



Managing closing time to enhance manager, employee, and customer satisfaction

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Abstract Closing time for a retailer or service provider represents a time when a store is in transition from an open domain to a closed domain. During this time, employees' tasks change from primarily serving customers to managing their closing time activities while concurrently serving customers. As such, shoppers are impacted by employee actions and closing time duties, often in a negative way. We found through our research that customers act with retaliatory, territorial behaviors, and employees report stress and annoyance over closing time practices, yet managers consistently say no problems exist with their closing time practices. In this article, we outline three key problems retailers face in their closing time practices and offer guidance on how to overcome these obstacles.

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1. Closing time: The misconception

Ah, closing time. Are there two sweeter words known to man or beast?

– Penguins of Madagascar (2009)

While some stores are open 24 hours, the majority of retailers still close their doors at the end of the day. One would think stores have mastered closing time issues from the customers', employees', and managers' perspectives. However, our extensive

research shows this is not the case; in fact, it's far from it. We find that customers act with retaliatory, territorial behaviors, and employees report stress and annoyance over closing time practices, yet managers consistently say no problems exist in their closing time practices. There is a disconnect between customers, employees, and managers on what closing time means and what the appropriate actions for each party should be, but knowledge about how to effectively manage closing time remains scant.

To learn more, we used a multitude of methodologies over the last several years. These methods included critical incident technique interviews with customers and employees of various retailers—to

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understand closing time experiences from their perspectives—interviews with managers and their respective employees, the use of mystery shoppers in stores to identify actual closing time practices, and surveys of customers leaving stores around closing time. Our results show that employees use several types of cues—productive, personal, audio-visual, withdrawal, hostility, and blocking—to alert the shopper to closing time. Consequently, the shopper may feel like an intruder and respond through possible acts of retaliation, abandonment, accession, and negative word-of-mouth in attempts to establish territoriality. Further details of our study and results are reported in an article in the March 2014 issue of the *Journal of Retailing* (Ashley & Noble, 2013).

Generally speaking, employee behaviors before and during closing time have a significant impact on shoppers. Shoppers feel intrusion from the employee and become territorial as they face blockades from inventory or employees. In response, shoppers often act out in retaliatory ways, such as purposely making messes for the employees to clean up, getting in an employee's way during cleaning activities, and shopping slower than needed to prove a point and assert their right to be in the store. Customers who are more loyal to a store are more likely to retaliate, presumably because they feel more territorial (i.e., entitled to be in the store) and feel they have more rights to shop later because they have given so much money to the store.

Our research shows both shopper and employee confusion about what closing time means. The customer may believe closing time means they are allowed to enter the store until the time posted on the sign—sometimes even after—and are allowed to shop past the posted time. There is also uncertainty surrounding how long a reasonable amount of time is to remain in the store after the posted closing sign. This seems to be especially true in retailers that have ambiguity around their closing times, such as restaurants that post 'last seating' times, but not times the restaurant officially closes.

If closing time is ambiguous, employees may believe closing time is the time to clock out, which in our research usually equated to a few minutes after the posted closing time. Therefore, when customers remain in the store as closing time approaches, employees feel the need to send customers cues to let them know the store is closing and it is time to leave. Some of these cues include cleaning around the customer, restocking, making announcements that the store is closing, shutting down lights and registers, and closing down areas of the store. In some cases, managers may close early (e.g., when it is slow) or stay open later (e.g., to serve a special

customer or reach a sales quota), which also increases customer confusion about appropriate closing time shopping behavior.

As customers and employees battle over whether shoppers should still be allowed in the store, both parties exhibit territorial behaviors. Consequently, managers have their own struggles as closing time approaches. They want to deliver exceptional customer service, even at closing time, but have to be careful to avoid overtime and disgruntled employees. So, they may ask or allow employees to do their closing time duties before the store officially closes.

While managers and supervisors may know what is ideal, they are largely unaware of the real situations employees and shoppers face as they battle over who has the right to occupy the store territory at day's end. In our research, managers consistently said they handle closing time efficiently and effectively, have trained employees to manage customers during this time, and believe employees put the customer first. However, when talking with employees, customers, and our mystery shoppers, these beliefs are far from what actually occurs around closing time.

Overall, we found from this research that three key problems exist with respect to closing time: (1) an unclear definition of closing time, (2) a lack of employee training on appropriate closing time practices, and (3) a lack of service level enforcement near closing time. We offer suggestions on how to address these challenges to more effectively manage closing time.

2. Problem #1: Unclear definition of closing time

It bugs the living daylights out of me when a restaurant says it is open until 10 p.m. and I come in at 9:30 and am told the kitchen is closing and has a limited selection or has already closed.

— Restaurant customer

Shoppers and employees do not always see eye to eye about what the posted closing time means. The customer may believe the closing time represents the last minute a shopper is allowed into the store. One shopper says, "If you look at the sign on the door, it gives a time of 6 p.m. as closing time, so this is the latest time of entry," asserting his belief that the time stated on the sign is not the time he needs to leave the store, but rather the latest he can enter into the store. Customers may take the issuance of closing time cues more personally when there is more ambiguity about closing time, as is often the

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