



CNA'S 2018 GUIDE TO THE NEW REALITIES OF RETAIL

10 Ways to Strengthen Your Independent Retail Business

By Nicole Leinbach Reyhle, Retail Minded

Saying Goodbye to the Old and Hello to the New

The start of a new year is an exciting time for retailers, particularly when reflecting back on a successful holiday season or even better — a successful past year. For many merchants, however, the start of a new year introduces the opportunity for change ... something they are both *ready* for and *need* to have happen in order to stay afloat in the always competitive retail marketplace. Whether it's adjusting their current vendor assortment, customer service strategies, store procedures or more, many retailers can agree that the new year is the perfect time to adopt new habits while kicking some old ways to the curb. Keeping this in mind, what goals do you have looking ahead into 2018?

Retailers exist in a competitive yet exciting market that is consistently evolving as each day passes. Technology has never been more meaningful for merchants while customer demands have never been so strong. This introduces various challenges for retailers, especially small to mid-size merchants who don't have an entire team of associates keeping up with the ever-changing retail landscape. Yet at the same time, these challenges can be welcomed as opportunities with the right perspective, the willingness to embrace change and the resources to help you along the way.

Looking ahead into 2018, are you ready to make some changes? Increase your chance for store success with the help of CNA's 2018 Guide to The New Realities of Retail.

And congratulations ... you've already embraced reality number one — which is that change can be good for business.

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1 Understand **Your** Retail Persona

Retailers — just like retail stores — come in a variety of shapes, sizes and personalities. The question remains, however, what kind of retailer are you?

Using the following personas, which retail personality type do you relate most to? We'll explore how each persona can impact retail decisions, including addressing risk exposures and insurance coverages, that ultimately impact your store success, as well.

RETAIL PERSONA #1

Retail-Preneur

For Anne-Marie, her independent beauty shop is a product and labor of love. She fulfilled a long-term dream by starting her own business in this niche, and responds strongly to others who share her passion. It's a venture that is very personal to her. Balancing the joy of running her business and her family makes administrative and operational aspects feel especially burdensome. She's passionate about what she does, but views most operational tasks — such as buying insurance — an irritation. Anne-Marie is fairly typical of her generation of retail owners. She wouldn't think about buying insurance any way other than online. She understands that it's important but it's really just a box to check off as a small business owner. She appreciates someone looking at what insurance she bought and assuring her that she is protected, but she dislikes feeling as if she's being upsold. She might be open to a service for small businesses that helped her streamline all of the business paperwork so that she could focus on buying and selling product.



"I do it all, **from sourcing products, to marketing**, to all business operations."

RETAIL PERSONA #2

Retail Guru

Despite being a self-described through-and-through 'techie,' Allan is very much a people person. As the owner of a small electronics store, he thrives on making and sustaining relationships with customers, vendors, friends and family. Appealing to this quality might include connecting him with other local small business owners, and by using a personal touch when dealing with him. Doing what he loves while still allowing time to spend with his kids is important to Allan. When it comes to insurance, Allan prefers to work with an agent. He likes to sit down with him to discuss the business and what his insurance needs are. The reputation of the company is important, as are the levels of coverage and cost. In the end, his agent's advice has the most sway in his insurance decisions.



"I'm a techie. **I love watching how the industry is evolving, and helping people manage technology** to their personal levels of interest."

RETAIL PERSONA #3

Retail Legacy

Arthur inherited the family shoe store business from his parents who worked in it all of their lives. His model is work, work, work — and he doesn't trust anyone else to manage his business. He wants to break out of that thinking, but it's deeply engrained. Like many small business owners, letting go of enough to enjoy his personal life is very difficult. For Arthur, this leads to a sense of conflict — he has a strong sense of responsibility to his business and his family, but finds striking a balance hard. Being able to trust people is extremely important and, when he finds such people, he rewards them with his loyalty. This includes his insurance agent, whom he has been with a long time. When Arthur thinks of business insurance, he thinks of "choices." There are so many options and things to think about, so he puts trust in his agent to help him identify and understand all these options — while also aiming to save money.



2 Identify Your True Customer

Understanding customers has never been easier thanks to advanced data technologies, behavioral recording tools and a stronger understanding of customer touchpoints. This is good news for busy merchants since customers — after all — can make or break the success of a retailer. Fortunately, the opportunities and resources available to merchants to better understand their customers are vast and strong — truly helping to define the reality of whom their customers are versus who they may think they may be.

When aiming to understand *your* customers, it's important to first recognize where you are capturing your current customer data. Is it from past sales? Online marketing? Data collected in your store? Email marketing lists?

Or nowhere at all?

If identifying your customer insight has historically been through perception and observations alone, it's time to look ahead into 2018 with a fresh perspective of how you will understand your customers. No longer can retailers lean on their opinions and idealism to manage customer expectations. Instead, merchants must embrace data generated from various touchpoints that can help reveal the authentic customers of their stores. Often, it's only when these actions are taken that retailers truly understand their existing consumers and target market — which ultimately leads them to strengthening store inventory, marketing efforts, staff scheduling, business operations and more, including sales.

Generate Insights From Customer Analytics

Did you know that many of the resources most retailers already incorporate into their routine operations offer concrete insight on who their customers are? The key, of course, is reviewing this data — which is what most retailers fail to do. If you're among the thousands of busy small business owners looking to better understand your target market, consider how the below resources — many of which you may already use — can help.

Google Analytics: This free tool delivers insight on where your online customers are coming from, including whether it's organic Google searches, via social media or as click-thrus from your email marketing campaigns. By reviewing this data, you are able to better understand the actions of your customers and the value you are offering them in your online communication. Even for merchants who do not sell online, these details are vital in understanding how consumers engage with your business while on the web. Most importantly, however, is that this resource is free to use — making it something that every retailer should lean on to help them better understand their business.

Email Marketing: You've heard it before and you will hear it again — capturing customer emails is a great way to increase customer retention while keeping consumers informed and connected with your store. There are countless reasons this is valuable for your business, but among the most valuable reasons email marketing is important to retailers is that it allows merchants to *truly* understand who their customers are. By analyzing and reacting to data captured via email marketing, retailers

can better understand what actions are capturing the most attention from their audience, how often customers actually click from the email to a store URL address and more.

Among the companies that help retailers in their marketing efforts include Constant Contact, SnapRetail, Mail Chimp and ActiveCampaign — all of which service retailers, though many others offer email marketing platforms for retailers, as well. Finally, [68 percent of consumers](#) reported in a 2017 study from Bluecore that they prefer email over all other avenues to receive brand information — one more reason to make sure you are incorporating email marketing into your customer strategy.

Point-of-Sale: Point-of-Sale (POS) delivers value unlike any other technology available to merchants, capturing insight based on consumer sales, inventory turnover and much more. Due to the expansive range of data received via POS, merchants are able to generate key reports that identify vital information for merchants to review and react to — ultimately helping them better understand and support their customers.

While the above resources are undoubtedly helpful for retailers to strengthen their consumer understanding, it's important to remember that one platform alone can't do the job. Consumers react to retailers in a variety of avenues and as a result, merchants must react to consumers in a variety of avenues as well.

Make Your Data Actionable

It's easy to capture data nowadays but what's not always easy is implementing it into your store strategies. This is particularly important when trying to better understand your customers.

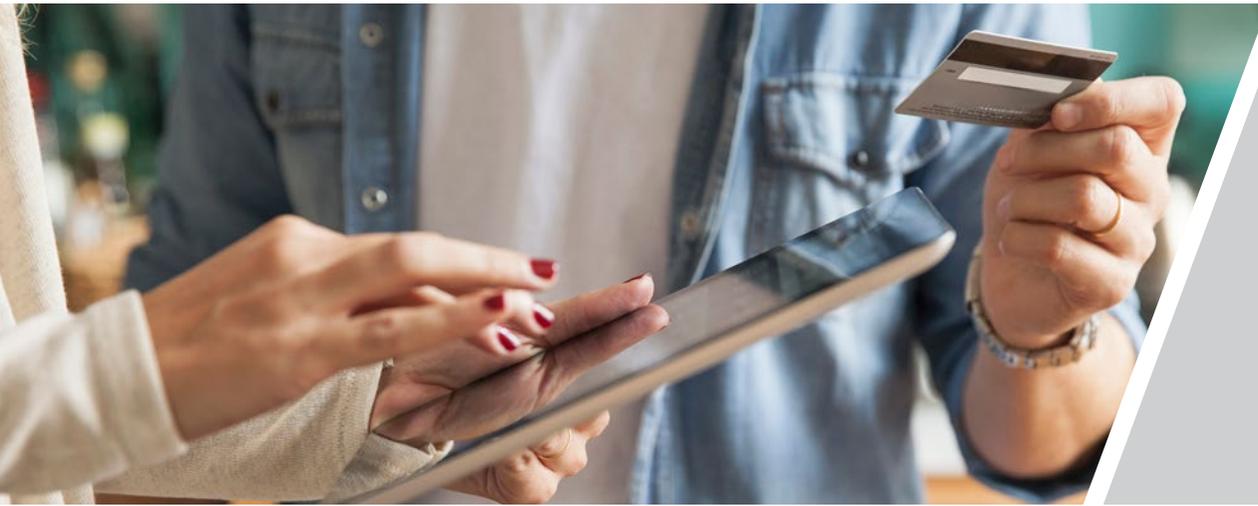
To help, consider the following tips.

- 1 Schedule time each week to review data collected from your various touchpoints.** Monday, for example, may be a great time to review weekly sales and customer loyalty identified via your POS while taking time every Friday to review data collected via social media and email marketing. Making it a routine and a priority brings you one step closer to both *understanding* and *utilizing* the data captured.
- 2 Identify action steps based on data collected in order to maximize its value.** Over time, the details identified through data will offer you clarity to whom your customers are versus whom you may have thought they were while also shedding light on how you can better support them. Using this data collected, take actionable steps towards improving your customer care and overall customer management.
- 3 Welcome other viewpoints based on data collected.** While data is black and white, it still takes a human touch to translate much of it into store strategies. Keeping this in mind, task key associates to help review data and offer their insight on what has been generated. Multiple perspectives can help strengthen store goals.

What Does Your Retail Personality Say About Your Understanding of Customers?

Your retail personality helps to shape your understanding of who your customers are. Retail Gurus, for example, may be more inclined to follow consumer trends while those who identify with Retail Legacy may prefer to lean on friends, family and neighbors for their customer outreach and marketing. To best support your customers, however, it's important to keep an open mind on who your customers are as well as who they have the opportunity to be. Remember that data is a key asset here and should be used whenever possible to help understand and support your customers.





3 Welcome **Technology** Into Your Business

Speed and precision are essential strategies for retailers of all sizes when it comes to managing their businesses. Trends change, consumers shift and time is not always on a merchant's side — yet each of these aspects remain vital realities with which busy retailers must keep pace. Because of this, it's critical for retailers to welcome technology into their business operations as a way to benefit from *more timely* and *more accurate* store management.

Looking ahead into 2018, consider how the following technologies can offer value to your business operations.

Point-of-Sale

Point-of-sale (POS) is essentially the hub — or home base — where much of a retail store is operated and managed. Savvy merchants lean on their POS daily for insight on sales, inventory, employees, customers and more while some — though hopefully not you — have yet to introduce this key technology driven asset into their business. In addition to simplifying daily operations, a POS also provides seamless and secure transaction processes for merchants — something vital to retailers of all sizes. For merchants looking to explore which POS may be right for them, there are many point-of-sale companies to choose from. Identifying the right point-of-sale solution should be based on your entire store needs, including but not limited to how you want to manage customer loyalty, employee hours, omnichannel engagement, inventory and, of course, sales.

Foot Traffic Data

Brick-and-mortar retailers traditionally rely on sales data to identify trends and predict customer behavior, but this data only shows one piece of the overall health of their business. Foot traffic data analytics — available from several vendors — help retailers staff their store more efficiently, measure marketing effectiveness and calculate their in-store conversion rate, which illuminates additional insights into sales trends they need to succeed and grow. This is a valuable technology all brick-and-mortar merchants can benefit from, whether they are an independent bicycle store, coffee shop, apparel boutique or any other type of merchant that welcomes consumers through their doors.

Anti-Fraud Tools

Commerce is no longer black and white with a little bit of gray in between. Instead, commerce exists in a variety of colors across a variety of avenues for consumers to choose from. Whether it's accepting bitcoin payment, welcoming sales via social media or collecting online payments for in-store pickups, there are countless avenues for consumers to pay for their end-goods. As a result, anti-fraud tools are becoming increasingly important for merchants to incorporate into their sales strategy. While some companies specialize exclusively in e-commerce payments while other companies — such as American Express, Visa and Mastercard — aim to cover all bases where their products are used. Retailers must recognize the impact fraud can have on their business and aim to protect their customers and stores alike before this becomes an issue.

Don't Let Technology Scare You

Many merchants shy away from technology due to the fear it will take away from human touch to their store. This is far from the case, however, when you factor in the very *real* reality that the human touch is in fact what brings a store to life which any Retail-Prenuer, Retail Guru and Retail Legacy would likely all agree with. Technology is simply an asset to the human influence that ultimately gives the heartbeat to a store. Instead of letting technology bring you fear, let technology give you *time*, give you *insight* and give you *the ability* to be the best at what it is you do.





4 Leverage Social Media to Maximize Customer Engagement

Social media is a marketer's best friend, but it's no secret that creating a brand presence on social media can also be pretty daunting. With a recent study from [Deloitte](#) reporting that 47 percent of millennials are influenced by social media when making a purchase decision and 19 percent of non-millennials are influenced by social media during a purchase process, ignoring this valuable marketing avenue is not the right approach for any retailer to make. The question remains, however, what is the right social media strategy for your unique retail business?

Looking at the four most popular social media platforms — Facebook, YouTube, Instagram and Twitter — let's explore how each can add value to your brand, help attract and retain quality customers and build a compelling online presence that mirrors the unique personality of your one-of-a-kind retail store.

Facebook

Unless your brand caters solely to a Generation Z-and-younger audience, Facebook marketing is a necessity. After all, you can't have a social media marketing strategy without a presence on the largest social media network in the world. In comparison to other social networks, however, marketing on Facebook is relatively low maintenance. Since Facebook posts stick around on your timeline, you don't have to worry about scheduling your posts exactly when your target audience is online, something other social platforms demand.

Through Facebook, you are able to reach a worldwide audience of potential customers by posting content on your company's Facebook page in every available medium: blogs, photos, infographics and even videos made with Facebook Live. This comprehensive list translates to comprehensive opportunities, helping you reach your target market of consumers through quality posts curated especially for them.

YouTube

Video content is the future of marketing for businesses small and large, helping to make YouTube one of the most important avenues for retailers to strengthen via their social media strategies. In fact, [according to HubSpot](#), 48 percent of marketers intend to add YouTube to their content strategy in the next year. Are you among them? If not, consider why you should be — beginning with how video can add value to your business. Through video, retailers can offer product knowledge insight, provide store tours, and share updates on best-selling items, new deliveries and much more.

Before you get intimidated, however, with being on camera or having to add one more thing to your to-do-list, know that customers prefer videos that are 30 seconds or less with a maximum video time of two minutes. Posting frequent videos on YouTube is a great way for you to introduce yourself, your store and the products you sell to your video-consuming audience without having to invest too much time, effort or dollars. If video still isn't for you, consider how one of your employees may excel in helping you with your video efforts — especially when you factor the ease of using smartphones to film them.

Instagram

Think of your company's Instagram as a digital storefront. On Instagram you're selling your brand's lifestyle just as much as you're selling the products. The scenery in your photos should all reflect the collective vibe you want your store to portray — whether this includes models highlighting the product you sell or beautiful nature scenes that align with your store's nature inspired inventory. To help determine the lifestyle you should be marketing with your brand's social media presence, you'll need to go beyond basic consumer data. Instead, take an in-depth look at what type of imagery, activities, looks and destinations appeal to your core customer base. From here, you'll be able to create a branded Instagram account that your target customer will return to again and again thanks to the curated experience you are delivering to them.

As you reflect on strengthening your Instagram, remember that what works for Instagram doesn't work the same for Facebook or Twitter. It's important to consider each of these avenues as their own entity versus automating what is shared between each of them.



Twitter

Twitter has often been hailed as “the great equalizer” of social media because it provides an opportunity for individuals and companies of all sizes to start a discussion with the biggest names in business. The greatest challenge for new Twitter users is usually in trying to keep their posts under the character limit, but the opportunity to grow your brand and have a public dialogue with your customers makes Twitter far worth the initial effort.

Like any other major social media platform, Twitter users are most responsive to posts when they’re accompanied by high-quality imagery or strong content or both. This does not mean you need to uniquely create the content or images, however. On Twitter, sharing others content or posting an article from a favorite lifestyle website that aligns with your consumer audience is among the best ways to grow and keep your Twitter followers. To further increase your Twitter engagement, be sure to communicate with others via Twitter and encourage conversation among your followers. Ask questions, answer questions and make sure to check daily. Twitter is a destination for customers to turn to when they have questions and want them answered fast.

Social Media 101 for Retailers

Social media is part of the omnichannel journey consumers make when navigating purchase decisions. Therefore, it’s critical for retailers to have a clear avenue to a point of purchase from each social media site they visit. This should include a visible URL link to your main website, as well as hyperlinks to landing pages that lead customers to make purchases — even if you don’t sell anything online. Directing customers to a contact page that includes your store address and contact details is also a valuable avenue to direct consumers to a purchase. Additionally, make sure your branding is consistent among each social media platform in order to strengthen your entire brand experience.

Best Practices to Build Your Brand on Social Media

When aiming to strengthen existing social media accounts or when creating new ones, try to get a good feel for what type of content appeals to your potential customers. Review your competitors’ social media pages to see what has worked for them, though this should simply be used as a reference versus a destination to mimic. Remember, you are your own unique retailer, and, as a result, your social media must reflect the personality of your unique store. To further support you in these efforts, consider the following questions to start creating content that’s catered to your target consumer demographic:

What style of product do you sell? *The answer to this question will set the tone for your company’s social media accounts. For instance: If your company specializes in Italian furnishings, you might share beautiful images of the Italian countryside in red and orange hues and offer seasonal décor ideas. If you sell beachwear, on the other hand, you*

might choose to go with poolside imagery in a pastel color palette complemented with items in your current inventory.

What are your customers’ tastes? *Depending on what type of products you offer, your customers’ tastes could skew anywhere from minimalistic and refined to embellished and bedazzled. Get a feel for your customers’ preferences by researching what type of imagery they share, regram and retweet the most.*

What are your customers’ interests? *What do your target customers like to do in their spare time? Even more importantly, what do your target customers wish they were doing in their spare time? If the imagery and content on your company’s social media accounts provide an answer to these questions, your brand will be as inspirational as it is aspirational for your target customers.*



5 Introduce Mobile Strategies to Strengthen the Omnichannel Shopping Experience

The average customer's buying journey has evolved exponentially over the past few years. Gone are the days when shopping takes place via one destination. Instead, consumers are touching a variety of retail-minded touchpoints before ever making a purchase. Among them? Social media. Email marketing. Company websites. Yelp reviews. The catch? The majority of these destinations are navigated via mobile devices.

According to a 2016 study by Deloitte, digital factors, including mobile devices now influence more than \$.56 of every dollar spent in stores. Since most customers research their purchases on multiple devices — including mobile — it's necessary to provide a seamless shopping journey across all channels in order to make sales happen.

Capturing the Attention of Today's Modern Consumer

Smartphone shopping is taking retail by storm and many customers now do much of their online browsing remotely via their mobile devices, making a great website alone not enough to capture and keep customer attention. Instead, retailers aiming to create an omnichannel shopping experience for their customers need to optimize their websites for mobile browsing and to optimize *all* the touchpoints available for consumers online. These touchpoints include:

- Yelp business page
- Social media accounts
- Mobile-friendly business website
- Email marketing campaigns
- Community forums
- Marketplace chat boards
- Third-party seller websites

Modern customers expect to have the same experience with a brand whether they're browsing inventory through a retailer's website on their smartphone, clicking on a link provided by a retailer's recent email or visiting the brand's Facebook page on their desktop while holding their smartphone in their opposite hand and scrolling through Instagram. As you can imagine, no one customer journey is the same when exploring a retailer's brand. Yet for retailers, their brand presence must stay consistent among all of these avenues.

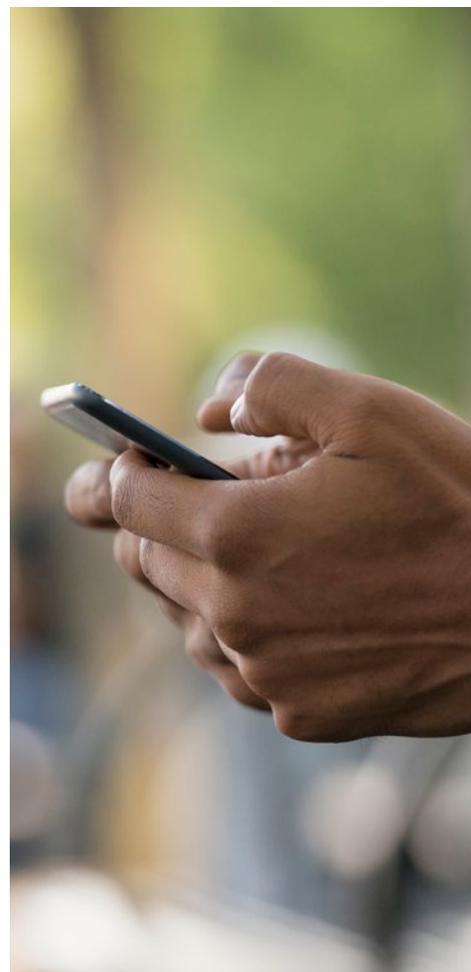
Does your brand presence deliver consistency across all these channels? Consider the following three steps when creating your company's mobile strategy for omnichannel success.

STEP #1:

Optimize Your Website for Mobile

Among the most obvious — and most important — areas to strengthen when aiming to achieve omnichannel success is to provide an easy-to-navigate mobile site that tracks the browsing and buying experiences taking place on the site. In combination with Google Analytics and your website's host platform, you should be able to identify the various touchpoints on your website that customers are making — as well as whether it's leading them to make purchases. Once you figure out where your website traffic is coming from and where your customers are spending the most time, you'll know what parts of your website are most valuable to your customers and your selling strategies alike. Remember, the goal here is to create a seamless omnichannel experience that easily allows your customers to navigate your store online — even if that means directing them back to your physical store to make purchases or pick up products they may have either put on hold or bought online.

To further support your mobile website, be sure to eliminate any content that isn't absolutely necessary since there won't be room on a mobile browser for any extra clutter. Your mobile website should also have an accessible search box on the homepage that navigates customers to where they want to be, as well as a drop-down menu that gives customers instant access to the high-traffic sections of your website.



STEP #2:**Incorporate CRM Data Into an App Unique to Your Store**

Strong mobile engagement is essential to create a truly omnichannel marketing approach for your company. As any retailer who has recently launched a mobile app knows, it can be difficult to get customers to download an app and even harder to get them not to delete it after the first use. What you might not realize when you're in the first stages of marketing your company's app or mobile website, is that you already have all of the customer data you need to create a strong mobile presence stored in your customer relationship management (CRM) system, which may be incorporated into your POS.

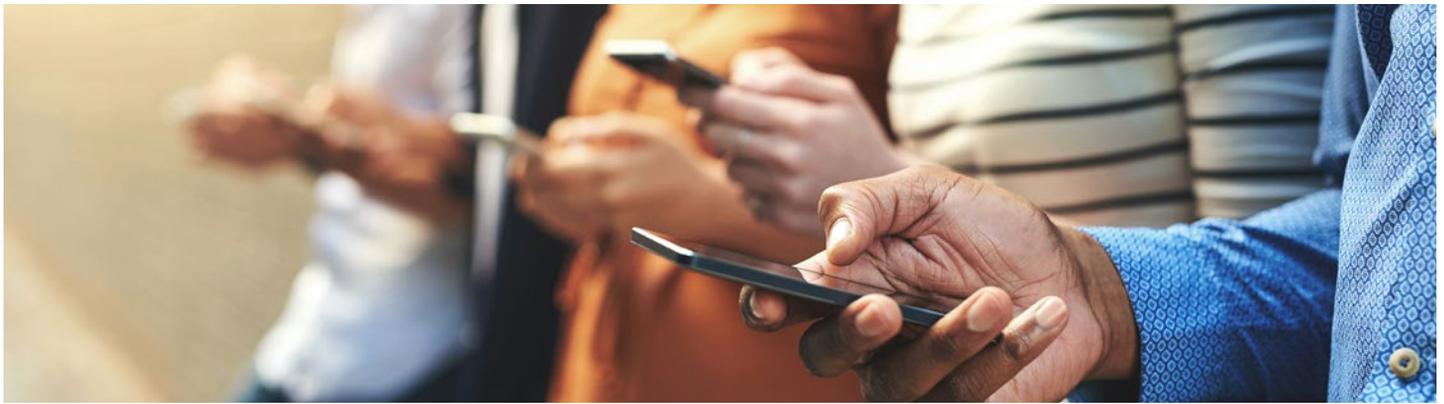
Whether your company's CRM system compiles high-level consumer data or just stores customer contact information for email lists, a CRM system has all the information you need to create a marketing initiative that will bring customers to your mobile website. All you need to do to get started is to download your customer contact information from your CRM system and email your customers an incentive to use your app or mobile website. The most common way to do this is by offering customers a percentage off their first in-app or mobile purchase, but it can also extend to offering mobile customers first access to sales and in-store events. This is your chance to get creative in how you engage your customers. The catch is simply to make sure you are in fact engaging them.

STEP #3:**Use Mobile Marketing to Bring in Foot Traffic**

Brick-and-mortar sales are still going strong. Unlike in years past, many brick-and-mortar sales are now facilitated by omnichannel browsing. Yet one thing remains constant: it's easier to build relationships and increase sales with in-store customers thanks to the strength of face-to-face relationships and in-store marketing. In your brick and mortar locations, customers can get a real feel for your brand and interact with your store associates on a personal level that will leave them feeling excited about experiencing your brand when they're not physically in your store, but still want to engage with your business. This is where mobile once again becomes a key aspect in your overall marketing efforts.

To get the most traction out of your mobile app or website, cater your mobile strategy towards bringing omnichannel customers into your physical store. Build foot traffic with digital promotions to create a relationship with your customers across channels. Even the most stringent mobile-first customer will want to visit your store when you send mobile and digital coupons or incentives that can only be used at your physical locations.





Best Practices to Create Your Mobile Strategy

Shop your own store on multiple devices to assess the fluidity of your customers' omnichannel journeys. If you come across any kinks in the shopping process, so will your customers. Identify kinks before they do, ensuring your customers will have a seamless, mobile shopping experience.

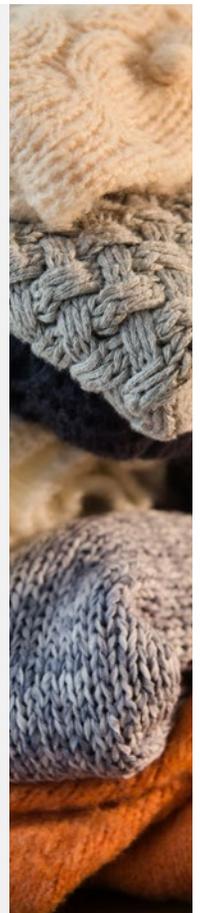
Let omnichannel customers do product research while they shop in-store by offering free Wi-Fi at your physical locations.

The reality is consumers reference their phones for more than just shopping, such as for opinions from friends and family, social media updates and more. Make sure you make it easy for them to do this through their mobile devices while in your store.

Ask for customer feedback. Timeless and trusted, nothing speaks as clearly as what customers have to say about your brand experience... including their thoughts on your mobile and overall omnichannel experience. Create an area for comments on your mobile taskbar so that customers can share their personal experiences and thoughts with you. Additionally, invite customers to share their feedback via social media while you're at it!

Does Your Retail Persona Relate to Mobile?

As a retailer, it's often easier to make *assumptions* about your customers based on your own preferences than to understand the *actual* preferences of your consumers. Whether you identify yourself as a Retail-Prenuer, Retail Guru or Retail Legacy, it's important to recognize how your audience may vary from your own shopping preferences. Even if you've never made a purchase online or prefer to shop mobile only as a last-minute effort, remember that your customers may not have this same sentiment. By incorporating mobile into your customer outreach and omnichannel strategy, you are welcoming the opportunity for stronger customer engagement and sales.





6 Incentivize Customers Through **Loyalty Marketing**

There's a common misconception in retail that *attracting* new customers will help merchants gain long-term success, when really, *retaining* loyal customers is the key to a healthy, long-term business for most retail companies. Fortunately, it's also a faster and more affordable strategy to retain customers than to constantly chase new ones. To help nurture the value of customer retention, loyalty programs are becoming *increasingly* popular and *increasingly* important for retailers to embrace — something that businesses of all kinds can benefit from.

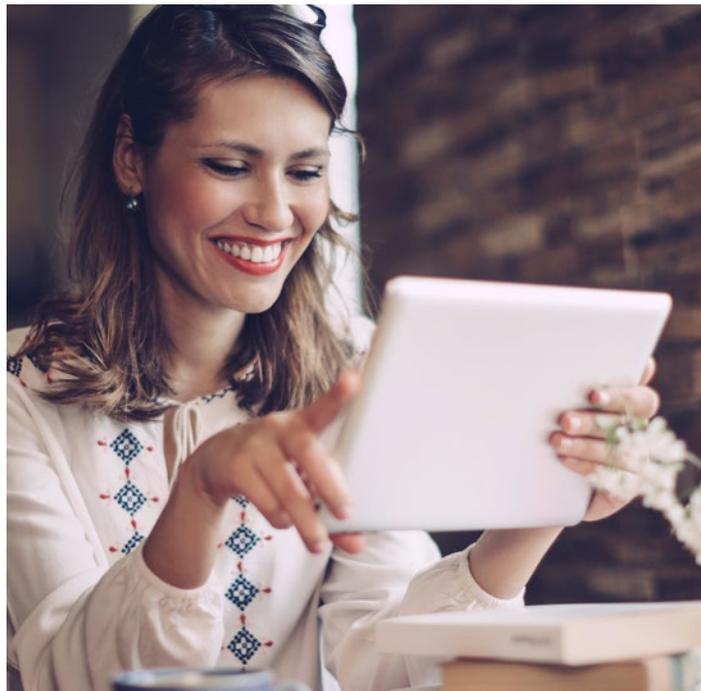
According to “The Consumer Review,” a 2017 report from Deloitte, the true source of loyalty is to create value for people.”

Expanding on this, Deloitte explains that “while participation rates to loyalty schemes are relatively high, the reward offered is not seen as differentiating for the brand.” This helps reinforce that the idea of a loyalty program is often as beneficial as actually accepting and reacting to the loyalty program rewards. In fact, simply offering a loyalty program can often separate your company from a competitor.

Nowadays it takes more than a simple points-based loyalty program for a company to differentiate themselves from the competition. Beyond building a relationship with customers, companies can strengthen customer retention by personalizing loyalty programs to reflect each customer’s unique lifestyle and shopping preferences. Among the ways this can happen include:

- Points programs incentivized with in-store rewards
- Buy so many of something, get something free
- Gift with purchase based on customer frequency
- Percentage off item as part of your loyalty enrollment
- And more ... this is your chance to get creative

Customization is the key to standing out in today’s highly-saturated retail market. **To help make your store stand out, nurture your loyalty program so that it complements both your store goals, store inventory and the customers you are aiming to keep loyal.**



Connecting Customers Through Loyalty

There’s a growing misconception that customers who gravitate toward omnichannel shopping don’t value feedback and interpersonal interaction when shopping. In actuality, this couldn’t be further from the truth. Consumers who use multiple channels throughout their buying process are highly social and use these technologies to share ideas and product reviews with one another. Modern customers respond to personal connections — seeking peer advice and reinforcement throughout every phase of their buying journey.

To drive customer loyalty, retailers need to facilitate conversations between customers by becoming a part of their social shopping experience. To join the conversation, ask yourself what your company is doing to create a lasting dialogue with your existing customers. The following three strategies can be used to help give your company a human touch across various customer channels.

STRATEGY #1:

Incorporate Strong Customer Service & In-Store Clienteling Standards

Customer loyalty refers to more than just what can be quantified in numbers. Loyalty can also be gauged by other factors, including how customers talk to one another about your brand, as well as the frequency with which they visit your company's social media pages and website. General consumer attitudes might be a bit harder to measure than profitability, but it is much easier to influence when you strive to build a relationship with every single customer that steps onto your sales floor.

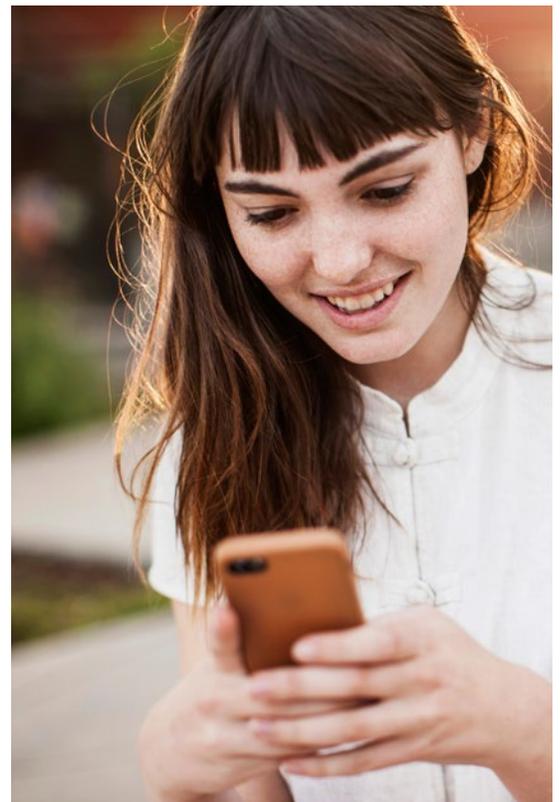
Engage customers on a personal level by implementing a strong customer service program at your store. Encourage employees to add each customer they come in contact with to your CRM database as part of this process. Identify core customer service standards you expect every team associate to deliver. You may ask that they do a follow-up phone call, handwritten thank you note or email to customers after purchases made in your store. Not only will this increase productivity among your associates but it also aims to keep customers coming back to your store to see their favorite employees again and again.

STRATEGY #2:

Keep in Touch With Customers Through Regular Text Messaging

A few years ago, most retailers would never have considered allowing cell phones on their sales floor. Yet in a world where, [according to a 2016 study by Deloitte](#), shopping is the second most prominent reason that customers use their cell phones — with 93 percent relying on their phone during at least one point of a shopping experience — it only makes sense to encourage employees to use their smartphones to support your customer relationships.

Text message marketing is a great way for your retail employees to casually engage with customers where they spend the most time. Texting is a more personal method than sending a flyer to let your customers know about sales, new shipments and in-store events while it's also a quick and easy way for employees to follow-up with customers without the potential of inconveniencing them with a phone call at an inopportune time. Be sure to identify text messaging standards for your associates and only allow them to send texts to customers who have acknowledged a willingness to accept this type of customer-retailer relationship. You can incorporate the welcoming of cellphone numbers during the check-out process just as you would email addresses and have customers identify if they want to be connected in this way.





STRATEGY #3:

Give Customers the Option to Engage Through Email Marketing

A genuine relationship with your customers stops the second they feel overwhelmed by advertising from your company. Instead of investing your resources into online pop-up ads and potentially obnoxious phone calls, focus on building loyalty through methods that give customers control over how they engage with your brand. Give your customers the option to sign up for your company's email list when they check-out either in-store or online, and train employees to identify that these communication methods will not be used more than a specific number of times per month. This puts the ball in the customers' court, enabling them to opt-in to receiving marketing messages from your company.

The modern customer is inherently skeptical of advertising. By engaging with customers on their terms and giving them the option to receive exclusive discounts and offers when signing up for your email lists, you pave the foundation for a lasting and — most importantly — mutual relationship with your customers.

Best Practices to Put Your Company's **Loyalty Plan Into Action**

You've committed your business to retaining customers and you're ready to strengthen your existing loyalty programs! Good for you! You're not over the speedbump yet, however. In order to move forward, be sure to train your employees on the value of customer retention and what your store specifically is offering in order to increase customer loyalty. Make sure all associates are armed with a few reasons why customers can benefit from signing up for your various loyalty programs — including email lists, text messaging programs, loyalty incentives and more — so they can clearly and easily explain the value of this to customers. Finally, be sure to identify during which point in the customer check-out process that this should take place. Having this strategy in effect will be a helpful step towards increasing customer loyalty.



7 Welcome Third-Party Sellers to **Move Your Inventory**

Third-party selling can be a touchy subject among many traditional retailers, but it's also a retail reality that shouldn't be ignored.

With so much press about how third-party sellers such as Amazon, eBay, Overstock.com and the like are a threat to traditional retail, it's no wonder that businesses that could benefit from selling through these outlets are instead steering clear of them. Instead of looking at third-party sellers as looming threats, think of them as larger entities consisting of small business owners like you. Selling on these massive websites can assist retail companies, and independent retailers in particular, in getting rid of excess inventory and leveraging stronger sales in general.

The ABCs of Third-Party Selling

Third-party selling might be a means to move excess inventory and an insurance policy against shifting economic tides, but it's still important to make sure you have all the information before you start selling your merchandise on eBay, Amazon or any other third-party site. To help ensure you have a solid foundation before diving into third party selling, consider the ABC's of selling via third parties below.

A Accelerate Your Sales

If you're hesitant about working with a third-party seller, take the following study into account: In a May 2017 study published on [RetailWire](#), Amazon polled sellers on its website to find what percentage of each company's overall sales were made through Amazon. More than 60 percent of Amazon sellers reported that their sales on the site comprised more than three-fifths of their overall sales, and 50 percent of sellers said that Amazon comprised 80 to 100 percent of sales for their company.

This means that retailers who don't sell on major third-party sites are missing out on an opportunity to increase sales. What this doesn't mean, however, is that you have to give up your traditional storefront to sell exclusively online. This can serve as one avenue of sales in combination with a traditional storefront and other avenues of selling that you may have in place.

To build your brand through third-party sellers, consider your physical storefront as the "home base" for your inventory and look at your company's digital presence as an extension of your physical store.

Selling through a third party then becomes a strategy to help move product and introduce your company to a new audience of customers.



B Brand Yourself Carefully

When selling on third-party websites you will quickly learn that they don't make it easy for brands and merchants to promote their own websites and other brand details. By prohibiting companies from leading traffic to their respective URLs, third-party sellers such as Amazon try to prevent businesses like yours from marketing themselves and building a loyal clientele. This can make it difficult to connect with your clientele on these third-party sites. However, understanding this reality positions you to better market products on these sites from a different perspective than you may on your own website and other online channels. Be consistent in your customer communication and integrity of your brand when it comes to timely shipping, packaging and customer service — yet recognize that third-party sites will not allow you to truly brand your business the way you have on other online sites such as your website, Yelp page, social media channels and similar online outlets.

To help keep your business website prominent in Google searches, promote products on Google Shopping, similar to those you sell with third-party sellers. This way when customers look for great prices on similar products, your website catalog will be the first thing to pop up — even if the third-party sites that you sell on pop up as well. Remember, it's about positioning yourself in a variety of touchpoints so that customers ultimately make a purchase from you no matter where they may land.

C Capture Customer Feedback

Customers trust reviews from their peers much more than any type of brand-sponsored advertising. Additionally, reviews can determine your ranking with third-party sellers and, therefore, impact your overall visibility on third-party sites. Capturing reviews can be one of the hardest parts of starting to sell your inventory on a new platform. Most customers don't leave feedback on their product experiences, but it can be difficult to establish credibility without customer reviews. This creates a challenge for sellers on third-party sites, but it also welcomes you to extend your communication with customers beyond their purchase.

Encourage existing customers to leave reviews on third-party websites. Enclose a reminder on your packing slip or use a post-purchase message to invite customers to share feedback. Be sure to consult the rules for each individual third-party site. Amazon, for example, prohibits marketing messages or links to your own store's website and may ban retailers who violate its policies.

Third-Party Selling Best Practices

- Make sure you're using the most effective keywords for your products and enlist an employee, friend or family member to help you edit your product descriptions by taking a look at them with a fresh set of eyes.
- Spending a little extra time taking great photos will put your company's inventory ahead of the competition.
- Don't let the third-party seller become your company's be-all and end-all or you'll run the risk of your brand going downmarket. Keep building your brand name with in-store events and by engaging with customers digitally on your website and through social media.





8 Participate in Trade Shows & Educational Experiences

Attending trade shows is one of the best ways retailers can strengthen their chance for retail success. After all, it's at trade shows where retailers can discover new products, connect with established vendors, learn new trends, meet with like-minded yet noncompetitive merchants, explore business resources and much, much more. These experiences can be *exciting yet overwhelming, informative yet intimidating*. There's a lot to accomplish while attending a trade show, but it's this exact reason that trade shows are so valuable to a merchant's success ... or failure.

To further support why trade shows are not just good for business but in fact great for your business, consider the following three reasons:



1 Trade shows connect industry leaders to retailers.

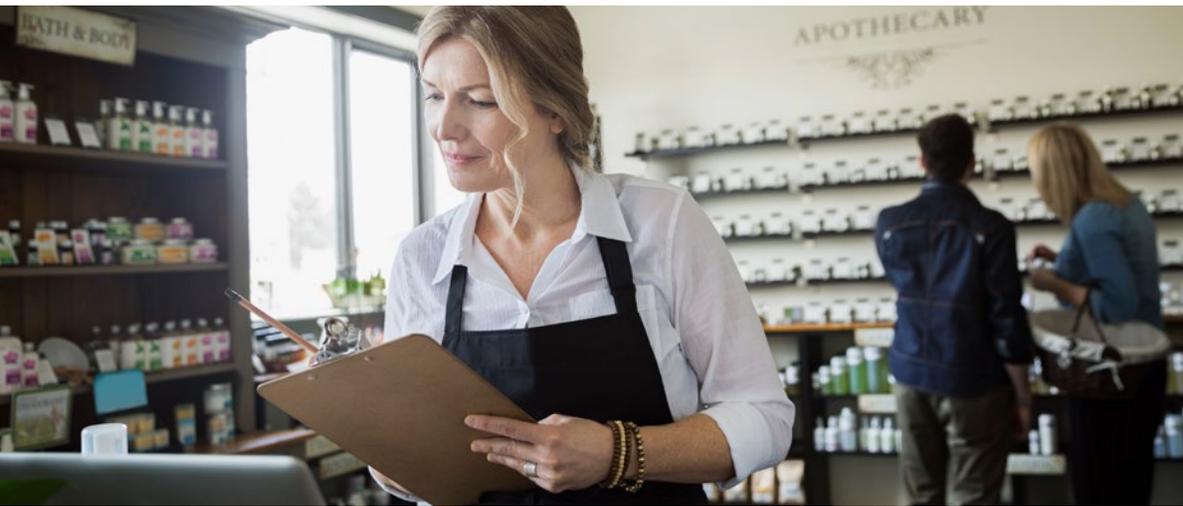
When attending trade shows, merchants are not only able to connect with exhibitors and explore products that may be right for their stores, but they are also able to engage with industry leaders who range from media thought leaders to representatives from retail resource companies to industry influencers. Most trade shows offer networking events for face-to-face connections among merchants and leaders within their retail space, and many also provide interactive opportunities directly on their show floors for these connections to take place. Take advantage of your time at trade shows by giving yourself the opportunity to take part in these experiences.

2 Trade shows deliver on education just as much as they do on inventory.

It's nearly impossible to attend a trade show without some sort of educational opportunities being incorporated into the show agenda. This is undoubtedly a huge value-add for merchants attending trade shows. Common seminar and workshop topics that exist at trade shows include customer marketing, omnichannel engagement strategies, parcel management, point-of-sale best practices, among others. Next time you're exploring trade shows to attend, make sure you also take the time to identify the educational opportunities they can offer you while you are in attendance.

3 Trade shows let you step away from your store and return with fresh eyes.

Often one of the best strategies to help your business is to walk away from it for a bit. When attending trade shows, you can gain practical and valuable retail insight while also taking the time merchants often need to get away from their stores and return with a fresh perspective. Rather than view time away as a burden to your business, consider it a necessity to effectively manage your store.



9 Work With External Business Partners

Being the boss of your own business has many responsibilities, including the reality that you call the shots when it comes to making business decisions. This can be perceived as either a blessing or a curse depending on how you look at it. Fortunately, there are experienced, external business partners to help you along the way. Consider lining up your own partners in the following areas:

Business Insurance Providers

From natural disasters to employee theft and overflowing sinks, your retail business is vulnerable to unpredictable events that could affect your bottom line and ability to keep your doors open. As one of the nation's leading business insurers, CNA knows how to protect the business that you've built. In addition to a broad portfolio of insurance solutions specialized to your needs, CNA also offers resources and services to help identify and manage risk exposures across your business. [Explore more of what CNA has to offer.](#)

Parcel Auditing Companies

Having a strong shipping strategy is important for retailers that sell online, have physical storefronts or both. One of the most important parts of this strategy is actually identifying — and then collecting from — where you are owed money due to parcel errors or other shipping fees applied to packages you send. By using a parcel auditing company, you can more easily manage your parcel contract negotiations while also helping to reduce shipping costs and uncover massive savings along the way thanks to this powerful parcel audit technology. Possibly the best part, however, is that many of these companies do not apply fees to your business unless a parcel refund is identified and recovered through their services.

Point-of-Sale Providers

Incorporating a POS into your store strategy is not only good for business, but it's also a supportive way to help manage your operations. Strong POS providers all have customer service teams dedicated to supporting their retail clients, therefore you can trust you are being helped when you need it most. Often, this help is needed at the most unexpected times — yet it's this exact reason that having trusted, external business partners is so valuable. When looking to identify which POS provider is right for you, also consider their policies in helping their merchants 24/7 should you need their support. After all, commerce is a 24/7 job for many retailers.



In addition to the above mentioned external business partners, don't overlook the value that community groups, the local chamber of commerce, state and national level retail associations and other external businesses have on your business. There is no shortage of retail support to be received when looking outside your internal team. You must identify who and what makes sense for your business, then let these external business partners do *their best* in supporting you in order to do *your best* as well.



10 **Accept Change, Retail Realities & More**

Whether you identify yourself as a Retail-Prenuer, Retail Guru or Retail Legacy, look ahead into 2018 with open arms in order to welcome the opportunities that retail can bring your way. It's an exciting time for merchants and consumers alike, and never before in history have retailers had so many resources and opportunities for commerce growth, external business partnerships and more. This makes the year ahead an exciting time to be a retailer, particularly knowing you can lean on CNA and other valued retail service providers to help your business thrive.

To help position your business for a profitable and exciting year ahead, keep the below points in mind.

Embrace Change.

Consumers are changing as the generations shift in economic buying power, therefore it's critical to keep up with the demands of how customers like to shop and what retailers need to do to keep their attention. As 2018 progresses, always remember that change can be a good thing, and often the exact thing you need to help nurture your business to stay in good health.

Incorporate Data.

The human touch will always be influential in the success or failure of a merchant. However, data can deliver powerful insight to help improve inventory, customer management, employee operations, business logistics and other elements that the human touch alone cannot do. Welcoming data into your everyday routine should be a priority in 2018 and beyond, and should ultimately help you achieve greater retail success.

Welcome Feedback.

Whether it's received face-to-face from customers, through online reviews, from external business partners or employees, welcome feedback as you look ahead into the new year. The insight your customers, business partners and employees can offer you are critical to your store operations, future business planning and overall health of your business. Push yourself to give critical yet supportive feedback on your store, as well, to truly make it the best it can be in the year ahead.

Finally, never lose sight of the passion that led you to first open your store or take over the business you currently own. Passion, unlike data or any technology available to merchants, is something you either have or don't have when it comes to taking care of your business. Use this passion to help drive your business forward in 2018 and beyond — ultimately leading you to a successful, profitable and enjoyable retail experience.

