

Store of the FutureSM

How Branded Customer Experiences
Create Sustainable Advantage
For Retailers

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One

The Store of the Future is a term that's jumped around the retail scene for years. Whenever I've seen an interpretation of it - it's a fixture driven, plastic and metal mélange of Hollywood's image of the future. Sort of "Retailing 2002, a Space Odyssey."

But, people aren't buying.

The future is here and now and things are being done the same old way in the futile hopes that consumers will revert back to their old buying patterns - predictable and profitable.

When I'm asked to design a store, the client tells me the merchandise assortment, square feet, the budget and store concept. I'm asked to figure out the floor plan, fixture the store, pick all the surface colors and give them visual merchandising and display ideas.

When all is said and done - there's another box with stuff in it sitting pretty and waiting for people to notice it and come in to buy.

Mike Wittenstein, an Atlanta-based strategist with a clear way of seeing things, has some very different ideas about what the Store of the Future is and how to use it strategically to create more value for customers and for shareholders. His focus is unique, practical and today.

I've collected Mike's thoughts into three related articles for where it's @. The first two articles redefine the Store of the Future. Articles Three and Four will show the value of using a Store of the Future initiative as a strategy, reducing the gap between the vision statement and the execution. The Fifth and Sixth articles will focus on the learning loop and how to create truly customer-centric retail environments - Linda Cahan

LC:

So Mike, let's start out with the concept of "holistic retailing." I go to holistic doctors - how do you apply this same concept to retail?

MW:

OK, doctors who practice holistic medicine start by discussing with the patient how they feel now (today's view). Next, they have a conversation with their patient to learn how the patient wants to feel (future state view). The best holistic practitioners use visioning to get very specific about what the future state of improved health looks like, feels like, and how it affects the rest of the patient's life. Once that picture is clear, the doctor can prescribe a course of treatment.

Compare that to some of the HMO docs-in-a-box you or your family have been to. First they make you fill out paperwork, then they make you wait. Next, they tell you what's wrong, they tell you what to do, and they tell you what to expect. How does that make you feel?

LC:

Well, like a number.

MW:

It's not surprising. I've felt that way too. Being known as "NEXT!" doesn't feel good in health care and it doesn't feel good in retail either. The part of the holistic medicine example that carries over to Store of the Future is this: before "treatment" begins, a clear outcome that is detailed, specific, and matters to the patient is agreed upon.

LC:

I see. First you have to get focused on what the whole experience will be like for your customer.

MW:

Exactly. The place to start to make the experience better for your customers (and your employees) is with a blueprint of the total retail it real.

LC:

So, visioning is what you mean by Store of the Future?

MW:

Yes, and more. Store of the Future is a clear, compelling, tangible, and meaningful vision of what the total experience will be like for a retailer's customers at a carefully selected time in the future. The term also describes a set of well-coordinated initiatives designed to make the vision real.

LC:

Can you give me an example?

MW:

Sure, let's reverse-engineer Disney World in Orlando, Florida. Why do you think all of the employees that interact with guests wear costumes? Wouldn't it be cheaper to just let them wear shorts and t-shirts? After all, Florida is a pretty hot place. And what about those dry cleaning bills? Any recently graduated cost accountant could save the company millions.

The smartest business people in the world are the ones that know how to inject cost into a business model to generate more value for customers than they had been accustomed to - and more profit for the shareholders. Why did Disney put his people in costume? If he hadn't, it would have cheapened the experience for the guests. Old dogs have to learn and internalize that an experience is a valid value proposition. People will trade money for a good experience.

LC:

Mike, this all seems so logical. Why haven't others seen it before or why is it so hard to achieve?

MW:

I don't know. But, I do know that adopting some simple techniques will help. I sure feel its time to drop some of the old habits that "got us here." Just because an approach worked in the past, doesn't mean that doing it harder or faster will make a difference in these times of discontinuous change.

Many retailers try to reach the goal of creating a customer-centric experience in their stores, but they do it backwards--launching into multiple and sometimes uncoordinated departmental initiatives without the help of a blueprint everyone can agree on and work toward.

LC:

Mike - you had few really great sound bytes that I'm going to end with - "Retail isn't a business you do TO your customers (as it is currently practiced)It should be a business you do FOR your customers."

And, we'll end with: "The experience you offer customers today is your brand tomorrow."

Two

Last week, in my interview with Mike, we talked about how the Store of the Future will depend on creating a customer-centric experience. Currently, most retail consists of people either wandering into a store, coming in for a specific item or lured in by price reductions. Once in the store, the customer may or may not be greeted by a sales associate. Then, the customer possibly wanders throughout the store, hopefully picking up an item or two to buy. Then, they go to the checkout area and make their purchase and leave. After thousands of years of retail, there has to be a more interesting, evolved way to make a sale - for both the customer and the retailer.

LC:

Having worked in retail since 1971 - and for some major department stores, I know how hard it can be to get new programs to take hold. Even a sexy-sounding Store of the Future project will have its detractors. Everyone has their fiefdom and they protect their power against any and all challenges. It kind of kills any kind of strategy.

MW:

I know what you mean. But, it doesn't have to be that way. One of the things that, in my opinion, is lacking with the old make-and-sell approach is that it doesn't let managers and executives gain an accurate and complete perspective of their entire business. Sometimes, they simply can't see the effects that decisions in one area (say point-of-sale) have on another (say, the customer experience). Your own experience points that out.

In addition, right now, there is an overly short-term focus on results - with profits as the only measure of success. Why isn't the focus also on critical success factors in service delivery? Or, on the long-term ability to create value for customers? Why isn't the one thing the customer makes most of his or her repeat purchase decisions on (the total experience) part of that equation?

Designing a store only around tools and approaches that churn out cash represents old thought patterns in action. Optimizing decisions around a spreadsheet alone won't drive a business forward. In fact, if you rely too much on just the financial data during uncertain times, it's like driving forward really fast in your car but only looking at the rear view mirror to steer. Scary.

LC:

This makes a lot of sense. I've seen stores overdeveloped because the shareholders need to see growth - not because there's a dire need for another store on the block. How can the need for profits balance with the needs of customers?

MW:

Profit is the difference between what you take in and what you need to run the business. If you think about it, the more profit you have the less value you are delivering to customers (assuming reinvestment is for the customer's benefit.) Shareholders are encouraging their management teams to take out of the business at the same time that customers want you more put into it.

So, some executives choose to optimize for shareholders only, in lieu of for customers. I think that, in many cases, is a mistake. It's the customers who have your future value in their wallets.

LC:

So, you're saying that you're all for profits - and that one of the best ways to become more profitable is to create value by managing the total retail experience. Profits alone aren't a guarantee of longevity in this business.

MW:

Absolutely.

LC:

For quite a while there's been a trend toward Warner Bros./Disneyfication that sells visually with entertainment. Yet, this excludes an enormous amount of retailers who don't have the budgets to create these huge, high-tech extravaganzas. I'm thinking of the average retailer who calls me and wants something affordable that will sell - their Store of the Future.

MW:

It's not about size, it's about excellence and consistency in execution. Excellence means reaching a level of service where you can anticipate customers' needs and desires. Consistency doesn't mean doing it the same way every time, it means allowing the customer to feel the same way every time. Big difference.

What if Suzy's Sweater Shack were to say that "we're not in the business of selling clothes, but that we are in the business of giving customers warm feelings that help them feel good about themselves?" What kind of impact would that direction have on day-to-day operating decisions? How would register operations be changed? In-store packaging? Would there be hot chocolate always at the ready? How would hang tags be worded differently? What kind of music would play in the store, on the phone, and over the web? If the answers to these questions were provided for the customer in a way that's meaningful to them, they will feel better about the store and, in turn, buy more, tell their friends, etc. It's not about scale or expense, it's about how you make people feel.

LC:

So, size doesn't really matter. In fact, even a store with a smaller budget can focus on the customer by looking at how to give them a positive emotional experience. They may not have the design and buying clout of The Limited but they can do their store design, systems development, floor management, training, marketing, and buying with the same emotional outcome in mind- in this case, helping the customer feel good about themselves.

MW:

That's it. You start with your customers' needs and desires expressed as a focused set of emotional outcomes. Then, you develop a clear, compelling, tangible, and meaningful vision that describes that future state experience in great detail: the blueprint. Then, you make it real. We'll pick up here in the next installment.

Going back to the original concept of The Store of the Future - the vision is rooted in a clear understanding of the customers. The key is in working backwards. Who does the customer interact with? Certainly not the CEO or the head buyer. Customers meet the sales staff. Training is vital to the success of any store and, every store is a store of the future - if it stays in business. The Store of the Future is more than just a visual design - it's a working and workable strategy.

LC:

So, to have a Store of the Future, we need to rethink the entire experience from the viewpoint of the customer and work it backward to the buyers, operations people and lastly, the top management. To make a truly customer-centric environment, the focus needs to shift from profits and bottom line to creating experiences for customers that generate feelings.

Our next article will address the importance of reducing the gap between the vision statement and the execution.

Three

In the last article, we promised to move into the realm of reducing the gap between the mission statement of a store and it's execution. Ads for Target, K-Mart and Sears promise fun, excitement, fashion and flair. Given the size and quantity of the stores, the budgets for renovation and visual and the vast variety of physical plants it's no wonder that very few of these stores actually live up to the image promised by their television advertisements. I'm very sure there are some stores existing or in the works that I haven't seen that are creating a marriage between the ads and the stores. I'm looking forward to visiting those locations someday. Mike Wittenstein and I spoke the other day about how to bridge that gap using a floor plan and instructions manual.

LC:

So Mike, who does live up to their promised image?

MW:

One smaller chain of specialty stores has created a terrific retail experience: Build-A-Bear. Build-A-Bear offers excitement and an emotional experience that lasts a lifetime. In consultant language, one of the store's capabilities is the ability to offer a variety of different experiences within the same store footprint. Compare that with a department store where each experience is the same. I've been in three Build-a-Bear stores and have found the staff to be friendly and very interactive. They really know how to handle kids. In an instant, they naturally transition to more gown-up conversation with adults, or teenagers on a date, or to a group, or to the early morning mall walkers. When I shop there I feel like the branding and the operations are working in concert with one another. It's a feeling that makes me want to shop there again.

LC:

I've got to visit one soon! Mike, I used to do the visual program for a chain of electronic and appliance stores. In every store on at least two walls were 18" high red dimensional letters saying "Honesty, Integrity and Reliability." While the stores had (and still have) some excellent people working for them, there were always a few sales people who wrecked the meaning of the words on the walls. How can a single word express what the executives intent and then be executed by the store managers and staff?

MW:

It's interesting that the customer never knows what the store executives intend, nor do they care. Customers want better experiences. Mission statements tend to sound all the same. When initiatives are rolled out "excellence" is often given as a dictum to various executives. But, each of these executives has different experiences, goals, styles and understanding of the concept, so mission statements don't make very good blueprints.

LC:

So what should you consider first?

MW:

First, you need to look at how the company's brand intent ties in with the "do and say part" and what the customers perceive and receive. The expectations, the ad set in the consumers minds and the reality of the service that delivers the product into their hands. Then, commit to making everything real (store design, merchandise, advertisements, store personnel, etc.). Focus everyone and all initiatives on achieving those emotional outcomes that customers value most. Emotional outcomes represent the magical tuning fork that brings the entire orchestra into harmony.

LC:

More details please.

MW:

Each time a customer shops he or she depends on three kinds of information, all of which have to communicate in similar fashion: 1. What a company does and says 2. The messaging that comes from the retailer - messages that are delivered both intentionally and unconsciously by the retailer and perceived by the customer such as: the written word, spoken word, behavior of the sales people, the feeling of the store, how the store is oriented, the feelings (emotional outcomes) of being welcome, appreciated, understood and comfortable. 3. What competitors and friends are doing and saying. Together, these cues make up the total customer experience.

LC:

So, back to my favorite all-purpose word: excellence. How can that be clearly communicated from the top on down so that excellence is what the customer's experience?

MW:

Executives have pushed initiatives such as excellence down the pyramid to the front line people to whom it ends up meaning little. It's important to make a strategy tangible so it's not a mystery to the people who meet the customers--and so that they can act on it. If a retailer is to make its Store of the Future idea real, it's vital that clear, detailed, tangible, meaningful messages are given to employees and customers. It is equally vital that this message statement is do-able!

LC:

So a word like "excellence" is meaningless without an explanation of what it really means in terms of day-to-day activities for employees and customers.

MW:

Correct. Excellence is management's way to communicate and do something good for the customer. The value of having a Store of the Future vision is that it describes the intended future state in a way that works. It comes in the form of a blueprint and an instructions manual. This way everyone is working with the same set of plans towards the same vision for the future.

LC:

I've worked for and shopped at many different types of stores. Don't you think that the training of the "front-line" staff could be improved to improve the stores' image, brand intent and sales impact in a phrase to improve the customer experience?

MW:

Excellent point--and an entirely new article. You can't choose all your activities and priorities in retail just to make money or you'll lose your reason for being your customers. Don't let the experience for the customer become haphazard and unmanaged. Design what you're doing around the customer experience to fulfill the brand intent. Design and organize your activities to allow positive emotions to arise in the customer.

LC:

We're back to the basics again emotions! Since few of us shop out of need (other than groceries), we must be shopping out of desire. More next week about training and how to create and satisfy desire in the shopping experience.

Four

Part of the shopping experience happens because of need: groceries, water, band-aids, underwear, etc. Part of each of these seemingly mundane decisions may happen because of desire. If you think of needs as rational and desire as emotional, you'll start to understand the difference.

LC: Once you identify your brand intent (Target: hip, fashionable, stylish, and affordable), how do you make the concept of "brand intent" real and meaningful to your frontline staff?

MW: Great question. First, you have to make the brand understandable to the front line and give them the information they need to make decisions in front of customers that are in concert with the brand. That means giving the sales associates the words that the executives believe they want customers to associate with their brands, as well as giving them an understanding of what to do.

Front line salespeople are the brand. Isn't the encounter with the real person behind that Target brand the most tangible evidence? Doesn't what they say and do, how quickly they respond, how much time they spend with you, when and how big they smile, how they handle difficult customers, and so on, have an effect on you every time you're in the store? Don't you create a kind of scorecard in the back of your head while you're shopping-to see what fits with the brand and what doesn't?

LC: Definitely! I went shopping with Mary the other day at Lord & Taylor. I've never been an L&T shopper but Mary had room on her card so there we were, in the petite department where I felt like Gulliver. Mary asked one of the sales women to run upstairs to get a blouse for her from a totally different area that she wanted to match with some slacks she found in Petites. I laughed quietly to myself, with deep skepticism born of years of department store shopping. To my total amazement - and pleasure, this woman looked slightly perplexed for a moment and then smiled and said "I'll be right back." I will definitely consider shopping for myself at L&T in the future. Sometimes it's the small things that are really big.

I know we promised to go into training in this article, but first you need good people to train. So Mike, some say good sales help is impossible to find. How can you identify someone during the hiring process who can understand and transmit your image to the customer with the feelings (emotional outcomes) that help make the brand real in the their mind?

MW: Another great and practical question. First, add traits and passion to the hiring checklist. Starting with your target emotional outcomes, look for people that demonstrate those traits naturally and who value those outcomes. Second, ask situation-based questions. For example, suppose at Target, where, based on careful research, you want your customers to enjoy the emotional outcomes of excited, engaged, and inspired; look for their ability to notice their own feelings and care about the feelings of others. Remember, this is a natural, not necessarily trainable skill.

LC: Specifically, what kinds of questions would you ask them?

MW: How do you feel when you shop at your favorite store and talk with a knowledgeable salesperson? How do you feel when you shop at a store you end up not liking because of how you were treated? How do you feel after you try to help a customer with a problem but you can't come up with a solution they like? How do you think they feel? Simple questions that make interviewing fun (remember leadership by example) and get you the information you need.

LC: How can you empower the front line to create positive emotional experiences (i.e. the company's targeted emotional outcomes) for customers?

MW: The answer comes in two parts. There are things you can do operationally on the floor-and then, there's the company culture.

Let's start at the top. In retail, it's particularly common for the CEO's attitudes, style, and demeanor to become a big part of the company culture. Perhaps this is because so many retail companies, until recently, were family-owned. With all the take-overs and public accounting rules that have come to dominate the retail scene, the great "merchant princes" have been replaced by numbers-oriented, macro managers.

Now, however, we live in a customer-centric world where it's proper to do things FOR customers rather than TO them. It follows that if customers require and desire a more touchy feely experience they should get one.

That may mean hiring a Chief Experience Architect to work side-by-side with the CEO, the CMO, and others to help create a customer-centric company supported by a customer-centric culture. It may also mean that a company decides to put a Customer Strategy program into place. In any event, it means that someone has to walk the talk at the top. Someone has to understand the consumer as they see themselves rather than as a customer (which is the way a company tends to "see" a consumer).

LC: That really makes sense, Mike. Everything has to conspire behind the scenes to make it easy for the customer to buy.

I've been part of several large department stores where the company culture reflected the attitude of the CEO. Unfortunately, this was not always a good thing and these companies have been bought out and their identities have been merged into a generic department store mold. Also not a good thing!

In our next article let's discuss the operational side of things. It's one thing to engineer a terrific customer experience through branding, store design, display, and a great front-line staff - but operations can make or break a store.

Five

Last week's article discussed the importance of hiring and training the right people as well as setting the right expectations. We talked about how important it is to convey the store's philosophy to people in the entire organization and how to make sure that the right people are representing the company on the front lines. We're going to look at the operational side of things this week.

LC:

So, Mike, have you ever been involved in the operations of a store?

MW:

Yes, I worked in the fast food industry at McDonald's and at Wendy's during parts of high school and college to help with expenses. As VP/Marketing for Kinko's, I opened two new stores and initiated new marketing, training, service, and supply programs. I've also been involved in operations as a shopper and as a consultant.

LC:

That's interesting. I've never really thought of people being involved in operations as a shopper but, of course, that makes perfect sense. I've experienced really long checkout procedures that seem to be designed more for inventory control and shrink prevention than for my convenience. Oh, and those dirty bathrooms!

Mike, if you're creating a store from scratch that you hope will grow into a successful chain, what are the three most important things you want to establish early in operations?

MW:

First, establish the soul of the brand, evidenced in all aspects of operations and marketing, especially that part that empowers employees to make decisions that allow them to serve the customer well. This Store of the Future series is all about that.

LC:

In the soul of the brand, what 'process' do you recommend putting into place to better allow communications to flow accurately downstream?

MW:

While process is great for scaling ideas that work up to a national size, setting the right context, in my opinion, is a more valuable focus for new concepts.

LC:

What do you mean by context?

MW:

A context is a shared way of understanding things, a shared set of values, and some rules about acceptable behavior. With those three things—and a clear, compelling, meaningful and tangible vision of the (store of the) future, groups are enabled to achieve results more quickly and completely. Less process is sometimes better, especially when inventing the new.

LC:

What medium do you use to convey this information to the employees?

MW:

Use everything you have at your disposal. That can include: meetings, e-mail, posters, newsletters, hiring interviews, speeches, etc.

LC:

Is there one method that you've found to be more effective than others in your experience?

MW:

Using a combination of methods helps to reinforce the context. Use multiple methods that you can afford and maintain. Honestly, my favorite is video (example under Case Studies/Wingate Inns on my website). You can capture a tremendous amount of front-line service detail and set accurate expectations when you use a camera. Video, however, is harder to produce and more costly. But, if the decision is significant, it's well worth the effort.

LC:

Please give me a significant example.

MW:

Example of a significant decision: changing the service delivery model in 500+ stores. I'd definitely do a video for that. In addition to capturing and conveying detail at a much finer level, video (especially when delivered over the internet) lets everyone affected by change see what's planned. By opening up the beta testing process (a product improvement technique borrowed from the software business) to your larger employee community, you can get several "versions" ahead without having to invest the first dollar in build-out, training, or software development.

Once the concept gets closer to 'crystal clear', you can also use the video that depicts the future service experience as a checklist to capture each discipline's requirements—an important first step in most operational approaches.

LC:

This sounds like everyone will be pulling in the same direction because they have a shared vision of what they are trying to build—a great customer experience.

MW:

You've got it. Establishing the vision is where you start. Making it real starts with reverse engineering the vision into requirements. That's when you get your technical and operations people involved in a big way.

LC:

Let's get to the second, equally important thing to establish early in the operations of a company.

MW:

Second is to instill a culture of service. That means truly caring for customers' needs and desires, not only in words, but also in day-to-day deeds.

LC:

What kind of day-to-day deeds are you talking about in the "culture of service?"

MW:

It simply means thinking through your area (whatever that is) through the eyes of the customer. Then, responding by doing things *for* them, not *to* them. For example; when a customer in your store asks what goes with the pants they are holding in their hand, instead of saying "blue", you would first think about the person standing in front of you and try to determine what they really want. Is this for them or is it a gift? What are their tastes? Are they trying to fulfill an even larger agenda, i.e. can you sell them multiple items to finish off the gift shopping list. By considering the customer from the start you can offer them a better experience.

The culture of service is part of the brand. It's based on the guiding principles that define the customer experience. It should be at the root level of what everyone says and does. The culture of service is simple, courteous behavior, respect, and a POSITIVE ATTITUDE about helping others. It is a framework for thinking and problem solving with each individual.

LC:

Let's move on to number three on your list of important things to establish early on in the operations of a successful retail business.

MW:

To create a long-lasting, customer-centric business model, *pick your learnings before your earnings.*

LC:

Okay, sounds interesting - more explanation please.

MW:

In a new business, the most important lessons happen in the early stages. Businesses that can apply what they learn more quickly across their growing chains by remaining agile are the ones that survive and thrive. Those who learn faster, grow better.

LC:

Can you describe for me one example of an important lesson please?

MW:

Holiday Inn was looking at using wireless devices to check in guests. Viewed operationally, the proposed solution was less expensive and seemed like it would work from a labor management point of view. What that first proposal for a streamlined check-in didn't show was that there was no evidence that guests would like to perform more of the check-in and -out processes for themselves.

LC:

You mean that there would be no interaction between the hotel guests and the staff?! I travel frequently for business and always have questions for the front desk people. I would hate not speaking to a human. It would be like punching in numbers on the phone in the hopes of speaking to a real person.

MW:

Correct, no interaction! Changing the customer experience has huge ramifications for the brand and on each individual's intent to repurchase. So we adjusted the scenario, the software, and set the expectations properly at Holiday Inn—for a better total guest experience.

The epiphany for me came when I realized that we (myself and Holiday Inn) could use our knowledge of what the customer wanted to feel and experience in order to manage previously uncoordinated management initiatives. By focusing on the experience we wanted to offer guests, we created a service delivery system that's profitable for Holiday Inn, and, equally important, that customers prefer.

LC:

We've talked again about a customer-centric retail experience—this time from the operations point-of-view. Unfortunately, when most retailers think about operations, they think about maintenance, cleaning, and computer systems. Let's discuss three things retailers can do immediately to create a customer-centric environment through operations in our next article.

LC & MW: What's good for the customer is good for the business.

Six

Last week we talked about the customer experience on the emotional level. We also emphasized the concept of a clear, compelling, and meaningful vision of the future—and of the present! Communication formats and the culture of service as part of the brand were also emphasized as vital to the success of a retailer.

We promised three things retailers could do immediately to create a customer centric environment through operations, which is what we'll discuss today.

LC:

So Mike, what are the three things that will transform the retail experience into a successful operation?

MW:

So what's the meaning of life?! To create a great customer experience you have to see, feel and understand things from the customer's perspective. Here are three things you can do right now to gain a clear picture of the customer experience you're offering today:

1. Walk-Through to review the physical plant
2. Talk-Through to understand the capabilities and attitudes of people
3. Try-Through to test how a store's systems enable customer experiences

LC:

Let's start with the walk through. I've done numerous visual walk-throughs for many large and small retailers, from Singer in Malaysia to Saks Off Fifth at an outlet mall. In every case I first shop the store. The experience tells me everything. I try to feel the store and get a sense of how welcome I am. The visuals play a part in that, but they're not the whole picture. I imagine you go to the next level on your walk through. What does your walk through consist of?

MW:

Before I do any walking, I remember that I have six senses—the five senses plus a sense of humor.

LC:

That's funny, no pun intended. When I give speeches on Visual Merchandising and Store Design, I talk about the six senses. The sixth sense is that of feeling and intuition—the energy or soul of the store. Yours sounds like more fun.

MW:

That's so kind. It is a necessary sense! Walking through a store at first sounds so easy, but in order to get the most out of it, to create the most usable information, you have to keep all of your customers—and their needs—in mind at one time. Also, it's natural when doing a walk through to favor one sense over the others. The trick is to keep all of your senses attuned while you're taking in the entire environment and all the activities going on inside of it.

LC:

Is there one sense that you feel is more vital than another?

MW:

My brain processes visual images first, but I pay careful attention to things that don't reflect the store's brand attributes. For example, when I pass by the concession stand in a super store, I love the smell of fresh baked cookies, but the smell of burnt frying oil takes my appetite away. My shopping is, most definitely, impacted by my stomach. Clues that a store gives me—like bad smells—have a negative impact that's cumulative. Like everyone else, I file information like that and it affects my perception of the overall shopping experience—and of the brand.

LC:

So, it is true, the way to a man's heart—or in this case, his wallet—is through his stomach. So Mike, a sense of smell and taste are very import to you. What else can make or break your experience?

MW:

Everything a customer sees, hears, touches, tastes and feels are clues. Whether you want them to or not, customers use clues to make decisions about your store, your company, and your brand. If you don't make conscious decisions about the clues and use them for your customer's advantage, you end up with a chaotic and disorganized customer experience. The danger is that you can lose the very important and valuable connection with your customer.

Nordstrom stores are engineered to deliver a good shopping experience for the customer. Everything, including the music is geared to calm, soothe, and interest the customer. Compare that to a store (you've probably been to several) that doesn't have a customer focus. It's the stores responsibility to provide and manage the customer experience—not the customers.

LC:

There's a visceral impact on all the sensory levels. I use the same opening in most of my talks. Engaging the senses in a positive way is essential to staying and succeeding in business. Let's get back to the walk through.

MW:

When it comes to designing shopping experiences, you need to remember that the things that make you happy or pleased are not necessarily the same things that make you unhappy or sad with your shopping. It starts in the parking lot. The list is hundreds of items long and what's important to one store might not be to another.

LC:

Good lighting is vital to all stores- it's a universal in a parking lot, to give people a feeling of safety.

MW:

Yes, that's a basic. In the parking lot you are creating a sense of anticipation for the shopping experience. If you see people smiling as they walk out—it's a positive clue about the store.

LC:

We can easily do an entire article just on parking lots.

MW:

One good example is Home Depot. Recently, the one near me in Marietta, GA, did a simple change of location for the shopping carts. They are now located between the entrance and exit, but still IN the parking lot. Now, when customers drive in it takes less time an effort for them to find the front door and pick up a cart without having to walk to the other end of the building to start shopping. The carts don't have to be returned as great a distance as before so the lot stays cleaner and requires less labor.

LC:

This simple thing honors the customer. It makes shopping easier and more welcoming.

MW:

Back to one of our early comments—what's good for the customer is good for the business.

LC:

Ok, now, back to the initial walk through.... you're entering the store. How long is your list of things worth noting?

MW:

There are hundreds to pick from. where do I start? First, I pick three missions - from three different customers. For example - Mission One: buying a screen door for an existing storm door. As you're shopping this store, having this customer's experience, find three or four negative and three or four positive clues. Remember to use all of your senses. In addition to listing the clue itself, it's important that you write down how each clue makes you feel with a word that expresses emotion. For instance, "I feel ignored and that makes me feel angry."

For example, when you walk in (in the persona of your shopper), you have no idea where to find the screen door area. The signage isn't adequate. Bad clue. Wandering aimlessly is not on your schedule. So, you write: "When I can't find something, I feel dumb, that makes me angry also." Now, you've captured a bad clue, write it down and continue with the experience.

Once you've completed the entire experience and have your storm door (yes, you really buy one), retreat, write down the "what if's?" that could make things better—and make you feel better. What if there were a repair guru who could help me through this experience? What if I could call someone before I got to the store who would tell me what information I need to bring to the store to solve my problem (and avoid multiple trips)? What if there were a design guru who would give good advice about which door would look best?

These are solutions that create more value for customers and offer more opportunity for the store. They are difficult to implement, but any beginning is preferable to an anger producing shopping experience.

LC:

So, a walk through is not just looking - it's really a shop through! What is a talk through?

MW:

The idea here is not to be passive as you're on your shopping experience, but to engage people in the business by talking with them. I'll grab the first person I can find and ask a question—even if I know the answer. I look to see if this person is helpful or aggravated that I'm bothering him/her. I ask other people questions and I make requests—all with an eye to press the limits of what the frontline people can do. When reviewing a Home Depot, I'd go to the "pro" checkout to buy my merchandise just to find out how flexible the check out person (and what store policy is) when it is discovered that I'm "just a homeowner".

LC:

They must love you. Of course, any walk through is all about the truth of the experience and even us extroverts have to get used to not being liked all that much. The truth hurts. Let's move to the "try through".

MW:

The try through is where things get really interesting. You're not just working on your own store; you're working on your entire chain. The hard part about challenging retail systems is that many of them were usually designed for some large-scale benefit. Making changes to a single system for the benefit for an individual store is often seen as not profitable or as a judicious use of company resources. However, the systems that support the customer experience, everything from returns, to special orders, to training, to register operation, to the internet, and to the return desk all have an important impact on the overall customer experience and they must be addressed.

LC:

How do you “try through?”

MW:

Just like a walk through, you create a mission and you go through that experience from the customers’ perspective. This time, however, you pick a mission that requires you to do things that require the use of the store’s systems. I’ll actually buy something, then return it. Or, buy it—and leave it at the store (with ID). When (if) I’m called, I find out what chain of events happened that reunited me with my merchandise.

Think like active rather than passive. Instead of paying attention to cleanliness, pay attention to courtesy. Instead of paying attention to how easy it is to find something, pay attention to how hard you may have to work to get something. Consider how much you, as the customer, have to do and how much the store and its systems have to do. If all is going well, you should find a balance that makes sense for everyone and reflects your chain’s brand attributes.

LC:

For example?

MW:

If I have a frequent shopper card, why do I have to hand write my name, address, and phone number on the refund request ticket? They should know that and pre-print it, saving both of us time and hassle. Paperwork causes so much work for so many people rather than relying on the information systems. Info systems cut down on the amount of paperwork and honor the customers’ efforts in entering their information in the first place.

LC:

My favorite is when I’m asked to enter my account number by phone and then, when a human finally gets on the line they ask me for it again. I always ask them why I had to enter it in the first place, but of course they either don’t know - or don’t tell. Before my paranoia gets the best of me—there is so much more we could go into that we’d be writing for a year. Creating the perfect store analysis tool relies heavily on the store and it’s intent. Look at your own stores and determine what you want to achieve. Then you can create the perfect tools to analyze your store and create operations that make a store of the future a store of the present.

MW:

Right! Do you want to be customer centric or take on the risk of not taking responsibility for the customer experience at all? Competition in retail is, without question, playing itself out on the field of customer experience. Don’t get caught with your pants down! Can you afford to be unaware, or worse, noncompetitive, in this new market?

LC & MW:

In summary, it takes hard work to make things easy for someone else. Start by noticing more, learning what matters to customers (vs. what matters to some of your possibly antiquated management reporting), and keeping an open mind with regard to doing things FOR your customers, not TO them!

About the Authors

With over twenty years of frontline experience, Mike Wittenstein (www.mikewittenstein.com) sees, feels, and understands the customer's perspective. He knows how seemingly small attentions to the customer's point of view can elevate their emotions and create in them a passionate commitment to your brand. Mike has dedicated himself to define this new business strategy in a methodology he calls, "The Passionate Customer Experience." BellSouth, Holiday Inn, McDonald's, and Wingate Inns have successfully built and deployed their own Passionate Customer Experiences with Mike's assistance. He invites you to do the same. Contact Mike by email at mike@mikewittenstein.com or at 770.425.9830.

For dozens of companies, Linda Cahan (www.lindacahan.com) has focused her market-proven skills—and her unique intuitive style—on helping large, small, and new retailers present themselves better to customers. With Linda's help, United Rentals, American Express, Singer (international), and many others have learned to see themselves as retailers first. You can too. Contact Linda at lindacahan@earthlink.com or at 203.938.2366.

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