

Effective Employee Training Supports the “Sales = Service = Sales” Success Formula at Coach

How Top-Quality Retailer Coach Uses Comprehensive Training to Build Customer Satisfaction and the Company’s Brand

COMPANY: Coach, Inc.

Industry:

High-quality retailer and one of the best-recognized accessories brands in the United States.

Strategy:

Improve the customer experience by training frontline associates and company managers.

Implementation:

Use Coaching Moments to focus on skills for frontline sales associates. Programs include *Stellar Service*[®], *Providing Constructive Feedback*[™], *Giving Recognition*[™], and *Developing Others*[™].

Training Population:

Coach sales associates and managers in the United States.

Results:

Increased conversion rates in their stores and achieved the successful blending of separate sales and service training programs into a combined program to create incremental value.

Coach has come a long way from its modest beginnings more than a half century ago as a family run, leather goods workshop in a New York City loft. With the production of a dozen stylish handbags in 1960, Coach made leather a fashion statement.

Throughout the years, while its workforce has grown significantly, Coach has remained faithful to its tradition of superb workmanship. The Coach signature of superior quality is not only indelibly marked on all of its products, but also in the company’s customer-centric commitment to the finest customer service.

“The Coach brand is the centerpiece of our business culture,” says Ethel Wragg, Coach’s Divisional Vice President of Learning and Development. “One of the most important ways we strengthen our brand is by successfully engaging our customers. That means we depend a lot on the capabilities of our frontline sales associates and their managers to make the customer experience satisfying. How well we make that first impression drives our overall sales, conversions, dollars per sale, repeat visits, and every other metric by which we measure success.”



“Part of the Company’s everyday mission is to cultivate our customers’ relationships by strengthening the emotional connection to the brand.”

Lew Frankfort, Chairman and Chief Executive Officer, Coach

Leaving an outdated training regimen

While Coach was growing faster and moving into new markets, employee training remained based on a model that featured videotape presentations and workbooks. “The approach we had to training had its moment, but our business was evolving so quickly we needed a more dynamic and flexible way to train our associates,” Wragg reflects.

For one thing, the company’s training regimen was organized into two separate curriculums, one for sales and the other for service. This split the focus of the organization into two messaging silos.

Projected growth in the number of stores was prompting Coach to focus more attention on retaining and preparing assistant store managers to take the next step in their Coach careers. “We’ve had good success promoting from within,” Wragg notes. “About 50 percent of all store managers come from the Coach family. They know our product and business culture, but also have to have the right interpersonal skills in their tool box before they can run their own stores.”

In addition, the company recognized a need to take a fresh look at how its training of frontline retail associates was influencing the customer experience. Did existing training provide associates with the best skills to strengthen the customer experience? Was there a better way to improve the expertise of its frontline resources?

Coach called upon AchieveGlobal, which was working with the company’s corporate management group,

to evaluate the mission, structure, and effectiveness of employee and manager training.

Launching a new model that leverages collaboration

The AchieveGlobal team recommended a comprehensive approach to training that supported Coach’s primary focus — to constantly improve customer satisfaction and the customer experience. AchieveGlobal designed training for delivery on the floor of the store, not in a classroom. It blended the retailer’s two separate sales and service training curriculums into one. The combined sales-and-service training approach works equally well at Coach’s Full Price and Factory stores says Wragg, “because 95 percent of the things we do are the same in either sales or service environment. The remaining 5 percent is customized to fit what is unique to each.”

Coach tested the revised approach against a quantifiable business objective that looked to increase conversion rates at the company’s Full Price and Factory stores by 1 percent. The new program succeeded in both cases and led to an even deeper evaluation of the Coach retail group’s needs. AchieveGlobal’s research confirmed that Coach’s store managers needed additional skills that would enable them to develop the skills of their store leadership staff. Many assistant and associate store managers were clearly not prepared to step into open store manager positions.

With upcoming store openings creating the need for a thorough but fast-tracked solution, AchieveGlobal designed a program to help Coach build the bench strength essential to long-term success. The first phase of the solution included certification of 60 multi-level managers in two custom-developed leadership programs. In turn, these managers delivered programs to 400 Coach store managers at a store manager conference. The program was successful and new stores opened with leaders trained and in place.

Management support is indispensable

The major reason why training is a top priority throughout Coach is the support of company management at all





levels. Managers lead the training experience and set the pace for training to coincide with business goals.

“I partner with our two senior vice presidents and we start off with a clear idea of what we want to accomplish. Then we match the need for training with the need to drive specific business metrics,” Wragg explains. “For example, if we are preparing to open more retail locations, a key part of that growth process is having store managers, assistant managers, and frontline associates trained and ready to serve our customers the moment we open the doors.” Coach management — from the corporate board room to the store level — understands the value of training by “inspecting what they expect,” Wragg adds. “Training is the link that puts best practices into everyday processes for an organization. At the end of the day, however, none of the training you do makes a difference unless you follow up and apply business metrics. Measuring not only tells us how far we’ve come, but also prepares us for what’s next.”

“Customers like buying in a comfortable environment, which is why we treat our customers like guests in our home,” Wragg notes. “When the buying experience is pleasant and the associates that engage them are genuinely helpful, customers are likely to become repeat customers. In effect, one sale made in a great service environment can help us create more sales.”

Everyone at Coach is a learner

The training of managers above and at the store level fits hand-in-glove with the overall training philosophy at Coach that everyone in the organization is a learner. “For us to keep succeeding in a very competitive marketplace, every person in the company must understand the dynamics of the customer experience and how it relates to our success. Everyone at Coach is a learner. Our new training program helps Coach associates at all levels to learn faster and with a greater level of confidence,” Wragg insists.

At the store level, frontline associates that directly engage customers never speak to a customer until they complete a basic level of training. “Sales training begins before an associate sees a customer because effective preparation is how you ultimately succeed,” she adds. Training for all frontline associates involves four “Coaching Moments” that consist of numerous separate tasks, which sales associates need to master before serving a customer. All new sales associates receive intensive training during their orientation and follow-up training at regular intervals throughout the employee life cycle.

The “sales = service = sales” philosophy

At Coach, service drives the sales engine and powers the customer experience.



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Flexible world-class training, developed by AchieveGlobal to help Coach associates and their managers consistently improve the customer experience, is a paramount piece of Coach’s marketing strategy. The cumulative result of all training is to help Coach associates do even better tomorrow what they already do well today.

Training means evolution, not revolution

As Coach continues to expand throughout the United States, as well as in markets abroad, training will continue to be instrumental in the retailer’s plans for future achievement.

Coach did it right. It never considered training a stopgap approach to problem solving. Expanding the knowledge

base of its managers and frontline associates became part of the business culture. Comprehensive training gave them the tools and preparation to turn curious browsers into loyal buyers, and single sales into repeat business.

“Excellent, effective training is about evolution, not revolution,” Wragg concludes. “We want a well-planned journey with course corrections that will allow us to change as the market does. Great training helps us create the finest customer sales experience. It’s what makes Coach so successful.”



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8875 Hidden River Parkway, Suite 400, Tampa, FL 33637-1034

Tel: 1.800.456.9390 | Fax: 813.631.5796

www.achieveglobe.com