



Mercantile Systems

Fact Sheet

Description

Originally rooted in traditional mystery shopping, Mercantile Systems has, over its 50+ years, created and honed a variety of tools to collect and report actionable data that helps service-dependent companies monitor, manage and improve their operational performance through improving their customer and employee interactions. Using customer experience and satisfaction surveys, theft monitoring and loss prevention tools, Mercantile Systems helps managers improve overall customer satisfaction, and enhance profitability.

Products and Services

In addition to conducting more than one million surveys over the years, Mercantile Systems has evolved many other services to meet its clients' needs, such as automated outbound calling, employee training programs, interactive voice response, new store programs, and business-to-business applications to monitor co-branded relationships. Services include:

Customer Research Surveys: Tapping a database of over 100,000 surveyors, Mercantile Systems visits a business location and provides in-depth details about the customer experience. Customer Research Surveys provide insight into staff performance and use of appropriate selling techniques, as well as the customer's overall satisfaction level with factors ranging from site atmosphere and cleanliness to product pricing.

Employee Reward Program: Mercantile Systems helps businesses design programs to recognize those employees who score 90% or above for the target criteria, to help owners reward and train for improved customer satisfaction, sales, and staff morale.

Integrity Surveys: Trained agents under Mercantile Systems' private investigator license conduct integrity-based surveys that verify transactions and help resolve questions about inventory fluctuations, employee theft or other prohibited behavior. Integrity surveys help determine if proper recording of sales is taking place, whether service expectations are met, and whether applicable industry laws are being followed, among other things.

Compliance Auditing: Legal penalties are not the only consequences of non-compliance with anti-discriminatory laws and regulations, as our clients have found. Mercantile Systems helps organizations in such diverse fields as health care, retail and hospitality monitor how well they serve vital ethnic and cross-cultural audiences that wield growing power to affect their bottom lines.

New Location Start-Up: An easy-to-use program that identifies issues in the day-to-day operations of a new location, allowing rapid change implementation. The program includes a staff survey, employee training module, reward program, customer research, integrity surveying and consultation with a top operational expert.

Employee Training: Mercantile Systems collects operational data from employees and/or customer research surveys to engage clients' employees in a 360° training experience. Data is sorted individually by employee, so each employee gets a comprehensive assessment of performance and how they rank against their peers. The program helps them make immediate adjustments, identify areas for needed training or retraining, and helps reward outstanding behaviors.

Private Investigating: This service includes Loss Prevention Consultation, covert video, polygraph examination, and security interviews.

Interactive Voice Response (IVR): Mercantile Systems uses the newest technology to allow customers to quickly and easily take a custom-designed, short survey over the phone (Interactive Voice Response) or on the Web (**Interactive Computer Response**). The toll free number or URL can be printed on the receipt.

Automated Outbound Calling (AOC): Mercantile Systems enables businesses to send voice messages to specified groups of customers or prospects. AOC can be used to build traffic and business by announcing new menu items, special events, a new manager, or a new store opening.

Customer Research, Integrity, and IVR/ICR services are reported through a 24/7 accessible web-based system. This gives key management easy access to the data. Hard-copy reports are available when requested.

Tips and Hints: Through continuous review of collected data, Mercantile Systems develops a wealth of information on topics and issues of interest to businesses. These are made available through regular distribution (mail and e-mail) of Tips and Hints, a synopsis of useful findings.

The Need and the Market

Starting and running a business is an act of extreme optimism. Dunn and Bradstreet statistics show that businesses have only a nine percent chance of surviving for 10 years, and some industries—such as the restaurant business—are even more at risk. (Restaurants have only a 20% chance of surviving two years.)

Being established is no guarantee of continued success. Thousands of well-established businesses fail each year because of changing demographics, consumer expectations, competitive pressures and failure to respond to emerging trends. The life cycle of the average consumer fad or product is just 18 months. Businesses must constantly refresh and refine their offerings to succeed.

Success itself can sow the seeds of failure; a business that leverages a previously untapped market or develops an innovative new concept is inviting competitors to step in to undercut prices, copy a new concept, and tap its customer base.

That's one reason why mystery shoppers have been around for decades; to provide feedback the customer experience so vital to success. Mystery shopping and related techniques first were initiated in the hospitality industry, which has been focused on customer satisfaction as a gauge for success for decades. Today, they are used frequently in mainstream businesses. Unfortunately, many surveys are too imprecise and poorly designed to provide actionable data. The need is for surveys tailored to specific customer requirements, constantly updated based on findings and observable trends. The collected data must be assembled and analyzed to help business owners make substantive changes that will enhance the profitability of their operations—and their customers' experiences.

Mercantile Systems' surveys show that most companies are meeting basic customer expectations for staff friendliness, professionalism, cleanliness and environment. But how well service associates actively employ suggestive selling techniques is a major determinant of purchase levels, consumer impressions, and repeat visits—as well as business profit margins—and many, if not most, consumer research doesn't reveal this. Revealing specific details of the purchase experience—and tying those discoveries to actions that can specifically improve performance—is what makes well-designed field surveys so effective.

As retail and other service-dependent industries seek to elevate service quality—along with sales—“customer experience research” services are becoming an indispensable tool. Data collection and analysis that provides management with comparisons to important benchmarks (such as national averages) and trend analysis can provide a complete view of the customer experience and level of satisfaction, when used in combination with other research tools. These tools also are becoming a vital way businesses can measure compliance with government regulations and the need to treat customers in a fair and unbiased manner—providing every customer with the service and experience he or she deserves.

Company History

Founded in 1954 by Robert Cosgrove, family-owned Mercantile Systems was a mystery shopping company focused mainly on servicing independent restaurant owners until a decade ago. In 1996, Dan Cosgrove took over the business from his father, with the intent to tap new opportunities and industries. Mercantile Systems subsequently has grown by over 400% with clients ranging from restaurants and bars to retail, healthcare, telecommunications and entertainment clients.

Employees

42 full-time and contract management and administrative employees
More than 100,000 enrolled surveyors

Management

Dan Cosgrove, CEO
Valerie Casares, President

Locations

Mercantile Systems is headquartered at:
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Who Are We?

Originally rooted in traditional mystery shopping, Mercantile Systems has, over our 50+ years, created and honed a variety of tools to collect and report actionable data that helps our service-dependent clients monitor, manage and improve their operational performance. Using customer experience and customer satisfaction surveys, employee theft monitoring and loss prevention tools, we help business managers improve overall customer satisfaction, monitor and manage employee performance and enhance profitability.

Founded in 1954 by Robert Cosgrove, until a decade ago our family-owned company was largely a mystery shopping company primarily focused on servicing independent restaurant owners. In 1996, the next generation took over the business and we have assembled a quality team of additional professionals. Together we have expanded to apply proven methodology to new opportunities and industries.

Today Mercantile Systems is known for going beyond data collection to providing **actionable data** – data that is tracked and trended using advanced technologies and methods, then delivered to customers with recommendations that connect the data to needed operational changes.

Why You May Need Our Service

Starting and running a business is an act of extreme optimism. Thousands of well-established businesses fail each year because of changing demographics, consumer expectations, competitive pressures and failure to respond to emerging trends. Successful companies realize that establishing procedures for customer interaction management can help to avoid these pitfalls.

For decades secret shoppers have been used to provide feedback that is vital to success in the hospitality industry. Now, their use—combined with new technological tools—has expanded across all service-dependent businesses. As more industries seek to elevate service quality – along with sales – customer experience research services are becoming an indispensable tool, giving management a method to view the customer from inside the operation and through all steps of the sales process.

Dan Cosgrove
Chief Executive Officer

Dan has been in the customer satisfaction research and mystery shopping business for over 20 years. During that period, he has worked with such organizations as American Golf Corporation, Black Angus Restaurants, El Torito's Restaurants, Harrah's Hotels, Houstons, Hyatt Hotels, Interline Furniture, SYSCO Foods, and The Cheesecake Factory, among others.

Dan founded the Hospitality Specialty Group in 1997. He merged his company with Mercantile Systems in 1999, and has since held many positions at Mercantile Systems – from managing loss prevention services to Director of Operations.

His expertise spans many service-dependent industries such as retail, restaurant, hospitality, financial services, business-to-business and health care. During his career Dan has personally conducted over 15,000 mystery shopping surveys, and used his California Private Investigator license to observe and document over 3,000 incidents of employee theft. His passion, using performance management consulting to help his clients connect data on good customer service, improved sales training and employee monitoring to immediate bottom-line improvements.

When Dan isn't working he enjoys time with his wife and three children. He even does business on the handball court, which is one of many sports Dan enjoys.

Valerie Casares
President

For over 20 years Valerie has been focused on customer service. It is reflected in her years of experience with restaurant customer service training, banquet sales and management infrastructures. Joining Mercantile Systems in 1996, she has contributed to the company's growth and evolution of program offerings. Her passion lies in helping Mercantile Systems deliver quality service to their customers.

A graduate of the Coca Cola management program where she worked prior to joining Mercantile, Valerie's experience includes event planning and working with independent restaurants.

She was exposed to mystery shopping for the first time in 1988, when Mercantile Systems was hired by her employer to survey customer service; an area in which she herself had responsibility. As she moved up the ranks at companies such as Western Athletic Clubs, Sheraton and Coca Cola, she saw firsthand the results of hiring a mystery shopping company. From this customer-based perspective Val has personally learned what it takes to have a strong and effective customer service survey program, and how to exceed the expectations of Mercantile Systems' clients.

Valerie keeps life in balance by working hard and playing hard. Her recreational time is spent exercising, biking and enjoying life with her family.