

RETAIL

Outdated store associate behavior is derailing sales: Shanker Inc. CEO

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Sales associates need to take a more nuanced approach to customer service. Image credit: Printemps

By SARAH JONES

NEW YORK The way in which consumers interact with sales associates is evolving, calling for more relationship building to maintain the relevance of the crucial frontline store staff.

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Today, about nine in 10 consumers research online before heading to a store, rendering informational store associate conversations less effective or necessary. During a keynote at Luxury FirstLook 2019, the CEO of Shanker Inc. explained that to remain relevant, store associates need to undergo a cultural transformation that helps close the gap between them and their clientele.

"Luxury sales associate were the number one influencer a couple years ago in a customer's mind," said Martin Shanker, CEO of Shanker Inc. "If they wanted to know about the brand, they went into the store and they said, 'Tell me what's new.'

"Do they need anybody to tell them what's new? If you go into a store and people tell you what they already know, do you think they think they need you?" he said. "So there's a gap that needs to be closed and associates' behavior that we see is actually derailing sales. And often they're not seen by the retailer or the sales associates themselves."

Luxury Daily produced Luxury FirstLook 2019: Digital Acceleration

Relationship building

Today's customers have become more aloof towards sales associates. Some believe that they do not need sales associates anymore, since they are armed with information gleaned from brand Web sites.

According to Mr. Shanker, this is partly because of how these brand representatives are being trained.

Rather than teaching rote actions that associates should take to move towards a sale, the current retail landscape requires that sales staff have a more nuanced understanding of their clientele.

This includes knowing about cultural events happening in the vicinity of a store, allowing them to act more similarly to concierges. For instance, a store associate in Beverly Hills should know when the Oscars are occurring, while a

Miami employee would be wise to note when Art Basel is in town.



Barneys' Bungalow at its Beverly Hills store for award season. Image credit: Barneys New York

It also means taking a broader look at who the potential customer is, as most high-net-worth individuals that could turn into a key client do not fit an affluent stereotype thanks to fashion's casualization.

After experiencing customers rejecting help, frontline staff have become afraid to open up. Two of the key behaviors that Mr. Shanker suggests are smiling and making eye contact, which together create feelings of vulnerability and connection.

From there, associates need to be mindful to tell the customer what he or she does not already know. For instance, it is unnecessary for a salesperson to let the customer know that something comes in other colors.

It is also off-putting for shoppers to hear phrases such as "What brings you in today?" Per Mr. Shanker, this makes the customer think that they need to walk in with a set item in mind, which may deter them from visiting in the future.

The conversation and any product suggestions should also come from a place of personalization. Rather than offering information about what is popular or what they themselves find attractive, associates should seek to upsell with ideas that take into account things they know about a shopper's preferences.



Sales associates need to reclaim their relevancy through personal interactions. Image credit: Hugo Boss

Associates also tend to find this approach less pushy, making them more apt to try to make add-on sales.

Remaining relevant

While digital tools may be appealing, a recent 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](#)).

Responding to the digital changes in retail, French department store chain Galeries Lafayette is taking a new approach to training the frontline staff for its upcoming Champs-Elyses flagship.

The 300 sales advisors, who will be called "personal stylists," will undergo a program developed by the Galeries Lafayette Academy and IFM to help them deliver an omnichannel, client-centric shopping experience to visitors. Galeries Lafayette's store, set to open in the spring, aims to reinvent the retail model ([see story](#)).

"Customers are demanding relationships with sales associates that are evolving, and unless they change, then sales are not going to be maximized," Mr. Shanker said.

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