop, which you later have to tell them that they can not pick up in your store because it is sold out. Your customers will also not experience that they could have bought the item cheaper in your physical store when they come to pick up their Click & Collect order.

You can read more about why Click & Collect is essential and how to succeed the service here +

3

Minimize the wait time at checkout in your physical store

According to a study from Capgemini long queues at the checkout, for the largest number of respondents (60 percent), are a cause of irritation. That is to a greater extent than sold-out items and lack of help from sales staff.

A study of american supermarkets repostet in Harvard Business Review found that customers are more concerned with the length of the queue than how fast it moves, and that a queue that increases from 10 to 15 people means a drop in sales of up to 10 percent. So there is an excellent reason to make sure that there is not a long queue at checkout in your physical store, and you can do this in several different ways. You can, of course, make sure that there is enough staff at work when the number of customers is most significant and that your employees, during this time, focus on serving the customers rather than handling other tasks. If you want to give your staff an even better opportunity to streamline and reduce the processing time at checkout, then you can consider implementing mobile POS in your store. With mobi-le POS, your staff can advise and serve customers anywhere in the store. This means that you avoid lost sales by reducing the queues and improve the shopping experience by meeting the customers where they are in the store and thus where they are in their shopping journey.

When implementing mobile POS in your business, the solution must be connected to your omnichannel ecosystem – both your cash registers and other business systems. Like this cash register, your mobile POS must work across your channels without any problems so that all data such as prices, promotions, and discounts effectuate at the same time everywhere. Therefore, it is incredibly relevant that your supplier can deliver a mobile POS solution and deliver it in a fully integrated solution.

At Fiftytwo, we offer and advise on mobile POS as part of your POS solution. We make sure that all your devices are connected across your business so that it does not affect the operation of your stores either during installation or in the future.

Another way to avoid queues in your business is by implementing self-service solutions. With a self-service solution, you leave the checkout process to the customers themselves – a bit like when they shop via your webshop. There are several different types of self-service solutions – self-scan, touch screen kiosk, and scan & go.

You can read more about the different self-service solutions and how they can create value for your business here +

4

Provide your customers with discounts and promotions

With discounts and promotions, you create an opportunity to buy in the customer's consciousness. The discounts can advantageously be given on products that will soon have to give way up the shelf space for new and more relevant ones. Now that the winter is over, you may, for example, allow your customers to buy your wool socks at a reduced price – this way, you create a buying opportunity with the customer and increase the chance of not losing revenue on a product you have already bought and paid for, but which will soon be taken off the shelf.

There are several different types of discounts you can use. For example, quantity discount – the customer gets a discount when he buys two or more of the same product (just like the previous example with packs of soda). You can also offer a seasonal discount – the customer can buy items at a reduced price within a specific time frame. Good examples of seasonal discounts are January sales and mid-season sale. You can also give a discount on items that you for various reasons can not sell at full price. It can, for example, be an exhibition model or items with defects.

However, when you choose to make use of discounts and promotions, it is, as previously mentioned, incredibly important that the discounts are effectuated across all of your sales channels. Otherwise, you end up with a customer having a bad experience, which can negatively impact your ability to create sales in the long run.

5

Establish a loyalty program

Attracting new customers is good, but if you want to increase your overall sales performance, you need to convert your first-time customers into loyal customers. Studies show that it is cheaper to keep an existing customer than acquire a new one. At the same time, existing customers often have a higher conversion rate. A loyalty program is a valuable tool for creating loyal customers because you reward customers for their loyalty – and all people enjoy being rewarded. Thus, not only do you give your customers a good experience, but you also create a greater incentive to shop with you rather than your competitor.

When implementing a loyalty program, it is again essential that it effectuates across your sales channels; otherwise, the customers will have a bad experience, and the desired effect will be lost. For example, if your customer has collected points via repeated purchases on your webshop, he will expect that these points can also be used in your physical business. With 52MASTERPRICER as an integral part of your omnichannel ecosystem, you ensure that customer loyalty points strike across channels simultaneously.

6

Make sure your pricing is dynamic

With the competition and demand that is today, effective pricing has become an advanced science. The purpose of the price should be to attract customers while ensuring that you increase revenue, and while it may sound simple, it takes a lot of tries and failures to create the ideal pricing strategy.

It would be best to design the strategy based on the situation in your industry, your revenue targets, and your business data – factors that can make you wiser about what works for your particular business and what does not. Overall, however, you can go a long way with a dynamic pricing strategy. However, the retail industry is and will continue to be more dynamic, and therefore your pricing strategy should reflect this.

For customers, price is the most crucial factor in the decision-making process, and therefore it can cost you dearly not to offer them up-to-date prices.
To successfully execute a dynamic pricing strategy, it is relevant to implement central pricing management so that your pricing is updated and effectuated on all your sales channels. This is necessary for your prices to be updated at the pace required for them to be "up-to-date" and for customers not to encounter different prices across your channels. Without central price control, it can cost you dearly in working hours and sales because your prices do not keep pace with developments, unlike a large portion of your competitors. The central price control is a core element of the 52MASTERPRICER.

7

Give your employees the best conditions to provide good service

In today's digital world, customers are not only faced with endless choices, they also have unlimited access to information. This means that many customers research price, features, alternatives, customer reviews, etc., before purchasing – either from home or on their smartphone in the store.

Today, it happens that customers use the physical stores as a showroom. They research the product from home, go to the physical store to try it out, and eventually go home and order online. When customers visit your store to try a product, the purpose is to confirm their research and perhaps become even wiser about the product. In this purchasing situation, the customer will often make higher demands on a qualified service from your employees. If they find that with their own research, they know more about a product than your staff, it probably will result in them getting annoyed and perhaps feeling that they have gone in vain.

To ensure that your employees are always up to date on all your products and can provide the best service to your customers, it is relevant to relieve them in other areas – fx in with setting pricing manually. It can quickly become a time-consuming and cumbersome process when the prices of individual products sometimes have to be changed because of new offers and/or price changes in the market. With 52MASTERPRICER, you can adjust your prices from a central place and ensure that they effectuate across your channels immediately. Thus, you give your employees greater flexibility in everyday life, and they will to a greater extent, be able to spend their time providing an excellent service to your customers in the store.

With the aim of freeing up time for customer service, it is also worth considering self-service solutions and/or mobile POS. Your employees no longer have to sit at the checkout and wait for the customer to be ready to buy. As previously mentioned, they can provide service to the customer wherever they are in the store.

Overall your employees will be in a better position to provide qualified customer service if they always have access to up-to-date information in your physical business. With Fiftytwo's omni-channel solution, your employees on the checkout screen can easily and quickly switch bet-ween your webshop and your POS solution – this means that you can always be up to date on what information appears about your products on your webshop.
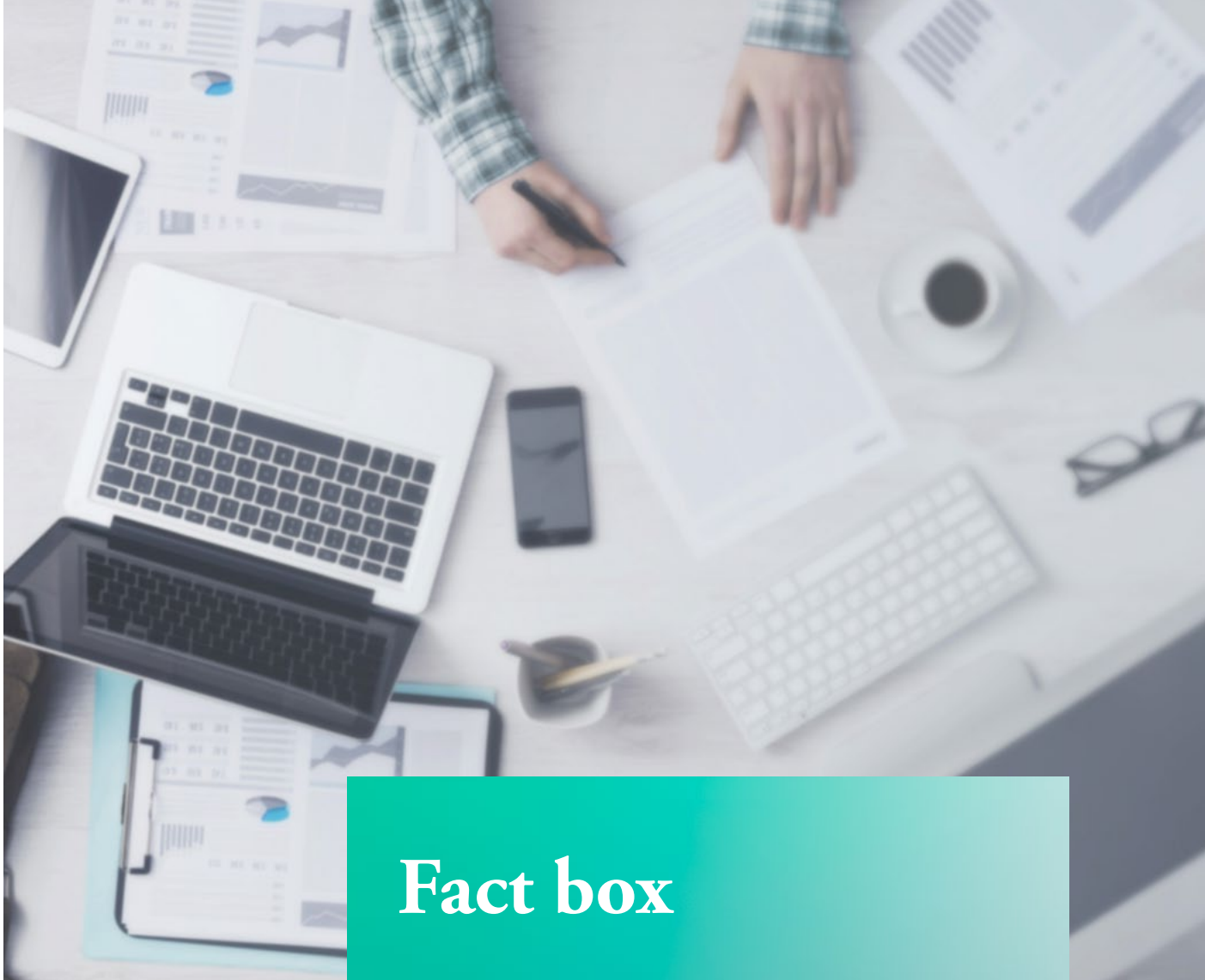
Fact box

✓ Keeps track of club memberships, loyalty points, coupons, vouchers etc. to enable a better and more personalised customer experience.

✓ Enables price matching and complex discount structures across channels – fast and easy.

✓ Is a future-proof dynamic omnichannel solution developed specifically for retail.

✓ Is easily implemented with no downtime and compatible with almost any type of price calculator and AI technology.

✓ Is developed specifically for retail and has a proven track record with leading retailers, including Matas and Fleggaard.

✓ Saves costs by reduced administration (optimised processes/workstreams, increased speed of transactions, reduced number of customer complaints).

✓ Makes personalised and aggressive approaches with advanced price management easy.

With our own software, we deliver trendsetting industry solutions.

Let's make it count.