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RETAILING TONY GATTARI

It's about planning and execution

SUNDAY MORNING'S small business show on Australian TV sometimes gives examples of how some retailers have hit a wall after years in operation. On one morning's show, one of the business specialists, whose job it was to help the featured business improve their tired branding, determined that it was time for a marketing revamp.

- in came the graphic designers.
- in came the website developers.
- in came the image consultants.

Then after a couple of commercial breaks the results were revealed. The retailer had a new logo, complete with new colour scheme.

- Money was spent on a new website.
- Money was spent on new signage.
- Money was spent on new retail uniforms.
- Money was spent on new company stationery.

Tens of thousands of dollars later and not one question was asked about what the retailer was doing to increase the number of enquiries into the business, or what strategies had been designed to improve the average transaction, or what retention strategies had been designed to keep existing customers.

It was chilling to consider that there were probably many desperate retailers watching the program, with a notepad and pen in hand, taking down notes. Inspired to act they may have spent thousands of dollars on branding exercises before exploring what the real drivers were that could improve profitability in their retail business.

Before expanding, it's vital the foundations of the business are right but that is not normally what people want to hear. There is no one magic idea or strategy or silver bullet to instant success. The

success of any business is due to multiple factors tested and tried over time and built into a system.

People argue that Harvey Norman is successful because of its marketing. Certainly part of the success of Harvey Norman is the amount of advertising it does. Harvey Norman also has a robust business structure based around a franchising model, it has good internal systems, and is consistent with its advertising.

Other retailers lack the consistency to be able to market their business effectively. It is sometimes boring when you work in Harvey Norman with the same promotion carried out at the same time each year, using the same marketing elements, and promoting the same type of product. But it works. It's the consistency that counts.

Fear of failure

Many small retail owners — considering placing a small advert in the local newspaper fear it will fail to bring in customers — and so they don't place the ad. Undoubtedly, some people never achieve their goals because of the fear of failure.

Many business owners and marketers spend a good amount of time worrying if the campaign will work, or procrastinate so much that they miss the opportunity, or they don't carry out the campaign at all.

Things will not be right 100 per cent of the time. If a mistake is made, learn from the experience. Also remember that failure is only an event, not a lifestyle. You can always pick yourself up and try again.

Common mistakes

Following is a list of common mistakes that many marketers and retailer make. In reality, they are not so much mistakes, rather bad habits that have built up over time:

- A total lack of marketing activity, which slows down momentum and produces longer slow periods of sales.
- Not measuring results on a consistent basis. (How do you know what works or doesn't work if you don't measure the results?)
- Poor planning and execution of marketing campaigns.
- Not knowing the target customer. The majority of our clients have had poor results from their marketing efforts because they have spent their entire marketing budget on campaigns targeting the wrong market.
- No sales/profit targets or marketing budgets.

Skydiving is a challenging sport and illustrates our point. The reason why so many people have Successfully jumped out of planes is because the instructor properly planned the training session, chose the right equipment to ensure that the jump would go smoothly, and chose the right time and location to make the jump. A successful jump is all in the planning and execution. A successful retail marketing campaign is also in the planning and execution. ●

■ **Tony Gattari was the General Manager of the computers and communications division of Harvey Norman and oversaw the growth of this business from \$12 million to \$565 million in nine years. He is now founder and CEO of Achievers group and is a professional speaker, business educator, author and corporate business advisor. He has worked with over 110 businesses around the world.**

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