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Business Professor Says Retailers Should Prepare Now For Post-Recession Environment

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The recession may have permanently changed some buying attitudes and behaviors. Consumers are spending less, they are hunting for deals and they have traded down from the high-end to the discount store. How can retailers satisfy consumers' expectations in a post-recession environment and still make money?

Butler University Marketing Lecturer Kate King says businesses will need to work harder to keep customers happy and they should begin preparing now by focusing their efforts in four areas.

1) **Welcoming their customers back**. When the recession hit customers in the wallet, there was an immediate effect on the retailers' wallets. Even loyal consumers stopped buying. Retailers must be prepared to bring people back through special promotions, events, merchandizing or finance terms.

2) **Improving their customer service**. Since reducing labor costs is the fastest way to improve the bottom line, many retailers cut sales staff during this recession. But signs indicate consumers are more willing to put up with less inventory and choice if they can benefit from the expertise of a knowledgeable salesperson. Consumers parting with their hard-earned dollars need a sense of comfort and reassurance that they're buying the right thing.

3) **Offering something unique — price alone is rarely a sustainable advantage.** For long-term survival and prosperity, retailers must offer a differentiated product or service. The recession has weeded out the "me toos." Did we really need Circuit City *and* Best Buy when there was no discernible difference in products or approach? To lure customers, retailers need to offer something unique that represents value and meets their needs.

4) **Preparing to meet elevated consumer expectations.** One positive outcome of the recession has been increased customer service by many retailers. That same level of enhanced attention and service will be expected by consumers even after the recession ends. Retailers will need to maintain that standard.

King has been teaching retailing and marketing for over 20 years. She also has eight years of retail management experience. To speak with King, contact Courtney Tuell at (317) 940-9807 or ctuell@butler.edu.