

CASE STUDY:

Creating a seamless instore experience for customers worldwide

This luxury fashion retailer worked with Ricoh to implement a standardised global support model for its stores, ensuring fully responsive service, mitigating operational risk, and reducing costs.

COMPANY & CHALLENGE

The client is a luxury fashion retailer that designs, manufactures, distributes, and sells outerwear, footwear, and cosmetics. The company operates globally, with billion-dollar annual revenues.

For this fashion retailer, offering an outstanding in-store customer experience plays a major role in attracting footfall, maximising sales, and enhancing its reputation as a leading provider of luxury fashion. Every time a potential customer steps into one of its global retail stores, the company aims to impress through a combination of premium products, seamless customer service, and visual innovation.

The in-store experience is especially important in the luxury fashion space. Despite the growth of online retail models, research shows that 62 percent of affluent consumers worldwide still prefer to shop in physical stores. One major reason for this is the sense of exclusivity and the premium experience available.

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In this retailer's stores, the customer experience depends heavily on technology and IT services. Audiovisual (AV) screens display engaging content, point of sale (PoS) systems enable quick purchases, handheld scanners and label printers support stock management, and laptops, iPads and iPhones help employees provide service.

Any device downtime or service faults negatively impact instore ambience and detract from the customer experience. In turn, this increases the risk of lost sales and high customer churn: a 2022 survey revealed 86 percent of consumers will leave a brand they were once loyal to after only two or three bad experiences.

Keeping the in-store devices and IT services in peak operating condition is therefore vital from a commercial perspective. To achieve this, the retailer previously relied on a de-centralised support model, with stores in different countries contacting local service providers or internal IT teams for repairs.

However, gaining visibility into service quality on a global level was difficult, and service levels were not standardised based on industry best practices. It was clear, too, that service quality was inconsistent between different providers. One particular issue was that support staff would often enter stores and perform repair work in front of customers during opening hours. Inevitably, the presence and work wear of engineers was inappropriate to the exclusive luxury retail environment that the retailer aspires to provide.

Furthermore, support costs were high, and working with so many vendors created large amounts of complex admin. Where internal resources provided support, the retailer was often reliant on small numbers of employees with a detailed understanding of the systems—increasing operational risk.

A new approach was needed, one that would deliver a very high quality of service to stores, as well as reducing costs, and driving efficiency. The retailer's CIO and VP of Delivery devised a new strategy, replacing local support structures with a standardised model provided by a single global service provider.

The specific requirements for the project included:

- Consistent service delivery to all locations
- Global service level agreements (SLAs) aligned with the retailer's needs

• A service fit for luxury retail with support delivery becoming invisible to customers

- Simple, clear pricing and localised billing
- Integration with the retailer's existing RemedyForce service desk systems
- Comprehensive service reporting and analytics
- A partnership based on ongoing service optimisation



SOLUTION

Initially, the retailer experienced challenges implementing a standardised approach. However, informal discussions between the retailer's IT leaders and Ricoh proved more positive. It became clear that Ricoh could meet the key requirements: delivering support to all stores globally with its own engineers rather than subcontractors, and at a lower cost than the retailer's current de-centralised model. The retailer was also impressed by the Ricoh heritage and strong emphasis on quality, which aligned with its focus on luxury services.

To build confidence with the retailer, Ricoh conducted a tour of company locations in Europe, APAC, and the Americas. This process enabled Ricoh to scope the full project specifications, and helped the retailer's VP of Delivery to engage local stakeholders and win backing for the project.

Following this, Ricoh took over as a global retail store service partner to the retailer. Ricoh now provides a tailored service model, based on an integrated end-to-end IT support service delivered to all global countries. The turnkey solution combines global and local resources, with a centralised governance structure and trained support teams working on the ground in each location. It also brings together physical services (local field engineers with online self-service capabilities that enable the retailer to report issues and request support. To maintain consistent high-quality service, Ricoh provides global service management, with customised reporting and analysis available to the retailer. This data-driven approach ensures full service transparency to customer stakeholders, helps them to maximise return on investment on their IT assets and other in-store devices, and enables Ricoh to make improvements to support processes to ensure service excellence.

In the retailer's stores, Ricoh delivers support via its global engineering service. Integration between Ricoh's ServiceNow and the retailer's RemedyForce systems enable real-time information exchange to report technical issues in stores. Ricoh engineering teams provide break-fix services for PoS, AV, label printers, scanners, and laptops, plus Smart Hands support for other in-store equipment outside the scope of the main contract.

Furthermore, the retailer enjoys fixed pricing for incident resolution and has a rate card for additional service requests. In line with the retailer's requirements, Ricoh provides localised billing for all 33 individual countries, with all invoicing and transactions conducted in local currencies.

To roll out the new service, Ricoh completed a structured transition and transformation program in just five months, with progress tracked on a series of real-time dashboards available to customer stakeholders via mobile or in their offices. Ricoh appointed a global project manager to maintain oversight and momentum and organised local



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Ian McLachlan, Global Delivery Director, Ricoh Europe



resources to ensure efficient service delivery, including national delivery managers. Ricoh also conducted an audit of current in-store technologies, and created playbooks documenting the new support policies.

Now, whenever a retail store experiences issues with IT devices, they simply raise a ticket with Ricoh. The Ricoh Service Operations Centre (SOC) in Poland receives the request and ensures the relevant country service delivery manager dispatches a field engineer. In every country, Ricoh maintains a warehouse with spare devices, which engineers can collect before heading to the store to perform repairs.

In addition, if the retailer plans to open new locations or launch temporary pop-up stores, Ricoh provides support services to facilitate and accelerate the process, and local Ricoh engineering teams pre-build and configure devices to ensure quick, easy on-site installation.

BENEFITS

With Ricoh delivering services to all of its stores, the retailer has successfully streamlined and simplified its IT support strategy. The unified global model eliminates the complexity of working with multiple service providers, and instead provides standardised, enterprise-wide support processes. The feedback from the retailer has been overwhelmingly positive; the company believes that the project may be the first instance of a luxury fashion retailer successfully implementing a global support model with full governance and reporting structures.

The data provided by Ricoh on IT devices is especially useful to the retailer. For example, Ricoh maintains a configuration management database with details taken from ServiceNow on the age, status, and current performance of all 30,000 in-store devices, and provides a monthly report to the retailer. With these insights, the retailer can identify trends—such as device types with unacceptably high failure rates and repair costs—and take steps towards building

a smarter and more cost-efficient hardware lifecycle management strategy.

The change from local to centralised support from Ricoh also means that the retailer's stores enjoy more consistent and responsive services. Demanding SLAs require Ricoh to respond to 90 percent of tickets in one hour and to resolve in-store issues within 12 hours—and Ricoh has not missed an SLA in over two years, with performance frequently above 95 percent. In the retailer's own words, the Ricoh service was essential to maintaining its commercial success during the immensely challenging FY2020/21.

In addition, Ricoh support teams regularly share technical III :s .s and lessons learned about the retailer's devices with their colleagues worldwide, helping to improve quality of service delivery. For the retailer, working with a partner with this extensive bank of knowledge on its devices and systems mitigates operational risk—effectively ending its reliance on small and often diminishing numbers of internal IT employees in some locations.

The partnership with Ricoh has also enabled the retailer to achieve its cost objectives. For example, where the company previously turned to internal IT teams to repair in-store devices, these resources are now re-deployed towards more value-add work, leading to greater cost-efficiency and unlocking savings.

Most importantly, the Ricoh service is helping the retailer to deliver a premium luxury in-store experience to customers every time they step into a store. Any faults and issues with PoS systems, AV displays and other end-user IT equipment are remedied rapidly by Ricoh—helping to ensure stores maintain the right ambience, and that customers enjoy seamless service when making purchases.

Crucially, Ricoh completes repairs overnight, so support teams are effectively invisible to customers. The store playbooks document and set down guidelines on how, when, and where Ricoh support teams should enter stores to ensure their presence does not spoil the look and feel of the retail environment.

The success of the retail store project was demonstrated when the retailer renewed its initial contract with Ricoh to run for a further five years.

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Additionally, the retailer has engaged Ricoh to deliver a much wider range of services, including office and commercial printing and end-user IT support at its supply chain sites and offices. Today, the retailer regards Ricoh as one of its most important strategic partners.

Ian McLachlan, Global Delivery Director, Ricoh Europe: "The successful delivery of such a large-scale end-user IT support model illustrates the global service capabilities of Ricoh. By aligning our internal resources across multiple regions, engaging C-level sponsorship, and working closely with the Ricoh SOC, we can manage the most complex and challenging projects, and deliver agile, responsive support services to global enterprises."

ABOUT RICOH

Ricoh is empowering digital workplaces using innovative technologies and services that enable individuals to work smarter from anywhere. With cultivated knowledge and organisational capabilities nurtured over its 85 year history, Ricoh is a leading provider of digital services, information management, and print and imaging solutions designed to support digital transformation and optimise business performance.

Headquartered in Tokyo, Ricoh Group has major operations throughout the world and its products and services now reach customers in approximately 200 countries and regions. In the financial year ended March 2022, Ricoh Group had worldwide sales of 1,758 billion yen (approx. 14.5 billion USD.

For further information, please visit www.ricoh-europe.com



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