

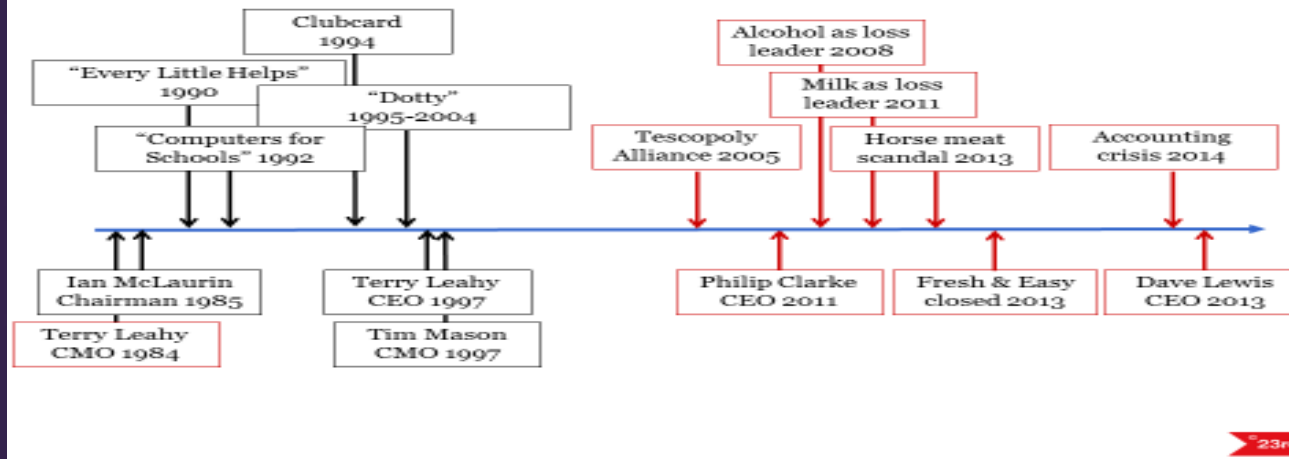
TESCO

Every little helps

TESCO CUSTOMER EXPERIENCE

TESCO STORY SINCE IT STARTED

Tesco timeline



FIVE KEY DATES IN TESCO HISTORY

1919: TESCO IS BORN

1929: FIRST STORE

1958: FIRST SUPERMARKET

1997: FIRST TESCO EXTRA

2019: TESCO CELEBRATES 100



CRM segmentation is the key to success



Sociomantic and dunnhumby identify Tesco's target audience and Sociomantic find cookie'd users online.

Target customers are grouped according to custom-defined CRM segments based on recency, frequency and monetary factors.

Product personalisation and recommendations are dynamic, and combined with messaging relevant for that group.

► Customer relationship management refers to habit, definite principle, and direction that an organization follows when reacting with the guest or the customers. (Hargrave, 2019)

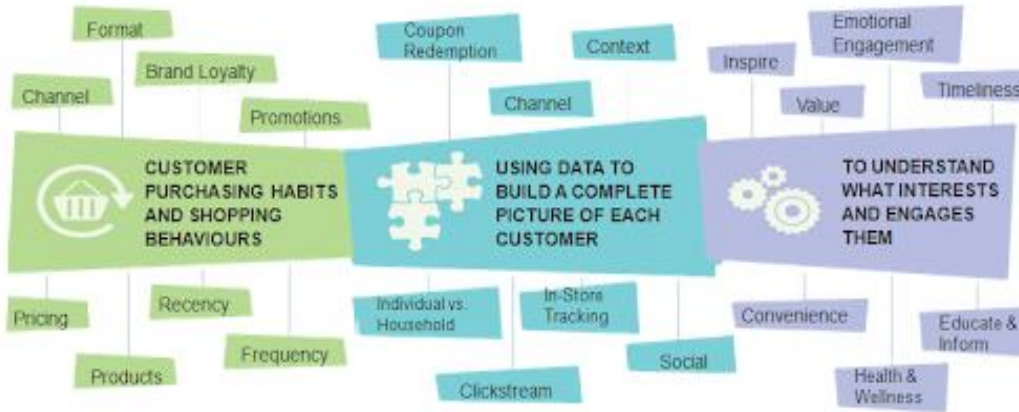
TESCO – a master at CRM

- Launching the Loyalty Card scheme in the year 1995, retaining the existing customers.
- Main objective of the Loyalty Card is to provide personalized service.
- Promotion of the Tesco magazine to the mass customer to get acclimatised to their lifestyle.
- In 1995 Tesco become the number 1 retailer also.
- As a result of the CRM Tesco hit market share of 26.7%.

TESCO

Every little helps

Understanding customer experiences is what we do



DISADVANTAGE

- MIGHT TAKE LONGER TIME
- NOT GOOD FOR EMPLOYEE MORAL
- TAKE MORE TIME TO TRAIN EXTERNAL CANDIDATE
- CUSTOMER PUT NEGATIVE COMMENT IN SOCIAL MEDIA
- IT CAN BE EXPENSIVE & TIME CONSUMING

TESCO BENEFIT OF CRM

DEVELOPMENT STAGE	OPERATING STAGE
• BUILD THE RELATION WITH THE CUSTOMERS • HELPS TO PROCURE THE DATA OFF THE CUSTOMERS • CRM HELPS INTO FIND THE NEW CUSTOMERS EASILY • HELPS TO UNDERSTAND THE SPENDING CAPACITY OF THE CSUTOMERS AND ALSO THE CHOICE OF THE PERTICULAR CUSTOMERS	• INCREASE SALE PER CUSTOMERS • SAVE THE COST OF PROMOTION BY PROMOTING ONLY TO THE LOYAL CUSTOMERS NOT TO THE WINDOW SHOPPER. • KEEPING THE PRICE DOWN OF THE STAPLE FOOD AND THE FAMILY LINES • DEVELOP MORE CUSTOMERS BY HOLDING CUSTOMERS EVENING, BUILD UP NEW RELATION WITH NEW CUSTOMERS • BRING IN NEW CUSTOMERS THROUGH REFEREL ALSO.

TESCO CRM INFORMATION

STRATEGY OF TESCO – CRM STRATEGY MOVES AROUND

Tesco .NET

Tesco Clubcard

DATA COLLECTED FROM CLUBCARD IS USED FURTHER ON –
Promotional success

Take all steps to modify wholesale product

Market product should be economical and popular

INTERNATE INFORMATION

Fixed the marketing strategy

Product price can be set

The warehouse stock and supply can be managed



Customers as a stakeholder

Engagement with the CRM system of Tesco

CRM make it easy for stakeholder

Benefit	Drawback
• Customers are interested as it satisfied their needs. • Customers feel to be treated fairly as they can choose from variety range of product . • Also becomes happy as they get proper value worth what they are spending. • Customer relation management also helps Tesco to get the finance needed not run the show but also introduce new product to the customers.	• Increase in price of product can put the customers in a difficult position. • Increased time limit of home delivery service from 24 to 48 hours can put the stakeholder think not to order. • Customers always comes to Tesco expecting cheap in price value ,if not they might refuse to shop in Tesco.



CRM make it easy for supplier and Tesco

Drawback

- Suppliers are secured with long term engagement with Tesco. Comfortable deal
- Suppliers get benefited in short terms deals as the price can be changed
Due to CRM system the middleman concept went out ,direct dealing benefited the supplier
- All small Suppliers are paid within 14 workings days
- Tesco promise to give a better rate than the other supper market in long term deal

- Long term engagement sometimes have adverse effect as normally the price is fixed in deals the supplier .
- Profit margin become less as a part of contract with Tesco
- Tesco sometimes put product only trial basis which is an uncertainty for the supplier
- Dealing with the demand in the busy period like Christmas is tough as the stress level is high



Employee as a Stakeholder

Engagement with the CRM system of Tesco

CRM make it easy for stakeholder

Benefit	Drawback
• Great PayScale for the new starter ,specially for the students who start working as a fresher • Benefits and pension is great for the employee who works in long time • Teamwork is quite a remarkable to notice here , well respected and taken care by senior management • Flexible hour of working is a key benefit which come because of the effect of the crm system in Tesco	• As per CRM effect shift change happen without prior notice . • Staff shortage in the store ,pressure on staff to do more jobs ,massive cut on bonus. • Wrong interpretation on the shift hour commitment ,less hours in shift rather which is promised . • Store management is a constant problem as the staff seems to be not happy with the system .





CONCLUSION

STRENGTH

- ONLINE CUSTOMER SPECIFICATION
- PAYROLL AND PERSONELL SYSTEM
- LOYALTY SCHEMES
- STRONG BYING POWER
- GOOD HOLD WITH THE SUPPLIERS
- EFFICIENT SYPPLY CHAIN

OPORTUNITIES

- MORE ONLINE GROWTH OR PRESENCE
- HOME DELIVERY CAN BE MORE ORGANISED AND FASTER
- MORE EMERGING NEW MARKET

WEAKNESS

- LOW COST STRETEGY CAN CAUSE OF LOW-PRICE PROFIT MARGIN.
- CLUBCARD CONTROVERSY WITHOUT GIVING PRIOR NOTICE TO CUSTOMER IT FACESD MASSIVE BACKLASH FROM UNSATISFIED CUSTOMER.

THREATS

- THROUGH CRM TESCO COULD RAIL TWO MOST DIFFICULT THREAT BREXIT AND COVID
- ECONOMIC CRISIS AND MORE CREDIT CRUNCHES
- TOUGH COMPITITION FROM THE OTHER SUPER MARKET

SWOT ANALYSIS



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