

Post recession retailing – What will it take to succeed?

Presented by

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Welcome



We are:

The Maine Small Business Development Center

(www.mainesbdc.org)

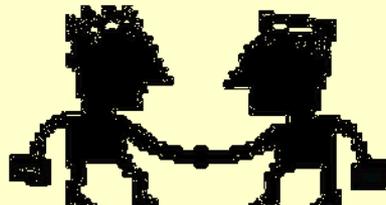
at **Coastal Enterprises, Inc.**

(www.ceimaine.org)

in Augusta, Maine

Hosted by the *Finance Authority of Maine*

(www.famemaine.org)



Workshop Objectives

In this short workshop we will:

- Take a very brief look at the recovery that is underway.
- Quickly assess some current retail business environment realities, and ask about your own business realities.
- Look ahead to the future you want to create...and **ONE CRITICAL KEY** to your retail success.



Gazing Down the Road at the Recovery

FROM: *After the storm. Planning for a retail recovery*
Deloitte

- ✓ This recovery has not being led by consumers, rather by government stimulus and by manufacturers re-building inventories.
- ✓ But, *there is pent-up consumer demand.*
Fear will be replaced by caution, caution by optimism, and optimism with opportunity (for the savvy retailer).
- ✓ Consumers will remain constrained – confidence will come back slowly – and it is coming back (slowly...).
- ✓ Consumers will have changed values and priorities.



Recognize these Realities

- ✓ Consumers will exhibit new patterns of behavior.
- ✓ Consumer decision making will be different.
- ✓ Consumers are very interested in longer term value and issues such as sustainability and social responsibility.
- ✓ Now more than ever you need to **LISTEN to the consumer**, including non-purchasers and defectors!
- ✓ Credit markets are opening up again...and it takes capital to grow.



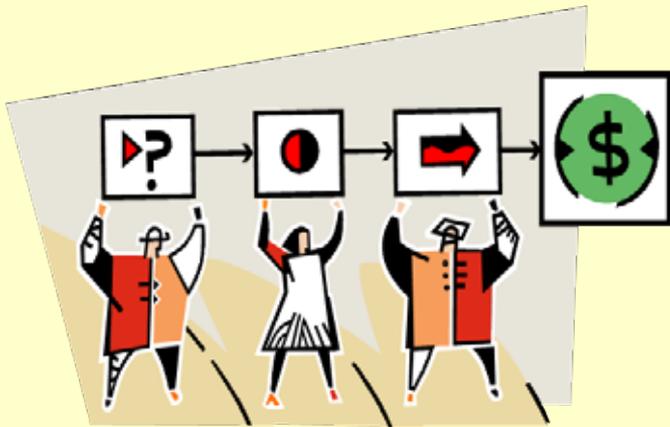


Where are the Opportunities?

“The biggest opportunity for retailers in this recovering economy is to start thinking differently.

“Be proactive. Begin with the end in mind.”

Then develop a plan to get there...



Where are the Opportunities?

In this new economy it is essential to move away from short term reactivity and begin to think long term and strategically.

ASK: "How can we be different from the competition and most attractive to our customers?"

- ❖ *It's better to be first than better.*
- ❖ *If you can't be first in a category, create a category you can be first in!*

Rules 1 and 2: The 22 Immutable Law of Marketing

Al Ries and Jack Trout

Planning for Long Term Success

Is this *your* planning process????

Alice: *"Would you tell me, please, which way I ought to go from here?"*

The Cat: *"That depends a good deal on where you want to get to."*

Alice: *"I don't much care where."*

The Cat: *"Then it doesn't much matter which way you go."*

Alice: *"...so long as I get somewhere."*

The Cat: *"Oh, you're sure to do that, if only you walk long enough."*

- *Louis Carroll*



Planning for Post Recovery, Long Term Success

A good approach to planning starts with analysis...

“What is the current state of your shop today?”

- What are your strengths?
- What works really well for your customers?
- What are they happiest with?
- What needs fixing?
- What drives your customers to your competition?
- What are they least happy about?

“Are the answers here driving your decisions about the way you do business?”



Planning for Post Recovery Long Term Success

Good planning is about the future you commit to create.

“Where do you want to go from here?”

- What is your big dream for your business?
- Why?
- What do you think it will take to get there?
- How will you get the job done?
- How will you know you’ve arrived where you want to be?

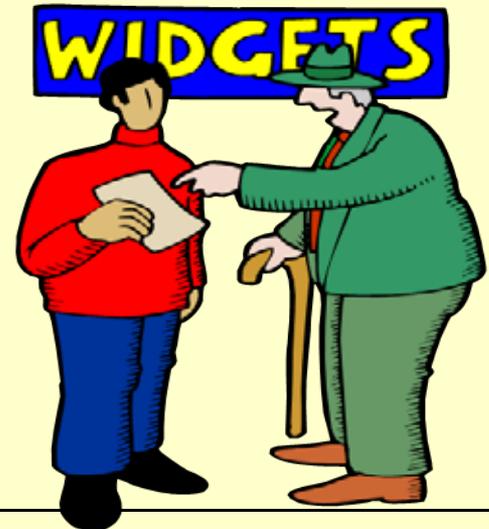


Don't forget why you are in business...

to attract and serve your customers!

“There are two imperatives in small business when it comes to customers...find them and keep them!” ...and then find more...

Your strategic plan identifies how you plan to do these two crucial things...



To attract and hold customers you need to understand your company culture

Your **VALUES** and **GUIDING PRINCIPLES**

- How will you operate your business to attract and hold customers?
- What do you want your customers to know you care most about?
- What are the foundation blocks for your company behavior?
- What beliefs and actions contribute to the kind of business you run?
- What is YOUR WAY of doing business?

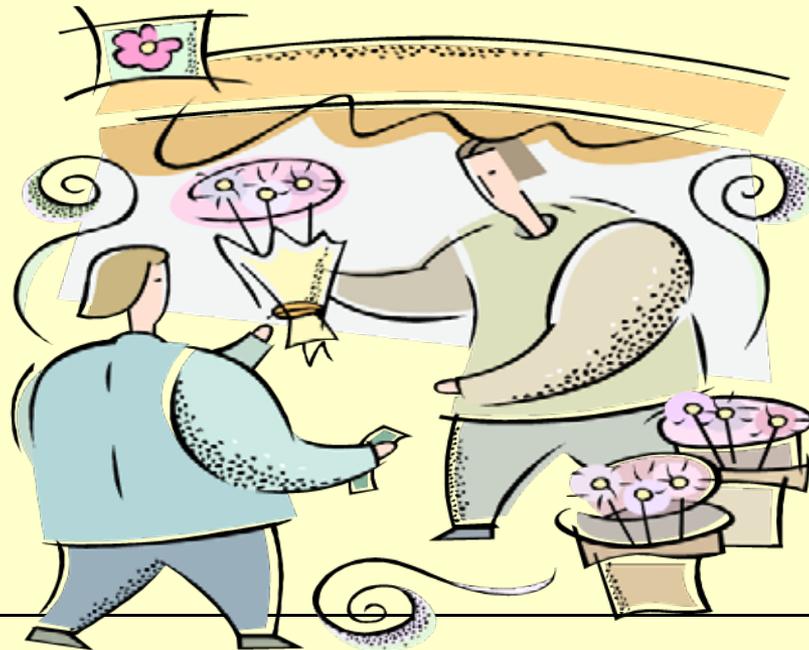


How do your customers see your business?

- **Do you know?**
- **Why do they see your business this way?**
- **Do they come back for this experience?**
- **Are you “their store”?**
- **What are the keys to attracting and retaining customers?**



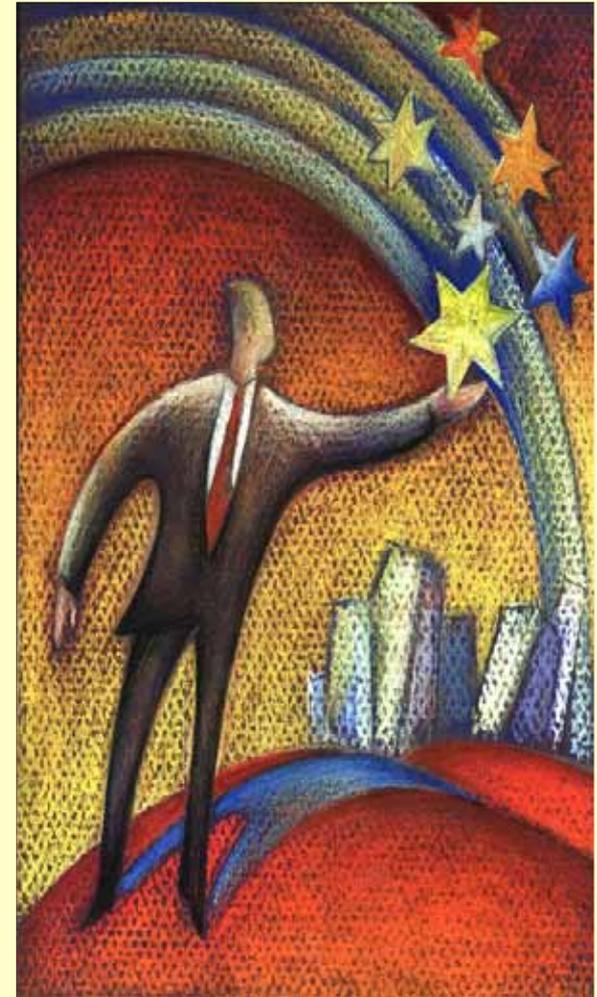
“Beyond *value-priced* products, a trained, empowered and motivated staff is the key to a positive customers experience, and will bring customers back or drive them to the competition.”



How do you create positive
in-store moments?

Some ideas?

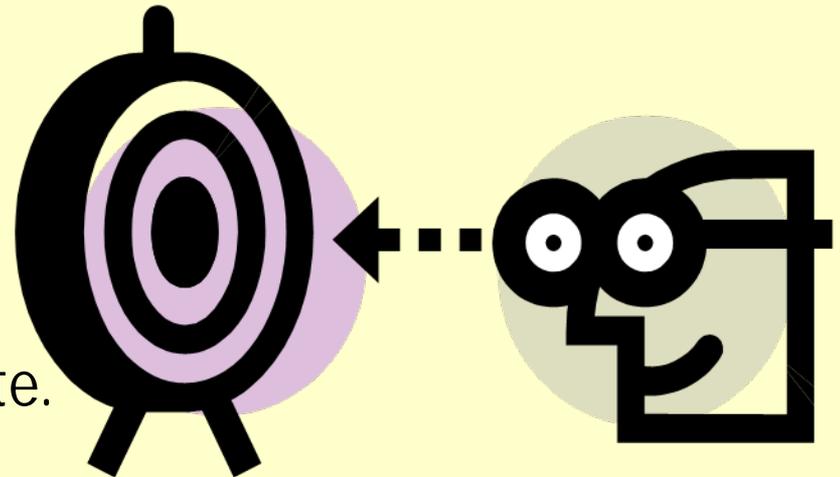
- ❖ Merchandising
 - ❖ Displays
 - ❖ Decor
- ❖ Welcoming Smile
- ❖ Your 'Always' Greeting
 - ❖ No Matter What
 - ❖ Let me help!



A Quick Review

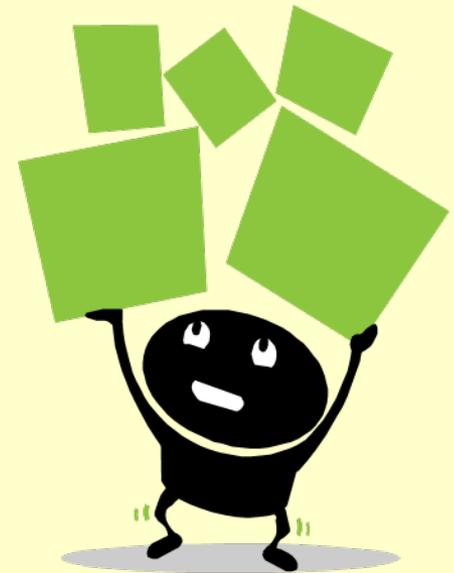
To succeed in this post recession economy understand that *you are not competing against someone, you are competing FOR someone – long term, loyal CUSTOMERS.* And so, you'll need:

- ✓ A **VISION** of the future you want to create for your small retail business.
- ✓ A clear **MISSION** – your reason
- ✓ for being in business.
- ✓ A statement of the **VALUES** and **PRINCIPLES** by which you'll operate.



The Balanced Scorecard

*“The **Balanced Scorecard** is a management tool that allows a small business owner to clarify what is most important to their company’s success, set a direction for the company, communicate that direction clearly to all stakeholders and align the company’s work in support of its most important goals.”*



The Balanced Scorecard

- FINANCIAL RESULTS



- CUSTOMER SATISFACTION



- PROCESS IMPROVEMENTS

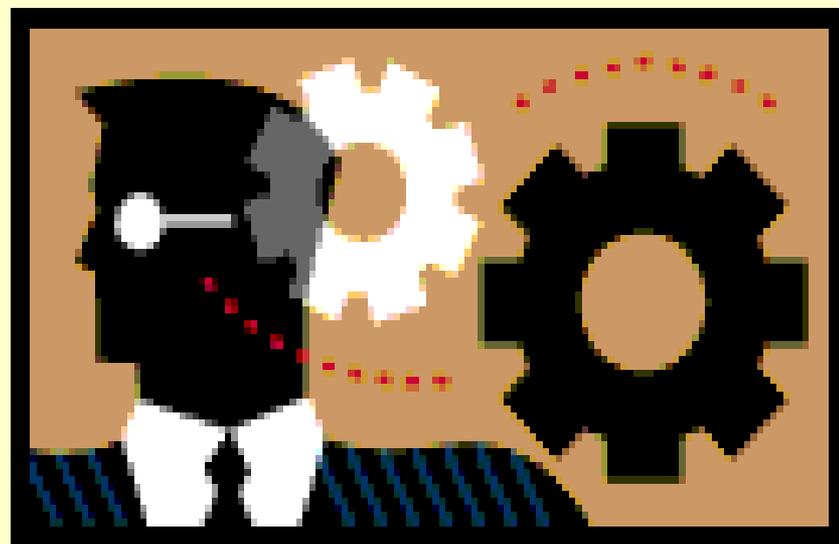


- INFORMATION and
EMPLOYEE EMPOWERMENT



Long Term Success in Small Business

- ✓ Requires **Thinking Differently**
- ✓ Requires **Acting Differently**
- ✓ Requires **Leadership**
- ✓ Requires **Planning**
- ✓ Requires **Commitment**
- ✓ Requires **Analysis**
- ✓ Requires **Decision Making**
- ✓ Requires **Measuring Results**
- ✓ Requires **Adjustments**
- ✓ Requires **TIME...**



Planning for Long Term Success...



**YIELDS
BETTER
RESULTS!**

How can the Maine SBDC assist you with your **Long Term Success in Small Business?**

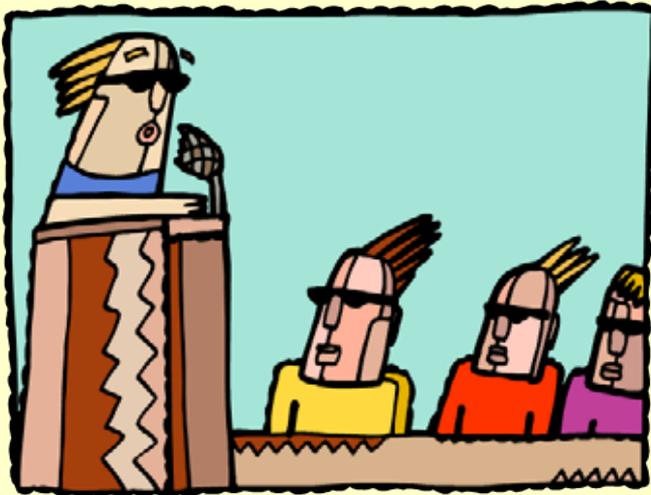
- Promoting Strategic Thinking
- Encouraging Strategic Action
- Coaching and Counseling for Long Term Success



“You CAN get there from here!”

Planning for Long Term Success

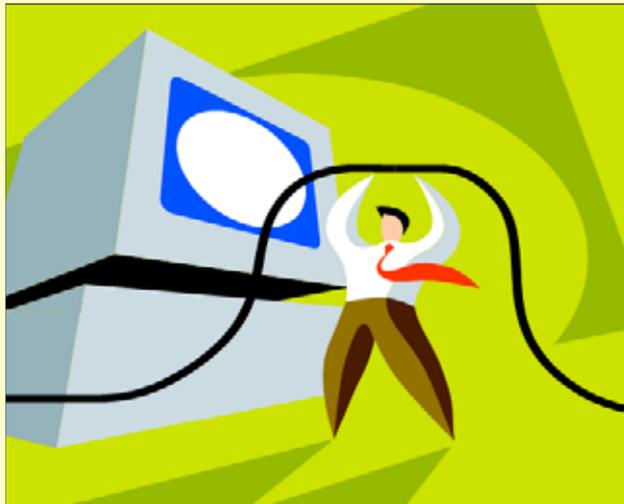
- **Promoting Strategic Thinking: Objectives**
- Strategic Action Objectives
- Coaching for Long Term Success



- Increase your awareness of the value of thinking strategically.
- Introduce you to the language, structure and tools of the strategic planning process
- Help you develop your strategic plan with on-going counseling and coaching

Planning for Long Term Success

- Strategic Planning Objectives
- **Encouraging Strategic Action: Objectives**
- Coaching for Long Term Success



- Help you consider, identify and communicate those factors critical to your retail business success.
- Help you understand how to implement, track, analyze and manage your plan for long term success

Planning for Long Term Success

- Strategic Planning Objectives
- Strategic Action Objectives
- **Coaching for Long Term Success**



- Analyze your situation and help you outline the process - and encourage you to put your plan in writing.
- Check to see that you are clear about your plan and communicating your plan to all stakeholders.
- Work with you to assess the long term success of your plan to grow.

Post Recession Retailing What Will Work?

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"Making your own road"

The Maine SBDC... Dedicated to Your Small Business Success

