For BC Consumers, Retailer Customer Service is King

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Vancouver, BC – Ipsos Reid's 2010 Excellence in Retailing Study conducted jointly with Shelfspace – The Association for Retail Entrepreneurs, reveals that a retailer's customer service goes a long way to win over potential customers in BC.

While all tested aspects of a retailer's offering are viewed by a majority of BC consumers as important contributors in judging a retailer's performance, the one factor that rises above all others is **how the retailer treats them**. Four in ten BC consumers (40%) choose "customer service that is both excellent and fits your needs" as the single most important aspect when judging a retailer's performance.

The next two factors that are viewed as the most important contributors to retailing excellence (by about half as many BC consumers) are **price** overall being low or competitive, the value for the price charged (23%); and the **products and services** they offer are excellent, exactly what you want-quality, selection, uniqueness, etc. (20%).

The **convenience** of the experience, which can include the store location being close by or easily accessible, good parking, good hours, etc. is considered the most important factor in judging a retailer's performance by fewer than one in ten BC consumers (8%).

All remaining aspects of a retailer's offering appear to be the most important contributors to retailing excellence for only a small percentage of BC consumers. These include how the store or website feels (3%), what else they do, such as being a good corporate citizen (3%), and how they reward you for being a good customer (3%).

Catherine Dawson, Vice President and head of Ipsos Reid's retail industry team in Vancouver elaborates, "These results show that service should be the number one priority for retailers who want to be known for excellence. Prices, products and

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convenience are all important, but delivering those things without strong customer service is a mistake."

With the emphasis placed on how a retailer treats their customers ranking so high in importance for BC consumers, it perhaps follows that more BC consumers view independently owned retailers – who might provide a more personal level of customer service – as excellent retailers compared to all other types tested. A majority of BC consumers (52%) consider most of BC's independently owned retailers to be excellent overall compared to about one in three retailers that are part of a chain (36% where each store is owned by an individual franchisee, 31% where each store is owned by a company). Department stores and big box stores fare less favourably as only about one in four BC consumers say that most of these types of BC retailers (27% department stores, 25% big box stores) are excellent retailers overall.

"Quality retailers know what makes them stand out to their customers, and have been honing their service skills for years" said Mark Startup, President and CEO of Shelfspace. "These are entrepreneurs who spend time thinking about and working on their business instead of being caught in their businesses. Many of these retailers will be at the Passion for Retail Conference in early May to hone their skills around the art and the science of retail."

This study is part of Ipsos Reid's 2010 Retail Trends in British Columbia Study which features regular special feature reports on current events in the retail industry. The study is available at a reduced price to all members of Shelfspace – The Association for Retail Entrepreneurs.

These are the findings of an Ipsos Reid study fielded from March15 to21, 2010. This online survey of 628 adult British Columbians was conducted using Ipsos Reid's proprietary "Voice of the West Interactive Forum" – an online panel of more than 5,000 British Columbians who have been randomly recruited to match the overall characteristics of the adult residents of the province. Statistical margins of error are not applicable to online studies of this nature, however, an unweighted probability sample of this size, with a 100% response rate, would have an estimated margin of error of +/- 3.9 percentage points, 19 times out of 20.

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For more information on this news release or for additional data, please contact:

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For full tabular results of this news release, please visit our website at <u>www.ipsosna.com/news/</u>.

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Ipsos Reid is Canada's market intelligence leader, the country's leading provider of public opinion research, and research partner for loyalty and forecasting and modelling insights. With operations in eight cities, Ipsos Reid employs more than 600 research professionals and support staff in Canada. The company has the biggest network of telephone call centres in the country, as well as the largest pre-recruited household and online panels. Ipsos Reid's marketing research and public affairs practices offer the premier suite of research vehicles in Canada, all of which provide clients with actionable and relevant information. Staffed with seasoned research consultants with extensive industry-specific backgrounds, Ipsos Reid offers syndicated information or custom solutions across key sectors of the Canadian economy, including consumer packaged goods, financial services, automotive, retail, and technology & telecommunications. Ipsos Reid is an Ipsos company, a leading global survey-based market research group.

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About Shelfspace – The Association for Retail Entrepreneurs

Shelfspace is the epicentre of the excellence revolution in the retail world. We highlight and promote excellence in the retail industry, advance the retail profession, and partner with our members in BC and Alberta to achieve greatness.

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