

JUGGLING RETAIL AND SERVICE

Keys to a Successful Store in Today's Wireless Market

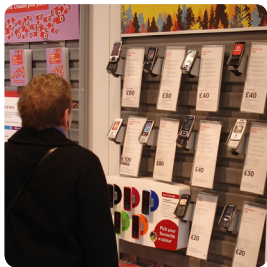


An Envirosell White Paper
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As the wireless industry grows increasingly saturated with service providers, maintaining a loyal customer base has never been more important. Every interaction with your customer must exceed their expectations — especially in the store. The following key strategies are too often overlooked.

Emphasize Service

Wireless retailers often forget their store's purpose as a service area. It is critical that service does not get lost in the retail environment. Imparting a good experience will help maintain existing customers and ensure customer loyalty.



KNOW YOUR CUSTOMER

Provide ample product information to build confidence among less tech-savvy market segments. Almost half (44%) of those visiting a cell phone store are women and twenty percent are 55 or older. Generally, women rate themselves as technically less savvy than men.

Even if visitors don't buy, it is imperative they leave with a positive impression. Less than half of guests visit to shop phones. Most come for technical support, customer service or to pay bills. Over time, superior service will build brand loyalty. The majority of store visitors come at least three times a year.



EACH STORE TYPE IS DIFFERENT

Cater each store's design to its unique clientele. Shopping intentions vary greatly among store types: mall, strip mall, and freestanding locations. Give more space to retail (shopping) in mall and strip mall stores, where it is most important to lure in passers with new products. At mall stores, many more visitors come to browse. These stores also attract the most impulse shoppers. Freestanding store visitors are more likely to plan their visit and to come for service. Allocate more space to service at these stores.



HAVE A GREETER TO DIRECT VISITORS

The complexity of product and service offerings makes it difficult for visitors to orient themselves without help. Every customer should be greeted within one minute of entering the store to prevent confusion and frustration. A surprising number of shoppers in wireless stores are directionally confused (up to 9%).

Greeters are also crucial in providing customers with a pleasant experience. When asked what criteria are important for an enjoyable wireless shopping experience, *customer service* was cited more often (67%) than *value/price* (34%) and *product selection* (29%).



PROVIDE COMFORTABLE SEATING AREAS

Waiting is inevitable. Reduce visitors' perceived wait time with comfortable seating in an uncrowded area. The average wait time for assistance is four minutes. This is enough time for uncomfortable guests to become irritated. Wait areas must be large enough to accommodate the 40% of visitors who bring either a friend or family member.

Place the customer service point far from the entrance to prevent crowding at the front of the store.

Envirosell has studied in-store customer behavior for 25 years. We have a wide range of experience within the wireless industry helping both wireless service providers and mobile phone manufacturers. Envirosell has studied wireless stores in 18 states and 7 countries across 4 continents. Our past clients include: AT&T, Microsoft, Nokia, RadioShack, Sprint, Samsung, T-Mobile, Virgin Mobile, Verizon, and Vodafone.

For information on our wireless seminars or to learn more about our other services, please contact Mark Pingol at (646) 207-9296 or mark@envirosell.com.

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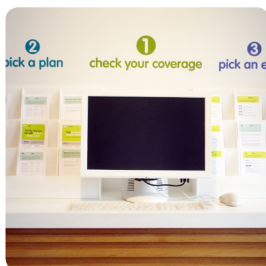
Simplify the Shopping Experience

Facing complicated contracts and service plans and phones featuring a wide range of new options, wireless shoppers can be easily confused. It is extremely important to present information in a clear, simple way. This will make comparing models easy, and visitors will convert rather than postpone their decision to “think about it at home.”



LESS IS MORE

Segment your offerings into three groups based on features and price: basic, multi-feature, and smart phones. Avoid overcrowding each group with too many similar options. Also, be wary of cluttering the section with accessories – promote only a few essentials near each phone. On average, phone shoppers shop fewer than 6 phones and accessory shoppers shop fewer than 4 accessories.



FORM A CLEAR HIERARCHY WITH SIGNAGE

Create a three-tier signage hierarchy: primary (directional), secondary (product group identifications) and tertiary (product specs). This matches the shopper's journey from general wayfinding (primary, secondary) to more specific product comparisons (tertiary). Primary signage needs to quickly orient the lost customer. Secondary signage must clearly separate the different groups of phones. For tertiary signage use information cards with a concise description of each phone's main benefits. The average shopper spends less than one minute examining each phone. Tertiary signage must be simple enough to be read in this time frame.

Encourage Service Visitors to Shop

Most visitors are not coming to shop phones. Increase sales by targeting non-phone shoppers with accessories and plan upgrades.



INCREASE SIGNS AND FIXTURES IN WAIT AREAS

Few visitors shop or view signs while waiting for assistance. Most wireless stores don't take advantage of this captive audience. Place signs and brochures within view of the line queue. Given the length of wait times, these signs can be text-heavy. Still, void small text; signage here must be readable from the queue.



ADD A QUEUE SYSTEM KIOSK

This will encourage visitors who came for service to wander the retail area and discover new products. Automatic queue systems also decrease perceived wait time. However, a queue system is not a replacement for a greeter. In fact, a greeter should stand by to explain the kiosk process to entering guests. In one EnviroSell study, one-third of kiosk users were unaware of the check-in protocol upon entering and had to back-track to use the kiosk before receiving help.



USE ASSOCIATES

Fifty-one percent of wireless visitors shop phones and only 21% shop accessories. Associates need to be proactive about increasing new product awareness and encouraging add-on sales. Educating shoppers about all products associated with their needs and/or purchase is key. Even though customer service visitors may not be in the market for a new phone, they can be encouraged to explore accessories and add-on service plan features.