

COMMUNICATIONS TAKES RETAIL CENTRE STAGE

Whether you're talking about connectivity and data transfer, or just all forms of essential interactions between retailers and their suppliers, business partners and customers, communication technology increasingly takes centre stage.

The communications of any retailer – supported by its technology based infrastructure – is perhaps most key in uncertain economic times, to attracting and retaining customers. In fact, best-in-class companies for customer feedback are 18 times more likely to increase customer satisfaction, and 44.5 times more likely to increase customer retention, according to a customer experience report based on the analysis of 150 enterprises, by Customer Experience Management (CEM) programme provider, Empathica and co-sponsored with researcher, Aberdeen Group.

The report, "The Return On Investment on Customer Feedback: Why it Pays to Listen to the Voice of the Customer," categorised organisations based on their use of customer feedback in relation to four main performance criteria: customer problem resolution, customer satisfaction, customer retention and customer advocacy. Companies were then divided into best-in-class, "industry average" and "laggard" categories based on the analysis.

Best-in-class organisations were found to be reaping benefits from customer feedback management programs. The leading companies were more than twice as likely as their counterparts to have an established process that tracks customer feedback across all departments and channels.

Gary Edwards, Empathica client services executive vice president said: "The harsh reality of a global economic recession has put companies under more pressure than ever to improve customer satisfaction and retention."

Aberdeen Group's Jeff Zabin added: "Our findings show the improvements that companies have realised as a result of customer feedback initiatives. By putting in place the right technologies, organisational resources, business processes, and performance metrics, organisations can leverage customer satisfaction to grow and succeed during these difficult times."

At the same time, the technology infrastructure that forms the backbone to all interactions, be it customer feedback, an e-commerce website or sales data from tills, comes under additional pressure to support essential business operations. Research commissioned by Networks First, an independent provider of support services for network infrastructures to the retail sector,

revealed that less than three quarters (72%) considered industry accreditations – both at company and engineer level – either 'important' or 'very important' when performing due diligence.

A further 43% also did not place much importance on quality and security standards such as ISO 27001 and ISO 9001 or customer references (28%).

Nearly half of respondents (45%) placed importance on the ability of a provider to offer a 'one stop shop' of services. However, the area of due diligence which the retail sector deemed least important was in relation to if the service provider had access to manufacturer technical assistance centres, with less than 1 in 3 (30%) rating this as 'important' or 'very important'.

Commenting on the findings, Peter Titmus, Networks First managing director warned: "Without manufacturer backed technical assistance support, you can't be sure your equipment is fully registered and therefore meeting legal requirements. It also puts you at risk of not getting the appropriate technical updates as they become available or having the necessary support when required. The retail sector really needs to be thinking about how critical it considers its IT networks and putting far more emphasis on due diligence in this area."