



# Retail Adventures in the Real World™

By RICH KIZER & GEORGANNE BENDER

## Mediocrity Borrows; Genius Steals

**M**ediocrity borrows, but genius steals. A brilliant statement we liked so much we lifted it from a Nike ad. And it's so true. Why rack your brains looking for your next great idea sitting in your own store? Hit the road! All you have to do is visit your competitors.

If you don't visit your competitors on a regular basis, you most likely suffer from Retail Tunnel Vision. It's happened to all of us. You get so wrapped up in your daily business that you don't see the big picture. The worst thing about Retail Tunnel Vision is what it can cost you in sales, profits, and missed opportunities. Don't let it affect your business. You should visit your competition at least six times a year.

Shopping the competition means different things to different retailers. At chain stores, it's a science: you do X to uncover Y. To an independent, it's more of an art. As one retailer said, "I don't spend time on the things that are basic Retailing 101, and I don't go in with a checklist of things to look for. I have no pre-plan. I just walk around and look for merchandise lines I don't carry, things they do for their customers that I don't, and ideas that will stimulate my own creativity."

Your competition actually helps create the expectations customers have of your store, so why not use your competition as a benchmark? That doesn't mean you let

them set the standards, but it does mean you have to compare your store's performance with theirs. And don't settle for the benchmark – whatever they do well, you can do better.

A Delaware retailer told us, "I'm not afraid to go into my competitor's stores. So what if they recognize me? They come into my store. If being recognized bothers you, go at odd hours or when the owner won't be there."

**■** If you walk away with just one great idea from each of your competitor's stores, the competition will always look like they're following you.

**■** Forget you're a retailer and shop as a customer. It's important to get the "feel" of a store. Does it feel good to be there from the moment you walk in the front door? How quickly are customers greeted? That feeling you get builds a perception that becomes reality, and it happens within the first 10 seconds you are in the store.

**A n o t h e r** added, "I go even if the owner is there. We're friendly. We share small talk but we both know why I'm in the store. Remember that famous line from *The Godfather*? 'Keep your friends close, but keep your enemies closer.'"

In that fleeting moment of time, customers will decide to continue shopping, subconsciously decide on how long to stay, and even whether they will return again, so it's critically important that their first impression be a positive one. Do the 10 Second Test in each competitor's store. Write down how long it took to be greeted, how friendly they were, what you saw and how you felt. When you shop the competition from the perspective of an average customer, you will discover exactly what it feels like to be a customer in that store. Do this test in your own store as well, then compare notes.

### WHERE AND HOW?

You definitely need to know what's going on around the block, down the street and across town, but the best ideas will come from where you least expect them.

Spend an afternoon shopping on the Internet, then visit every successful store you can, even if you don't sell the same product. Shop alternative retailers such as flea markets, art shows, and craft fairs. Visit hardware stores and home centers, furniture and department stores, and even model homes. And the next time you attend a trade show, schedule an extra day to take in the local culture. And remember to take your camera!

Go incognito and act like actual customers. Dress like other customers.

*(more on page 68)*

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# Retail Adventures in the Real World



Grab a shopping cart, or take a child with you and see if you can maneuver a stroller comfortably throughout the store. In other words, don't approach a competitive shopping trip with your retailer hat on.

Check out the merchandise lines – what's selling and what's not. Note what's on sale. Review their store policies and product pricing. Buy something and time how long you have to wait in the check-out line.

Visit the restrooms, service counters, and classrooms. And spend a lot of time reviewing how their merchandise is presented. Remember, customers don't need everything you sell; you have to make them want it, and great product displays are key. Do they use unusual props? What's in their windows and on their end caps? Steal at least one good display idea that you can turn into a full-blown theme in your own store.

The amount of time between visits can make a big difference in what you see. Go too often and it all looks the same. Wait too long and you'll miss too much.

"We're not out in the competition every week," another retailer said, "but we're out often enough to keep us better informed about what's going on and what that means to our customers."

The consensus definition of "often enough" is about every six weeks, generally the amount of time between seasonal product and display changes. It's also enough time for you to judge if any of their customer programs are working. Are they still holding in-store demonstrations and make-it/take-its every Saturday or have they moved on to something else?

Knowing what you're up against is important, but knowing what to do with

what you find is vitally important. Start an Idea Generation Journal and keep a detailed record of the ideas you find. Even if you are not able to use them right away, they will be an inspiration to you at one point or another.

If you walk away with just one great idea from each of your competitors' stores, and implement them in your own store, the competition will always look like they're following you. Keep your Idea Generation Journal current – you'll be surprised at how often you'll refer to it throughout the year.

The strength of your success lies in your own creativity and what you do with what you find. A commitment to shop your competition on a regular basis will only make you a better retailer. Find out what the other guys do, then do it better!

## VIVA LAS VEGAS

One of the best places to fill up your Idea Generation Journal is Las Vegas. We love Las Vegas, and not for the obvious reasons. We're not really gamblers – 50 bucks is generally our limit. Of course, we found that out the hard way.

We put our \$50 down at a craps table and before we knew it, Rich had turned that \$50 into \$1,600, and it was so cool! Georganne, seeing an Armani suit in her future, wanted to take the money and run. Rich, a former firm believer in the school of "You don't stop when you're hot", wanted to keep playing.

We have a 50/50 partnership, so we knew from the start of our company that we'd have to figure out what we'd do when we reached an impasse. The answer was to give one of us one more vote on certain days; so on even numbered days, Georganne is President,

but Rich is Supreme Commander, and he gets an extra vote. On odd numbered days, it's just the opposite: Rich is President and Georganne is Supreme Empress. On this particular day Rich happened to be Supreme Commander. You can guess the rest: in less than 10 minutes that \$1,600 turned into just about enough to buy lunch. At McDonald's. So with gambling no longer a distraction, we could get back to the retail business, and the purpose of our trip.

## RETAIL INSPIRATION

We love Las Vegas because it's such a retailing inspiration. Where else can you walk the streets of New York, mingle with Hollywood stars, and visit Rome, Paris, and the pyramids all in one day? And where else can you shop all day and rarely see the same things you'd see at your neighborhood mall? Or maybe you do, but Las Vegas just does it better – they've taken Shoppertainment to a new level.

Now, you might be thinking, "My store isn't a casino. It's not big. I can't possibly do what they do." Oh, yes you can.

Here are some of our favorite, not-to-be-missed places in Sin City, and the lessons they can teach every retailer:

### The Inspiration *Monte Carlo Resort*

Step inside the Monte Carlo Resort and Casino and you are instantly surrounded by the most wonderful fragrance. We don't know what it is, but we know that we love it. And so does everyone else, because the Monte Carlo now bottles it

*(more on page 70)*

# Retail Adventures in the Real World

Photos by Todd McDaniels



MGM Grand



New York New York

We recommend you visit Las Vegas at least once a year ... Keep an open mind, and write down everything that thrills you.

and sells it in the form of shampoo and body lotions. Five minutes in the Monte Carlo and you just feel better than you did when you walked in.

### Your Take-Away

The old retail adage, "If it smells, it sells", still holds true. Do you sell candles? Great! Light them during open hours so that the smell permeates the air. If you can't do that, then buy a candle warmer that melts the candle without lighting it, and put it in an out of reach place – the fragrance in your store will be the same.

The fragrance you choose plays an important role: Grapefruit, for example has been said to renew energy; Pine inspires positive feelings, and Cinnamon, bless its spicy little heart, is said to attract money.

### The Inspiration *MGM Grand*

At the MGM Grand you are bombarded with smiling faces wishing you "A Grand Day." Talk about great customer care! If you ask for something they respond, "It would be my pleasure." No matter who you are, they make you feel like a million bucks.

### Your Take-Away

It's a sad fact that in our year-long study of craft stores, only 14 to 20 percent of customers were greeted within 45

seconds after entering the store. How quickly are customers greeted in your store? Are your associates genuinely happy to see customers when they walk in the door? Do associates acknowledge customers as they pass them on the sales floor? Do they recommend product and design ideas? And what about on the telephone: are customers greeted warmly or are they considered a nuisance? Remember that each and every encounter with a representative of your store builds a perception – better make it a good one.

### The Inspiration *New York New York*

New York New York is one of the best examples of pure branding that we've ever come across. From the hotel's exterior featuring famous New York landmarks, including an almost life-size Statue of Liberty, to carpet on the floor, and the manhole covers (complete with steam), every detail, no matter how insignificant, screams New York City. Their philosophy is, "If we have to buy it, let's make sure that it represents who we are."

### Your Take-Away

Does the outside of your store tell customers what they will find inside? What about your bags, notecards, store stationery, gift certificates, in-store

signage and the like? Do they properly represent your store's brand or did you just buy whatever was available?

These things are important to your brand identity – they have to pull together to tell your story. If you can't buy custom bags or note cards, then buy good quality blank stock and use stickers in a way that make the bags and cards unique to your store. Treat gift certificates like they are the best gift in the world – wrap them in tissue and place them in a gift box tied with a ribbon. Add your stickers to personalize them. Look at every single detail of your store with your brand story in mind, and don't buy anything that doesn't tell it well.

### The Inspiration *Caesars Palace*

Shop 'til you drop? Not at The Forum Shops at Caesars Palace. Caesar's motto is "Shoppus 'til You Droppus," and it's no wonder. The Forum Shops feature the most spectacular lighting you will find anywhere, but it's more than that. There's a feeling – an ambiance – about that mall (yes, even in its grandeur, it's still a mall) that makes you want to stay there and spend money. And that ambiance even makes cookie-cutter stores like The Gap seem cooler.

### Your Take-Away

What does it feel like when you walk into

(more on page 72)

# Retail Adventures in the Real World



Caesars Palace



The Venetian Canal

Shoppertainment makes you stay longer and spend more money ... You should have some sort of Shoppertainment going on in your store every week.

your store? Is it a warm and friendly place? Do customers feel welcome? Is it brightly lit? Are the displays inviting? If you close your eyes, spin around and open them again will you find something so intriguing that you have to get a closer look? Stark, boring stores just won't cut it with today's customers and all the choices they have. You don't have to have Caesar's wallet to make your store ambiance memorable, you just have to make it your own.

## The Inspiration *The Bellagio*

The Conservatory at The Bellagio is a phenomenal display of live flowers and foliage that changes with every season. In April you'll find it filled with the flowers of spring. At Christmas it's a winter wonderland. The Conservatory at The Bellagio is one of the most wonderful display examples you'll find anywhere.

### Your Take-Away

The Conservatory is really a giant in-store display that's a focal point to draw people through the hotel lobby to the shops and restaurants surrounding it. Do you have merchandise displays in your store that do the same? Merchandise displays are an important aspect of your store layout because they give customers ideas and help them visualize how the product will look in their own homes.

Pick at least one day each month to reset your windows and in-store displays. Set sales-floor displays first, and you will never have product displayed in your windows that's not on your floor. You don't want customers asking for product displayed in the window to be told, "Sorry, it's still in the back room."

Here's an idea: assign someone the task of walking the floor each day – call him or her The Sultan of Sizzle. The Sultan's job is to make sure your displays sparkle. You could become so famous for your fabulous displays that customers come in just to see what you've come up with – and buy the whole display!

## The Inspiration *The Venetian*

Walk through St. Mark's Square in the Canal Shoppes at the Venetian and you will be delighted and entertained by the street performers. As you walk from one end of the mall (yep, still a mall), you'll hear professional opera singers, and see living "statues" hold the same position for what seems like an eternity, then incredibly come to life. It's fun and it's entertaining – it's Shoppertainment and it makes you stay longer and spend more money.

### Your Take-Away

So you won't have an opera singer in the

store this Saturday. That's okay, you can do something better. You can host an open house, a promotion, or a contest. How about a demonstration or a make-it/take-it? Even if it's just coffee and cookies, you should have some sort of Shoppertainment going on in your store every week. Drop us an e-mail and we'll send you a Shoppertainment planning calendar for 2003.

There are many hotels in Las Vegas that we haven't mentioned, and there's a reason for that – each one is just another hotel. In this day of savvy customers and Shoppertainment, you don't want to be thought of as just another store. ♦

Speaking of Las Vegas, mark your calendars

**Note:**

now for the MemoryTrends Trade Show at the Sands Expo & Convention Center September 29-October 1, 2003