



the **skills** network

Level 2 **Certificate in Understanding Retail Operations**



Part A

SAMPLE



Digital resource

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Disclaimer:

This resource uses real life case studies where specifically stated and referenced. All other references to individuals, groups and companies contained within these resources are fictitious.

Certificate in Understanding Retail Operations

Welcome to this Level 2 Certificate in Understanding Retail Operations.

We hope you find all of the information contained in this resource pack interesting and informative. This learning resource and the assessment questions have been approved by both CACHE and TQUK as a great way to meet the learning outcomes for this qualification. (A complete list of the learning outcomes can be found on the last page of this resource.)

The course is made up of **four** parts (A, B, C and D). This is **Part A** which contains **two** units:

UNIT 1: Understanding customer service in the retail sector

UNIT 2: Understanding the retail selling process



As you start to read through each page you will be able to make notes and comments on things you have learnt or may want to revisit at a later stage. At the end of each section you will be asked to go to your assessment booklet and answer the relevant questions.

Once you have answered the questions, go to the next section and continue studying until all of the assessments have been completed.

Please make sure that you set aside enough time to read each section carefully, making notes and completing all of the activities. This will allow you to gain a better understanding of the subject content, and will help you to answer all of the assessment questions accurately.

Good luck with your study. Now let's begin!

Unit 1: Understanding customer service in the retail sector

Welcome to unit one.

This unit is split into **four** sections. These are:

Section 1: The effect of customer service on retail business

Section 2: Identifying customers' needs and preferences

Section 3: Customer service standards, policies and procedures

Section 4: Resolving customer complaints and problems

Before beginning this course, you need to identify an organisation where you can find relevant information. This could be a retail organisation where you are currently working, or a retail organisation that you are familiar with. In the space below, identify the organisation that you will use to find information to enable you to complete the following activities throughout the learning workbooks.

The organisation I will research is: _____

Section 1: The effect of customer service on retail business

This section will explore the following:

- The key features of excellent customer service
- How excellent customer service affects a retail business
- The key features of unsatisfactory customer service
- How unsatisfactory customer service affects a retail business
- Methods used to maintain and increase customer loyalty.

The key features of excellent customer service

The success of any retail business depends on having staff with knowledge of its products and the skills and confidence to promote excellent customer service.

The service offer

A key element of excellent customer service in retail is 'the service offer'. This defines the extent and limits of the service that the business is offering to its customers – for example, an offer to provide a product that is cheaper than any of its competitors', the length of time it guarantees to deliver a product by post, or the length of opening hours.

The service offer contains all the key features of the business's customer service promise.

The retail organisation



STOP AND THINK!

When you buy something, what do you expect in terms of excellent customer service from the organisation? Make notes below – there is one common expectation already provided to get you started.

- *High quality products or services.*

Did you think of any of the following?

- Quick timescales for responses to orders or queries
- Provision of guarantees and their length of time
- Good value for money
- Accessibility – for example, catering for people with disabilities
- Availability – convenient trading hours or online shopping
- Home delivery facility
- An accessible complaints procedure
- Refunds and compensation policies
- An after-sales service.

Retail staff



STOP AND THINK!

When you buy something, what do you expect in terms of excellent customer service from the staff who serve you, be it face to face, on the telephone or online? Make notes below.

Did you think of any of the following?

- A greeting of acknowledgement
- A polite and friendly attitude
- Positive body language – not slouching or looking bored or uninterested
- Use of appropriate language, tone of voice and clear speech – not mumbling
- Neat and professional personal appearance
- Good personal hygiene
- A focus on the customer's needs and the ability to suggest alternatives and comparisons
- An ability to present and demonstrate the product
- Knowledge of the availability, functions and prices of products
- A clean and tidy display.



Key Fact

There is a range of key features of excellent customer service in relation to the organisation's service offer and the retail staff who serve customers.

How excellent customer service affects a retail business

Excellent customer service affects retail businesses in a very positive way by promoting:

- Customer satisfaction
- Customer spending
- Return business
- Increased footfall – more people visiting the retail outlet or the website
- Sales increase
- Customer loyalty
- Increased status of the brand
- Business growth.



Key Fact

If a retail business is able to provide excellent customer service, it will have a positive effect on the organisation, its employees and its customers.

The key features of unsatisfactory customer service

Unsatisfactory customer service will clearly have a very negative impact on a retail business. There are a number of features of unsatisfactory service that must be avoided if the business is to survive. Try the next activity to see how many you can think of.

A

Activity 1: Case Study – Josie has an unsatisfactory customer experience

Look at the following case study example. Make a note of the features of unsatisfactory customer service you can identify.

Josie shopped online for some garden furniture. The website that she found advertised some folding chairs for self-assembly that could be delivered in 24 hours. In the event, the chairs took three days to arrive and when she opened them she found that they were not folding. Also, some of the components for assembly were missing and instead of being made of wood as advertised, they were plastic.

When she phoned up to ask about the missing parts, the person referred her to someone else because he didn't know anything about the product. Eventually she received an answer to her query, but the company was unable to provide an after-sales service because the particular line of goods had been discontinued.

You may have identified the following features:

- Inability to meet delivery deadlines and other stated parts of the service offer
- The goods or services are not what they say they are
- Poor quality goods and services – unreliable and inefficient
- Poor value for money
- Lack of staff expertise or knowledge of products
- Poor quantity or quality of information for customers
- Lack of an after-sales service.

Other features of poor customer service include:

- Unprofessional or unfriendly approach by staff
- Unprofessional or inaccurate publicity and marketing material – such as display signage
- Lack of accessibility to goods and services because of the location or opening hours
- Unclean and untidy product displays
- Product deterioration – for example, foodstuffs
- Poor outside store appearance.

You may have thought of other examples.



Key Fact

Unsatisfactory customer service must be avoided if the business is to be competitive.



How unsatisfactory customer service affects a retail business

Unsatisfactory customer service will result in:

- Negative feedback from customers
- A high level of complaints
- Bad publicity about the organisation in the media.



STOP AND THINK!

How would unsatisfactory customer service affect a retail business? Jot down your thoughts below.

Did you think about any of the following effects?

- Reduced footfall – fewer people visiting the outlet or website
- Reduced sales
- Higher wastage through lack of sales
- Competitors take a larger share of the market
- Low employee morale resulting in increased absence and lateness
- Lower profitability
- Damage to the reputation of the business.



Key Fact

Poor customer service will seriously damage the reputation of a retail business. Once a good reputation is lost, it is difficult to regain it.

Methods used to maintain and increase customer loyalty

Retail businesses must deliver high quality customer service so that customer loyalty is maintained.

Q. Why is it important to maintain and increase customer loyalty?

A. Customer loyalty means repeat business.

Retailers try to maintain customer loyalty because it tends to be cheaper and easier to repeat business with an existing satisfied customer than it is to find a new customer.



Activity 2: Maintaining and increasing customer loyalty

Find out how customer loyalty is promoted in your chosen retail organisation. Look at their website if they have one. Make notes below.

Blank area for taking notes.

You can use your notes to help you answer the assessments at the end of this section.

Did your retailer use any of the following ways of promoting customer loyalty?

- Loyalty or store cards with points programmes
- Savings stamps to encourage customers to come back to the store
- Product promotion emails to existing online shoppers
- Special discounts or offers for existing customers
- Weekly vouchers when customers spend over a certain amount which then entitles them to a discount at a later date.

If the service customers receive is consistently good, loyalty will be maintained and increased.



Key Fact

Retailers seek to maintain or increase customer loyalty by providing excellent customer service, which produces repeat business.

Let's Summarise!

Take a few moments to answer the following questions to help you summarise what you have learnt in this section. This will help you answer the questions in your assessment booklet.

1. Give one example of how a retail organisation can demonstrate excellent customer service.

2. Give one example of how staff in a retail organisation can demonstrate excellent customer service.

3. What is one effect of providing excellent customer service?

4. How would poor customer service affect a retail business?

5. What is one method used to maintain customer loyalty?

Check your answers by looking back over this section.

Congratulations, you have now completed Section 1.
Please now go to your assessment and answer Q1 to Q5.

Scan the QR code to **unlock some essential assessment tips.**



Section 2: Identifying customers' needs and preferences

This section will explore the following:

- Methods of approaching, questioning and listening to customers
- Collecting and using customer feedback.

Methods of approaching, questioning and listening to customers

Methods of approaching customers on the sales floor

When approaching a customer, you only have a few seconds to make a good first impression. What you say, and the manner in which you greet your customer, will have a lasting impact on them and will influence your relationship with them from that point forward – either positively or negatively.

You should adopt verbal and non-verbal techniques that convey a positive attitude, such as an upright posture, smiling face and a friendly tone of voice. A slumped posture and averted eyes will convey disinterest and have a negative impact on the customer.



Different methods for different types of customers

The methods you use to approach customers must be suitable for the type of interaction that you are going to have with them. Try the following activity to think about this further.

A Activity 3: Methods of approaching customers on the sales floor

Look at the following types of customers and say how you would approach them. The first example is done for you.

Type of customer	How you would approach them
1. The customer knows exactly what they want.	<i>Provide a fast and efficient service or sale that immediately meets their needs, adopting a positive and friendly approach.</i>
2. The customer has a very vague idea of what they want.	
3. The customer appears confused about the products or services on offer.	
4. The customer appears impatient and needs referral to someone with more authority or expertise.	
5. The customer is angry.	

You may have considered the following approaches:

- **Customer 2** will need to be asked relevant questions about what they are looking for and given suggestions of possible alternative products or services.
- **Customer 3** will need to be given more explanation of the services or products, and more time should be spent ensuring that the products or services being offered are understood by the customer.
- **Customer 4** requires an approach to ensure that, where possible, they do not have to repeat their story to the next person.
 - Try to give the customer some choices – for example, suggest that the person can take a seat for a moment, or offer to take the customer's phone number for a call back. Let the customer choose - it reduces hostility.
 - Before referring, make sure you understand the customer's situation and what he or she wants. A major error is to not listen properly or ask the right questions. The customer is then referred to the wrong place or person, resulting in frustration for everybody.
 - When referring, try to tell the person how long the wait will be, or what to expect. If there is a procedure to be followed, explain it if necessary. If the wait is longer than expected, make the effort to tell the customer and apologise.
- **Customer 5** requires a different approach. If you have to react to possible anger from a customer, the best strategy is to try and avoid conflict. One method for avoiding conflict and keeping the customer satisfied is by taking the **HEAT**. This acronym stands for:
 - **Hear** – actively listen to the customer's grievance.
 - **Empathise** by showing that you understand how they feel.
 - **Apologise** for their distress.
 - **Take ownership** – accept that there is a problem and show that you are going to do something about it.



Key Fact

When approaching customers on the sales floor, you must adopt positive body language, and appear friendly and helpful. Try to build a rapport with the customers and always be courteous.

Questioning customers

Asking questions is the best way to clarify your understanding if you are unsure of something during a verbal exchange with customers.

Questions can be used to:

- **Get information about something** – for example, ‘Would you like help with your packing?’
- **Clarify something that has been said** – for example, ‘Can you repeat what you said about the broadband package you asked for?’

Questions fall into **three** types:

- **Closed questions** that require a ‘yes/no’ or short reply – for example, ‘Is your billing address correct?’ These questions are used to clarify specific points or to gain specific information.
- **Open questions** that demand more than a ‘yes/no’ answer. They usually begin with ‘Who’, ‘What’, ‘When’, ‘Why’, and ‘How’ and could require a detailed reply from the person asked.
- **Probing questions** that you can use to clarify what other people say to you if you do not understand them. You can probe by:
 - Asking for additional information – for instance, ‘Do you want me to send you an email when the goods have been dispatched?’
 - Asking for an example – for instance, ‘Can you give me an example of the type of buffet menu that you would like?’
 - Asking for proof about what has been said – for instance, ‘How do you know that the goods have not been received?’



Key Fact

Asking questions shows that you are interested in the customer’s opinions, and it is better to be sure that you understand than to do something incorrectly that might damage customer relations.

Listening to customers

As well as questioning customers, you must listen to what they tell you. A useful listening technique for finding out what customers want is called **'active listening'**.

Eight top tips for active listening:

1. Face the person who is speaking to you and show that you are attending to what they say by leaning slightly forward.
2. Maintain eye contact but without staring.
3. Remove any distractions – for example, put down any papers you are reading.
4. Respond appropriately to let the other person know that you are following what is being said, for example by nodding.
5. Focus on what the person is saying to you, not what you might say in reply.
6. Do not let your mind wander while the person is speaking to you.
7. Wait until the other person is finished before you respond.
8. Wait until the other person is finished before you ask questions about anything you don't understand.



Key Fact

When dealing with customers, it is important that you listen to them in order to understand what they want and so avoid misunderstandings and poor customer service. You can only do this by actively listening to what they have to say.



Collecting and using customer feedback

Collecting customer feedback

Businesses make improvements to the retail process by using customer feedback to find out what their customers want, and continuously improving customer service procedures to meet their changing expectations.

A

Activity 4: Collecting customer feedback

**Find out how your retail organisation obtains customer feedback.
Note your findings below.**

SAMPLE

A range of techniques can be used to collect customer feedback – for example:

- Asking questions, either face to face or on the telephone
- Recording spontaneous customer comments
- Formal interviews – one-to-one, or in a group
- Questionnaires that ask about specific aspects of customer service
- Focus groups
- Street surveys
- Direct mailings to existing customers
- Mystery shoppers
- Suggestion boxes.

Using customer feedback to improve customer service

Once customer feedback has been collected, an analysis of the information must be carried out. For example, a drop in sales may indicate the need for a change to the products or services on offer, or suggest that a team's or individual's performance needs to be improved. There may be a range of possible solutions to the problem. In some cases, it may be possible to test options for solutions through trials with real customers.

The analysis may identify the following trends:

- Loss of customers
- Numbers of complaints about certain things
- Changes in customer behaviour
- Changes in demand.



Key Fact

Customer feedback is an opportunity to identify areas for improvements in customer service.

Let's Summarise!

Take a few moments to answer the following questions to help you summarise what you have learnt in this section. This will help you answer the questions in your assessment booklet.

1. In what circumstances would you use probing questions with a customer?

Blank response area for question 1.

2. How is customer feedback used to find out about customers' needs and preferences?

Blank response area for question 2.

Check your answers by looking back over this section.

Congratulations, you have now completed Section 2.
Please now go to your assessment and answer Q6a to Q7b.

Scan the QR code to **unlock some essential assessment tips.**



Section 3: Customer service standards, policies and procedures

This section will explore the following:

- The difference between customer service standards, policies and procedures
- How standards, policies and procedures benefit the customer and the retail business.

The difference between customer service standards, policies and procedures

Customer service standards, policies and procedures are important to retail businesses and each has a different purpose. Explore the differences now in more detail.



Customer service standards

Standards set out the levels at which customer service is required to operate. Standards may be applied to:

- Product delivery times
- Accuracy of product information
- Quality of goods and services
- Quantity of products
- Response times to customers' requests
- Team and individual behaviour and communication.

Customer service policies

Policies are principles that the organisation will apply in given situations. They may relate to:

- How to interact with customers in given situations
- Age-restricted goods
- Product availability
- Refunds, returns and exchanges
- Queuing
- Complaints
- Theft by customers
- Employee training
- Customer behaviour tolerance levels.

Customer service procedures

Procedures are specified and established ways of doing things, and also the order in which actions should be carried out. Staff must always follow procedures so that everyone delivers a consistent level of customer service. Procedures may cover:

- Greeting customers
- Product requests
- Referring customers to other staff
- Age-restricted sale refusal
- Dealing with aggressive customers
- Dealing with and recording complaints.

Now apply what you have learnt by completing the next activity.

A

Activity 5: Standards, policies and procedures

Identify one example of a customer service standard, a policy and a procedure that are applied in your retail organisation.

Customer service standard:

Customer service policy:

Customer service procedure:

You can use your notes to help with the assessment at the end of this section.





Key Fact

Customer service standards, policies and procedures are important to retail businesses and each has a different purpose.

How standards, policies and procedures benefit the customer and the retail business

Customer service standards, policies and procedures have benefits for both the customer and the retail business itself.



STOP AND THINK!

How do standards, policies and procedures benefit the customers and the business? Jot down your thoughts below. There are two examples already given to help you.

- *Customers benefit because staff are courteous and knowledgeable.*
- *Businesses benefit because staff are consistent in their approach to situations and work to high standards.*

Did you think of any of the following?

Benefits to the customer	Benefits to the retail business
<ul style="list-style-type: none">• Ease of access to product and service information• Knowledgeable staff• Questions and queries are answered satisfactorily• Waiting times are reduced• Friendly and courteous staff.	<ul style="list-style-type: none">• Employee consistency• Knowledgeable employees• Mistakes can be quickly resolved• Improved customer service• Satisfied customers• Standards are maintained• Improved staff motivation• Good media reputation for the brand.

BENEFITS



Key Fact

Customer service standards, policies and procedures benefit both customers and retail businesses.

Let's Summarise!

Take a few moments to answer the following questions to help you summarise what you have learnt in this section. This will help you answer the questions in your assessment booklet.

1. What is the difference between customer service standards, policies and procedures?

Blank response area for question 1.

2. State one benefit to the customer of having standards, policies and procedures.

Blank response area for question 2.

3. State one benefit to the retail business of having standards, policies and procedures.

Blank response area for question 3.

Check your answers by looking back over this section.

Congratulations, you have now completed Section 3.
Please now go to your assessment and answer Q8 and Q9.

Scan the QR code to **unlock some essential assessment tips.**



Section 4: Resolving customer complaints and problems

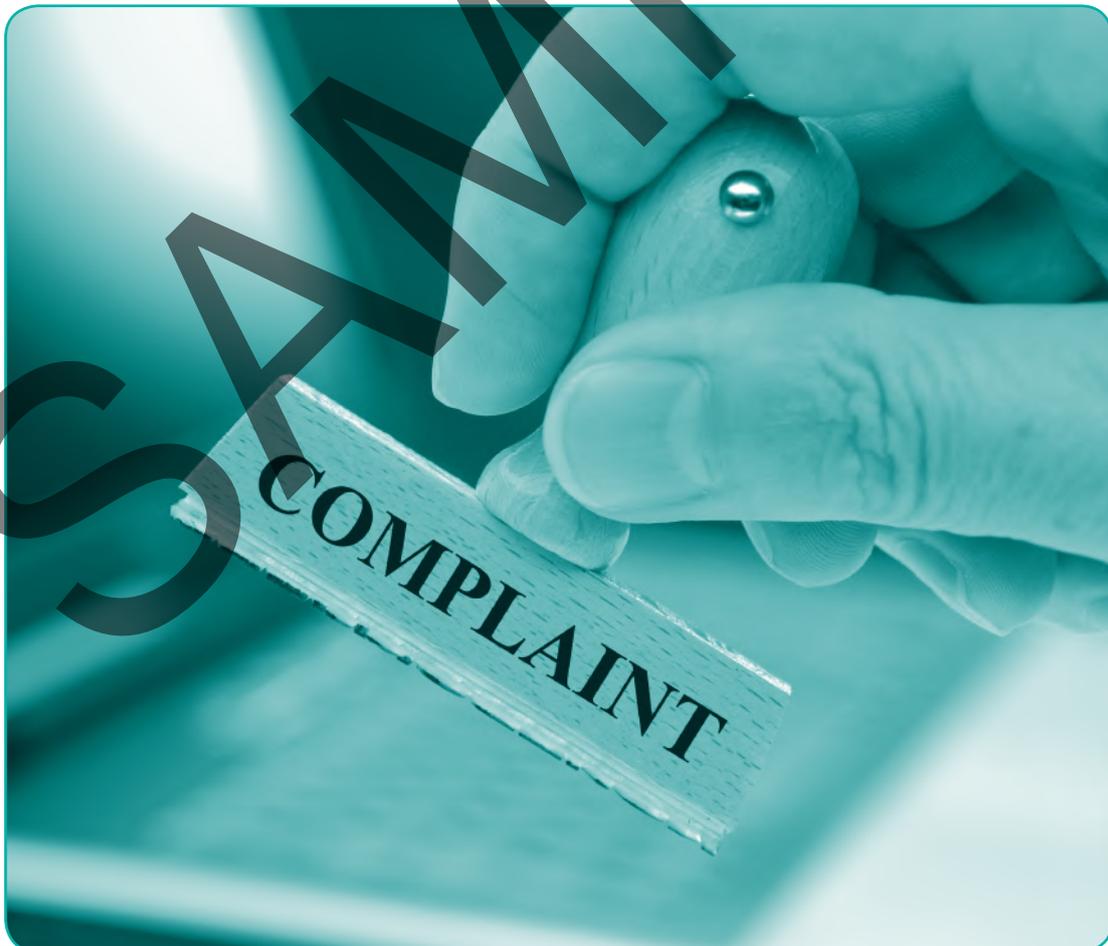
This section will explore the following:

- Types of customer complaints and problems
- Techniques for listening to and reassuring customers about their concerns
- Key stages of resolving customer complaints.

Types of customer complaints and problems

Q. What is a complaint?

A. A complaint is 'any expression of dissatisfaction by a customer or potential customer about service delivery by the company or its agents, and/or about company or industry policy.'



Main types of customer complaints and problems

1. You didn't do what you promised in your publicity and advertising.
2. The product didn't do what it was supposed to do.
3. The product was faulty.
4. You're never open or available when needed.
5. It takes a long time before someone answers the phone.
6. Whenever I get transferred to another person on the telephone I get cut off.
7. Staff behave as if the customer is an interference to their daily routine.
8. People in the organisation are not willing to find a way to help with a problem.
9. Staff are unable to give full product explanations.
10. Staff are unwilling to admit a mistake and give an apology.
11. Staff don't keep the customer informed about what is being done to solve a problem.
12. Promising to do something and then not doing it – giving the impression that the staff don't care or that the customer is not important.
13. Long queues.
14. Poor signage and cleanliness.



Key Fact

Customers may complain if they have bought a faulty or below standard product, had terrible service, had a bad experience or feel that they have been cheated.

Techniques for listening to and reassuring customers about their concerns

If customers express concerns about a product or service, there are techniques that staff should use to listen to the customer and reassure them that their concerns have been heard and understood. Complete the next activity to consider what these techniques are.

A

Activity 6: Case Study – Amy expresses concerns about a product

Amy has bought a toy for her granddaughter at a local department store. When she bought the toy, she was advised on the packaging that it was suitable for 0 to 1 year old children. When she opens the toy at home she discovers that there are detachable pieces that could be dangerous to a small child. She returns to the store to express her concerns to Siobhan, a member of staff. How should Siobhan listen to Amy's concerns and reassure her that they are understood? Make notes below.

Compare your notes with the answer given at the end of this workbook.

If you have to respond to an angry customer, the best strategy is to try and avoid conflict. As you learnt in section 2, one method for avoiding conflict and reassuring the customer that their concerns and problems will be dealt with is by taking the **HEAT**. This stands for:

Hear – actively listen to the customer's grievance

Empathise by showing that you understand how they feel

Apologise for their distress

Take ownership – accept that there is a problem and show that you are going to do something about it.



Key Fact

Make sure you understand the customer's situation and what he or she wants. A major error is to not listen properly, or ask the right questions.

Key stages of resolving customer complaints

If a customer makes a complaint, there are a number of key stages that should be followed to resolve the problem to the customer's satisfaction. Complete the next activity to learn what these stages are.



Activity 7: Key stages in resolving complaints

Look below at the key stages for resolving complaints and number them in the correct order. The first stage is already identified for you.

Listen to the customer to identify the problem	1
Seek customer approval for this solution	
Take action to deal with the problem	
Explain the action to be taken and when	
Show understanding by repeating what the customer has said	
Regularly update the customer on progress in dealing with the complaint	
Ask questions to clarify any misunderstanding	

Check your answers at the end of this workbook.

As a general rule you should take the following steps when dealing with dissatisfied customers:

- 1.** Once you have recognised that the customer is unhappy, the first priority is to give 100% of your focus to the customer and to the current situation. Listen actively to find out what the problem is. Start the dialogue with a neutral statement, such as, 'Let's go over what happened,' or 'Please tell me why you're upset.' This creates a partnership between you and the customer and lets them know that you're ready to listen. Do not jump to conclusions about what happened. Let the customer speak while you listen.
- 2.** Ask questions to make sure that you have identified the problem correctly, then repeat the concerns so you are sure that you are both addressing the same issue.
- 3.** Once you are sure that you understand the concerns, show that you understand why they are upset by repeating the problem. Repeating the problem shows the customer you were listening, which can help lower anger and stress levels. For example, you could say, 'I understand why you're upset. I would be too. I'm very sorry that we didn't get the goods to you on time, especially since it's caused these problems.'
- 4.** Present a solution to correct the situation.
- 5.** Seek the customer's approval for this solution. If the proposed solution is rejected, ask the customer how they want to resolve the situation.
- 6.** Take action immediately once a solution is agreed. Explain every step that you are going to take to fix the problem. If the customer has contacted you by phone, make sure that they have your name and contact details.
- 7.** Keep the person informed about progress in dealing with the problem. Follow up with the customer to make sure that they are happy with the solution.



Key Fact

There are a number of key stages in resolving complaints to the customer's satisfaction.

Let's Summarise!

Take a few moments to answer the following questions to help you summarise what you have learnt in this section. This will help you answer the questions in your assessment booklet.

1. One of the main types of customer complaints is that staff are unable to give full product explanations.

True False

2. One useful technique for reassuring customers that their concerns have been understood is to tell them to come back later.

True False

3. What is the first stage in resolving customer complaints?

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Check your answers by looking back over this section.

Congratulations, you have now completed Section 4 and Unit 1. Please now go to your assessment and answer Q10 to Q12.

Scan the QR code to **unlock some essential assessment tips.**



Unit 2: Understanding the retail selling process

Welcome to unit two.

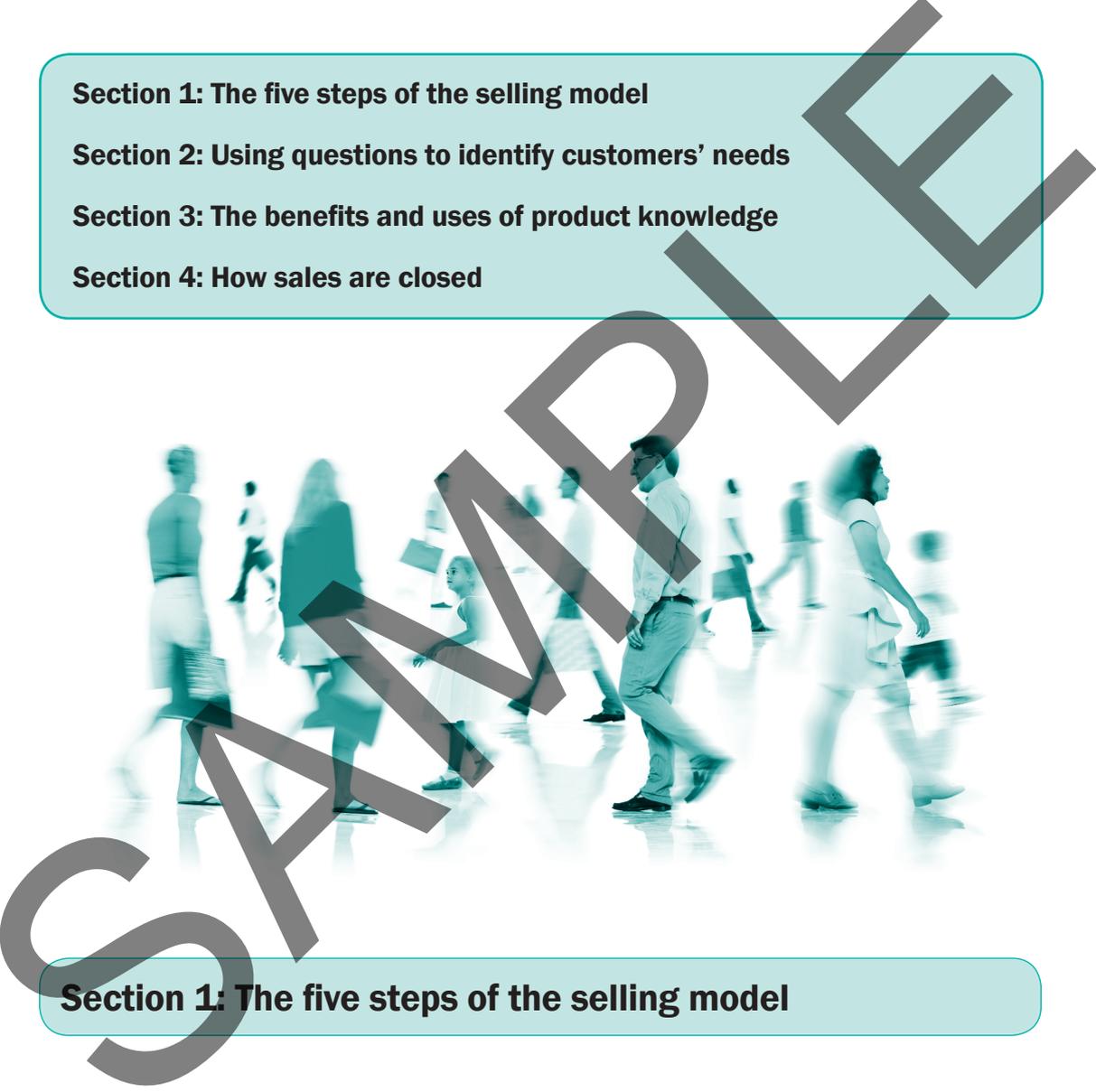
This unit is split into **four** sections. These are:

Section 1: The five steps of the selling model

Section 2: Using questions to identify customers' needs

Section 3: The benefits and uses of product knowledge

Section 4: How sales are closed



Section 1: The five steps of the selling model

This section will explore the following:

- The five steps of the selling model.

The five steps of the selling model

The success of any retail business depends on having skilled staff who understand the retail selling process, have the knowledge to promote sales and an understanding of the techniques available.

The **five** steps of the selling model are as follows:

Step 1: Approach the customer and build rapport



Step 2: Establish what they require



Step 3: Find the right product and sell the benefits



Step 4: Look for buying signals



Step 5: Close the sale



Key Fact

It is important to understand the five steps of the selling model when working in retail.

Step 1: Approach the customer and build rapport

Step 1 of the selling process is about building a rapport. Building relationships is one of the most important aspects when dealing with potential customers and gaining a sale.



STOP AND THINK!

How would you build an effective rapport with a customer? Jot down your thoughts below. There is one idea already given to get you started.

- *Put the customer at ease with a friendly, relaxed approach.*



Did you think about any of the following?

- Put the customer at ease by taking a positive and friendly approach – first impressions count
- Be at ease yourself
- Make them feel that they can trust you
- Present the product information in a knowledgeable manner so that they have confidence in you
- Show an interest in the customer and emphasise any common experiences – remember, people who are alike tend to like each other.

Q. Why is it important to create an effective rapport with customers?

A. An effective rapport makes the customer relax and become more open, making it easier for them to explain their needs and creating an enthusiasm and desire to purchase.



Key Fact

By building an effective rapport with customers you will gain their trust and confidence, which will increase sales opportunities.

Step 2: Establish what they require

Step 2 of the selling process is about asking questions to find out what the customer wants. You should ask questions, listen to the customer's response then probe their answers until you have a clear understanding of what they require. Asking the right questions is an important part of the sales process. Complete the next activity to learn why.



A

Activity 1: Case Study – Asking effective questions

Stefan works in a store selling electronic and digital goods, and is responsible for the part of the sales floor selling laptops, tablets and notebooks. He sees someone looking at the laptop computers and, having approached the person, he asks her some questions. What kinds of questions do you think Stefan asks, and why? Make notes below.

The questions that Stefan asks are about:

- The type of product the customer is looking for
- Her budget limits
- Any particular features she needs.

The importance of these questions is that they enable the sales person to:

- Understand the customer's wants and needs
- Gain accurate information
- Direct her to appropriate products
- Eliminate unsuitable products
- Establish price limits
- Establish the features required – for example, colour, size and style
- Increase customer satisfaction by ensuring the customer gets what she wants.



Key Fact

Being able to ask questions effectively will enable you to provide a customer with information, and have an influence on the customer's intention to purchase the product or service.

Step 3: Find the right product and sell the benefits

Step 3 of the selling process is about finding the right product and selling the benefits to the customer to encourage them to buy. You should propose how your product or service will solve the customer's problem. Complete the next activity to consider this further.



Activity 2: Case Study – Reza buys an e-reader

Reza wants a device to read e-books but is unsure about which product is best. He visits a store selling electronic products. Joe, who is responsible for this part of the sales floor, approaches Reza, and after asking him questions to find out exactly what he wants, he narrows down the range of products that he may be interested in.

Joe points out that as Reza wants the product solely for reading e-books on holiday rather than connecting with the internet, he probably doesn't need a tablet or laptop. He points out the new features of a particular e-reader, such as improved clarity of text and an anti-glare facility for reading in bright sunlight. It is very lightweight for carrying and can hold a huge number of books. Reza is convinced and Joe closes the sale.

How has Joe identified product features and linked them to benefits for the customer in order to make the sale?

Linking the product features to the benefits for customers helps to promote sales because it:

- Clearly communicates the positive aspects of the product
- Shows how the product meets the customer's needs and expectations
- Has a positive influence on the customer's decision to purchase.



Key Fact

Showing the customer how they will benefit from the product's features helps to promote sales because it shows how the product can meet their expectations.

Step 4: Look for buying signals

Step 4 of the selling process is about looking for buying signals once you have matched products to the customer's needs.

Q. Why must products be matched to customers' needs?

A. Matching the product or service to the customers' needs ensures that they get what they want.

Products must be matched to customers' needs to:

- Meet customer expectations
- Help to close the sale
- Reduce product returns
- Promote customer satisfaction and loyalty.

If products are successfully matched to a customer's needs, they may begin to display buying signals, such as:

- Spending a long time looking at one specific product in a wide range
- Asking for more specific details
- Enquiring about the price.

Buying signals show that the customer is satisfied with the service and the product.



Key Fact

Products and services must be matched to customers' needs in order to ensure customer satisfaction.

Step 5: Close the sale

Step 5 of the selling process is to close the sale. All of your good work in the previous four steps of the process is to no avail if the transaction is not completed. Either the customer closes the sale themselves – for example, by asking when you can deliver the product or service, or you can close the sale by using a closing statement such as:

- 'So when would you like us to deliver?'
- 'You can have it in blue or green. Which do you want?'



STOP AND THINK!

What are the effects on the retail business of closing the sale? Why is it important to do this? Jot down your thoughts. There is one idea already provided to get you thinking.

- *By closing the sale you increase the profitability of the business.*

Did you think of any of the following reasons?

Closing the sale:

- Increases business profitability
- Increases the market share that the business has
- Improves stock rotation as more goods are sold
- Enables you to meet sales targets.



Key Fact

It is important to close the sale so that profitability is increased.

Let's Summarise!

Take a few moments to answer the following questions to help you summarise what you have learnt in this section. This will help you answer the questions in your assessment booklet.

1. What is the first step of the selling model?

2. Why is it important to build a rapport with customers?

3. What is the purpose of asking the customer questions?

4. Why does showing how the customer will benefit from the product's features help to promote a sale?

5. Why must products be matched to a customer's needs?

6. Why is it important to close the sale?

Check your answers by looking back over this section.

Congratulations, you have now completed Section 1.
Please now go to your assessment and answer Q1 to Q6.

Scan the QR code to **unlock some essential assessment tips.**



Section 2: Using questions to identify customers' needs

This section will explore the following:

- The definition and purpose of 'open' and 'closed' questions in the selling process
- The definition and purpose of 'probing' questions in the selling process
- Questions that can be used to establish sales opportunities.

The definition and purpose of 'open' and 'closed' questions in the selling process

Asking questions is important because it shows that you are interested in the customer's needs and opinions. It is better to be sure that you understand the customer's needs than to do something that might damage customer relations.

Definition of an 'open' question:

An **open** question is a question that cannot be answered with a 'yes' or 'no' but requires a more developed response.

Examples: 'What type of instrument are you looking for?' 'What kind of hotel do you want to book?'

The purpose of using open questions in the selling process is to:

- Promote a clearer explanation from the customer about their needs
- Enable the customer to respond in their own words
- Get the customer involved in the sales discussion and help build rapport
- Find out more about a person or a situation.

Definition of a 'closed' question:

A **closed** question is one that invites a 'yes' or 'no' response.

Examples: 'Do these shoes fit you?' 'Do you need any help with your packing?'

The purpose of using closed questions in the selling process is to:

- Steer the conversation towards the desired outcome
- Find out facts
- Gather basic information from the customer that you can use to generate an open question.



A

Activity 3: Open and closed questions

Give an example of an open and a closed question that you might use in conversation with customers.

Open question example	Closed question example

i

Key Fact

Closed questions can be answered with a 'yes' or 'no' response. Open questions invite a more developed response.

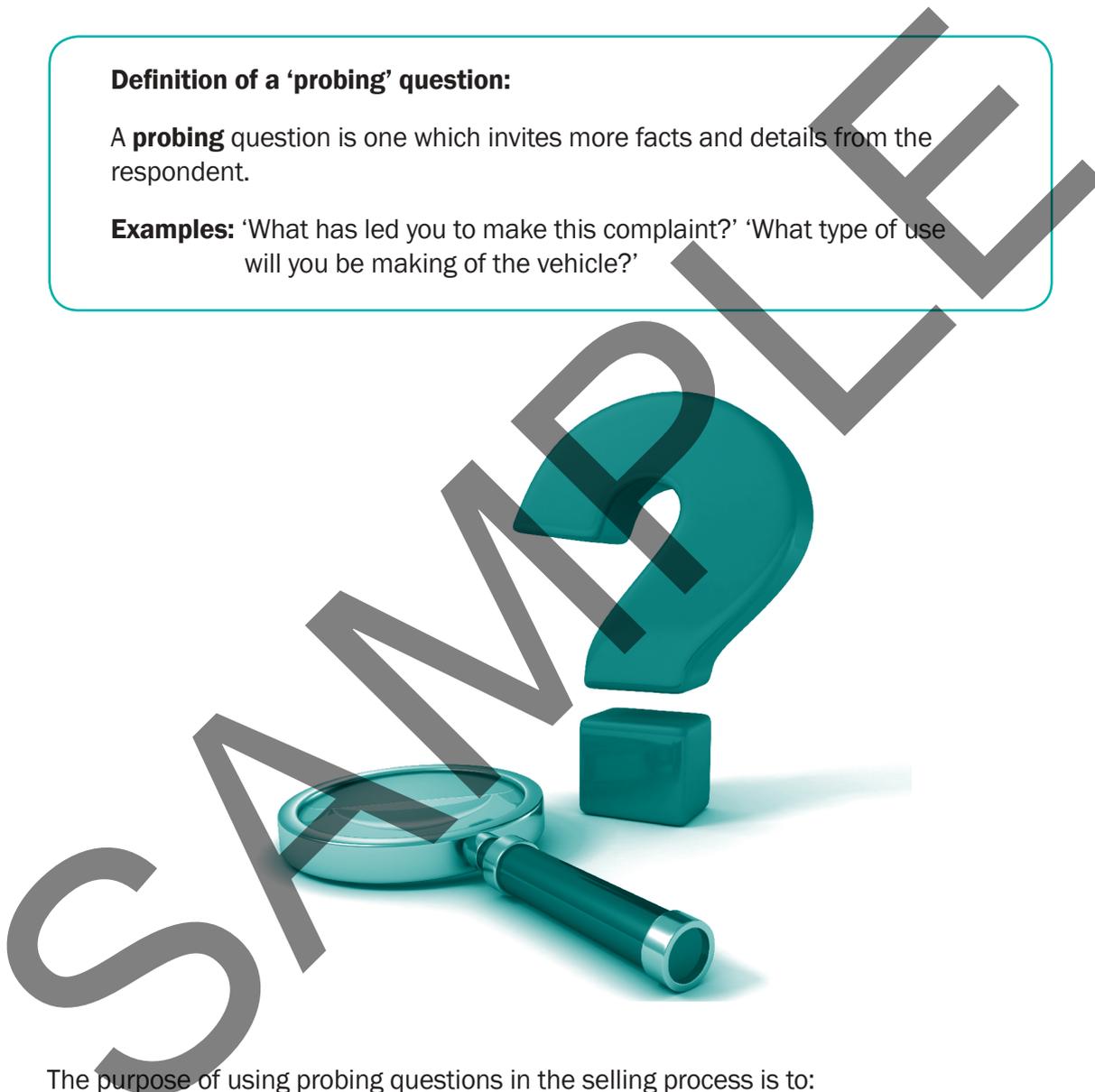
The definition and purpose of 'probing' questions in the selling process

In addition to open and closed questions, 'probing' questions are also an important tool in the selling process.

Definition of a 'probing' question:

A **probing** question is one which invites more facts and details from the respondent.

Examples: 'What has led you to make this complaint?' 'What type of use will you be making of the vehicle?'



The purpose of using probing questions in the selling process is to:

- Understand customers' needs
- Establish a customer's likes and dislikes
- Establish and recommend appropriate products
- Establish budget considerations and restrictions.

Probing questions can also be used to clarify what customers say to you if you do not understand them. You can probe by:

- Asking for additional information – for instance, ‘Would you like me to send an email to confirm the details of your purchase?’
- Asking for an example – for instance, ‘Can you give me a sample of the colours you would like for your bouquet?’
- Asking for proof about what has been said – for instance, ‘How do you know that the product arrived with a fault?’

A

Activity 4: Probing questions

Give an example of a probing question that you might use in conversation with a customer.

Probing question example:

i

Key Fact

Asking probing questions is a useful way to be sure that you understand customers’ needs and expectations.

Questions that can be used to establish sales opportunities

In order to establish a sales opportunity, you should ask questions initially to find out a customer's needs. The questions are designed to see if you have established a 'sales lead'.

Q. What is a 'sales lead'?

A. A 'sales lead' is someone who you think has the need, reason or interest in buying a specific product. Once you have established a sales lead you can pursue a sales opportunity.

The types of questions that you can use to establish a sales opportunity include the following:

- 'Have you made a purchase of this type before?' 'How did it work out for you?'
- 'Have you considered buying a [product type]?' 'Why or why not?'
- 'How do you see yourself using this product?' 'How will it help you?'
- 'What problems do you have that this product can solve for you?'
- 'Who is the product for?'
- 'Why do you need the product?'
- 'Where will it be used?'
- 'When is it required?'
- 'What is your price range?'

If one of these questions triggers a strong response in your customer, you should pursue it.

Emotional attachments to products and services

When a customer answers a question, they might not reveal their real reason for wanting to make a purchase, but you can use further questions to find out a customer's 'emotional attachment' to the product. Their emotional attachment is why they **want** the product or service as well as **needing** it.



Key Fact

Use questions to establish whether or not you have a sales opportunity.

Let's Summarise!

Take a few moments to answer the following questions to help you summarise what you have learnt in this section. This will help you answer the questions in your assessment booklet.

1. When would you use an open question?

Blank response area for question 1.

2. When would you use a closed question?

Blank response area for question 2.

3. What type of question would you use to establish a customer's likes and dislikes?

Blank response area for question 3.

Check your answers by looking back over this section.

**Congratulations, you have now completed Section 2.
Please now go to your assessment and answer Q7 to Q9.**

Scan the QR code to **unlock some essential assessment tips.**



Section 3: The benefits and uses of product knowledge

This section will explore the following:

- Using comprehensive and up-to-date product knowledge to promote sales
- Identifying features and benefits of products and matching them to customers' needs
- Methods of keeping product knowledge up to date.

Using comprehensive and up-to-date product knowledge to promote sales



STOP AND THINK!

How can you use comprehensive and up-to-date knowledge about your products or services to promote sales? Jot down your thoughts below. There is one idea already provided to help you.

- *Customers will be reassured by your expertise.*

Did you think of any of the following reasons?

Comprehensive and up-to-date product knowledge will:

- Enable you to answer any questions about the product or service
- Enable you to suggest alternatives
- Make you confident and relaxed in your sales manner
- Enable you to overcome objections from the customer
- Allow you to offer appropriate guidance to the customer
- Give you expert status so that customers will perceive your advice as trustworthy and helpful.



Key Fact

Comprehensive and up-to-date product knowledge will be reassuring for the customer, promote sales and give the business a competitive edge.

Identifying features and benefits of products and matching them to customers' needs

Q. What is the difference between 'features' and 'benefits'?

A. The features of a product are its distinctive aspects – things that the product does. The benefits are the advantages that the customer gets from a product's features.

benefits

To see the difference between features and benefits, look at the following example:

Features	Benefits
Wall mounting brackets	Eliminates the need for floor space
Internet connectivity	Can be used to view email, websites, and download films
Full HD	High quality picture
3D facility	Can be used to watch DVDs or films in 3D
LED	May use less power than some other TVs
Flat screen	Takes up less space than other TVs

Now apply what you have learnt by completing the next activity.



Activity 5: Features and benefits

Think about a product or service that you might deal with as a retail salesperson. Identify some of its features and the benefits that result from each.

Product or service: _____

Features	Benefits

The features and benefits of products and services that you are responsible for can be identified by:

- Attending product information training sessions
- Reading trade magazines
- Looking at the manufacturer's packaging information
- Information from colleagues.

When you have identified the features and benefits of the different products or services that you are responsible for, you need to match them to customers' needs. Look at the following case study to see an example of how this works.



Case Study: Derek buys a vacuum cleaner

Derek looks at the vacuum cleaners in a store that sells household goods. Andrea approaches him and after building up a rapport, she asks some probing questions to ascertain his needs.

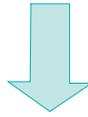
She finds that Derek is looking for a cleaner that is economical to run, light enough to carry up and down stairs easily, can be used for cleaning a range of surfaces such as carpets, tiled floors, furniture and ceilings, has powerful suction and a power cord long enough to reach up to the attic room. He also has a price limit.

Once Andrea has found out what Derek needs, she is able to show him a couple of different brands, tell him about their different features and attachments and explain how each one might be what he is looking for. She also demonstrates them in operation.

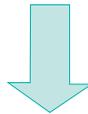
With Andrea's help, Derek selects a cleaner that is light, powerful, has attachments for different surfaces, a long power cord and does not need dust bags. It is within his price range and Andrea closes the sale.

To match product features and benefits to Derek's needs and make the sale, Andrea must:

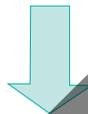
1. Know the all key features and benefits of the products and services



2. Establish customer needs using open and probing questions



3. Identify specific features and benefits in line with the customer's needs



4. Explain and demonstrate the product to increase desirability



5. Close the sale.



Key Fact

To promote sales, you have to know the features and benefits of the products and services that you deal with. You then have to find out what your customer's needs are and match them to a product or service that is suitable for them.

Methods of keeping product knowledge up to date

In order to match the features and benefits of products to customers' needs, you have to keep your knowledge up to date.

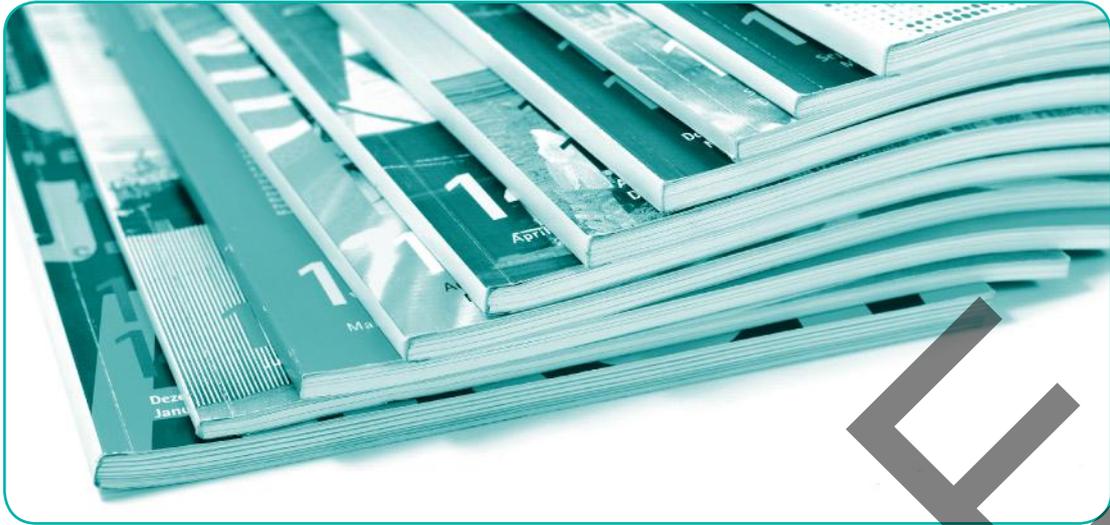


STOP AND THINK!

How would you keep your product or service knowledge up to date? Jot down your thoughts. There is one idea already provided.

- *Read the manufacturer's information on the packaging.*

SAMPLE



Did you think of any of the following methods and sources of information?

- Sales literature from reps
- Trade magazines
- Product websites
- Consumer and marketing brochures
- Consumer reviews
- Training sessions from suppliers
- Trade conferences and fairs
- Familiarity through using the product or service
- Information from colleagues.



Key Fact

There is a range of different methods and sources of information for keeping your product and service knowledge up to date.

Let's Summarise!

Take a few moments to answer the following questions to help you summarise what you have learnt in this section. This will help you answer the questions in your assessment booklet.

1. How is comprehensive and up-to-date product knowledge used to promote sales?

Blank response area for question 1.

2. How would you identify the features and benefits of products and match them to your customers' needs?

Blank response area for question 2.

3. Give an example of how to keep product knowledge up to date.

Blank response area for question 3.

Check your answers by looking back over this section.

**Congratulations, you have now completed Section 3.
Please now go to your assessment and answer Q10 to Q12.**

Scan the QR code to **unlock some essential assessment tips.**



Section 4: How sales are closed

This section will explore the following:

- How to identify 'buying signals'
- Ways of closing sales.

How to identify 'buying signals'

Q. What are 'buying signals'?

A. Buying signals show that the customer is ready to purchase.

When customers come into your line of sight, they will be sending you various signals. The signals that they send could include:

- 'I am just wandering around with no interest in products or intention to buy.'
- 'I am interested in this product, but am not currently anxious to buy.'
- 'I am very interested in this and might buy it if you can answer a few questions.'
- 'I want to buy this now.'

Main buying signals the salesperson needs to look for

Buying signals can be both verbal and non-verbal. Complete the next activity to see if you can identify some of the main ones.



A

Activity 6: Case Study – Buying signals

Look at the following case study and see if you can identify buying signals by underlining or highlighting them in the text.

Ken visits a second-hand car dealership that specialises in top of the range sports cars. Initially he browses the selection without making any eye contact with the dealer. Eventually he focusses his attention on two models, spending ten minutes looking at each one. He sits in the driving seat of one of the cars and then looks around for someone to help him.

When the dealer goes across, Ken asks about fuel consumption and various other technical details. He asks the dealer to confirm the price and whether or not it is negotiable. Ken also has a friend with him and he asks him if he likes this model. During the conversation Ken gets his credit card out of his pocket.

Check your answer at the end of this workbook.

Look now in more detail at verbal and non-verbal buying signals.

Non-verbal buying signals

Spending time looking at one product type:

When a customer is looking at one type of product, they may be interested in buying, especially if you have a broad range from which they are browsing only a small category. Perhaps they need advice, so ask if you can help them decide. The longer a person looks at one product type, the more likely they are to buy it. They are investing their time, which is a sure sign of interest.

Looking around for somebody to help them:

If you see them looking around, catch their gaze, and perhaps raise your eyebrows to signal that you are ready to help. If they sustain the glance or raise their eyebrows, this is a buying signal. This is particularly significant if they are holding the product or have just spend time looking at a limited product range.

Handling the product:

When they pick up the product, they are getting a sense of owning it.

Touching their money:

If they touch their wallet or purse, or if they get out cash or a credit card, this is a very strong signal that they want to buy.

Verbal buying signals

Asking questions about the detail:

If they ask for more detail about the product, they are becoming more interested. If they ask about the features of the product they may well have a checklist of things they are looking for, so ask for details. You can also ask more about how they will use the product, from which you can advise them on the best buy.

Asking about price:

You can tell the customer the price or ask how much money they want to spend. If they tell you, you can help them find the best value for the money they have to spend.

Using possession language:

They talk about how they will use the product. Look for 'I' language. Get them to use the product, and ask how they will use it.

Asking another person's opinion:

When they ask another person what they think about the product, they are likely thinking about buying the product and are seeking confirmation.



Key Fact

When the person signals that they are ready to buy, you should also be ready to pick up on it and move them towards closing the sale.

Ways of closing sales

Closing is the last stage in the selling process. The salesperson's effort of obtaining attention, arousing interest and creating desire, has no value if he or she cannot close the sale.

A

Activity 7: Case Study – Ways of closing a sale

Luciano has browsed the mobile phones in a shop and, after a discussion with John the salesperson, he decides on a model to buy. What should John do or say to close the sale? Make notes below.

The main ways of closing a sale are to:

- Ask the customer directly if they would like to purchase
- Asking indirect questions such as, 'How many will you need?' or 'When do you want it?'
- Ask the customer how they will pay
- Offer alternatives and ask them to choose the one that is best for them by saying, '...based on what you told me, I think these products would work well for you. Which would you prefer?'
- Offer accessories
- Offer enhancements such as extended warranties
- Offer incentives such as discounts, gifts, free delivery or after-sales services
- Reassure the customer by quoting testimonials and references – this method works well if the customer hasn't heard of your business or hasn't used a similar product or service before.



Key Fact

The salesperson's effort has no value if he or she cannot close the sale.

Let's Summarise!

Take a few moments to answer the following questions to help you summarise what you have learnt in this section. This will help you answer the questions in your assessment booklet.

1. Give an example of a non-verbal buying signal.

[Empty rounded rectangular box for answer 1]

2. Give one example of a way to close a sale.

[Empty rounded rectangular box for answer 2]

Check your answers by looking back over this section.

Congratulations, you have now completed Section 4 and Unit 2. Please now go to your assessment and answer Q13a to Q14.

Scan the QR code to **unlock some essential assessment tips.**



Answers to activities Unit 1

Activity 6: Case Study – Amy expresses concerns about a product

The techniques that Siobhan should use to deal with Amy's concerns and reassure her that her concerns have been heard and understood are:

- Eye contact and other forms of positive body language to show that she is interested in Amy's concerns – if Siobhan's body language is negative, for example, looking uninterested or having a slouching posture, this will serve to make Amy more dissatisfied and potentially angry
- Active listening to ensure that Amy's concerns are understood correctly so that she can deal with them properly
- Open and probing questioning to identify the problem
- Facial expressions which convey concern
- Acknowledgement of Amy's problem, and nodding to convey understanding and empathy
- Repeating Amy's words back to her to confirm that Siobhan understands the concern.

Activity 7: Key stages in resolving complaints

Listen to the customer to identify the problem	1
Seek customer approval for this solution	5
Take action to deal with the problem	6
Explain the action to be taken and when	4
Show understanding by repeating what the customer has said	3
Regularly update the customer on progress in dealing with the complaint	7
Ask questions to clarify any misunderstanding	2

Answers to activities Unit 2

Activity 6: Case Study – Buying signals

Did you identify the following buying signals?

Ken visits a second-hand car dealership that specialises in top of the range sports cars. Initially he browses the selection without making any eye contact with the dealer. Eventually he focusses his attention on two models, spending ten minutes looking at each one. He sits in the driving seat of one of the cars and then looks around for someone to help him.

When the dealer goes across, Ken asks about fuel consumption and various other technical details. He asks the dealer to confirm the price and whether or not it is negotiable. Ken also has a friend with him and he asks him if he likes this model. During the conversation Ken gets his credit card out of his pocket.

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Learning Outcomes Unit 1

1. Understand the effect of customer service on retail business.

- 1.1 Describe the key features of excellent customer service
- 1.2 Describe how excellent customer service affects a retail business
- 1.3 Describe the key features of unsatisfactory customer service
- 1.4 Describe how unsatisfactory customer service affects a retail business
- 1.5 Describe the main methods used by retail businesses to maintain and increase customer loyalty.

2. Understand how retail businesses find out about customers' needs and preferences.

- 2.1 Describe methods of approaching customers on the sales floor and the questioning and listening techniques for finding out what customers are looking for
- 2.2 Describe how customer feedback is collected and used to improve customer service.

3. Understand the importance to a retail business of customer service standards, policies and procedures.

- 3.1 Explain the difference between customer service standards, customer service policies and customer service procedures
- 3.2 Describe the benefits to the customer of customer service standards, policies and procedures
- 3.3 Describe the benefits to retail businesses of customer service standards, policies and procedures.

4. Understand how customer complaints and problems are resolved in a retail business.

- 4.1 Describe the main types of customer complaints and problems
- 4.2 Describe techniques for listening to customers expressing concerns about a product or service, and for reassuring customers that their concerns have been heard and understood
- 4.3 Describe the key stages in resolving complaints to the customers' satisfaction.

Learning Outcomes Unit 2

1. Understand the five steps of the selling model.

- 1.1 Outline the five steps of the selling model
- 1.2 Explain why an effective rapport needs to be created with customers
- 1.3 Explain the importance of effective questioning to the sales process
- 1.4 Explain how linking benefits to product features helps to promote sales
- 1.5 Explain why products must be matched to customers' needs
- 1.6 Explain the importance of closing the sale.

2. Understand how questions are used to identify customers' needs.

- 2.1 Define 'open' and 'closed' questions and state the purpose of each in the selling process
- 2.2 Define what is meant by 'probing' questions and state the purpose of these in the selling process
- 2.3 Identify questions which can be used to establish sales opportunities.

3. Understand the benefits and uses of product knowledge.

- 3.1 Explain how comprehensive and up-to-date product knowledge can be used to promote sales
- 3.2 Describe how the features and benefits of products can be identified and matched to customers' needs
- 3.3 Describe a range of methods for keeping product knowledge up to date.

4. Understand how sales are closed.

- 4.1 State what is meant by a 'buying signal' and describe the main buying signals the salesperson needs to look for
- 4.2 Describe the main ways of closing sales.

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Upon successful completion of this qualification, learners will be awarded one of the following*:

NCFE Level 2 Certificate in Understanding Retail Operations (601/3338/7)

TQUK Level 2 Certificate in Understanding Retail Operations (RQF) (603/2933/6)

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The Skills Network Ltd.
T: 0845 1770047 / 01757 210 522
www.theskillsnetwork.com


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