

# 'Yule' struggle without solid Christmas sales

 By [Aki Kalliatakis](#)

25 Nov 2016

Mid-year seems a little early for Christmas planning, but retailers hoping to put the ho-ho-ho back into yuletide sales are well advised to start early.

For many businesses, the Christmas run-in and Christmas proper account for more than half of annual sales. In some categories the 'gift of Christmas' tops 60% of yearly profit.

After years of low growth, businesses that mess up Christmas 2016 could find themselves running closing-down sales early in the New Year.

The message is clear... 'Yule struggle without solid Christmas profits. Choke and you might go broke.'

Many firms have already decided the merchandising mix and holiday inventory levels. However, two factors that are often overlooked until late in the day are in-store leadership and staff training.

Hands-on leadership could be decisive.

Management by walking around often reinforces organisational purpose.



When superior performance over a critical period is vital, wishy-washy statements from the boss's office probably won't cut it. Those desperate for big improvements in customer-centric service can help make it happen by making the mission real.

I recall a case study from many years ago about a regional US bank and how it achieved gimmick-free growth.

US banking was under pressure. Many banks reacted by giving free toasters and appliances to consumers who opened accounts!?!

But this old-fashioned bank managed the crisis by doing very little. It simply continued the quirky, time-honoured policy of its aging president. This meant all executives began their banking careers by learning to be a teller.

All executives – no matter how senior – were under instructions to open a new teller point whenever they saw big queues in the banking hall. This might dent executive ego, but customers got a kick out of being served by a Senior VP.

Service was speedy and marketing didn't have to waste cash on a backroom full of toasters. In any event, it makes little sense to reward new customers for new business when it's rarely as profitable as old business from satisfied well-established clients.

Old-school hands-on management has rarity value these days, but the lesson is clear – make commitments to customers real and you make money.

By being proactive and going on the shop-floor, managers not only lift service levels, they inspire staff. A manager on the spot can also head off incidents with the potential to damage the brand.

For instance, management presence is always beneficial when dealing with 'the customer from hell'. A smart, cool and competent manager can show how it's done.

Virgin Active recently faced a tough situation when a gym-user arrived in an 'inflammatory' T-shirt advocating a boycott of Israel. Other customers objected. Negotiation became heated, the police were called and the boycott boykie was evicted, with attendant potential for social media scandal-mongering.

Training is available to help frontline staff deal with those who are unreasonable, belligerent, confrontational and objectionable (some even insulting and racist).

At some point, the problem may have to be escalated to management. It is therefore useful when some senior people take the same training.

The first prize when the customer from hell comes to call is having a senior person close by to provide the voice of reason and take appropriate action.

However, day by day, service delays create more problems than the occasional hellish customer.

The most-cited source of customer frustration is delays and long queues. Delay can cost a business customers and volumes. It is therefore important that businesses identify potential choke-points.

Out-of-touch managers fail to see them and are slow to react. It might be a matter of deploying more staff to a department, raising the morale of demoralised employees, improved training, new system investment or something as simple as better signage.

The common thread is that remedial action demands closeness to day-by-day activities.

For example, a big life insurer recently cut claim processing time from days to hours when management discovered that time on the claim was not the issue. Delay was caused because claims spent too much time sitting on someone's desk waiting for further processing.

Clearly, hands-on leadership has huge potential to make a difference, but in most cases it is the ordinary staff member who shapes something as personal as the shopping experience.

Staff have to be equipped with more than a smile (though that would be a big improvement in some operations). Staff need to be revitalised by regular training in the basics of customer service.

Competence improves when confidence improves, and confidence is often a by-product of proper training, better product knowledge and the assurance you feel when you know you have the skills to do the job right first time.

Training like this should not be delayed till the last minute.

Businesses don't have long to go before Christmas, so they don't have time to waste. Train, re-energise and re-inspire your people now. 'Yule' regret it if you don't...

## ABOUT AKI KALLIATAKIS

Aki Kalliatakis is the Managing Partner of The Leadership LaunchPad, a business focused on customer loyalty and radical marketing. Contact him on +27 (0)83 379 3466, +27 (0)11 640-3958 or [customer@lcon.co.za](mailto:customer@lcon.co.za). Follow [@akikalliatakis](https://twitter.com/akikalliatakis) on Twitter.

- Airline PR disasters and the lessons you can learn - 3 May 2017
- Where is customer management going in 2017? - 14 Dec 2016
- 'Yule' struggle without solid Christmas sales - 25 Nov 2016
- When rules *must* be broken - 6 Sep 2016
- Big sponsors make it hard to swallow - 17 Aug 2016

[View my profile and articles...](#)

For more, visit: <https://www.bizcommunity.com>