Microsoft Dynamics ERP

Retailers create connected customer relationships to differentiate their brands and build loyalty

Connected Experiences for Retail
with Microsoft Dynamics

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Microsoft

CUSTOMER LOYALTY AND SHARE OF WALLET DEPEND ON MORE THAN PRICE AND AVAILABILITY

Consumers increasingly are taking control of the retail environment. A major contributor to this development is today's pervasive digital technology that makes it easy to gather information and shop anytime from anywhere. No longer can retailers count on product availability and attractive pricing to win and keep customers. Instead, digitally literate, time-starved, value-driven consumers insist on a complete shopping experience—a *connected* experience—convenient, personalized, available in the store, by telephone or online. And this experience must feel the same regardless of channel; service levels that vary by channel can leave a bad impression with shoppers.

For the retailer, the goal is to convert the connected shopping experience into a connected customer relationship that will withstand changing economic conditions and consumer tastes. A connected customer relationship creates opportunities for you to differentiate your brand, build loyalty among your customers, and increase your share of wallet. But consumers are ever less tolerant of slips: they are willing to "vote with their feet" if their latest experience with your brand was unsatisfactory, or if they discover negative online reviews posted by other shoppers.

CONNECTED CUSTOMER RELATIONSHIPS

Recent experience has identified three important technology factors to consider in building or enhancing connected customer relationships:

- **Online investigation**. Experience in the United Kingdom suggests that a significant majority of shoppers who investigate online before they buy will visit more than one Web site, and will likely conduct multiple searches. Building relationships with customers such as these means providing information online so that they do can do their pre-purchase homework with you.
- **Social networking**. Other data points reveal the digital generation's tendency to post online comments and opinions about their shopping experiences. Such posts hold the potential to influence other shoppers' buying decisions because shoppers seem more inclined to trust them than advertisements. Smart retailers will monitor social media to stay informed about what their own customers and other shoppers are saying.
- **Multi-channel presence**. A leading U.S. retail analyst firm notes that shopping using more than one channel is growing as a percent of total retail sales, and this pattern will continue. Clearly, creating connected customer relationships means being "open for business" whenever and wherever consumers want to shop. The complete online presence supports pre-purchase information-gathering, the purchase transaction itself, and post-purchase contacts. Failing to establish this presence means leaving a growing portion of your revenue opportunity to competitors who do offer a multi-channel experience.

Connected customer relationships enable you to differentiate your company with a value proposition built around convenience, a multi-channel presence, and a consistent customer experience. In addition to the potential for greater customer satisfaction and positive online shopper reviews, connected customer relationships can benefit your employees in their various roles, as the following table suggests:

Role	Sample Information	Potential Benefit
Store, Web, and call center managers	• Hours of operation and staffing input • Product purchase and pick-up location coordination • Assortment planning input	• Optimum availability to shoppers/cost-effective staffing • Customer convenience/satisfaction • Revenue and inventory costs balanced
Advertising and marketing managers	• Print and online advertising plan input • Direct mail plan input • Loyalty program plan input • Coupon and special offer plan input	• Greater advertising effectiveness • Greater direct mail effectiveness • Higher customer retention at attractive cost • Personalized incentives that enhance loyalty at attractive cost
Supplier relations manager	• Inventory plan input • Product sales comparisons • Vendor performance comparisons	• Product availability and inventory costs balanced • Stronger overall product offerings • Improved product availability and cost of goods sold
Operations manager	• Back-order, shipping, and delivery status	• Greater customer satisfaction and loyalty

GETTING STARTED

State-of-the-art business software applications can help you seamlessly integrate your company's systems, tools, and processes. They offer the flexibility, interoperability, ease of use, and affordability that make today a great time to invest in building connected customer relationships. And the benefits realized from this investment can be game-changing. You will be open for business when, where, and how customers want to shop, so you will increase your total revenue opportunity. The actual purchase process can be more efficient because shoppers will be better informed and more ready to buy. By keeping abreast of shoppers' comments and opinions, you will gain insight to help you fine-tune retailing operations from end to end. By delivering the connected shopping experience that shoppers demand, you will differentiate your company's value proposition for shoppers and encourage their long-term loyalty. Your company's bottom line should also benefit.

Microsoft Dynamics® offers the retail community a comprehensive, flexible, fully integrated set of business software solutions that help you compete effectively today, adapt to changing conditions, and capitalize on tomorrow's opportunities—all with a compelling total cost of ownership. How?

- Microsoft Dynamics solutions are familiar. They work like and with Microsoft® Office, Microsoft SQL Server®, Microsoft Office SharePoint® Server, and other Microsoft products that your employees, customers and suppliers already know and use. This helps simplify development, deployment, and training.

- Microsoft Dynamics solutions are comprehensive, and they work together. They help you deliver connected customer relationships that are convenient, efficient, and consistent across multiple channels.

- Microsoft Dynamics solutions are supported by a robust partner ecosystem, so you can get help customizing or deploying your applications if you choose.

- Microsoft Dynamics solutions fit into your current technology environment, so they deliver value today. And they deliver value tomorrow by enabling you to cost-effectively integrate new, more robust applications as these become available.

To learn more about Microsoft Dynamics in Retail, please visit www.microsoft.com/dynamics.

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like and with familiar Microsoft software, automating and streamlining financial, customer relationship, and supply chain processes in a way that helps you drive business success.

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