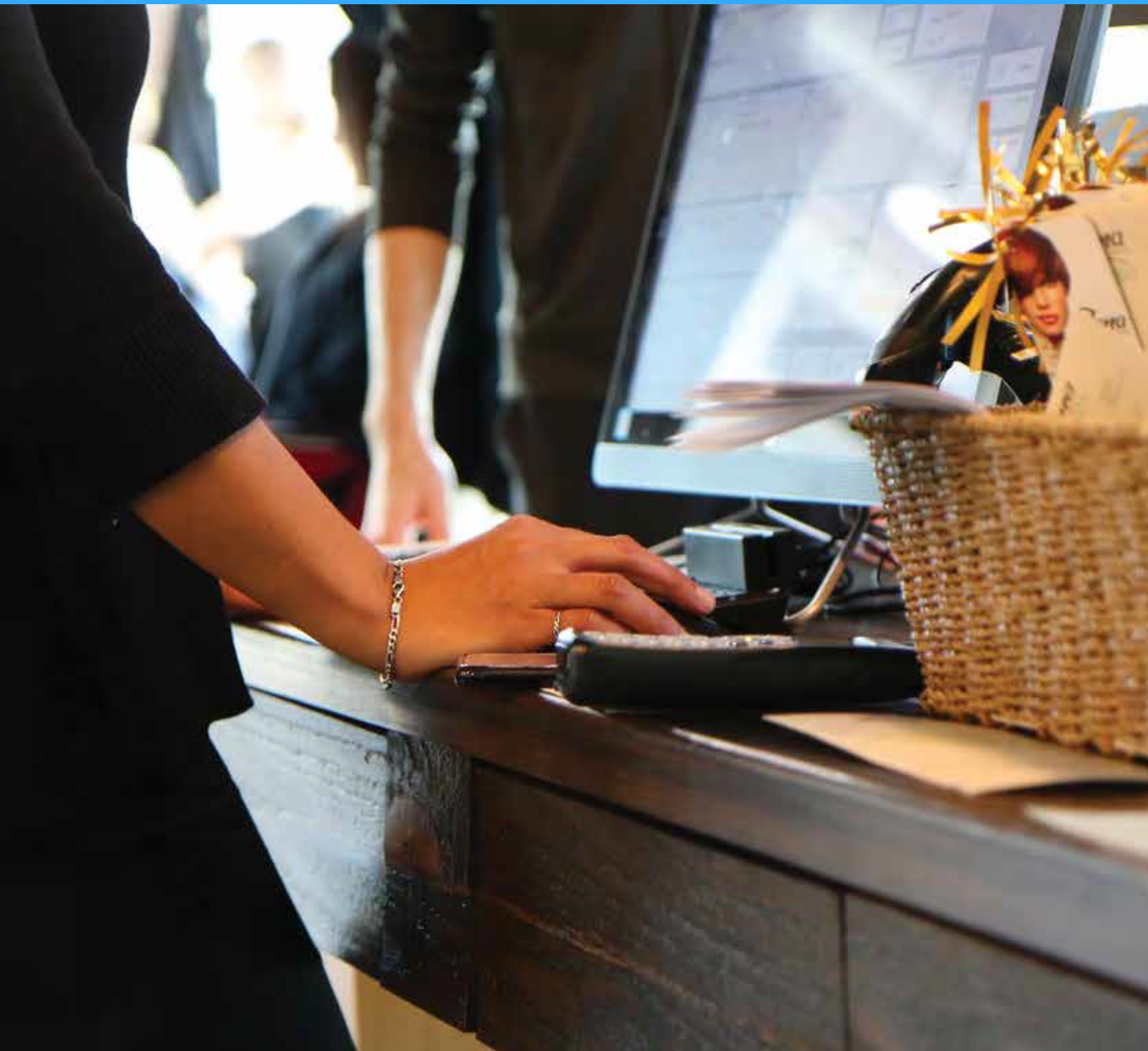


# Retail Guide To Beat Inflation





## We have Potentially a Perfect Storm Brewing

First: congratulations to all those who are still alive in 2022. You survived one of the most challenging periods for small business in our history. You made it through a worldwide pandemic, shuttered stores, and lockdowns. It's been a rollercoaster in retail the last few years. The recession, labor and supply chain issues, skyrocketing prices, not to mention changing consumer priorities. The next few years could prove to be challenging. And it will affect all of us. Transportation of goods alone is up 23% from 2020.

"We have potentially a perfect storm brewing," said Sally Henry, a professor of law at Texas Tech Law School and former partner at Skadden, Arps, Slate, Meagher & Flom LLP. "I wouldn't be surprised to see an uptick in retail bankruptcies."

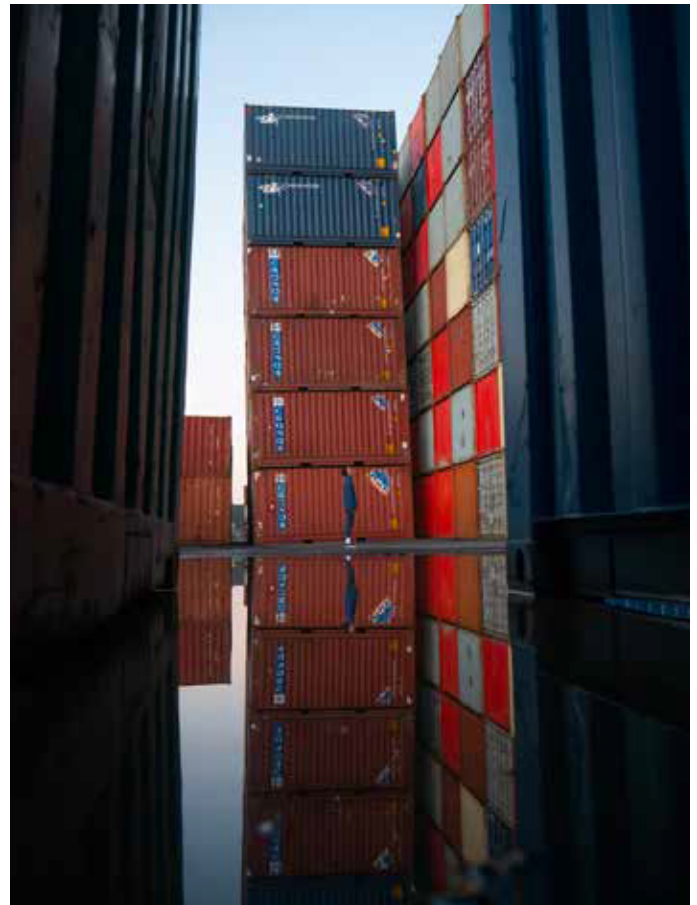
Most advisors predict a lot of restructuring. After all, what pulled us through 2020 was a heavy dose of government stimulus. A recession won't keep people from shopping, but it will change how much they spend. Luxury items will suffer least since people with money will always have it. But from the middle-class on down, we will see fewer dollars spent. Consumer spending is already down 6% from last year. More than 8 in 10 consumers say they plan on spending less in the next three to six months. The fed will raise the rate again further shutting down consumer spending. The result: Retailers who don't keep up will go bankrupt. Revlon has already filed for bankruptcy with more legacy brands on the brink.

Retailers are racing to get in front of the coming sales decline. First, by doing more with the resources they have.

# 23%

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*Cass Information Systems Inc.*





## You Have the Ability to Weather that Storm

**Now for the good news:** there are ways to fortify your business now before the tsunami hits.

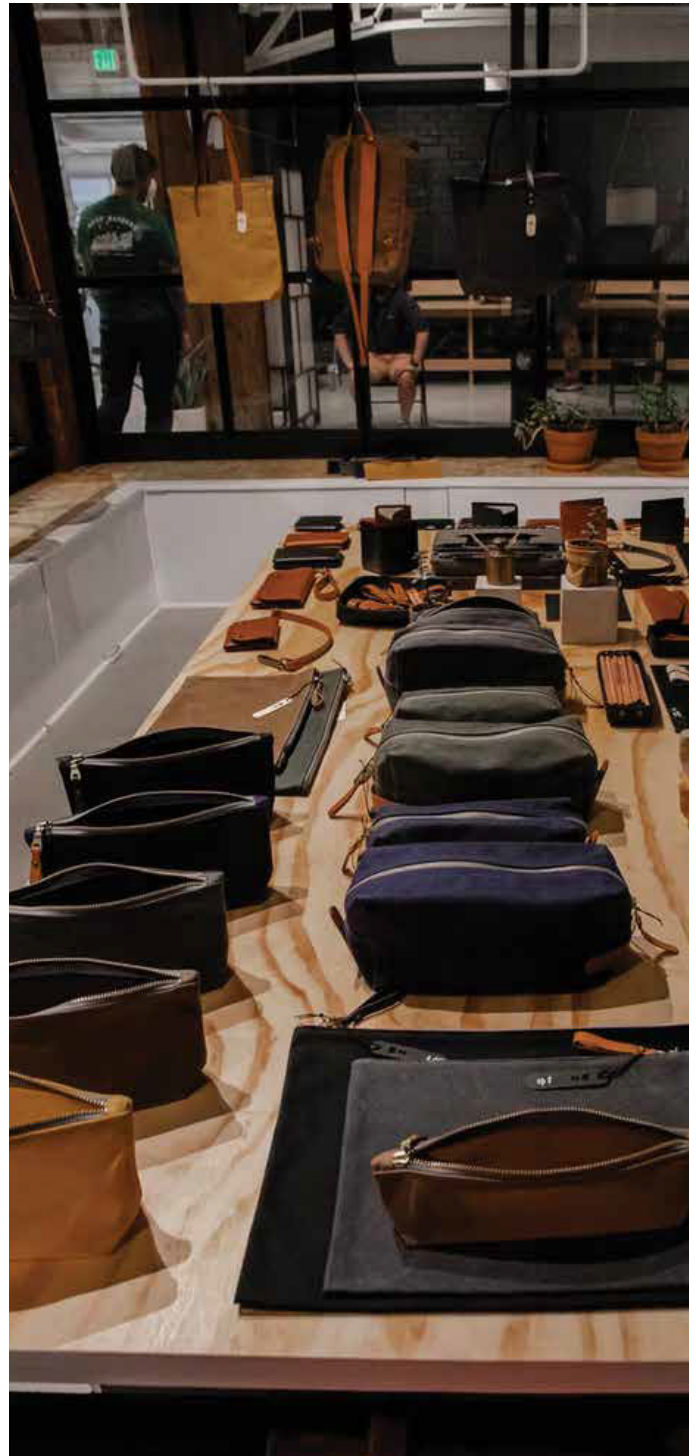
Here are six tried and true practices to ensure your survival.

### 1 – Identify your Best Customers

Don't waste time and money chasing customers who aren't ready to buy yet. Mass advertising is a waste of money. Identify who your best customers are and how frequently they are likely to buy. Walk-ins have lots of potential to become great customers. Get good at collecting names and contact info from everybody that walks in the store. A big part of this is getting all that information into one place rather than sticky notes, spreadsheets, and notes on your phone. One place will make your life so much easier.

### 2 – Get Personal

When you know your clients' preferences and tastes, you can tailor offers they are most interested in. Determine what products complement purchases they've already made, what occasions they are most likely to shop for, and who is on their list. Customers do trust reviews, but they also trust expert advice from somebody who knows them. They like to get personal messages about products they care about, so don't be shy about regular, personal contact. 75% of consumers say they will buy from somebody they trust. And more consumers would rather buy in store than on line---they want the personal connection and the expert advice. It's up to you to provide both. But you will go crazy if you don't automate part of the process. Nobody can keep up with all that data, including the point of sale data, and keep the personal messages going. You need a software tool.







### 3 – Do More with Less

Don't hire more sales associates! It's so hard to find good people as it is. Take care of the people you do have. Help your current sales associates become more efficient by automating time-consuming tasks. Map out a post-purchase sequence that can be triggered and run independently from the follow-up activities they're already doing. Regular communication is effective when it's relevant, so make sure every message relates to the customer you are sending it to. Simplify!

### 4 – Rethink your Advertising

Customer acquisition costs are rising rapidly. Your advertising dollars are not going as far. Nearly 80% of consumers distrust ads anyway. We're not saying don't advertise. We're saying tap into your existing customer base more. They're already on their phones. Find reasons to reach out and send them a message. Think of their phones as the screen they spend the most time with. They want your product. Make it easy for them to get it. Reminder: get personal. Your customers want to engage with you. But they don't want to feel like a number. Every message should be directed at them personally. So gather insights on what messages work and when the best time to send them is.

### 5 – Never Waste a Good Contact

Unfortunately, not everyone who walks through your door will buy. Make sure you have an easy process to capture important details from store visitors who don't buy! Chances are your competitors are doing this and will follow up with them. You should too. Research shows that today's customers shop around more than ever. They compare prices and products, sometimes on their phones while standing in your store! Make sure you give them an in store experience when they leave your store by reminding them of a product they were looking at, and upcoming sales. With the right messages at the right time, you can turn "be backs" into sales.

### 6 – Budget your Finances and your Sales

We know holidays are big buying months: Christmas, Valentine's Day, even Father's and Mothers Days'. But as you plan out the year and your inventory think outside the holiday box. Contact customers about their special days: anniversaries, birthdays, graduation, etc. Get creative with sales: Watches on sale for Daylight savings time, recliners for Father's Day, reversible jackets for Groundhog Day. And something special for mom to celebrate back-to-school: Yay Mom!





## In Summary

1. **Identify your best customers.**
2. **Get personal.**
3. **Do more with less.**
4. **Rethink your advertising.**
5. **Never waste a good contact.**
6. **Budget your finances and your sales.**

You might already be doing some or all of these things. In any case, having a game plan and staying consistent will be the key. Oh, and having the right tool like Clientbook doesn't hurt either. Call us for a free demo.

Best of luck as you make your retail business grow faster than inflation.



To learn more about clientling and see what Clientbook can do for your retail store(s), schedule a personalized demo by visiting **[www.clientbook.com](http://www.clientbook.com)**