

Shock to the system

What's up with PC World and where in the world has Dixons gone? We ask John Clare, Chief Executive of DSG International, parent company of Dixons.co.uk, Currys.digital and PC World

Q Why has Dixons disappeared from the high street?

A They were popular with customers but were not making enough money. We'd had to close 100 stores two years earlier because they were losing money. The stores that were left were individually making a positive contribution, but to keep it as a second brand we had a £20 million overhead, including a big advertising budget. The solution was to keep the stores but eliminate the overhead and we did that by rebranding them as Currys.digital.

Q Why did you keep Dixons as an online retailer?

A We decided to retain Dixons as a separate identity [from Currys.digital] because we could see the opportunity for it to compete more extensively and more aggressively as an online business.

Q Has the move been successful?

A Yes. We're delighted so far. The Currys.digital stores are trading well and we still have a lot of major appliances to put into those stores, hopefully in time for the January sales. And Dixons online is also doing very well.

Q During a *Computing Which?* investigation, PC World staff missed a simple



John Clare: 'I was disappointed we didn't get it right more often'

software fault and advised the researcher to buy a new computer. How did this happen?

A Well, I don't know how simple the problem was. I've heard different views on how difficult it was, so technically I don't know the answer to that question. What you latched on to was an issue of how complex the products are and how good we are at training our staff to recognise these things upfront. We do a lot of training. We've also got a big database [for remedying problems]. If a customer

rings up and says 'my computer doesn't work', we can take you through a checklist and get to a sensible diagnosis quickly. In the stores, we are much better geared up to – and this is not an excuse – the installation of equipment, setting up, tuning in, putting new memories in, putting faster processors in, virus checking. On a day-to-day basis, that's what most of the guys in the store are doing. But we do offer the diagnosis and repair service and you were fully justified in going in and, whatever the issues around how easy or not it

was to diagnose, I was disappointed that we didn't get it right more often than we did.

Q What action has been taken since the investigation of the PC World repairs service?

A It highlighted for us an issue which we probably need to give more attention to – and we will. There's perhaps a need for our staff to use the central database more often than they do. We do have people who sometimes believe they know the answer and jump to it quite quickly when they should probably have taken two more minutes and gone through some steps. And we're picking up a number of those issues as a result of what you've discovered.

Q What innovations and developments can we expect over the next five to ten years?

A Our products are changing very rapidly. I think this is the most dynamic and exciting period in my time in the business. I think we're still really on the cusp of the digital era. Things are getting faster and faster and some of our major suppliers are even beginning to think beyond digital. The next few years are going to be very exciting. The biggest challenge we face is getting our customers to understand and enjoy the products that we sell.

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