

If your brand is still using departmental stores to push its products or services, then you need to start looking at how you can connect directly with customers



Retail trends for brands to weather

- **Building** relationships with customers who react to marketing efforts is key
- **Customising** food and drink orders like meals or dessert toppings can help a business connect better with discerning consumers



Guest writers

by Timothy Liew and Pamy Wong

IT was reported that retail sector sales contracted about 1.1% in the third quarter of last year.

Other sub-sectors also suffered a similar fate except for the pharmacy and personal care, and speciality retail stores which grew.

For a while, it seemed like the end of the road for brick and mortar retailers.

However, based on key trends this year, there are measures that can be taken to change the way such retailers traditionally conduct business.

Relationship building is key

Far too often, brick and mortar retailers do not bother to "think local".

It is easy for a brand to spend big bucks on marketing its retail business on social media and other channels.

But the difficulty lies in building relationships that are established with customers who saw or reacted to the marketing efforts.

As such, retailers this year should look at how they can spend their marketing budgets more effectively by designing programmes that are targeted at customer relationship building.

For a start, think about how you communicate with customers in-store, online or offline.

Can you tell at any given time which is a repeat or first-time customer?

A great way to start this process is to have a customer relationship building system.

For example, you could give first-time customers a repeat purchase coupon when they visit

your retail store, to be used on their second visit.

Upon visiting your store for the second time, you can give them a special card or another coupon to try something else at your store.

Experiential retailing

If you have not heard of "experiential retailing" or are not familiar with it, suffice to say that it is defined as creating a retail outlet which focuses on delivering outstanding experiences to customers who visit a store or interact with the brand.

With the rise of e-commerce, retail brands have had to rethink the way they engage with customers and how to get them to continue visiting their stores.

The first tool we recommend is plain old competitor research. In other words, take a look at what your competitors' shopping experiences are like. Visit their stores and get engaged with their brand.

The purpose is not to compare between your brand and theirs, but to understand what they do better or worse, and reflect on the experience in your own store.

Content is king

The question is, what kind of content are you putting out on your online and offline efforts to engage your customers?

How are you educating them about your brand and how it compares to your competitors?

This becomes even more crucial this year as your customers are constantly bombarded by competitor advertisements.

To stand out, you should focus on creating content that is not advertising based, but one that

tells your brand story.

Stories build relationships. They also function as a great communications medium between you and the customer.

For example, if you are a pet food brand, most of your customers are probably dog or cat lovers.

You could then create a community of such pet lovers and highlight those customers of yours who have adopted their pets. Reward them by giving out free products.

In short, focus on the things that are near and dear to your customers and use your brand as a platform to tell a great story.

Brands will continue to look for direct to consumer opportunities. And this year, they are ditching the middle man and looking for more ways to connect directly with customers.

Is your brand still going through departmental stores to push its products or services to customers?

If the answer is yes, then you need to also start looking at how you can connect directly with them.

This does not mean just selling them your products. It also means having your brand create a customer experience that engages with you, such that they ultimately decide to give you their business.

If you distribute your products through a departmental store or supermarket, a great place to start is to use pop up stores within shopping malls to generate interest between your brand and customers.

Such stores should first and foremost be about creating an experience between your brand and the customer. Sales should be secondary, or in some instances pushed to your distributor sales channels.

Omni-channels

If your brand primarily sells in-store, or in brick and mortar ones only, this year will be for you to move online.

If the opposite is true and you are purely online, then you need

to think about going offline.

The simplest way to start if you are a brick and mortar store is to list your products online and allow customers who cannot wait for the product to be shipped to them to pick it up from your physical store.

Another great opportunity for you is to use your stores as a shipping hub to cut down the delivery time of your customers' online purchases.

However, if you are an online store and need to establish a physical presence, you should use pop up stores as an opportunity to test different locations.

This will help you determine where your customers are before deciding to set up a more permanent store there.

Customisation

Eyewear retailers can provide clients with endless customisation options - from the colour of their frames to lenses - to connect better to discerning consumers.

Nowhere is this trend more prevalent than in the food and beverage industry, where food and drink orders, be they set meals or toppings on a desserts can be easily customised.

Add this to the enormous amount of consumer data which will be generated from customers communicating their likes and dislikes to retailers, and it allows F&B operators to continue creating better products.

Hence, look for areas in your own production or product line which allows you to introduce such customisation elements or services.

We have outlined what we believe to be the basis to grow your retail brand this year.

Focusing on them will help you better engage with your customers and go a long way to build the retail brand you envision for yourself. **FocusM**

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