

Centrestage

Keeping you up with the play in Central City

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CENTRAL CITY BUSINESS ASSOCIATION



The Retail Five Do's and Five Don'ts of Success

It is well recognised that many retail businesses fail in their first five years of operation. Many of those who failed, did not respect the five must-dos and must-not dos of small business. By following these rules you reduce the risk of joining their ranks.

This week we look at the Retail Don'ts.

Don't...

1. Assume you know what the customers' needs are.

Perhaps the fastest way to ensure retailers fail is for them to assume they know what customers want.

Successful businesses routinely do customer research to help them to understand what they are doing well and what they are not doing so well. This allows them to look at ways of resolving issues before they become serious problems affecting the bottom line.

2. Try to market yourself exactly like your competitors.

To fully understand how important this is, you need to understand that the customer's need is made up of two things: the met portion of the need, which is what customers are satisfied with, and the unmet portion. The second part (unmet need) is where opportunity lies to stand out from your competitors and increase business.

3. Take your customers for granted.

The ongoing support of key customers must also be acknowledged with incentive schemes

designed to both reward and maintain customer loyalty, as well as drive demand for future purchases.

These schemes do not need to be complicated. Many cafes offer simple loyalty schemes, giving a free coffee after 'x' number of purchases. Simple and effective. The 80/20 rule applies, which is 20% of your customers generate 80% of your business. Know who the 20% are and reward them for their support.

4. Fail to strengthen weaknesses.

You may have a great product but if it is incorrectly priced, poorly promoted or not consistently available due to unreliable suppliers, it will fail. These and other weaknesses must be addressed promptly to ensure the business' success.

Today's consumers are more aware and less tolerant than they have ever been and any ongoing weakness in your business will translate into lost customer loyalty and sales.

5. Lose your perspective.

Retailers must be aware that business has the potential to take over your life and leave you with an imbalance between work and the rest of your life. This is a complex issue but there are some key strategies that can help.

1. Schedule time-outs and honour them.
2. Take a time management course that will teach you to be more efficient with your time.
3. Learn the power of delegation, once you have established that particular individuals can do the tasks.



Paul Lonsdale
Central City Manager
Business Association

Great Quotes

"The best thing about the future is that it only comes one day at a time."
Abraham Lincoln

"Recession is when a neighbour loses his job. Depression is when you lose yours."
Ronald Reagan

Meeting to Discuss City Trading Hours

We held a meeting for concerned business/ property owners and managers to discuss the inconsistency of our city's shopping hours. About 30 people turned up and we had a lively and informative discussion. Unlike suburban shopping centre shops whose hours are controlled by a lease, the central city has to rely on business owners' good sense to be consistent. Our customers vote with their feet and it has been evident that over

the last 15 years we have seen a massive decline in foot traffic and shop turnovers, partly due to inconsistent shopping hours. If we are to compete with the suburbs and give our customers what they want we need to be consistent.

We are currently doing a business survey and when completed, we will have a better understanding of what open hours busi-

nesses would like.

We also discussed store-validated parking, promotions, a promotional levy and above all, the importance of us all working together.

We concluded with people agreeing that there should be more meetings like this, perhaps every six to eight weeks, to discuss what is happening.

COYOTE, TAP ROOM, LIQUIDITY, FERMENT, THE BOULEVARD AND COOKIE TIME PRESENT

CHILL ON THE TERRACE '09

A FREE OUTDOOR GIG

FEATURING **dDub**

WITH SACHA VEE, LOTUS & STICKY FINGAZ

SATURDAY 23 MAY

6PM TIL LATE, OXFORD TERRACE, CHRISTCHURCH

