Tulip

Clienteling:
Delivering ROI for retailers

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Executive Summary

In today's connected world, customers have access to vast information on products, their features, availability, ratings and reviews at their fingertips by browsing online and on their smartphones. What they lack is a personal touch in their shopping experiences. Although customers use digital channels more than ever to browse for products and services, consumers across all generations – from Millennials to Boomers – still say that physical stores are their preferred places to shop.[1]

They still value visiting their favorite stores for a more personalized interaction especially for higher-touch items. But with digital so prevalent and integral in the customer journey, these customers now have higher expectations than before. They want more advice, ideas, personalization and service. And sales associates remain key to delivering on these expectations and driving store ROI.

This means that sales associates need to have greater knowledge and better tools in order to sell to and serve customers – to clientele more effectively and efficiently. This involves putting the right data in the hands of sales associates at the right time to enable them to deliver more personalized store experiences that meet and exceed the expectations of today's connected customers.

[1] 'Nine Stats About the Retail Customer Journey in 2019', Salesforce Research, April 9, 2019. https://www.salesforce.com/blog/2019/04/customer-retail-statistics.html

What is Clienteling?

Clienteling is the process of 1:1 relationship building with key customers that takes into consideration information about their preferences, behaviors, and past purchases. Clienteling as a concept isn't new: it's what the best sales associates have already been doing for years, using their own black books to capture and retrieve customer data. But what has changed is how it's being done. Today's leading-edge retailers are replacing and digitizing those black books with mobile sales associate apps as the foundation for clienteling of the future, to capture, store, analyze, access and use data in real-time to serve customers in store.

Mobile clienteling apps will enable sales associates to shift their role from being transaction-oriented to being customer and relationship focused in order to better meet and anticipate customer needs, cultivate customer relationships and build loyalty.

Personalizing the store visit

In the new customer journey that is emerging, mobile clienteling apps enable sales associates to identify the customer at the start of their store visit rather than the end, inverting the current model of customer identification at the PoS. Associates are able to securely capture and access customer preferences, past purchases, online browsing behavior, and detailed notes within just a few taps of a screen in order to make more relevant, personalized product recommendations and to personalize in-store services. They can quickly access preferred customer communications channels and data privacy opt-in status to ensure they communicate with customers in the right way.

Associates can also see a consolidated view of all customer interaction with the retailer across email, phone, text and social messaging apps to ensure that communications are done with the right cadence and tone. And they can personalize customer outreach at scale, following up on automated notifications including retailer events and promotions, special customer dates, and product exclusives, and sending customers personalized product recommendations to more effectively cross-sell and upsell based on customer interests, needs and purchase history. And associates can also access customer analytics, identifying opportunities to nurture customer relationships in order to delight high-value customers and boost their own sales KPIs.

Enhancing customer engagement

Clienteling apps also support a retailer's efforts to engage the customer with their brand by extending the relationship with the customer beyond the four walls of the store. This is achieved through personalized, relevant outreach with branded templates to maintain the customer relationship, foster brand preference and consideration, which eventually either drives the customer back into a store or to browse and convert online.

Why Clienteling?

Drive incremental sales

Tulip's Clienteling app has proven effective in unlocking incremental sales for retailers. With our robust customer outreach capabilities and ability to send customers personalized product images and looks based on their preferences and past purchase behavior, retailers have seen double-digit growth in clienteling conversion rates.

Associates also benefit by being able to leverage rich customer data to cross-sell and upsell more effectively to increase AOV on store transactions.

However, not only does Tulip's Clienteling app unlock incremental in-store sales growth but it supports true omnichannel selling. If customers aren't ready to purchase an item in the store, the associate can send them personalized communication with the products they are considering for them to purchase later at their convenience online. And by tagging the email, Tulip ensures that the store associate receives commission for the subsequent online transaction.

Acquire new customers

Clienteling supports retailers in growing their VIP and high-value customers by being able to register them for an account and capture their contact details securely on the spot. With Tulip's Clienteling app, associates can capture preferred communication methods as well as full GDPR opt in to maintain compliance with data privacy regulations.

Tulip's mobile Clienteling app also makes customer data capture more convenient by moving it from the PoS counters at the end of the store visit onto the sales floor, to capture customer data at any point during their visit.

Improve customer engagement and loyalty

Clienteling apps enable retailers to engage with customers in the store by providing a more personal customer experience in store, and also enables associates to extend that personal engagement beyond the four walls of the store. Associates gain access to branded, customizable mail and messaging templates, which they can personalize to the customer with manual follow ups. Additionally, they can filter a targeted list of customers and send more proactive outreach featuring new collection items that may be of interest based on stored customer preferences, or notify selected customers of special offers and in-store events.

By adding products to outreach messages, one luxury retailer **increased its clienteling conversion rate by 54%** in 6 months.

A luxury retailer generated **30% higher AOV** on Tulip-influenced orders than on other store orders within 6 months.

One premium fashion retailer **increased its customer data capture by 68%** in 3 months

Tulip's Clienteling app helped one luxury fashion retailer **grow its black book customer base by 16%** within 6 months.

Tulip's Clienteling app also supports smarter store associate outreach by enabling automated follow-ups based on business rules defined by the retailer, which lead to increased conversion from outreach. This enables retailers to better nurture loyal and returning customers, identifying and cultivating some of them into black book/VIP customers.

Elevate the store experience

In contrast to manual black book clienteling, mobile clienteling apps enable retailers to personalize the customer experience in store at scale. Whether a customer has booked a store appointment or walks in unexpected, associates are able to easily identify a registered customer and quickly access their preferences and purchase history to maintain a consistent and personalized store experience across all associates. It surfaces personalized recommendations that customers normally expect from the online experience, joins up the store experience more seamlessly with digital experience that the most connected and demanding customers expect.

It also helps transform sales associates into trusted advisors. By putting customer information easily within reach of the associate, Tulip support a shift in focus from being transaction-oriented to more proactive and customer-oriented, empowering associates and elevating the store experience for customers.

Better target customers with personalized offers

By capturing customers' preferences and purchase behavior across both digital and physical channels in one place, retailers gain a more comprehensive view of customer wants and needs, which they can leverage to provide more personalized offers to customers across any channel. In stores, this could mean creating and sending bespoke looks to clients for ideas and inspiration, extending offers for store services, sending them products within a preferred product family or color range, and even offering promotional gifts with purchase to loyal customers.

Implementing Clienteling:
Key Success Factors

Clarify objectives and KPIs

Before selecting and implementing a clienteling solution, it's important to have a clear idea of the problems you are trying to solve and clear objectives about how a clienteling app supports that solution. Part of this involves thinking through what kind of store experience you want to provide, how it sits alongside and interacts with your digital channels, and what role clienteling plays in delivering this to your customers. It is also key to determine the KPIs you will use to gauge and measure the success of any clienteling implementation to ensure it delivers the customer, commercial and employee benefits that you envisage for your business.

Assess retail operations impacts

As with any technology implementation, it is important to think through how it will integrate into your existing store operations and help you achieve the ROI for your business. To do this, Tulip's Retail Excellence Consultants, all ex-retailers, are available to do a comprehensive walkthrough of your stores to understand your sales ceremony, systems and ways of working in order to identify the opportunities for clienteling including key use cases that will help drive the KPIs you use to measure success.

Prepare store associates for change

A key success factor of any clienteling implementation is your store associates. At Tulip, we believe that store associates are a retailer's best asset and have designed our suite of apps to better enable your associates to serve customers and elevate the in-store experience. In order to successfully implement clienteling in any business, it's important to ensure that you communicate to and prepare store associates for change and train them ahead of launch to ensure they are comfortable with the technology and any new ways of working that allow them to engage and serve customers in new ways. By ensuring your associates are informed and ready for change, retailers will help maximize app adoption and usage, thereby optimizing the impact that clienteling will have on your sales and business performance.

Tulip's Retail Excellence team offers all our clients store associate training to help ensure the success of your clienteling initiative and can advise retailers on best practices to rollout clienteling apps for your sector and business based on our experience with retailers around the world.

Conclusion

The benefits of clienteling apps on a retailer's business are clear for businesses that are committed to delivering seamless, omnichannel sales and service experiences to their customers. At Tulip, we can apply our experience working with retailers across a range of sectors globally, to help you determine the value of clienteling to your business covering commercial benefit, customer experience and employee experience.

Our Retail Excellence team of consultants is available to work with you to assess the opportunities and use cases to leverage our Clienteling app in your store environment, to size the expected benefit, and to prepare your store associates for change. To get started on your Clienteling journey, contact Tulip and speak with one of our Retail Excellence Consultants to book your store walkthrough today.

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Learn how to power your fleet of omnichannel store associates with mobile technology.

Contact us at www.tulip.com

Tulip is a mobile application provider focused on empowering associates in retail stores. Partnered with Apple, Tulip's mission is to harness the power of the world's most advanced mobile technology to deliver simple-to-use apps for store associates to look up products, manage customer information, check out shoppers, and communicate with clients. Leading retailers like Mulberry, Saks Fifth Avenue, Kate Spade, Coach, Michael Kors and Bonobos use Tulip in their stores to elevate the shopping experience, increase sales and improve customer service.

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