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The Retail Buzz

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Free Report



"The 5 Biggest Challenges Retailers Face Today"

Point of Sale

FEATURE STORY

Achieving Retail Store Success Tips for Retail Success



14 Obstacles to Retail Store Success

By Jerry Robertson

There are so many things that can prevent a retail store from being successful. We have listed 14 obstacles to retail success. Any one of these can be harmful to your retail business, but it only takes one to be fatal. They are not listed in any particular order.

1. Selection of Products- Many retail owners select products based on what they like. The key is to pick items your customers will love. If you get input from other employees or management, it will make it easier to make better buying decisions. Also, many times the owner has a limited taste and is missing a large group of customers. Ultimately, the owner may make the final decision, but the more info presented should result in better buying for the retail business.
2. Not Organized- Too many owners run their business without a plan. You should have short-term and long-term goals. I used to have a weekly list plus a master list of things to do. It



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was always subject to change. Also, take care of mail daily. I have been to stores and see mountains of mail stacked high in the store.

3. Lack of Delegation- Too many owners refused or afraid of delegating. It may be they are control freaks or do not trust employees. Both are bad and will severely limit your business. By delegating to employees, it creates better employees and ones who will take more pride in your retail business. Start with delegating simple things and go from there. You will be amazed at what your employees can do.

4. Not Thinking Outside the Box- If the owner's thinking is limited, so is the chance for success. It is hard running a retail store. The key is not to follow everyone else and consider choices that will be different. Once again, your employees may be able to come up with creative solutions.

5. Resistance to Change- Owners and employees do not like to change. They want to continue to do things business as usual. Times change and if you wait too late for change, your business may even fail from this obstacle by itself. It is so common for a retail store to doing poorly and the owner will not make major changes. This brings me to the next obstacle.

6. Fear of Failure- Every business that tries different things will have some failures. The key is to learn from these failures to help you in the future. Too many owners just think the following. I tried something different and it did not work. Every successful person and business has failures, but they did not let it stop them from reaching their goals.

7. Store not Unique- One of the keys is to make your store different from the rest. Over 90% of all retailers are similar. The others create a unique shopping experience. They understand that special events combined with unique items or service will have the customers saying WOW when they leave. Yes, it takes extra work, but the payoff can be huge. Special events can be low cost or even free to promote your business. There are thousands of possibilities, such as dog costumes, children storytelling, and free short informational seminars about a product or service.

8. Service not Superior- All stores like to think their service is great. In reality, most stores fall far short. It not only takes meeting the customer's expectations, but exceeding them. For example, you could special order an item and delivered it to their house or work, if the customer does not have time to get to your store. Superior service starts with an owner's strong commitment for it to happen.

9. Work is not Fun- Everyone has a job to do, but it can be made to be fun. Happy employees are more productive and give better customer service. Get to know your employees and think of them as a person. Humor is a great way to relieve tension and make your employees happy to work for your retail business. Hard bosses to work for have high turnover which is costly to any business.

10. Poor Ad Merchandise or Pricing- Owners love to run sales for products that do not sell or have poor prices for better selling items. The purpose of the ad is to get customers into

your store to buy products. Selling a good item at 1/2 off regular retail will result in more sales and profits for your store than selling poor merchandise at 75% off regular retail. Many customers coming into your store for ad items will purchase other products at full price.

11. Not Aggressive with old Inventory- Inventory either makes you money or costs you money. Old inventory should be sold to create cash flow plus to clear space for good selling products. Too many owners think short-term and will not sell an item below cost. Old inventory is better liquidated at 75% off, instead of sitting on your shelf or stockroom. The cash can be used to purchase good inventory, which can more than make up for the loss of the old item. I have seen many retail stores continue to suffer, because the owner will not take the necessary markdowns for his business.

12. Employees not Educated- Employees must be shown what to do. All employees should be educated on a consistent basis. This will result in less turnover, more productivity and more profits. Do not think educating employees is about the first day or week.

13. Lack of Mailing List- Getting a mailing list is the best way to cut down advertising costs and increase sales. Customers on a mailing list will result in 5-10 times the sales as new visitors to your store. The best ways to get customers on your mailing list is from checks and asking them for their address to be on your store mailing list. You may have to give a small incentive to get them on your list, but is worth it.

14. Website not Effective- A website should either sell products/ be used to get visitors e-mail addresses. The more you keep in contact with the people on your list, the credibility goes up and so do the sales. Many people do not buy the first time, they visit a website. Also, having some basic info about your store would be great also. I have seen many owners spend \$2,000 or more for a website, plus a high monthly fee and not be effective. Flash can be nice, but if it takes too long to load, your website visitor is long gone. I have a website with all the bells and whistles and there were no up-front costs or contracts, less than \$20 a month, and easy to do yourself. I have been able to save some of my consulting clients thousands by switching and having a more effective website leading to even more profit.

If you would like to learn about how POS products can help you achieve success in your retail business, contact a One Step Retail Solutions representative to help you make the right decision. **Call 866-617-8181 or email [mailto:sales@onestepretail.com?subject=Website Inquiry](mailto:sales@onestepretail.com?subject=Website%20Inquiry). Ask for a **FREE BUSINESS ANALYSIS!****

Industry Snapshot

Studies have shown that in the United States as many as one in twelve customers is a shoplifter, and that shoplifters commit an average of 50 thefts before being caught. That's if they are caught at all; it's estimated that only 10-15 percent are

apprehended. Vendor fraud exceeds \$1.6 billion in annual retail losses.



About One Step Retail Solutions

For over 20 years, One Step Retail Solutions has been helping retailers across the country achieve higher efficiency, improved merchandising, better inventory control, greater customer relations and, most importantly, greater profitability.

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