

Customer Retention

Retention Courtesy Call

A White Paper
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Retention is defined as "An ability to recall or recognize what has been learned or experienced."

The target platform application of this paper is the improvement of buyer satisfaction and perceived product value using a delivery status notification program.

The new economy eliminates the luxury of hiring a customer satisfaction employee for every location. Delivery status notification is proven to have direct impact on customer satisfaction, brand loyalty and perceived product value.

The *RETENTION* platform integrates with the existing order process to notify each buyer of order completion and the anticipated delivery.

TRADITIONAL METHODOLOGY

Employees using the phone for out dialing is discouraged and is confined to a manager workstation. Very few drivers are encouraged (or motivated) to call their delivery list prior to leaving the store. Overhead expenses for a driver's phone line are rarely incurred except in stores that deliver to crime prone neighborhoods.

Callbacks with order delivery questions are commonly placed on hold. This process slows down the counter activity and increases the caller's annoyance level.

Very few organizations contact the buyer when the order is leaving the store. *RETENTION* will alert the buyer with this information, a Courtesy Call, without impacting incoming phone calls or employee activities.

Orders placed on the Internet may receive a Courtesy E-Mail or phone call.

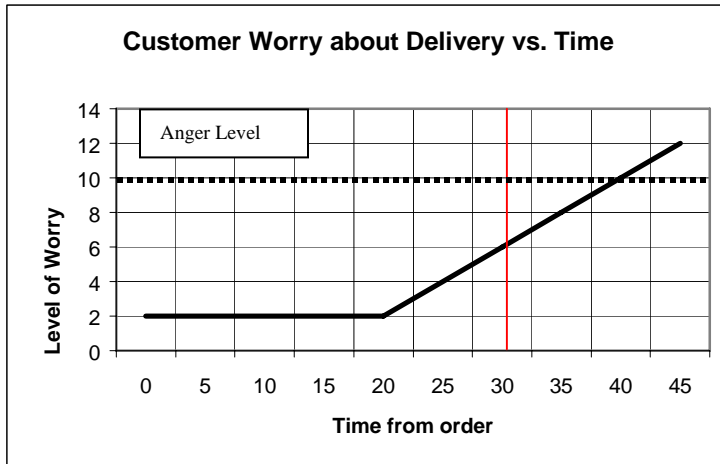
COURTESY CALL STUDY

A study of pizza buyers in 2005 exposed a consistent, measurable, emotional perception of the purchase relative to the trust invested in receiving the order in the expected time frame.

The emotional perception is noted as the "Level of Worry." The last communication between order taker and buyer is normally a delivery time estimate. Once even a general delivery time frame is established the

buyer will increase their concern as that time frame approaches. The Level of Worry factor will continue to increase once the target time passes.

The chart below from the 2005 study measures the "Level of Worry" for an average store transaction. Both the target and control groups of buyers provided similar results.



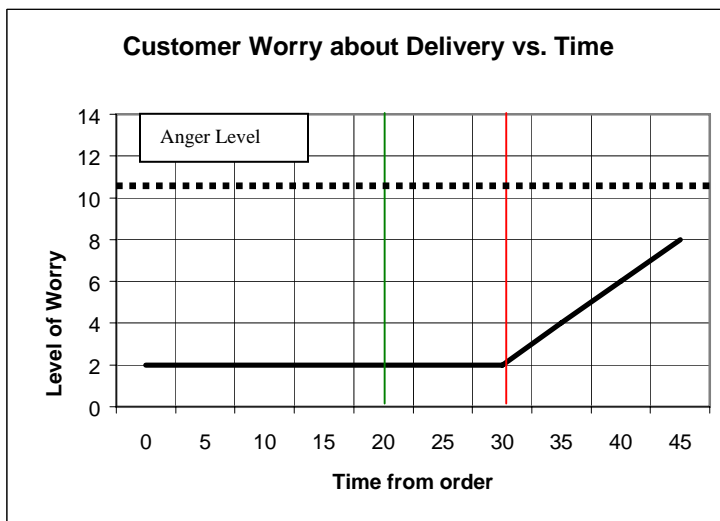
NOTE:
Level of Worry = 0 to 10
Anger Level = 10 plus

Promised
Delivery Time
= 30 Minutes

figure 1

The Level of Worry started ten minutes before the delivery time frame and continued to grow.

When the driver left the store the target group was provided with a Courtesy Call announcing that the food is leaving the store and reminding the buyer to prepare for the driver visit.



Promised
Delivery Time
= 30 Minutes

Courtesy Call
Placed at 20
Minutes

figure 2

The impact of the Courtesy Call is shown as the consistent delay of concern until the start of the expected delivery time frame of 30-45 minutes promised during order placement. All orders were delivered in the expected time frame.

Many stores only experience delivery delays on weekends, holidays or inclement weather. The effect on the Level of Worry with a delayed delivery, announced with the Delivery Courtesy Call during the expected time frame (not at building exit), is examined in the graph below.

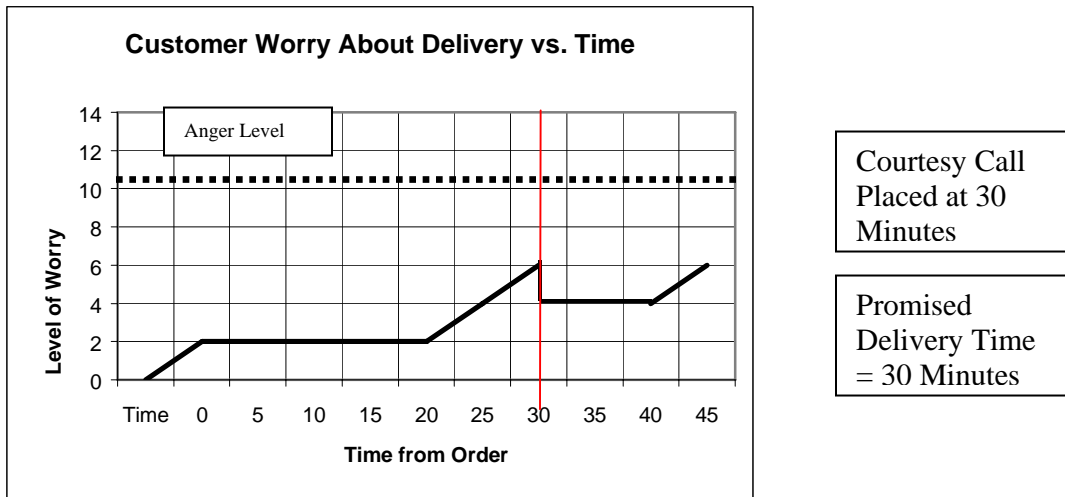


figure 3

The Level of Worry starts at the delivery time frame quoted during order placement. When a Delivery Courtesy Call was made thirty minutes after order placement (start of delivery time frame) the Worry Level stabilized.

The effect of the call is a 60% lower level compared to the same interval without a call in *Figure 1* and a 20% lower level than *Figure 2*.

RETENTION EXECUTION

This application is only one aspect of the platform designed to accommodate all aspects of customer calling. Integration with existing POS system information ensures accurate performance which can be customized and enhanced as necessary at national, regional or district levels.

Extensive call result analysis is included to monitor the performance of the outgoing calls. This is especially relevant if the application is refined to only Courtesy Delivery Calls for delayed deliveries.

The established digital network in each store is used for initializing the call process. This will not impact the advertised phone lines for orders.

Professional recordings of notification calls can be combined with more localized content from individuals at the store level.

Real time call data is available for decisions regarding call frequency and repetition.

APPLICATION SUMMARY

Industry customer retention programs have traditionally relied on box coupons and print mailings to enhance the high food quality standards and initial ordering experience training.

RETENTION takes advantage of the most recent technologies to deliver Courtesy and Delivery Calling at the store level, for each order processed. Integration with existing systems allows for more buyer impact without the traditional stress associated with new procedures for each employee.

Customer loyalty is often a result of satisfactory experiences and a perception of a business relationship with each order. Delivering food to a home only heightens the importance of executing a positive experience for each customer.

Calling programs result in increased customer loyalty and can easily translate into increased profit.