

MYSTERY SHOP ESSENTIALS: CONFIDENCE BUILT ON EVIDENCE

Andy Gregory
Faraaz Kharwa
Abhishek Jha





DELIVERING FAST, AGILE, AFFORDABLE DATA AND INSIGHTS ON DEMAND

From Brand Promises to Customer Realities

We examine the growing divide between brand expectations and customer experiences, emphasising the dangers of assumptions and the importance of replacing speculation with tangible evidence to transform vulnerable hopes into unshakeable certainty.

Inspect What You Expect

In the intensely competitive and economically challenging landscape, the discrepancy between a brand's promise and its actual delivery at the point of sale has never been more crucial. Brands spend millions crafting their image, messaging and managing customer journeys; yet the ultimate success or failure hinges on everyday interactions that remain unseen.

The fundamental questions every brand should address are straightforward:

- Are our standards being executed flawlessly right now?
- Are our products being passionately and accurately recommended?
- Does the customer experience truly reflect the designed journey?

In this paper, we explore how brands can excel in a retail environment where success hinges on one core principle: **you must 'inspect what you expect.'** To provide a clear path forward, three of our senior Ipsos Channel Performance (CHP) experts - Andy Gregory (CHP Head, New Zealand), Faraaz Kharwa (APEC GSC Director), and Abhishek Jha (CHP Head, India) - share their actionable insights. They outline a modern approach to mystery shopping that is faster, simpler, and more targeted, delivering the agility brands need to win at the shelf.



The gap between hopeful compliance to real time certainty

In the dynamic realm of retail and customer experience, brands often rely on hope rather than certainty, believing that service touchpoints, promotions, staff adherence, and technology will function flawlessly. This reliance on hope can lead to inconsistencies that erode reputation, loyalty, and revenue. Certainty is fundamental in building trust, loyalty, and fostering growth. It ensures that strategic intentions are mirrored by customer experiences.

Brands that thrive are those harnessing agile, unbiased insights, enabling them to delve into their operations and convert findings into actionable strategies, gaining a competitive edge. Data-driven organisations benefit from enhanced customer service, improved store presentation and ambiance, maximised

promotional impact, and elevated staff performance, ensuring regulatory compliance and contributing to enhanced business metrics like increased revenue, customer retention, and revenue per customer.

Reflecting on real-world examples demonstrates how immediate actions not only averted brand deterioration but also re-established trust and uniformity across customer experiences.

The Impact

The following real-world examples highlight the tangible consequences of neglecting frontline brand advocacy and the remarkable turnarounds possible when it is prioritised.

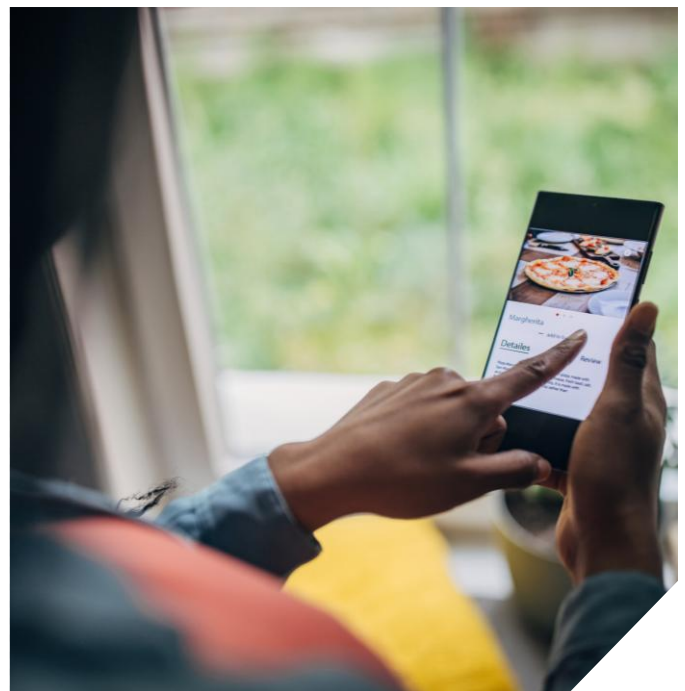


Impact 1 Retail Excellence

A leading electrical company discovered inconsistencies in its 600+ stores through mystery audits. These audits highlighted that 63 stores prominently displayed competitor products and nearly 20% had faulty in-store lighting, undermining the brand's identity and customer experience. Prompt evidence-based actions were taken to address these issues, thereby reinforcing the brand promise and restoring the premium customer experience.

IMPACT 2 Digital Experience

A pizza chain discovered significant issues in its digital ordering experience through mystery shopping. It was revealed that QR codes were missing in 55% of visits, and payment systems failed in 30% of outlets. These issues contradicted the brand's promise of convenience, leading to targeted technology fixes and urgent staff training, thereby restoring a seamless digital journey.



From Insight to impact

Ipsos Essentials is an agile mystery shopping program that delivers certainty by quickly providing focused and actionable insights. Through validating promotions, identifying execution gaps, and ensuring consistent delivery, this program helps brands transition from hopeful compliance to real-time certainty, ultimately protecting their reputation and revenue.

Moments of Truth

The concept of "moments of truth" refers to the key touchpoints in the customer journey where a person forms a lasting impression of a brand. While there are many such moments, the interaction with a frontline sales associate is arguably one of the most impactful. It is here that your brand's message is either amplified or silenced. To truly understand your performance in these moments, you must consider three key areas:

1.Share of Voice:

Is your brand the first and most frequent recommendation? When a customer asks for advice, does your product come to mind and to the lips of the sales associate? Dominating the "share of voice" on the shop floor is the first step towards market leadership.

2.Message Fidelity:

Are your key selling points and differentiators being communicated accurately and persuasively? It's one thing for your brand to be mentioned; it's another for its unique value to be articulated in a way that resonates with the customer's needs.

3.Competitor Standing:

How are your competitors being positioned against your own products? Understanding the narrative being woven around your competition is just as important as controlling your own. Are they being presented as a superior, equal, or inferior choice?

DRIVING GROWTH: THE POWER OF YOUR PEOPLE





Advocacy Champions

In the bustling world of retail and customer service, it's easy to get lost in the metrics of foot traffic, conversion rates and basket size. But what if the most potent, yet often overlooked, driver of your sales and brand loyalty is standing right in front of your customers? Your frontline teams are more than just transactional agents; they are the living, breathing embodiment of your brand.

Their recommendations — or lack thereof — are pivotal in the "moments of truth". These are the critical instances where a

customer's perception of your brand is formed, and their purchasing decisions are made. A genuine recommendation from a trusted employee can hold more sway than a multi-million dollar advertising campaign.

The critical blind spot for many brands is not knowing what is truly being said in these crucial moments. Ignoring what happens at this grassroots level is a significant risk. You might have the best product and the most compelling marketing campaign, but if your frontline isn't on board, your efforts will fall flat.

The Impact

The following real-world examples highlight the tangible consequences of neglecting frontline brand advocacy and the remarkable turnarounds possible when it is prioritised.



IMPACT 1

The Communication Gap

A major telecommunications provider ran a promotional campaign with store credit for new customers and incentives for retail staff. Mystery shopping revealed the promotion was only mentioned in one out of three interactions, despite 92% of stores having prominent displays. The lack of staff advocacy highlighted a communication gap, prompting the company to enhance training and communication with channel partners. A subsequent wave of mystery shopping is planned to assess improvements.

IMPACT 2

Applying advocacy

A global home appliance company faced falling sales in Australia and New Zealand. Initial mystery shopping found inconsistent sales interactions and poor brand advocacy, with only 12% of interactions promoting the brand and 50% failing to mention unique selling points. In response, the company increased in-store representatives, revamped training to focus on product knowledge, and improved brand presence. They continue to use mystery shopping to monitor and support sales and training efforts consistently.



From Insight to impact

You cannot afford to be in the dark about what is happening on your sales floor. Fortunately, gaining this visibility and driving change is more accessible than ever. By deploying 'essential' mystery shops, you can rapidly assess your "share of voice," understand retailer sentiment, and identify critical training gaps.



STRENGTHEN YOUR BRAND, ONE INTERACTION AT A TIME

The Intangibility of Experience

Despite its critical importance, the concept of 'experience' is often seen as intangible and elusive, posing challenges in measurement and management. This gap underscores the demand for actionable tools that can decode the multifaceted nature of customer interactions.

The Role of Agile Mystery Shopping

Essentials mystery shopping solution is designed to tackle this challenge by employing a fast, agile, and cost-effective approach. By dissecting the customer journey into pinpointed touchpoints, agile mystery shopping offers a precise methodology to capture and manage the intricacies of customer experience (CX).

Proving Value Through Data

Agile mystery shopping equips brands with the necessary evidential support to demonstrate that superior customer experiences are not merely beneficial but are directly correlated with increased revenue and brand loyalty. This direct linkage empowers decision-makers to prioritise customer experience enhancements with a confident understanding of their impact on business outcomes.

Key benefits of agile Mystery Shopping



Comprehensive Journey Evaluation:

Allows for a focused assessment of the customer journey. From digital inquiries and in-store greetings to the final purchase, every interaction is meticulously evaluated, ensuring a seamless omnichannel experience.



Benchmarking Capabilities:

Provides businesses with the ability to measure their customer experiences against both direct competitors and best-in-class retailers, facilitating strategic improvements based on empirical data.



Linking Experience with Performance:

Perhaps one of the most transformative aspects of our product is its ability to correlate specific customer interactions with sales performance. By identifying behaviors that influence satisfaction and sales, businesses receive tangible insights to justify CX investments.

The Impact

IMPACT 1

Ensuring Communication Accuracy

The rewards program communication at petrol stations needed improvement for accuracy and effectiveness. A study across 250 stations (30% national footprint) revealed a 90% accuracy rate but noted 10% misinformation, mainly during peak times. Strategic recommendations like training, monitoring, and customer engagement improved information accuracy, enhancing customer satisfaction and loyalty.



IMPACT 2

Elevating Retail Excellence

Malaysia's largest mall operator implemented a standardised quality assessment framework across its seven malls, involving 2,133 tenants over four weeks. This initiative used a mobile app for shopper feedback and an online portal for management review. The framework aimed to enhance tenant performance, improve customer satisfaction, and maintain brand consistency, allowing the management to identify and act on key areas for improvement.

From Insight to impact

You cannot afford to be in the dark about what is happening on your sales floor. Fortunately, with 'essential' mystery shops, you can rapidly assess your "share of voice," understand retailer sentiment, and identify critical training gaps.



Can you afford to remain in the dark?

Precision in Responding to Customer Needs

Understanding and responding to customer needs with precision is essential for business success. Ipsos Essentials offers an efficient approach, integrating quick mystery shopping insights with actionable strategies, ensuring brands attain promotional accuracy and consistency in service delivery.

Insightful Visibility and Actionable Data

The cases clearly demonstrate the crucial need for visibility and actionable data to adapt to changing business dynamics. Ipsos Essentials provides the certainty businesses require to not only envision improvements but actively implement them.

Unleash Your Most Powerful Asset

Your frontline employees are your most valuable and influential marketing asset. They are the trusted voices that can cut through the noise of traditional advertising and forge genuine connections with your customers. By investing in understanding and shaping the "moments of truth" on your sales floor, you are not just improving customer service; you are building a sustainable engine for growth.

Data-Driven Actions

Ipsos Essentials exemplifies how data can be transformed into decisive actions. It enables businesses to identify execution gaps, verify promotional authenticity, and ensure consistent service delivery. This proactive tool helps pivot aspirations into assured performances, safeguarding business reputation and driving revenue growth.

Efficiency and Cost-Effectiveness

Additionally, Ipsos Essentials can be delivered at double the speed and at half the cost of standard programs.

Key Takeaways

Transform your frontline into a powerful force for brand advocacy:

01

Measure to Manage

Implement a mystery shopping program to get an unbiased, objective view of the customer experience. This will provide you with the data needed to understand your current state and benchmark your progress.

02

Educate and Empower

Use the insights from your mystery shopping to develop targeted training programs. Focus on not just what to say, but why it matters. When employees understand and believe in the brand, they become natural advocates.

03

Incentivise and Recognise

While incentives can be effective, true advocacy comes from a sense of purpose and belonging. Recognise and reward employees who consistently deliver exceptional brand experiences.

04

Foster a Community

Create a culture where frontline employees feel valued and connected to the brand's mission. When they feel like they are part of something bigger, their enthusiasm becomes contagious.

Contact us to run a pilot program and evaluate if your delivery meets your expectations.

Australia & New Zealand: Andy.Gregory@ipsos.com

North & Southeast Asia: Faraaz.Kharwa@ipsos.com

South Asia: Abhishek.Jha@ipsos.com

OUR PURPOSE

Real people,
going to *real* places,
to deliver *real* impact

...driving

***real* performance
improvement**

To discover more visit:

[https://www.ipsos.com/en/channel-
performance](https://www.ipsos.com/en/channel-performance)