

Based on: “The Old Pillars of New Retailing” by Leonard L. Berry

In “The Old Pillars of New Retailing,” Leonard L. Berry gives practical step-by-step advice for retail success. He encourages retailers to focus not on one segment of their marketing, such as offering low prices, but rather on the whole customer experience. It is not the price, which undoubtedly fluctuates with changing economic factors, that keeps consumers coming back, but the atmosphere of the store, the way they are treated, and how well staff is able to solve their problems. If all of the “pillars” are combined effectively and integrated into the training of staff and the actual feel of the store, retailers can experience the success they are searching for. But Berry warns, “Doing a good job in just three or four ways won’t cut it; competitors will rush to exploit weakness in any of the five areas. If one of the pillars of a successful retailing operation is missing, the whole edifice is weakened.”

The “pillars,” which include solving your customer’s problems, treating customers with respect, connecting with their emotions, using a fair and non-manipulative pricing strategy, and respecting and saving customers’ time, can be implemented into retail operations with effort on the part of the management and employees. It does take a lot of effort, but it is definitely worth it if it means more customers are happy with the services they receive and therefore less likely to fall into traps that competitors try to lure them into. Following the advice contained in this article no doubt creates brand loyalty and a positive momentum for word-of-mouth advertising; of course, not following the advice can easily result in a bad name for the company and many customers lost.

No one is safe in today’s marketplace, and to be the best retailers must pay close attention to their customers’ problems and be able to propose time- and cost-effective solutions. In Berry’s words, “the lesson here is that you must understand what people need and how you’re going to fill that need better than your competitors.” It may seem very basic—most companies are in business, they say, to provide solutions to their customers’ situations. But many retailers simply do not put in the time and energy to understand specific consumer concerns. This is often a result of the prevalent employee attitude that they are there to make money, and can not wait to punch out at the end of their shift. Management, of course, needs to take the initiative to focus on creating healthy atmospheres in the stores, because if the employees are happy, the feeling will be contagious every time they interact with customers.

This logically leads to the idea that consumers must be treated with respect. They are not in your store by default—there are plenty of competitors that they could go to, and for better service they would even drive an extra mile. The key is that companies must be willing to go the extra mile for their customers, and really show that their business is appreciated. This is not only accomplished by hiring more motivated and energetic employees and training them well, but also by organizing stores so that everything is easy to access and convenient to reach, putting up signs so customers can head directly to the area with the products that they are looking for, and clearly stating the prices of products without leaving room for confusion.

The third pillar for retailing success is to form an emotional bond with your customers, as Journeys, a chain of shoe stores that targets 15 to 25 year olds, does. First of all, Journeys is very good at “keeping a finger on the pulse of its target market...[by]

consistently [having] the right brands available for this especially brand-conscious group of consumers.” The Boone and Kurtz text also discusses the importance of “store atmospherics” (456), and Journeys creates an age-appropriate atmosphere for its target market by using “music, video, color, and brand merchandising.” This type of environment makes Journeys not only a place to purchase shoes, but also a favorite place for teenagers and young adults to hang out. Journeys is obviously able to implement many of the concepts illustrated throughout the Boone and Kurtz text, especially about target market selection and catering to their needs. Additionally, the company allows personal relations to form among the stores and consumers by hiring employees that belong to the same age group; the average age of a store manager is about 25, and this further promotes the idea that Journeys is a “cool” place to hang out and shop.

Chapter 3 in the Boone and Kurtz text relates marketing and ethical practices, and illustrates the concept that customers keep coming back if they know that they can trust a company to be honest about its products and their benefits. Setting fair prices and not making promises that you can’t keep (such as claiming that you offer the lowest price when you are not certain and can be beaten by the competition’s price cuts) are major factors that affect the trust and connection a consumer feels toward an organization. Berry gives the example of Zane’s a bicycle retailer that offers fair prices throughout the year and a three-day weekend event in which prices are slashed. What sets Zane’s apart is the fact that consumers are invited to come to the three-day event and get refunds based on the sale price of their bikes if they bought them within 90 days of the sale. What’s more, consumers “have confidence in our ability to find them just the right bike at a fair price and to stand up behind what we sell,” in the words of owner Chris Zane.

The last pillar that leads to retail success, according to Berry, is saving customers’ time. Many stores tend to ignore the long lines at the checkout counter, and although not many customers are seen leaving them, a majority of those that have bad experiences do not come back. Why hand over your target market to a competitor because you did not open another checkout lane, as ShopKo, a much smaller but serious competitor of Wal-Mart, Kmart, and Target based in Wisconsin, does whenever there are more than two customers waiting in line? This is just one example that Berry uses to illustrate how to create time utility for customers, just like the “suburban shopping centers, convenience food stores, and vending machines” have done (Boone and Kurtz 449).

In closing, Berry lays out the basics for success that most retailers know about but too often do not pay enough attention to in order to win over (and keep) customers. If these techniques, which are perfectly in line with the teachings of Boone and Kurtz, are effectively and wholeheartedly implemented, there should not be much cause for regret for retailers; however, if the guidelines are ignored, companies will be in serious trouble before long.