TIPS & TRICKS FOR RETAILERS
Cayman Islands Chamber of Commerce workshop

April 28th, 2016
1. Introduction
2. Retail operations & Merchandising
3. Customer Experience
4. Social Media Marketing for Retailers
5. Q & A
Savage Consulting Ltd. is a boutique-consulting firm, specializing in airport and travel retail, tourism and consumer industries. Our mission is to help business owners and organizations maximize their potential. Enhancing the customer experience, and developing strategies that increase profitability - through proven methodology. From business intelligence to product analysis through to the marketing and sales...we support your business journey on its path to success.
Our Team

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Operations & Merchandising
What keeps retailers up at night?
Why do retailers wake up at night?

- 69% wake up at night because they don’t know what to do to increase their revenues
- 54% wake up because of cash flow issues

Too much inventory leading to
- Losing margin
- Wasting cash flow
- Making their suppliers rich...

Not enough inventory leads to
- Losing sales
- Losing clients
- Buying at expensive prices
Tip #1: Bring the merchandise to the store displays
Tip #1: Bring the merchandise to the store displays

Why is it important?

- If your storage is full nobody sees it: you must make sure your staff brings products to the shelves, keep it full all the time.
- Retailers can lose nearly half of intended purchases when customers encounter stock-outs.
- Know when to order – give yourself enough lead time

TIP

- Use red and green stickers to put a mark on product displays:
  : you have back-stock inventory: your staff knows it and replace the sold goods
  : warning level-stock, you need to buy or bring new goods to the store

Can customers find your best sellers?

91% of customers entering a store do not see what is immediately displayed on the left side.
Tip #2: Best store location for your best-sellers
Tip #2: Best store location for your best-sellers

Why is it important?
• The horse analogy

TIPS
• Look at your store from a customer perspective, identify the BEST and the WORST locations
• Review your store planogram accordingly
• If you don’t have a planogram you may draw one, you will use it in the future for stocktakes and calculation of ROI
• Create ways to feature your products effectively...Ex. create a top 10 best selling section in the store, and a “owner’s selection of the week” section

IF YOUR INVENTORY DISCREPANCY IS ALMOST 10% or MORE ...THAT IS TOO MUCH.
An inventory discrepancies BENCHMARK in north-America is 1.48%. Control your inventory constantly to avoid losses and generate more revenues.
Tip #3: Show that something new is happening at your store
Tip #3: Show that something new is happening

Why is it important?
• People will hardly visit your store if they think they already know everything about it
• Good retailers set the trends for their clients: show that you can do it

TIPS
• Change your store window displays every month
• Write promotional messages on your store windows
• Use your end-caps to display new products every month (every week for supermarkets)
• Use your decompression zone as a place to communicate messages or to have a community board
• Use the cash/check-out point as a communication point
Tip #4: Affirm your commitments to your customers
Why is it important?
• Internet e-commerce is cheaper and is taking you sales
• You MUST react to it, decide, share and maintain strong commitments to your clients

TIPS
• Meet with your staff, listen to their customer feedbacks
• Decide what are your commitments: free home deliveries, prefer ORGANIC or SUSTAINABLE suppliers to others, refund price difference if find cheaper, etc....
• Communicate it everywhere in BIG: store, social medias, flyers, website, etc...

Utilize shelf talkers
Tip #5: Create bundles with fast + slow moving items

Coffee Lovers Artisan Gift Bundle

$109.95

Choice of coffee infused syrup
Please select an option

Choice of whole bean coffee
Please select an option

Gift Message:

Add to Cart

Likes: 36
Comment: 2

Tags: #coffee, #coffeebars, #gourmetfood
Tip #5: Create bundles with fast + slow moving items

Why is this an opportunity?
• Every store generates slow moving items
• Decreasing the price is sometimes not the solution

TIPS
• Create special offer packages:
  • Sell 3 best sellers at -x% discount price
  • To get the discount add 3 slow moving items at the package
Example

- John sells very well tennis balls but can’t sell tennis wrist bands.
- Tennis ball tubes are sold at $15 each, 60% margin,
- Each 3-bands-pack is sold at $12 each, 65% margin.
- Create a bundle as follows:

<table>
<thead>
<tr>
<th>Article</th>
<th>Retail</th>
<th>Margin</th>
<th>Cost</th>
<th>Bundle Qty</th>
<th>Normal retail</th>
<th>Normal margin %</th>
<th>Package discount</th>
<th>Special offer package</th>
<th>Special offer margin %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tennis balls</td>
<td>$15.00</td>
<td>65%</td>
<td>$5.25</td>
<td>3</td>
<td>$45.00</td>
<td>65%</td>
<td>10%</td>
<td>$40.50</td>
<td>10%</td>
</tr>
<tr>
<td>3 band-pack</td>
<td>$12.00</td>
<td>55%</td>
<td>$5.40</td>
<td>1</td>
<td>$12.00</td>
<td>55%</td>
<td>25%</td>
<td>$9.00</td>
<td>25%</td>
</tr>
<tr>
<td>Package retail price</td>
<td>$57.00</td>
<td>62.9%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$49.50</td>
<td>57.3%</td>
</tr>
</tbody>
</table>
Customer Experience
What’s all the hype about Customer Experience?

“I’VE LEARNED THAT PEOPLE WILL FORGET WHAT YOU SAID, PEOPLE WILL FORGET WHAT YOU DID, BUT PEOPLE WILL NEVER FORGET HOW YOU MADE THEM FEEL.”

-Maya Angelou
Did you know?

It’s roughly 6-7x more expensive to obtain a new customer...
What does it matter?

95% of dissatisfied customers tell others about their bad experience.
1. What do people see before they enter your store?
2. What is the first impression when you enter?
   • Atmosphere: lighting, sound, smell etc.
   • Look and feel (Décor, signage, decompression zone, feature display)
   • Greeting from staff?
3. How do customers move in your store? What do they do?
4. What happens when they are ready to purchase? How long does it take?
5. What happens after they purchase?
6. What is your virtual customer experience? Does it match your in-store experience?
7. How do you communicate with your customer outside of the store?
   • Email marketing, personalized communications, social media
The customer of the future...

https://www.youtube.com/watch?v=ewyTGmAlGgo
Social Media Marketing
Social Media - Connecting To Your Consumer

Ask yourself...
1. How are people ‘plugged in’?
2. What are the behaviours of my customers?
3. What are the wants and needs of my customers?
4. What kind of relationship do I want to have with my customers?
5. Are my brand values the same as my customers’?
6. What is my budget and will I allocate to spend on social media?
What next?
1. Establish an online presence

2. Define your brand identity and online personality

3. Regularly update your social media channels

4. Develop quality content: events, feature sales & promotions online (organic & paid option)

5. Think ‘outside the box’

6. Engage the help of a specialist or consultant if you don’t have the time or expertise
Tip #1:
Register yourself on Google

Go to: www.google.com/business
Tip #2: Register yourself on Trip Advisor *(select businesses)*

https://www.tripadvisor.com/GetListedNew
Tip #3: Select the appropriate social media channel(s) for your business
Tip #4: Complete your About page in detail.
Tip #5: Use a custom Facebook image for your cover photo.
Tip #6:
Post inspiring and motivational images

- Give them a reason to buy
- Showcase your work or talent
- Motivate them to come in and try your product
Tip #7: Use Ad Manager to boost your posts.
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Want to get away for a last minute vacation? 25% off all March bookings at Cayman Villas!!
Whether you are a local wanting a weekend away, snowed in by the cold weather of the north or just need a break from the hustle and bustle... this deal cannot be missed.

#caymanvillas #beach #sun #sand #lazydays #relax #escapethecold

Cayman Villas
Published by Samantha Widmer (?) · 4 March ·　

Michael Kors Sporty Citrus, Sexy Amber, Glam Jasmine EDP 3.4oz/100ml
Precio Actual $69.95 Ahorre $28
Visite una de nuestras 4 localizaciones en San Ysidro, Brownsville, Hidalgo o El Paso y podría tener su propia experiencia de Duty Free City. ... See more
Tip #8:
Use Insights to determine results and adapt as needed.
Questions?

We’d love to get further acquainted and explore opportunities to see how we can grow your business!

Please email info@savage.consulting or connect with us on social media.