

RETAIL

## Sales associates need to reclaim status as top influencer

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*In-store technology is a key concern of sales associates. Image credit: Hugo Boss*

By BRIELLE JAEKEL

NEW YORK - Luxury marketers are wondering where the role of the sales associate lies today, but frontline employees need authenticity and to take a nod from the art industry.

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During a keynote session at Luxury Marketing Forum on Sept. 26, the president of Shanker Inc. emphasized that similarly to how consumers and their behaviors are radically changing, sales associates also need to evolve. While human beings are wired for interpersonal connections, today customers would rather do business with technology than salespeople because retailers have positioned associates' roles in a way that is no longer relevant.

"Consumers today are influenced by an online journey," said Martin Shanker, president of **Shanker Inc.** "When you go into a store, what's changed is that you don't think you need to have a relationship with a person.

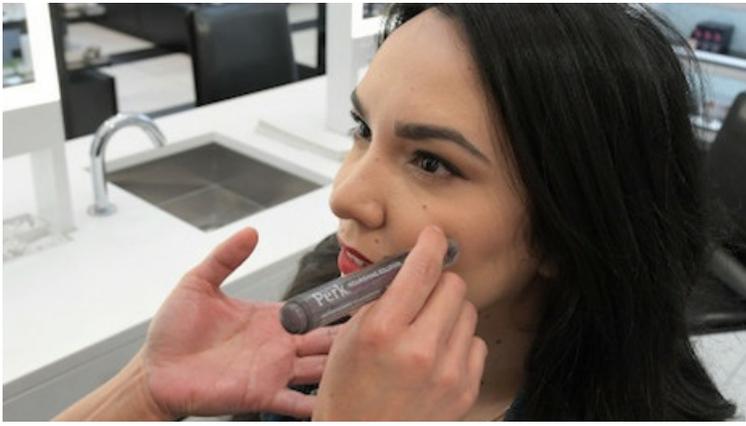
"But what we are seeing is that human beings are wired to connect," he said. "So if they're not connecting with a sales associate, it is the behavior of the salesperson that is pushing them away."

*Luxury Marketing Forum was produced by Luxury Daily, with venue sponsor UBS*

The new store associate

In the past, when customers would step into a store, sales associates would continually ask them what they were looking for. Unfortunately, today that is still the norm, even when consumers do not necessarily always know what they are seeking.

A salesperson used to be the number one influencer for consumers' purchasing decisions. Frontline retail staff have now been demoted to third place in terms of sway, with social media wielding the most power over consumers, followed by friends and family.



*Sephora show examples of how store employees can be helpful, by showing customers something new. Image courtesy of Sephora*

Armed with research, shoppers are now often more informed than sales associates, so the latter have become nuisances rather than helpful guides. Shoppers today are also less trusting of salespeople, especially if they are overtly pushing products.

Luxury retailers are therefore losing out on sales by not revolutionizing the sales role.

One way in which associates are missing out on sales is by waiting for clients who fit a preconceived notion of a high-net-worth individual. The global HNWI does not necessarily appear to be an affluent client anymore, which means sales associates cannot stand by for those that do fit the expected profile to come to them.

According to Mr. Shanker, luxury brands and retailers should take inspiration from the way in which an art gallery staffs its sales floor.

Sales associates should be authorities on their sector, while also creating a highly personal selling experience. Luxury shoppers will look down on sales staff who are only telling them things they are already know.

A highly personalized experience is vital within luxury shopping. While team members on the floor may not be billionaires themselves, they are catering to affluent clientele and they need to find ways to forge a connection despite their differences in culture.



*What's in-store for luxury retail? Photo by Bettina Rheims for Printemps*

Doing research on individual customers can help retailers bridge the culture gap. Determining a shopper's interests or any references that a sales associate can make will assist them in establishing a significant connection.

#### Examples and insight

While digital tools may be appealing, a report from the Luxury Institute shows that many consumers value the personalized touch of a human sales associate to guide them through the shopping process.

Half of all affluent consumers surveyed by the Luxury Institute said that sales associates give a relationship-driven experience that is inimitable by online tools and ecommerce. While luxury brands should certainly not neglect the benefits that technology can bring, it is just as important to remember to keep the human element in-store ([see story](#)).

More luxury retailers are looking to revolutionize the role of the store associate and are experimenting to do so.

Digital has changed the way consumers interact with bricks-and-mortar stores, and no sector has felt this more than luxury retail.

Speaking at the National Retail Federation's Big Show on Jan. 16, the CEO of Neiman Marcus spoke about the ways that digital and mobile multichannel tools have fundamentally changed the ways consumers shop. What has become clear is that customers are coming into stores with more knowledge than ever before ([see story](#)).

"The self-informed customers are self-directed," Mr. Shanker said. "Associates are no longer the number one influencers.

"A salesperson is number three, after friends and social media," he said. "When people come into a store they don't think they need a salesperson.

"If you're a salesperson, your currency was product and information. It has now changed, and unless they do, the customer won't see them as relevant. "

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