



Robert Ciccone

## Be like David when facing retail Goliaths

*Differentiation one key to success*

**W**hy should someone do business with you versus all other choices? A tough question? Well, maybe. Important question? Absolutely. Lack of a sufficient answer is why 12-15 small retailers close their doors whenever a “big box store” comes to town (think Walmart or Home Depot).

This happens because the smaller retailers haven’t done a good job of differentiating themselves. Without being able to stand out from the crowd, they must compete on price, and that’s where the big retailers win. But ... if you think competing in this environment spells disaster, it’s not the case. Many do it successfully, even when “they” are right next door.

What are you doing, or what can you do, that the big box stores can’t or won’t? Are you the resource, the local expert? Ever go into a big retailer and try to ask a question about a particular product? How often do you get a knowledgeable answer and/or the feeling that they care?

I work with a photo imaging and electronics retailer that has several big-box competitors located right in their neighbourhood, including one next door. They sell roughly the same merchandise as these other stores, and they target the same marketplace. How do they manage to stand out and thrive, even luring customers away from the chain stores?

They’ve created a great customer experience: that of being a friend, a neighbour, a caring community member; of being the store that goes “above and beyond” and a store that is “in-the-know.” They belong to the local Chamber of Commerce and work with other businesses on joint venture opportunities, cross promotions and referral programs. They regularly get involved in community and charity events. They sponsor semi-annual camera clinics. They offer a “no hassle” return policy. They host seasonal photo contests and many kid-friendly events, which bring the local kids (and their parents) into the store.

In the case of another client, a clothing store, we’ve turned their standard seasonal public sales events into a private sale “experience.” They send out special invitations to their customers. On the night of these

events, they have a red carpet and a doorman to greet the “guests.” The events are professionally catered. The store forms alliances with several related local businesses that show up to provide free expertise and special packages of their own products and services. This retailer does more business at less cost at these private events than most similar retailers do in an entire year of advertised public sales!

We can take away some valuable lessons from these two savvy retailers:

1. They don’t rely on just “opening the door” to attract business; they reach out and make things happen.
2. They employ a variety of different tactics and techniques to keep their business “top of mind” within their marketplace.
3. They create and maintain relationships; they take the time to get to know their customers; they care enough to go the extra mile and add value to their customers’ experience; and they treat their customers with respect, and in doing so earn the loyalty, good will and, of course, referrals.

Small retailers can become “giants” in their communities, even when the competition is bigger and has more money to burn. Think: Capture, Communicate and Reward.

Capture your customers’ information: you want to know who they are, you want to get to know them. Communicate with customers constantly, educating them on what makes your business different. Then Reward them for their loyalty by creating a program that makes them feel like you consider their business important.

If you do this, you will endear customers to you, and find them choosing you over the big retailers, and you will have them coming back more often and spending more with your company than ever before.

*Robert Ciccone is the president and founder of Success Unlimited Sales and Marketing Group (www.susmg.com). He is also the creator of the Marketing for Profit Program, a three-part results program that provides the marketing systems, tools and ongoing support to help participants effectively build, manage and operate a profitable business (www.susmg.com/MarketingForProfit). Robert can be reached at 604- 535-2111 or rob@susmg.com.*



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