

Serving Time - the new theatre of competition for retailers

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The days when retailers could rest easy once they had "the right stock, in the right place, at the right time and the right price" are long gone. Today's consumer demands much more.

In particular, time is of the essence. Time is money, time is important to each and every individual in this ever-changing world, and time is the ever-elusive aspect in our lives...we never have enough time.



This phenomenon is changing the way consumers shop. Traditionally, retail shopping behaviour could be classified in four types, distinguished by the type of decision-making and amount of involvement required of the consumer. (See diagram)

The prisoner analogy

The term 'serving time' is most commonly associated with someone convicted of a crime and imprisoned. For consumers seeking to minimise the time they spend shopping, there are many similarities. Both are in a place they would rather not be. Both find the experience unpleasant. Both want to get out as quickly as possible.

For their own survival, retailers need to recognise this. Not only must they maximise the number of consumers that cross the threshold of their stores. They must also ensure that the consumers move quickly back out over the threshold, having made the maximum purchases possible.

There is much talk about 'enhancing the customer experience' in stores – but for speed shoppers, the only guaranteed route to enhancement is accelerated acquisition and exit.

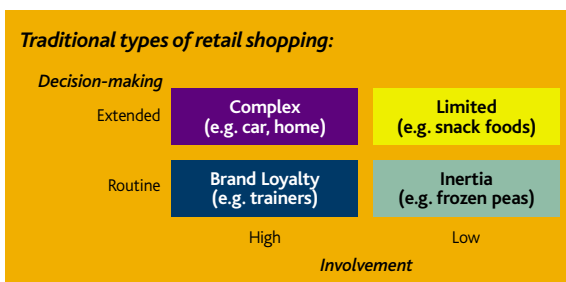
How does it work in practice?

Consider the following two examples. Both come from a well-known corporation that had introduced the 'one in front' system in its stores. The idea was to complete the all-round service, by minimising queuing and thereby saving customers time.

I visit Store A.

The hours are ideal (7.00 am – 10.00 pm). The location is good. Parking is excellent. Trolleys are free and always available.

Aisles can be easily manoeuvred, with minimal congestion. Product can easily be found; if there are any



We are now moving into an era where there are only two types of retail shopping, defined by the amount of time the consumer can afford or intends to devote to the activity. We call these two behaviours "mainstream convenience shopping" (done at the greatest speed possible) and "social retail therapy" (pleasurably spread over several hours, and often including refreshment breaks).

Retailers now need to offer speed shoppers that extra service: the opportunity to gain or buy time. Many already think they do, but are failing.

Internet or online shopping can and has helped speed shoppers, cutting down the need to travel to the stores and thereby saving time. But only 5% of retail sales are currently being made via this route. Consumers and retailers alike are clearly not yet maximising or realising the benefits of 'serving time'.

difficulties, a member of the store team approaches without prompting and assists. Shelves are well stocked, with fewer brands but more clarity. There are no stock cages or trolleys in sight.

The final fear: the checkout. In most companies this part of the experience is a nightmare, but in this store there are 20 tills to choose from. Only 15 are open, and all have customers in front of them. I pull my trolley behind another customer unloading hers, and am courteously asked if I would like to move to the next till where an assistant speedily opens the tills, logs on and processes my shopping smoothly, effortlessly and quickly.

In this store, there are minimal queues no matter what the time of day, time of year or day of the week. I can therefore do quickly a chore I hate, as everything is planned for my satisfaction as the customer. Store A 'serves time', allowing its customers to get on with pursuits more in keeping with their lifestyle.

Now I visit Store B.

Owned by the same company, it is about 10 miles distant from Store A. The location is again good. Parking is normally good, but sometimes difficult. Trolleys are rarely available and require £1 or €1. However, pound coins do not fit all the trolleys.

Aisles can easily be manoeuvred. But identifying product is difficult, with too many signs and special-offer banners causing confusion. All the staff are task focused; no one seems to notice the customer. If I ask for help, it is given grudgingly (because I have interrupted the 'real work' – placing orders). Shelves are fairly well stocked, with minimal sell-outs or stock-outs. However, the stock cages and trolleys cause congestion in the main selling areas.

The checkout!!! Queue after queue with minimal supervision. No management in sight. Tills remain closed. So I wait and wait, along with many other complaining customers, contemplating the other aspects of life that I now have to sacrifice because I am wasting time through no fault of my own, in a store that has no perception of what the customer – or indeed the corporation that owns the store – wants and needs. Clearly in this store, there is no understanding of 'serving time'.

Same company, same customer profile – but different attitudes to the changing needs of the consumer and the business. 'Attitude' is the common denominator, not just among shopfloor staff, but right through the management at store, area,

regional and right up to director level.

Success factors

Getting it right – by 'serving time' even before the consumer demands it – will not emerge from a focus on achieving a multi-flexing supply chain, however beneficial that will be; or from rebranding and refocusing your company for the 21st century, as many have done.

Retail companies should not neglect the wide range of important activities that most already have under way: e.g. increasing awareness of their main competitors, current and for the near future; trying to attain great visual aspects to attract customers through the doors; spending a fair proportion of their budgets on marketing; understanding their trading patterns, and staffing their operations accordingly; offering appropriate customer service for their sector; adding services to the shopping experience in a way that enhances their customers' way of life.

However, they neglect the major 'hygiene factor' – serving time – at their peril. This is the final piece in the jigsaw of customer service. Serving time means ensuring the speed shopper has achieved their main goal. They had a great experience, found quickly and efficiently what they were looking for, and – the icing on the cake – they were in and out in record time, leaving them the opportunity to use the extra time as they see fit.

The best – and the rest – in retailing

At one time, the most important aspect that placed companies 'above the rest' was a differing product offer. At another time, it was personal customer service. Location has been, and still is, a distinguishing feature. And in many sectors promotional offers continue to help.

But the real saving to grab many consumers' interest now is time. Retailers who do not 'serve time' will lose customers to their competition, and may find it difficult and costly to attract those customers back.

What are the implications for the organisation? To start with, attitudes must change – at the top level, and then cascading down to every other level. The organisations that will have most difficulty with this first step are those that think they 'serve time' already – but don't. Next, every core process, from managing the supply chain to staff recruitment and training, must change radically.

Are you ready for it?