

BRACE YOURSELF: THE HIGH \$A IS HERE TO STAY

BRW.

Know which way business is heading.

SURE-FIRE SELLING TIPS

Don't take no for an answer

DECEPTION DETECTION

Find out if someone is lying to you

GET IN THE CLOUD

Boost your business capabilities

SMART TALK: RICHARD BRANSON

Virgin founder on time management

PLANET OF THE APPS

**GET YOUR BUSINESS
SMARTPHONE AND
iPAD READY**



**VIRTUAL WORLD
CUTS REAL
ESTATE COSTS**

**PREMIUM
DRINKS LIFT
THEIR GAME**

April 21-27, 2011
\$7.95 (incl GST)

www.brw.com.au

ISSN 07277458



15

● LETTER OF THE WEEK

MAKE SHOPPING FUN AGAIN

Your lead article "Retail fights back" (April 7) makes a valid and cogent case for retailers to increase and improve their online presence.

Yet one of the retailers' most powerful options was given short shrift. Much was said about multi-channel options, yet the primary channel ignored in your discussion was that of in-store experience of the customer.

Kevin Moore, the chief executive of Crossmark, alluded to the huge bottom-line potential of improving the customer experience when he said, "They [the customers] will need to be reminded why visiting a store is such a great way to spend time."

Many people shun retailers because there is no zing, no pizzazz to the experience. Few provide customer service that excites passion and a desire to return to a place where people receive personal service of the highest calibre.

Customer service in Australian organisations of all types, not just the struggling retailers, is average at best. It is high time for a customer-focused revolution to revive the fortunes of ailing enterprises of all varieties.

Geoff Peate
Perth, WA

HOW RETAILERS SHOULD STRIKE BACK

I agree with the sentiment that traditional retailers need to get their act together ("Retail fights back", April 7). But I contest the implied sensibility that retailers need to get online or be left behind. That would be merely an act of investing in the hope of catching up to others.

Long-term success, unfortunately, is not that simple. Instead, retailers concerned about their revenue share should focus on the "why", not the "how to" in retail. Consider why customers

spend their money. Discounts are rarely a sustainable reason, other than when low prices are a true competitive advantage and the entire business model is designed to keep the price competitive.

Memorable experiences, on the other hand, are hard to replicate by competitors and, when positive, are brand differentiators. To drive revenue, retailers need to deliver on shoppers' expectations then give them something extra that creates that favourable memory, bringing them back to the store – on or off-line. Customer service is one element but there is so much more that makes a great shopping experience.

Every time customers come in contact with a brand, it has to be an experience that shapes their perceptions, motivates their brand commitment and influences the likelihood of repurchase. Brands that deliver great experiences reward their customers for the time, money, energy and emotions they invest beyond the delivery of their products and services.

Australians are willing to pay for a great experience, as is made clear by the ABS's report, *Australian Economic Indicators April 2011*, which shows that revenue generated by consumers visiting restaurants has grown by 8.3 per cent, while the average across all other retail sectors grew only 1.7 per cent.

Shops obviously need to strike back. The victors will be those that surprise and delight in every channel in which they operate. It's a matter of designing, developing and managing a truly memorable experience for shoppers.

Alex Ritchie
Paddington, NSW

BANK OF NSW MIGHT LIVE AGAIN

The decision by Westpac to rebrand its St George branches in Victoria ("Westpac and the bank that never was", March 24) is an interesting move. Years after the Bank of Melbourne name disappeared, it appears that Westpac's once-held multi-

brand business model is now considered a valuable marketing approach. In 1963, when I first started working, Australia had more than 16 cheque-issuing banks, including the Reserve Bank of Australia. Over time, the number fell. The first of the post-war amalgamations (aka mergers) happened in the late '60s, when the ANZ acquired the ES&A. Years later, the much larger ANZ came to the rescue of the troubled Bank of Adelaide.

Then in 1982, Westpac became the merged entity when the Bank of NSW and the Commercial Bank of Australia names disappeared. At the same time, the National Bank of Australasia and the Commercial Banking Company of Sydney formed what is now National Australia Bank. In less than nine years, the number of brands reduced by six.

Over the ensuing years, building society brands started to disappear through mergers and, in a few cases, conversion to the status of a bank. Due to the failings of state-owned banks, Victoria (SBV), SA (BSA) and to a lesser extent the Rural Bank of NSW (later State Bank of NSW), those brands all changed hands. The CBA acquired SBV and the old Rural, which by then had become Colonial. St George, now a bank, picked up Bank SA and retained the brand. Today the financial services landscape is awash with brands all competing for a piece of the action.

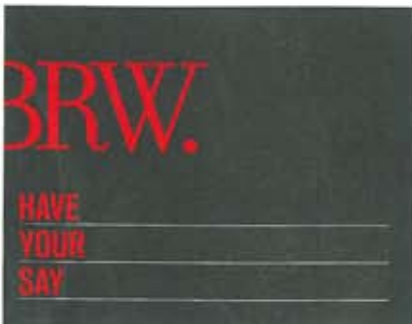
Despite all the changes, not one bank has failed since the banking crashes of 1893. And they say there is not enough competition? Westpac's latest move is about multi-branding and it is not alone. If things continue, perhaps the words over the doorway of the stately building that was Westpac's former head office in George Street, Sydney, may even come back into vogue. On its 200th anniversary in 2017, the Bank of NSW might live again!

Allan Gibson
Cherrybrook, NSW



The Letter of the Week wins six bottles of Wynns Coonawarra Estate Cabernet Shiraz Merlot valued at \$125.95, www.wynns.com.au. The prize is open only to people aged 18 and over. It is supplied and delivered by Wynns Coonawarra Estate under Wynns Coonawarra Estate Ltd liquor licence no. 5080017.

Send reader contributions to: brweditor@brw.fairfax.com.au or BRW Editor, Level 1, 1 Darling Island Road, Pyrmont, NSW, 2009. Please keep letters to a maximum of 200 words and include a telephone number. By submitting your letter to BRW, you agree that we may edit it for legal, space or other reasonable reasons and may, after publication in BRW, republish it on the internet or in other media.



- The BRW.com.au website includes daily blogs, BRW TV and more than 10 years of archives
- Expert analysis of the day's events
- Access to BRW magazine articles
- Sign-up now to receive BRW Today

MANAGEMENT
RICH 200 UPDATES
EMERGING COMPANIES
PROFESSIONS
TECHNOLOGY
PROPERTY
ENVIRONMENT
INVESTMENT
BANKING AND FINANCE