

Participant Handbook

Sector
Beauty & Wellness

Sub-Sector
Product & Sales

Occupation
Sales & Consultancy Services

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**Retail
Sales Associate**

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Shri Narendra Modi
Prime Minister of India

“ Skilling is building a better India.
If we have to move India towards
development then Skill Development
should be our mission. ”



**COMPLIANCE TO
QUALIFICATION PACK – NATIONAL OCCUPATIONAL STANDARDS**

is hereby issued by the

RETAILERS ASSOCIATION'S SKILL COUNCIL OF INDIA

for

SKILLING CONTENT: PARTICIPANT HANDBOOK

Complying to National Occupational Standards of

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The preparation of this handbook would not have been possible without the industry's support. Industry feedback has been extremely beneficial since inception to conclusion, and it is with the industry's guidance that we have tried to bridge the existing skill gaps in the industry. This participant handbook is dedicated to the aspiring youth, who desire to achieve special skills that will be a lifelong asset for their future endeavours.

About This book

This participant handbook has been designed to enable training for the specific Qualification Pack (QP). Each National Occupational Standard (NOS) has been covered across units. The key learning objectives for the specific NOS mark the beginning of the units for that NOS. The symbols used in this book have been described below.

A Retail Sales Associate is responsible for optimizing inventory to ensure maximum availability of stocks and minimizing losses; adhering to standard operating procedures, processes, and policies at the store while providing timely and accurate reporting; managing sales and service delivery to increase store profitability; executing visual merchandising displays as per standards and guidelines; ensuring overall safety, security and hygiene of the store; implementing promotions and special events at the store; leading and managing the team for developing store capability, and conducting price benchmarking and market study of competition. The individual should be meticulous, motivated to learn new things, logical, and result-oriented. He or she must have manual dexterity, right eye for visual quality, and excellent attention to detail. Among others, the individual must have decent communication skills and be able to prioritise tasks. The trainee will enhance his/her knowledge under the trainer's guidance in the following skills:

- **Knowledge and Understanding:** Adequate operational knowledge and understanding to perform the required task
- **Performance Criteria:** Achieve the required skills via hands-on training and complete the necessary operations within the specified standards
- **Professional Skills:** Ability to make operational decisions related to the area of work

The handbook incorporates the well-defined responsibilities of a Retail Sales Associate.

Symbols Used



Key Learning Outcomes



Unit Objectives



Exercise



Tips



Notes



Activity



Summary



Practical

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1. Introduction To Retail

- Unit 1.1 - Introduction to Retail
- Unit 1.2 - Traditional and Modern Retail in India
- Unit 1.3 - Retail Formats
- Unit 1.4 - Modern Retailing and You
- Unit 1.5 - Retail Supply Chain



Key Learning Outcomes

By the end of this module, the participants will be able to:

1. State the meaning of retail.
2. Identify the difference between the traditional and modern retail sector.
3. Identify the traditional forms of retailing in India.
4. Identify the features of retail formats.
5. Identify the departments and functions in a modern retailing operation.
6. Identify the components involved in the retail supply chain.

UNIT 1.1: Introduction To Retail

Unit Objectives

By the end of this unit, the participants will be able to:

1. State the meaning of retail.
2. List the features and components of retail.
3. Identify the stages in the growth of the retail sector.
4. Discuss the reasons for the growth of retail in India.
5. Differentiate between the traditional and modern retail sector.

1.1.1 Retail

Retail: Originates from the French word 'Retailleur' which means 'to cut, divide into pieces and sell in small quantities to customers'. In other words, retail is the sale of goods or commodities in small quantities to customers.

Retailing: Retailing is the activity that enables products, merchandise or services to reach the customers or end consumer.

Retailer: A retailer is a person or an outlet through which products or services are sold to customers or end consumers.

Features of retailing

The factors of retailing are:

- Selling directly to customers or consumers.
- Selling in smaller units/quantities.
- Location advantages: closer/convenient to consumers.
- A range of products or services in one place: convenient to customers.
- Differences in service levels: customer experiences.
- Regular promotions: to attract customers (for example 20% off on MRP).
- Large number of outlets: more stores.

Key components of a retail store

The key components of a typical retail store are:

- Products and services
- Retail store and store staff
- Customers or consumers

The retail store and staff are the last stage in the 'market' where consumers or customers buy the products or services that they need.

Activity

1. **Objective of the activity:** To help learners understand how barter system works.
2. **Learning outcome:** Learners will be able to understand barter system.
3. **Procedure to conduct the activity:** Divide the class into three or four groups depending on the size of the class. Give each group a card with one of the following items written on it:
 - Group 1: Rice: 50 kg.
 - Group 2: Vegetables: 20 kg.
 - Group 3: Salt and masala: 1 kg.
 - Group 4: Vessels: 10
4. **Suggested time for the activity:** 10 minutes
Once the task is completed, share the feedback and discuss what you did, why and how.
5. **Suggested time for discussion:** 5 minutes
6. **Debrief:** Explain the importance of barter system as the very first way of the 'buying' system. Explain that money evolved to make buying more flexible and the subsequent growth of retail.
7. **Suggested time for debrief:** 5 minutes

1.1.2 Growth Of Retail Sector

Barter system: Barter system is a system in which goods or services are directly exchanged for other goods and/or services without a common unit of exchange (without the use of money).

Traditional: Selling goods and services in smaller stores.

Modern retail stores: Supermarkets, hypermarkets, malls, etc.

Reasons for the growth of retail in India

- Rising income levels: More money to spend.
- Rising expectations of the young segment of the population: More demand for new and different products.
- Nuclear family structure: Not a joint family structure.
- Growing literacy: Understand the market better.
- The rapidly expanding middle class: Spending power will be more.
- Growing urbanisation: The social process whereby cities grow and societies become more urban (more stores to satisfy the needs of the customers).
- Increasing media penetration: Get more information about products and services.
- Exposure to international brands and products: Increased demands and explain the traditional retail scene in India. Highlight the highest and lowest organised retail percentages.

Organised v/s Unorganised

- Unorganised retail 92% per cent market share
- 12 million unorganized (mom-and-pop) stores.

Traditional and modern retail sector

- **Technology:** Technology plays a vital role in modern retail in the following areas: billing software, customer relationship management and indent software - which is used to place orders for products through mails and equipment (used to prevent losses). But the traditional retail sector does not implement any technology for its growth or improvement.
- **Systems:** Modern retail follows proper procedures for handling customer complaints, product return policy and ordering procedure. Modern retail companies have their own Standard Operating Procedures (SOPs) to ensure that the day-to-day operations are taken care of, but the traditional retailers do not have any specific procedures/systems to handle their stores on a day-to-day basis. It is a totally biased, or one sided decision. This may cause dissatisfaction among their customers.
- **Size and reach:** Modern retail stores are in different formats, depending on the size of the store, size of the department and shopping convenience of the customers. They reach customers in different areas and cater to different segments. Since traditional retail forms do not have the above features, their size and reach are very limited.
- **Service levels:** Modern retail stores are in different formats and each format service levels are different and higher than the traditional retailers. For example in a lifestyle stores, the service levels are really high, the SOAs will understand the needs of the customers and will help them to select the right products and also do a consultative selling. The services are offered from entry till exit of the store. But, in traditional retail forms the service levels are not par with the modern retail forms; this is due to different reasons like, size, untrained staff, etc.
- **Scope of products:** Since modern retail has different formats, it offers products in various range/ collection, price, size and quantity. It also caters to customers of different levels. On the other hand, traditional forms of retail offer a very limited range of products. The customers do not have much selection of products.
- **Markets:** Unlike the traditional retail sector, modern retail exists in all segments of market like urban, rural, semi-urban areas, catering to a wide range of customers.

Summary

- Meaning of retail.
- Features and components of retail.
- Stages in the growth of the retail sector.
- Reasons for the growth of retail in india.
- Difference between the traditional and modern retail sector.

UNIT 1.2: Traditional And Modern Retail In India

Unit Objectives

By the end of this unit, the participants will be able to:

1. Describe the traditional retail scene in India.
2. Describe the emerging modern forms of retailing in India.

1.2.1 Traditional Forms Of Retailing In India

- **Kirana/mom and pop stores:** Small shops, selling to consumers in the immediate neighbourhood. They have low cost of operations, flexible selling prices, and limited product range and offer high service levels to their customers.
- **Weekly bazaars/markets:** Small temporary stalls selling to customers (small traders) as well as consumers from large areas around the bazaar with low cost of operations and usually lower prices. Specialist traders have a variety of products but in small quantities and low levels of service.
- **Whole sale markets/mandis:** Permanent but small stalls. They undertake wholesale and retail activity, essentially food and grain centres, mainly selling to small traders, have low cost of operations and offer lower selling prices (prices fluctuate with demand and supply of vegetables, etc.) with low levels of service.
- **Hawkers:** Movable shops with small push carts or vehicles, mainly selling to consumers in a specific locality. They offer low cost of operations, focus on convenience to consumers and usually charge higher selling prices. Store-needs hawkers carry products for regular consumption and offer high levels of service.

The emerging retail scene in India

Malls, hypermarkets and supermarkets are getting more importance in the Indian retail scenario.

Malls

- A huge retail building that houses many stores.
- A one-stop shop for all customer needs.
- Many products and services: groceries, apparel, jewelry, books, restaurant, cinemas
- For example Alsa Mall (Delhi), The Forum (Bangalore).
- High quality of shopping environment and shared services.
- Parking, walk-ways.
- A dream shopping destination.

Non-store retailing

- There are other ways of selling which may not need a store.
- E-Retail: Marketing and selling directly to customer over the internet.
- Tele-marketing: Showing products on TV and taking orders over the phone, mobile or internet.
- Catalogue marketing: Sending catalogues (books with details of products) to customers and taking orders over the phone or posted orders.

- Direct selling: Visiting customers at home and demonstrating products or services followed by direct order taking.

Summary

- The traditional retail scene in India.
- The emerging modern retail sector in India.

UNIT 1.3: Retail Formats

Unit Objectives

By the end of this unit, the participants will be able to:

1. List the different retail formats.
2. Summarise the key features of retail formats.

1.3.1 Retail Format

Retail format is the overall appearance and feel that it presents to customers, primarily its look and layout, the sort of range it stocks and the approach taken to pricing.

Parameter	Format	
Size	Mini (500-1500 sq ft)	Super/Hyper market (2000 - 200,000+ sq ft)
Location	Standalone	Malls
Range	Specialty (narrow range)	Departmental (wide range)
Brands	Exclusive (one company/brand)	Multi brands (different brands/ companies)
Product type	Staples (everyday products)	Life style/Luxury (special occasion/specific)
Price	Value/Discount	Premium

Table 1.3.1: Retail format

Types of retail formats

Standalone stores

- Small to mid size stores: 500 to 2000 sq ft.
- Generally, merchandise one company's (branded) items.
- Consist of different sections within the store for related products.
- Located within the planned shopping mall or on a high street.
- For example Pantaloons, Nike, Puma, Reebok, Levis, Zodiac, etc.

Department stores

- Large stores: 20,000 to 50,000 sq ft.
- Cater to a variety of customer needs.
- Further classified into departments such as clothing, toys, home needs, etc.
- Multi-brand range.
- Premium priced.
- May be located in shopping malls or on a high street.
- For example Shoppers Stop, West Side.

Discount stores

- Mid to large size : 2,000 to 10,000 sq ft.
- Sell in bulk, reaching economies of scale or excess stock left over at the season to offer discounts.
- The product category can range across a variety of goods : food, grocery, apparel.
- Always on discount.
- For example Mega Mart, Brand Factory, Factory outlets.

Speciality stores

- Can range from small to very large: 500 to 100,000+ sq ft.
- Specialise in a very specific range of merchandise and related items.
- Build expertise and customer base within this range.
- For example Croma, Crossword, Apple Store, Health & Glow.

Convenience stores

- Relatively small stores (400-2,000 sq ft).
- Located near residential areas – proximity to consumer.
- Stocks a limited range of high-turnover convenience products.
- Prices are slightly higher due to the convenience factor.
- Generally sells Fast Moving Consumer Goods (FMCG) and perishable products.
- For example Reliance Fresh.
- This is traditionally the strong hold of local Kiranas

Supermarkets

- Large size: 2000 to 20,000 + sq ft.
- Self-service stores that offer a wide variety of grocery, processed food, perishables, dairy products, meat and bakery products, non food products and household merchandise.
- Organised into departments.
- For example Food world, More.

Premium store/Lifestyle stores

- Mid to large size : 1000 to 20,000+ sq ft
- Span a wide range of products, entertainment and luxury/ leisure categories.
- Merchandises are offered at premium prices.
- Operation cost is higher than other formats.
- Level of customer service is high.
- For example Lifestyle, Central.

Hypermarkets

- Superstores which may combine a supermarket and a department store (covers 150,000 sq ft to 2,50,000 sq ft).
- Very large retail facility having an enormous range of products under one roof, including full lines of groceries, apparel and general merchandise.

- One stop weekly/monthly shopping destination for customers.
- Focus on high-volume and low-margin sales because of their large footfalls.
- For example Big Bazaar, Wal-Mart, Reliance Mart.

Malls

- Largest form of organised retailing today (6,00,000 sq ft to 10,00,000 sq ft).
- Located mainly in metro cities in proximity to urban outskirts.
- Lend an ideal shopping experience with a combination of product, service and entertainment.
- Stores, restaurants, cinemas, kids play areas.
- Essentially provide a platform for many retailers/stores to tap into a common consumer base.
- For example Prestige Mall, Forum Mall, Garuda Mall.

Summary

- Retail formats.
- Features of important retail formats.

UNIT 1.4: Modern Retailing and You

Unit Objectives

By the end of this unit, the participants will be able to:

1. List the departments and functions in a modern retailing operation.
2. Point out the structure of and roles in a front end store operation.

1.4.1 Departments In Modern Retailing

Handling the day to day working of a store effectively and efficiently is called 'Store operations'. A store's main responsibility is to sell the products and provide good service to its customers. This has to be done in a manner to satisfy customers' needs.

A store is managed by a Store Manager with the support of his/her team members: Assistant Managers, Department Managers, Supervisors, Head Cashiers, store HR personnel, store V.M. personnel, store logistic personnel, store operations assistants(SOAs), security personnel and housekeeping personnel.

To run a store successfully, co-operation and support of the following departments is also required: merchandising, warehouse, finance, projects, human resources and marketing. The cricket team activity from the previous slide can be referred to explain this. Each member of a cricket team is dependent on each other; in the same manner, the store staff members are dependent on other departments to run the business successfully.

Each department has its own roles and responsibilities and importance, at the same time being dependent on one another.

1. Merchandising: The roles and responsibilities of the merchandising department are

- Planning and deciding the products to buy and sell.
- Sourcing products and supplying to the store.
- Deciding on store displays.
- Negotiating with vendors for the best price.
- Placing new products in the store.
- Fulfilling the store's requirements in terms of products.

2. Warehousing: The roles and responsibilities of the warehousing department are

- Receiving the stocks from vendors.
- Storing the received stocks and dispatching the stocks to stores.
- Receiving damaged expired, old stocks from the stores.
- Fulfilling the store's requirements in terms of supplying products.

3. Finance: The roles and responsibilities of the finance department are

- Planning budgets.
- Processing the invoices and taking care of payments of the vendors.
- Assisting the store staff in terms of handling day to day commercial operations.
- Managing commercial operations.

4. **Projects:** The roles and responsibilities of the project department are
 - Identifying store locations.
 - Designing store layouts.
 - Setting up the store.
5. **Marketing:** The roles and responsibilities of the marketing department are
 - Building the brand.
 - Advertising and promoting merchandise and services.
 - Planning and designing different types of promotions.
6. **Human resources:** The roles and responsibilities of the human resource department are
 - Hiring eligible and suitable candidates for different departments.
 - Conducting different types of training and development programmes for the present employees and conducting inductions for newly joined employees.
 - Processing pay-roll.
 - Managing the manpower of the company.

In a retail business it is very important that all the above mentioned departments work closely, and achieving the required goal is not possible without proper coordination and cooperation. As in a cricket team, the different departments of retail are important for the working of the team together.

Note: An example for the above explanation could be: the coordination between merchandising department and the warehouse. Stores cannot sell without the right products. The merchandising department plays a vital role in this by selecting the right product at the right time. Similarly, warehouse plays an important role in dispatching the required/ordered products to the store at the right time.

Structure and roles in a store

- **The Store Manager** is the head of the store and is overall responsible for the day to day operations of the store. The Store Manager reports to the Area Manager/Regional Manager.
- **The Store Operations Manager** is the next in charge like an Assistant Manager, who takes care of the store operations. The Store Operations Manager reports to the Store Manager.
- **The Department Manager** takes care of a particular department and is responsible for all the activities in that department. The Department Manager reports to the Store Operations Manager.
- **The Supervisor** supervises a particular department/section and is responsible for the day to day activities of that department/section. The Supervisor reports to the Department Manager.
- **The Store Operations Assistant (SOA)** works for a particular section and is responsible for the day to day maintenance of the same. The SOA takes care of stacking the products, executing the planogram, housekeeping of the section, attending to customers' needs, selling, etc. The SOA reports to the Supervisor.
- **The Store Logistic Manager** takes care of receiving products from warehouse and dispatching products from store to warehouse. Other responsibilities are product code updating at the store level, disposal of damages, back room management, etc. The store Logistic Manager reports to the Store Manager.
- **The Store Logistic Assistant or Store Operations Assistant** helps in receiving products from the warehouse, takes care of back room arrangement, damage disposal and handles the day to day operations of the store logistics department. The Store operations Assistant reports to the Store Logistic Manager / supervisor. The store operations assistant is also responsible for filling the shelves, maintaining required and adequate stocks at the store.

- **The Head Cashier** takes care of the store's commercial activities and prepares and checks all commercial reports and is responsible for the overall commercial activities of the store. The Head Cashier reports to the Store Manager.
- **The Cashier** is responsible for billing and managing the cash counter effectively. The Cashier reports to the Head Cashier.
- **The Store HR/Administration Manager** takes care of store hiring, pay roll processing and the day to day HR and administration activities. The store HR/Administration Manager reports to the Store Manager.
- **The Store HR/Administration Executive** takes care of the day to day HR/administrative functions of the store viz., maintaining attendance, leave, salary, etc. The store HR/Administration Executive reports to the Store HR/Administration Manager.
- **The Store Visual Merchandising Manager** takes care of the overall Visual Merchandising activities of the store - planogram implementation, festive and other seasonal displays, etc. The Store Visual Merchandising Manager reports to the Store Manager.
- **The Store Visual Merchandising Associate** takes care of the day to day display activities of the store's Visual Merchandising - arrangement of displays, printing promotional talkers, maintenance of signage, banners, etc. The Store Visual Merchandising Associate reports to the Store Visual Merchandising Manager.
- **The Store Security Officer** is responsible for the overall security of the store and takes care of issues related to pilferage, etc. The Store Security Officer reports to the Store Manager.
- **The Store Security Personnel** takes care of receiving products from the warehouse, opening and closing the store and checking product movement and staff movement, etc. The Store Security Personnel reports to the Store Security Officer.

The SOA's primary role is to support the day to day store operations in the area of receiving, moving and storage of goods.

Summary

- Departments and functions in a modern retailing operation.
- Structure of and roles in a front end store operation.

UNIT 1.5: Retail Supply Chain

Unit Objectives

By the end of this unit, the participants will be able to:

1. State the meaning of supply and retail supply chain.
2. Identify the elements of a typical supply chain.
3. List the features of a supply chain.
4. Identify the factors that influence supply chain management.

1.5.1 Meaning And Importance

Supply—The quantity of something (products and services) that is available in the market.

A retail supply chain is:

- The method by which the goods reach the customers.
- The entire set of organisations/people that produces and delivers products and services to the final customer.

A typical retail supply chain

A typical retail supply chain has four important components. Each component makes the chain complete, and without it, the chain will not function properly. Let us get an idea of the components of a supply chain.

The customer creates a demand for products and services, which prompts the manufacturers to produce them.

The four important components of a supply chain are:

- **Manufacturers:** The role of manufacturers in a retail supply chain is to produce goods. They could also be contract manufacturers who supply products to the core brand manufacturer, like the franchise bottlers for Coca-Cola, etc. They need to ensure timely production, availability of products and efficient distribution.
- **Distributors:** These people store the products in large quantities to serve the needs of retailers in their region. From the warehouse or distribution centre, the products go to the relevant market destinations, which could be any one of the several locations or channels that the company sells through. In India, distributors are the back bone of the retail industry.
- **Retailers:** The caretakers of the shopping environment. The retailer receives the products, stores them and displays the same for sale. They receive the customers into their stores and serve their needs. Retailers are the bridge between the manufacturers/brands and the customers. They build a strong relationship with the manufacturers and suppliers of products. Retailers are the voice of the manufacturers in the market and also the voice of the customers.
- **Customers:** The products stored and displayed in the retail stores are bought and used by the customers.

Features of a supply chain

Features of a supply chain are:

- **Many components, all very important:** As discussed earlier, each component plays a very important role in the supply chain, and the process of manufacturing and supplying goods to the customers will not be complete in the absence of any of these components.
- **Many products, one supply chain:** There can be several categories that a company may be producing and many variants of the product in each of those categories. So, the supply chain has to find a way to manage all the products according to each of its variants. For example Nike shoes in a store have many different styles, sizes and colours to choose from. Each of the shoes on display is a unique product. In addition, there are other apparel products that Nike makes.

In retail, each variant of a product is a Stock Keeping Unit or an SKU, based on which the supply chain works, when it has to cater to multiple categories (food, non food, apparels, etc.), products and variants.

- **Cross-functional co-ordination:** The components of a supply chain are inter-dependent or mutually supportive-to be successful, a supply chain requires a lot of support and co-ordination from different departments. There should be very close co-ordination between functions.

Example: A manufacturer of dairy products will need a wholesaler who has the infrastructure to store the products at the right temperature. If the wholesaler does not have the right infrastructure or does not store the products as per instructions, the customers may not be happy with the quality of the products.

Similarly, the operations team is responsible for the performance at the store level and they are the custodians/caretakers of the customer's requests and demands. If they do not indent for and stock the right products required by the customers, the customers will not be satisfied.

Supply chain management

Supply chain management can be defined as:

- Making products and services available to customers in response to their needs—conveniently and efficiently.
- Management of the entire set of organisations/people that produces and delivers products and services to the final customer.

Activity

1. **Objective of the activity:** To enable learners to identify the various the factors that influence the retail supply chain.
2. **Learning outcome:** Learners will be able to identify the various the factors that influence the retail supply chain.
3. **Procedure to conduct the activity:** Divide the class into two groups and ask them to list the various factors that influence the retail supply chain.
4. **Debrief:** Explain the influencing factors of the retail supply chain.
Collect feedback.

1.5.2 Factors That Influence Retail Supply Chain

Technology based systems have raised the level of effectiveness.

The retail supply chain is not a standalone function and requires the help of different functions. Since a lot of functions are involved, it is difficult to manage without the help of technology in multi-product, multi-location and multi-situation stores. So, technology plays a vital role in the retail supply chain. The three most important functions that are involved in the retail supply chain are:

1. **Transportation:** Transportation of goods is a physical activity. It is one of the links of supply chain that executes the whole supply process. Transportation means packing products, loading and sending them off on their journey towards the customer. The enormous development in the field of automobile technology has helped to reach goods and services from one department to the other effectively and efficiently.

Points to be reiterated:

- Physical activity
 - Executes the whole supply process
 - Packing products, loading them and sending them off on their journey towards the customer.
2. **Logistics:** The process of planning, implementing, and controlling an efficient cost effective flow and storage of raw materials, in-process inventory, finished goods and related information from the point of origin to the point of consumption for the purpose of meeting the requirements of the customer.
 - Logistics planning involves the operations related to co-ordination of all the components of a supply chain, for example figuring out how many trucks need to be added to the unit for effective distribution in the city.
 - Today, thanks to the development of technology, there are very well developed M.I.S (Management Information Systems), and with large networks like S.A.P (Systems Applications Products) and E.R.P (Enterprise Resource Planning), it has now become possible to plan and co-ordinate the activities involved in the retail supply chain effectively.

3. **Modes of communication:** As in any other business operation, communication plays a vital role in the execution of a retail supply chain.

Modern modes of communication like the telephone, the cell phone, the fax machines and the internet/email have brought about a tremendous change in the functioning of a supply chain. They have helped the supply chain to function smoothly and effectively by making it possible to pass on the information to the concerned department/person quickly and accurately.

The last vital link—you

The store staff members are the last link in the retail supply chain—they interact with the customers and help them find the right product and get value for their money. After all, the very purpose of executing the retail supply chain is to achieve customer satisfaction.

The store staff is the last vital link in the retail supply chain. Their functions include:

- Arranging the products.
- Replenishing and replacing the products according to the planogram for easy access to customers.
- Guiding customers through the store.

Summary

- Meaning of supply and retail supply chain.
- Elements of a typical supply chain.
- Features of a supply chain.
- Factors that influence supply chain management.

Exercise

A. Mention whether following statements are true or false:

1. Retail originates from the French word "Retailleur" which means _____.
 - a) to cut
 - b) to add
 - c) to distribute
 - d) none of the above

2. Key components of a Retail Store includes:
 - a) Products and services
 - b) Retail store and store staff
 - c) Customers or consumers
 - d) All of the above

3. Retail Formats include:
 - a) Standalone stores
 - b) Department Stores
 - c) Discount Stores
 - d) All of the above

4. The _____ is the head of the store and is overall responsible for the day to day operations of the store
 - a) Store Manager
 - b) Department Manager
 - c) Supervisor
 - d) Store Logistic Manager

5. A typical retail supply chain includes:
 - a) Manufacturers
 - b) Customers
 - c) Retailers
 - d) All of the above

B. Answer the following:

1. What is Retail?
2. Discuss the factors influencing a retail supply chain.
3. What are the reasons behind the growth of retail in India?
4. What are the traditional forms of retailing in India?
5. Describe structures and roles in a store.

Notes

Scan the QR codes or click on the link to watch the related videos



www.youtube.com/watch?v=Gm-agMsfu0s&t=40s

English phrases for salesperson



2. Suggesting Right Products To Customers



Unit 2.1 - Identification of Customer Needs

Unit 2.2 - Demonstrate Products

Unit 2.3 - Handle Objections and Close Sale

Unit 2.4 - Buying Signals of the Customer

Unit 2.5 - Advising Customers on Additional Products Sales



Key Learning Outcomes

By the end of this module, the participants will be able to:

1. Follow sales process to identify customer needs and suggest right products for them
2. Discuss the ways to promote sales and goodwill
3. Apply selling techniques to handle objections and queries of customers
4. Demonstrate the process of suggesting additional and associated products to customers
5. Practice following the techniques of closing sales
6. List the impact of not upholding the legal rights of the customers

UNIT 2.1: Identification Of Customer Needs

Unit Objectives

By the end of this unit, the participants will be able to:

1. State the meaning of retail sales
2. List the pre-selling activities
3. Determine/Identify the standards for appearance and behaviour
4. Analyse and carry-out the steps to help the customers in choosing the right products
5. Perform the process of identifying the products that the customers are interested in buying

2.1.1 Retail Selling

Retail selling is

- Selling products or merchandise to the customer
- Sale of loyalty/membership programmes
- Sale of additional services and warranty
- Discovering the needs of customers and converting them to sales

Customers come to the store to buy products that meet their needs. The main responsibilities of the SA (you!) are to understand their needs better and help them in making the best purchase. The range of products includes merchandise, membership services, loyalty programmes and services along with additional warranty. The SA should seek to understand the customer's needs precisely and match with the offers existing in the stores.

Pre-sales preparations

Pre-sales preparations are important as they give the best chance of making a good impression on the customer and help achieving better sales.

Some of the key pre-sales activities are:

- **Grooming:** A person who is neat and presentable is considered to be more approachable to seek help and advice by the customers
- **Store and product arrangements:** A well-arranged and clean store area attracts customers and encourages them to spend the time required to buy what they need. It also makes it easier and pleasant for them to shop
 - All products should be arranged according to their category in the planogram
 - Products should be neatly arranged in the racks/shelves and display areas with face-ups
 - All racks and display counters should be dust free
 - Each area should be appropriately illuminated (proper lighting arrangements)
 - Floor should be neatly mopped
 - The shelf talkers and promotional signs should be properly in place
 - Know your products—availability (colours, size, price range, etc.)

The other important aspect of being ready to sell involves learning enough about the products to be sold and the alternative choices that the customers may have, in order to give them the correct advice on taking decisions.

- **Know your company and its people:** The complete knowledge about the company's history, values, vision and people is a must. This helps in seeking guidance whenever required. The conviction levels for the associate are higher when one has the knowledge of their organisation and the people they work with
- **Know the company policies, processes:** Every organisation has its own policies and processes. The SA should have a thorough knowledge on these as it is essential to run the operations smoothly as per organisational standards. Policies can range from human resources to store operations. Store operations have their own SOPs (Standard Operating Procedures)
- **Know the government regulations, statutory compliance, legal aspects and local authorities pertaining to the business of the organisation:** Compliance with the law is mandatory as per any organisation standards. Deviation from legal aspects would be a disaster by tarnishing the image of the organisation. It is essential to know who are the concerned authorities involved in inspecting the store. For example a government health inspector who inspects your store for food standards or an officer who inspects for health and safety issues
- **Know your vendors, their rights and their business:** It is highly important to have details about the suppliers and vendors who deliver products to the stores. It helps in planning the delivery schedules, managing stock availability, excesses and shortages. It is essential to have their contact details for all operations follow-up. Details of their business would help in managing your categories. Building a relationship can help in getting details about the market conditions as they are the source of your products. Sometimes they could also be a source of information about competitors. Remember they too have their rights and they represent an organisation which follows values, standards, policies, processes and procedures like yours
- **Know your and your customer's rights:** The store business entirely depends on your customers. Know them well by knowing their needs and concerns. The consumer rights are well defined by the government. Issues can lead to the store being charged in a consumer court. Build strong relationships with customers. Remember they also provide information on market conditions and competitor offers
- **Know your products and services:** Know all aspects of the products, like their features, prices, availability and benefits. This is the information you may need to help customers with, in their shopping. This will be explained in detail in a later session on product knowledge. Know the services, membership details, loyalty programmes, additional services, like warranty, etc. This helps in retaining customer loyalty—remember about repeat customers and referrals by customers
- **Know the competitors and their business:** Customers will want to compare different products before buying. They may also want to know the advantages of buying in your store rather than others. So you must know enough about the competing products and stores to help them. As an associate you are expected to have complete information on competitors' business. Again it depicts your confidence level while interacting with the customer, for example information about levels of stock, promotions and future offers also
- **Strongly believe in yourself, your company and the products/services offered:** It is necessary that there is belief in the products or services offered by the company; believe in self. Selling skills largely depend on the SA's level of self-confidence. Other people sense whether the SA believes in self and in what he/she is doing. This belief is what persuades the customer to buy the product or service. Therefore, increasing self-confidence will improve selling skills. Remember that the store does not sell sub-standard products or services. The conviction and belief in the store leads to a confident way of managing the store

A good preparation on all the above aspects will also automatically increase your conviction levels leading to higher confidence in managing your customer and services. It will also enhance success in selling to customers. Hence, having information on all these aspects is important and critical.

Sales process—steps to help the customers in choosing right products

- Meet and Greet
- Identify Customer Needs
- Demonstrate Products
- Propose solution
- Handle objections
- Close Sale
- Follow up

The Sales process are a simple tool to achieve sales in a well-planned manner. When a customer comes into the store, first approach them and understand their needs. Then present and demonstrate one or more products that they may want to buy. After this propose a final choice as solution. If the customer has any objections, answer and address the same. Once all the objections are resolved, close the sale. Following up with customers to ensure that they are satisfied and have received any related services properly is important to close the process of ensuring that the customer is satisfied!

While every sale may not go through each step mentioned above, the overall process would involve them in one way or the other. For example when a customer has already decided to buy a particular product and when the same is expressed with the SA, then there is no need to perform engage and test need.

Meet and Greet

Proper interaction with the customer creates a positive impression about the store.

The 'approach or greet' is the first and the most important step in the selling process. It is estimated that 85% of the lost sales occur during the first fifteen seconds. Therefore, understanding and practicing effective greetings can improve sales dramatically.

All professional SAs understand that they have approximately 15 seconds to dispel fear, uncertainty and doubt as much as possible. Within these first precious moments, the SA must say or do something to gain and hold the customer's attention and trust.

When a customer enters the store:

- Smile and greet the customer
- Introduce self with name (shake hands if the customer volunteers)

Keys to an effective greeting:

- Smile
- Introduce and ask for customer's name
- Look at the customer attentively (eye to eye contact)
- Ask a few simple questions to get customers talking about themselves and their needs
- Make the customer more comfortable

- Speak and act sincerely
- Enhance your customer's self-esteem/confidence
- Build trust and rapport and establish a cordial relationship with the customer

Display proper body language:

- Stand straight
- Do not stand with folded hands (it might give a negative impression to the customer)
- Have a friendly and helpful disposition

Identify Customer Needs

Creating curiosity in customers leads to right purchase decisions.

- **Offer assistance:** Ask the customer how you can assist and guide to find the desired product/ department (in case you do not know the product that the customer is asking for, take your colleagues' help). In case if the customer does not need any help, you could let him/her know that you are around and he/she can call him in case they need any assistance
- **Get the customer's attention:** To be able to make a good sale, it is important that the exact needs of the customer is understood. In order to do so, engage the customer and test their needs by probing them with the right questions
- **Probe:** Question to uncover needs. When you are engaging yourself with the customer, why not incorporate 'the advantages of the Q feature'? The Q feature means 'questioning', which means probing. Probing helps in uncovering the needs and problems of the customer. It is used to get more information from the customer. There are two types of probing:

- **Open probes:** These questions are asked for more than a 'Yes' or 'No' or one/two- word answer. Encourage customers to respond freely, so that you can fulfil their requirements. Allow the customers to set the direction of the conversation

For example:

How may/can I help you?

What kind of product are you looking for?

May I know what you are looking for?

What kind of information are you looking for?

Would you tell me more about the product/requirement?

What have you used in the past?

What other products are you interested in?

- **Closed probes:** These questions are asked to get a specific or one word answer. It is generally used to understand the specific need of the customers. It limits a customer's response to 'Yes' or 'No' or other one word answers

For example:

Which colour do you prefer the most?

Would you like to try it?

Which car do you drive?

Have you used this product before?

May I help you?

Are you looking for a tie?

Is there any other information that you need?

Is that what you are looking for?

- **Encourage discussions:** To show your interest in the conversation, so that the customer feels comfortable and continues the conversation with you
- **Show undivided attention:** Completely focus at the customer—do not deviate. The moment you show disinterest there is a risk of losing relationship
- **Make notes on their needs and requirements:** This should become a 'habit'. Carrying a small note pad and pen is part of the job. This gives confidence and there is less chances of missing any details/ information
- **Clarify if in doubt:** Use correct probes to clarify doubts. There is no harm in clarifying things which are not understood. Do not hesitate to ask. The customers will not feel bad, rather they would encourage

Remember: Identifying the customers' exact needs leads to profitable sales.

Activity

1. **Objective of the activity:** To identify how to approach, engage and test the needs of the customer
2. **Learning outcome:** Learners will be able to identify how to approach, engage and test the needs of the customer
3. **Nature of the activity:** Group
4. **Procedure:**
 - Select two volunteers
 - Role 1: Sales associate
 - Role 2: Customer
 - Read the steps mentioned below to be followed to carry out the role play
 - Discuss the performance based on the observation notes made by observers and yourself

Steps to be followed

- The customer enters the store
- The sales associate approaches the customer and asks how they can assist the customer
- The customer tells the requirements
- The sales associate understands the same and assists the customer
- Select the store/product of your choice :
- Suggestion 1: Customer wants to buy a mobile phone
- Suggestion 2: Customer wants to buy a dress for Diwali/Christmas

Summary

- Meaning of retail selling
- Pre-selling activities
- Standards for appearance and behaviour
- Steps in helping the customers choose the products
- Process of identifying in which products are customers interested

UNIT 2.2: Demonstrate Products

Unit Objectives

By the end of this unit, the participants will be able to:

1. Demonstrate the steps of sales process

2.2.1 Sales Process

After understanding the needs of the customer, show/present the right and required products to the customer.

Discuss the alternatives/options with the customers to help them select/shortlist the products easily. Present the products, explain the features and answer the customer queries. Explain the promotions and other benefits, if any. Be patient and give sufficient time for the customers to analyse and consider in detail the essential/latest features of the products.

Presentation: Tips for effectiveness

- Do not be afraid; be excited about your product
- During presentations, focus on the benefits of your products and services. Benefits are different from features. Features are characteristics such as size, colour and functionality, whereas benefits answer the customer's question: 'Why would I want to own that product?' Finally, customers will buy benefits
- Limit the choices during a sales presentation. Most experts advise sales people to show prospects only three options at a time. Too many options may prove overwhelming, resulting in them not choosing anything
- Do not mislead the customer and deviate from one presentation to another. Complete the first product presentation and then proceed to another, because the customer may lose interest and enthusiasm
- Do not confuse the customer; show only what he wants
- Always have face to face interaction with the customers
- Avoid phone calls and other distractions/deviations while engaging with a customer

Propose solution

Propose a solution by focusing on the benefits of the product that match the needs and requirements of the customer.

Explain that your offer is the best solution for the customer.

- Do not push the product
- Suggest alternatives (if required) and assist the customers
- If they do not volunteer information, ask questions. Then focus on solving the problems or meeting their needs. They will appreciate your interest and you will, most likely, make a sale in the long run

And, even if you do not make an additional sale, customers may refer you to someone else based on the excellent service you've provided them

- Do not try to sell something that is not needed. Likewise, if you cannot fulfil a particular need, tell them and try to help them find someone who will. Your helpfulness will be long remembered and those customers are more likely to come back to you when they need your type of product or service again
- Always remember that the solution you provide to the customer is relevant and meets his needs

Activity

- 1. Objective of the activity:** To be able to present, demonstrate and propose solution
- 2. Learning outcome:** Learners will be able to understand how to 'present, demonstrate and propose' solutions to the customer
- 3. Nature of the activity:** Group
- 4. Procedure:**
 - Select two volunteers
 - Role 1: Sales associate
 - Role 2: Customer
 - Read the steps given below to be followed to carry out the role play
 - Discuss the performance based on the observation notes made by observers and yourself

Steps to be followed

- The customer asks for the product(s)
- The Sales associate shows the products and assists the customer in selecting the product
- The Sales associate gives options to the customers
- Choose the products as examples for exercise:
- Suggestion 1: A television set
- Suggestion 2: A new pair of shoes

Activity

Repeat the role play that was carried out in the beginning of the session with two different volunteers and reinforce the importance of 'present, demonstrate and propose' solutions to the customer.

Summary

- Present the right and required products to the customer
- Propose best solutions that matches the needs and the requirements of the customer

UNIT 2.3: Handle Objections and Close Sale

Unit Objectives

By the end of this unit, the participants will be able to:

1. Demonstrate the steps in the sales process

2.3.1 Handle Objections

- Objections are customers' comments about the reasons why they do not plan to buy your product or service. It may be something like 'The product is expensive./'I am not happy with the colour of the shirt'
- Do not be put off or be dejected by an objection - it is a normal part of the sales process. In fact, objections are sometimes a signal that the sale is progressing, and you are getting closer to a positive response. When a customer voices an objection, he/she may be asking for more information about the product - and their objection tells you in what area they need more information. For instance, if they say they are happy with a product from a competitor, it is an opening for you to explain how your product differs from your competitor's product
- Anticipate objections. Be calm and answer the objections with a smile. After answering each objection, get confirmation from the customer and try to close the sale

Key actions to be followed:

- After presenting/demonstrating, provide/propose the right solutions to the customer
- Try to close the sale
- Be patient and give sufficient time for the customer to consider, and when the customer raises the objections, handle without being aggressive
- Offer alternatives/options, give more choices/best solutions to customers and help them select the products easily and again try to close
- Be accommodative and calm
- For each objection raised by the customer provide the right solution
- Customer: "I am not happy with the colour"
- SA: "Please try this sir"/"How about this colour?"
- Reconfirm the need, provide solutions and close the sale

Close and follow up

Steps to close the sale:

1. After proposing the right solutions to the customers, close the sale
2. Be sure that the customer is convinced, else reconfirm and close the sale
3. Acknowledge and appreciate the customer's selection of products and thank him/her for spending the time in your store

4. After closing, explain to the customer the loyalty programmes viz., store card, free parking, free store deliveries and any new schemes introduced

Note: After proposing the right solutions, never confuse the customer with a new offer/product. First close and then explain about other products/offers.

The customers will probably give some signals of readiness/interest to buy. Here are some signals that suggest they are ready to buy:

- Asking about availability
- Asking specific questions about prices or affordability
- Asking about the features, options, quality, guarantees or warranties
- Asking positive questions about business
- Asking to repeat something
- Making statements about problems with previous vendors - they could be seeking assurance that the same problems will not occur
- Asking about follow-up services or other products
- Requesting a sample or asking for a demonstration for them or for others in their company or family
- Asking about other satisfied customers. Be ready with a list of satisfied customers to be given to the prospects who ask (make sure you've already contacted these customers about serving as references)

One should never be shy about asking for business. After understanding the above signals you can always ask questions like,

“Can I pack it for you?”

“How would you like to make the payment?”

“How many pieces do you require?”

“Would you like a door delivery?”

These questions are a sign for closing the transaction.

You have made the sale. Now what? It is believed that follow-up after the sale is as important as making the sale. That is when your relationship with a customer will mature and develop into loyalty to your company. Building long-term relationships with customers allows you to leverage or make additional use of your initial investment of time and money spent in selling to that customer. In other words, you do not have to spend time prospecting, qualifying and conducting other presales activities for that particular customer again.

There is no better advertising than a satisfied customer. Good follow up and service after the sale will:

- Make the customer aware of the other value added services provided to them. For example privilege card/loyalty card, etc.
- Help to maintain sustained good relationship. For example by sending wishes for birthdays/anniversaries updating the customer with the special offers/informing about the new branches in the city, etc.
- Generate repeat and referral business

Activity

1. **Objective of the activity:** To help the learner successfully handle objections
2. **Learning outcome:** Learners will be able to handle customer objections successfully
3. **Nature of the activity:** Group
4. **Procedure:**
 - Select two volunteers
 - Instruct them to play the following roles:
 - Role 1: Sales associate
 - Role 2: Customer
 - Read the steps mentioned below to be followed to carry out the role play
 - Discuss the performance based on the observation notes made by observers and yourself

Steps to be followed

- When products are presented and solutions are given to the customer by the Sales associate, the customer will raise objections (I do not have many choices in it/I am not happy about the design/colour, etc.)
- Let the Sales associate handle these objections

Suggestions on activity: Customer wants jeans with some fashion element; Sales associate has presented a basic design.

Activity

1. **Objective of the activity:** To help learners understand how to close the sale and follow up
2. **Learning outcome:** Learners will be able to close the sale and do a follow up
3. **Nature of the activity:** Group
4. **Procedure:**
 - Select two volunteers
 - Role 1: Sales associate
 - Role 2: Customer
 - Read the steps mentioned below to be followed to carry out the role play
 - Discuss the performance based on the observation notes made by observers and yourself

Steps to be followed

- The customer has already decided to buy a product. The customer approaches the Sales associate to complete the buying process. The Sales associate helps the customer to complete the sales process

Suggestion on activity: Customer wants to buy a mobile phone.

Note: Learners can be given product/s of their choice. You just have to state the situation - let learners discuss and enact.

Activity

Close and follow-up

Repeat the role play on 'Close and follow up' with a different set of volunteers and reinforce the importance of 'close and follow up'.

Summary

- Importance of handling objections in a calm and effective way
- Steps to close the sale
- Follow-ups after the sale is as important as making the sale

UNIT 2.4: Buying Signals Of The Customer

Unit Objectives

By the end of this unit, the participants will be able to:

1. State the importance of establishing customer needs
2. Identify the verbal buying signals of the customer
3. Identify the non-verbal buying signals of the customer

2.4.1 Importance Of Establishing Customer Needs

Customer satisfaction

Establishing customer needs can lead to increase in customer satisfaction. Increasing customer satisfaction is making each and every customer's visit a memorable one, so that the customer will be a loyal customer of the company.

- Be friendly
- Identify customer needs
- Treat them fairly
- Provide necessary information
- Suggest alternatives that suit the customer needs

Facilitates sales

Establishing customer needs can help in facilitating sales. Recap the sales process and reinforce the key learning.

- **Meet and greet customer**
- **Identification of customer needs:** Understand customer needs
- **Demonstrate products:** Explain the features and benefits of the different products that suit the customer needs
- **Propose solution:** Propose/suggest the product that best meets the consumer needs
- **Handle objections:** Handle objections and answer them in a calm and effective way
- **Close sale:** Assist the customer to make the purchase decision
- **Follow up:** Provide service after sales and build relationship

The SA has to focus on customer communication and problem-solving skills. It is appropriate to maintain a consultative relationship with customers. The SA should learn how to ask questions that uncover the real needs and interests of the customer.

Understanding customers

It is very important to understand the needs of people through both verbal and non-verbal communication and clues.

People communicate in two different ways:

- Spoken/verbal
- Non verbal/behavioural

The salesperson needs to understand the customer needs by being receptive to both types of communication. This is important to enhance customer satisfaction.

Buying signals: verbal communication

The customers' signals show that they are interested in buying the products.

These signals are:

- **Asking questions about the value added service:** If they get into more details about the product, they are likely to be more interested. If they ask about the functionality of the product, they may well have a checklist of things they are seeking, so ask for details of what they are seeking. You can also ask more about how they will use the product, from which you can advise the best buy for them
- **Asking for/getting opinions from friends/companions:** Suggestions of friends and family members play an important role in the buyer's decision making process. So, observe the suggestions given and acknowledge accordingly
- **Asking about the price:** This is a good buying signal. You can tell them the price or you can ask how much they are ready to spend. If they tell you, then you can help them find the best value for the money they can spend
- **Asking about availability:** Questions and comments. It is usually a positive signal when the prospect begins asking for details, such as "How soon can you deliver?" or "Is it available in (a certain colour or size or other similar detail)?" Questions of this sort imply that the prospect has basically made the decision to buy, and now has moved on to settle the details
- **Showing interest in specific product features:** If the customer is particularly happy about a feature of the product like—this is a great feature or this feature is more useful to me - and expresses the same, consider it as a buying signal
- **Talking about how they will use the product:** When the customer is happy about a product, they start questioning, like how can I operate this? Can I attach this to my laptop? etc. Consider this as a buying signal
- **Appreciating the product:** If the customer is particularly happy about a product, they will say something that clearly indicates an appreciation of the product. For example 'This is really a lovely colour for this car'. This is a very strong buying signal
- **Considering specific objections:** Certain kinds of objections can also be buying signals. If a customer asks detailed questions about your product, or how it differs from that of your competitor, you probably have a signal of interest. After all, busy people do not get into the details unless they see a good reason to do so. The fact that the customer is interested enough to explore this kind of practical issues, shows that he/she is at least testing the 'what-if' of buying. The trend is positive, so be ready to move with that trend

Buying signals: Non-verbal communication

Buying signals (non-verbal communications) of the customer:

- **Touching the money:** Touching the wallet or purse or taking out the cash or credit card is a very strong signal. Approach them to ask if they need any help. If they are interested in buying, take their money. Beware of your overzealous sales patter as it may lead to the 'un-selling' of the product. Observe the facial expressions and body language to analyse the customers' non-verbal buying signals and once you get the right positive signal, close the sale
- **Shaking head approvingly:** When a customer nods or shakes head approvingly, it is a positive indication which shows that the customer is happy about the product. But, it is your duty to question the customer to get complete details like what they are happy about and get a confirmation
- **Leaning forward, nodding while listening to presentation:** After presenting or proposing the right solution to the customers, observe the customer's body movement/facial expressions. If the customer nods head with a smile/bends to see the product or his facial expressions change, think that he is interested in the product and consider that as the buying signal
- **Looking for help to learn/try product:** If you see them looking around, catch their gaze and move towards them to render help. If they sustain the glance move in to sell. This is particularly significant if they are holding the product or have just spent time looking at a limited product range
- **Picking up the product and spending time to examine it:** When they are looking at only a particular product, and if you have a broad range in it from which they are browsing only a small category, then they may be interested in buying. Perhaps they need advice, so ask if you can help them decide. The longer a person looks at one product type, the more likely he/she is to buy it. Investing time is a sure sign of interest

Buying signals for sale closure

Identifying the buying signals of customers is very important for moving towards closure of sale.

If you identify a buying signal in the middle of a presentation, conduct a trial close where you give them the opportunity to say 'yes' to your proposal; but keep the door open for you to continue your presentation, if needed. Say something like 'There are more features to this product which I will explain in a minute, but at this point do you think I have given you the information you were looking for?' If they say yes, you know you are well on your way. If they say 'maybe or no', then you still have your work cut out for you and it was not a real buying signal. The good thing is you leave the door open to continue your presentation because you did not ask for a definitive answer.

Activity

1. **Objective of the activity:** To help the learner identify the verbal buying signals of the customers
2. **Learning outcome:** Learners will be able identify the verbal buying signals of the customers
3. **Nature of the activity:** Group
4. **Procedure:**
 - Select two volunteers
 - Role 1: Sales associate
 - Role 2: Customer
 - Discuss the performance based on the observation notes made by observers and yourself

Steps to be followed

- Ask the learners playing the role of Sales associate to recollect the occasion when they had made any purchase
- They will discuss and enact the key steps that happened in the process in terms of what was said and done in the process
- The learner playing the role of the Sales associate should understand the key events in the product presentation and propose solution stages and enact the same
- The learner playing the role of the customer to enact the key things they said and did in making the purchase

Activity 

1. **Objective of the activity:** To help learners identify the non-verbal buying signals of the customers
2. **Learning outcome:** Learners will be able identify the non-verbal buying signals of the customers
3. **Nature of the activity:** Group
4. **Procedure:**
 - Select two volunteers
 - Role 1: Sales associate
 - Role 2: Customer
 - Read the steps mentioned below to be followed to carry out the role play
 - Discuss the performance based on the observation notes made by observers and yourself

Steps to be followed

- Ask the learners playing the role of Sales associate to recollect the occasion when they had made any purchase
- They will discuss and enact the key steps that happened in the process in terms of what was said and done in the process
- The Sales associate should understand the key events in the product presentation and propose the solution stages and enact the same. The Sales associate can use both spoken words and action
- The learner playing the role of the customer however cannot speak and will only enact the key reactions in making the purchase through gestures. This will be like a game of dumb charades for the learner acting as a customer

Ask the class to observe the role play. Collect feedback. Discuss learners' performance in the context of non-verbal cues.

Summary 

- Importance of establishing customer needs
- Verbal buying signals of the customer
- Non-verbal buying signals of the customer

UNIT 2.5: Advising Customers On Additional Products Sales

Unit Objectives

By the end of this unit, the participants will be able to:

1. Identify the methods of advising additional and associated products to customers to increase sales

2.5.1 Add-on Sales

Add-on selling is a manner of selling in which a dialogue between the SA and the customer is used to encourage the customer to express his/her needs. The SA then offers the products or services that best meets the needs of the customer. The SA can also adapt his offer and communicate it in a manner that the customer empathises with or understands better.

In add-on selling, the SA approaches the task as an advisor rather than a seller. The associate seeks to understand fully and then present the correct options with their features and benefits, so that the customer can make the best possible choice.

When a SA of an organisation suggests a good product and if the customer finds it really useful and worthy, he will be ready to buy it. Even when it is not affordable, the personal attention will still be appreciated. So customer satisfaction is achieved in both the cases and would help in customer retention, which forms the base of customer loyalty and repeat business. In future, the customer would most probably prioritise that particular outlet for buying something.

Upselling

Encouraging the customer to purchase more expensive products, upgrades or additional services that could satisfy their needs better.

Upselling is a term used for the practice of selling higher priced products or services to a customer. An upsell offer is made for a better version of the same product or service that the customer is considering, such as an LCD TV instead of a Flat TV.

It is an important business concept, as it requires the SAs to be active sellers and not order-takers. Effective probing should be used, because the customer already has a certain purchase in mind. The hidden needs of the customer have to be tapped as per the purchase situation. The SA must make the customer see the value in buying the higher priced products or services.

Special offers such as 'Buy 2, get 1 Free' and 'Combo Meal Prices' at fast food restaurants are examples of other ways of upselling.

Cross selling

Cross-selling involves offering the items that complement the original purchase in some manner, that is, they can be used along with the original purchase. The SA recognises what a customer is purchasing and makes suggestions or recommendations related to those products.

For example:

If the customer is in the market for a new computer, the SA may provide information on additional devices that will make the computer more valuable to the consumer, such as a printer, an exterior drive, or a wireless mouse. As long as the additional items compliment the original purchase in some manner, the approach can be referred to as cross-selling.

When purchasing a car, the SA may extend some type of special offer to the customer in order to entice the buyer to buy more accessories.

The idea behind cross-selling is to capture a larger spend from the same customer by meeting more of the needs and wants of each customer. Since the additional purchases recommended are most likely needed by the customer in any case, they also benefit from the convenience of buying it at the same time. It also helps the seller since they are most likely stocking the related products as part of their range. The customer and seller gain mutual benefit in such a transaction.

Useful tips for cross selling

Some useful tips for cross-selling

- **Let nature take its course:** Many cross-selling opportunities arise naturally. For example, if you are selling tennis racquets, you can also offer a bag, tennis balls and other accessories. To gain the extra sale, you might simply have to mention that the other products or services are available
- **Stay relevant:** If you overload customers with too many unrelated cross-selling suggestions, you may discourage the sale. Offering socks with shoes is certainly good. But if your attempts to cross-sell are not closely related to the original purchase, they are far less likely to succeed
- **Post expert recommendations:** One way to facilitate cross-selling and upselling is to state specific recommendations from professionals, experts or other customers. This could be a chef's recommendation on a menu, a doctor's recommendation on a mailer or related items that other customers have purchased on a website. When you buy a book at Amazon.com, for example, the site automatically lists other books purchased by people who have bought the same book you just ordered
- **Correct approach:** The approach must be built around serving the customers and not just selling more stuff. For example, you might describe how the additional products or services would complement the original purchase and further solve the customer's problem
- **Timing is important:** Cross-selling and upselling can occur at different times, depending on the products and services you are selling. In some cases, the best time is while a customer is trying something out. If they are looking at a low priced digital camera, but seem disappointed in the lack of features or performance, they may want a higher priced model. Or you could suggest a belt to go with a pair of pants while the customer is trying them on. Other items are more appropriately offered once the initial buying decision has been made, such as an extended warranty
- **Offer a range of prices:** If you suggest three items to complement a product, try to offer a mix of price points. The lowest cost items are most likely to be picked up as impulse buys. But other items that meet the customer needs can also sell at higher levels
- **Try product or service bundles:** Bundling has long been used as a way to entice shoppers to buy not just a single item, but an entire group of items that go together. Offering a price break on package deals will help close the sale

The bottom line

The key to successful cross-selling and upselling is to focus your efforts on probing and meeting the customer's needs, rather than simply pushing more products and services. This is one area of start-up marketing, where you may need to do a little experimentation in order to find the right balance. But you need to make cross selling a key component of your list of sales techniques.

Mediocre SAs 'tell'.

Good SAs 'explain'.

Superior SAs 'demonstrate'.

Great SAs inspire buyers to see the benefits as their own!

Activity

1. **Objective of the activity:** To help learners understand how to upsell
2. **Learning outcome:** Learners will be able to identify how to upsell the products
3. **Procedure:**
 - Select two volunteers
 - Role 1: SA
 - Role 2: Customer
 - Discuss the performance based on the observation notes made by observers and yourself

Steps to be followed

- The customer says, “I want to buy a Peter England shirt, size 39 and light blue colour”
- The SA shows the same, “It costs R500”
- The customer says, “Ok, can you bill this for me?”
- The SA says, “Ok, sir” and closes the sale

Ask the class to observe the role play and make notes.

Procedure for Role play 2: Select two learners and let them enact the role play as per the suggested script. Allow them to plan for and practice the role play.

Role 1: Customer

Role 2: SA

Steps to be followed

- The customer says “I would like to buy a Peter England shirt, size 39 and light blue colour”
- The SA should ask the customer “Sir, may I know for which occasion/for whom you are buying this shirt?”
- The customer says, “Well, I am buying this for myself and this is for office wear”
- The SA asks “What are you buying this shirt for Sir - for regular wear or for special meetings?”
- The customer says “Yes, actually it is for special meetings”
- The SA says “Sir, we have the latest collection for special occasion like meetings/conferences in Turtle and Allen Solley. Can I show them to you”?
- Then the customer says “Ok show me! Let me see”
- The SA shows the product and explains the features, advantages and benefits - in quality, look, texture and durability
- The customer says “Nice” (buying signal)
- The SA says “Sir, this costs R750. Can I pack this for you”?
- The customer says “Ok I will go for this”
- The SA says “Thank You Sir, you have made a great choice”

Observe the role play and make notes. Compare the two role plays in terms of the sales approach and mention what they found different in each case. Make a note on the board.

Activity

1. **Objective of the activity:** To help learners understand how to do cross selling
2. **Learning outcome:** Learners will be able to understand how to do cross selling
3. **Procedure for role play 1:**
 - Role 1: Customer
 - Role 2: SA
 - Plan for and practice the role play

Steps to be followed

- The customer says, “I want to buy a double cot”
- The SA shows the same and says, “It will cost you Rs16,000”
- The customer says, “Ok can you bill this for me?”
- The SA says, “Ok sir” and closes the sale

Ask learners to observe the role play.

Procedure for role play 2:

- Role 1: Customer
- Role 2: SA
- Plan for and practice the role play. Explain the following steps to them

Steps to be followed

- The customer says, “I want to buy a double cot”
- The SA shows the same. “It will cost you R16, 000”
- The customer says, “Ok, can you bill it for me”
- The SA asks “Sir, would you need mattresses, bed spread and pillows to use with the bed”?
- The customer says “Well, what is the price of mattresses and bed spreads”?
- The SA shows the product and mentions, “They will cost you an additional R5, 000. You can get a matched set of the latest design”
- The customer decides to purchase the additional products and says, “I will take them all”
- The SA closes the sale. “Your total bill will be R21, 000, sir. Thank you”

Observe the role play and make notes. Compare the two role plays in terms of the sales approach and mention what they found different in each case.

Summary

- Methods of advising additional and associated products to customers to increase sales

Exercise

A. Mention whether following statements are true or false:

1. Retail Selling comprises of:
 - a) Selling products or merchandise to the customer
 - b) Sale of additional services and warranty.
 - c) Discovering the needs of customers and converting them to sales
 - d) All of the above

2. Steps to assist customers in choosing right products involve:

a) Identify Customer Needs	b) Demonstrate Products
c) Propose solution	d) All of the above

3. In Add-on selling the SA _____ the customer to express his/her needs.

a) Encourages	b) Discourages
c) Ignores	d) None of the above

4. Customers can be satisfied by:

a) Being friendly	b) Treating them fairly
c) Providing necessary information	d) All of the above

5. Signals suggesting that customer is ready to buy can be like:
 - a) Asking about availability
 - b) Asking specific questions about prices or afford-ability
 - c) Asking about the features, options, quality, guarantees or warranties
 - d) All of the above

B. Answer the following:

1. Briefly explain the steps to help the customers in choosing the right products.
2. Why is presenting and demonstrating important?
3. Explain the verbal and non-verbal methods of understanding the buying signals of a customer.
4. What is up-selling?
5. What is cross selling?

Notes



Scan the QR codes or click on the link to watch the related videos



<https://www.bakercommunications.com/sales-training-videos.htm>

Overall sales training video

3. Product Demonstration



Unit 3.1 - Prepare for Demonstrating Products

Unit 3.2 - Demonstrate Products to Customers



Key Learning Outcomes



By the end of this module, the participants will be able to:

1. Explain the importance of conducting product demonstration to the customers
2. Demonstrate the steps to prepare for product demonstration
3. List the steps of product demonstration in a logical sequence
4. Practice performing product demonstration in a logical sequence

UNIT 3.1: Prepare For Demonstrating Products

Unit Objectives

By the end of this unit, the participants will be able to:

1. Explain the need for demonstration of products to the customers
2. Identify how demonstrations help in promoting and selling the products
3. Show how to prepare the demonstration area effectively and checking if it is safe
4. Identify key demonstration areas and associated products in the store
5. List key safety guidelines to be followed in demonstration area

3.1.1 Prepare For Demonstrating Products



Fig. 3.1.1: Above mentioned products require In- store demonstration

In-store demonstrations are usually performed at large retail locations, such as supermarkets, department or discount stores, or in shopping malls. The products that are promoted at in-store demonstrations may be food and beverages, food preparation equipment, housekeeping products, personal care items or occasionally other types of goods. The range of products that are demonstrated can be varied, however a few key products that are generally demonstrated in the store area can be:

- Televisions
- Vacuum cleaners
- Tread mill
- Hair dryers
- Gaming consoles

- Home theatre
- Food processors
- Computers
- Ready to eat food products
- Special utility chairs

Need for demonstration

Demonstrations are required for various purposes and are essential in modern retailing to give the right experience to the customer. It could range anything from a food item (for example ready to eat Gobi Manchurian) demonstrated in the corner of an aisle in a store to a Smart 3D TV with home theatre, inside an enclosed sound-proof room. Few key reasons, why the products need to be demonstrated can be:

New products

- Demonstration is required when a product is newly launched or when a customer is keen to buy the product or even if an old product is launched with modifications. Stores use this as a form of promotion to sell the products
- Demonstrations also help the customers get acquainted with the new product, which might help her/him to purchase or upgrade immediately or at a later stage

Compare various products

- When the market is flooded with many products from various brands, it is essential for the store to demonstrate them together
- This helps the customers to compare and make a choice based on their needs. For example looking at an array of televisions from different brands it will be difficult for a customer to make a decision; demonstration of features and benefits will help the customer to decide

Provide experience—look and feel

- Customers require a hands-on experience for every product they buy
- They would like to use it in a simulated environment and see the results. For example when a customer desires to purchase a vacuum cleaner, she/he would want to experience its utility before deciding to buy it

Clarify customer concerns and proof of physical working condition

- Demonstrations also help in clearing the doubts which were hypothetically residing in the customer's minds. These doubts may be due to their perceptions about the products too
- When customers physically see the product functioning, it gives them a lot more conviction and confidence to make a purchase decision
- Also they are convinced about the fact that the product is working or can be used as per their requirements and needs

Advertisement and promotions

- Demonstrations act as advertisements and promotion of the product too. This is the major advantage for the store; it helps in promoting the products through advertisements inside the store
- The customer might not be looking for a particular product at the time of demonstration, but at a later stage could buy the same by recalling the demonstration organised at the store
- This is because of the experience which has been provided free of cost while shopping for other products

Role of product demonstrations in promoting and selling the products

In the sales process steps, the step of 'present and demonstrate: stating features and benefits of products' is a vital step.

- Presenting and demonstrating a product helps in precisely showing the customer how the features and benefits of the product meet the needs of the customer
- Demonstration stimulates interest about the product in the minds of the customer. Most of the customers prefer to see the product in action to understand its value
- Demonstration instils a sense of ownership of the product in the minds of the customers. For example, in sales of apparel and fashion jewellery the customers are insisted for trials. Free trials have a similar intent of letting the buyers' experience temporary ownership of a product without the risk of paying for it. This helps customers connect with this feeling of ownership, which is an important step in persuasive selling
- The product, sample, video, brochures, pictures and other tools used in a demo are often called proof devices because they offer tangible evidence that supports what you say. Customers always assume you will say only good things about a product you sell. Buyers sometimes have a built-in distrust for salespeople. Showing what your product can do, and even letting the customer experience it, provide necessary proof. For example, food samples help grocery shoppers experience taste quality for themselves
- Demonstration also helps you combat product-related concerns presented by customer. Customers often come with preconceived notions or misinformation based on things they have heard in the marketplace. If a customer questions key claims or doubts your product and its performance capabilities, a demo can address those concerns. The key is to view buyer concerns as a request for more information and not a condemnation of your solution

Preparing the demonstration area effectively

Scenario: Imagine yourself as a sales associate responsible to demonstrate a home theatre to the customers—the soundproof room where the demonstration is conducted is not organised, all the equipment are lying hither and thither. A family suddenly walks in and demands for a demonstration, you start running here and there to organise the equipment, clear the seats for them to sit, start connecting the speakers and you are almost lost in a situation where you realise that you are not able to entertain the customer in appropriate manner as the family starts expressing dissatisfaction of the facilities at your store. However, you somehow manage to connect all the systems, but when you switch on you notice that only picture on the screen appears and the sound is missing

What would be your next action?

Need to prepare the demonstration area

- To create a positive image in the minds of customers
- To ensure accessibility to customer and store staff
- To ensure that all the equipment is in working condition
- To ensure that all the information that needs to be communicated to customers is handy

Cleaning the area before and after demonstration

- It is very important to keep the demonstration area clean for hygiene purpose. The area might be used for food demonstrations or any other. But it is important to clean the area before and after use. This is also vital to promote a positive image of self and the organisation in the minds of customer

Access and visibility for customers

- Once the area is set up ensure customers are able to clearly access the area without any trouble. Enough sign-boards are placed to reach the demo area and all signs are visible

Power supply, AC, lighting and seating (if any)

- Ensure that the power supply, generator, air-conditioner, enough and appropriate lighting and seating arrangements (in case of a home theatre or recliner seats) are all arranged
- This is to provide the right ambience and give the customer an enjoyable experience

Working conditions of all products and accessories

- Ensure that all items and equipment for demonstration are in working condition the previous day itself
- In case of any issue with equipment or products, escalate to concerned authorities to take action for follow-up and rectification
- Remember a poorly maintained demonstration area will result in loss of sale and reputation of the store

Price display signs and shelf-talkers, security tags, brochures, comparison documents and testimonials

- Display all price tags, shelf-talkers, promotional offer details, discounts, membership offers appropriately along with accessories, adjacencies, add-on products
- Adequate brochures, pamphlets, seasonal flyers should be in place with dates of such offers being clearly mentioned
- Security tags are a must for the devices which are expensive and small
- Ensure the working of the security tags. In case of non-working tags, replace them with a working one and escalate the issue immediately. Non-working security tags should not be in the store or demonstration area
- Know how to activate and de-activate the security tags

Key demonstration areas and products required

Few examples

- Audio/video systems: TV, DVD player, DTH—STB (Direct-to-Home, Set-Top-Box) connection, remote controls, cables, DVDs, speakers, home theatre, power sockets
- Home theatre: Seating arrangement, AC, sound proof sealed doors, lighting and speaker arrangement as per original equipment manufacturer (OEM) specifications
- Food processors and coffee-makers: Juicer mixer grinder, blades, jars, power sockets, fruits, vegetables, paper/plastic cups, coffee/tea powders, sugar, sweeteners, tissue papers, dust-bins
- Washing machines, refrigerators, vacuum cleaners, hair-dryers, etc.
- Trial rooms in clothing stores; trial apparels for women, men and children. Ensure proper hanging hooks, locks for the doors, clean mirrors and appropriate lighting. Also ensure security and safety inside trial rooms
- Computers, laptops, printers, mobiles, DVD, printer papers, ink cartridge, pen drives, cables
- Gaming consoles and their accessories
- Mobiles and tablets
- Geographical Positioning Systems (GPS) for navigation purposes

Demonstration area safety

- Ensure easy access to demonstration area—a clear and not-so-confusing access without any hindrance to the demo area is an essential part of retaining the store image. A complicated and unsafe way not only damages the store reputation but also could be a problem to the customer. For example a demo area on the fourth floor without lift access or a demo area in an open space without protection from sun and rain
- Safely store and display products and keep the demonstration area hazard-free and clean
 - Follow storage and display process to avoid any hazards
 - Keep heavy items at the bottom and ensure grip to the floor or support
 - Ensure the area is hindrance and protrusion free
 - Any protruding sharp edges or long edges of any product can cause severe physical damage to the customers
 - Avoid any kind of spillage. Clean immediately if spotted
- Managing the crowd, safe standing and seating arrangement (if any)
 - Remember there could be a huge crowd during a seasonal promotion which could attract a lot of customers to the demo area
 - A queue management system or demo by appointment would certainly help
 - Ensure fire exits are free of any blockages
 - Other safety standards should be strictly followed as per store guidelines and policies
- Safe power outlets
 - Ensure all power outlets are in proper working condition, insulated and fire hazard free
 - Loose, tangled or broken wire could potentially cause a fire hazard
 - Prevent and avoid any such hazards

Activity

1. **Objective of the activity:** To establish the importance of preparing the demonstration area in the minds of the learners
2. **Learning outcome:** Learners will be able to identify the importance of preparing the product demonstration area
3. **Nature of the activity :** Group
4. **Procedure:**
 - Divide the class into three or four groups depending on the size of the class. Give each group the following categories:
 - Food and apparels
 - Consumer durables
 - IT and mobile products
 - Audio, video equipment
 - Ask learners to list the key cleaning requirements of demonstration area for their category
 - Ask them to prepare a list of items required for demonstrations
 - Ask them to list the utility of every item listed by them during the demonstration
 - Ask every group to present their findings to the class

Debrief: Summarise by explaining the importance of preparing the demonstration area with required products.

Summary

- Need for demonstration of products to the customers
- How demonstrations help in promoting and selling products
- Preparing the demonstration area effectively and checking if it is safe
- Key demonstration areas and associated products in the store
- Key safety guidelines to be followed in demonstration area

UNIT 3.2: Demonstrate Products To Customers

Unit Objectives

By the end of this unit, the participants will be able to:

1. Explain the stages of demonstration
2. Conduct the process of demonstrating the products in a logical sequence and stages
3. State the features and benefits of the products that are to be demonstrated
4. Explain the applicable warranty, replacement/repair and annual maintenance costs
5. Perform how to clear equipment and products away promptly at the end of the demonstration and connect with the customer

3.2.1 Stages Of Demonstration

The demonstration can be divided into the following three stages:

- Stage I—Working and usage of the product
- Stage II—Features, advantages, benefits, pricing and offers
- Stage III—Terms and conditions, annual maintenance contracts

Stage I—Working and usage of the product

In stage I the customer has to experience the working and usage of the product.

Explain the working of the product

- Show the various aspects, benefits/uses of the product
- Explain the parts of the products and its benefits products step by step
 - For example in case of a food product, like juice, state the health aspects and nutrition contents printed on the product
 - In case of a television or mobile, show the features and usage of each feature of the television or mobile
 - There might be an array of products to show and not one always

Operate the product and demonstrate the different features

- When you operate the product, emphasise on the benefits that match the needs of the customers, which you might have understood while probing
- Elaborate on the usage of the product when used at home or office
- State the benefits of each aspect or function of the product and none should be missed out
 - For example in case of a juice, if the consumer (not customer) is diabetic, you might have to suggest the sugar content in the juice with its value mentioned which is appropriate for the consumer. Explain the consumption value and state for how long it will last. For example a litre of juice if consumed one glass a day could last for a week. Also ensure if it matches the expiry or best before date of the product
 - In case of a mobile, you might have to check the daily talking hours and internet browsing hours to match the battery life of the mobile
 - In an array of products, there might be more than one to be operated or shown

Show accessories (if any)

- Demonstrate add-on products, accessories which go with the product
- The best example would be a toothbrush along with paste
- A juice pack along with high-fibre biscuits
- A mobile along with screen-guard, carry case, additional battery, portable speakers, memory card, headphones, hands-free

Adjust aspects to display difference and switch accessories (if required)

- In case of a juice you might have to show them the different types of flavours and quantity
- In case of apparel, show different colours, size, etc.
- In case of a TV, demonstrate the different aspects, like picture size, colour, sharpness, connectivity provisions to high definition products like DVD player, gaming console, etc.
- Use the TV remote to show the various operations

Offer sample (or experience) to the customer

- Provide a clean glass with tissue paper for the customer to taste the juice
- Provide the remote to the customer to operate and feel the television experience
- In case of a 3D TV, provide clean 3D glasses along with clear instructions on how to use them
- Handover the mobile for the customer to use it
- Request the customer to enter the home theatre lounge to experience it
- Never leave the demo area while the customer is experiencing the product. They might have some doubts during the demo

After completing the demonstration, request the customer if any of the above aspects have to be repeated. Also check for any clarifications or doubts of the customers. Do not proceed to the next stage till you have cleared the doubts.

Stage II—Features, advantages and benefits

In stage II the customer has to understand the benefits and advantages of a product based on his needs and requirements. It is very critical stage for the associate to match customer's need and requirement with the benefits of a product in this stage.

- Features describe the characteristics of the product
- Benefits describe what the product will do for the customer
- Customers are influenced by benefits much more than features
- For every feature, add a matching benefit. Example: Mobile with Wi-Fi, which means that the internet can be accessed at any Wi-Fi enabled location

Remember to state only the benefits of features that match the needs of the customer. All the features of a product may not be a benefit to every customer. The features that match the need of the customers are the benefits.

Match needs of customers with benefits.

- For example if the consumer is diabetic, a diet juice which is sugar-free or contains sugar alternates will be suggested
- If the customer uses mobile more frequently he should be shown a unit with more battery life. For example a battery specification with 2000Mh lasts for a day if the mobile is used for calls and internet frequently
- Avoid using feature/specifications jargons. Instead of mentioning 2000Mh, state that based on the customer usage the mobile can be used for a day without recharging the battery
- A customer might be looking for an XL size T-shirt in blue colour, with collar and full sleeves
- A sports lover who prefers only a 42 inches Plasma television over the latest and trendy fast moving 32 inches LED television in your store

Specify advantages over other makes/models and alternate products.

- A sports lover who prefers only a 42 inches Plasma television rather than the latest and trendy fast moving 32 inches LED television. In such case state the advantages of both models
- Show all the models and brands the customer prefers by demonstrating the products matching the needs of the customer by stating benefits, uses and advantages
- Compare them genuinely, stating the benefits that match customer's needs in every make/model
- Do not be brand biased
- Do not support or bad-mouth a brand
- Each brand/model has its own advantage
- Either the feature is present in the brand or model or it is not present, do not state any feature as a disadvantage
- Remember you are representing the store and not a brand

Existing testimonials/newsletters and educative information.

- State the products market stature by showing testimonials
- Brands might have newsletters about the performance of the product in the market
- Ideal to have a comparative table with benefits of each brand / models
- Educate the customer by converting all specifications to uses stating benefits and advantages

Stage II—Pricing, schemes and offers

Stage II is about pricing and the offers at which the product is available for the customer. It is a very critical stage for the customer to evaluate and attach value for the product with the price he is paying. Remember it is a very competitive market. Make sure the following details are completely available for customers to decide on the purchase.

- **Product price**—The final price the customer is to be billed after all discounts and offers including membership schemes
- **Offers and discounts**—The amount of money deducted on the MRP. For example the product price is Rs1000 and the discount is 10%; the final price would be Rs 900 plus any taxes applicable as per government regulations
- **Taxes** should be mentioned as applicable for every product
- **Promotional scheme details**—The offer is applicable only for a stipulated period. For example launch of Nokia mobile at Rs.1000/- off only for 26th January—a Republic day offer

- **Membership offers**—Available to select members based on purchase history or privilege status
- **Consumer loans**—Detail explanation to customers or request the loan team to explain the equated monthly instalment (EMI) schemes based on their eligibility
- **Delivery and installation cost**—Mention delivery and installation cost based on the store and OEM guidelines. Delivery is chargeable and could cost heavily if they are not making a minimum purchase and out of delivery limits

Stage III—Terms and conditions and AMCs

Stage III is about terms and conditions the product carries in terms of billing and the annual maintenance contract (AMC) involved. It is considered by the consumer for longevity and the durability of the product—in other words the value of the product with respect to time. It also covers the aspect of services provided by the store and the OEM.

- **Payment details:** Details to be checked include mode of payment by the customer and if it matches store guidelines and processes (example credit card, cash, gift vouchers, food vouchers, cheques, online-transfers, etc.), whether it is part payment or full payment or cash on delivery. These are the details to be checked and clarified with the customer before billing as per store guidelines and policies
- **Replacement details:** If a product is found unsatisfactory how and when the customer should return the product/s. If he returns will it be a full refund or credit note to purchase an alternate product as per store policies and procedures
- **Warranty and guarantee coverage, additional (extended) warranty cost**
- **Using guarantees and warranties:** If there is a problem with the goods or services and there is a guarantee or warranty, read it carefully and check that:
 - It covers the fault that has been caused by something covered by the guarantee or warranty
 - The timeframe has not expired
 - It offers a reasonable solution
 - You understand and are happy to pay any extra costs involved
- **Warranty**
 - A warranty acts like an insurance policy and a legal contract
 - For which sometimes you may pay a premium called an 'extended warranty'
 - May last longer than a guarantee and cover a wider range of problems
 - The terms of the contract (6 months, 1 year, etc.) should be clear and fair
 - It does not reduce your rights under consumer law
 - A warranty can be in place with a guarantee

For example a base model mobile phone that comes with a 6 months warranty means it can be serviced free of cost on certain conditions only within 6 months from the date of purchase. One week replaceable warranty is that within a week if there is a problem that the phone is not working it has to be replaced by the store/manufacturer following policies and guidelines.
- **Guarantee**
 - A guarantee is usually free and is a promise made by the manufacturer or company
 - It is a promise to sort out any problems with a product or to provide service within a specific, fixed period of time
 - Whether you paid for a guarantee or not, the store is legally bound
 - The terms and conditions of the guarantee should be easy to understand
 - It adds to your rights under consumer law

- It will be effective irrespective of a warranty

For example a manufacturer provides 3 year guarantee for a water heater (geyser). This would not include the heating filament or any physical damage caused externally due to natural or unnatural causes. In case of any other fault, the manufacturer will be ready to service the geyser.

- **Service centers**

- There are authorised service centres by the OEM's to avail repair of the products they supply
- It is a part of guarantee and warranty (cards) documentation comes along with the list of service centers including contact numbers, email ids, toll-free numbers (if any)
- The service center requires a proof of bills as documentation to process service under warranty (if eligible within stipulated time period)

- **Annual maintenance contracts (AMCs)**

- It is usually done post expiry of warranty or guarantee to maintain the equipment like ACs, refrigerators, computers, generators, etc.
- This requires an annual contract period and some money defined by the service provider
- It might also include certain preventive maintenance checks (if included by the service provider)
- It helps in reducing frequent service/maintenance costs

Clear equipment and products

It is important to keep the demo area clean always—before and after any demonstration—so that the next customer does not have a bad experience due to an un-cleared demo area.

- Remove products and accessories that are not required for the day or the next demonstration, including brochures and promo materials
- Switch off all equipment—air conditioners, lighting, audio/video systems and their accessories and the power outlets at the time of closure
- Keep area ready for next day/demonstration with the required products, accessories, brochures and promo materials
- Store products safely—secure expensive electronic items, food products at their appropriate temperatures, etc.
- Clean the area after demonstrations with the help of housekeeping and use the right chemicals to clean the demo area
- Clear the dust bins and keep a clean one always near food demo areas
- Proceed with the customer for closure as they would require your further guidance for billing and delivery if the sale is closed
- If you are not available connect the customer to the right person for further proceedings, giving proper introduction and guidance

Customer connect

- Post the demonstration, proceed for billing if you have closed the sale and follow the billing process and support customer if required
- If the customer is not purchasing:
 - Collect contact details: name, mobile number, e-mail id, address, etc.
 - Check the tentative dates of purchase, next date of purchase, convenient time to call, etc.
 - Check if the customer needs to consult somebody else to take a final decision

- Ensure all further discussions are made if the customer needs to consult someone else, requires one more demo, etc.
- Note the reasons for not purchasing: mention clear details for the customer not purchasing. For example price is high or competitor is offering better price/discounts/offers, etc.
- Record details in your CRM system as enquiry: Complete the information in your customer relationship management software or equivalent system
- Follow-up: Call or mail customer on the requested date for purchase

Benefits of effective demonstrations

For customers:

- Customer conviction arises out of real-life experience in using the products in a simulated environment
- Ease to plan and purchase that provides an idea of the product cost, accessories benefits
- Decision to compare and buy—with the wide range of assortment and array, choice is easier

For the store:

- Competitive advantage—better performance compared to competitors by having leverage through demonstrations
- Customer loyalty—gaining customer loyalty by providing the right ambience and experience for frequent visits and purchases. Also word of mouth advertising from the customer
- Strong advertising—free and powerful advertisement within the store premises gaining improvement in sales and profits

Summary

- Stages of demonstration
- Demonstrating the products in a logical sequence of steps and stages
- Features and benefits of the products you are responsible for demonstrating
- Applicable warranty, replacement/repair and annual maintenance costs
- How to clear equipment and products away promptly at the end of the demonstration and connect with the customer

Exercise

A. Mention whether following statements are true or false:

1. In-store demonstrations are usually performed at large retail locations like:

a) Shopping malls	b) Supermarkets
c) Discount stores	d) All of the above

2. The products that are promoted at in-store demonstrations may be:

a) food and beverages	b) food preparation equipment
c) housekeeping products	d) All of the above

3. A few key products that are generally demonstrated in the store area are:

a) Televisions	b) Vacuum cleaners
c) Tread mill	d) All of the above

4. When the market is flooded with many products from various brands, it is essential for the store to demonstrate them _____.

a) Separately	b) Together
c) Both a and b	d) None of the above

5. In case of a juice you might have to show them the different types of _____ and quantity.

a) Colours	b) Pictures
c) Flavours	d) None of the above

B. Answer the following:

1. Explain the role of product demonstrations in promoting and selling the products.
2. Discuss the differences between a warranty and a Guarantee.
3. Discuss the benefits of effective demonstrations.
4. Explain how to prepare a demonstration area.
5. Discuss with example how to demonstrate a product.

4. Provide Specialist Advise To The Customers



Unit 4.1 - Provide Specialist Support

Unit 4.2 - Styles that Appeal to Customers

Unit 4.3 - Demonstrate Specialist Products



Key Learning Outcomes

By the end of this module, the participants will be able to:

1. State the meaning of specialist products
2. Discuss the importance of specialised knowledge to provide advise on specialist products
3. List the steps of identifying and suggesting specialist products to the customers
4. Demonstrate the steps to engage, demonstrate and suggest specialist products aligned with customer requirements
5. Employ closing techniques to sell specialist products to the customers

UNIT 4.1: Provide Specialist Support

Unit Objectives

By the end of this unit, the participants will be able to:

1. Describe how to help customers decide what to buy
2. Describe the terms feature, advantage and benefit of a specialist product
3. Explain the term and information relevant to individual interest and individual needs
4. Explain the method of providing information and advice to customers by:
 - a. Comparing and contrasting the features and benefits of the specialist products
 - b. Providing information that is relevant to their individual needs, such as speed of internet, processing speed, Wi-Fi facility, etc.
 - c. Finding out specific needs/interest and prioritise the specific needs
 - d. Stating benefits of features that meet the needs
 - e. Demonstrating the specialist product by following the safety guidelines
 - f. Keeping the customer engaged and interested during the demonstration
 - g. Adapting your style to appeal different kinds of customers

4.1.1 Helping Customers Decide What To Buy

Customers purchase products to meet their needs. Specialist products are those products which are designed or made to meet specific needs of the customers, for example products like treadmill, home theatre, pram for infants and so on. To help the customers decide on what to buy, it is imperative that the sales associate understands the specific needs of the customer. Few examples of specific needs of customer could be Dolby surround sound, DTX sound in a home theatre, browse internet on television, Wi-Fi enabled mobile phone, etc. The specific needs of the customer can be identified by probing and then summarising their answers. Based on the information provided by the customer, the sales associate can propose products/solutions that meet the needs of the customer by:

- Comparing and contrasting the features, advantages and benefits of products that suit their needs
- Stating how the benefits of the products meet the needs of the customer
- Giving customers product information that is relevant to their individual needs and interests
- Adapting your speech, explanation and body language that appeal to different kinds of customers which would be elaborated later in this session

features and characteristics of the product

Features are the characteristics that the products have, such as height, weight, size, colour, price etc. The features of the pram shown in the above figure can be:

1. Luxury design with 65cm width.
2. Lightweight aluminium chassis.
3. Jumbo seating space for baby.
4. Compact structure, easy to carry.
5. Easy fold and unfold chassis.
6. Front and rear rod braking wheels.

7. Adjustable safety strap to reduce injury from impact.
8. Cleanable fabric.
9. Adjustable backrest to sit straight or lay back for rest.
10. Height adjustable.
11. Reversible handle position (forward-rear-facing).
12. Adjustable leg/foot rest that inclines to fully horizontal position.
13. Foldable and detachable canopy with transparent sky window.
14. Removable protection handle bar in front of baby.
15. Convenient large basket underneath the seat unit.
16. 4 x 12 all-terrain air wheels with suspension to increase stability and comfort on all road surfaces.



Fig. 4.1.1: Baby pram features

Advantages

Advantages are what the features can do. For example the feature 'lightweight aluminium chassis of a pram' has an advantage of durability, it is light in weight and therefore an added advantage can be that the pram can be manoeuvred and controlled easily without much effort.

Advantages can also be termed as what the features of a product can do when compared to another, that is advantage of one model or brand over another model or brand of a product.

It helps you in comparing and contrasting the features and advantages of the products. Remember not to state the disadvantages—always mention the advantage over the other. If the feature does not exist in a model say that the feature is absent.

When comparing model one and two in the pictures below, the following advantages are visible.

- Model 2 is more spacious than 1
- Model 2 has a dining tray
- Brand 1 is long lasting than Brand 2 (Feature: Brand 1 is made of aluminium chassis and 2 of plastic-fibre)
- Model 1 has a better wheel grip, which is safe during slopes
- Model 2 can store more baby needs



Fig.4.1.2: Two types of Baby pram with different features

Benefits

Benefits are what is in it for the customer or consumer, that is how the features of the products meet the needs of the customer.

Scenario: A lady walks into the store and approaches the SA and states that she is looking for a pram for her 1-year old baby. She also states that she is looking for a pram which she can take along with her for a long walk in the evenings and mornings and is very specific about the safety of her baby.

Some of the benefits of the features of a pram that will meet the needs of the lady are listed in the table below:

Feature Benefit

Feature	Benefit
4-point suspension system	This means that you can take the baby for long, relaxing, sleep-inducing walks on all kinds of surfaces, without tiring.
Water proof enclosure	Protects the baby from the rain.
5 point safety harness	Keeps the baby safe by protecting the baby from falling and incurring injuries.
Mosquito net	Protects the baby from diseases caused by mosquito bites.
Transparent head cover	Baby has a good view all around and can be seen better by admirers.

Table 4.1.1: Feature benefit of Baby pram

Interests and needs

Interests arise out of the problems/concerns faced by the customer.

Take the example of a lady who is health conscious and prefers to take long morning and evening walks. She has a one year old baby, whom she can neither leave alone at home nor carry for walks as she does not have the stamina and it is not even practical. Due to this problem she developed an interest in buying a pram. Budget was not a problem to her. In this case, her problem gave rise to a need and in turn she started showing interest in buying a pram. Budget not being a constraint, she could buy the best of the prams with latest design and lots of utilities.

Interests are based on compulsions like:

- Needs
- Desires
- Impulse
- Problems

Relevant information to individual needs and interests

Based on the same example discussed above, a new mother's interests could be based on the following:

- Concern about carrying the baby as she has the probability of getting a back pain—Problem
- Need to buy a sling (alternate for a pram) or a simple pram—Necessity
- Desire to buy a pram which has most advanced design—Aspiration

A mother's interest for her baby:

- Taking the baby for a morning/evening walk
- Feeding the baby with water or milk while on walk
- Carrying toys for the baby to play
- Carrying other accessories for the baby, such as diapers, etc.

The primary requirement of the mother/lady is a pram which has advanced design with benefits and she would be more interested in the information on:

- Space to store the toys and accessories
- Space to store diapers
- Pram which is lighter to push
- Pram in which the baby can be seated comfortably
- Pram which is safe and holds the baby well protecting

Additionally, other products that can be recommended to the lady, like diapers, milk powder, hot water/flask, bibs, sling, containers, spoons, spare clothes, baby care items, cap, socks, etc.

Therefore the sales associate should be able to share relevant information based on the individual's needs and interests.

Activity

- 1. Objective of the activity:** To enable learners to compare and contrast features, advantages and benefits of the products
- 2. Learning outcome:** Learners will be able to compare and contrast features, advantages and benefits of the products
- 3. Procedure:**
 - Select two volunteers to play the role of a Sales associate and customer
 - Read the case study given below

Case study: You are a Sales associate deputed at the telecom section. There is a customer who has walked into your section. After initial interaction you identify that his name is Maheep who owns a travel company. He is currently using a smart phone that he had purchased 1.5 years back. It has certain limitations, like storage space, processing speed and internet speed. Maheep keeps traveling and requires to access data while is traveling. He wants to buy an internet phone which meets his requirement. He is willing to pay high price also.

- Volunteers to carry out the sales process steps—demonstrate the models and offer an appropriate solution to the customer
- Note down constructive feedback after completion of the role play in terms of what went well and what could have been better

Debrief

Key aspects to be followed during the activity

- How to compare and contrast features, advantages and benefits of specialist products

- How to provide information that is relevant to individual needs, such as speed of internet, processing speed, Wi-Fi facility, etc.
- How to find out specific needs/interest and prioritise them
- State benefits of features that meet the needs on priority, for example speed, accessibility, data storage, data transfer capabilities, etc.
- How to demonstrate the specialist product by following the safety guidelines, for example not to remove the battery of the phone without switching off, ensuring that all precautions are taken while demonstrating electrical appliances
- How to keep the customer engaged and interested during the demonstration, by asking opinion on features and benefits, asking questions, asking customer to use and experience the product, etc.

Steps to be followed

- Identify the precise needs of the customer using probes
- Prioritise the needs of the customer, such as faster internet accessibility, storage space, Wi-Fi capability, where faster speed could be treated as first priority
- Paraphrase the needs stated by the customer and confirm your understanding
- Present a minimum of 3–4 models of the internet phone to the customer
- Demonstrate the working of the devices (refer to the steps of demonstration discussed in earlier session)
- Demonstrate the prominent or key features, advantages and benefits
- Whilst doing so, seek the opinion of the customer on the feature and benefits
- Use collaterals, such as product brochures to show the evidence of benefits stated by you
- Recall the needs stated by the customer in a sequence, from highest priority to the lowest priority
- Demonstrate the benefits of the features of the devices that meet the priority needs
- Compare and contrast the features, advantages and benefits of the models that meet the customer requirement/needs
 - Name of the feature and benefit of the feature in Model 1, Model 2, Model 3
 - Advantages of Model 1 over Model 2, Model 2 over Model 3, Model 3 over Model 1 (emphasise only those features that met the needs of the customer)
 - Benefits in Model 1, Model 2 and Model 3 that meet the needs of the customer
- Compare and contrast the features, advantages and benefits of similar products offered by competitors (only if the customer insists)
- Explain the benefits of promotional offers
- Emphasise on the benefits of the product that meets the relevant and specific needs; do not forget to focus on the priority of needs/requirements stated by the customer
- Recommend a minimum of two alternatives to the customer
- Handover the models to the customer to operate and experience it
- Prompt the customer to ask any doubts/questions
- Provide satisfactory answers, confirm if the customer is satisfied with your answers, if not repeat steps 17 and 18
- Observe for the buying signals, if not go to step 17
- Negotiate the pricing and service agreements within the limit of the stores service policies (pricing policy, discounts/offers, post sales service/insurance/finance or credit policies, etc.)
- Close the sale by using the closing techniques discussed in the sales process

- Propose and recommend accessories and their utility and benefits if applicable, like car charger, bluetooth head set, leather case, etc.
- Arrange for the packing, billing and delivery of the product
- Thank the customer, congratulate him and assure him/her that he/she has selected the best of the products in the category
- Ensure him/her about your commitment to serve up to his/her expectations in future too

A Sales associate should be able to state the product's specification and features thoroughly. The product knowledge is of utmost importance to suggest a specialist product.

Summary

- How to help customers decide what to buy
- Feature, advantage and benefit of a specialist product
- Individual interest and needs, information relevant to individual needs
- Method of providing information and advice to customers by:
 - Comparing and contrasting the features and benefits of the specialist products
 - Providing information that is relevant to their individual needs, such as speed of internet, processing speed, Wi-Fi facility, etc.
 - Finding out specific needs/interest and prioritise the specific needs
 - Stating benefits of features that meet the needs
 - Demonstrating the specialist product by following the safety guidelines
 - Keeping the customer engaged and interested during the demonstration
 - Adapting your style to appeal to different kinds of customers

UNIT 4.2: Styles That Appeal to Customers

Unit Objectives

By the end of this unit, the participants will be able to:

1. Outline the factors that appeal to the customers
2. Describe the style of speech that help in appealing the customers
3. Identify the body language that needs to be adapted while -the customers

4.2.1 Adapting Your Style To Appeal To Different Kinds Of Customers

Sales style—process

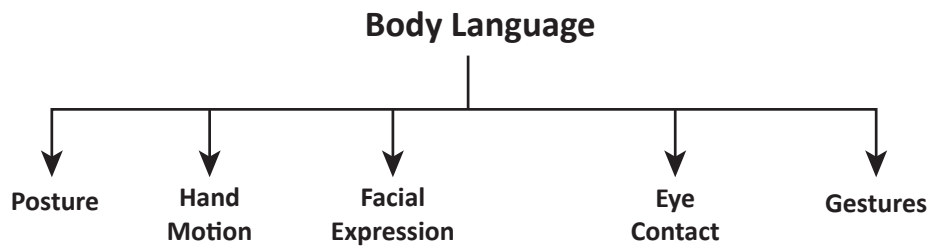
- Meeting and greeting the customer
- Probing techniques—open and closed probes
- Summarise needs and interests
- Match needs with benefits of the products to propose
- Match interests with advantages of the products to propose
- Identify closure with buying signals and confirm order
- Reassure the proposed choice to the customer

Speech style

Always exhibit empathy—think like the customer, put yourself in his/her position always. Use words like “I understand..., I feel..., I apologise for the..., etc.”

Use appropriate:

- Tone—not too high or low; keep it moderate
- Pitch—stress/show importance on the key words
- Volume—not too high or too low; clear and audible
- Rate of speech—speak steadily, not too fast or too slow
- Speak in short simple sentences—crisp and clear; avoid lengthy sentences
- Use words they can understand—no jargons
- Ask appropriate questions to understand their specific needs (essential requirements)
- Explain solution statements matching their problems/concerns
- State benefits/advantages with relevance to their requirements/needs
- Avoid stating features

Body language style—non-verbal communication*Fig.4.2.1: Non verbal communication***Body language—eye contact**

During interactions with customers, the associate and the customer should not only face each other, but also maintain proper eye contact. It should not be a long uncomfortable stare. Do not look away from the customer while they are talking, this may imply that you are not interested in the topic.

Body language—facial expression

- Anger
- Disgust
- Fear
- Happiness
- Sadness
- Surprise
- Contempt
- Neutral

It is said that face is the index of the mind. So be cautious in adapting to a facial expression, with a smile on your face.

The ideal posture is shown below when you do not have any products in your hand to display or demonstrate.

*Fig. 4.2.1: Ideal posture*

Body language—head motion

Motion	Meaning
Head nodding	Agreement
Slow head nodding	Attentive listening
Fast head nodding	Hurry up, impatience
Head held up	Neutrality, alertness
Head held high	Superiority, fearlessness, arrogance
Head forward, upright	Interest, positive reaction
Head shaking	Disagreement
Pronounced head shaking	Strong disagreement
Head down (in response to a speaker or proposition)	Negative, disinterested

Table 4.2.1: Body language—head motion

The SA should adopt the correct head motion during interactions with the customer.

During sales or service interactions, it is ideal to be listening attentively with a slow head nodding and head forward upright that shows interest and positivity.

Body language—space**Intimate distance: 6–18 inches**

This level of physical distance often indicates a closer relationship or greater comfort between individuals. It often occurs during intimate contact, such as hugging, whispering, or touching.

Personal distance: 1.5–4 feet

Physical distance at this level usually occurs between people who are family members or close friends. The closer the people can comfortably stand while interacting can be an indicator of the intimacy of the relationship.

Social distance: 4–12 feet

This level of physical distance is often used with individuals who are acquaintances. With someone you know fairly well, for example with a co-worker you might feel more comfortable interacting at a closer distance. In cases where you do not know the other person well, such as a postal delivery man you may only see once a month, a distance of 10 to 12 feet may be more comfortable.

Public distance: 12–25 feet

Physical distance at this level is often used in public speaking situations. Talking in front of a class full of students or giving a presentation at work are examples of such situations.

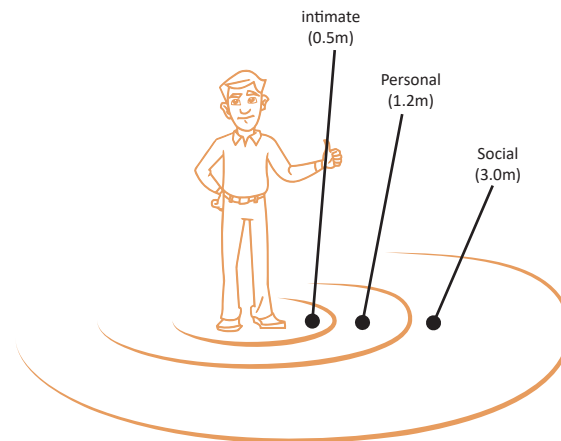


Fig. 4.2.7: Body language—space

Body language summary

- Stand tall. Posture has a lot to do with confidence and long-term health!
- Take your hands out of your pockets. It gives a slight air of unprofessionalism and can signal that you are looking for something else to do or you are bored
- Stand with your arms crossed behind your back. This helps keep your posture balanced and keeps your hand out of your pockets
- Make eye contact. Do not make it too awkward, but convey that you are not afraid to look someone in the eye
- Sit up straight. To get into work first thing in the morning and put your feet up on your desk will not motivate you. Keep them on the floor, sit up straight, and you will be ready to work
- Face the person you are talking to. When talking to someone new, do not move your head towards them, move your whole body to face them. This will indicate that you are interested and committed to the conversation
- Shake hands firmly. There is certainly a fine line—you do not want to come across as overbearing. However, few things bother many business leaders than a limp and weak handshake
- Always smile. Choosing to smile impacts your attitude more than you think, as well as the attitude of those around you!
- Look your best. How you look is directly related to how you feel and to your overall confidence
- Walk confidently. Keep your head up, keep a manageable pace, and you will show you mean business

Summary

- Factors that appeal to the customers
- Style of speech that help in appealing the customers
- Body language that needs to be adapted while -the customers

UNIT 4.3: Demonstrate Specialist Products

Unit Objectives

By the end of this unit, the participants will be able to:

1. Describe how to prepare for demonstrating specialist products
2. Explain the role of the sales associate in specialist product demonstrations
3. Describe the way of interaction with customers during demonstrations

4.3.1 Specialist Products

- Specialist product demonstration requires high levels of expertise in knowing about the product
- An individual needs to have a thorough working principle of the product along with its accessories, add-ons, etc.
- Specifications, features, benefits and advantages—comparison details of the product range and competitors
- Features and specifications of other brands
- One needs to undergo proper product training for showing the demonstrations
- High levels of persuasion and negotiation skills

The following are some of the specialist products one can find in retail stores:

- Home theatre systems
- Gaming consoles
- Smart TVs
- Refrigerators, washing machines and ACs
- Dishwashers
- SLR cameras and camcorders
- Higher end laptops
- Smart mobiles
- IT networking products
- Automobile: test drive
- Jewellery: trials
- Health and fitness equipment



Fig. 4.3.1: Smart TV



Fig. 4.3.2: Home theatre systems and gaming consoles



Fig. 4.3.3: Refrigerators, Washing machines & AC's



Fig. 4.3.4: SLR Cameras & Camcorders



Fig. 4.3.5: Dishwashers



Fig. 4.3.6: Test drive car



Fig. 4.3.7: Smart mobiles



Fig. 4.3.8: IT Networking products



Fig. 4.3.9: Jewellery



Fig. 4.3.10: Higher end laptops



Fig. 4.3.11: Sports and fitness equipment

Example of a specialised product

Few features are mentioned below for understanding the home theatre as a specialised product:

5.1ch Blu-ray Disc™ Home Theatre System Model:BDV-N9100W

- Magnetic fluid speakers
- Stylish quartz design
- NFC, Bluetooth® and Wi-Fi connectivity
- 3D content playback
- Sony entertainment network
- Wireless rear speakers



Fig. 4.3.12: Home theatre system

Home theatre in box (HTIB) systems

Home theatre demonstration for a 7.1 channel system.

The following are the parts of a 7.1 channel home theatre:

- 7 surround sound speakers and 1 Subwoofer, hence the name 7.1 channel
- Disc player/amplifier (Blu-ray, HD DVD, CD)
- Sold as a unit, in one box (hence the name)
- Includes all wiring

The figure below depicts the placement of a home theatre for a 7.1 channel system.

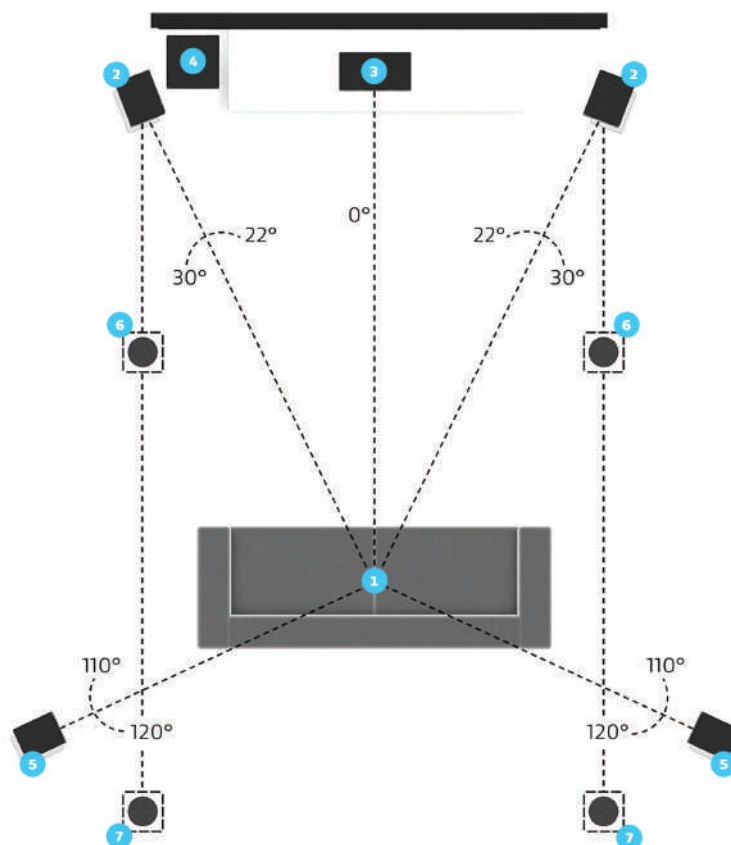


Fig. 4.3.13: 7.1 channel system

Home theatre visual

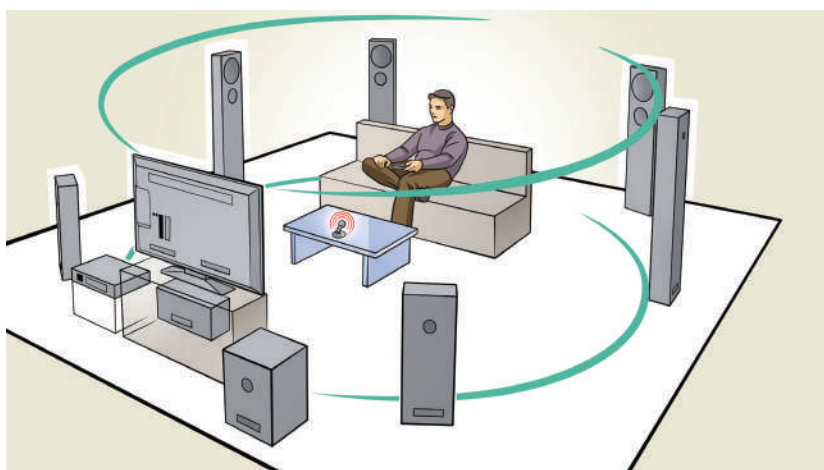


Fig. 4.3.14: Home theatre visual

Features and benefits of the specialist products—Dolby

The features of the Dolby Surround 7.1 system are:

- Magnetic fluid speakers
- Stylish quartz design
- Wireless rear speakers

Dolby surround 7.1 channel benefits:

- Introduces a new level of realism and excitement to movies
- Improves the surround sound experience across the entire theatre seating area
- More thoroughly immerses you in the onscreen action
- Adds a new dimension to audio, making movies more engaging
- Appealing design which decorates the room
- No hassles with wires
- Able to connect wireless devices through Wi-Fi

The figure below depicts the benefits of Dolby sound by comparing with a 5.1 channel and the advantage over its previous version.

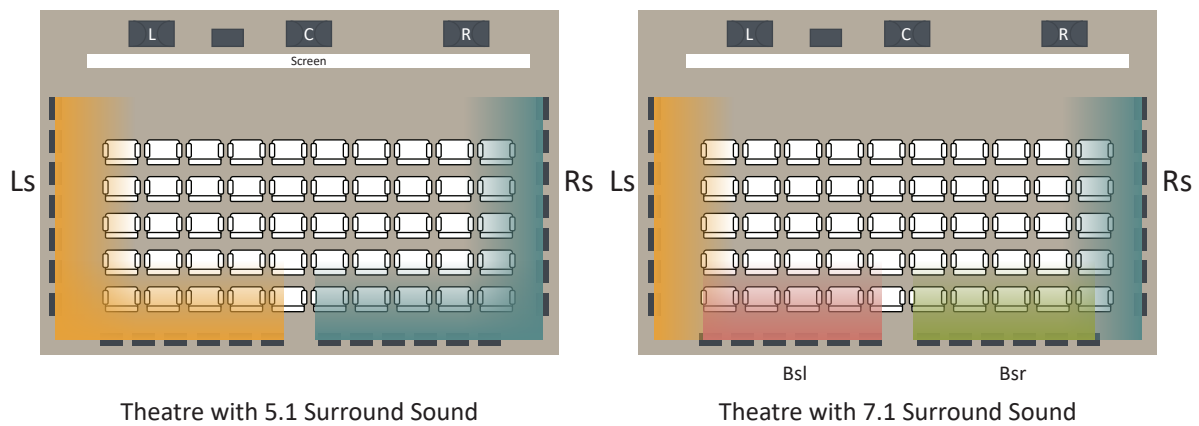


Fig.4.3.15: Benefits of Dolby sound

Advantages of specialist products—surround sound

For comparison to show advantages, we have taken Dolby and DTS the two leading standards of surround sound incorporated in a home theatre system. Most brand manufacturers incorporate compatibility of both Dolby and DTS in their systems.

The chart below indicates their advantages over each other.

Sl. no.	Dolby Digital (DD)		Digital Theatre Systems (DTS)	
	Pros	Cons	Pros	Cons
1	Good to very good sound for movies.	No audio CDs.	Great sound for movies and music.	Limited DVD software.

Sl. no.	Dolby Digital (DD)		Digital Theatre Systems (DTS)	
	Pros	Cons	Pros	Cons
2	Industry standard.	Dolby and Meridian licensing of MLP forcing consumers to purchase new hardware for multi channel audio discs.	Many DTS soundtracks sound richer and more detailed than DD counterpart.	DTS software *sometimes* more expensive than DD counterpart (\$5 to \$10 extra).
3	16-20 bit system.	Limited to 48KHz sampling.	16-24 bit system, 48/96 KHz sampling rate (scalable).	limited 96/24 software available.
4	EX mode with added rear center channel.	Added rear center channel is matrixed and not discrete.	ES mode with added discrete rear center channel.	Very little software available to support this option.
5	Channel levels are usually very accurately transferred to disc.	Dynamics are sometimes lacking due from too much compression.	Superb transfers from originals with excellent	Rear channels are sometimes a tad too loud and must be attenuated on some discs.
6	Edless software options for DVD concert videos.	Most of these videos suffer from substandard audio quality due to too much compression.	Excellent sounding music DVDs and concert videos.	No Genesis Concert DVD.
7	DVD software		DVD Software becoming more available.	Not quite as much as DD.

Table 4.3.1: Advantages over dolby digital and digital theatresystems

Some advantages of an HTB

- An X HTB model could have a USB drive 3.0
- A Y HTB model might not have 3 HDMI ports but 2 USB drive
- A Z model of HTB comes with Blu-Ray player
- An AG model of HTB does not come with Dolby True HD
- An ABC audio player could come with noise cancellation
- A 42" X Plasma would cost Rs.40,000/-
- A 42" Y Plasma could cost Rs.41,000/- might have its own brand advantage

Each product has its own advantage which may turn out to be a benefit to the customer.

Room acoustics and home theatre

There is a lot of science which goes behind optimising the room for a movie theatre experience at home. So the following suggestions by Dolby play a major role in setting up your room for an enhanced experience:

- If you have hardwood floors, try placing some area rugs directly in front of the speakers
- Close the drapes when you are watching or listening. This is for the purpose of avoiding reflections and has a better lighting and audio experience
- Use bookshelves with books to help tame reflections. Do not keep shelves empty
- Set up a clear line of sight from speakers to listening seats. Manufacturers/brands suggest a term 'sweet-spot' and they can help you in setting it up
- Have some people over—human bodies are great absorbers of sound
- If you are lucky enough to have a room dedicated to your home theatre, you have a lot more control
- Balance hard and soft surfaces, for example compensate for a hard ceiling with a carpeted floor
- Pull your front speakers further into the room than to your TV
- Experiment further with speaker placement

Cables

The following cables are normally used in a home theatre. There are several brands and compatible cables which enhance the audio and video experience of a home theatre. So suggesting the right cable is very important while selling HTB.

- Interconnect cables—TV to DVD players, TV to DTH (STB), etc.
- Speaker cables—7.1 channel will have 8 cables connected to the DVD player
- Expensive cables—specialised cables, for example 'monster' which are gold plated
- HDMI cables—compatible only with 'High Definition' models, for example a gaming station console, smart mobile phone, camera/camcorders, etc.



Fig. 4.3.16: Cables

Need for A/V furniture

- Hiding the wires—A/V furniture often includes channels to route and conceal wires
- Convenience—Pull out shelves in A/V furniture can make hook up vastly easier
- Ventilation—Extra space in A/V furniture can help dissipate heat from receivers
- Media storage—Keep your discs and other physical media together



Fig. 4.3.17: A/V furniture

Accessories required for HTB

Accessories are important for maximizing your sale. So it is critical and important to suggest the required accessories and add-on products for the home theatre sold. The following are some of the key accessories, however your store might have more of them.

- A/V receivers
- Remote control
- Surge protection
- Wireless headphones

Interactions with the customers for specialist products

- Choose the right probes for customers before demonstration:
 - Type of movies he likes
 - Type of music he is interested in
 - Most preferred TV channels—sports, news, movies, etc.?
 - Type of cable connection: HD, Recording facility or Normal?
 - Availability of gaming/mobile/PC/Wi-Fi connectivity at home
 - Dimensions of the room
 - Type of DVD player interested in: Blu-Ray, HD, etc.
- Make a mental note of his answers
- Play the right channels, music, movies, etc.
- Respond to the customer's comments and questions during demonstrations

Demonstration room rules for HTB

- Keep the room clean and tidy
- Keep all the products/brochures/testimonials ready

- Price labels with offers
- Connect the right cables
- Keep the remote/s handy
- A ready assorted collection of compatible movies and music
- Guide and take the customer to the demonstration area
- Show the demonstration
- Use the remote to display various features: contrast, sharpness, volume etc.
- Show the benefits matching needs
- Compare different products showing advantages
- Do not be brand biased or show disadvantages
- Take feedback



Fig. 4.3.18: room rules for HTB

Movies recommended on Blu-ray Disc with Dolby TrueHD

Compatible Hindi movies

- Ek Tha Tiger (the first from India to be released in Dolby)
- Mere Brother Ki Dulhan
- Ishaqzaade
- Kahaani

Compatible English movies

- TrueHD:
 - Total Recall (2013)
 - Finding Nemo
 - Brave
- Blu-ray:
 - The Art of flight
 - The Big Bang
 - Godfather, Godfather Part II
 - The Lost Bladesman
 - Top Gun

- Total Recall
- Transformers: Dark of the Moon
- Where the Trail Ends
- Wu Xia (Dragon)

Always keep a collection (assortment) of movies, videos, audio tracks which would cater to a variety of audience.

Up-to-date product knowledge and company policy

- Regular trainings to be attended for updating knowledge on:
 - New products
 - Existing products
 - Add-on products
 - Accessories
 - Promotion details
- Frequently visit websites to update information on products
- A thorough knowledge on the company policies of specialised services
- Removing old brochures, promo materials, price list when products are of:
 - Deleted line
 - Out of stock

Summary 

- Preparing for demonstrating specialist products
- Role of an SA in specialist product demonstrations
- Way of interaction with customers during demonstrations

Exercise

A. Mention whether following statements are true or false:

1. _____ products are those products which are designed or made to meet specific needs of the customers
 - a) Specialist
 - b) Popular
 - c) Common
 - d) None of the above

2. Sales Style process involves:
 - a) Meeting and Greeting the customer
 - b) Summarising the needs and interests
 - c) Reassuring the proposed choice to the customer
 - d) All of the above

3. Some of the specialist products one can find in retails stores are:
 - a) Home theatre systems
 - b) Gaming consoles
 - c) Smart TVs
 - d) All of the above

4. The features of the Dolby Surround 7.1 system are:
 - a) Magnetic fluid speakers
 - b) Stylish quartz design
 - c) Wireless rear speakers
 - d) All of the above

5. Some advantages of an HTB could be:
 - a) An X HTB model could have a USB drive 3.0.
 - b) A Y HTB model might not have 3 HDMI ports but 2 USB drive.
 - c) A Z model of HTB comes with Blu-Ray player
 - d) All of the above

B. Answer the following:

1. Discuss how can customers be helped to decide what they should buy
2. Explain the methods of providing information to the customers.
3. What kind of body language needs to be adapted while dealing with customers?
4. What are the demonstration rules for HTB?
5. How to interact with customers regarding specialist products?



5. Maximising Sales

Unit 5.1 - Maximise Sales of Goods and Services



Key Learning Outcomes

By the end of this module, the participants will be able to:

1. Discuss the role of sales promotions in a retail store
2. Demonstrate how promotional opportunities are communicated to the concerned person
3. Employ techniques of encouraging customers to purchase promoted product
4. Identify the techniques of encouraging future buying of promoted product
5. Identify and communicate the potential of promotional opportunities authorities to increase sales

UNIT 5.1: Maximise Sales Of Goods And Services

Unit Objectives

By the end of this unit, the participants will be able to:

1. State the purpose of promotions in stores
2. Explain the term seasonal trend and how they affect opportunities for sales
3. Estimate and compare the potential of promotional opportunities to increase sales
4. Evaluate and record the results of promotions
5. Determine the person in charge of promotional opportunities that have been identified
6. Identify the techniques for building customers' interest in regularly buying the product being promoting
7. Show how to promote the features and benefits of products to customers
8. Identify the techniques for encouraging customers to buy the product being promoted

5.1.1 Purpose Of Promotions

- Increase footfalls: Festivals and holidays have a huge impact on sales. This is the day normally families tend to go out. For example Diwali is a major festival customers tend to purchase a new TV or car
- Increasing sales: The intention of floating a promotion inside a store is to increase the sale of products
- Promoting weaker categories: A product/category which does not have a proper market tends to lose sales. The product does not register in the mind of customers. A promotion is a must to enhance the image and sale of the product
- Clearing old stock: If a new stock is arriving or if a completely new product is being launched, the existing stock has to be cleared using promotions
- Creates a wider assortment of collection: While promoting a new product in a store, the product mix and range adds strength to the product assortment of the store. This helps in increasing the customer's choice and store image
- Gives the customer an idea about the new trends: An absolutely new technology or new idea requires wide marketing and promotions to sow the value of the product in the customer's mind
- Establishes a price leader: The product might have the best or cheapest price in the market. However, it would still require a proper promotional strategy to increase its sales
- Creates curiosity in customer's minds: It is important to create the interest and curiosity in the customer's mind. Hence frequent promotions are essential to tackle competition and draw the customer's attention towards the store
- End of season promotions: Whenever the trend is estimated to change, especially in the fashion industry, stores set up promotions to clear the old stocks. Most apparel stores launch end of season sales, for example at the end of autumn and beginning of spring, to clear the old stocks and accommodate new stocks

Seasonal trends

- A calendar essentially helps to plan the promotions in a store
- The calendar also helps to chalk out the promotion days; for example beginning and ending day of a promotion
- Weekly holidays merged with festivals and other holidays impact the sales majorly
- Other than seasonal trends like summer, autumn, fall and winter, major festivals and other holidays also impact sales
- Summer season targets for promotion of products such as umbrellas, soft drinks, ice-cream, air-conditioners, etc.
- A few products are promoted or sold at discounted rates during off-seasons too—for example air conditioners might be sold at discounted price to clear the stocks during rainy and winter seasons
- Festival season targets the clothing, consumer durables and automobiles sector for promotions

Sample sale trend

- Future Group's Food Bazaar chain, sales rose by 30-40% in most categories on Christmas Day
- Sales of categories such as chocolates and biscuits grew by 50% while soft drinks went up by 30%
- It ran a special 'best of the year' offer during Christmas, which led to many consumers upsizing or upgrading. This, in turn, increased the ticket size
- In the Mobile Store, mid-segment handsets in the `6,000-15,000 range, be it Micromax or Samsung's mid-range Galaxy series, have triggered revenue, which is up by almost 30% over the same period last year due to promotions
- In Shopper Stop the full impact of winter wear sales has pushed up average billing sizes over Diwali since then winter jackets have higher ticket prices

Seasonal trends—opportunities for sales

- India has around 30 festivals, school college holidays, western calendar days like Valentine's day, Mother's day, Father's day, Women's day, etc. It is an opportunity for stores to use these days to promote products and increase sales
- Promotions during financial half yearly and year ending on certain products that are bought by businessmen and corporates to avail tax benefits
- Some promotions based on auspicious buying dates. For example buying gold for Akshaya Tritiya is very common now
- Promotion of seasonal items like mangoes that are not available throughout the year. They have to be promoted and sold quickly as they are perishable
- Promotions targeting youngsters—gifts during valentine's day
- Promotional schemes become very important in the 'maturity or decline' stages of a product life cycle, where companies are forced to sell their own wares against severe competition

Estimating and comparing

- The sales associate should be aware if the supply of stock in the store is matching the demands of the customer requirements (sale)
- A sales associate should be aware of what products are moving in the store and what are not moving

- He/she should be also aware of which are the fast moving products with and without promotion
- It is also essential to understand the product needs of customers based on the locality or region. For example Rajasthan Mirchi might not be popular in Andhra Pradesh
- Price of a commodity might be cheap in Bangalore as it might be procured locally for sale at the store. However, the same might be expensive in Mumbai. This product might be of interest to the customer and requires an appropriate promotion campaign by trials or samples
- Competitor's promotional strategies and pricing information

With all the above information it is easier to estimate and inform the concerned authorities in the store to help promote the necessary products.

In addition to this he should have the following information to promote the products:

- Dates and duration of the promotional event
- Products in stock for promotion
- Offers and discounts
- Estimated/planned sales for the promotional period
- Potential customer list
- Previous promotional events' dates and duration
- Previous stock
- Previous offers and discounts
- Previous sale
- List of customers who missed the previous sale

Evaluate results of promotions

- Sales data and footfall measurement: It is done to calculate the number of customers who have entered the store. Sales would be the total sale of the promoted product
- Customer feedback: It is taken to ensure how they came to know about the promotions. This helps in choosing the media for future advertising
- Number of footfalls and conversion: For example if 100 people have visited the store during promotions and 80 people have bought the promotional product, the conversion rate is 80%
- Average bill value: If the total sale has been 1000 and 10 customers have purchased the product, the average bill value is 100
- Monthly sales (sales during promotional period): It is the total sales from the promotion begin date to end date
- Average sales per sales personnel: The total sale divided by the number of sales associates. If the total sale is 1000 and there are 10 associates, each associate has done 100
- Billing more than expected sales: It reflects the sales associates' effectiveness

These reports help to track, how the promotional campaign is progressing each day. This can also help to compare previous records and plan for the future promotional campaigns. If the promotional campaign is not progressing as per projections, it is easier to rectify it immediately.

Person in charge of promotional opportunities

The following are the people whom you can discuss with about promotional opportunities based on your immediate supervisors' approval:

- Immediate supervisor
- Department manager: To discuss the type of category and merchandise to be promoted
- Store manager: To finalise and approve the type of promotions and dates
- HR manager: To discuss about your role in promotions
- Marketing team: To discuss company processes, promotional materials, props required, displays and pricing
- Merchandiser/Visual merchandiser/Buyer: To discuss design brief, promotional placement details
- Brand manager/Executive (if promoted by OEM): To discuss if the manufacturer or the brand is directly/indirectly supporting with promotions

Building customers' interest

Communication is critical and important in informing about the promotions in advance. Customers should be informed about promotions through various communication methods. This helps to create inquisitiveness about the product promotion. This done through:

- Direct interaction at the store when they come
- Calling and informing through store landline or mobile SMS
- Sending e-mails with the soft brochure of promotions, if any
- In store announcements in loud speakers

Provide details to the customer on:

- Product and its range of add-ons, accessories, etc.
- Promotions: offers/discounts
- Dates of the promotion campaign (begin to end dates), checking for customer convenient dates
- Demonstration dates and timings, trial timings, sample offerings, etc.
- Promotional details for membership/loyalty card holders and delivery schedule, if any

Compare product with the competitor's offerings:

- Inform customers on promotional details after comparing with competitors
- Product advantages and benefits over competition products and offers

For example a washing powder brand is being promoted for a span of 5 days from Wednesday to Sunday for low cost. If the promotional price of the `100 product is `80 for the 5-day period and the competitor is not offering the same, this information should be sent across to all interested customers in advance.

Promoting the features and benefits of products

- Clearly visible price label with offers and discounts of the promotion and displays along with shelf talker that indicates the benefits of the product. This is important for the footfalls to know about the details of the promotion and the sales associate should be ready to provide any extra explanation
- Promotion dates should be clearly displayed. Dangers and other marketing props should also be used as per design brief and visual merchandising standards
- Demonstrate benefits to customers as per schedule. If it is a specialist product ensure it is done as per specifications and features of the product by explaining with benefits and advantages
- Use trials and samples for juices, eateries, etc.
- Explain the promotional price in detail as customers are looking to save money through the promotional event
- Shelf talker with the list of features and benefits, sales associate should highlight the benefits of the features, emphasise on the promotional offer and value for money that the customer gets if he/she purchases the product

Encouraging customers to buy the product being promoted

- Be well prepared with the details of customer needs and requirements. Know their interests and tentative occasions of buying the products
- Inform the dates of promotion well in advance
- Explain in detail the benefits of purchase during promotion dates. Explain the movement and show testimonials of the product. For example the special price might not be available after the promotion ends on the specified date. There could also be a reason that the product could become a deleted line. Testimonials show the market share of the products and a satisfied customer list
- Demonstrate, provide free samples and ask customers to take a trial of the product
- Assure them that the investment being made is the right choice. Explain about the after sales service

Summary

- Purpose of promotions in stores
- Seasonal trend and how they affect opportunities for sales
- How to estimate and compare the potential of promotional opportunities to increase sales
- Method to evaluate and record the results of promotions
- Person in charge of promotional opportunities that have been identified
- Techniques for building customers' interest in regularly buying the product being promoting
- How to promote the features and benefits of products to customers
- Techniques for encouraging customers to buy the product being promoted

Exercise

A. Mention whether following statements are true or false:

1. A sales Associate should be aware of:
 - a) if the supply of stock in the store is matching the demands of the customer requirements
 - b) what products are moving in the store and what are not moving
 - c) which are the fast moving products with and without promotion
 - d) All of the above.

2. A sales associate can discuss about promotional opportunities with

a) Immediate supervisor	b) Department Manager
c) Store Manager	d) All of the above

3. _____ season targets for promotion of products such as umbrellas, soft drinks, ice-cream, air-conditioners etc

a) Summer	b) Winter
c) Monsoon	d) None of the above

4. Additional information that sales associate should have to promote products can be like:

a) Dates and duration of the promotional event	b) Products in stock for promotion
c) Offers and discounts	d) All of the above

5. Weekly holidays merged with festivals and other holidays impact the sales _____.

a) Rarely	b) Majorly
c) Both a and b	d) None of the above

B. Answer the following:

1. Discuss the role of sales promotions in a retail store.
2. Explain how promotional opportunities are communicated to the concerned person.
3. What is the purpose of promotions
4. What is the need for estimating and comparing?
5. How should a sales associate build a customer's interest?

6. Provide Personalised Sales & After Sales Support



Unit 6.1 - Provide a Personalised Service-1

Unit 6.2 - Provide a Personalised Service (contd.)

Unit 6.3 - Provide After-Sales Service



Key Learning Outcomes

By the end of this module, the participants will be able to:

1. Discuss the significance of providing personalized service to customers
2. List the advantages and benefits of providing personalized sales and service support to the customers
3. Point out the best practices followed in providing personalized sales and after sales service support
4. Employ rapport building techniques to ensure customer satisfaction
5. Identify and record and protect client information in a secured manner
6. Demonstrate the process of providing personalized sales and after sales support to the customers

UNIT 6.1: Provide A Personalised Service-1

Unit Objectives

By the end of this unit, the participants will be able to:

1. Describe the need for personalised service
2. Show how to project company's desired image to the clients
3. Apply information about the client to prepare for client visits
4. Create and maintain a rapport with clients, both new and existing
5. Identify what types of question to ask clients to find out about their buying needs, preferences and priorities
6. Assess tactfully find out how much the client can spend

6.1.1 Personalised Service

Personalised service is providing personal attention to a customer's requirement and recommending the appropriate and suitable products/services that match the needs of the customer.

Need for a personalised services

- Ensures that the customer feels that he/she is very special to the store and the organisation values their patronage to the store
- Ensures that the customer's loyalty to the store grows
- Attracts new customer and retains the store's existing customers. The cost of acquiring a new customer is 10 times more than retaining an existing customer
- Increases sale with more customers by word of mouth alone, which reduces the marketing cost
- Tailor made or customised solutions for each customer creates a difference to the store
- Enhances the brand image and reputation of the store by extending services to exceed expectations of the customer instead of just matching expectations

Projecting company's desired image

- Ensure that the environment of the store stands up to the values and missions of the store such as:
- Maintaining a clean and safe environment always
- Always abiding by legal, policies and local guidelines—never deviate
- Maintaining the ambience of the store as per the standard operating procedures
- Grooming of self as per the company guidelines—uniform, personal appearance etc.
- Ensuring proper behaviour of staff and self while attending to customers—empathy, politeness (soft spoken), confidence, helpfulness
- Knowledge:
 - Organisational hierarchy
 - Promotions and offers
 - Product assortment—features and benefits
 - Pricing and service policies

- Competition offers and pricing
- Store loyalty schemes

All the above factors followed without any deviation helps in projecting the company's desired image in the minds of the customers. Most importantly, remember that the sales associate is the link between the store and the customer and his/her utmost priority is to take good care of the customers.

Information in client records

Customer records carry the following information in the system or as records in the store.

- Name
- Address
- Mobile and landline number
- Date of birth
- Anniversary
- Loyalty details
- Past purchases and price ranges of past purchases
- Frequency of purchase

This would help to:

- Call them and inform of the schedule or change in schedule for the store visit
- Prepare in advance to wish them or gift them (if the company policy allows) for their anniversary, birthday of the customer or their family members
- Finding the membership points he has accumulated, what type of membership he holds, etc.
- Record tenure of past purchases and what type of purchases he has made to provide additional services or products
- Determine the client's brand patronage, spending ability/capacity, tastes and likes etc.

Prepare for client visits

The following are the list of activities to be adhered during client visits:

- Schedule the timing and keep self free to attend
- Prepare the consultation area—cleaning, equipment, relevant products product brochures ambience, etc.
- Give a call to inform customers of visiting time/changes (if any)
- Arrange for demonstration with relevant team members
- Greet at the entrance before they enter the store and wish them appropriately
- Keep parking space/wheelchairs/assistance ready for differently abled customers
- Arrange for refreshments (if any as per company policy)
- Ensure uninterrupted attention to be given for the customers
- Provide extra assistance required by them
- Keep all details as per loyalty schemes/membership details

Create a rapport with clients

Clients need to be understood:

- They need to feel welcome
- They need to feel comfortable
- They need assistance
- They need to be listened to

Clients need to be respected:

- They need right suggestions
- They need to feel important
- They need to be recognised
- They need prompt service

Proactively greeting the customer:

What is important for greeting?

- Be genuine
- Friendly gestures
- Acknowledgement of customer

Where should the greeting be used?

- Entrance
- Shop floor
- Till/POS
- Customer Service Desk/Point
- Any point of contact
 - Approach the customer
 - Make eye contact with the customer
 - Smile at the customer
 - Acknowledge the customer
 - Good morning sir

Most retailers in the world use a prescribed greeting wherever there is verbal interaction with customers
Examples of some of these greetings are:

- Namaste (with folded hands)
- Have a great day sir/madam
- Have a great journey, thank you
- Good morning/afternoon/evening
- Thank you for shopping with us
- How may I help you?
- Pleasure to help sir/madam

Personalised greetings suitable for the purpose and an appropriate body language that supports the verbal communication helps in building a quick rapport with the customers.

- Smile
- Stand in a upright Position
- Eye Contact
- Confidence
- Enthusiasm

“Good Morning Sir/Ma’am!”

“I am Varun Verma, a very warm welcome to the store.”

“I will assist you in knowing the various products and services you are looking for, and assure that you will have an enjoyable experience shopping with us.”

“May I lead you to the department where we have arranged for our discussion?”

Types of questions

To identify needs of the customer, one must be able to ask questions politely and in a non-threatening manner to find out the needs of the customer. There are two types of questions:

- Open-ended questions:
 - Begin with how, when, where, why and what
 - Used to find out more information
 - Follows on from a closed question
 - Finds out more about a person’s needs, wants, problems
- Closed questions:
 - Provide answers in yes or no
 - Used when only limited information is needed (i.e. to ensure that the customer has found the right product)
- Reflective questions:
 - Used to confirm understanding of the customer’s needs and priorities
 - Also show active listening skills

Examples:

- Closed questions:
 - Can, will, would, could, should, do, did, does, are, am, etc.
- Open-ended questions:
 - Who: Who is it for?
 - What: What brands does she like?
 - Where: Where are you travelling to?
 - When: When is the occasion?
 - Which: Which do you think is the best match?
 - How: How do you feel about this one?
 - Tell me: tell me what you have in mind?

- Reflective questions:
 - Am I right in assuming that you prefer dark chocolate?

The following questions of buying needs, preferences and priorities should be asked as per the department, category and products. The questions vary based on the type of customers and probing would depend on the types of answers provided. Probes could be either open-ended or closed.

The following examples lead from one question to another. For example the first question on buying needs leads on to the first question under preferences and priorities.

Questions on buying needs:

- What brand of shirt you would like to see?
- What channels you watch in TV?
- How frequently you make rotis in a month?
- How old is your son?

Questions on preferences:

- Would you prefer full sleeve or half sleeve?
- Do you prefer action movies or drama?
- Which brand of atta do you prefer?
- Does he use the laptop only for studies?

Reflective questions:

- Is it ok if I can deliver this before 5 p.m. today?
- Are you saying you would consider a home theatre only with Blu-Ray?
- I suppose if its more than 50 kg you want it to be home delivered?
- I understand your requirement is only a laptop for now and not a printer along with it?

Determining client's spending capacity

The strict don'ts:

- Rule No. 1: Never ask the question, "What is your budget?"
- Rule No. 2: Never use phrases like, "This model is expensive/cheap"

Sample questions should be asked without hurting the sentiments on estimating their spending/purchasing limits.

- What is the brand that you prefer?
- Which is the model that you like?
- Among these two models, which would you prefer?
- Are you looking at an entry-level or mid-level range model?
- Would you be ok with basic or higher end models?
- Do you prefer a model with "X" features, in the "Y" range?
- Do you want me to talk to the credit facility person if you are interested and work out the EMI equated monthly instalment?

Summary

- Need for personalised service
- How to project company's desired image to the clients
- How do use information about the client to prepare for client visits
- How to create and maintain a rapport with clients, both new and existing
- Types of question to ask clients to find out about their buying needs, preferences and priorities
- How to tactfully find out how much the client can spend

UNIT 6.2: Provide A Personalised Service (contd.)

Unit Objectives

By the end of this unit, the participants will be able to:

1. Describe how to relate the features and benefits of products or services to the client's needs
2. Identify suitable opportunities to sell additional or related products
3. Recommend clients in a way that encourages them to take your advice, without pressurising them
4. Display how to balance the need to make immediate sales with the need to maintain good business relations with the client

6.2.1 Relating Needs To Benefit Of The Product

Now that you have uncovered the customer's need, it is essential to match the requirements of the customer with your products. There will be times when you will be faced with situations where the customer has expressed a need for the product, but still does not buy. Why do you think this happens? This may be because what you are offering does not match his requirement. What most sales associates end up doing is providing a product based on the benefits, which they think are important, and not the benefits that the customer wants. This leads to an unproductive sales conversation. In this stage of sales process, you will learn how to understand the customer's requirements and effectively propose a solution to him.

- Summarise the strong needs expressed by the customer
- Present the features and benefits of your solutions that meet the needs stated by the customer
- Demonstrate the features of the product that meet the customer requirements

This technique of presenting the solution is called FABing. Let us study a little more about FABing.

FAB: Features, Advantages and Benefits

- **Feature:** Feature is a statement describing characteristics of the product, for example make, price, colour, etc.
- **Advantages:** All features have advantages and advantages provide benefits to the customers
- **Benefits:** How the product or its features and advantages will meet the needs expressed by the prospect

How to FAB

- Summarise the needs of the prospective customer
- State the benefits of the product that meet the needs of the prospect
- Summarise the benefits before asking for commitment

Summarise needs:

- Sir, you had stated that you would want to have air conditioners that consume less power
- Air conditioners that need little maintenance
- Air conditioners that cover a large amount of room area

State benefits:

- Sir, here we have X123EE model which consumes 30% less power than the existing one, please refer the power rating certifications on the leaflet
- This model comes with a 2 year maintenance contract, has proven performance track record, please refer the testimonials of some users
- This is an air conditioner which covers an area of 550 sq. ft. which will easily suffice for your office area

Summarise benefits:

“Sir, this AC provides you with:”

- Savings on power and cost
- Free from maintenance hassles
- Covers your office area entirely

Additional or related products

Always use the customer interactions to maximise sales opportunities by:

- Suggesting complementary products and services
- Suggesting bigger and/or better products
- Communicating promotions and new lines
- Up-selling: Selling advanced product than the one you presented or any other solution to the existing customer
- Cross-selling: Cross selling refers to selling additional products along with the base product. For example Refrigerator stand along with refrigerator.

Adding on additional or related products by proposing appropriately helps you to increase sales.

For example : If the basic product is TV and the customer has also an aspiration for a home theatre since he is interested in movies, sports and high definition. Suggesting a normal HD player would be an ideal option. Since he does not have a DTH connection a suggestion of a HD DTH would be apt.

TV stand, gaming consoles, universal remote controls and wireless headphones are related products that can be proposed with the main products.

Making recommendations to clients—Case study

Let us understand this aspect of recommending products to clients in a way that encourages them to take your advice by noticing the following case study:

A customer has walked in to your electronic store, he shows interest to buy a laptop for his son, however tends to postpone his decision because of financial constraints. The conversation between the sales associate and the customer goes this way:

- Is this laptop for your son?
 - Yes
- Does he use the laptop only for studies?
 - Yes and for communication also.
- Do others use the laptop at home?
 - Sometimes.
- I understand your requirement is only a laptop for now and not a printer along with it?
 - Not sure
 - I would require the laptop in 2 months after he joins college.
- Would you be interested to look at our credit facility that gives you an option of paying in easy installments?
 - Oh, is it? Please explain.

In this case since there is a two-month period of purchase, the CSA is expected to close the sale without pressurising the customer.

Here there is a need for a laptop for the student at college as well as at home. Since it is for home use there could be a printing necessity and UPS is a must.

As the store is running an offer for the basic model along with credit facility, this could be proposed. This would benefit the customer in many ways as the store is closing this offer in one week.

Balancing the sale to maintain good business relations

Always there is a need and pressure to close the sale and meet your and organisational targets. However it is very vital that the customer should not feel that he is being pressurised or pushed to make a purchase decision. Give the customer enough time and consultation to decide. Following are few tips which will help in balancing the sale to maintain a good business relationship:

- Never pressurise the customers.
- Provide alternate options matching their needs, preference and priorities.
- Assure that you and your store will take care of their needs even after the sale.
- Show long term advantages and benefits.
- List the unique propositions of your store—offers, promotions, loyalty membership.
- Assure that returns far weigh their investments.

Summary

- How to relate the features and benefits of products or services to the client's needs.
- How to identify suitable opportunities to sell additional or related products.
- How to make recommendations to clients in a way that encourages them to take your advice, without pressurising them.
- How to balance the need to make immediate sales with the need to maintain good business relations with the client and how to do so.

UNIT 6.3: Provide After-Sales Service

Unit Objectives

By the end of this unit, the participants will be able to:

1. Identify the need to provide after-sales service
2. List the key components of service standards
3. Describe the characteristics of good customer service standards
4. Outline the factors that help in maintaining good personalised service standards
5. Identify the impact of moment of truth on keeping up with the promises to the client
6. Describe the aspects of data protection laws and policies that aid in maintaining the confidentiality of client records

6.3.1 Need For After-sales Service

After-sale service is important because it helps to ensure that customers are satisfied with their purchases and in case of any difficulty installing or setting up equipment, they will receive help. A happy customer will be loyal and will advertise your company for the great service they received thus keep your company making sales.

Service standards

Timeliness

- ‘Delivery in 24 hours’ or ‘calls answered in 3 rings’ are the standard set of TAT (turn-around-time) that show the spirit of a service standard that involves a timeline

Accuracy

- The information provided by the CSA during a conversation should be 100% correct
For example: “The free service of a mobile includes updation of the software.”

Appropriateness

- Any information shared with the customer must be appropriate in all aspects. For example:
 - The customer receives a response that is on time as per TAT, adhering to the standards, but fails to address one of the three issues queried in the original enquiry. Such a response would fail the appropriateness

Service level agreement

A Service Level Agreement (SLA) is an important document that is used to define the level of a service that exists between a service provider and customer. The agreement is generally expressed in a simple language so that it can be clearly understood by the customer. The SLA may address several areas including the availability of the service, the performance of the service, how it will operate, priorities, responsibilities of involved parties, guarantees and warranties. Apart from defining key areas, the SLA may also specify a level of service, including targets and a minimum level that can be reached.

Some of the common uses for an SLA would be for telecom companies and telecom product/services retailers and IT service providers.

Characteristics of a good service standard

- **Relevant to the customers:** Service standards should be consistent with customer needs, preferences and priorities and should address aspects of the service they value most within the available resource allocations
- **Based on consultation:** Service standards are developed in consultation with customers, managers, staff and other partners in service delivery to ensure that they are practical and match the organisation's policies
- **Measurable:** Service standards are quantifiable and linked to monitoring activities for performance management
- **Consistent across:** Service standards should be consistent throughout all stores providing similar services. Having similar service standards across stores for similar services helps both customers and the organisation. Customers will find it easier to deal with different stores and the stores themselves will find it easier to share best practices and adopt common approaches
- **Ambitious but practical:** Service standards should be practical, based on analysis and consistent with objectives, yet sufficiently challenging to service providers
- **Endorsed by management:** Service standards should be understood and endorsed by senior management, head offices
- **Communicated:** Service standards should be clearly communicated to customers, employees and other stakeholders to help manage expectations
- **Transparent:** Service standards should be monitored and reported to senior management and performance results should be published to ensure transparency and customer's trust. For example best employee of the month, this associate has done the highest sales, etc.
- **Continuously updated:** Service standards should be regularly reviewed and updated as appropriate to create benchmarks and raise the bar

Note: These are general characteristics and associates should refer to policy manuals of the respective organisation/stores.

Personalised service standards

Personalised service means serving the customers individually, showing personal care—it is also called individualised service. It means, giving individual attention to customers and satisfying their needs and requirements. Here, from entry till exit, the store staff will be with the customer to ensure that all his/her needs are taken care of.

Reactive service v/s exceeding expectations

“Raising standards beyond those currently expected by your customers, so that they are genuinely gratified instead of merely satisfied.”—Ted Jones on Perfect Customer Care.

Just following the SLA and sticking on to TAT is called as reactive service, that is adhering to standards, policies and procedures.

For example if a customer complains about a faulty product and wants replacement, a CSA who has the SLA to return the product within 24 hours TAT, delivers as promised. This is reactive service that meets the expectation of the customer and the organisation.

In case the CSA ensures that the delivery is made immediately in case of a faulty product is being proactive which makes the customer exceed expectation.

Ensuring that the product was not delivered faulty by taking the required precaution will far exceeds customer expectations.

Moments of truth

- If the associate far exceeds the expectations of the customer, it shows his accountability, enthusiasm and proactiveness for customer support
- If the associate exceeds expectations of the customer, it shows his enthusiasm for customer support
- If the associate meets the expectations of the customer, it shows he is just reactive and is following guidelines
- If the associate does not meet expectations of the customer, it shows that he is not following guidelines making the customer disappointed and as a result may choose to shop elsewhere

Relevant aspects of the data protection laws

- The Data Protection Act 1998 commenced on 1 March 2000, with most of its provisions being effective from 24 October 2001. It replaced and broadened the Data Protection Act 1984
- The purpose of the Act is to protect the rights and privacy of individuals and to ensure that data about them is not processed without their knowledge and is processed with their consent wherever possible
- The Act covers personal data relating to living individuals and defines a category of sensitive personal data which are subject to more stringent conditions on their processing than other personal data
- The Data Protection Act covers data held in electronic formats and also applies to manual data held in what the Act calls a relevant filing system
- While this might appear to limit the categories of non-electronic data to which the Act applies, the definitions of personal data in the Data Protection Act have been broadened by the Freedom of Information Act 2000 in respect of public authorities, like SOAS to which the Freedom of Information Act applies
- The main effect of this is that since 1 January 2005 (when the Freedom of Information Act came into force), unstructured personal information held by SOAS in manual form (not in a relevant filing system) is covered by the Data Protection Act, except for unstructured data relating to appointments, removals, pay, discipline and other personnel matters, which remain outside the scope of the Act

Company policy for client confidentiality

The following is the outline of a sample policy guideline. However the right store policy guidelines should be available in each store.

- Personal responsibility and communication guidelines
- Consequences of breaches of the confidentiality of records
- Personal information
- Access to records
- Release of information
- Storage of records
- Destruction of records

Personal information (Sample expanded guideline)

- Privacy of the individual's details must be maintained at all times
- Personal information that needs to remain confidential includes the age, gender, address and date of birth of the individual
- Other topics that also need to remain private are details of health issues, family information
- Any other information of a personal or sensitive nature should be discussed only with the appropriate people when and where others will not overhear the conversation
- Staff sometimes will discuss details of a person in the lift, in the corridor or in the tea-room—this is a policy breach

Remember the following always, even if you are not at the workplace:

- Never reveal any information about customers, staff and vendors to people who are not authorised to receive this information. This includes relative and friends of customers and self
- Store and update accurate information related to work
- Carefully destroy data beyond storage dates
- Access only data which you are authorized to
- Inform any breach immediately

Recording, storing and updating client records

- Records must have accurate information of customers and should be correctly stored (and eventually destroyed in line with legal requirements) by authorised personnel to make sure that information of a sensitive nature is not made public
- All records must be stored in a secure, safe area where there is no possibility of damage by pests, vermin or environmental factors
- Records should be stored both at internal organisational level and registered external storage areas
- The area must be safeguarded by security, with access determined by an ID system or electronic card recognition system to prevent access from individuals that do not have clearance
- When stored, there should be a system for location of records to allow for ease of access by authorised staff
- Records should be updated immediately as and when the need arises
- Records must be transported in a safe and confidential manner ensuring that access is only given to authorised staff

Summary 

- Need to provide after-sales service
- Key components of service standards
- Characteristics of good customer service standards
- Factors that help in maintaining good personalised service standards
- Impact of moment of truth on keeping up with the promises to the client
- Aspects of data protection laws and policies that aid in maintaining the confidentiality of client records

Exercise

A. Mention whether following statements are true or false:

1. Keeping client records help sales associates to:
 - a) Call them and inform of the schedule or change in schedule for the store visit
 - b) Prepare in advance to wish them or gift them (if the company policy allows) for their anniversary, birthday of the customer or their family members
 - c) Finding the membership points he has accumulated
 - d) All of the above

2. Some tips which will help in balancing the sale to maintain a good business relationship could be:
 - a) Never pressurise the customers
 - b) Provide alternate options matching their needs, preference and priorities
 - c) Assure that you and your store will take care of their needs even after the sale
 - d) All of the above

3. A _____ is an important document that is used to define the level of a service that exists between a service provider and customer.

a) Service Level Agreement	b) Sales Agreement
c) Business Agreement	d) None of the above

4. Personal information that needs to remain confidential includes:

a) Age	b) Gender
c) Address	d) All of the above

5. If the associate far exceeds the expectations of the customer, it shows his _____ towards customers.

a) Accountability	b) Enthusiasm
c) Proactiveness	d) All of the above

B. Answer the following:

1. How sales associates project company's desired image to the clients?
2. What methods sales associates must use to maintain rapport with new and existing clients?
3. What is FAB and how to utilise them?
4. Explain the importance of Recording, storing and updating client records.
5. Discuss the relevant aspects of Data protection laws.

Notes



A large rectangular area with a thin orange border, containing 25 horizontal lines for writing notes.

7. Building Positive Image In Minds Of Customers



Unit 7.1 - Building Effective Rapport with the Customers

Unit 7.2 - Responding to Customers

Unit 7.3 - Responding to Different Types of Customers



Key Learning Outcomes

By the end of this module, the participants will be able to:

1. Identify the need to impress upon the customers by creating positive image in their mind
2. Explain the need to identify customer requirements and provide relevant information to them
3. Identify customer needs and provide relevant information on products and services to them
4. Practice following the best practices of grooming and presentation of self

UNIT 7.1: Building Effective Rapport with the Customers

Unit Objectives

By the end of this unit, the participants will be able to:

1. Identify the importance of creating a positive image of self and the organisation in the minds of the customers
2. List the key factors that help in creating a positive image of self and the organisation
3. Explain how the standards for appearance and behaviour help in creating a positive image of self
4. Dramatise the methods of approaching and greeting the customers
5. Show how to confirm the expectations of the customers
6. Identify how to communicate information to the customers

7.1.1 Importance Of Creating A Positive Image

Customers come to the store to buy products that meet their needs. One of the responsibilities of the SA (you!) is to understand their needs better and help them in making the best purchase. The range of products includes merchandise, membership services, loyalty programmes and services along with additional warranty. The SA should seek to understand the customer's needs precisely and assist them in the stores.

A happy customer would like to revisit the store every time he feels satisfied and his/her expectations are met, he recommends his friends and relatives too to shop in your store. This leads to increase in walk-ins to your store as well as in the profits of the store.

Thus you are the vital link between the store and the customer who helps the store in booking profits by creating a positive image of self and the organisation in the minds of the customer.

Key factors that help in creating a positive image in the minds of the customer

Following are the key factors that help in creating a positive image of self and organisation in the minds of the customers:

- Establishing an effective rapport with the customers
- Communicating information to the customers effectively
- Responding appropriately to the customers

Some of the other factors that help in creating a positive image in the minds of the customers are:

- **Store and product arrangements:** A well-arranged and clean store area attracts customers and encourages them to spend the time required to buy what they need. It also makes it easier and pleasant for them to shop
 - All products should be arranged according to their category in the planogram
 - Products should be neatly arranged in the racks/shelves and display areas with face-ups
 - All racks and display counters should be dust free
 - Each area should be appropriately illuminated (proper lighting arrangements)
 - Floor should be neatly mopped

- The shelf talkers and promotional signs should be properly in place
- Know your products—availability (colours, size, price range, etc.)

The other important aspect of being ready to sell involves learning enough about the products you will sell and the alternative choices that the customers may have - in order to give them correct advice on making their decisions.

- **Know your company and its people:** The complete knowledge about the company's history, values, vision and people is a must. This helps in seeking guidance whenever required. The conviction levels for the store operations assistant are higher when one has the knowledge of their organisation and the people they work with
- **Know the company policies, processes:** Every organisation has its own policies and processes. The SA should have a thorough knowledge on these as it is essential to run the operations smoothly as per organisational standards. Policies can range from human resources to store operations. Store operations have their own SOPs (Standard Operating Procedures)
- **Know the government regulations, statutory compliance, legal aspects and local authorities pertaining to the business of the organisation:** Compliance with the law is mandatory as per any organisation standards. Deviation from legal aspects would be a disaster by tarnishing the image of the organisation. It is essential to know whom to contact or where to refer
- **Know your vendors, their rights and their business:** It is highly important to have details about the suppliers and vendors who deliver products to the stores. It helps in planning the delivery schedules, managing stock availability, excesses and shortages. It is essential to have their contact details for all operations follow-up. Details of their business would help in managing your categories. Building a relationship can help in getting details about the market conditions as they are the source of your products
- **Know your and your customer's rights:** The store business entirely depends on your customers. Know them well by knowing their needs and concerns. The consumer rights are well defined by the government. Issues can lead to the store being charged in a consumer court. Build strong relationships with customers. Remember they also provide information on market conditions and competitor offers
- **Know your products and services:** Know all aspects of the products like their features, prices, availability and benefits. This is the information you may need to help customers with, in their shopping. In case you do not have a complete information, one must know whom the customer has to be referred to
- **Strongly believe in yourself, your company and the products/services you offer:** You must believe in your product or service and your company; believe in yourself. Other people sense whether you believe in yourself and whether you believe in what you are doing. This belief is what persuades the customer to buy the product or service. Therefore, increasing your self-confidence will improve your image as well as the store's. Remember that the store you work does not sell sub-standard products or services. The conviction with which you believe in the store leads to a confident way of you managing your store

A good preparation on all the above aspects will also automatically increase your conviction levels leading to higher confidence in managing your customer and services. It will also enhance the image of self and the organisation in the minds of customers. Hence, having information on all these aspects is important and critical.

Positive image of the organisation

Store image:

- Right product
- Right place
- Right time
- Right price
- Right quantity
- Right quality
- Right service

The store image completely depends on the seven points mentioned above. The store cannot stock umbrellas in huge numbers when there is no rain. The store can expect to sell cold drinks in large quantity in summers. During festival seasons, procure key products of the quantity/price that is expected to sell and display with a theme by planning well in advance. Make sure appropriate service aspects are covered.

Company image and brand image would make your store a flagship store.

- Maintain a clean and safe environment always
- Always abide by legal, policies and local guidelines—never deviate
- Always maintain customer loyalty. One bad word from a customer can spread everywhere
- Always maintain cordial relations with vendors. They are the ones who are responsible for the quality/quantity of products you sell
- Create a benchmark for competitors

Remember: You are the major link between the company, its products and the customers.

The functional aspects of the above points will be elaborated in other sessions.

Establishing good rapport with the customers

Be confident by having all information on your side to establish a good rapport with the customers:

- Store: layout, design, exits, keys, aisles, vicinity, landmarks, surroundings, etc.
- Colleagues: information on who is who in stores, branches, head office, departments
- Customers: types, buying behaviour, frequency of visits, needs and concerns
- Vendors: supplier details, delivery schedules, product/category range and business
- Products/services: category details, availability, shortage, movements, issues
- Processes, policies and procedures: as per organisation standards
- Legal aspects: law abiding and respecting everyone's rights

Standards for appearance and behaviour

- Groom yourself as per company uniform (if any) and standards: Remember there is nothing called as second best impression. You can create only one: first impression is the best impression you can create with your colleagues, customers, vendors and with others whom you interact in the store

- Keep yourself prepared for any ambiguous situation which may arise: Stores always have some situation or incident due to the nature of business we are in. They have to be attended and solved quickly. Do not panic, enjoy the work every moment

Remember: Being positive always helps in your career growth. It is the only way you can create a positive image for you!

Few tips for grooming and appearance:

- Hair neatly cut and combed
- Hair clean and dandruff free
- Clean shave
- Clothes/uniform ironed
- Shirt in tuck
- Shoes cleaned and polish
- Socks: clean, elastic not loose
- Socks: matching with shoes/trouser
- No body odour
- Nails:
 - Clean
 - Cut and filed
 - No polish (for men)
- Overall appearance—pleasant
- Additional checkpoints for girls:
 - Makeup—light and complementing your face
 - Jewellery—simple and minimum

Establishing rapport—approaching the customer

Proper interaction with the customer creates a positive impression about the store.

The 'approach or greeting' is the first and the most important step in the selling process. It is estimated that 85% of the lost sales occur during the first fifteen seconds. Therefore, understanding and practicing effective greetings can improve sales dramatically.

Every professional SA understands that they have approximately 15 seconds to dispel as much fear, uncertainty and doubt as possible. Within these first few precious moments, the SA must say or do something to gain and hold the customer's attention and trust.

When a customer enters the store:

- Smile and greet the customer
- Introduce yourself with name (shake hands if the customer volunteers)

Keys to an effective greeting:

- Smile
- Introduce and ask for customer's name

- Look at your customer attentively (eye to eye contact)
- Ask a few simple questions to get customers talking about themselves and their needs
- Make the customer more comfortable
- Speak and act sincerely
- Enhance your customer's self-esteem/confidence
- Build trust and rapport and establish a cordial relationship with your customer

Display proper body language:

- Stand straight
- Do not stand with folded hands (it might give a negative impression to the customer)
- Have a friendly and helpful disposition

Establishing rapport—confirm the expectations of the customer

Creating curiosity in customers leads to right purchase decisions.

- **Offer assistance:** Ask the customer how you can assist and guide to find the desired product/department (in case you do not know the product that the customer is asking for, take your colleagues' help). In case if the customer does not need any help, you could let him/her know that you are around and he/she can call him in case they need any assistance
- **Get the customer's attention:** To be able to make a positive image, it is important that you understand what exactly the customer really wants or needs. In order to do so, you need to be able to engage the customer and test their needs by probing them with the right questions
- **Probe:** Question to uncover needs. When you are engaging yourself with the customer, why not incorporate 'the advantages of the Q feature'? The Q feature means 'Questioning', which means Probing. Probing helps in uncovering the needs and problems of the customer. It is used to get more information from the customer. There are two types of probing:
 - Open probes: These questions ask for more than a 'Yes' or 'No' or one/two- word answer. Encourage customers to respond freely, so that you can fulfil their requirements. Allow the customers to set the direction of the conversation
For example:
How may/can I help you?
What kind of product are you looking for?
May I know what you are looking for?
What kind of information are you looking for?
Would you tell me more about the product/requirement?
What have you used in the past?
What other products are you interested in?
 - Closed probes: These questions are asked to get a specific or one word answer. It is generally used to understand the specific need of the customers. It limits a customer's response to 'Yes' or 'No' or other one word answers
For example:
Which colour do you prefer the most?
Would you like to try it?

Which car do you drive?

Have you used this product before?

May I help you?

Are you looking for a tie?

Is there any other information that you need?

Is that what you are looking for?

- **Encourage discussions:** To show your interest in the conversation, so that the customer feels comfortable and continues the conversation with you
- **Show undivided attention:** Completely focus at the customer—do not deviate. The moment you show disinterest you run the risk of losing relationship with them
- **Make notes on their needs and requirements:** This should become a ‘habit’. Carrying a small note pad and pen is part of your job. This gives confidence and less chances of missing any details/ information
- **Clarify if in doubt:** Use correct probes to clarify your doubts. There is no harm in clarifying things which you do not understand. Do not hesitate to ask. The customers will not feel bad, rather they would encourage you
- **Keep customers informed:** If the service expected by the customer is taking more time, keep the customer informed about the same and let them know the process of the store in a very polite and obliging manner
- **Treat your customers courteously and helpfully at all times:** Be polite, empathetic and offer assistance to the customers proactively when you observe them looking for help

Remember: Confirming the customers’ exact needs leads to profitable sales.

Communicating information to the customers

Remember you would be at the centre by integrating customers, company, products and vendors by communicating with them almost every time in the store. The choice of words, appropriate usage, and sign language/non-verbal, being crisp and concise are the major elements while conveying something.

- One should be able to quickly identify the information sought by the customers:

- Identify the source of the information
- Identify the person whom to approach for the information
- Identify the procedures to be followed for resolution of customer concerns if any

For example; if a customer is seeking information on the section of product, servicing of a product, one should be able to identify where and to whom the customer should be directed and the same needs to be communicated to the customer in a gentle and polite manner. The best solution would be to lead the customer to the right place yourself.

- Ensure whatever you have communicated has been understood correctly by summarising and checking the understanding of the other person

For example: You are stacking products in the apparel section and suddenly a customer approaches you and asks you “What is the special offer on these products”, if you are well aware of the promotions, you could provide the information, summarise and check if the customer has understood the same

and needs any further clarifications. If you are not aware you should be leading the customer to the right person and seek their help in resolving the customer query.

- Make sure you have correctly understood and interpreted what others have said by paraphrasing

Methods of communication

- Communication with customers
 - Direct interaction at entry, exit, sales floor
 - POS/cashiering tills through bills
 - Customer service desks
 - Phone
 - E-mail
- Communication with vendors
 - While receiving delivery
 - While sending back stock
 - Phone
 - E-mail
- Communication with colleagues
 - Direct interactions, meetings, huddles
 - Phone
 - E-mail

Remember that most of the relationships turn sour because of miscommunication and misunderstandings.

Summary

- Importance of creating a positive image of self and the organisation in the minds of the customer
- Key factors that help in creating a positive image of self and the organisation
- How the standards for appearance and behavior help in creating a positive image of self
- Methods of approaching and greeting the customers
- Method of confirming the expectations of the customers
- How to communicate information to the customers

UNIT 7.2: Responding To Customers

Unit Objectives

By the end of this unit, the participants will be able to:

1. State the meaning of customer service
2. Identify the levels in customer service
3. Describe the various factors that can make customer service memorable
4. Identify how to respond appropriately to customers
5. Show how to meet customer expectations
6. Identify how to maintain customer loyalty

7.2.1 Customer v/s Consumer

The term 'customer' refers to individuals or households who purchase goods and services generated within the economy. On the other hand, a 'consumer' is someone who uses the products or services.

Customer: is the person who purchases the product from the marketer or from the retailer or from the wholesaler. Here we do not bother about who uses the product.

Consumer: is the person who uses the product purchased by the customer. Here we consider the person who is going to use the product finally and we call them as the consumer.

Customer service

According to Jamier L. Scott, 'Customer service is a series of activities designed to enhance the level of customer satisfaction - that is, the feeling that a product or service has met the customer expectation.'

Customer service is the ability of an organisation to satisfy their customers' wants and needs.

'Customer service means creating a positive and memorable shopping experience for every customer'.

Customer service consists of all those activities performed by the retailer that influence:

- The ease with which a potential customer can shop or learn about the store's offering
- The ease with which a transaction can be completed once the customer attempts to make a purchase
- The customer's satisfaction with the transaction

Excellent customer service

Excellent customer service is the service that exceeds your customers' expectations and will make your business stand out among your competitors. To be effective, customer service must be consistently good in every part of your business. From the moment the customer thinks of purchasing, right through to the final sale, there are opportunities for the business to add customer service to the process.

Excellent customer service:

- **Enhances the credibility of a store:** By offering excellent customer service, you will be building customer loyalty - the customer will come back to the store again and again for all his requirements
- **Attracts new customers and retains the existing ones:** Satisfied customers not only tend to return to buy again from you, but are also likely to talk positively about your business to others. Word of mouth referral is the most effective form of promotion. It costs nothing and carries a lot of credibility as it is based on personal experience

Similarly, a bad customer service experience is shared with around 10 other people who are likely to tell another 9.

Customer retention leads to:

- Repurchases
- Loyalty
- Profits

Expectations of the customer

It is your duty to make the customer happy always. What does the customer really expect?

- Help—your ability to identify the customers who are seeking help
- Your approachability and understanding
- Respect and recognition
- Satisfaction
- Listened to with empathy
- Comfort, compassion and support
- A friendly smiling face
- To be made to feel important

Apart from the above points, customers will also expect:

- Good promotions
- Value-added services (door delivery, wallet parking, etc.)
- Quick billing
- Good display and good quality products

Moment of truth

In customer service, the instance of contact or interaction between a customer and a brand/company through a product, sales force, or visit that gives the customer an opportunity to form (or change) an impression about the company is called 'the moment of truth'.

It is what the customer experiences at the time of a direct interaction with the company through its people, services and product.

When the moment of truth for a customer has been a negative experience, it becomes a moment of misery. On the other hand, when the moment of truth has been extremely positive, it becomes a moment of magic.

Customer delight

When you exceed customers' expectations, then you have delighted the customers. So, you need to go that extra mile to make the customer happy. By putting customer service at the forefront of your business, make every customer feel like they are unique and special to your success. The customer really is the reason for your company's success, so why not show them some appreciation? How to delight customers or make their shopping experience memorable is explained in the subsequent slides.

Responding appropriately to customers

Key factors that make customer expectations memorable by responding appropriately are:

- **Smile and greet the customer:** The very first thing a customer should see is a smile. This creates a warm and welcome first impression
- **Have eye contact and proper body language:** Body language is a form of non-verbal communication involving the use of stylised gestures, postures, and physiologic signs which act as cues to other people. Humans, sometimes unconsciously, send and receive non-verbal signals all the time. Make sure your image and appearance reinforces the customers' confidence in your services
- **Listen carefully and understand the customer's needs:** Lend your ears and listen to what the customers have to say and then provide appropriate positive responses. Remember, the customer does not want to listen to a 'NO'
- **Be responsive and committed:** Be receptive and react immediately to the customer's needs. Be quick in responding to customers' queries. Make sure that all the customer needs are met from the time they enter till they exit the store. Be committed - devote your time and effort in handling customers' queries, helping them and making them feel important. Take full responsibility for providing high-quality products and services. Make sure you honour guarantees/warranties on your products. Deliver your products and services on time and as requested
- **Help the customer in taking the right decisions:** Provide alternatives according to the needs of the customer and help them to make decisions tactfully. Deliver your product/service with minimum hassle for your customers. Lend your expertise, if asked, for item choices. Make honest suggestions, not suggestions just to make a sale. Being genuine will help you receive the customer's trust in your taste and opinions. Allow the customer to evaluate your response or offers, do not rush, wait for the customer's response and then further explain if required
- **Be friendly:** Communicate properly, develop a friendly attitude, smile unconditionally and respond positively to all the objections raised by the customers. Show willingness in helping customers. Be available - it is not necessary nor is it advised to hound a customer or follow them around. However, make yourself available for their needs, periodically checking on them but careful not to interrupt their shopping experience
- **Have a positive attitude:** Always be optimistic, constructive and encouraging. Be confident and extend your full co-operation in helping customers
- **Offer the required services:** Ensure that, from the entrance till the exit all the necessary services are provided to the customers (from offering a basket till carrying customers' baggage till the parking lot). Ensure that customers leave the store happily

Remember: If you feel you are not competent enough at that moment to address the customer expectations, ensure that you escalate or seek the help of seniors to resolve the issue and do not shy away from the situation and the responsibility.

Meeting customer expectations effectively and efficiently

- Avoid laziness, take the initiative
- Communicate effectively
- Be energetic and flexible
- Have a good time sense
- Be empathetic and provide solutions
- Have good knowledge of products
- Treat the customer as king

Some useful tips

Take up any amount of trouble for all your customers. Do not treat 'big' or 'small' customers any differently. Customer referrals are powerful and a customer who feels complimented that you've gone out of your way to help them with a small matter is very likely to know someone who'd fit into your 'big and best' customer category.

If the customers are happy with the services provided by the store, then they will frequently visit the store. This will increase the sale, the reputation/credibility of the store and create loyal customers.

Maintaining customer loyalty

To build customer loyalty:

- Communicate openly with clear and concise information. Clarify always
- Build trust and confidence: All stores might sell the same product. The only difference to be added is in the level of service and assistance
- Be consistent in providing prompt and friendly service
- Stretch yourself to travel that extra mile. Only when you exceed customer expectations you gain their loyalty
- Be empathetic. Ensure you are always in their shoes and think
- Be responsible and take accountability for the service you provide. You might have to take certain decisions by consulting seniors

Remember: Customers refer to others and come repeatedly only when you serve them with delight.

Summary

- Meaning of customer service
- Levels in customer service
- Various aspects that can make customer service memorable
- Customer expectations
- How to respond to the customer appropriately
- Maintain customer loyalty

UNIT 7.3: Responding To Different Types Of Customers

Unit Objectives

By the end of this unit, the participants will be able to:

1. Identify the different customer types
2. Identify how to respond effectively to different customer types
3. Identify how to manage customers when they are angry or confused

7.3.1 Types Of Customers

The different types of customer behaviours are:

- Well-informed
- Uninformed
- Sociable
- Egocentric
- Shy
- Professional

Remember that a customer can be elderly, young or from varied class, colour or race; however the behaviours explained do not change. It does not mean that a young customer always has to be friendly and an elderly customer always needs to be angry.

Well-informed customers

Behavioural indicators	Your response
<ul style="list-style-type: none"> • Knows a lot about the service and the industry • Asks logical and technical questions • Feels disgruntled with half or unsure answers • Asks questions to test knowledge • Is tough to convince • Is unfriendly • Tries to show off his/her knowledge 	<ul style="list-style-type: none"> • Attempt to answer their queries to the best of your knowledge • If you do not know something, admit it and get back to them with the right answer • Do not show impatience • Do not talk out of context • Do not try to forcefully convince them

A well-informed customer has to be treated very patiently. Take assistance if you are not able to answer the queries. Refer manuals and brochures when available. Provide demonstration and consult a Subject Matter Expert (SME) when required.

Uninformed customers

Behavioural indicators	Your response
<ul style="list-style-type: none"> • Does not know too much about the service and the industry • Asks basic questions • Hesitates to speak up • May not show dissatisfaction • Too much information leads them to confusion • Comparatively gets convinced easily 	<ul style="list-style-type: none"> • Provide complete answers • Encourage them to speak by asking questions • Paraphrase and confirm their understanding • Do not use jargons and industry language • Display friendly and approachable body language

Remember to use very simple language. Do not complicate with too much information. Be friendly and approachable. Approach with very simple queries.

Sociable customers

Behavioural indicators	Your response
<ul style="list-style-type: none"> • Is outspoken and easy to approach • Displays friendly body language • Talks and chats a lot, leading to the domain out of context • Converses endlessly • Asks unconnected details • Is undecided to commit • Builds rapport and depends a lot on the relationship 	<ul style="list-style-type: none"> • Display friendly verbal and non verbal communication • Do not give to the point answers • Bring the conversation back to the track • Provide positive responses to unconnected queries • Close the sale from your end • Ensure them that you can be approached any time to address their queries

Remember to stay focussed on the subject only. Do not get deviated from business. Do not sound negative when questions are out of topic.

Egocentric customer

Behavioural indicators	Your response
<ul style="list-style-type: none"> • Boasts about his/her status and position • Attempts to display superiority through body language • Speaks in a manner that may make you feel let down • Has good knowledge on service and industry • Is aggressive • Does not get easily satisfied 	<ul style="list-style-type: none"> • Acknowledge position and status • Portray a confident and positive body language • Listen attentively • Do not try to pose that you know more (even if you do so) • Appreciate them and ask questions which will make them speak • Handle aggression with warmth

Remember to stay positive and calm. Fan his pride with warmth. Appreciate them for their time and acknowledge their strengths.

Shy customer

Behavioural indicators	Your response
<ul style="list-style-type: none"> • Communicates inaccurately • Is not sure of his/her precise needs • Talks very less • Does not express objections or doubts • Seeks assurance and encouragement • Believes mostly on written documents • Needs support from someone else to decide 	<ul style="list-style-type: none"> • Provide assurance on quality, durability of products, etc. • Ask more questions to understand their dissatisfaction or doubts • Motivate them to ask questions • Do not attempt to close the sale quickly • Show them written documents that provide assurances • Ask if anybody else also from his/her side needs to be approached to help them decide

Remember to make references of your satisfied customers. Try to locate references based on customer needs and locality. Refer with seniors and SMEs. Arrange for a demonstration.

Professional customer

Behavioural indicators	Your response
<ul style="list-style-type: none"> • Communicates in a focussed manner • Asks precise questions • May not have knowledge about the service or the industry • Believes in facts and statistics • Quickly decides if convinced 	<ul style="list-style-type: none"> • Support your answers with facts and figures • Provide exact responses • Do not digress • Do not commit if you are unsure • Wait for questions and then answers • Do not try to close the sale by force

Remember to stick on to specifics. Avoid elaborate discussion and do not take too much time.

Angry or irate customer

Behavioural indicators	Your response
<ul style="list-style-type: none"> • Uses high volume and strong tone • Is impatient • Uses more of non-verbal language • Might be too verbose • Tends to react for everything 	<ul style="list-style-type: none"> • Be calm • Listen completely • Do not interrupt or react • Apologise • Empathise • Explain the situation and resolve

Remember to maintain calm throughout the conversation. Listen patiently. Apologise promptly and reassure for closure of the incident within Service Level Agreement (SLA) and Turn-Around-Time (TAT). Follow-up appropriately to avoid embarrassment for both customer and you.

Activity

Ask learners to list two different types of people in their family: one whom they like and one whom they do not like. Learners should make a note of the details describing the person and their behaviour. The faculty can then ask four to five learners to read out what they have noted and put it on the board.

Summary

- Identifying different customer types
- Responding to different customer behaviours
- Identifying and managing customers when they are angry or confused

Exercise

A. Mention whether following statements are true or false:

- Key factors that help in creating a positive image of self and organisation in the minds of the customers are:
 - Establishing an effective rapport with the customers
 - Communicating information to the customers effectively
 - Responding appropriately to the customers
 - All of the above
- Company image and brand image would make your store a _____ store

a) flagship	b) departmental
c) Medical	d) None of the above
- Proper grooming and appearance tips include:

a) Hair neatly cut and combed	b) Clean shave
c) Clothes/uniform ironed	d) All of the above
- Different types of customer behaviour can be like:

a) Egocentric	b) Shy
c) Professional	d) All of the above
- In order to maintain customer loyalty a SA must
 - Communicate openly with clear and concise information
 - Be consistent in providing prompt and friendly service
 - Be responsible and take accountability for the service
 - All of the above

B. Answer the following:

1. Describe the factors that help in creating a positive image in the minds of a customer.
2. What is the difference between a customer and a consumer?
3. What do you mean by "Excellent Customer Service"?
4. Describe the various kinds of customers that a sales associate needs to deal with.
5. Discuss the methods of communicating information to customers.

Notes



Scan the QR codes or click on the link to watch the related videos



www.youtube.com/watch?v=rt6QXdKafRQ&t=46s

How To greet customers

8. Resolving Customer Concerns



Unit 8.1 - Resolve Customer Concerns

Unit 8.2 - Customer Concern Handling Process



Key Learning Outcomes

By the end of this module, the participants will be able to:

1. Discuss a sales associate's role in resolving customer problems
2. List the best practices followed to resolve customer problems
3. Demonstrate the steps to communicate amicable resolution to the customer's problem
4. Identify repeated customer problems and escalate to avoid recurrence

UNIT 8.1: Resolve Customer Concerns

Unit Objectives

By the end of this unit, the participants will be able to:

1. Discuss the steps involved in resolving customer concerns
2. Explain the aspects of meet and greet
3. Assess when and why to probe
4. Outline the aspects of listening skills

8.1.1 Service

- **Request:** A customer requesting for a service or additional service, for example home delivery, additional packaging, placing purchased products in the car, etc.
- **Complaint:** A complaint is an expression of dissatisfaction, for example a customer complaining about an expired product which has been sold to him, premises not clean, unhygienic environment, delay in billing, no parking place, etc.
- **Feedback:** This is the only way the benchmarks can be set. A customer providing feedback to improve the cleanliness of the store. Take regular feedback from customers and share with the team to improve

Service concern handling process

The steps in the customer concern handling process:

- Meet and greet
- Listen and understand
- Apologies and acknowledge
- Provide solutions

First step—meet and greet

Steps to be followed

- Smile and greet the customer by saying “Good morning/Good afternoon/Good evening” —whatever is appropriate for the time of the day!
- Look at the customer’s face, make eye contact and talk
- Show interest in listening to the complaint by bending forward, so that the customer feels that he/she is being heard and attended to. Also, nod your head from time to time while listening, so that the customer will know that you are actively listening to the complaint. The anger of the customer if any, would calm down by this approach
- Ask questions in a caring, concerned manner. The more information you can get from the customer, the better you will be able to solve their problem. Asking questions helps to clarify the problem and identify solution
- First impression lasts longer. Make the customer comfortable and make him understand that you are there to provide solutions/solve the problems

Second step—listen and understand

How to listen carefully and understand the problem of the customer?

Steps to be followed

- Concentrate and listen carefully, do not get distracted
- Gather the required information to understand the problem
- Understand the problem and analyse the same—be empathetic
- Clarify and confirm the doubts with the customers. It helps to provide the best possible solutions
- Take necessary actions to solve the problem—be quick and help the customers

When a customer comes to you with a complaint about one of your products or services, listen carefully to what they are saying. They need to tell their story and feel that they have been heard. Once they have explained their problem, ask any questions you may have, to get a full understanding of the situation. After that, make suggestions on different solutions for the customer's problem.

Listen

While listening to a customer, body language is very important. Maintaining eye contact is very important as it sends across the message that you are listening to them seriously. If a customer feels that the SA is not even listening to the problem, he/she can get upset and this will raise the gravity of the complaint. It could also be taken as an additional complaint against the quality of service.

While attending to customer complaints:

- Concentrate on attending to the customer
- Maintain eye contact and attention
- Do not be distracted by other personal activities
- If interrupted by other store staff/supervisor, explain that you are attending an important matter and ensure that the process is not disturbed unnecessarily

If a customer feels you are not listening and paying attention to the complaint:

- It adds to the problem
- It becomes one more point of complaint or dissatisfaction
- It could lead to a complaint against you as an individual

Need for probing

To understand the problem of the customer, you need to probe the customer.

- After meeting and greeting the customer, find out from the customer what exactly they want. For that customers need to be probed (examples from the slide)
- After listening to the complaint, try to get more information about the complaint so that best solution can be offered (examples shown on the slide)

- After collecting the information, clarify and confirm about the problem/complaint. By doing that, misunderstandings or future confusions can be avoided and the customer will also feel more comfortable. After listening to the complaint, apologise to the customer first. It gives the customer an impression that the company is taking responsibility (examples shown on the slide)
- After understanding the complaint, provide the best possible solutions or escalate the same to seniors. If you are handling the complaint, then make sure that you are with the customer till the end. If the complaint is escalated to senior/s, then give a correct picture about the complaint and help your senior/s to provide a solution and make sure that your commitment will be the same from the time you hear the complaint till you solve the same. Never get distracted or divert your attention (examples shown on the slide)
- If the customer is happy with your attitude, concern and solution, he/she will come back

Responding to customers complaints, requests or feedback

- Every company has its own guidelines and process manuals. It is not appropriate to assume a process or guideline. The company service policy guidelines should be referred to understand them clearly
- Service Level Agreement (SLA): The SLA should be based on the company guidelines. The SLA states all details about the kind of services provided. It also elaborates how to respond to a service query: request, complaints or feedback. It also mentions the type of service: request, queries, complaints or feedback. It has details about levels of resolution based on hierarchy in the organization. It also mentions the turn-around time for each service
- Turn-Around-Time (TAT): It is required to resolve the issues raised by the customer. Each type of service has a TAT. It is important to resolve issues within the TAT mentioned against the service
- Follow the sample process provided below:
 - Receive from customer
 - Probe for complete details
 - Enter in your report/system
 - Refer SLA & provide TAT to customer
 - Resolve & inform customer
 - If unresolved, escalate
 - Provide new TAT to customer
 - Resolve
 - Record in report/system

Remember: The customer or vendor has his/her rights as much you and your store have rights!

Types of complaints and examples

The type of complaints are related to:

- Price: Ensure that the labels are checked and printed properly before display
- Availability and range: Make sure that the feedback is taken and the range required for the customers is made available
- Quality: Remove damaged, expired products as per process and timelines
- Service: You are the image of your store, so make sure that the highest form of service is provided by creating new benchmarks in terms of service and quality
- Hygiene factors: Keep the store clean always and provide a healthy and safe environment

Tracking complaints

- Capture information about the complaint and the action taken. It is necessary to record manually or in computer as per company service guidelines and processes
- If a customer requires follow-up, make note of the customer details in the report log/system and alert superior or relevant authorities
- Manage and maintain daily/weekly/monthly reports
- Take on-going action to rectify problems with products or processes

Summary

- Steps involved in resolving customer concerns
- Aspects of meet and greet
- When and why to probe
- Aspects of listening skills

UNIT 8.2: Customer Concern Handling Process

Unit Objectives

By the end of this unit, the participants will be able to:

1. State the importance of listening to customer concerns
2. Describe the aspects of apologising and acknowledging
3. Apply the proper tone and intonation to be followed when handling customer complaints
4. Recommend/suggest solutions and escalate

8.2.1 Handling Complaints—Non-verbal Communication

Active listening: Being attentive, understanding the complaint fully and demonstrating willingness to help.

Body language: Being open and empathetic to create confidence in customers.

Facial expressions: Smiling, showing concern and willingness to help.

Personal space: Giving the customer space and time to make decisions. Interrupting and crowding the customer may lead to further dissatisfaction.

Importance of listening

Listening to the customers is important for the following reasons:

Makes the customer feel important: Customers feel that they are taken care of and that their problems are given importance. A customer complaint should not only be attended to, but also be heard properly and understood, so that the solution is arrived at and the customer is satisfied.

Be attentive to the words, tone of voice and body language that the customer is using. Focus fully on to listen for any unspoken messages. For example if their body language starts opening and begins to close, either what you are saying or the manner in which you are saying it is not meeting the customers' need. If they are pausing in response to questions being asked, it might be a signal that they are not able to understand. A customer feels valued when enough care is demonstrated to listen to what they say and how they feel. Listening will enable to provide solutions to the customers.

Shows concern: The most important reason to listen to complaints is very simple. If someone is complaining, the chances are, there is a problem in the products or services that is causing it. Listening to complaints allows finding out what the problems are with the business and solving them. The customer feels that you are concerned with their problem and would be happy that their problems will be solved and they would get refunds or replacements.

Shows a willingness to help: By listening to the customers, you show that you are willing to help the customer or are making efforts to help customer/provide solutions.

The cost to win a new customer is up to five times more than to keep an old one. Even if keeping a dissatisfied customer costs now, in the long run it will almost certainly save money.

If a customer complains, it gives a chance to make them satisfied with the business again, and for this reason, encourage dissatisfied customers to complain.

Shows respect for the customer: The customer would be happy that he is attended to and being given respect. If the complaint can be fixed quickly, it not only shows that the business respects the customer and wishes to provide a good service, but also the reliability of the business, even when things go wrong. It can provide customers with a sense of security in, making them much less likely to go to competitors.

Handling complaints—verbal communication

The following factors need to be kept in mind for the appropriate tone and intonation while talking to customers:

- Clarity of speech
- Calm and neutral
- Confident
- Empathetic tone
- Non-aggressive

Third step—Apologise and acknowledge

- **Apologise:** Ask learners why they should apologise. Discuss and explain the points mentioned in the slide. Apologise to the customer and tell them how long they can expect to wait to receive a reply. Treat complaints sensitively and in a way that takes account of their needs
- **Use appropriate tone:** Use an appropriate and soothing pitch of voice to communicate with the customer. Talk to the customers calmly
- **Be empathetic:** Take the responsibility of responding to the customer. Put yourself into the customers' shoes and think. Understand the needs, feelings, problems and views of the customer
- **Take ownership:** Be proactive in taking responsibility for providing a solution to the customer's complaint
- **Acknowledge:** Acknowledge the customer's complaints. Let the customer know that you have understood the situation. Inform the customer that you are taking the matter seriously
- **Provide assurance:** Express confidence that the matter will be resolved to the customer's satisfaction. Inform the customer if the matter has to be escalated and also how long it would take to resolve the complaint approximately

For example "Did it break after one use? Oh, I can understand you were upset. I know! It would have made me mad. I'm sorry that it happened. Would you rather have an exchange or a refund?"

Fourth step—Provide solutions

- **Suggest alternatives and confirm:** After understanding the problem, offer alternatives to the customers, so that they can select the best one. After they accept the option, confirm the same to avoid further confusions
- **Speed of action to make necessary arrangements:** Act on the solution with a sense of urgency. The customer complaint should be resolved in a considerably quick manner, so that the customer's problem is not prolonged for such a long time that the customer loses confidence on the store. Be fast and do all the necessary arrangements to make the customer happy

For example meeting the concerned department head/manager/taking the customer to the concerned department/section/getting a different brand/s, etc.

- **Execute the best possible solution:** Be with the customer till the problem is resolved and complete the process successfully. Whatever solution is chosen by the customer, be sure that you fulfill it to make the customer happy
- **Escalate, if required:** If you are not able to resolve a complaint or the customer wants only your seniors/manager to resolve the complaint, then escalate to your superiors. The seniors/manager will review the complaint and respond to the customer and attempt to resolve the complaint to the customer's satisfaction

Escalating

- **Refer the superior to the customer:** If the SA does not have the power to resolve the complaints, or if they feel that they are not able to understand or solve the customer's problem properly, then the complaint should be referred to the immediate superior. If the customer wants the seniors/manager to intervene, then too, the complaint should be referred to the superior
- **Make arrangements to meet the superior:** The SA should make necessary arrangements for the customers to meet the superior/manager. The customer should be informed about escalating the complaint to the superior and superior should meet the customer to deal with the complaint directly. By this, the complaint would be solved quickly and with no ambiguity. It is always better if the superior can come and meet the customer personally, rather than the customer having to search for or take more trouble in going to where the supervisor is
- **Report to the superior:** Explain to the superior/manager the cause and the details of the complaint. This helps the superior/manager to understand the problem and deal with the same
- **Follow-up:** Follow-up to ensure that the customer is completely satisfied, especially when you had to take the help of others for solving the issue. Problems happen; it is how you honestly acknowledge and handle them which counts. Customers will remember you and give you another chance if you choose to offer them the best, proving that you value them

Summary

- Importance of listening to customer complaints
- Aspects of apologising and acknowledging
- Proper tone and intonation to be followed when handling customer complaints
- Providing solutions and escalating

Exercise

A. Mention whether following statements are true or false:

1. A complaint is an expression of _____.
 - a) dissatisfaction
 - b) satisfaction
 - c) both a and b
 - d) None of the above
2. Factors essential while communicating verbally with customers are:
 - a) Clarity of speech
 - b) Calm and neutral
 - c) Confident
 - d) All of the above
3. Escalation procedure involves:
 - a) Referring customer to superior
 - b) Reporting to Superior
 - c) Making arrangements to meet the superior
 - d) All of the above
4. Customers should feel that they are taken care of and that their problems are _____.
 - a) given importance
 - b) not given importance
 - c) ignored
 - d) none of the above
5. _____ the customer may lead to further dissatisfaction
 - a) Interrupting and crowding
 - b) Listening and acknowledging
 - c) Smiling and showing concern
 - d) none of the above

B. Answer the following:

1. Discuss the methods to respond to customer complaints.
2. Describe the types of complaints that can come from a customer.
3. Discuss the steps for providing solutions to customers.
4. Describe the steps to apologize to and acknowledge customers.
5. Explain why listening is important



9. Organising Service Delivery



Unit 9.1 - Organise the Delivery of Reliable Service



Key Learning Outcomes

By the end of this module, the participants will be able to:

1. State the importance of delivering reliable service to the customers
2. Explain the significance of planning in delivering reliable customer service
3. Combine procedures to organise delivery of reliable customer service
4. Practice following standard operating practices to deliver customer service
5. Demonstrate how to monitor and control the delivery of desired Customer Service
6. Use Recording Systems to Maintain Reliable Customer Service

UNIT 9.1: Organise The Delivery Of Reliable Service

Unit Objectives

By the end of this unit, the participants will be able to:

1. List the organisational procedures and systems for delivering customer service
2. Identify the types of organisational systems for recording, storing, retrieving and supplying customer service information
3. List the legal and regulatory requirements regarding the storage of data
4. Describe the process of identifying the useful customer feedback
5. Practice following the process of communicating the customer feedback to others
6. Describe the process of organising and delivering reliable service to customers

9.1.1 Organisational Procedures And Systems For Customer Service

Customer service procedures

- Customer service procedures are the routines and detailed steps an organisation uses to deliver its customer service
- Organisations have formal procedures in writing which is used to train staff and to monitor service

Customer service system

- A customer service system involves a number of customer service procedures together with the people and resources required to make it work
- A system on other terms could mean a computer software to manage the customer service and maintain relationship
- The most popular being called as Customer Relationship Management (CRM) software

Organisational systems

The three prominent systems used in a store are the ERP, CRM and POS.

Enterprise resource planning (ERP) is business management software—usually a suite of integrated applications—that a company can use to store and manage data from every stage of business, including:

- Product planning, cost and development
- Manufacturing
- Marketing and sales
- Inventory management
- Shipping and payment
- HR

This integrates all the operations in the store, DC (distribution centres), suppliers and head office.

Customer relationship management software application (CRM) is an application for managing a company's interactions with current and future customers. It involves using technology to organise, automate and synchronise sales, marketing, customer service, and technical support. This system also integrates the loyalty card members and manages the same.

Point of sale (also called POS or checkout)

- Retail transaction is completed here after purchase
- Customer makes a payment to the cashier in exchange for goods or services
- Retailer would calculate the amount owed by the customer and provide options for the customer to make payment
- A receipt/bill for the transaction is issued

Recording, storing, retrieving and supplying information

ERP

- Stock in store, DC
- Price details along with discounts/offers, etc.
- Financial information
- Human resources

The ERP programme basically integrates the stock of the store, received, sold, DC stock, etc. This helps in knowing what is required/not required for sale. It is updated frequently with the prices, discounts, offers, etc. All financial information about managing the organisation's salaries, stock purchased, manufacturing costs, etc. are also maintained. It also covers all the details on human resources on roles, off-roles, including all employee details.

CRM

- Customer details
- Loyalty information
- Sales/service details

The CRM system helps in managing all the customer related details, their transaction, loyalty details, service issues, service requests and any other transactions, etc. This helps to analyse the trend of their purchase and the quality of service being provided.

POS (Point of sale)

- Billing
- Refunds

POS (Point of sale) billing software/system is mainly used for billing at the store levels only. They are integrated to the ERP and the CRM systems. They are also integrated to the financial aspects of the management as the entire cash or other form of transactions happen there. Reconciliation is done from a cash office system integrated to the POS machines. They also take care of refunds, returns and exchanges.

Each of these units have a set of Standard Operating Procedure (SOP) and access control to limited number of authorised people to operate. Designate authorities access them to record, modify, store and retrieve information based on day-day operational needs.

Sources of data to be legally protected

Sources of data to be legally protected:

- General procedures documents
- Paper records
- E-mail and productivity software: official and personal IDs
- Electronic remote access: Wi-Fi, Bluetooth
- PCs, laptops/notebooks
- Mobile storage devices: smart mobiles, tablets, USB drives, external hard disks, etc.
- Data transfers to other devices
- Inappropriate access to systems

Legal and regulatory requirements regarding the storage of data

- Access to all data centres and server rooms used to host hardware and software on which personal data is stored should be restricted only to those staff members that have clearance to work there
- Access to systems which are no longer in active use and which contain personal data should be removed where such access is no longer necessary or cannot be justified
- Passwords used to access PCs, applications, databases, etc. should be of sufficient strength to deter password cracking or guessing attacks
- Departments should have procedures in place to properly evaluate requests from other organisations for access to personal data in its possession
- Details of personnel who retire, transfer from the department, resign, etc. should be removed immediately from mailing lists and access control lists. Relevant changes should also occur when staff are transferred to other assignments internally
- Contractors, consultants and external service providers employed by Departments should be subject to strict procedures with regard to accessing personal data by way of formal contract in line with the provisions of the Data Protection Acts
- Departments should have in place an up-to-date Acceptable Usage Policy in relation to the use of Information and Communications Technology (e.g. telephone, mobile phone, fax, email, internet, intranet and remote access, etc.) by its staff. This policy should be understood and signed by each user of such technology in the Department;

Reliable and fast information

The following are the steps involved in getting the required information for the organization and customers.

- Get trained and certified to access information
- Follow procedures and policies of data storage policies in the organisation
- Know your systems and documents at the store
- Know location of data either in the system or physically
- Access systems and data only through proper channel
- Register access/login securely
- Locate and retrieve information safely
- Restrict access/logout securely

Remember not to share your password with anyone, even your family member.

Customer feedback

The SA has to be alert enough always to take feedback directly or through CRM systems, peer-associates, external vendors, third party, housekeeping or security staff.

- CRM system
- Main entry gate
- Parking area
- Entrance to the store
- Sales floor
- Bakeries and eateries
- Billing section (POS)
- Customer service centre
- Exits
- Main exit gates

The main feedback is based on the products which they buy in terms of sales and service. Others would be the cleanliness of the store, delivery feedback at the parking, additional support for differently abled people, etc.

First record the feedback and then follow the steps given below:

- Record in systems (if required)
- Inform immediate supervisor for further action. If he suggests a rectification, attend to it immediately
- If other departments, like security/housekeeping are involved, inform the concerned officer immediately to take action. Ensure the remedy is taken and record it. If not, escalate immediately
- Take actions to rectify or improve. Do not ignore till the feedback is sorted
- Record in the system after the remedy
- In case of recurring feedbacks related to a service not meeting expected standards, communicate to the supervisors for resolution and ensure that the store does not receive the same feedback again
- Also look into CRM systems if there exists similar feedback/complaint and how it was resolved— this helps you in providing a quick resolution that meets the expectation of the customers

Summary

- Organisational procedures and systems for delivering customer service
- Types of organisational systems for recording, storing, retrieving and supplying customer service information
- Legal and regulatory requirements regarding the storage of data
- Process of identifying the useful customer feedback
- Process of communicating the customer feedback to others
- Process of organising and delivering reliable service to customers

Exercise

A. Mention whether following statements are true or false:

1. Full form of ERP is:

a) Employee Resource Planning	b) Employment Resource Planning
c) Enterprise Resource Planning	d) None of the above

2. ERP includes:

a) Product planning, cost and development	b) Manufacturing
c) Marketing and sales	d) All of the above

3. full form of POS is:

a) Point of Supply	b) Point of Sales
c) Point of Support	d) None of the above

4. Sources of data to be legally protected includes:
 - a) General procedures documents.
 - b) Paper records.
 - c) E-mail and productivity software: official and personal IDs
 - d) All of the above

5. CRM includes:

a) Customer details	b) Loyalty information
c) Sales/service details	d) All of the above

B. Answer the following:

1. Discuss about the organisational procedures and systems for delivering customer service
2. Explain in details the Legal and regulatory requirements regarding the storage of data.
3. Discuss the steps for collecting customer feedback
4. What is a CRM system and how it helps in managing customer details?
5. What is POS and what is its significance?

10. Customer Relationship Management



Unit 10.1 - Improve Customer Relationship, Monitor and Solve Concerns



**RAS/N0134 &
RAS/N0135**

Key Learning Outcomes

By the end of this module, the participants will be able to:

1. Discuss the importance of improving relationship and communication with Customers
2. Identify the need to maintain balance between customer and organisational Needs
3. Explain the significance of meeting and exceeding customer expectations
4. Outline the practices followed to monitoring and resolve customer service issues
5. List the standard practices and procedures followed to resolve customer service problems
6. Solve customer service problems and communicate resolutions to the customers
7. Review and report the problems arising while providing customer service to concerned authorities

UNIT 10.1: Improve Customer Relationship, Monitor And Solve Concerns

Unit Objectives

By the end of this unit, the participants will be able to:

1. Apply the methods of communication that are chosen to deal with customers
2. Adapt communication style to respond to individual customer's feelings
3. Explain how to negotiate effectively with customers to balance the needs of the customer and the organisation
4. Assess the costs and benefits of any unusual agreement to your customer and your organisation
5. Determine customer loyalty and/or improved internal customer relationships is beneficial to the organisation
6. Explain the organisational procedures and systems for dealing with customer service problems
7. Show how to solve immediate customer service problems
8. Identify the process of identifying and resolving repeated customer service problems

10.1.1 Methods Of Communication

Every customer is different and would have certain comforts and preferences on how he/she would like to be communicated to. Some might not feel comfortable talking over the mobile—might consider it as an advertising call, some might like to chat/SMS. Ensure that the customer's preferred mode of communication is adopted and the preferred mode/method of communication is known beforehand.

The different methods of communication that can be adopted to communicate with the customers are:

- Direct conversation (face-to-face)
- Mobile/telephone
- E-mail
- SMS/chat
- Websites

Choosing the best method of communication to meet customer's expectations

- Firstly, do not make false promises/guarantees to the customers—communicating false promises through any method of communication will neither provide a resolution, nor will meet customer expectations
- If your customers cannot trust you, they will not do business unless they cannot find another option or there is a dire need
- When something goes wrong, some customers would want to take care of things on their own schedule and would rather refer to solutions on websites or email. Others prefer to have a live person on the end of the phone or chat-line. A sales associate should be able to accommodate both preferences
- Lastly, utilise all forms of communication without overdoing it. Overdoing any method of communication the customer may ignore the item sent, for example a bank calling for personal loan almost everyday will make the customer irritable, but he can access the mail lying in his mailbox whenever he is in need

Sending too many mails to a customer is not a very good idea as the customer may tend to ignore the mail, without even reading it.

Communicate to them of any forthcoming or anticipated issues/concerns well in advance.

Talk to them/probe for further details about the product or service. In case of doubt, clarify by asking clearly what solution/service they expect.

Stores want to keep customers informed, not annoyed. These suggestions are only a start to what can be done to meet customer expectations.

Remember, we are not the only one trying to get customers' attention, so always be creative and stand out.

Adapt your communication

Listen carefully → Understand → Summarise → Provide solutions

How to powerfully listen and understand

For most customer situations, active listening will suffice. This means fully concentrating and putting effort into the listening process.

- If you have the opportunity, prepare well with a structure based around important open questions
- Build rapport and create a suitable environment for communication
- Take the initiative and make communication two-way and involving
- Summarise regularly to establish clear understanding
- Make notes and let the person know you are doing so
- Focus on the customer and resist external distractions
- Have an open mind and keep your emotions positive; do not be defensive or rush to making excuses
- Use the right voice and tone to build trust and interest in the customer
- Analyse what is being said through how people say things and their body language
- Look comfortable, use encouraging body language and maintain eye contact
- Allow silence and give people personal space

For tricky customer situations, such as a problem or complaint, practice empathetic listening. This involves putting yourself into the customer's shoes, in fact, putting yourself into the customer's mind. We need to see things from their perspective. We need to relate to their feelings and appreciate the human dynamics to communication as well as the technical aspects of products or services.

To help do this, you can:

- Repeat the key phrases that they say, in a supportive tone
- Rephrase/summarise the content of their communication to check understanding
- Reflect/summarise the feelings in their communication to check understanding
- Propose appropriate solutions by referring to store policies and get an agreement from the customer

Negotiate effectively with customers

Situations where negotiation arises

- Failure to deliver service as promised or unusual requests from customers
- Services not defined by organisation policies

Case study

Mr Ajith Handa, a 28-year old patron of the store and a loyal customer, who resides in Delhi, calls up and orders for a gift hamper to be packed and delivered to his girlfriend on her birthday. This delivery has to be done before 2:00pm as she is flying to Mumbai on the same day and would not be available after 2:00pm to accept the delivery. Ajith is not in Delhi and wants the store to do this on behalf of him.

You are the SA who knows Ajith well and promises him that the gift hamper would be delivered on time. Due to non-availability of one item, the packing and delivery of the gift hamper gets delayed. The delivery boy calls and informs you the same and you were annoyed and disappointed. How will you negotiate with the customer and still meet his need without deviating from the store policies?

Solution

- Apologise to the customer and explain him clearly why there was a delay in delivery
- Empathise with the customer by understanding his feelings
- Assure that you will initiate some action to resolve this and meet his expectations
- Speak to your supervisor and agree on the solution you are providing to the customer. Check if it is going to affect the organization with respect to the cost. Evaluate the benefits to your organisation in the long run if it is costing the organisation
- Speak to your counterpart/store manager in Mumbai immediately and arrange for the delivery of a similar gift hamper at Mumbai airport
- Call up the customer and explain the solution you have arranged and obtain an agreement from the customer
- Deliver the gift hamper to the recipient at the Mumbai airport

Benefits of the solution/negotiation

- Increases customer loyalty
- Far exceeds customer expectation leading to delight. Creates smile on the faces of customers
- Benefits far outweigh the costs incurred – customer will surely spread this effort as a good word of mouth leading to brand building and increased sale
- The SA will be a role model in the store

Process to negotiate effectively with customers and balance the needs of customer with that of the organisation

- Meet your customers' expectations within your organisation's service offer
- If the expectation cannot be met, explain the reasons to customers sensitively and positively
- Identify alternative solutions either within or outside the organisation
- Identify the costs and benefits of these solutions to your organisation and to your customers
- Negotiate and agree solutions with your customers which satisfy them and are acceptable to your organisation

Costs and benefits of the solution to customer and organisation

Based on the above case study, list the costs that could be incurred for delivering the service at Mumbai airport:

- Call charges to Mumbai counterpart

- Delivery or conveyance charges at Mumbai
- Cost of the man hour spent for the exercise on both the sides (Your store and Mumbai store)
- Any other incidental charges

If the benefits to the organisation far outweigh the costs incurred to provide an unusual service, one should evaluate the same with supervisor and go ahead. For example benefits like:

- Customer loyalty strengthened
- Customer account retained with the store
- Brand building among the friend circle of the customer

All the above factors lead to increase or promise an increase of revenue. With the advice of the supervisor, the SA must go ahead in providing a solution to the customers for any unusual agreement.

Customer loyalty and internal customer relationships

From the above case study we understand that the SA went an extra mile to exceed the expectations of the customer and his actions led to enhanced loyalty of the customer to the store and in turn the SA also built a positive image and improved results with the internal customers.

To exceed expectations and develop the relationship a SA should:

- Take extra efforts to improve relationship with customers
- Recognise opportunities to exceed customers' expectations
- Take action to exceed customers' expectations within the limits of authority
- Gain the help and support of others to exceed customers' expectations

Benefits of customer loyalty

- Customer experience:
 - Turns a dissatisfied customer into a satisfied one
 - Gives customer the confidence that complaints are taken care off well
 - Rectify problems with products or processes to prevent such issues in future
- Sales
 - Ensures the customer returns to the store
 - Reduces the risk of the same complaint recurring
- Store brand
 - Customers whose complaints have not been resolved will complain to others
 - Maintains store image and increase customer loyalty

Procedures and systems to deal with customer service problems

A SA should follow clear procedural steps for each and every type of complaint, service request, feedback or enquiry. All these need to be entered in the system as well. Standard operating procedures (SOP) define them and CRM/ERP systems support in system entry for data analysis.

- SOP manual (hard and soft copies) to understand the service procedures along with steps
- SOP also will specify:
 - SLA—Service level agreements for various services

- TAT—Turn-around-time for resolving issues
- Statutory and legal complaints
- CRM and ERP systems to record/register customer data
- CRM systems can record the following:
 - Complaints
 - Requests
 - Feedback
 - Enquiries
- CRM data can help in:
 - Analysing the above
 - Repetition of complaints
 - Number of resolved issues
 - Total number of issues v/s solved issues
 - Feedback ratings—good to bad

Solving immediate customer service problems

- Say hello
- Establish it is for you
- Research the facts
- Verify the facts
- Initiate proposal
- Commit to action
- End transaction

Say hello

- Greet the customer appropriately as this sets the tone for the whole transaction, so it deserves a little thought
- Use the right title—Mr/Mrs/Ms and be sure to pronounce the name correctly. Stand face-to-face, smile, give name and offer hand, if appropriate
- If on the telephone, still smile (it can be heard) and introduce self and the company
- Use the name wherever appropriate throughout the entire transaction. If there is a complication with the pronunciation of a name use Sir/Madam

Establish it is for you

- Ask yourself, 'Am I the right person to deal with this issue for this customer?' If not, now is the time to establish that and to put the customer in touch with the person who is
- Sometimes the customer explains the whole issue to a SA, only to be told 'That's dealt with by another department, I'll just put you through' or 'I'll just get someone for you'. This is infuriating to the customer because he/ she will have to go through the same explanation once more
- By taking the responsibility of putting the customer in touch with the appropriate person or department, the SA is actually offering good service. In service, we should always concentrate on what we can do and not on what we cannot

Research the facts

- Having established that you are the right person to deal with this, it is time to get the facts. Remember that customers often do not express their concerns directly, so dig deep to find the core concern, issue or problem
- Remember that good service is meeting people's needs and leaving the customer with a feeling of satisfied or exceeding expectations
- Service is not just about giving people what they want, although it is nice to do that when we can. Service is about the way we treat people, the way we make them feel as a result of doing business with us
- After questioning—remember that open questions are fact-finders—all information about the concerns would have been gathered

Verify the facts

- The purpose of this step is to make sure that what you heard is actually what the customer said
- The techniques used are very simple—repeat and summarise
- Summarising means putting in own words briefly what has been understood as facts to check that everything is understood correctly
- For example, 'So as I see it Mr Kumar, the mobile phone we sold to you were defective and you need it to be picked up and the correct one to be delivered by Thursday noon at the latest so that you can complete your customer's order'
- The customer will agree to each point and confirm the understanding. This process is important to check your understanding and also to build the customer's confidence in the SA's ability to deal with this matter
- If they do not agree, it is a discovery of error before going any further and formulating an inappropriate proposal
- Either way, make sure you are on the right track before moving on to the next step

Initiate proposal

- Based on understanding of the facts and knowledge of what can be or cannot be agreed, the proposal can be moved forward
- For example, if a customer has a delivery delayed by 2 hours, you might say, 'Okay, Mr Kumar, I'll send you the delivery in the next 30 minutes. If I don't receive that by 5pm today, I'll be sure to ring and let you know. Similarly, I'll either have your delivery for, or your query regarding, bill amount xxx by 5pm. Again, I'll be in touch if need be. Is that acceptable?'
- Again, the customer should be saying 'yes' and agreeing to it, all of which builds confidence and helps meet irrational needs by developing a sense of well-being

Commit to action

- This needs to be nothing more complex than to say something like, "I'll get on to that right away, Mr Kumar". It is a positive statement that promises prompt action. If the customer has anything to do, then your statement will generally prompt a similar statement from him
- Whatever has been agreed should be done and within the agreed time span. A handy technique here is to under promise and over deliver. For example, if you think that you can send Mr Kumar's replacement mobile on Tuesday afternoon and can deliver on Wednesday afternoon (both ahead of his Thursday noon deadline), promise to deliver by Wednesday at the latest. Then, should the

delivery be made on Tuesday, your customer will be delighted as it is ahead of schedule. If you promise Tuesday and the delivery happens only on Wednesday, the customer will be disappointed even though you have beaten the customer's deadline. Use this method for everything you can — it is also important to keep the customer informed regarding the status of the delivery of goods

- Keep the customer informed if by any chance the deadline cannot be met. It will be frustrating if there is neither a delivery nor any information about the delivery

End transaction

- Ending or closing the transaction is as important as understanding the requirement and being in agreement about it. After all the hard work, there can be a risk of losing the transaction due to a casual close. It is the conclusion that the customer remembers, so if you say 'Cheers mate!' and hang up the phone or walk away, you could be back to square one
- Use the customer's name/Madam/Sir, smile and offer further help if required and do not hang up or turn away before the customer has gone. It is just common courtesy

Identifying and resolving repeated customer service problems

- Use CRM system to identify repeated problems
- Identify and evaluate options to resolve them within store policy guidelines
- Work with colleagues, supervisors and higher ups to discuss and finalise the solution
- Propose solution to customer and take agreement
- Change the guidelines to avoid repetition of problems by obtaining concurrence of higher authorities
- Keep the customer informed on the progress-follow up for resolution
- Evaluate and calibrate the solution

Working with others to resolve repeated customer service problems

It is critical to work with others to solve certain concerns which are way beyond a SA's authority and scope. Essentially the better the relationships are the faster will be the resolution.

- Work with others to solve customer service problems by co-ordinating and discussing the issues with:
 - Immediate supervisor
 - Department/category concerned
 - Brand manager/vendor
 - OEM/suppliers
 - Concerned authorities
- Address whatever component of the complaint can be resolved (if any)
- Advise the customer the company policy regarding the issue
- Advise the customer that based on policy, their complaint cannot be fully resolved as per their requested
- Explain that a report will be passed on to the store/regional manager and the head office
- Take suitable actions along with supervisors and seniors to draw an action plan for resolution
- Obtain approvals from decision making authorities to change the processes if required

- Follow up for closure; keep the customer informed about the progress and the process being initiated to resolve this
- Escalate necessary issues immediately and follow-up for closure. Ensure it is closed. Escalation also will show your receptiveness and not only pro-activeness. This will help in balancing the customer expectations with the needs of the organisation

Summary

- Methods of communication that are chosen to deal with customers
- Adapting communication style to respond to individual customer's feelings
- Negotiating effectively with customers to balance the needs of the customer and the organisation
- Assessing the costs and benefits of any unusual agreement to your customer and your organisation
- Customer loyalty and/or improved internal customer relationships is beneficial to the organisation
- Organisational procedures and systems for dealing with customer service problems
- Solving immediate customer service problems
- Process of identifying and resolving repeated customer service problems

Exercise

A. Mention whether following statements are true or false:

1. The different methods of communication that can be adopted to communicate with the customers are:

a) Direct conversation (face-to-face)	b) Mobile/telephone
c) E-mail	d) All of the above

2. Benefits of proper negotiation includes:

a) Increases customer loyalty	b) Exceeds Customer expectation
c) Benefits far outweigh the costs incurred	d) All of the above

3. Approach for solving immediate customer problems include steps like:

a) Saying hello	b) Researching the facts
c) Verifying the facts	d) All of the above

4. To exceed expectations and develop the relationship a SA should:
 - a) Take extra efforts to improve relationship with customers
 - b) Recognise opportunities to exceed customers' expectations
 - c) Take action to exceed customers' expectations within the limits of authority
 - d) All of the above

5. _____ the transaction is as important as understanding the requirement and being in agreement about it.

a) Ending	b) Beginning
c) Both a and b	d) None of the above

B. Answer the following:

1. How to choose the best method of communication to meet the requirements of a customer?
2. Explain how to powerfully listen and understand a customer.
3. Explain the benefits of customer loyalty.
4. Describe the steps to solve immediate customer problems.
5. Discuss the methods to deal with customer service problems.

11. Continuous Service Improvement



Unit 11.1 - Promote Continuous Improvement in Service



Key Learning Outcomes

By the end of this module, the participants will be able to:

1. Use customer feedbacks to analyze and suggest improvements in customer service delivery
2. Review and record feedback on the effects of changes
3. Discuss the impact of customer services on maintaining balance between overall customer satisfaction, costs of providing service, and regulatory needs

UNIT 11.1: Promote Continuous Improvement In Service

Unit Objectives

By the end of this unit, the participants will be able to:

1. Explain the purpose of feedback
2. List the modes of feedbacks from customers
3. Explain the process of planning, implementing and reviewing the changes and/or improvements in customer service based on customer feedback
4. Justify how customer experience is influenced by the way service is delivered

11.1.1 Purpose And Modes Of Customer Feedback

We have already gone through various sessions which discussed the ways and methods of providing good customer service and improving customer service.

Let us discuss the different mediums which help us in identifying the gaps in customer service and help us in meeting the customer service standards by addressing the gaps.

There are various procedures and systems in place, such as:

- Customer relationship management (CRM)
- Standard operating procedures (SOP) of the store
- Observation by self and store staff
- Customer feedbacks

Customer feedback is the most prominent among all, because the request for improvement in service is directly coming from the consumer.

The customer feedback can be mainly divided into two categories:

1. Positive feedback
2. Areas of improvement

Purpose of the feedback: The purpose of obtaining customer feedback is to evaluate or assess whether the services of the store are reaching the customer and are meeting the expectations of the customer.

The feedbacks have to be taken in a positive manner and implemented if they are viable and help in enhancing the growth of the store with respect to image and profits.

Modes of feedback: The following are the sources through which feedback can be received from a customer in the store:

- Verbal—direct from customers to the staff at the store
- Manually filled forms—feedback forms/registers are handwritten
- Kiosks—self-service portals where customers can enter feedback
- E-mails
- Online forms, website—through the company website

- Surveys—third party surveyors conduct feedback
- Mystery shoppers—customers who shop as mystery shoppers for feedback purpose

Locations in the store premises where one gets the customer feedback:

- Main entry gate
- Parking area
- Entrance to the store
- Sales floor
- Bakeries and eateries
- Billing section (POS)
- Customer service centre
- Exits
- Main exit gates

This means a feedback can come from anywhere in the store.

Generally the feedbacks are based on the products which are bought in terms of sales and service. Others would be cleanliness of the store, delivery feedback at the parking, additional support for differently abled people, etc.

Continuous improvement cycle

The PDCA cycle helps to take feedback, analyse, implement, check and then act on the results.

- Plan
- Do
- Check
- Act

The 'do' and 'check' parts indicate 'implement' here. Act is for 'review'.

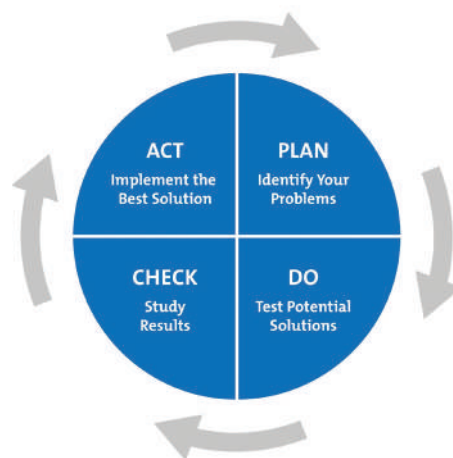


Fig. 11.1.1: PDCA cycle

Plan improvements in customer service

- **Gather feedback from customers** that will help identify opportunities for improving customer service. This might be across locations and through various modes
- **Collate all the information** by segregating as per locations/departments/categories. This would help in addressing the feedback specifically
- **Analyse and interpret feedback** to identify specific opportunities for customer service improvements. For example a feedback has been given by the customer that parking is not sufficient during weekends. An ideal proposed change would be to hire a space close to the store only during weekends.
- **Propose and discuss internally:** This has to be discussed with the store manager, HO and other relevant authorities who take care of building hire, etc. The potential effects of this proposed change would benefit customers and increase footfalls to the store during weekends
- **Propose to decision maker:** The proposed change has to be negotiated with the management who has authority to take decisions and approve this trial or implement the change

Implement changes in customer service

Taking the above example, let us see how these changes can be implemented.

- After getting the authorisation to implement changes, organise the same. For example aligning security for additional car parking. Sign boards to be placed for the parking. Directions that guide towards the additional parking space when the existing place is full, placing sign boards when it is full
- Implement the changes following organisational guidelines
- Inform people inside and outside the organisation who need to know of the changes being made and the reasons
- Observe early responses to changes and make appropriate adjustments. The staff and security have to get accustomed to initial confusions, like knowing the new place, when the new place has to be occupied, etc.

Review changes to promote continuous improvement

- Collect and record the feedback on the effects of the changes:
 - Has the parking increased foot falls based on a frequency?
 - Were the customers able to move in and out smoothly?
 - Did the securities do their job precisely as trained?
 - Were the signboards in place?
- Analyse and understand feedback and share your conclusions on the effects of changes with colleagues, store manager and other relevant authorities
- Summarise the advantages and disadvantages of the changes. A disadvantage could be that the customers who have not visited the store are not aware of the new/additional car parking
- Use your analysis and interpretation of changes to identify opportunities for further improvement. For example in the forthcoming advertisement of the store, should it be mentioned that there is an additional parking space free of cost
- Present this feedback to the store manager/concerned authority to ensure this is implemented
- Document and implement the entire process from the beginning to end for review purposes

Influence of service on customer experience

- Strengthens brand preference through differentiated experiences. Creates a benchmark for the store brand
- Boosts revenue with incremental sales from existing customers and new sales from word of mouth. Store becomes tough to compete with competitors
- Improves customer loyalty through valued and memorable customer interactions. Customers remember their experience and share it with others
- Lowers costs by reducing customer churn. Remember the cost of acquiring a new customer is 10 times more than retaining one

Summary

- Purpose of feedback
- Modes of feedbacks from customers
- Process of planning, implementing and reviewing the changes and/or improvements in customer service based on customer feedback
- How customer experience is influenced by the way service is delivered

Exercise

A. Mention whether following statements are true or false:

- Reasons for a customer to go for credit purchase may be:
 - Convenience
 - Offers
 - Necessity
 - All of the above
- Documents required for credit facilities are:
 - Photo ID proof
 - Passport-size photograph
 - Residence proof
 - All of the above
- Key factors to be considered for credit facility calculation are:
 - Product cost = Rs 10000
 - Loan interest fee = 1 percent
 - Processing fee = Rs100
 - All of the above
- In India, there are _____ credit information companies licensed by Reserve Bank of India (RBI), they are CIBIL, Experian, Equifax and:
 - High-mark
 - Low-mark
 - No-mark
 - Hallmark
- Factors affecting credit score are:
 - Payment history
 - High utilization of credit limit
 - Higher percentage of credit cards or personal loans
 - All of the above

B. Answer the following:

- Explain the purpose of providing credit facility to the customer.
- Discuss the features and conditions of credit facilities.
- Explain the purpose of credit checks.
- What is credit facility calculation?
- Describe the process to fill loan application.

Notes



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12. Processing Applications For Purchase On Consumer Credit/ Loan



Unit 12.1 - Customer Credit Purchases

Unit 12.2 - Process Credit Applications for Purchases



Key Learning Outcomes

By the end of this module, the participants will be able to:

1. Outline the need for provision of a consumer loan or credit facility to the customers
2. Describe the characteristics and conditions of consumer loan or credit facility
3. List the legal and standard organisational criterion for providing consumer loans/ credit facilities to the customers
4. Outline the legal and standard company processes for carrying out credit checks and authorisation
5. Demonstrate the steps to process the credit applications for purchase of products/ services
6. Use operating procedures to provide prompt solution to problems in Processing Credit Application Forms

UNIT 12.1: Customer Credit Purchases

Unit Objectives

By the end of this unit, the participants will be able to:

1. State the meaning of credit facility
2. Describe the purpose of providing credit facility to customers at the store
3. Identify the customer's needs for credit facilities
4. List the features and conditions of the credit facilities offered by the company
5. State the key legal and company requirements for giving information to customers when offering them credit facilities
6. State the legal and company procedures for carrying out credit checks and getting authorisation for credit facilities
7. Outline the features of a credit verification tool
8. List the documents required from the customer to process the credit facility
9. Identify the components involved in calculation of the cost of the credit facility to the customer
10. Describe the process of calculating equated monthly instalments (EMI)

12.1.1 Meaning of Credit Facility

Credit facility is a method of financing offered by retailers that allows consumers to make big-ticket purchases on credit. This type of financing often features low or even no initial payments but medium to high interest rates.

Purpose of providing credit facility to the customer

Credit facility is a method of financing offered by retailers that allows consumers to make big-ticket purchases on credit. This type of financing often features low or even no initial payments but medium to high interest rates.

All customers cannot afford to buy products by making a full payment and the stores cannot sell the product without collecting full payment. Stores aim is to do more and more sale and achieve or exceed its revenue targets. Therefore, how is it possible to acquire more customers and sell as many products the store can?

Credit facility comes as a viable proposal. Credit facility is providing a complete or partial loan or credit to the customer by charging some interest. This kind of credit facilities are provided by banks, non-banking financial companies and stores themselves. Under such credit facilities, customer can repay the loan in Equated Monthly Instalments (EMIs).

For example: A customer wishes to buy a LED TV worth Rs 85,000 but cannot afford or wants to pay the entire amount in one go. The customer will have to pay only Rs 10,000 as down payment and the balance will be given as loan. The store and the SA facilitate to get a loan for Rs 75000 for a period of 24 months. The EMI per month would be Rs 3417. The total amount paid by the customer at the end of 24 months would be Rs 82000, wherein Rs 75000 would be towards principal and Rs 7000 towards interest.

Customer's needs for credit facilities

The following are the major reasons for a customer to go for credit purchase in a situation when there is a necessity for them to go for monthly instalments rather than paying full cash and buying the product.

- Convenience—easy monthly installments which would not burn a hole in their pockets
- Offers—exciting offers which attract the customers for credit purchase
- Affordability v/s desires, lifestyle—even if there is no need, with the desire for improving lifestyle some people opt for credit purchases
- Necessity or dire needs—there is pure necessity/concern which makes the customer go for a credit purchase, for example purchasing a water heater for the winter where the customer cannot afford Rs 6000 in one go
- Investing funds into other aspects—they would want to use their cash for other purposes than investing in products like TV, which can cost a lakh and above
- Consolidation of debts—managing personal finances through minimal debts which help them to run the family smoothly

Features and conditions of credit facilities

- **Preapproved offers**—some of the existing privileged customers get special pre-approved credit offers based on promotional offers given by the company
- **Loan amounts range**—a customer can get a wide range of loans (credits), for example from a product worth Rs 5000–5 lakhs towards the purchase of a mobile phone to smart TV
- **Instant and on the spot approvals**—there is no need to visit any branch of a bank or institution or wait for days/weeks to get the credit facility approved. Through the store representatives/3rd party representatives present in the store, credit facility could be instant approved within a few minutes to an hour. The customer only needs to carry some basic documents prescribed by the store or the 3rd party the store has tied-up with
 - Store representatives or 3rd party representatives require few documents, like PAN card, driving license, income proof, credit card, crossed blank cheques, etc. and the basic information to be filled in the loan application form
 - Most of the formalities can be completed by the customer in the store by choosing their product
- **Some part payment facility example**
 - Consumer can pay part repayment of the loan to avoid prolonged EMI payments
 - There is no limit on the maximum amount
 - The condition is that the customer has to clear the first EMI
- **Documents required**
 - Photo ID proof
 - Passport-size photograph
 - Residence proof
 - One cancelled cheque in case of ECS
 - Photocopy of the front side of the credit card

Legal and company requirements

Key legal requirements from the customer

- Agreement from customer to apply for finance or credit facility schemes

- Acknowledgement that all the particulars and information and details given/filled in the application form are true, correct, complete and up-to-date in all respects and are true to the customer's knowledge, that is the customer has not withheld any information from the store
- Confirmation that no insolvency proceedings or suits for recovery of outstanding dues or monies whatsoever or properties and/or any criminal proceedings have been initiated on the customer
- Declaration that customer has not made any payment in cash, bearer's cheques or of any other kind along with the application form to the person collecting the form
- Customer shall not hold the store liable for any such payment made by him/her to the person collecting the application form
- Authorisation to the store and their agents to exchange, share or part with all the information and details relating to existing loans and/or repayment history to other or same group companies, banks, financial institutions, credit bureaus, agencies, statutory bodies, etc.
- Acknowledgment that the store shall have absolute discretion, without assigning any reasons (unless required by applicable law), to reject the application and the store shall not give reasons for rejection

Key legal requirements for giving information to customers

In an effort to protect consumers receiving the credit, either from a consumer loan, consumer credit card or mortgage issued from the bank, the Consumer Protection Act has certain requirements that banks must follow. The act requires that banks disclose certain information to customers receiving any type of credit or mortgage from the bank – such as

- Finance charges—fees charged to process the credit facilities
- Annual percentage rate—annual cost to the borrowing consumer
- Disclosure of costs—to disclose fees, costs and charges to the consumer in an itemised format
- Any changes in terms and conditions

Key company requirements

- Eligibility of the customer—calculated based on his current financial status and other loans he is taken apart from the loan to be availed
- Offer available only on specific products—decided by the store management, agreed with terms and conditions of the financial vendors and suppliers. Subject to a specific period, amount and products
- Subject to approval of company, 3rd party—loan/credit facility approvals completely by the sole discretion of the credit facility provider
- Credit offered only by store or approved 3rd party vendors—certain terms are specified only for credit facility from the store management or store approved credit facility providers. An external financier would not be in a position to provide the credit facility decided by the customer. However consumers can opt for consumer loans provided by few banks
- Validity within company/branch/store/3rd party specified—credit facility only for specified regions, branches or stores decided by the company; might not be valid across all regions, stores, etc.

Purpose of credit checks

- Mandatory legal purpose—it is an essential or critical thing for credit facility / loan approvals
- Check eligibility—a customer might have enough loans and he might not be in a position to repay the loan. For example if his salary is Rs 10,000 and he has to repay Rs 5,000 every month already, he might not be eligible

- Approve the loan—only a customer who passes the credit check process will get the credit facility/ loan approval
- Reject the loan—based on the credit check it is easier to reject rather than provide the loan and make the customer suffer as a defaulter
- Provide alternate solution—if credit check failed, the customer can be provided with alternate solutions to purchase the product

Procedures for carrying out credit checks

Credit Account Information Sharing (CAIS) is run in line with the Data Protection Act 1998. Members of CAIS are also strictly regulated under a contract between the lender and consumer and under a cross-industry agreement called the 'Principles of Reciprocity'. These are the strict rules which have been agreed by the lenders who share information as members of the scheme.

These rules clearly say how the information may be used. For example, they say that credit account information cannot be used to target other members' customers for marketing. They also say that lenders can get access to credit account information only if they provide similar information to share.

Only lenders who are members of CAIS can see it and only with the consumer's permission. They must be companies who grant credit and must be registered with the Office of the Information Commissioner under the Data Protection Act and should be licensed by the Office of Fair Trading under the Consumer Credit Act.

Companies who access only public information do not have to go through such strict controls, because the information is publicly available from other sources. Record of all enquiries and 'footprints' are left on the database to allow every search to be tracked so consumers can see which organisations have accessed information about them and when.

Individual online credit verification tool—CRISIL

- Credit Rating Information Services of India Limited (CRISIL) is a global analytical company providing ratings, research, and risk and policy advisory services
- The following link helps to verify the credit score shown by CRISIL: <https://www.cibil.com/online/credit-score-check.do>
- By paying Rs 470 and registering online, an individual can access his credit score through this website

Sample documentation checklist

The following are the list of documents (sample) provided by Bajaj finance. This would vary according to the credit facility provider. However, most of them are standard. One has to verify with the credit facility provider and refer to company processor before asking for documents with the customer.

- Photo ID proof
- Passport size photograph
- Residence proof
- One cancelled cheque in case of ECS
- Credit card front side photocopy

One has to ensure that all the required documents are provided by the customer for the credit facility processing. A set of documents collected does not mean that the loan is approved or provided. It is taken to process the credit facility. It is one's responsibility to inform the customer clearly that the loan might be approved or rejected based on the legal, statutory, eligibility, terms and conditions of the organisation providing the loan.

Credit facility calculation

- Loan (credit) interest fee in percentage is the percentage of interest calculated on the total amount of loan. For example if the loan amount is Rs 10,000 and the interest is 10%, then the loan with interest comes to Rs 11000
- Processing fee is the additional charge to process the loan. It may range anywhere from Rs 500 to a fixed percentage. In the above example of Rs 11500 is what the customer has to shell out for a product worth Rs 10000
- Insurance fee for the product (if offered any): It depends on the organisation to take a percentage of the amount as charges for insuring in case of an unexpected calamity. Normally for home loans and car loans, this is mandatory nowadays
- Equated Monthly Installment (EMI): The amount repaid by the customer every month and the number of months. Let us say in this case if the loan is for 10 months. Then the customer's EMI would be Rs 11000 divided by 10, that is Rs 1100 every month
- Advance EMI (in some cases)—Some companies process EMIs at the end of every month and some collect an EMI in advance
- Loan duration in number of installments (3, 6, 9 months, etc.)—There is always a minimum and maximum choice for the customer in this duration to choose from

Credit facility calculation—Example

The key factors to be considered are:

- Product cost = Rs 10000
- Loan interest fee = 1 percent
- Processing fee = Rs100
- EMI for 3 monthly installments

Answer: EMI is Rs 3400 per installment for 3 months

EMI payments

The customers have various modes of options to repay the credit facility/loan taken.

The following are the most popular and frequent modes used these days:

- Based on a specific date in a month for X number of monthly installments
- For example the loan got approved in the month of December, the EMIs are to be paid on 1st of every month from January to October, that is for 10 months
- Post Dated Cheques (PDC) taken in advance with dates. Cheques are signed by the customer and taken in advance and presented every month on the date mentioned in the cheques. Sometimes the dates are also given as an option by the service provider
- Electronic Clearing Service (ECS) debit automatically debits from the customer's bank account. Based on an agreement signed by the customer, an online transfer is automatically done on a specific date by the customer's bank to the credit facility/loan account of the service provider

- Automatically, EMI gets debited from the customer's credit card—very similar to the previous method but the amount gets transacted online through the credit card. Some of them are specifically called as EMI credit cards

Summary

- Meaning of credit facility
- Purpose of providing credit facility to customers at the store
- Customer's needs for credit facilities
- Features and conditions of the credit facilities offered by the company
- Key legal and company requirements for giving information to customers when offering them credit facilities
- Legal and company procedures for carrying out credit checks and getting authorisation for credit facilities
- Features of a credit verification tool
- Documents required from the customer to process the credit facility
- Components involved in calculation of the cost of the credit facility to the customer
- Process of calculating equated monthly instalments (EMI)

UNIT 12.2: Process Credit Applications for Purchases

Unit Objectives

By the end of this unit, the participants will be able to:

1. Explain how to accurately fill in the necessary documents to allow the customer to get credit
2. Determine the credit worthiness of an individual by using appropriate techniques and tools
3. Identify approach for advice and help in sorting out difficulties in processing applications
4. Describe how to provide enough time and opportunities for the customer to ask for clarification or more information

12.2.1 Filling The Loan Application

A duly filled accurate credit application form has a better and faster processing chance.

- Information should be accurate and filled wherever mandatory. Use capital letters wherever required. Do not leave blank spaces where information is mandatory. Ensure that the details are accurate by re-checking with the customer
- Signatures at all marked places mentioned by the service provider's executive. Re-check all places to be signed
- Blue/black ink as specified by the credit service provider. Use the same pen and write legibly. Do not use two different colours
- Ensure passport-size photographs are placed at the right place. Do not compromise on the quality of photograph as it is a legal requirement. No stamp size photograph is allowed
- Not Applicable (N/A) to be marked wherever necessary when data is not required to be filled by you
- Ensure that handwriting is legible—not too big or small
- Modification of data requires signature at that point. Sign wherever you have made slight changes, else the application becomes void
- Re-check and verify while filling and after filling. If there are too many deletions/scratches, fill a new one

Documentation process

A proper file with the customer's name carrying the following documents:

- Duly filled loan application form
- Photographs
- Cancelled cheques
- PDCs (post-dated cheques)
- Address proof—passport/driving license/voter ID/Aadhar card/electricity bill
- Photo identity proof—same as above with a clearly visible photo
- Copy of credit card
- IT returns photo copy
- Bank account statements photocopy (3 or 6 latest months)
- Self-attested photocopies of required documents
- Proof of originals to be produced when requested

Credit worthiness of an individual

In India, there are four credit information companies licensed by Reserve Bank of India (RBI) that operate as Credit Information Companies in India who provide the credit score of an individual. They are:

- CIBIL—Credit Information Bureau Limited is India's first Credit Information Company founded in August 2000. CIBIL collects and maintains records of an individual's payments pertaining to loans and credit cards
- Experian
- Equifax
- Highmark

The most popular is the CIBIL credit score. Credit score is a three-digit number that represents a summary of individuals' credit history and credit rating. This score ranges from 300 to 900, with 900 being the best score. Individuals with no credit history will have a score of -1. If the credit history is less than six months old, the score will be 0. CIBIL credit score takes time to build up and usually it takes between 18 and 36 months of credit usage to obtain a satisfactory credit score.

Four major factors that affect the credit score

- **Payment history**—making late payments or defaulting your EMIs or dues (recently or consistently) implies that there is trouble in paying the existing credit obligations and this will negatively affect the score
- **High utilisation of credit limit**—while increased spending on credit card will not necessarily affect the score in a negative manner, an increase in the current balance of credit card indicates an increased repayment burden and may negatively affect the score
- **Higher percentage of credit cards or personal loans (also known as unsecured loan)**—having a balanced mix of secured loans (such as auto, home loan) and unsecured loan (such as Personal loan, credit card) is likely to have a more positive affect on the score

- **Many new accounts opened recently**—if multiple loans and credit cards have recently been sanctioned, then lenders will view the application with caution because this behaviour indicates that the debt burden has increased, which will negatively impact the score

FICO stands for Fair Isaac Co and a few years ago that became the official name.

To create credit scores, information provided by one of the three major credit reporting agencies is used—Equifax, Experian or TransUnion. But FICO itself is not a credit reporting agency. Though FICO scores are the most widely used among lenders, there are other scores that lenders can choose from, such as the VantageScore which is being used widely.

Time and opportunities for the customer to clarify

Before applying for a credit facility/loan, a customer would have the following genuine concerns:

- Affordability—what happens in case on non-repayment?
- Feasibility—can I pay the EMIs on time?
- Nature of the credit facility—am I spending too much on the product?
- Competitor offers, interest rates, processing fee—competition is providing lower rate of interest or lower EMIs
- Terms and conditions—seem to be tricky! Am I trapped with this loan offer?

Provide the right information before processing/applying for their loan:

- Benefits—for example ‘no hidden charges’. Say 0 percent rate of interest means no interest is charged on the loan. However there could be a processing fee. Be transparent in explaining the break-up of loan amount, interest rate, EMI, processing fee and insurance (if any), defaulter fee (if any)
- Advantages—compare the schemes offered by competition and demonstrate the advantages by calculating and showing the difference
- Credit/loan offers, schemes—explain the scheme duration clearly. If they do not avail the offer it might get over within the stipulated time
- Specifics of terms and conditions—clearly mention the consequences of non-payment, cheques bouncing, etc. as per company policies and lender terms and conditions

Approach for advice and help

Refer difficulties in processing applications with the right person. A new policy, change in interest rates, processing fee waivers, credit card 0% interest are the common offers or schemes that keep changing constantly.

Some staff executives who are the reference for collecting the details are provided below (it is always the immediate supervisor first, then the department manager and then the store manager).

- Finance executive who is in-charge of credit facilities
- Regional/head office manager or regional executive in-charge
- 3rd party representative
- 3rd party regional executive in-charge

Summary

- How to accurately fill in the documents needed to allow the customer to get credit
- How to determine the credit worthiness of an individual by using appropriate techniques and tools
- Whom to approach for advice and help in sorting out difficulties in processing applications
- How to provide enough time and opportunities for the customer to ask for clarification or more information

Exercise

A. Mention whether following statements are true or false:

- Reasons for a customer to go for credit purchase may be:

a) Convenience	b) Offers
c) Necessity	d) All of the above
- Documents required for credit facilities are:

a) Photo ID proof	b) Passport-size photograph
c) Residence proof	d) All of the above
- Key factors to be considered for credit facility calculation are:

a) Product cost = Rs 10000	b) Loan interest fee = 1 percent
c) Processing fee = Rs100	d) All of the above
- In India, there are ____ credit information companies licensed by Reserve Bank of India (RBI), they are CIBIL, Experian, Equifax and:

a) High-mark	b) Low-mark
c) No-mark	d) Hallmark
- Factors affecting credit score are:
 - Payment history
 - High utilization of credit limit
 - Higher percentage of credit cards or personal loans
 - All of the above

B. Answer the following:

- Explain the purpose of providing credit facility to the customer.
- Discuss the features and conditions of credit facilities.
- Explain the purpose of credit checks.
- What is credit facility calculation?
- Describe the process to fill loan application.

Notes



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13. Store Security

Unit 13.1 - Loss Prevention

Unit 13.2 - Store Security



Key Learning Outcomes

By the end of this module, the participants will be able to:

1. State the meaning and importance of loss prevention
2. Describe the terms 'shoplifting' and 'kleptomania'
3. List the types of losses and prevention measures
4. Describe the procedure to handle theft in a store
5. Describe the electronic article surveillance equipment used in the store
6. Identify the types of security risks at the store
7. Identify the consequences of not keeping yourself and the store secure
8. Identify the different situations that lead to security threats at the store
9. Identify how to be alert of the situations that lead to security risks
10. State the role of an SA in keeping the store secure

UNIT 13.1: Loss Prevention

Unit Objectives

By the end of this unit, the participants will be able to:

1. State the meaning of loss prevention
2. Identify the importance of loss prevention
3. Describe the terms 'shoplifting' and 'kleptomania'
4. Describe the types of losses and prevention measures

13.1.1 Meaning of Loss Prevention

Loss prevention refers to the in-store processes that reduce inventory losses due to employee theft, shoplifting, fraud, vendor theft, and accounting errors. It involves the methods that are used to reduce the amount of losses and shrinkage related to retail trade. Losses and shrinkage related to retail are shop lifting, card frauds, product breakage, etc. They are mainly categorised into known loss and unknown loss (shrinkage).

The objective of loss prevention is to maximise profits through reducing retail theft, also known as shrinkage. According to the 2006 National Retail Security Survey, retail operations suffered an average of 1.57% of annual inventory shrinkage in 2006.

According to the survey, shrinkage can be divided into five categories:

1. 46.8% due to employee theft
2. 31.6% due to shoplifting
3. 14.4% due to administrative errors
4. 3.75% due to vendor errors
5. 2.86% due to unknown errors

Although most retailers experience a shrinkage percentage of less than 2%, some smaller retailers often experience monthly and annual average shrinkage percentages as high as 20%.

Reducing shrinkage is very important and many retail stores have methods to control and reduce shrinkage (loss prevention programmes).

The importance of loss prevention:

- Reduces shrinkage (theft, damages, etc.)
- Maximises profits

Shoplifting and kleptomania

Shoplifting: A common crime that occurs when someone steals merchandise offered for sale in a retail store. Shoplifting from retail stores costs merchants an estimated loss of 13 billion per year.

Kleptomania: Inability or difficulty to resist impulses of stealing. It is an impulse control disorder characterised by a recurrent failure to resist stealing. People with this disorder are compelled to steal things of little or no value, such as pens, clips, tapes, small toys or chocolates. Some may not be aware that they have committed the theft.

Shoplifting: loss facts

Some facts about shoplifting and loss prevention will drive down the importance of loss prevention.

- 1 in every 10 people has shoplifted during the past 12 years
- 1 in every 2 people has shoplifted sometime in their life
- Shrinkage (shoplifting + employee theft + vendor theft + paperwork errors)
- Dishonest employees steal more than shoplifting customers
- Loss from employee theft is three times more than from shoplifters

Types of losses and preventive measures

Documentation error: Wrong quantity/price/name of products can be found in the documents received from the warehouse as well as transfer-out documents that are sent to the warehouse. Check all the documents and take necessary steps to control the documentation errors. Do a thorough check of all the documents which are received from the warehouse/other sources and if any inconsistency is found, inform the concerned department to take necessary action and follow up. Likewise, check all the documents sent to the warehouse to verify if the quantity/price/name of the products are accurate and in case of any doubts bring it to the notice of your seniors immediately.

Breakages: Physical damage to the product can happen inside the store. Loading and unloading of stock should be done with utmost care. Proper stacking procedures are to be followed (while arranging stocks in the back room) to minimise breakages.

Improper handling of products can also damage the products. Do not throw, slide and push products while stacking. Utmost care should be taken while bagging the products at the billing counters. It is advisable to pack bottles, eggs, fruits and vegetables, dairy products separately to minimise damages.

If you see any customer holding baskets overflowing with products/a fully loaded basket, help the customer immediately, to avoid breakages.

Billing errors: Wrong billing (quantity, price, products, and offers) is another reason for losses. Proper training should be given to the cashiers to take care while billing, to minimise the errors. The cashiers should bill correctly and while billing they should check the quantities entered, price of the products, weight of the products, promotional offer prices, etc.

Staff pilferage: Misappropriation/misuse/stealing of products by the staff members. Create a good team and work towards one goal—reducing pilferages. Explain the impact of stealing to your colleagues (especially newly joined). Be alert and report to the seniors if any staff member is seen involved in stealing activity.

Customer pilferage: Customers take products without billing. When a customer takes a product and leaves the store without paying for it, it amounts to customer pilferage (the act of stealing). Be present and observe the customers in the respective departments and if any customer stays for a long time in any department, immediately attend to the customer and fulfil their needs. If you have seen any

customer pilfering the store products, immediately inform the security personnel and seniors. But, remember to be 100% sure before informing.

Margin losses: Wrong product pricing, barcode errors, etc. can happen in the IT department due to wrong price uploading and wrong bar code prices (warehouses). Check the system price against the MRP mentioned on the products on a regular basis to minimise loss. To minimise margin losses, check the system price against the MRP mentioned on the products on a regular basis and if you have any doubts immediately bring the same to the notice of seniors.

Wastages: Perishable products (for example frozen food, grocery, fruits and vegetables, processed foods, bakery products) must be checked and ordered correctly, and then stored and displayed as per the requirement of the specific product to prevent wastage.

The above types of losses are broadly classified into two major categories in retail—known loss and unknown loss (shrinkage).

Known loss

- ‘Known loss’ is called so because the loss can be easily found and can be accounted in the stock books
- Products which are identified and cannot be sold to customers are classified as ‘known losses
- Examples of known loss include spoiled, broken, spilt, damaged and expired products
- Some of the losses can be accounted to the supplier/vendor and some of the partly damaged products can be sold at a discounted price. So, the store does not suffer all the losses mentioned in the given examples; however based on the damage, loss comes in the form of lower profits for the store
- Each item falling under the known loss category should be entered into the stock books as per company policies and procedures. Most software have separate codes for spoiled, damaged, expired, goods returned to vendor, etc.

It is the responsibility of the operations team to identify the kind of known loss happening at the store under various circumstances—while receiving, storing, displaying, selling and receiving from customer for exchange. It is also the duty of the operations team to inform relevant authorities and record such incidents to ensure the profitability of the store.

Controlling known loss

- Check for appropriate quality and accurate quantity while receiving stock:
 - Spoilt
 - Damaged
 - Expired
- Unpack the products carefully without damaging the packing and contents
- Ensure that the products are stored in a secure and safe place, free of insects and pests
- Carefully handle products while arranging them in shelves or display areas
- Make sure your customers and staff do not mishandle and damage products
- Make sure you sell products before the expiry dates
- Follow the procedures and policies for exchange of goods
- Record all losses in terms of quality or quantity as per company policies

- Get trained in quality processes and update frequently
- Understand and identify the pattern for a specific type of loss
- Inform relevant authorities of such recurring pattern immediately

Remember:

- Poor quality products cannot be sold to the customers as this will affect the reputation of the store
- Not maintaining a record of 'known loss' results in loss for the store

Known loss actions

- Once you have identified a pattern of loss, discuss with superiors and colleagues to make a plan of action to stop the occurrence

For example, in a week's stock there are 100 packs of detergent in which at least 5 are damaged. This could have happened during transportation, while receiving the product carelessly, unpacking without proper tools, improper storages, mishandling while displaying. Find out the correct reason, make an action plan and rectify the same by following the correct procedure and ensure there is zero damage.

- If you find a product which can be partially sold, reduce the price (mark-down) after consulting superiors and send it for sale. For example the damaged products mentioned in the previous example cannot be returned to the vendor as the damage happened in the store. Since the detergent is intact and only the packaging was damaged, a lower price than MRP can be fixed and the product can be put on sale for the customers. This will help reduce the loss to an extent
- Dispose all damaged, expired products as per waste management policies and local government policies. For example a spoiled/expired food product could spread the bacteria to other products adjacent to them and spoil them too. A chemical based detergent which is damaged can accidentally spill on to other food/non-food products, spoiling them which make it non-saleable

Remember: Known loss is manageable and controllable.

Unknown loss (shrinkage)

Unknown losses are not known to anyone in the store and they come as a surprise while stock taking and profits disappear.

The reasons for such losses are:

- External theft—customers and vendors
 - Any customer can steal, use or consume without paying any product from the store any time. For example using perfumes other than testers, eating fruits, drinking juice, etc.
 - A vendor can deliver only 9 eggs and can account for 10 or he can deliver 10, account for 10 and when out of sight can take away all the 10 and leave the store
- Internal theft—staff
- The staff can steal any product/cash any time from the store
- Shortage—difference in stock, actual v/s delivered
- For example some stock could be misplaced and not found due to improper storage practices
- Human errors during stock taking process

- For example while counting boxes of pens, 123 boxes may have been miscalculated as 125
- Accounting errors. During the stock taking process, the reason, code and quantity can be wrongly entered into the systems/record books

Remember:

Shrinkage can bring in heavy losses to the store.

Controlling unknown loss

Customers

- Sometimes they could be very friendly and will try to shift the focus of the staff, in the process of a theft. For example they might ask about parents, salary, etc. Such questions should be politely ignored, without deviating from the task
- They could be stealing knowingly or unknowingly in any part of the store
- The staff should be extremely alert always and should keep an eye on them

Vendors

- The vendors may try to bribe the staff, offering them gifts (for example a box of chocolates) for the hard work done. But these chocolates could have been taken from the store itself
- Accurate quality and quantity must be ensured while receiving stock from vendors. The box should be opened and all items should be counted and checked against the purchase invoice. Before leaving, the staff should ensure that the products are stored safely. Before entering into the system, the items should be rechecked
- The stock should not be left in the charge of a vendor in any case. The vendor is not part of the staff, so be cautious

Staff

- Colleagues may try to tempt you by saying “let’s enjoy a can of juice as there are many in stock” or “let’s take one pack of biscuits—it would not harm the store” or “we have worked hard today, so we should take R100 from the cash register”

As an employee, such suggestions should not be encouraged. This can jeopardize your career and can lead to a criminal case where you can end up in jail.

Shortage

- The items should be stored in a place that is accessible and can be easily located. This will ensure that stock is not misplaced
- There should be a list of stock with dates and the stored location. This list should be shared with relevant colleagues so that they can add and update any information they have

Human errors

- While doing a task, give undivided focus and do not encourage any diversion
- Re-count, re-check, cross verify
- Ask colleagues/supervisors to confirm the count
- Do not proceed further without investigating a discrepancy

Accounting

- Recheck the stock units/cash units twice before entering the data into computers/records/reports
- Verify and confirm with colleagues/supervisors
- Ensure that the data is entered against the correct field. For example an expired item could be wrongly entered into partly damaged product
- Confirm before submission

Remember: Protect the store from theft, as you would protect your own belongings.

Managing shrink—critical areas

Following areas, situations or locations need to be given attention to control shrink as they are common in retail stores.

- **Expensive/high value goods:** Watches, pen drives, razors and memory cards: these are some examples which require high attention as they can easily be pocketed. This should always be under lock and key and regular monitoring of stock should be done
- **Goods returned to vendors:** Pay attention to the quantity and verify the goods before returning it to the vendor. There could be some unaccounted return to the vendor which may result in shortage of stock for the store. Ensure it is recorded in the system accordingly with the value and reason code
- **Goods exchanged from customers:** Account these stocks against the correct reason code. Ensure further process is followed according to the exchange policy. For example a lady could have returned broken glassware. Check CCTV cameras during the delivery. Record reason code accordingly in the system against the value of the product
- **Back-store/storage room:** Ensure that the storage or backroom (depending on the store) is kept clean. Stock is properly arranged according to the receiving date and a document supporting the location and details about the stock is prepared. A clutter-free backroom ensures less of loss. Do not allow customers, vendors or unauthorised staff to enter the backroom. Keep a log book of entry and exit to the backroom

Some backrooms have refrigeration and cold-storage units which have to function without any interruption so that the stock does not get spoilt. Regular maintenance checks of these equipment should be done.

Segregate the goods to be sold, disposed and returned to a vendor in different locations.

Waste process

- Recheck, verify and confirm before sending the product as waste. Products may have been wrongly accounted as waste and this will result in losing a sale
- Dispose waste immediately as this could spoil other products also
- Segregate waste and keep them away from goods to be sold

Sales floor security

- Ensure all CCTV cameras and electronic surveillance equipment are working properly
- Monitor customers, staff and unwanted people on the sales floor
- Ensure mishandling of products by customers, staff and support staff, like security and housekeeping

- Children could take products, like chocolates or ice cream and consume it inside the store. Politely handle such incidents and avoid shrink

Wrong pricing in labels

- An audit should be done of all products with the right price, using a hand held terminal (HHT) before the store is opened for the customer
- There could be a price change which has to be effective on the same day. Ensure it is done and the label matches the products
- Do not display a product without label or with a wrong price
- Verify and confirm for discounts, offers, etc.
- Recheck, verify and confirm before printing the price label on the products/shelves

POS (Point of Sale) and Tills (Billing counters)

- A strict vigil should happen at the cash tills, POS or any billing counter
- Verify price against products while scanning. Similar products might have different prices, for example juices that come in different flavours/prices. A product may have a label with the wrong price, for example a watch worth R3000 may have a label with R300 printed on it
- Open all boxes, enclosed/packed items to take a count before billing. For example a box of Coke should have 12 cans. It may be billed for 12 cans when actually it had only 10 cans and a razor worth Rs 300 may be hidden inside the box or a child might have dropped a chocolate accidentally

Security points

- Recheck, verify and confirm all items against cash paid before the customer exits the store
- Be alert for any suspicious activities at exit points

In case of doubt or any incident, please inform relevant authorities and do not hesitate to ask for help.

Remember: Protect the store from theft, as you would protect your own belongings

Summary

- Meaning of loss prevention
- Importance of loss prevention
- Terms 'shoplifting' and 'kleptomania'
- Types of losses and prevention measures

UNIT 13.2: Store Security

Unit Objectives

By the end of this unit, the participants will be able to:

1. List the types of security risk that can arise in your workplace
2. Identify the authority and responsibility while dealing with security risks, including legal rights and duties
3. Explain the approved procedure and techniques for protecting personal safety when security risks arise

13.2.1 Type of Security Risks and Reporting

Security risk applies the principles of risk management to the management of security threats. Risk management supports to identify threats, monitoring the effectiveness of the existing controls and determining the risk consequences.

Types of security risks are:

- **Theft, robbery, burglary, etc.:** A store can be robbed by breaking-in through windows, doors, roofs or any form of entry point
- **Vandalism:** Local vandalism is a common form of damage to the store, for example a local politician's death, communal riots, etc.
- **Bomb threats:** A bomb could be placed inside a store or sometimes a false alarm may have been raised
- **Acts of terrorism:** Terrorism could lead to direct attacks, hostage threats, etc. in the store
- **Bad weather or earthquakes:** Cyclones, extreme heat or cold conditions could prevent the store from running the regular business. Storms and earthquakes could damage and result in an unsafe work environment
- **Missing children:** In a crowded store, children could go missing or be kidnapped also

Additional tips for managing security risks:

- Be vigilant to identify and alert any kind of theft—customers, vendors or staff—“Always, anytime and everywhere”
- Ensure proper working of all security equipment by conducting a routine check everyday before the store opens for customers
- Keep a regular check on surroundings, local news, etc. to prepare well in advance for vandalism or terrorist acts. You might need this information in advance to evacuate the store before someone damages all products and harms the people inside the store
- Know the store hierarchy and keep their contact details handy along with emergency numbers, like police, fire, ambulance, etc. The name and contact details of all managers, colleagues, support staff, security, zonal office and head office should be with you all the time

Authority and responsibility

A security has the general authority to detain someone if there is a probable cause that has occurred. But at the same time they have some limitations. A security can stop a person only if there is any genuine reason.

A security can never use excessive force, which includes but is not limited to application of pain, choking or improper handcuff use. Using of foul language, discriminatory slurs and verbal threats can also be considered excessive force.

Responsibility:

- **Knowing security procedures and following guidelines:** Be prepared in advance to know the methods of handling emergency situations as per store operation processes or guidelines provided
- **Conduct periodic security drills and random checks:** Routine drills should be conducted by simulating a bomb hoax or storm. Involve customers and vendors by educating them about the need for such drills. After conducting the drill, evaluate and provide feedback in case any process is missed out
- **Following store opening and closing procedures:** A checklist for following the security measures should be provided and this should be followed for the routine/time scheduled
- **Update with local news and prepare:** Be in tune with local news for any kind of communal riots, bad weather, etc. This would help the store management to take action in advance and prepare accordingly to prevent a threat
- Know the store standard operating procedures to handle security threats

Company policy, procedures and techniques

Each company has to follow safe policy and procedures to run the operations smoothly. Following are the procedure to be followed:

- Be aware of the store opening and closing guidelines as per policies
- Ensure that points to be implemented during crisis management are as per the SOP of the store
- Be alert in the store—have an eye for unattended parcels or bags
- Follow the process in case of missing child in a store and make an announcement
- Conduct simulated drills for staff, customers and vendors
- Alert the store with appropriate codes as per the training provided by security personnel
- Be aware of evacuation procedures for specific alerts. Know the procedures thoroughly
- Pass information as per process guidelines in a weather alert situation. Make amends and prepare in advance to take measures for the threat situation
- Ensure all security devices are in working condition—internal and external
- Make announcements at the store during threats
- Turn on/off the emergency alarms at the appropriate situations
- Keep contact details of police, civil defense teams, fire, ambulance, military (if available), hospitals, etc.
- Report and record details of drills as per routing, any unusual incidents/threats to concerned authorities
- Make sure not to share company security policies with friends, relatives or others. This could be a danger for the associate as well as the store

- Follow store opening and closing checklist
- Before opening the store:
 - If the alarm is triggered, never enter without police permission
 - Never enter the store without visual check
 - Set a safety reminder for repeat alarm call
 - Never enter a store alone
- Opening checklist
 - Open the store only accompanied by security
 - Check for tampered locks/alarms
 - Complete exterior perimeter walk
 - Unlock the store
 - Complete interior perimeter walk
 - Report police/authorities in case of theft/robbery/damage
 - Do not enter in case of any discrepancy
 - Refer opening checklist and confirm
 - Sign off opening checklist

Ensure all lights and air conditioning is on. Check for all fire exit emergency doors. Conduct visual check of any alarm system errors from previous night closure report. Compare previous night closure report and verify store conditions for any safety and security action required. Unlock the receiving area. Check and allow staff to enter the store and hand over entry door to security staff.

- Closing checklist
 - Close store to customers
 - Complete closing checks with cashiers, interior perimeter
 - Complete closing check with security, exterior perimeter
 - Check for people inside once
 - Enter alarm code and set alarm for the night
 - Lock and seal store
 - Refer closing checklist and confirm
 - Sign off closing checklist

Lock the front entrance doors for the customers exactly at the close time after announcement. Security or management should be monitoring the exit doors. Announce over speaker that the store is closed. Assist last customers with their shopping and to the exit (if needed). Security along with store staff should perform one last walkthrough of the entire facility to verify if all customers have left. Check the washrooms; and after all staff have left, lock and secure all remaining exits and entries.

Different types of Electronic Article Surveillance (EAS) equipment are used in store to prevent losses. These are detailed below:

- **Electronic surveillance gates:** These are found near the entry and exit of the store. If unbilled products are taken out, the gates beep/sound the siren and alert the security personnel
- **Tags, mini hard-tags and detachers:** Tags and mini hard-tags are found on the products. While billing, detachers are used to remove pins from tags and deactivate other security labels. The non-

detached tags have sensors and if unbilled products are taken out of the store, the gates beep/sound the siren and alert the security personnel

- **Bar code sensormatic ultramax labels:** These are electronic bar codes stuck to expensive products, which are deactivated while billing. If unbilled products are taken out, the gates beep/sound the siren and alert the security personnel
- **Radio Frequency Identification (RFID or Soft tag):** An RFID tag is applied to or incorporated into a product for the purpose of identification and tracking, by using radio waves. These tags are deactivated while billing. If unbilled products are taken out, the gates beep/sound a siren and alert the security personnel
- **Close circuit cameras:** A Close Circuit TV (CCTV) is a video monitoring and security system used to transmit signals to a specific place on a limited set of monitors. It differs from broadcast television in that the signal is not openly transmitted, though it may employ point to point wireless links. A CCTV is often used for surveillance in areas that may need monitoring in the stores
- **Monitoring systems:** It is a procedure or process followed for monitoring and recording all the activities happening in the store. The store security personnel record and monitor all the activities to track theft

Know the process of activating and deactivating (only for certain purposes as per company policies) security devices by attending appropriate training. This training might include training by manufacturers, vendors or internal. This training needs to be regularly updated on any changes made inside the store or to the equipment.

Impact of not keeping the loss prevention and security equipment secure:

- The malfunction of security and loss prevention equipment or its exposure to security threats may lead to risking the lives and products resulting in huge losses
- In case of malfunction of any security equipment, alert relevant authorities immediately. You need to keep their contact details handy. Arrange for critical locations without cameras to be supported alternately, till the camera is restored for monitoring
- Conduct regular maintenance checks and reports of security systems in the store. Schedule or plan such routines and keep the relevant people posted in advance for such maintenance checks. Ensure that the camera recordings are stored date-wise and are made easily available and accessible
- Know the process of de-activating and re-activating certain electronics alarms to avoid discomfort to customers. This would be followed as per store policies.

Summary

- Types of security risk that can arise in your workplace
- Authority and responsibility while dealing with security risks, including legal rights and duties
- Approved procedure and techniques for protecting personal safety when security risks arise

Exercise

A. Mention whether following statements are true or false:

1. ____ can be easily found and can be accounted in the stock books.

a) Known Loss	b) Unknown loss
c) Margin loss	d) None of the above

2. ____ are not known to anyone in the store and they come as a surprise while stock taking and profits disappear.

a) Known Loss	b) Unknown loss
c) Margin loss	d) None of the above

3. Types of security risks can include:

a) Theft, robbery, burglary etc.	b) Vandalism
c) Acts of terrorism	d) All of the above

4. These are found near the entry and exit of the store:

a) Electronic surveillance gates	b) Tags, mini hard-tags and detacher
c) Monitoring systems	d) None of the above

5. Additional tips for managing security risks include:
 - a) Being vigilant to identify and alert any kind of theft
 - b) Ensure proper working of all security equipment
 - c) Keep a regular check on surroundings, local news, etc.
 - d) All of the above

B. Answer the following:

1. What is loss prevention?
2. Describe the type of losses and preventive measures
3. What is Known loss and how it can be controlled?
4. Explain the methods to manage security risks
5. Describe the different types of Electronic Article Surveillance (EAS) equipment are used in store to prevent losses.

Notes



A large rectangular area with a thin orange border, containing 25 horizontal lines for writing notes.

14. Maintain Health and Safety



Unit 14.1 - Dealing with Accidents and Emergencies

Unit 14.2 - Reduce Risks to Health and Safety



Key Learning Outcomes

By the end of this module, the participants will be able to:

1. State the meaning of emergency
2. Identify the causes for the emergency situation
3. List the types of emergency situation that may arise in the store
4. Describe the procedures in dealing with emergencies in the store
5. Identify the procedure of reporting an emergency situation
6. Identify the suitable behaviour required to handle the emergency situation
7. Describe the procedure of raising alarm in emergency situation
8. Describe the procedure of evacuation during emergency situation
9. Describe the safety requirements laid down by organisation
10. List the different types of risks with respect to safety that may arise in the store
11. Describe the approved action to deal with different types risks
12. List the different types of potential hazards that may lead to risks and emergency
13. Describe the methods of dealing with potential hazards

UNIT 14.1: Dealing With Accidents and Emergencies

Unit Objectives

By the end of this unit, the participants will be able to:

1. State the meaning of emergency
2. Identify the causes for emergency situation
3. List the types of emergency situation that may arise in the store
4. Describe the procedures in dealing with emergencies in the store
5. Follow the procedure of reporting an emergency situation
6. Adapt suitable behaviour required to handle the emergency situation
7. Describe the procedure of raising alarm in emergency situation
8. Describe the procedure of evacuation during emergency situation

14.1.1 Meaning Of Workplace Emergency

Workplace emergency can be defined as an unforeseen situation that threatens the employees, customers or the public; that disrupts or shuts down your operations; or something which causes physical or environmental damage.

Emergencies will occur. The effect of the emergency must be controlled by means of a proper Emergency Action Plan. Its purpose is to facilitate and organize the actions of the employer and employee during workplace emergencies. It covers the designated actions to be taken by the employers and employees to ensure employee, customer and public safety from emergencies.

Elements of an emergency action plan:

- Procedures for reporting emergencies
- Evacuation procedures and emergency escape route assignments
- Contact information
- Procedures for employees who remain after the alarm to perform critical duties
- Procedures to account for all employees after evacuation has been completed

Causes for emergencies

Human factors:

In many cases, it has been noticed that human beings are responsible for most accidents. They may be careless in certain situations:

- Ignore wiring where the insulation has worn off
- Leave cupboard doors and drawers open
- Block passages with equipment
- Careless about protective clothing
- Leave spills on the floor unmapped
- Do not remove accumulated grease on filters
- Pick up broken glass with bare hands

- Ignore operating instructions on equipment
- Lift very heavy loads alone

They may also be inattentive in certain situations:

- Bump into other people
- Drop heavy items or spill hot liquid on their own feet
- Close door and drawers on their own fingers and squash them
- Rush on wet greasy floors with arms full and mind elsewhere

Unsafe workplace or working conditions:

- Steep, narrow, dark stairways
- Unnecessary steps
- Narrow aisles caused by furniture or equipment arranged incorrectly in heavy traffic areas
- Doors opening into corridors

Other factors:

- Incorrect handling of equipment and cleaning methods:
- Incorrect method of lifting objects
- Slipping or falling from heights
- Unsafe systems of work, failure to use guards
- Carelessness
- Badly maintained workplace
- Non availability of protective guards
- Generation of fumes dangerous to health in and around the workplace
- Equipment manuals not provided to employees handling the machineries

Types of accidents and emergencies

- Equipment malfunctioning accidents
- Vehicles accidents (fork-lifts, trolleys)
- Fall from heights while stacking products: Injury during such incidents
- Improper material handling techniques leading to physical accidents and thus injuries
- Stocks or packages falling on human body from heights
- Tripping and falling due to protruding materials and furniture in walking or working area
- Explosion/fire/burns due to gas, faulty wires, malfunctioning equipment, combustible chemicals
- Physical violence at work, riots and natural disasters

Contacting emergency services

- Emergency services numbers allow a caller to contact local emergency services for assistance
- Inform the manager. Be alert, but do not panic

Call 101 in case of fire emergency.

Call 102, 104 and 108 in case of medical emergency.

- Dial the appropriate number. Remain calm
- Tell the operator what assistance you need. Be prepared to provide your location, the number of the phone you are calling from, the nature of your problem and other information they may need to help you
- Stay calm and follow their advice. It is usually a good idea to stay on the phone until help arrives

Emergency drill

An emergency drill is a focused activity that allows staff and administrators to practice specific functions to be exactly done in an emergency.

- The store staff will recognise the evacuation alarm
- On receiving the evacuation signal, the store staff will take appropriate actions, including shutting down of machinery or processes
- The store staff will immediately begin the evacuation process using routes prescribed by the facility emergency plan
- The store staff will provide assistance to visitors or individuals who are experiencing difficulty
- The store staff will take evasive action if the means of the way out is determined to be unsafe
- The staff will report to the assembly area monitor at the assigned assembly point
- Shelter and place drill: Practice emergency preparedness by sheltering in an orderly and safe manner
- Lock down drill: Stay inside the building. If you are in a room, make sure that the windows and doors are locked. Remain where you are, until further directions from the emergency personnel are received
- Evacuation drill as explained in later in this session
- Reverse evacuation drill: Reverse evacuation procedures are implemented when conditions inside the building are safer than outside. It is implemented in combination with other emergency procedures (for example lock down, shelter in place), in order to ensure safety of staff and customers

Also explain the evacuation process in the event of an earthquake:

- Take shelter under tables, desks or in doorways
- Stay away from windows, shelving and large free-standing furniture
- After the earthquake, look for injured persons in your area and assist, provided it is safe to do so
- Leave the building as soon as practicable

Handling accidents

Few kinds of accidents that can occur are:

- Severe bleeding
- Injuries to the limb
- Fire
- Electric shock
- Poisoning
- Burns

Try to stay calm. If you are hurt, call the emergency services or ask someone else to do so. If anybody else is hurt, get them to the first aid room or provide first aid if you cannot get the injured person to the other place. Call 104. Keep talking to the injured person and reassure him/her that the professionals are on their way.

If there is no serious emergency, the biggest mistake is to declare that the accident was your fault, even if it is obvious that it was. Similarly, do not get into a debate or argument over who did what at the scene of the accident. This can be sorted out calmly by the authorities at a later stage.

If you have a camera or a phone with camera, take photographs of everything. This will make defence and accusation fair for both parties and will help the insurance companies get the claims sorted much faster down to evidence.

First aid

The treatment which is given at the spot immediately after the accident is called first aid. Accidents may happen at any time. The extent of damage due to an accident may be severe, light or less. For more serious injuries, the victim may be required to be shifted to a hospital. Some immediate medical aid is inevitable to be provided on the spot.

- Locate the stocked first aid container
- Identify the person in-charge of first aid arrangements
- Learn about first aid services to be undertaken in different situations
- Know about the materials and medicines in a first aid kit and their usage

First-aid kit



Fig. 14.1.1: First-aid kit

First-aid kit consists of the following materials

- Adhesive dressing tape
- Non-adherent dressing
- Sterile eye pads
- Gauze bandages

- Disposable gloves
- Scissors
- Forceps
- Band aid
- Cotton rolls
- Solution for cleaning wounds

Reporting and recording accidents and emergency

Reporting is an integral part of handling emergency situations. It is very vital that all staff report incidents using the incident report form, obtained from and completed with the supervisor.

Behaviour required in handling emergency situation

- Be calm and speak in a calm manner
- Analyse the situation using the company guidelines and procedures
- Empathise with the customer/colleague whoever is a victim of the emergency situation
- Do not panic or shout loudly creating fear in others

Raising the alarm

- Ensure immediate safety of anyone within the vicinity of the fire if it is safe to do so
- Raise the alarm if it is not already sounding (use the break glass alarm panel or shout 'fire' if the panel is not available). The alarm system automatically notifies the fire and rescue services and security (who then notifies the other emergency personnel)
- Fight the fire if possible with the fire fighting equipment, but not at personal risk
- Call the fire security (call 101). Give your name, building, level, room number, type and extent of the fire/smoke and inform the supervisor or building warden if it is safe to do so
- Alert everyone to exit through fire exits. Lead the customers through the nearest fire exit. Evacuate the area immediately

If the fire alarm rings, stand by for directions from the security and prepare to evacuate the store. If directed by the security to evacuate the building immediately, use the nearest exit, close all doors behind you and remain calm.

Actions to be taken on hearing the fire alarm:

- The alarm may be sounded by a bell, hooter or siren, depending on the building
- The first alarm is the notification to prepare, stand by for any announcements and be ready in case there is an evacuation. This is a good time to turn off any equipment you may be using
- The second alarm is the signal to evacuate the building you are in, via the closest marked 'EMERGENCY EXIT' to the designated assembly area
- When you hear the evacuation tone, evacuate the building calmly and promptly leave the building through the shortest possible route
- Do not use lifts
- Follow the directions of the floor wardens and security officers. Obey instructions from security officers and emergency service personnel

- Proceed to the assembly area designated for the building (these areas are specified on the 'evacuation procedure' signs located prominently inside buildings)
- Do not cluster around doorways
- Do not hinder floor wardens, security officers and fire brigade officers in carrying out their duties
- Wait for further directions from the chief warden, security officer or fire brigade
- Do not re-enter the building until authorised to do so by the fire brigade or building emergency officers
- Never enter a building when the alarm is sounding

Evacuation

Whenever there is a fire alarm in your building or you are instructed by appropriate authority in the store to evacuate, evacuate the building to your designated assembly points. Ensure that there are no obstacles in front of the emergency exits. Help people in case of immediate danger.

- If you have to move through a closed door that you cannot see through:
 - Feel the door to see if it is hot
 - Look for smoke coming from under the door
 - Open the door slowly and look around to see if there is a fire behind
- If there is no fire, proceed and close the door behind you
- Move out of the building as quickly as possible

The evacuation process in the event of an earthquake is given below:

- Take shelter under tables, desks or in doorways
- Stay away from windows, shelving and large free-standing furniture
- After the earthquake, look for injured persons in your area and assist, provided it is safe to do so
- Leave the building as soon as practicable

Summary

- Meaning of emergency
- Causes for the emergency situation
- Types of emergency situation that may arise in the store
- Procedure to handle emergency situations
- Procedure of reporting an emergency situation
- Suitable behaviour required to handle the emergency situation
- Procedure of raising alarm in emergency situation
- Procedure of evacuation during emergency situation

UNIT 14.2: Reduce Risks To Health And Safety

Unit Objectives

By the end of this unit, the participants will be able to:

1. Describe the safety requirements laid down by organisation
2. List the different types of risks with respect to safety that may arise in the store
3. Describe the approved action to deal with different types of risks
4. List the different types of hazards that may lead to risks and emergency
5. Describe the methods of dealing with potential hazards

14.2.1 Securing Customer Records

- Take frequent back-up of critical information on your computer hard drive(s) through CDs, DVDs, zip disks or similar media. Make sure to safeguard these copies
- Use passwords to protect office computers to keep unauthorised users (including PC repair persons) from gaining access
- Think twice before storing confidential information on PCs linked to the internet. Motivated hackers could easily (and transparently) gain access to these records and compromise confidentiality
- Ensure that unauthorised person cannot read the information displayed on office computer screens
- Inform seniors in case any unusual activities are observed or seen in the back room

Safeguarding store equipment and infrastructure

Guarding the store equipment, the importance of the same;

- Properly enclose and secure power generators to make them more likely to function after a disaster. Powerful back-up generators, with sufficient supplies of diesel fuel stocked in different locations, and with access to more, are very important in settings that are prone to emergencies which could disrupt the regular mains supply
- Store medicines and supplies to be stored in secure cabinets or in cupboards that are fastened to walls to make them more likely to withstand earthquakes
- Protect pipes and ducts and ensure safe supply of gases, including oxygen
- Secure medical and life-saving equipment, such as respirators or suctioning devices, to prevent them from getting disconnected during emergencies
- Ensure that there are systems to manage hazardous substances, including chemical, biological and radiological waste
- Handle expensive equipment and expensive spare parts with utmost care, to avoid high repair expenses
- Undergo training in health and safety practices and operating procedures for all the material handling equipment used in the store
- Use ladders and other suitable stacking equipment while stacking products at higher levels
- Conduct store walks to check for any risks and hazards, report incidents/risks/hazards to the authority in-charge

Protecting staff and customer belongings and store products**Against theft and burglary**

- Firstly, inform the manager or the security personnel to take necessary action and keep calm. It is the most important point when you are facing lawbreakers
- Secondly, delay. You should delay to deal with lawbreakers courteously but without insincerity. If the lawbreakers have a knife or a gun, you must try to let them put it down to lessen the danger to you and customers. Do not provoke the lawbreakers

Against material damage

- Handle the materials carefully, follow instructions if any and then handle the products accordingly. Provide proper instructions to the customers regarding handling expensive materials

Against fire

- Do not dispose of burning material, such as cigarettes and ashes into garbage containers
- Do not use unsafe electrical appliances, frayed extension cords, overloaded outlets or lamp wire for permanent writing
- Smoking is not permitted in the stores, back corridors or anywhere in the shopping centre

Against accounts fraud

- Secure the system with a password and keep it confidential
- Do not allow all and sundry to check and access the system
- Do not share the hard copies with everyone
- Keep the hard copies and soft copies in a safe place

The first duty of an SA is to alert the store staff and customers and inform the seniors in case of any unusual event in the store.

Protecting store equipment

There are many reasons for losses at the store:

- Mishandling of the store equipment: reduce damages and ensure that the materials are safe and secure
- Fire accident: take proper precautions to prevent fire accidents
- Health and hygiene
- Non-compliance with safety procedures
- Handling equipment/systems without the support and training of manufacturer, vendor, etc.

Precautions to be taken:

- Locate the instructions provided by the manufacturer of the equipment on the procedures of usage of the equipment
- Comprehend the instructions before using the equipment

The precautions taken to prevent loss in the store would lead to the following:

- Maintaining the impression and credibility of the store
- Maintaining confidence and loyalty of the customers for a lasting and smooth business

Personal protective equipment used in the store

- Hand gloves to handle chemicals
- Protective eye glasses and shoes
- Apron to protect from spillages and maintain hygiene
- Face masks with filters to protect against poisonous gasses
- Safety helmets while working on heights
- Insulated rubber mats and tools while working on any electrical equipment
- Safety signage for indications of cautions and precautions
- Correct disposal bags for disposing off the waste material
- Cordoning tapes for cordoning the area that may be slippery area, wet or any forbidden area

Housekeeping in the store

Cleanliness in the store

- **First impression counts:** Is the parking area clean and brightly lit? Is the entrance clean and inviting, with a trash receptacle available? The first impression that a customer receives about the store creates a lasting impression in his mind
- **Front door assumption:** Is the glass on the door clean and free of fingerprints? Customers will have an initial assumption that if the front door is dirty then the rest of the store may be the same
- **Make it glitter!** If it is glass or metal, it must be clean. Make it a priority to dust and use glass cleaner every morning after vacuuming
- **Shoulders to knees:** Customers notice the majority of 'merchandising' between their shoulders and knees. Make those areas a priority for cleanliness
- **Behind the scenes:** If the customer uses a fitting room, keep it spotless. 80% of the buying decision of the customers happens in a fitting room. If you have a back stock area, keep it closed to the customer's eyes!
- **Necessary rooms:** Customers should be able to use the store's restrooms. Not only should it look 'squeaky clean' to your customers but it should also say something about how you value your employees and their comfort level
- **Clutter free:** Shipping boxes, pallets, rolling racks, shipping materials—anything needed for the operation of the store should be out of sight or neatly stored away from the traffic flow in the store
- **Ease of shopping:** Overstocking of merchandise can be overwhelming to the customer, and they can 'assume' your store is messy merely because of the volume of merchandise. How easy is it to get around your store? Can you get a stroller or wheelchair easily around the store?
- **Aroma:** Does your store 'smell clean'? Customers can make an assumption of whether a store is clean based on what they smell. If you have become immune to any smell your store may have, ask friends or new employees to give their opinion
- **Register area:** The most important area of the store, no matter what type of store, is the place you exchange your hard earned money for something you purchase. Make it spotless!

Key safety procedures prescribed by law

Manual handling techniques: To prevent self from sustaining injuries one should undergo the training on techniques used for lifting, lowering, holding, carrying, pushing and pulling.

Basic fire-fighting techniques: In the event of fire one should know the procedure to handle the situation, such as:

- Identifying and shutting off the source of fire (only trained personnel)
- Cautioning people to keep themselves away from the fire
- Evacuation of people
- Participating in fire and emergency drills
- Intimation to store authority and fire brigade

Personal hygiene

- Bathing regularly is very important, especially in the city, where humidity and pollution can make your body a bacteria-magnet!
- Hair should be tied back, neatly cut and combed. It would be advisable that the ladies tie their hair back and wear a hair net
- Nails should be trimmed and nail polish must not be worn
- Prevent bad breath
- Wash your hands as often as possible. A lot of the places we touch may be very unclean
- Wear a fresh set of uniform. Wearing clothes over and over without washing them can cause very serious skin disorders
- Wounds and cuts should be immediately treated and covered well with water proof dressings

Food product handling

- Follow the food handling procedures as per store health and safety guidelines
- Clean your hands often using proper hand washing techniques to avoid food contamination

Caution against trips and falls

- Control spillages, caution against wet floors, smooth floors
- Caution against surfaces that are uneven, trailing wires, etc.
- Products, packages on the aisles need to be cleared for clear pathways

Caution against hazardous material

- Undergo a proper training on handling of hazardous material, knowledge on:
 - Corrosive, flammable, toxic and explosive materials
 - Material safety data sheet
 - Usage of personal protective clothing is essential

Preventive and safety measures

- Knowledge of usage of different signage
- Ensuring pathways are clear while moving the goods in and out of the store
- Reporting to the authorities on any incidents or unusual notices

Types of risks

- Accidents
- Fire
- Earthquake
- Riots
- Damages to products
- Physical injuries

Action plan to deal with risks

Workplace accidents and emergencies are more common than we might think. Every organisation has its own policies and procedures and there are also some legal requirements for dealing with accidents and emergencies.

Some of the important dos and don'ts

Dos:

- Carry out a periodic health and safety risk assessment
- Report all injuries and any emergency situation to appropriate authority
- Have a written health and safety policy
- Display all information relate to health and safety

Don'ts:

- Ignore hazards
- Forget to involve staff
- Neglect new legislation

Make it SAFER!

The term 'SAFER' can be expanded as:

- See it—immediate observation
- Assess it—the severity and consequences
- Fix it—fix/escalate the problem
- Evaluate it—reassess the hazard
- Review it—periodical review of the hazard management system

Identify your authority to deal with the risk or hazard through the store's policies and guidelines on safety. In case it is out of your authority, escalate to the supervisor or loss prevention team or as per the escalation matrix for health and safety matters.

Types of hazards

- Electrical hazards
- Housekeeping and storage hazards
- Entry and exit hazards
- Material handling hazards
- Hazards arising due to hazardous materials

Electrical hazards

Some of the main causes for electrical hazards and accidents are:

- Faulty electrical equipment
- Loose, trailing, cut, non-insulated cables or wires
- Improper or untrained usage of equipment
- Manufacturer warranty and maintenance slippage

Accidents

- Fire
- Injuries to people due to improper electrical equipment
- Electrical shocks that can lead to death

Some safety precautions

- Check for any malfunctioning of electrical wirings and equipment
- Report to the authority about the malfunctions, if any
- Use electrical extension cords wisely
- Keep clothes, curtains and other potentially combustible items away from all heaters
- Never overload extension cords or wall sockets
- Regular maintenance of equipment as per guarantee/warranty or AMC (Annual maintenance contract) of servicing and maintaining equipment
- Trained usage of equipment

The most important fire precaution is to have a functioning smoke alarm in your store and to practice a store escape plan frequently with your store staff.

Fuses and circuit breakers: When a fuse blows or a circuit breaker is tripped, alert your staff members immediately, inform your seniors and call the concerned department staff.

Inform your seniors: To minimise fire and shock hazards, whenever you see any wire hanging in the store/department or damages in the electrical equipment or unwanted materials piled up in a corner, carton boxes or papers kept near electrical equipment, it is your duty to inform your seniors or concerned department staff immediately.

Warning signs: Many electrical problems can be detected before they cause a fire or harm. To ensure electrical fire safety, learn to be alert and pay attention to any irregular electrical function in the store. Some warning signs include:

- A recurring problem with blowing fuses or tripping circuit breakers

- A tingle when you touch an electrical appliance
- Discolouration of wall outlets
- A burning smell or unusual smell coming from an appliance or wiring
- Flickering lights and some weird sound from the equipment

If you notice any of the above warning signs, or if an appliance functions oddly, take appropriate measures to prevent an accident, inform your seniors, alert the store staff and inform the concerned department staff. Unplug the malfunctioning appliance immediately. Electrical fire safety is a serious matter and precaution is of utmost importance. Ensure that learners have understood the importance of avoiding electrical hazards.

Housekeeping and storage hazards

Some major causes of housekeeping hazards:

- Slippery surface due to greasiness and wetness
- Spillage of liquids and chemicals
- Improper cleaning, removal of garbage and disposal of waste

Accidents due to housekeeping hazards

- Injuries from slips, trips and falls: Injuries from slips, trips and falls can cause torn ligaments, strains and sprains and broken bones. They can also cause back or spine injuries, resulting in handicap or death

Benefits and costs

- Benefits of good housekeeping: Good housekeeping eliminates accidents and fire hazards, maintains safe and healthy work conditions, saves time, money, materials, space and effort, improves productivity and quality and boosts the morale of the staff members and reflects a well-run store
- Costs of poor housekeeping: Poor housekeeping results in slips, trips and injuries from electrical problems, collisions and falling objects, health problems, insects and rodent problems

Housekeeping habits

- Good housekeeping habits: Good housekeeping habits include evaluating your workspace regularly, that is your department and store on housekeeping aspects, removing hazards before starting work, turning off the equipment after using it, making sure to keep your store neat and tidy always and never ignoring a safety hazard

Prevention

- Daily housekeeping checklist: Floors, aisles, workstations, equipment, storage areas and storage waste disposal, toilets, trial rooms and every other corner of the store needs to be checked
- Trained staff: You need to train and mentor a good housekeeping team. Ensure they are also part of the store team and own responsibility. Educate them on safety and cleanliness of the store to both the staff and customers

- Clean immediately and use signage: Use appropriate tools and chemicals to clear the area immediately. Use appropriate signs before and during cleaning process. Barricade the area which is unsafe for customers. Once the cleaning is done and you are sure it is safe for customers, clear the barrier and allow customers to the cleaned area
- **Prevent slips:** Prevent slips, regular floor walk for checks, clean up spills, repair leaks, pick up objects that are lying down, sweep up debris and wear slip-resistant shoes
- **Disposal:** Segregate and dispose waste, spoiled products, etc. as per company policies and procedures aligning with local government health inspection authorities. Infected food products can spoil the good products also. Ineffective disposal also attracts rodents, insects, etc. to create an unhealthy environment in the store

Housekeeping hazards can lead to an unhealthy environment, reducing the profits of the store.

Entry and exit hazards

Blocking the entrance/exit and fire exits of the store by dumping the stock, unwanted materials like carton boxes, garbage, etc. is called as entry/exit and fire exits hazards. The store entrance and exit should always be free, without things scattered around. Avoid disorderly accumulation of objects, carton boxes or other unwanted things.

It is important to keep the entry and exit area clean and tidy always, so that in case of an emergency evacuation, the customers and staff can leave the store without any commotion and confusion.

The major causes of entry and exit hazards are:

- Stocks kept at entry, exit and fire exit points
- Unwanted material piled up near exit/entry and fire exit points
- Improper maintenance of exit/entry doors and fire exit doors

Prevention

- Prevent tripping by cleaning up straps and bands. Put away electrical cords and air hoses. Do not stack items in walkways. Keep drawers closed and be careful when you carry objects and put away tools once you finish using them
- Ensure that the surface near exit/entry and fire exit points are clear of debris, dust, lint, paint, granular materials, tools, parts, loose carpeting and other slip/trip hazards
- Ensure regular maintenance checks on all doors including fire exits along with the help of maintenance department, manufacturer and others responsible for the doors or electronic access

Material handling hazards

The major causes of material handling hazards are:

- Improper carrying of heavy boxes or materials
- Reaching higher points using chairs or tables or using improper equipment
- Untrained usage of packing and cutting tools; knives, blades etc.
- Stocking materials without barrier signage

Prevention (refer images in the next slide)

Plan the route and use barriers while arranging stock

- Ensure the route is free of customers
- Clear the route from all kinds of obstacles: stock, debris, spillage, customers, staff, equipment, etc.
- Take the support of housekeeping staff to clear stock and other debris in the planned route
- Ensure it is spillage free and safe to move the goods in the route planned
- In case there are customers in the vicinity, use necessary barricades and safety cones to move the stock material
- Use reflector vests and two staff: one in front and one in back while moving the stock to clear the route while you move
- Plan in advance the movement and stacking of material during working hours of the store for customers

Lifting heavy objects

- Bend on knees while lifting material and use appropriate equipment (refer to the image in the next slide). Proper care should be taken while lifting and moving one point to another. Also ensure the minimum and maximum load the trolley/equipment can accommodate if you are using additional support to transport
- Refer manuals and procedures for minimum and maximum load lifting capacity of equipment. Deviating from such limits can cause damage to everyone in the store and also result in malfunctioning of the equipment used
- Ensure you do not lift more load than you can

Steps to be followed while lifting heavy objects:

- Keep your feet apart—wide enough, equal to shoulder-width, with one foot slightly ahead of the other
- Squat down, bending at the hips and knees only. If necessary, put one knee to the floor and your other knee in front of you, that is half-kneeling
- Look straight ahead and keep your back straight—chest out and shoulders back. This helps keep your upper back straight while maintaining a slight arch in your lower back, avoiding any kind of a back strain
- Slowly lift by straightening your hips and knees (not your back). Keep your back straight and do not twist or turn as you lift
- Hold the load as close to your body as possible, at the level of mid stomach
- Decide your route plan in advance and use your feet to move in the direction where you have to take the load by taking small steps
- Lead with your hips as you change direction. Keep your shoulders in line with your hips as you move
- Set down your load carefully, squatting with the knees and hips only

Keep in mind the following:

- Do not attempt to lift by bending forward. Bend your hips and knees to squat down to your load, keep it close to your body and straighten your legs to lift
- Never lift a heavy object above shoulder level

- Avoid turning or twisting your body while lifting or holding a heavy object
- Use ladders for higher levels to climb for the purpose of cleaning or stacking products

Follow the instructions based on image in the next slide.

Steps to be followed while using a ladder:

- Ensure the ladder is free of rust and not broken
- Rest the ladder against a surface which has proper grip. Make sure it does not slip
- Hold both the sides and climb one step at a time
- Complete your task at chest level
- Do not hold with one hand
- Always leave the first two steps of the ladder free
- Get trained in usage of tools to open boxes or for packing

Steps to be followed for cutting/opening packed boxes:

- When opening boxes, always use a box cutter with a proper handle
- Check the thickness of the cardboard
- Thin cartons require less pressure to cut and caution should be taken not to damage the contents with the box cutter
- Place one hand on the box and use the other hand to firmly hold the box cutter
- Begin cutting with the box cutter blade angled slightly upward and away from the merchandise
- Keep the cutter away from your body while cutting and as close to the top of the box as possible
- With each cut, be sure any body part and clothing is not in the path of the box cutter
- Safely dispose of unwanted material after unpacking
- Follow packing procedures as per company policies and procedures when certain stock has to be returned to vendor, DC or other stores

Hazardous materials

The major types of hazardous materials in store are:

- **CLASS 1—EXPLOSIVES**

Explosives are materials or items which have the ability to rapidly detonate due to ignition by fire.

For example fire crackers produce hazardous amount of heat, light, sound, gas or smoke.

- **CLASS 2—GASES**

For example lighters, fire extinguishers, spray cans (body deodorant), refrigerant gases in ACs and refrigerators.

- **CLASS 3—FLAMMABLE LIQUIDS**

For example adhesives, paints/lacquers/varnishes/turpentine, alcohol, perfumery products, gasoline/petrol, diesel fuel.

- **CLASS 4—FLAMMABLE SOLIDS**

For example matches, camphor, batteries, cells.

- **CLASS 5—OXIDIZING SUBSTANCES**

For example bleach, chlorine, hair dyes, toilet cleaners.

- CLASS 6—TOXIC SUBSTANCES; INFECTIOUS SUBSTANCES
For example medical/biomedical waste, clinical waste, chloroform, cyanides.
- CLASS 7—RADIOACTIVE MATERIAL
For example x-ray materials, smoke detectors, watches and clocks, ceramics, glass and fertilizers.
- CLASS 8—CORROSIVES
For example batteries, battery fluid, fuel cell cartridges, dyes, fire extinguisher charges.
- CLASS 9—MISCELLANEOUS DANGEROUS GOODS
For example lithium ion batteries, lithium metal batteries, battery powered equipment, battery-powered vehicles, fuel cell engines, first aid kits, car airbags and seatbelts.

Prevention (refer to images and signs in the next slide)

- Identify the type of hazard using the symbol
- Any material to be considered as hazardous should be kept away from customers
- Products containing low levels or high levels of hazardous materials should be cautiously handled
- Equipment or maintenance materials containing hazardous material should be regularly checked and serviced
- Spillage or leakage of any hazardous substance do please follow instructions as per policies, procedures and inform relevant authorities immediately
- Disposal of waste also contains hazardous wastes. So be extremely cautious in disposing them as per government regulation and store operating policies and procedures
- Create a plan and schedule to monitor hazard maintenance and service

Remember

- Hazard is synonym to danger! Always take precautions to prevent any mishaps
- Hazardous waste is another major danger if not disposed appropriately

Summary

- Safety requirements laid down by organisation
- Different types of risks with respect to safety that may arise in the store
- Approved action to deal with different types risks
- Different types of hazards that may lead to risks and emergency
- Methods of dealing with potential hazards

Exercise

A. Mention whether following statements are true or false:

1. Elements of an emergency action plan include:
 - a) Procedures for reporting emergencies
 - b) Evacuation procedures and emergency escape route assignments
 - c) Contact information
 - d) All of above

2. Types of accidents and emergencies may be like:
 - a) Equipment malfunctioning accidents
 - b) Vehicles accidents
 - c) Fall from heights while stacking products
 - d) All of the above

3. Evacuation process during earthquake involves:
 - a) Taking shelter under tables, desks or in doorways.
 - b) Staying away from windows, shelving and large free-standing furniture
 - c) Leaving the building as soon as practicable
 - d) All of the above

4. Few kinds of accidents that can occur are:
 - a) Severe bleeding
 - b) Injuries to the limb
 - c) Burns
 - d) All of the above

5. Reasons for losses at the store could be:
 - a) Fire accident
 - b) Mishandling of the store equipment
 - c) Non-compliance with safety procedures
 - d) All of the above

B. Answer the following:

1. Define workplace emergency.
2. Identify the causes for emergency situations.
3. Describe the procedures for dealing with emergencies
4. Describe how to secure customer records.
5. Describe housekeeping in stores.



15. Working Effectively In A Team



Unit 15.1 - Working Effectively in a Retail Team and Organisation

Unit 15.2 - Information and Documentation at Workplace

Unit 15.3 - Develop Effective Work Habits



Key Learning Outcomes

By the end of this module, the participants will be able to:

1. Identify the importance of working effectively in the team
2. Know the importance of information, instructions and documentation in retail workplace
3. Discuss the importance of effective work habits
4. Follow the required etiquette of the workplace
5. Identify the significance of a positive attitude at the workplace
6. Show how to effectively at the workplace
7. Identify the significance of active listening skills
8. Practice positive body language while communicating with others
9. Identify the significance of good interpersonal skills at personal and professional front

UNIT 15.1: Working Effectively In A Retail Team and Organisation

Unit Objectives

By the end of this unit, the participants will be able to:

1. Summarize the benefits of working as a team player
2. Develop effective work habits

15.1.1 Reporting Hierarchy And Functions Of A Sample Store

- A store has the Operations teams (as shown on the right side of the slide), supported by many functions (as shown on left side of the slide)
- Departments or functions are like HR, IT, admin, etc.
- Top most in the hierarchy would ideally be the store manager supported by duty manager and the bottom most is ideally the store associate
- For example store associates usually report to a team leader
- These are only examples and can vary from store to store

Hierarchy

It is important to know the hierarchy of the organisation and store where one is working:

- Knowing the reporting structures
- Escalation
- Seeking information which you are not aware
- Guiding others to the relevant people and department
- Work as one team

It ensures 'who' has to do 'what' by providing access levels, responsibility and accountability

- Responsibility
- Accountability
- Support
- Consultation
- Information
- It provides information on designation and decision-making authorities
- It simplifies the way of working structure in an organisation

It is essential and critical for one to know the members of an organisation and what they do. If an associate is not aware of the reporting structures, department activities and escalation levels, it would become impossible to communicate any matters pertaining to the store. This will make the job tough resulting in poor performance.

Escalation matrix is the hierarchy in the store operation processes which provides information on how the escalations can be carried out. The associate can make use of this information to escalate or bring to notice various matters and issues pertaining to day-to-day operations of the store to the seniors/authorities for resolutions.

Some departments/functions

A store associate may have to interact with some or all the functions mentioned below:

- Cash office or store accounting department
- Audit
- IT
- HR
- Housekeeping and maintenance
- Security, safety, loss prevention or asset protection

So it is important to know their day-to-day tasks and people involved in the functions. There could be more functions depending on the store. It is critical to know the departments as they are important in internal day-to-day task execution, escalations, reporting aspects, providing and taking information, complaints, requests, etc.

Cash office or store accounting department

Store accounting or cash office department's responsibility is to manage all cash by reconciling it accurately in the system and ensuring that there is no excess or shortage. Associates at the cash counters are responsible to inform and provide information of any deviation to cash office/supervisors as per store guidelines.

- They receive cash from head office/bank/collection/distribution agencies and store cash safe and secure
- They also receive cash from cashiers at respective POS (Point of sale)/Tills at the end of their shift/duty time
- They pick-up from tills, when cash overflow happens at the tills leaving behind the float cash
- They provide cash to the cashiers at respective POS /Tills at the start of shift/duty-time in the form of float cash
- They provide interim float cash in case of emergency
- They also provide for store expenses with petty cash and deliver to collection agents of the banks
- Their responsibility is to count/re-count currency with the help of counting machines
- They re-check for fake notes which may have been collected from the tills
- They receive credit/debit card transactions, food coupons, gift coupons, discount coupons, reconcile them and account the same
- They produce receipts and invoices for any purchases or payments
- Check/re-check and ensure accuracy of all transactions

Audit department

An audit for a store is similar to the regular check-ups done by a doctor. Issues in the floor or the category one is responsible for can be escalated. The store audit team can support the staff as per the store guidelines. Audits are done as per routine cycles mentioned in the store process guidelines. Some stores do it everyday morning before the store opens. These audits are performed by the audit manager along with some of the chosen store associates.

- The functions of the audit team include:
- Checking conformity or lack of it in all the departments of a store
- Store inventory audit is done for checking accuracy, identifying concerns (for example inventory mismatch, price mismatch, etc.) and providing solutions
- Audit teams perform audit on waste disposal to re-check
- Preparing the store for the inventory process
- Verifying store reports and tracking logs
- Preparing category listing which includes all items, so that none of the items are missed
- Keeping the manager informed of shrinkage, refund, claims and goods returned issues
- Keeping a quality check on the store performance
- Working closely with the store manager, loss prevention and assets protection teams
- Informing HR about the skill gaps and recommending appropriate training/coaching for the associates

Information technology (IT) department

Information technology today is the backbone of all retail functions.

The functions of the IT department in a store include:

- Responsibility for hardware, like computer systems, laptops, printers, scanners and projectors, POS machines, HHTs (hand held terminals), CCTV recordings and attendance swipe machines
- Responsibility of software, like e-mail, HHTs software, billing/inventory software, CCTV recording software
- Recording and maintaining the service and maintenance of all IT equipment
- Responsibility of attendance of employees by swipe card and providing it to payroll
- Complaining/escalating/informing any hardware/software malfunctions

Human resources (HR) department

HR is another crucial shared services department which is responsible for all staff. All staff related problems are jointly sorted with the HR along with respective supervisor and department heads and store manager. They are also responsible for the required training and coaching needs of the staff. They also play a critical role in taking disciplinary actions against any disciplinary issues in the store by the staff. The HR should be approachable and should motivate the staff during store walks.

The HR department's functions are:

- Planning and recruiting manpower of both temporary/permanent staff along with operations team
- Instilling culture and value systems of the company in the existing and new staff
- Introducing company standards, policies and procedures, staff rights and obligations through induction

- Ensuring that all staff is trained as per company standards before starting operations
- Ensuring attendance, payroll maintenance and salary distribution on-time
- Ensuring that office etiquettes, duty-time and grooming standards are followed by self, team and staff as per company standards
- Taking care of timely performance management, rewards and recognition for staff
- Showing a career path for the store staff and keeping them together as one team
- Supporting the operations in disciplinary actions as per company standards
- Resolving issues based on integrity, harassment, sexual harassment, discrimination, racial discrimination, cultural conflicts, etc. within staff

Housekeeping department

This department takes care of the cleanliness of the store and maintains proper standards as per the organisation guidelines/policies. It is a key department in maintaining the image and reputation of the store by keeping it clean and safe for customers, staff and vendors.

The functions of the housekeeping staff include:

- Sweeping, mopping, dusting, vacuuming by placing relevant signage
- Using the right equipment for cleaning along with the appropriate chemicals and materials
- Cleaning the outer premises, shop floor, POS/tills, back-store floor, back-office floor, staircase, trolley holding bay and toilets
- Cleaning windows/doors/ceiling and sometimes maintaining a garden if available
- Refilling toilet paper rolls and hand soap in the bathrooms, ensuring cleanliness always
- Maintaining the cleaning materials inventory and replenishing them
- Clearing materials, debris or trash, post arrangement or re-arrangement of displays
- Maintaining a routine checklist cross-checked by the housekeeping supervisor and admin-in-charge
- Ensuring that all light bulbs are in working condition and replacing if necessary
- Picking up any lost items and giving it to the store management
- Supporting the disposal of waste along with the staff/loss prevention/audit team as per the waste management policy

Security and safety/loss prevention or asset protection department

The security and safety or Loss prevention (LP) or Asset protection (AP) department takes care of the safety and security of the store for the customers, staff and vendors. Some organisations have a separate LP or AP team which is different from the store security. The associate should understand and distinguish between the security and LP/AP team.

The security staff who manage exits/entries/frisking/car park, etc. are outsourced by the store management to a third party. Organisations have uniformed security guards in the security department. There are security guards in both genders for frisking women and men separately. They are well liaised with the local police, legal authorities etc.

In retail parlance, loss prevention/asset protection (LP/AP) team is responsible for the protection of store, products, equipment, accessories, cash, etc. They also take care of the safety and protection of the staff/customer/vendor.

The functions of the security and safety/LP/AP team include:

- Ensuring protection and integrity in the store
- Making the store environment safe and secure
- Protecting all the assets and people to be protected against theft/damage and accidents in the store premises
- Ensuring that all surveillance equipment like CCTVs, alarms, etc. are in working condition always
- Managing securely all the key entry, exit, fire-exit points, etc. in the store
- Ensuring that one or more of their team members are trained fire-fighters
- Preventing and managing theft, shrink along with LP team
- Frisking all employees, support staff and vendors when necessary

Other departments (as per electives)

The associates can be placed in any of the departments in a store depending on their choice/elective or opportunity. So it is very important that they know and understand the other departments in the store too.

A few of the other departments are mentioned below:

- Food safety department
- Poultry, meat and fish
- Frozen and Ready to Eat (RTE) food
- Apparels, automobiles and accessories
- Baby care
- Books, music, toys and office stationery
- Consumer durables: TV, refrigerator, washing machine, air-conditioners, etc.
- Computer and accessories
- Mobile, telecom products and services
- Furniture, luggage, bags, etc.

Remember: Whichever department you are working in a store, there is only 'ONE TEAM'.

Communicate with them properly and know them well!

Policies and procedures—Sample

The sample provided here is only for reference on how a policy and procedure looks. The real policies and procedures may vary from company to company. It is necessary for the associate to read, understand and interpret the policies and procedures of the store.

- **Policy name**
 - Leave policy (comes under HR policies)
 - Employees accrue annual leave days based on the schedule below
 - Employees accrue annual leave based on the hours paid during the pay-period each month
 - Annual leave accrues each pay-period and is credited to the employee's leave balance each pay-period or on the last day of active employment in the case of termination

- **Procedure**

To use the annual leaves, employees must submit a leave request on a 'Leave of absence' request form or do it online in some cases with start and end time/date.

Request should be submitted well in advance of the leave time and must be approved by the supervisor.

- The store operations manual has the standard operating procedures, which the associate needs to keep himself/herself informed

Summary



- Reporting hierarchy and escalation matrix of a typical retail store
- Functions of the key departments in a store
- Policies and procedures applicable to the job role

UNIT 15.2: Information And Documentation At Workplace

Unit Objectives

By the end of this unit, the participants will be able to:

1. Explain the importance of handling information within the purview of the the job role
2. Explain the importance of reading and interpreting policies and procedures
3. List the steps to follow routine instructions through clear and direct communication
4. Identify how to ask questions to find and confirm requirements
5. Complete workplace documentation by writing simple reports

15.2.1 Scope Of Information

The scope of information and materials required within the role of an associate would cover:

The company and store details:

- Company details, history, values, store layout, head office, branch office, distribution centres, etc.
- People details: hierarchy, department and functions—store managers, department managers, team leaders, zonal managers, buyers, functional heads, functional managers, buyers, category heads and managers, SMEs, etc.
- All the people mentioned with their contact matrix having name, designation, contact details, mobile number, e-mail id, etc. in an excel sheet or printout
- Hardcopy and soft copy manuals of company values, policies, procedures and guidelines
- Hardcopy and soft copy manuals of store operating processes (SOPs)

In-depth knowledge and information on products:

- Categories and SKUs: Availability, delivery schedules, stock-in-excess/shortage, removed/deleted products, new-line products, damaged, dump, mark-down, return-to-vendor, etc.
- Displaying, removing, re-arranging, re-aligning, etc.
- Pricing details: change of price (increase or decrease), change of labels, wrong label identification
- Offers and discounts: based on seasons, festivals, brand-based, etc. updating them with labels, etc.

Types of services and maintenance contracts offered: based on the service provided, contract, warranty/guarantee, renewals, service schedules, etc.

- Details of membership and loyalty programmes
- Customer details, their behaviour types, buying habits, name and contact details
- Contact details and delivery schedules of vendors and in some cases the type of business
- Competitor's information: products, services and pricing

- Equipment provided by the manufacturer, like computers, labelling equipment, HHTs, ACs, freezer and other units that require to be maintained and serviced regularly. Contact numbers, e-mail ids, contract details, expiry / renewal dates, service dates etc. of the service department

Modes of information

Scope of information explained above in the previous slide reaches the associate through the following modes. The pictures depict the mode in which the information comes. The associate has to be ready to receive the information anytime and act accordingly.

- Verbal instructions: direct, mobile, SMS, instructions/information from colleagues. For example the supervisor requests an associate to attend to a customer who is looking for a specific product
- Store operation processes, policies, etc.: Manuals in hard copy or soft copy available in the store for the associates' information and reference while implementing a task
- E-mails, reports and messages: Reports prepared by the associates. Instructions or information coming through mail
- Planograms—display setting instructions: Technical details provided for the associate to set up a display
- HHTs—price: Hand held terminals display price information and help to print labels also
- POS/Tills: Billing information of products

Reading, interpreting and understanding information

Once the scope and mode of information/instruction is received, the associate should be in a position to read, understand and interpret them. An associate is expected to complete a task based on any information coming in any mode.

The associate should:

- Read them completely and in case of doubts, clarify with colleagues. Any ambiguities in the document should be escalated to the supervisor immediately. Manuals, policies or processes should be referred to, if needed
- Have a clear understanding of the expectations from him/her and the team from the information or instruction provided
- Make notes of key facts, like deadlines, timelines, dates, locations, people, products, services, etc. Some of the information could be daily, weekly, fortnightly, monthly, yearly, etc.
- Relook the document for any missing information relevant to the task to be implemented. Identify those gaps and fill them quickly by referring manuals or asking concerned people
- Refer or verify with supervisor, colleagues or anyone involved with the task
- Listen patiently and make notes, if a verbal instruction is received. Ask relevant clarification or ask the person to repeat or rephrase if the instruction is not understood
- Summarise what is expected from you and take confirmation before proceeding to do the task

Identify and confirm requirements

After reading, understanding and interpreting the information/instruction, the requirements should be identified and confirmed by asking questions.

The associate should be able to:

- Understand the requirement clearly and what is expected
- Identify any further/missing information required. Identify any missing information /details

- Identify who is to be contacted if further information is required

For example, the requirement is a list of items required to fill Aisle 1 Bay 2, the probable questions are:

- What are the current items in the location specified?
- Is there a gap to fill with the list specified?
- If so, what are the items to be filled against gaps?
- Is the stock available to be filled?
- What is the quantity, SKU details, price, offers and discounts for the items?

If stock is not available ask the 'supervisor' for alternate options.

- Make a checklist of all items, material, information, people involved in meeting the requirement
- Re-check requirement details against the checklist
- Confirm if the requirement has been met

Following routine instructions

In the daily life of a store associate there are several regular tasks to be accomplished without supervision.

For example, for checking the aisle/bays for the right products placed in the right place with the right price and quantity, the associate might have to:

- Take the HHT and reconfirm the price with the labels
- Check for filled shelves
- Fill the gaps by bringing the stock from back room and displaying it
- Speak to the supervisor or arranging from vendor or Distribution Centre (DC) in case of inadequate stocks
- Report situation as per SOPs
- Make sure the stocks are displayed accurately as per processes
- Complete routine instructions as per requirements, timelines and within cost by adhering to company values, policies and procedures
- Review the routine with immediate supervisor; if supervisor is not available take help from others
- Report the routine to concerned supervisor in case of uncertainties
- Look at alternate solutions in case of uncertainties within SOPs
- Write reports about the routines as per format and send to concerned colleagues/officials as per the informed deadlines; update reports as per scheduled routine
- Ensure that routine tasks are accurate; re-check to make it error free

Workplace documentation

Documentation is a crucial record that supports and verifies an associate's performance and accomplishments against the tasks assigned. Other supporting documents in the store help for a smoother operation. The associate is expected to maintain accurate data and documents as per company standards and guidelines.

- Routine tasks are documented against requirements and verified by supervisor
- Special incident documentation includes accidents, missing stock, etc.

- Documents help in following-up incidents
- Refer and update periodically based on scheduled routine
- Remember to nurture the company values in providing accurate and precise data
- Inaccurate information damages the associate's reputation and results in non-growth

Reading and understanding a sample process

The associate is expected to read and understand company processes and policies for the purpose of implementing them. In case a deviation of processes is identified, the superiors should be informed; failing which poor quality of service to the customers will be reflected resulting in financial loss and loss of reputation, which will result in loss for the store. Given here is a sample process to manage waste. Depending on the company and store, there might be a number of processes the associate has to be familiar with.

Sample process—Managing waste

- Process name—Stocks to be disposed at stores
- Process name —Waste management
- Guidelines for disposing stocks at the store:
 - Products that cannot be returned to vendors have to be disposed of at the store and should be recorded in the Daily Dump Register
 - Stocks that are being dumped have to be checked by security/LP/Audit teams
 - Employees are not allowed to take any of the dump material
 - The Daily Dump Register should be updated and signed daily by the authorities
 - Copies of Daily Dump Register system information must go to the accounts, based on routine
- The stock from the previous day should be selected, grouped and segregated as follows:
- Un-saleable product—dump
- Saleable today—return to store for sale
- Waste record must be maintained in the Daily Dump Register Form
- The Daily Dump Register must be a hard copy, signed off by the authority

Summary

- Scope of information or materials required within the parameters of the job role
- Reading and interpreting organisational policies and procedures
- Reading and interpreting workplace documentation
- Steps to follow routine instructions through clear and direct communication
- Procedure to follow instructions accurately
- Asking questions to identify and confirm requirements
- Workplace documentation and simple reports

UNIT 15.3: Develop Effective Work Habits

Unit Objectives

By the end of this unit, the participants will be able to:

1. Discuss the significance of displaying courteous and helpful behavior
2. Outline a typical value system of the organisation
3. Summarise the employee rights and obligations
4. Identify the language and concepts that are appropriate to cultural differences
5. Identify how to use gestures or simple words to communicate where language barriers exist
6. List the consequences of poor team participation on job outcomes

15.3.1 Courteous And Helpful Behaviour Elements

Being courteous and helpful always is the expectation the store has from an associate. The store has different kinds of people working. The customer service aspects expect the associate to display the following behaviours:

- Use polite words in a simple and decent language with team, customers and vendors
- For example Sorry Sir, Thanks a lot Madam, I apologise Sir, etc.
- Never use abusive or foul language with anyone within or outside the store. This is considered as an offence as it tarnishes the image of the associate and the store
- Notify supervisor and HR in case any staff uses foul/abusive language
- Ensure to arrive for duty on time. Being punctual should become a habit!
- In case of emergencies, do not fail to notify supervisor and HR
- Take breaks as per designated timelines/shifts

At times body language may be used to convey certain information—use appropriate sign language. For example while helping a customer reverse his car in the store car parking area, try using non-verbal communication or take help from others, if you are facing a language problem.

- Do not use incorrect words/phrases without clarifying—read, listen and improvise
- Adapt (if new) to the culture and values of the company. Remember that like every family in India has its own culture and values, companies too have it! So if you are new, adapt to their values and nurture them

Time management

- Manage your time well between family and work—maintain balance
- Finish tasks within the deadlines provided by supervisor
- In case of inability to finish task, inform supervisor with fair reasons
- Keep a strict vigil on safety and security of assets at the store—prevent damages/theft, misuse, improper use of equipment, thus enhancing profits for the store

Values of an organisation

Values are qualities that define people, organisations and products/services. Value systems vary from person to person, company to company, culture to culture. Most of them are imbibed from childhood or in case of a company, from its beginning. Every individual's value should be respected as long as it does not infringe on others. However an organisation has a set of values that the employees are expected to follow. Deviating or going against those might be considered an integrity issue. In such cases, the HR might have to take disciplinary actions, which could lead to termination also. These values should be understood and followed as one would follow the company processes.

Some value words commonly used by companies:

- Dependable, reliable
- Loyal, committed
- Open-minded, honest
- Consistent, innovative
- Efficient, creative

Some sample value statements used by companies today:

- Commitment to innovation and excellence
- Commitment to sustainability and acting in an environmentally friendly way

Managing cultural difference

What happens if an individual goes to a new place—a state or country where he/she has never been before? He/she would be facing problems in language, type of food, climate and other cultural aspects. A retail store is filled with staff from different cultures from across the country. To bring all the cultures together, there should be a common platform—this is called the etiquette.

What is etiquette?

- Rules that allows people to interact in a civilised manner among diverse cultures

Code of conduct that are in common for all cultures to:

- Avoid embarrassment and misunderstanding with others
- Easy to understand others in social circle and office situations

Working with a set of people with 'diversified culture' could have the following effects:

- Words could be misinterpreted or misunderstood
- Non-verbal language and body language could be misinterpreted and misunderstood
- Behaviours could offend each other

Cultures in the corporate

Etiquettes or rules can be classified as following to avoid embarrassment in a diverse cultural situation:

- Dress code
- Handshake
- Non-verbal communication
- Dining etiquettes
- Telephone etiquettes
- E-mail etiquettes
- Don'ts—smoking, chewing paan, consumption of alcohol at work

Employee rights

The company policies and labour laws in the country give rights and powers to every employee/staff. All employees must be aware of their rights. This would help them feel safe and secure at the workplace without their physical and self-esteem being affected in any way.

- Indian labour laws have specific policies on employee rights at workplace (aligned with company policies and procedures). Some of them are:
 - Salary
 - Travel and other allowance involved
 - Working hours, extra working hours, leaves and absenteeism policies
 - Settlement process after resignation/termination
 - Gender equality and discrimination
 - Termination policies
 - Health and safety as per 'Occupations Standards'
 - Disrespect, sexual harassment policies
- Know your rights and legalities involved. Take advice from supervisor, HR or any other colleague who knows the process well
- In case issues remain unresolved by the internal team, know the external official/authority who can help you
- Ensure you are treated well at the workplace; self-esteem is to be held at workplace

Team participation

Working as a team is highly important in a retail environment as many people and processes are involved.

- Whom to participate with?
 - Colleagues: peers, supervisors, subordinate
 - Departments: IT, HK (housekeeping), security, VM, marketing
 - Functions: HR, audit, store accounting
 - Vendors
 - Equipment maintenance team/Original Equipment Manufacturer (OEM)
- For What purpose?
 - Aligns to values and standards of the company
 - Smooth operations of the store

- Mutual benefits—helping each other
- Accuracy and speed in the tasks performed
- Associate’s growth
- Work smart, not hard
- Enhance store profits
- How to participate?
 - Open communication—follow instructions accurately and give clear instructions
 - Actively collaborate—work together cohesively, share information, distribute work
 - Keep commitments—honour your promises, apologise in case of non-availability
 - Mutual concern—care for each other, they are like family
 - Long term perspectives; think about the future and growth
- Consequences of poor team participation
 - Relationships becoming bad which results in bad reputation for all
 - Customers stop coming to the store
 - Sales reduce resulting in financial loss
 - Bad services leading to bad word-of-mouth, which will spread fast
 - Negative image of the store
 - Career growth stops for the associate, resulting in less salary and benefits

Remember: A poor performing team is like a weak link inside a store which can destroy the growth of all involved.

Summary

- Displaying courteous and helpful behaviour at all times
- Value system of the organisation
- Employee rights and obligations
- Language and concepts appropriate to cultural differences
- Using gestures or simple words to communicate where language barriers exist
- Consequences of poor team participation on job outcomes







Notes







A large rectangular area enclosed by an orange border, containing 25 horizontal lines for writing notes.

16. Annexure



Module No.	Unit No.	Topic Name	Page No	Link for QR Code (s)	QR code (s)
Chapter 1 - Introduction to Retail	Unit 1.1 - Introduction to Retail	1.1.1 Retail	19	www.youtube.com/watch?v=Gm-agMsfu0s&t=40s	 English phrases for salesperson
Chapter 2 - Suggesting Right Products to Customers	Unit 1.2 - Demonstrate Products	1.2.1 Present and demonstrate	44	www.bakercommunications.com/sales-training-videos.htm	 Overall sales training video
Chapter 5 - Maximising Sales	Unit 5.1 - Maximise Sales of Goods and Services	5.1.1 Purpose of promotions	93	www.youtube.com/watch?v=JT1bc8q5Dw0	 How to upsell the product
Chapter 7 - Building Positive Image in Minds of Customers	Unit 7.1 - Building Effective Rapport with the Customers	7.1.1 Importance of creating a positive image	130	www.youtube.com/watch?v=rt6QXdKafRQ&t=46s	 How To greet customers
Chapter 8 - Resolving Customer Concerns	Unit 8.1 - Resolve Customer Concerns	8.1.1 Service	141	www.youtube.com/watch?v=zldwm__fnEc	 How to deal with aggressive customer
Chapter 9 - Organising Service Delivery	Unit 9.1 - Organise the Delivery of Reliable Service	9.1.1 Organisational procedures and systems for customer service	150	www.youtube.com/watch?v=IQsbFaNZLm4	 How to make sale effective

Module No.	Unit No.	Topic Name	Page No	Link for QR Code (s)	QR code (s)
Chapter 10 - Customer Relationship Management	Unit 10.1 - Improve Customer Relationship, Monitor and Solve Concerns	10.1.1 Methods of communication	162	www.youtube.com/watch?v=LVTZ_jISqH4	 <p>How to retain customers, build customer loyalty and internal customer relationship</p>
	Unit 10.1 - Improve Customer Relationship, Monitor and Solve Concerns	10.1.1 Methods of communication	162	www.youtube.com/watch?v=FXHD4VPWkrk	 <p>Be a successful sales person</p>
Chapter 14 - Maintain Healthy and Safety	Unit 14.2 - Reduce Risks to Health and Safety	14.2.1 Securing customer records	221	www.youtube.com/watch?v=dek1slvptlM	 <p>Maintain safety and health at work</p>
	Unit 14.1 - Dealing with Accidents and Emergencies	14.2.1 Securing customer records	221	www.youtube.com/watch?v=CYHzwtPFIaw&t=91s	 <p>Dealing with emergencies</p>





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