

This is the first article in Store Brands' new monthly "Total Store" feature, which addresses various approaches retailers can take to further develop their store brands.



The customer experience is an intangible store brand that can do wonders for a retailer's image. Just ask Publix and Wegmans



By Lawrence Aylward

How's this for providing a consumer with an extremely excellent customer experience?

In November just before Thanksgiving, a cashier at a Publix Super Markets store in Fairburn, Ga., helped pay a customer's bill for groceries.

The cashier was working her normal shift when a customer didn't have enough money to pay for groceries. The cashier then took out her debit card and helped pay the customer's bill.

No doubt the Publix employee went above and beyond the call for offering unmatched customer service and providing an extraordinary customer experience in the process, both for which Publix is well-known. In doing so, the employee's selfless act only enhanced Publix's reputation for treating its customers like gold.

The Harvard Business Review defines the customer experience as the sum of all interactions a customer has with a company. In the grocery sector, that would include a customer's initial discovery of a retailer, its products and services, and the purchase of those products and services. The Harvard Business Review defines customer service as a core value and strategic mandate of an organization and a vital part of the customer experience.

Hence, the customer experience is an intangible store brand that can do wonders for a retailer's image. But it can also cause trepidation if not done right, and customers may simply shun a grocery retailer if they dread the in-store experience.

But implementing a memorable customer experience is hard work and requires persistence. It also requires an investment in time and money.

In its report, "The Four Customer Experience Core Competencies: A Blueprint for Customer-Centric Organizations," the Temkin Group, a Waban, Mass.-based customer experience research, consulting and training firm, stresses that the customer experience is a journey not a project. "Building the capabilities to consistently delight customers doesn't happen overnight. Companies need to plan for a multi-year organizational change program," the firm states.

According to the Temkin Group, an organization must first create a customer-centric culture by mastering four customer experience core competencies:

- purposeful leadership,
- compelling brand values,
- employee engagement and
- customer connectedness.

Under "purposeful leadership," customer experience metrics should be reviewed and treated as financial metrics, and a retailer's managers should regularly communicate to employees that the customer experience is one of the company's key strategies, according to the Temkin Group.

Under "compelling brand values," a retailer's brand defines how customers are treated, and a retailer regu-



Publix (left) and Wegmans are well-known for creating a positive customer experience, which has created loyal customers.

larly examines how customers are treated.

Under “employee engagement,” a retailer should provide customer service training for employees and engage them with its goals for customer service. “Our research shows that, compared to their disengaged peers, engaged employees try harder, are more likely to do something good for the company (even if it’s not expected of them) and freely offer their services to help others,” the Temkin Group states in the report.

Under “customer connectedness,” the Temkin Group advises that a retailer regularly collect customer feedback from all touch points — in store, online and the phone — and act upon it.

Happy employees, happy customers

In November, Fortune magazine and Great Places to Work ranked Rochester, N.Y.-based Wegmans Food Markets No. 1 for the second consecutive year in their annual Best Workplaces in Retail report. Ninety-two percent of Wegmans’ employees said the regional retailer is a “great” place to work.

Clearly, Wegmans provides purposeful leadership and employee engagement, which translate into an excellent customer experience, of which the 95-store chain is also known. Jack DePeters, Wegmans’ senior vice president of store operations, says values such as caring, respect and making a difference permeate employees’ minds when dealing with customers.

“These values are rooted in our 101-year history and are present in everything we do,” he adds. “We look for these characteristics in the people we hire, and we encourage our people to live by them every day.”

The late Robert Wegman, who led the chain for more than 50 years, preached a positive customer

experience to employees. “Never think about yourself; always help others,” he said. His saying has become Wegmans’ mantra.

“Robert Wegman’s philosophy has been guiding our company for many years,” DePeters says. “He led by example, and we model our actions after his. Our people are empowered to do the right thing and to make decisions that will best serve the customer, our fellow employees and the communities where we have stores.”

Wegmans’ foundation was built on the philosophy to first meet the needs of its employees, who in turn will then take care of its customers, DePeters says.

“I am so proud of our employees and the incredible customer service they provide to our customers,” he adds. “We are committed to helping our customers and employees live healthier, better lives through food.”

The trust factor

Publix’s motto is, “Where shopping is a pleasure.” The chain realizes that the customer experience is parallel to customer loyalty, something the Temkin Group says comes shining through in its research.

“We have conducted multiple large-scale studies demonstrating that the customer experience is highly correlated with loyalty across many different industries,” the Temkin Group states. “When customers have a good experience with a company, they are more likely to repurchase from the company, try its new offerings and recommend it to others.”

Says Michael Roberson, Publix’s director of corporate quality assurance: “Trust. At the end of the day, that’s really what it’s about. And our trust is built on the foundation of the customer service.”

Consumer trust is also gained through a retailer’s

reputation for transparency, such as making clear its mandates for food safety and animal welfare, which are also part of the customer experience.

Last April, Publix became the first U.S. grocery retailer to begin publishing a list of all of the fisheries used to source its wild-caught seafood as part of a new alliance with the Sustainable Fisheries Partnership's (SFP) Ocean Disclosure Project (ODP). In addition to disclosing data on the names of its source fisheries, Publix provides information on management, catch method and environmental impact of the various caught-in-the-wild species.

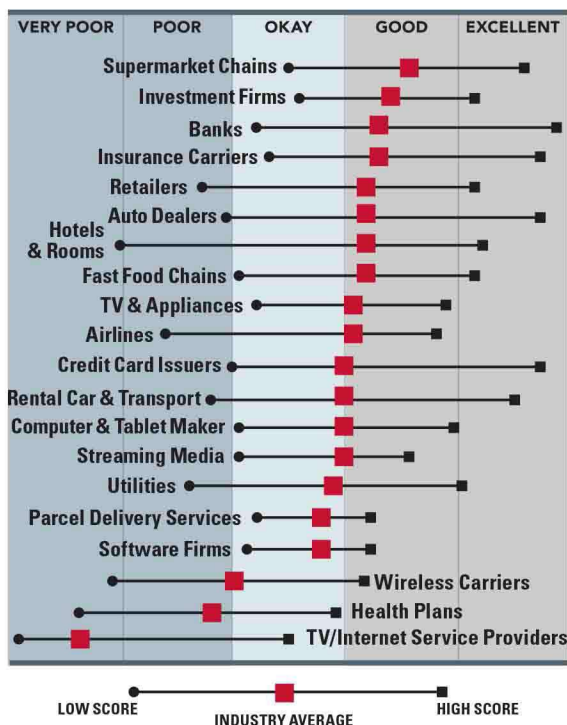
"Publix's seafood sustainability philosophy is to provide transparency for our customers while engaging with our suppliers to drive change in the seafood industry," said Maria Brous, director of media and community relations for Publix.

'My Publix'

Not surprisingly, Publix ranks fifth out of nearly 300 companies across 20 industries in the Temkin Group's 2017 Customer Service Ratings, based on a study of 10,000 U.S. consumers. Publix was the highest-ranking grocery retailer.



SUPERMARKETS SCORE WELL IN CUSTOMER SERVICE STUDY



Base: 10,000 U.S. consumers rating customer service in various industries. Source: Temkin Group, 2017 Consumer Benchmark Survey

Recently, Meghan Splawn, the associate food editor for the online food magazine *Kitchn*, wrote about Publix in an article headlined, "10 Reasons Publix Is the Best Grocery Store Ever." Splawn cites several examples related to the retailer's private brands, noting that "having relied on the Publix store brand for everything from foil to frozen corn, I can attest to the awesomeness of their store brand products." But No. 1 on Splawn's list was Publix's customer service.

"Every employee is incredibly nice and helpful," she writes. "Customer service is a key component of the Publix mission statement that actually comes through in their stores. My go-to location has managers and cashiers who know me by name. Ms. Tina, my favorite cashier, knows both [of] my children by name, and remembers the things I buy frequently and reminds me when they are on sale."

It's Publix's goal to get its customers to refer to its stores as "my Publix," Brouse says.

"It's about the emotional connection," she adds. "We are more than just a grocery store to our customers."

"Personalization" is a term being used frequently these days as a way for retailers to differentiate themselves from the competition with their food, beverage and non-food products. In Publix' case, "personalization" extends to training employees to offer an experience that exceeds customers' expectations.

Dave Harvey, Daymon's vice president for global thought leadership, stresses the importance of retailers looking beyond products to capitalize on its store brands. Harvey's point is that a retailer's services — from nutrition consulting to simply treating its customers with the utmost respect — are crucial in helping to define its own brands.

"This is really a new frontier for private brands," Harvey says.

Back to the Publix cashier who helped out a customer. A man behind the woman in line who the cashier helped had this to say on his Facebook page.

Today while I was getting groceries, this Publix employee pulled out her own debit card and paid for a customer's groceries who didn't have enough money. So, today at Walmart, I decided to pay for the customer's groceries behind me. ... Please share and give her recognition; she didn't have to help out, but without hesitation she went in her purse and paid the bill. That simple gesture easily changed someone's life. ... We need more people like [her].

P.S. Pay it forward.

#LoveWhatMatters

Talk about the impact of extreme customer service. It has no boundaries. **SB**

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