

RETAIL

Consumers double spending when helped by sales associate: report

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Boss on Demand

By SARAH JONES

Even with the rise of digital channels, frontline sales staff are far from obsolete, according to results of a survey conducted by InMoment.

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The bricks-and-mortar shopping experience no longer exists in a vacuum, with consumers arriving at a store armed with information from research conducted before or even during their trip. However, while shoppers spend about twice as much in-store when they navigate to a brand's Web site while shopping, their expenditures grow to four times more if they interact with both an associate and the brand's Web site while in-store.

"Despite rise of digital commerce and communication, personal connection is more important than ever," said Paul Warner, vice president of consumer and employee insights at InMoment. "Consumers spend twice as much in-store when they have been assisted by a staff member.

"Additionally, we're seeing that the blending of the in-person experience with digital elements has a great impact on sales. Consumer spending increases four times when shoppers are engaged by both staff and a brand's Web site. This face-to-face in-store time is the best chance brands have to show their expertise in their own product as well as their industry overall.

For its "Retail Industry Report 2016," InMoment surveyed more than 25,000 North American consumers.

Online meets offline

While consumers now have greater access to information about brands, they still desire quality service from sales associates. InMoment points out that rather than lowering the bar, digital channels actually bolster shoppers' expectations of sales staff.

Much has been made of showrooming, or the act of browsing in-store and converting online. However, the survey found that those who navigated to a brand's Web site via a mobile device while in-store spent 2.2 times more on average.

A balance of machine and human interaction appears to be the top choice, as the combination of visiting a brand's

Web site and being assisted by a sales associate resulted in an average four times greater purchase amount.



Image courtesy of Printemps

Brands need to look beyond their own channels, as those who consulted a competitor's Web site and engaged with a sales associate spent on average six times more than those who only spoke to an associate.

"A bold move to consider is encouraging customers not only to check out the brand's own Web site while in-store, but also to compare against competitors' sites," Mr. Warner said. "Fashion retailers, in particular, saw a significant a 2.5 percent increase in spending when consumers engaged with a competitor's website and interacted with staff.

"A common pain point for today's consumers is the overwhelming amount of options they face when making a purchase," he said. "So many choices make it hard to decide without the fearing they're missing out on a better product at a lower price.

"Face-to-face time with a knowledgeable employee can bring peace of mind to a conflicted shopper and offer insight on a category as a whole and the brand currently in front of them. Employees can also help facilitate the hybrid online-while-in-store research process, giving human-guided direction in a wild online world of options."

With the increasingly cross-channel way in which consumers are shopping, it is important that staff be trained and given resources to ensure consistency across online and in-store. These employees should be prepared to give suggestions for the bricks-and-mortar environment that are also available online.

Knowing that consumers are looking at mobile channels, retailers should also make sure that their Web site and/or app make it easy to find details about products, including inventory status, specifications and purchasing details. In addition, information such as store hours, locations and return policies should also be easily found.

Mobile minded

The way in which consumers use their mobile device while shopping in-store varies depending on their age.

Younger shoppers are more apt to research online at some point in the bricks-and-mortar purchase path.

About four out of 10 consumers under the age of 34 visit a store's Web site before making a visit. Additionally, those age 18-24 are twice as likely as any other age group to research ahead.

Gen Xers are comparably more apt to use mobile while already in-store, with those aged 35-44 making up the largest percentage of the in-store researchers.



Image courtesy of Neiman Marcus

InMoment suggests that this information could be used in prioritizing both digital channels and training. For instance, a store catering to a more mature clientele could focus on building a positive mobile experience and ensuring that associates are highly familiar with its mobile site.

"It all starts with a nuanced understanding of your customers," Mr. Warner said. "We have one retail client that uses very sophisticated listening and analytics technologies to understand exactly what each client segment wants from in-person interactions. They've then built that intelligence into initial and ongoing training, ensuring each associate understands how to deliver the most meaningful experience to different clients.

"It is also crucial to hire the right type of employee," he said. "Luxury brands have been ahead of their colleagues in other retail sectors in understanding that it's much more important to hire people who know how to connect with other human beings, and to do that in a way that is consistent with their brand.

"Anyone can learn how to operate a till and even customize a shopping experience. However it takes a special type of person to make an authentic connection and build the the kind of trust so essential in creating local customers and advocates."

Not long ago retailers were afraid that showrooming would gut in-store profits, but now the implications of the trend seem to have reversed, according to a new report by L2 and RichRelevance.

Unlike "showrooming" where consumers let in-store prices duke it out with discounted online prices, "Webrooming" occurs when consumers research online before shopping in-store. However, many retailers are failing to provide consumers with the resources they need to make Webrooming a seamless affair, and are losing sales in the process ([see story](#)).

According to Boston Consulting Group, six out of 10 luxury goods sales are influenced by digital marketing, meaning that brands must now act urgently to embrace the digital revolution or fear being left behind.

On Oct. 6, the French American Chamber of Commerce hosted a panel discussion, "The Seamless Luxury Experience: Harmonizing Events, Retail and Digital Strategies," to measure the digital strategies implemented by brands in the luxury sector. At the forefront of the discussion was the importance of a seamless, omnichannel approach that embraces all interactions and touchpoints found along the purchase journey ([see story](#)).

"When approaching the design of these omnichannel features and the services offered to them, a luxury brand cannot afford to think of them as standalone elements, but rather stops along a continuous journey," Mr. Warner said. "When customers do research in store, their digital experience fuses with the brick-and-mortar. When these

experiences clash rather than complement, it feels disjointed for the customer.

"It's important that front line associates are informed and engaged, and know how to use digital tools to help in the personal sales process on the floor," he said. "The more in-sync the channels, the more the customer will experience the full potential of the brand promise, a critical element in building a long-term, mutually beneficial relationship between brand and customer."

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