

RTG Newsletter

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FROM THE PRINCIPAL'S OFFICE

A few years back, in Retail Technology magazine, I defended the retail software solution providers against unfair bad publicity by many retailers. I felt then - and I still feel - that every package implementation is unique and that many retailers have been culpable for their software implementation difficulties and failures. That notwithstanding, I also feel that software solution providers - at least in our industry - have not "stepped up to the plate" in what we all have come to know and love as 'customer service.' The article in this issue is dedicated to taking a look at the state of affairs.

I will no doubt hear from those software companies who are very proud of their track record and accomplishments. Good for you, and keep up the good work! Obviously this article doesn't apply to you.

Bob Amster - Principal, RTG

Customer Service - A view from the other side

BY BOB AMSTER

We all keep hearing about retailers' focus on customer service and enhancing the customer experience. Among retailers, Nordstrom's is held as a standard, there is Gucci, there is my local haberdasher Richard's of Greenwich, and there are many more across the country. So, the question is this: if retailers are trying to provide ever-increasing customer service and to enhance the customer experience, are the retail software solution providers doing the same with *their* customers, the retailers? Who is the Nordstrom's among software developers?

Many retailers have had less-than-savory experiences living with the software they bought and getting what they need from the companies from which they bought it.

We hear plenty of stories about retailers finding a problem with a particular software application only to find that their 15-20% annual maintenance fee does not get them the immediate attention and problem resolution to which one would think they are entitled.

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A recurring complaint among these retailers is that they are tired, not so much of the software they implemented, but of the poor support they receive from the software developer. This begs the questions: are there enough people in the support function of most solution providers? Are those help desk people *really* knowledgeable of the product they support? Why don't the solution providers feel the same sense of urgency to resolve a customer's problem, as does the customer? How much time do developers spend training new employees? Often, and in order to meet delivery deadlines, some software companies take the shortcut of not developing the maintenance routines and do not conduct the self-examination that software requires, and especially heavy-duty math software. Many times the support staff simply does not have the tools to help the customers.

Ladies and gentlemen of the retail software industry, it's time to face the music and start providing memorable customer service.

When I first went to work in this industry at Kmart Apparel, the training program called for office employees to work in the stores. For example an assistant buyer had to work in the field before he/she could become a buyer, and so on up the ladder to become a GMM. Do all retail software developers send their programmers and application designers to work in retail operations, before they are allowed to draw their first flowchart? Do solution providers put their most product-savvy or their least product-savvy employees to work the help desk? Do they rotate managers into the help desk job so that the managers can get an idea of what is right or wrong with their software product *from the customer's perspective*?

This is a friendly call to all of you retail software developers to endeavor to become as customer-centric as the companies to which you sell, not only from a functionality perspective, but from the on-going service perspective.

JD Power is known for running customer satisfaction analysis on the automotive industry. Maybe we should commission an independent trade organization to do the same for retail software packages and for the companies that develop and support them...

WHAT'S NEW

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Visit our Web site!

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We are pleased to announce

We are pleased to announce that Mark Lilien has joined Retail Wire's BrainTrust panel. Retail Wire is a daily retail publication on the Internet at www.retailwire.com and is also a free E-mail subscription. Mark's first contribution raised quite a response.

Non-Profit

We are pleased to announce that we were selected to assist a major museum organization to select merchandise management and POS systems to replace existing legacy. The organization wishes to remain anonymous.

Ski Market

This family-owned retailer of Ski, Bicycle and Surfing products located in greater Boston, selected RTG to assist with the selection process for merchandise management software. RTG has conducted tens of such projects for retailer large and small, and hard and soft goods. Ski Market is the largest privately-owned ski retailer in the Northeast.

Web-based Scheduling

For a 270-location specialty store chain, Craig Furer is working on a web-resident online labor scheduling system that integrates ShopperTrak results with budgetary and sales goals. A startling sales opportunity was identified by the ShopperTrak data, which showed sales conversion declines when traffic rose.

This is a "browser-driven" business, with heavy gift emphasis. An 8-figure sales increase is possible if improved labor scheduling raises the conversion rate modestly.

RS&S

Retail Systems and Services has continued its support of a major specialty chain to develop their new planning, assortment planning, store planning, store clustering and allocation processes in preparation for new Advanced Planning systems. RS&S has played an important role in defining the concepts that will be added to the existing methodologies and processes as the new

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systems are implemented. RS&S is also supporting the vendor-retailer System Design Workshops in which the new system methodologies are being built around the new processes.

RS&S is continuing its support for a major Department Store Chain as they address new processes and systems for Assortment Planning and Store Clustering.

RS&S has recently announced its annual Merchandise Planning seminar to be held in Orlando at the Disney Boardwalk Resort from Nov 7-9th 2005. This year's program features Process Building, Roles/Responsibilities and Organization topics on Day1 and Advanced Planning topics on Days 2-3. Attendees can now choose to attend Day 1, Day2-3 or all three days as they access their needs and interests level. Barbara Anderson, Saman Hong and Frank Zarrello on Day 3 will join Terry Donofrio, the main presenter, for a series of case studies and special topics. NOTE: seminar is open to Retailers only - NO Vendors or Consultants.

Barbara Anderson

For the past year and a half Barbara has consulted to several software companies including TrueDemand, an RFID software start-up, specializing in forecasting, based on information collected via RFID. TrueDemand is currently building many of Barbara's concepts on out-of-stock prevention and identification. Barbara has also participated in ePC Global where she wrote the business use cases for promotions, new items and shelf replenishment.

Barbara will be presenting for the international Business Forum in October and for RS&S in November.

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