

Risk Management in 2022:

A 4-Point Checklist for Retailers

As risk steadily increases in both severity and complexity, security leaders in the retail industry need a way to assess and update their critical event management practices.

Whether it's responding to severe weather, or minimizing revenue loss and brand damage from supply chain disruptions or data breaches, brick-and-mortar stores and online retailers/e-commerce can take steps to cultivate agility and strengthen resilience.

What's your risk management strategy? Assess your readiness with this handy checklist.

1 Continuously monitor and manage the risk and performance of your suppliers.

- Are you utilizing risk intelligence to assess how particular disturbances in the global supply chain may affect access to products you depend on?
- Do you have backup suppliers located in geographically diversified areas?
- Can you reach all of your suppliers in real time to shift capacity and designate alternate ports?



Close to 1 in 4 respondents reported their ability to manage supply chain risk as challenged or developing.

— "Failing To Plan Is Planning To Fail," Forrester Consulting, October 2021

2 Rapidly identify and manage critical events that may disrupt your ability to deliver goods.

- Do you have a means of filtering out noise so you only receive targeted, relevant data in a timely manner?
- What's your mechanism for analysis and prediction relative to how/when/why a given critical event may impact your fulfillment capabilities?
- How quickly can you update and redirect your delivery teams when critical events affect their routes?



46% of respondents believe their critical event and crisis response practices have room for improvement.

— "Failing To Plan Is Planning To Fail," Forrester Consulting, October 2021

3 Effectively manage the customer experience throughout a critical event.

- How will you proactively manage customer expectations at the outset?
- When shortages and delays are unpreventable, can you keep customers updated in real time?
- What is your strategy to respond to ongoing customer inquiries and frustrations during long-tail events?



Just 32% of respondents reported their ability to manage risk to the customer experience as effective.

— "Failing To Plan Is Planning To Fail," Forrester Consulting, October 2021

4 Proactively recognize and respond to incidents with the potential to damage your reputation.

- Do you have a messaging plan to handle media relations during and after a critical event?
- How will you maintain legal compliance and transparency with customers, investors and other stakeholders?
- Can you target alerts to impacted individuals in their preferred channel?



Only 16% of respondents reported their strategy for managing reputational risk as optimized.

— "Failing To Plan Is Planning To Fail," Forrester Consulting, October 2021

Remember, resilient retailers are those who use agility to deal with crises so they can maintain business continuity, even when the odds are stacked against them.

For more insights and tips to improve your risk mitigation strategy, [read the blog](#).