Leveraging mystery shopping to establish premium service

A Case Study on Luxury Retail

Retailers understand that acquiring a new customer is much more costly than retaining a current one. To build up customer loyalty requires lots of effort, in which frontline staff play an important role to connect with the customers. As most trainers pointed out, one of the challenging tasks, particularly in the Asian markets, is to initiate conservation (or "break the ice") with the customers and establish rapport with them.

The Objective

A luxury fashion brand believed in excellent customer service in term of building a good brand image and driving sales for the Hong Kong stores. They implemented a mystery shopper program to evaluate the service and selling skills for each individual sales staff, and whoever having contacts with customers.

The Methodology

This was a one-year program with stores evaluated in two major seasons, each lasting for 3 months. Apart from own stores, they also benchmarked with key competitors to identify new practice and market intelligence.

Staff are working in different sections in the store, for example, men's fashion, women's shoes. A number of unique scenarios was designed to mystery shoppers according to their profile. After all, the idea is to have scenarios genuine to shoppers' interest.

This brand needed the assessment results quickly. Treated as one of the training process, a feedback session was arranged a few days later to review the performance together with the staff and take improvement actions.

After the first season, it was not surprising to know that "break the ice" was not satisfactory. It was not that frontline staff did not do it; it was the routine dialogue and greeting, as reported by mystery shoppers.

The brand shared the cases and reactions of mystery shoppers with the store managers and frontline staff. Internal training team followed up with field coaching and refresher workshops.

Mystery shopping provides concrete information for enhancement.



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The Result

Starting in the second season, the brand improved in most of the service indicators including "break the ice" where the conversation was much more tailored and engaging.

Like most retailers, the program was embedded with motivation scheme. The brand presented different awards to outstanding stores and staff in the annual dinner.

TO LEARN HOW RML CAN HELP YOU IMPLEMENT A SUCCESSFUL MYSTERY SHOPPING PROGRAM, PLEASE <u>CONTACT US</u> FOR MORE INFORMATION.

Research Management Ltd.