

Sunglass hut  
international, inc.



**ASSIGN  
BUSTER**

Sunglass Hut International, Inc. is recognized as a leader in specialty niche retailing with nearly 2, 000 Sunglass Hut locations, and over 300 Watch World and Watch Stations around the globe. It was acquired in April 2001 by Luxottica, the world's largest eyewear company parented in Italy. " Located in a wide variety of high traffic shopping and tourist destinations, Sunglass Hut stores offer consumers the latest branded products at competitive prices, along with outstanding customer service." 1 With brands ranging from Chanel, Prada, Bvlgari, and Cartier to Ray-Ban, Oakley, Arnette, and Revo, Sunglass Hut truly has something to offer everyone's unique tastes. And this is quite evident from its profits: company revenues top \$680 million per year.

Sunglass Hut's business involves continuous innovation, the research of style, design, and fashion trends, and changes in people's lifestyles. However, it is based on customer satisfaction as well. In fact, one of the company's core values is " giving constant attention to before and after-sales service, adapting the services and products as required to suit the needs and characteristics of sales points and consumers, whoever and wherever they are."

II. Achieving Optimal Customer Satisfaction Customer satisfaction is not only achieved by the quality of the product one purchases, but the quality of service he or she experiences before and after the purchase as well. Having a good customer retention rate, which Sunglass Hut strives for, exemplifies high quality customer service. There are various ways in which such quality can be attained, such as company training of salespeople, customerloyaltyprograms, or membership benefits.

However, having a solid database can facilitate a company's organizational strategy, particularly in achieving optimal customer service. This ultimately improves profits and the standard of the company overall. When a company such as the Hut utilizes the appropriate and most valuable database applicable to achieving its goals, it is apparent that the company values each customer's lifetime value and is interested in making every effort to keep its customers happy.

III. Exception Reporting A characteristic of database-driven marketing is the measurement of and accountability for actions. Database marketing is based on the principle that through collecting and organizing information about a company, it can reduce the cost of marketing efforts and increase profit. 4 At Sunglass Hut, the company has a history of "intense self-evaluation to determine ways to cut costs, streamline processes, fine tune policies, and use technology to nurture a healthier bottom line." When business is off, the company reacts quickly. While most retailers wait for year-end results to identify problems, Sunglass Hut knows by day, week, and even hour. To accomplish this, the company uses an exception-reporting system that allows profit management to study sales performance in depth.

The system, which was actually selected as a loss-prevention program, is called Exception Based Reporting (XBR) Track by Data Advantage. "XBR seeks out exception conditions from within the mass of daily operational data. Each evening, it converts the information recorded by Sunglass Hut's POS (point-of-sale) system to a headquartered database that can be queried on a PC-based network using a Windows interface." XBR can view, print, or export query results to various file formats, as well as organize queries into

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designated topics and archive data for trend analysis. They can establish trends by store, district, region, time of day, day of week, transaction type, and other parameters.