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Norkus: Shopper Surveys 'Effective'

By JULIE GALLAGHER

POINT PLEASANT, N.J. — Norkus Foodtown's visit-specific, phone and Web-based customer surveys are "absolutely more effective" than the annual in-store surveys that it previously conducted, said Suzanne LaFrance, director of marketing and customer service, Norkus Foodtown, here.

The seven-store independent, part of the Foodtown cooperative, Avenel, N.J., began piloting Huntington Station, N.Y.-based Retail Survey Group's Constant Customer Feedback service a year ago in two of its stores. It expanded the program to the remainder of its stores six months ago. Currently, all of the nearly 60 Foodtown cooperative stores use the system.

Meanwhile, last week Retail Survey Group announced that D'Agostino Supermarkets, New York, will launch a five-store pilot of the Constant Customer Feedback service. Though still to be determined, incentives will be offered to customers who complete the survey.

At Norkus Foodtown, about one out of every 10 loyalty cardholders is selected at random to participate in the surveys, which are conducted via a secure Web site or through a toll-free 1-800 number, on an ongoing basis. Customers who choose to complete the survey receive 500 S&H greenpoints. Foodtown's loyalty program is based upon the Fort Lauderdale, Fla.-based S&H greenpoints rewards program.

The Constant Customer Feedback service is more effective than the yearly in-person survey method it replaced, according to LaFrance, because instead of asking customers to give an overall rating of multiple

shopping experiences over time, it focuses specifically on the individual shopping trip during which the customer was invited to take the survey.

"Because we're receiving feedback on specific shopping experiences, we can pinpoint any issue concerning product quality and availability, employees, promotions and sales," she said. Norkus has made changes as a result of the surveys, though she didn't provide specifics.

Also, LaFrance believes the survey is more effective because it leverages Foodtown's loyalty club system.

"People who take the time to complete the survey appreciate the value of the S&H greenpoints system," said LaFrance. "They weren't just stopped in the store to answer some questions; they actually have a loyalty card so they're probably familiar with the store and most likely have something to say."

Once a customer has been randomly selected, a printout is generated at the checkout that contains instructions about how to access the survey. About 60% of Foodtown respondents who opt to take the survey complete it via the Internet, with 40% taking it via telephone, said LaFrance.

In addition to questions designed to rank certain performance areas, the survey, which takes less than five minutes to complete, contains several general, open-ended questions relating to why a customer shops at that particular store as well as suggestions for improvements.

Respondents are asked to categorize their open-ended responses as either a suggestion or praise.

Once they've been collected, survey results are made Internet accessible to re-

tailers via a secure Web site by Retail Survey Group, according to Doug Madenberg, president, Retail Survey Group.

He explained that open-ended responses are made available on the site in real-time and responses relating to other questions are updated at the end of each day.

"We have all of our store managers review survey information relating to their stores on a regular basis, usually weekly," said LaFrance. "If we come across a [negative] comment that really stands out, our managers will take the time to call the customer to discuss it. The [open-ended] feedback messages, more than any other part of the survey, are the most beneficial to us."

Retailers can also pinpoint responses relating to shopping experiences that took place during specific times of day in certain sections of the store. They can also review customer loyalty information.

When available, an audio customer response can be downloaded and e-mailed to other store managers.

Madenberg explained that the cost of subscription to the Constant Customer Feedback service is comparable to that of a customer intercept survey conducted on a yearly basis.

"A one-time customer intercept at one store will probably reach between 200 and 300 customers and cost about \$2,500," said Madenberg. "A year subscription to the constant customer survey costs about \$2,700 or \$2,900 per store and you'll receive thousands of responses on a much more constant basis."

Price Chopper has also been using the Constant Customer Feedback system for the past six months, according to Madenberg.

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