tough economic climate will result in more businesses (both retailers and suppliers) being vulnerable to takeover and acquisition, by their more successful peers.

DO CONSUMERS WANT BRANDS OR VALUE, WHO WILL BE THE WINNERS/LOSERS IN 2012?

I believe that consumers want both of these things. Yes, they want value for money, which doesn't mean cheapest price, but they also want the reassurance of what brands can deliver for them. Unfortunately, in this market place the number of good, strong brands can be counted on two hands and this was commented on, during the recent Kingfisher results presentation.

The companies who continue to innovate and invest appropriately in their brands will always be desired by consumers and will have to be stocked by retailers.

IF YOU WERE A 21YR OLD GRADUATE WITH A GOOD HONOURS DEGREE, WHY WOULD YOU ENTER THE DIY INDUSTRY? WHY DIY AHEAD OF FMCG?

Given the choice, I don't think any 21 year old graduate would favour the DIY Industry ahead of FMCG; unfortunately, it's just not sexy enough. B&Q's initiative to introduce a 'Youth Board' helps to raise the awareness of the industry and if more companies took a similar approach, it would certainly help to raise the profile of the industry and make it more attractive as a career option for graduates.

LIKE TESCO, HAS B&Q GOT A FEW HARSH MONTHS AHEAD, ARE WE WITNESSING A BIT OF A CONSUMER/SUPPLIER/ COMPETITOR FIGHT BACK?

B&Q and Kingfisher are currently on a high, having successfully delivered their four year 'Delivering Value' strategy. There is yet more value that can be extracted from their global direct sourcing initiatives and therefore I don't see them having many difficulties in the next 6-12 months. Their traditional competition remains relatively weak and (with the exception of CDS The Range) is unlikely to take share from B&Q in the next 12 months.

However, where I do believe that they are storing up problems is in their multi-channel approach. At present, they are the market leader because they have the most and also, the largest stores. However, as the percentage of overall internet sales continues to rise dramatically (now at 10.7% of overall Retail Sales), they could well be storing up problems for the future. With only 2% of B&Q sales currently being solely internet based (compared to 40% at Argos) and with a relatively poor website they are exposed to internet only retailers, whose business lives or dies on a good internet platform.

Last December Amazon became the largest on-line retailer of home and garden products, without any retail outlets at all. How long will it be before they become the largest overall retailer of Home, DIY and Garden products?

WHAT IS THE RETAIL OUTLOOK LIKE WITHOUT FOCUS, WHERE ARE CONSUMERS GOING?

Now that Focus has vanished from the retail landscape, it would appear that consumers are switching to the nearest credible retailer of home improvement products. This has undoubtedly benefited B&Q, Wickes, Homebase and probably a number of good Independent retailers.

You can argue that there was over capacity in the DIY retail market place with Focus and that we have now reached a far better 'supply versus demand' position.

Business Leaders Dinner

In March, Nigel Wright hosted its latest business leader's dinner for clients based in the South of England. The event took place in The Regency Room at the York and Albany, Gordon Ramsey's chic European restaurant in Camden Town.

The dinner was attended by fourteen senior executives from the UK's Food & Drink and Health & Beauty sectors, comprising CEOs as well as Marketing, Brand and Commercial Directors from leading consumer brands.

The business leaders' dinners, which take place once or twice per month across all of our European territories, are intended to provide executives from the FMCG and wider consumer sector an opportunity to establish connections and discuss topical issues.

The intimate format of the evening meant attendees at the York and Albany were able to enjoy a relaxed and informal setting to network with other guests and Nigel Wright hosts Robin Weston, Richard Ash, Shona Thom, Stuart Miller and Chris Vallow (pictured).

"Thank you for a great networking evening that can lead to business opportunities with partnerships between our respective brands."
Global Marketing Director, PZ Cussons.

"Nigel Wright facilitated an excellent event in which to meet with peers and discuss industry matters in a very convivial atmosphere."
Chief Executive Officer, MCM Select Foods Ltd.

Tracking our service performance

'Big data' is one of the trends dominating the strategic agenda at businesses across all sectors. According to the McKinsey report Big Data: The Next Frontier of Innovation, competition, and productivity: 'The use of big data will become a key basis of competition and growth for individual firms'.

Nigel Wright is committed to offering outstanding customer service across all of its markets and part of that is seeking regular feedback from customers so that we can continually improve our service. Collecting valuable data helps us to refine our processes as well as develop adequate training programs for our teams. This in turn gives us a strategic advantage in the marketplace by allowing us to review issues and then make immediate improvements, across all areas of our business.

Last year, we enjoyed continued growth, expanding our operations in Europe while assisting clients with their growth in key developing consumer markets, such as China and Brazil. Even during this period of rapid expansion both clients and candidates have consistently provided Nigel Wright with excellent feedback for the services they have received.

The UK Consumer Market is an essential part of our European operations. For over twenty years we have worked alongside small UK family firms as well as UK headquartered global leading food and drink brands; supporting them in the selection and development of talent across sales, marketing and operations roles. In 2010/2011 our UK Consumer Business NetPromoter Score, over four quarters, was 88%. That means that 88% of customers would recommend our services to others. This is particularly high for any growing business and we believe it positions us ahead of our competitors.

Each month we survey clients and candidates to find out how they perceive our services. As well as the NetPromoter score we also ask customers to rate different aspects of our service on a scale of 1-5 (five being excellent and 1 poor). Fig. 1 represents data from over 300 client/ candidate responses over the last four quarters. An overall percentage has been calculated for each service category.

As you can see our relationship building, professional knowledge, service and quality are all rated between 80-100% (Very good to Excellent).

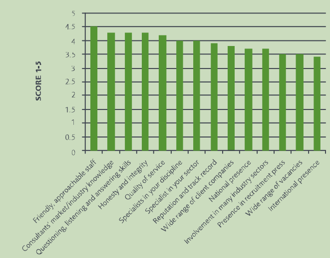
If we delve into the detail, Fig. 2 outlines fourteen of the key factors central to the candidate engagement process. All categories are rated above 3 (Good) while half are rated 4 (Very Good) and above by UK based consumer sector candidates served in 2010/11.

Similarly, as highlighted in Fig. 3 clients are also content with the overall service they received. Out of twenty three customer service factors, none fall below a rating of three (Good). Some key areas central to our business ethos such as sector specialism, professionalism and communication are all rated above 4 (Very Good).

In any aspect of performance measurement the objective is to analyse results and look for ways to improve scores. This is what we have endeavoured to do over the last twelve months and the outcome has been very positive. The first results of 2012, which we published internally in March, show that the NetPromoter score for our UK Consumer business has risen to 95%, while at the same time there has been incremental improvement across all areas of both the candidate and client engagement process.

UK Customer Feedback 2010/11 Fig. 1

UK Candidate Ratings 2010/2011 Fig. 2



UK Client Ratings 2010/2011 Fig. 3