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Making IT Work Harder for Your Business

Every business today uses information technology in some way and for most of us it's a critical business tool. But making the most of the IT you already have in place and achieving real business advantage by implementing new systems and software is what sets apart the average from the outstanding business.

Over the next two newsletters we will look at how technology can be used to revolutionise the way a business works and the steps you need to take to make the most of the technology you invest in.

Part One – Learning from Tesco

To explore this topic let's take a look at a very traditional business sector and look at how its most successful operators are using IT, in all its guises to increase efficiency, tackle competition, increase market share and develop long term, profitable relationships with customers.

What could be more traditional than a green grocery business? Anyone under the age of 40 may struggle to relate to this but once upon a time there was a green grocer selling fresh, local produce on most street corners. They purchased locally, often direct from the farm, they knew their customers very well and anticipated their shopping needs, supplied the best quality produce and even offered credit. In those days the most technology that was used was a till – although rarely was that electronic, all the books were kept manually and any wages paid in cash.

Fast forward to 2008 and there are a number of grocers (for that's what Sainsbury's, Asda, Tesco and the like are) using technology to deliver a very similar level of service but in a revolutionary new way.

If we take Tesco for our example its true to say that they have revolutionised the way we shop for groceries by allowing us to shop online. And it's interesting to note that Tesco were only listed on the London Stock Exchange 60 years ago. And with turnover for the online operation alone reported at £1 billion in the UK you can see it's no niche offer.

So how does the Tesco story relate to your recruitment consultancy, accountancy firm, manufacturing business or consultancy practice?

Well let's take a quick look at the way Tesco is using technology and at each step ask why they are using it and how their business (and their customer) is benefiting:

Placing an Order

As any Tesco or Sainsbury's, Waitrose or Asda shopper for that matter, will know we log on to their online store to place our order.

As a regular shopper you are presented with offers based on your previous buying behaviour, you can select from stored 'favourite' items or even repeat your last order, literally at the click of a button.

Tech Savy Businesses Win

At the end of last year Microsoft and Real Business declared what it calls Britain's 'Digital Elite' and it might be surprising to some that its top named companies are not technology companies or indeed multi million pound enterprises. Instead they are non-technology businesses that have used technology in ground breaking ways to improve their businesses and in some cases they have changed the way the sector in which they operate works.

Almost half (48%) of small business owners say that they have won business as a result of being in touch while on the move.

Nearly three quarters of business owners believe that reacting quickly to customer queries and communicating regularly with them is vital to retaining business, something technology can facilitate.

Technology is at the heart of this success. For advice on how you could use your IT more proactively [contact Bronte Business Networks here](#).

Bronte 'How to' Guide
[Using Mail Merge in Microsoft Windows 2007](#).

Having filled your shopping basket you select a delivery slot and make payment (again if you've used the site before your credit card details will be stored).

At the basic level the technology being used here is pretty straight-forward – an ecommerce website that's linked into a diary system but that also records and stores purchase history in a database.

For Tesco it means they have a database of customers – apparently 850,000 of them - and also purchase history for each of these customers.

For the customer it means they can shop quickly using favourites, rather than making a shopping list each time. They can search easily for a specific product rather than try three different aisles only to have to find an assistant and ask them where the Dijon mustard is and perhaps more helpfully can shop in the comfort of their own home, with a cup of coffee in one hand and mouse in the other.

Tesco has created an invaluable customer database so that it can communicate with customers, enticing them to take advantage of special offers or reminding them to place their next order. In a very competitive market place the speed, efficiency and ease with which they deliver their service locks clients in. **Could your business learn from this order taking efficiency?**

Picking and Delivery

Reassuringly, real people actually select the items you have requested and deliver your groceries to your door. But once again they are technology enabled in doing so.

The in-store shoppers pick the chosen items, but they do so with a hand-held mobile device which records everything that's added to the physical shopping basket to create the bill at the end of the process with no need to bother check-out staff.

The driver's schedule is arranged according to postcode area, using software designed for the purpose, drivers use satellite navigation to get them to the customer on time and if they are held up they have a mobile phone and full customer contact details so they can contact the customer to explain the delay.

At point of delivery items can be accepted or rejected and a signature is taken (again with an electronic mobile device). In the meantime the system has recorded everything the customer has purchased – to save to favourites for next time they shop.

Although the technology that Tesco use has been developed specifically for them at a basic level it's a stock record system held on a hand held device, satellite navigation we could all buy off the shelf and a customer contacts database.

For Tesco it means they can handle the 250,000 online orders placed each week efficiently. On top of that they also have information which can feed directly to stock control records, all stored electronically.

For the customer it means a much quicker, less stressful shop, without travel and carrying bags. Instead they can arrange for their shopping to be carried straight into their kitchen.

Could you win more business or introduce business efficiencies to save money by using technology?

Although Tesco has a multi-billion pound budget at their disposal when you break it down they are only responding to the same business pressures we all face:

- Accurate information that you can use in your business (about customers, about stock levels and so on)
- Minimising staff input when IT can be used to perform repetitive activities and prevent duplication of effort
- The demand for speed and efficiency from customers and also within the company itself
- Accurate billing and invoicing, in this case it is all done at point of purchase
- How to communicate with customers and get them to spend more

Learning From Tesco's Use of IT

Supermarkets have changed the way in which we buy our groceries by offering shopping online.

Have you thought about how you could revolutionise your sector by using technology to improve communications between offices, with customers or between staff, save time and money processing information or offer something new to customers?

Next Month:

The New Business Challenge – Making IT Work Harder for your Business – Part Two – **Putting the Chicken before the Egg** will explore what questions you should be asking before you even think about an IT solution for your business and how your business can benefit from the latest in technological developments by staying ahead of the pack.

Useful Links

[Tesco Annual Review](#)

[Microsoft Digital Elite](#)

About Bronte

Bronte Business Networks offer a full range of outsourced IT services, tailored to your business. Whether you are looking to install a new network, update your software, add to your hardware, need help maintaining an existing system or require an emergency response, you can be sure of a personal, professional and prompt service. To find out more how you can make the most of your IT visit www.brontebusinessnetworks.co.uk.

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