



GRIP REPORTS

Becoming a Destination Business

by: Elias Amash



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When customers have a favorite restaurant, clothing store, or tire shop, that retailer becomes a “destination” the customer wants to visit time after time. The reason is simple – the store offers value that others do not. Whether it’s serving up the best dinner, providing clothes that easily fit a particular style and size, or helping one’s car run better than ever before, the retailer is able to solve problems or satisfy needs over and above others in their field. They have become a customer’s #1 destination for value.

Times have changed dramatically however and providing “value” is not the same as it used to be. Competing on quality and price alone is simply not enough. Besides offering value, you need to offer something more - a valuable shopping experience. That is what customers want today. According to recent research, 40% of Millennials prefer to experience products before they buy them and 53% of consumers would actually PAY for a more memorable, unique and entertaining shopping experience.

What then does it take to offer these unique and memorable experiences to truly become a destination business? Let’s examine 3 experiences your customers want now: 1) education, 2) fun, and 3) interaction.



EDUCATION: Did you know that hardware stores are predicted to do 48 billion in DIY sales in the U.S. in 2017? Today, people want to participate in DIY projects, but, of course, no project will succeed without some kind of instruction. This is where you come in – offering short, interesting educational workshops right in your store. There are an endless number of educational resources you can offer your customers, on an endless number of topics. For example, recent statistics show that more and more millennials (94%) are still relying on DIY maintenance to keep vehicles running longer despite improved finances. What do these millennials need to perform their DIY auto repairs? Auto-related tools, of course! Yet, those tools won’t tell the owners how to perform the repairs. For that, they need some education. You could provide an in-store auto repair authority or set up a display with YouTube “how to” videos, to teach your customers how to perform the DIY repairs, while at the same time, helping to sell many of the tools and other auto repair items in your store.

FUN: There are thousands of different ways to offer a fun experience for your customers. Think outside the box and explore some trial and error ideas. You could offer lounge-like areas for customers to take a shopping break, with free refreshments, snacks and even a phone charging station. Think of your store as an event space and offer contests, games and fun stuff for the kids who come in with their parents. You could partner with a garden center or lumber yard, or really any business that is closely related to the items you sell, and have an in-store party. In this way, you may draw in new customers that haven’t purchased from you before.



What about having an in-store (or outside your store) camp out, with barbeque and games? It wouldn't need to be overnight, but great fun could be had with a couple of tents and cooking hotdogs and smores on a barbeque. This way, you can highlight some of the products you sell, such as tent stakes, hot dog grillers, and so on.

INTERACTION: Discover ways that you and your employees can interact with your customers and your customers can interact with your products. In this way you will create memorable experiences and your customers will return to see what else you are offering. We are all more likely to be drawn

into something that is interactive, than something that is static. One of the best methods to offer interaction is through the use of technologies that blend on and offline technologies, such as interactive displays and digital signage. Think of developing a display with a touch screen, pressure sensor or that is motion activated. You can provide the customer with information through a touch screen and often, customers prefer this sales method over having to deal with a salesperson. According to a recent study, 30% of people who engage with an interactive display, end up making a purchase. Look for the many excellent companies that build interactive retail displays which you can have custom built to your specifications.

Another important point! Make sure you are able to offer exciting products and have a trustworthy source for them. If your products are stale, or if you fail to offer new products on a regular basis, your customers will be bored and won't want to visit your store. Further, you've got to make sure that you have the ability to refresh your products, or have enough products available to sell, especially if you are having a sale or contest, or are featuring a product with a party, partnership or sponsorship. Doing business with a vendor who is a trustworthy source for your products should not be overlooked.

Whatever you do, don't assume that brick-and-mortar retail is dead. A recent report from Capgemini, a brand intelligence firm, suggested that 72% of online shoppers worldwide still consider the brick-and-mortar experience most important when making a purchase. Consumers want to shop in stores where they can touch and feel products and they like the prompt and personalized service.

In conclusion, the key to success for brick-and-mortar stores is to relentlessly focus on giving customers a reason to linger. Give your customers an educational experience or allow them to participate in something that is "super fun." And don't forget that interaction is the keyword. Your customers really do want to interact with you, your employees, your products and your store. They even want to interact with other customers so offer up a party where they get to know more about their neighbors! Keep these concepts in mind and by offering memorable shopping experiences, customers will reward you by making you their #1 destination.



About the Author: Elias Amash, President of GRIP, is an industry veteran with more than 20 years of experience in global sourcing, manufacturing, distribution, retail merchandising, fulfillment, marketing, technology and operations. He is a trusted partner to hundreds of retailers and has “leveled up” the industry with GRIP’s undying commitment to offering the highest level of service to its customers. Amash has recently published his third business book, *The Future of Retail*, which is available on Amazon. He is also the author of *Importing from China: The Good, the Bad and the Ugly*, and *101 Bright Ideas: Winning Tactics to Increase Retail Sales*.