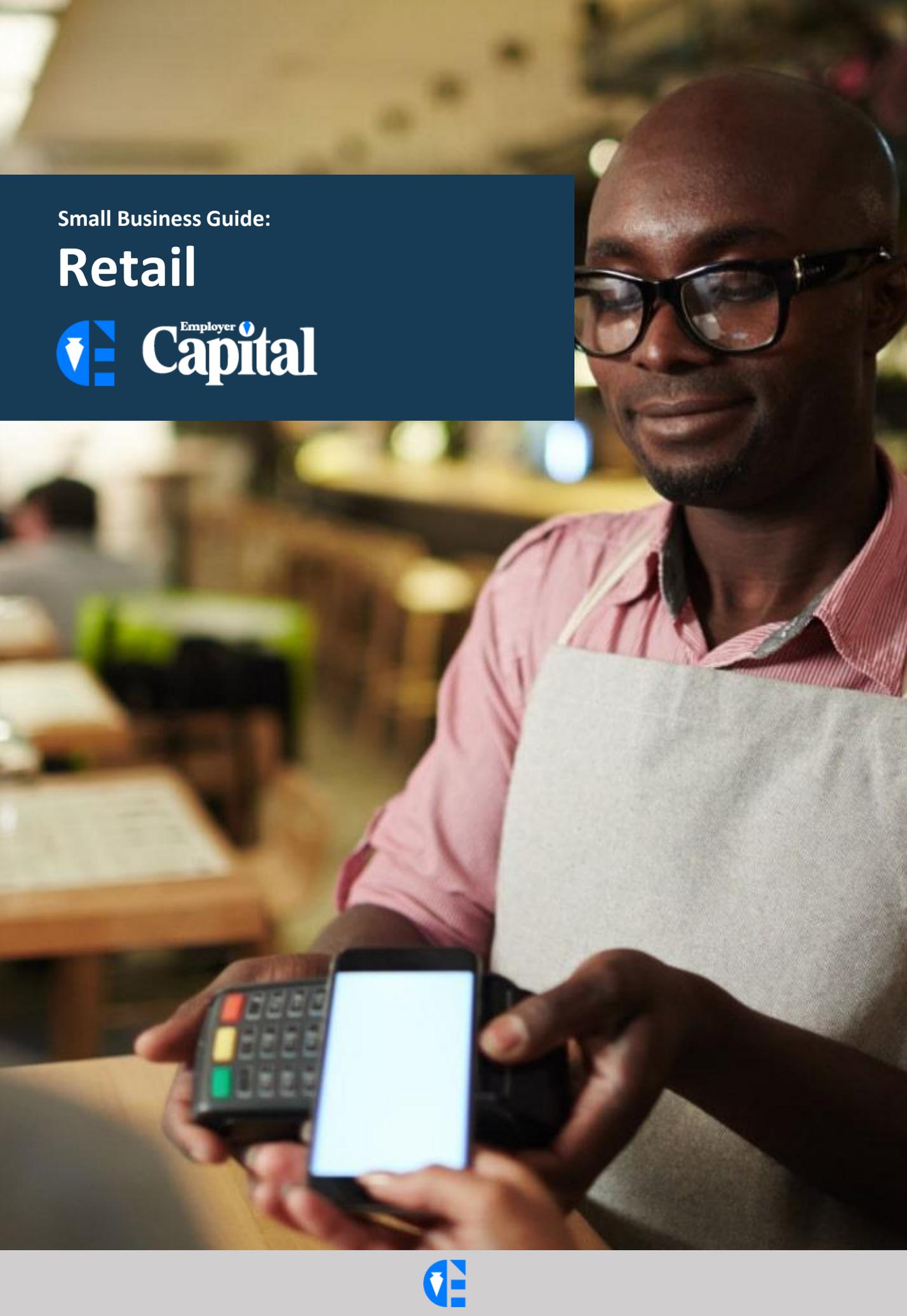


Small Business Guide:

Retail





Where Small Business Goes Big

Content

Introduction

1. Management
2. Knowing Your Customers
Focus on Customer Experience
3. Managing Your Inventory
Tracking
4. Staffing
5. Marketing and Promotion
Brand Building
6. Collaboration with local
companies
7. The location of your store is
very important.
8. E-Commerce Website
9. Maintain your cash flow
10. Common mistakes to avoid
11. Expert help and advice



Introduction

In retail, it's about understanding your target market, keeping up with the curve, and maintaining a competitive edge for your business. This small business guide is designed to help you start a new retail business, grow, optimize and take your business to the next level.

1. Management

Managing a retail business includes everything from recruiting, training, and supporting staff, to managing inventory and cash flow, marketing, and promotions. These areas are covered in detail in this guide, but here are some general tips for effective retail management.

- **Ambitious but realistic:** Set high goals and show that you trust your employees. But this should be realistic. It discourages your teams from pursuing goals that are always out of reach.
- **Clear Communication:** Communicate clearly and accurately what is expected of you, so your employees feel confident and motivated that your company is operating to standards.
- **Create a fun environment:** Respect, support, affirm employees and encourage creativity and teamwork.
- **Keep an eye on cash flow:** Regular tracking of business expenses and income is critical to a successful retail business. So, make it a priority.
- **Know When to Delegate:** If you try to handle everything yourself, you'll drop the ball somewhere else. With the proper training, coaching, and preparation, good managers aren't afraid to delegate.
- **Lead by example:** Show what you expect from your employees by setting a good example and holding yourself accountable to the highest standards.
- **Listen up:** Pay attention to feedback from your company's customers and employees. Employees are on the front lines daily and may be aware of problems, solutions, or opportunities you never thought of.
- **Stay connected:** Get to know your customers and your business competition.



2. Knowing Your Customers Focus on Customer Experience

Knowing your target market is more than just the products your company sells. Understanding your customers' needs and expectations will help you better meet their expectations and serve them better. Give your business an advantage over many other retailers offering the same or similar products and keep customers coming back for more! A seamless shopping experience and excellent service will keep you returning for the buzz that goes a long way in securing customers, customer loyalty, and word of mouth.

As the face of your business, your employees, who interact with customers daily, are primarily responsible for providing them with a memorable shopping experience, for better or worse. As you recruit, train, and support your workforce, keep the following in mind:

Are they happy and relaxed?

Ensure your employees are well-trained to serve customers best and know exactly what to expect. Happy and confident employees provide a friendly shopping environment. Always remember the value of adequate training and good line management. In this way, the company's employees feel valued and supported.

Are they well-informed?

It is essential that all employees are familiar with the product and range and can provide informed and valuable answers to customer questions and requests. This helps shoppers feel confident and valued and have a smoother shopping experience. It also means they are likely to be completely satisfied with their purchase.

Are they engaging?

Train and prepare your staff to interact with customers more personally, which differentiates you from other retailers. They must confidently approach customers and understand what they want in the store. What is right for them? What works for them or meets their specific requirements?



Study Trends

Knowing your customers and understanding their needs, wants and preferences is common sense, but it's always essential to test your expectations. Data trends should be investigated regularly, and a POS system should be used. Most importantly, act on them and inform decisions in all areas of your business.

For example:

Are some products more popular than others?

This affects inventory, so you may need to consider raising / lowering prices or being able to market your business for specific products. A decision may be made to discontinue the use of this product in the future.

Do sales increase at certain times of the month/year?

Again, this benefits you in planning your business' inventory and can be used to inform marketing and seasonal promotions. Have you met your sales goals? If not, what is holding you back? If so, can you be more ambitious?

Pricing Expectations

Knowing what your customers want and how much they are willing to pay for it is essential. Knowing your customers' actual price expectations, rather than relying on your perceptions and expectations, is crucial to gaining a competitive edge over other retailers.



3. Managing Your Inventory Tracking

Keeping track of business inventory counts is critical to business continuity and smooth growth. Less inventory will disappoint or frustrate your customers, and you will lose revenue. At the same time, too much inventory can cost your business money (the cost of storage and possibly the need to transfer a discount.). Balance is key. The most effective and accurate inventory tracking method is scanning barcodes or radio tags. All barcodes or product labels must be scanned again upon entry into the warehouse and at the point of sale. Then you can use inventory tracking software to accurately calculate the inventory you have on hand at any given time. Radio tags are similar but store more information about the product. It also helps prevent lost revenue due to theft by triggering an alert if an item is removed from the store (tags are removed at checkout once the customer pays for the product).

Bundling

When selling certain products containing bundles or packages of multiple items, companies should ensure their inventory tracking software is set up to handle it appropriately. You can assign new SKUs to differentiate them from individual items, so you can accurately track inventory and sales. When a package is sold, the inventory quantity will vary based on the quantity of each item contained. You can also see if individual products are out of stock. This means that you can no longer sell packages that contain this product. The advantages of bundling are:

- The advantage over competitors who offer the same product.
- Combining compatible products, components, and accessories increases customer convenience, increases customer satisfaction, and reduces return rates.
- Reduce shipping costs by sending multiple items in one package. As always, the bundle or kit must meet the customer's actual needs. If they want to avoid buying these products together, you create extra work for no pay.



Vendor Opportunities

Quality, cost performance, and reliability are key when working with suppliers. Instead of choosing the cheapest or most convenient, research and compare products from different vendors. Customers judge your business by product quality, range, availability, and price. Having a good and lasting relationship with certain suppliers is suitable for your long-term retail business, giving you the peace of mind that they are dependable and that the quality of your products will positively impact your business. Regularly compare your current service with other options to experience better prices and deals; for your business to be competitive, paying suppliers only what you expect is important. Accurate Retail Inventory Automated tracking is a unique tool, but physical retail inventory is recommended about once a month to count and organize all items on store shelves. This may seem time-consuming and arduous, but here are some simple tricks to make it as efficient and accurate as possible.

- **Create a store map:** Create a map that shows all the shelves, aisles, and bins and assign employees to specific areas. After the count, you need to initialize the area on the map.
- **Do a Spot Check:** You or your manager should double-check some counts to minimize the chance of error.
- **Mark Counting Areas:** Use brightly colored labels on shelves, stacks, or counted shelves to avoid duplication and make missing parts easier to find.
- **Organize your inventory:** In preparation for a regular inventory, ensure all your items are on the correct shelves or hooks and organized by size, color, style, etc.



4. Staffing

Refrain from letting your resume fool you when choosing employees/staff for your company. Their resume means nothing to the customers they interact with every day, like the face of your business. The most important thing about potential employees is their attitude. Detailed training is fine if they are friendly, enthusiastic, and willing to learn and grow. Training Never underestimates the importance of proper training. Even if the employee has years of retail experience, they may have worked for someone other than your company and were not trained to your company's standards. This is also an opportunity to introduce them to your business's unique culture and what makes it stand out from the competition.

What should the training cover?

- Additional responsibilities at the start/end of shift (e.g., running sales reports, reordering and organizing inventory, freezing, etc.)
- Health and Safety
- How to use software and systems
- Product knowledge.
- Protocols for possible scenarios (refund policies, customer complaints, shoplifting, etc.)
- Skills unique to the retail industry (customer service, cash register operation, inventory management, etc.)
- Store layout
- Understanding the image and culture you want your store to create
- Your expectations regarding customer engagement

Tips for effective training:

- Modular Training: It may not be practical or convenient to organize many regular training days, so consider an hour of training at the beginning or end of the workday.



- **Regular Role Play:** It can be short and informal or done within an entire team training session, but it should reflect fundamental customer interactions, for better or worse.
- **Use Different Approaches:** People learn differently and can retain information better by watching, listening, and practicing with different brain parts.
- **Training Never Ends:** You need to invest in your team and constantly look for ways to improve your staff's performance. So, create a culture of continuous learning and development.

Keep the team motivated.

1. **Encourage Creativity:** Allow employees to exercise judgment where appropriate to encourage creativity and demonstrate confidence in their abilities.
2. **Encourage product engagement:** Engage, motivate and inform employees by letting them try, manage or use company products and share their opinions.
3. **Fair Payment:** Check industry rates and make sure they match. Otherwise, you risk losing your company's top talent to the competition.
4. **Praise Them:** When your staff does a great job and recognizes their achievements, give them credit.
5. **Respect and Listen:** Treat your employees respectfully and listen to their concerns and feedback.
6. **Set expectations:** Tell employees exactly what is expected of them and hold them accountable if they don't meet the standards.



5. Marketing and Promotion Brand Building

Building a solid and consistent retail brand is key to brand loyalty, which keeps customers returning and drives more spending (even if similar products are cheaper elsewhere).

What do customers want from your brand?

- **Engagement:** Having a two-way conversation with your customers has never been more effortless. Listen to feedback online and offline and respond quickly to complaints, issues, and suggestions.
- **Service:** Friendly and helpful service positively impacts your brand, and customers value fairness when it comes to things like your business' refund policy.
- **Social Responsibility:** Brand authenticity should extend to all aspects of your business, including employee compensation, treatment, and environmental impact.
- **Trust:** Customers are loyal to brands they feel they can trust, who are transparent and charge a fair price for their products. In marketing and promotion, it's essential to appear authentic rather than manipulative.

Tips for building a brand your customers love

- **Find an emotional connection:** This depends on knowing your target audience and what's important to them. Your business needs to show them that you understand them and can give them what they want.
- **Know your audience:** Who are you trying to reach, and what's the best way to connect with this target group? Choosing the suitable medium for your marketing, whether it's social media, TV, radio, or print, is key.



- **Know yourself:** To build a consistent brand that connects with your target audience, you need to be clear in your mind about what your business, values, and brand personality represent. This consistent theme should be reflected in all customer interactions, marketing content, and promotions.
- **Solving problems:** Show customers that you're doing everything possible to improve their shopping experience through your onsite staff, store layout, and use of your technology.



Successful Ad Creation

How do you make your business ads stand out in the sea of noise, whether print, digital, or video?

1. Get your concept creative.

Start with a strong concept of who your business is and what it represents as a brand. This concept should be relevant to your target audience. The next step is to create a tagline and an image that revolve around this concept and perfectly complement each other.

2. Design creatively

Think outside the box and find something simple yet highly effective. To make your ads memorable and impactful, consider the following:

- Appeal to the senses: color, smell, taste, texture...
- Be fun and playful
- Challenge people's assumptions and preconceptions
- Connect with public opinion
- Create a state of mind
- Give relevant
- Inspire
- Use storytelling to connect with people
- Use visual metaphors and exaggerations

Use optical illusions to show people or challenge the way they see things:

- Create a sense of movement
- Surprise people with little-known facts or alternatives
- White space is effective in conveying a sense of loss or absence.

Describe a clear contrast between one reality or product and another reality store. Talking about marketing and promotions tends to focus on digital marketing that drives traffic to a business's online store, but there's no reason to overlook onsite. Demand for in-person purchases remains strong, and customers place great value on controlling or trying products before they buy.

Here are some tips for attracting people to your physical business:

- **Connect online and offline:** Most consumers research online before visiting a physical store. Use digital marketing to drive customers to your offline store and e-commerce site. Add a store locator feature to your website so people can find your business and check local inventory before visiting.
- **Create a sense of urgency:** You can motivate your customers by letting them know that your product is only available for a limited time or in limited quantities.
- **Create an impactful shop window:** Grab the attention of passers-by with a shop window that stands out, showcases your company's products, and tells you something about your company as a company.
- **Focus on Customer Experience:** This makes your store stand out and keeps customers returning. Staff should feel welcomed, valued, and informed throughout the shopping experience.
- **Give your reasons:** Consider in-store events or promote specific products only available in stores. Your business may also offer online coupons that can be redeemed directly.
- **Keeping up with the game:** You should constantly research your target market and business competitors, as well as cutting-edge marketing strategies, tools, and techniques. Things are constantly changing, so don't assume you know everything there is to know.



- Think Local: Engage with your local community and try marketing approaches that connect with these people.
- Promotions to be a successful online retailer: There are several things businesses can do in physical stores. Here are some ideas:
 - Loyalty Schemes: These are good ways to encourage customers to come back often and choose your business over your competitors.
 - Stamp cards are the classic method, but there are also mobile apps that offer digital loyalty programs and reward schemes. (Purchases, friend invites, etc.) can be offered with different types of rewards.

Social Media Activity

A strong online presence and active social media accounts help give your business brand personality and are the ideal way to connect with your customer community and potential customers. Share anything that promotes your store and gives it a brand identity, such as a themed display or photo of an in-store event, a time-lapse video of staff preparing your store for a big event, or a contest for your business followers.

Promotion to reviewers

Potential customers often refer to review sites such as Yelp and Foursquare, so directing specific promotions and discounts to these reviewers will begin to generate positive feedback and review cycles, resulting in more. It can attract more customers to your business.

Localized digital marketing

Hiring an expert to help you with your company's digital marketing strategy is worthwhile. Because it's a keyway to grabbing your brand's attention and driving traffic to your door. One thing you can do is reach out to local customers, even if they're searching online. Optimized online marketing ensures your business promotes your store to anyone in your area looking for what your business can offer.



Roadshows and Conventions

Your company can overcome the obstacles of a fixed location by participating in events, trade fairs, and conferences in this field. These are great opportunities to get your brand and products in front of a broader audience that would not normally walk past your store.

Update the display

Change your displays regularly and take advantage of seasonal promotional opportunities to keep your store fresh, engaging, and relevant. You can also use the holiday season to create themes for your displays and provide a fun and engaging shopping experience.

In-Store Demonstrations, Trials, or Workshops Bring people into your store and interact with your products in a fun, friendly, and practical way. In addition to increasing sales, this personal approach to online tutorials helps customers connect with your business as a reseller, helping build trust and loyalty.



6. Collaboration with local companies

Consider partnering with another company in your area to offer a joint promotion. This allows you to increase your brand's presence within your local community, leverage another business' customer base to attract new customers, and drive promotional item sales:

- **Be consistent:** Maintaining your brand identity requires consistent business merchandising across all stores, including layout, visuals, signage, and displays.
- **Create interactive landscapes:** Use a combination of shelves, rails, baskets, tables, and podiums to present your products in a way that attracts attention and encourages interaction.
- **Gather customer feedback:** Use social media, surveys, focus groups, and forums to find out what works for your customers so you can produce products that connect with those who matter.
- **Get New Perspectives:** Take time to see things from a customer's perspective, whether shopping in a store or visiting a competitor. Just walking around the community may provide creative inspiration.
- **Instagram:** Leverage Instagram's heavy use by creating unique and noteworthy displays and promoting hashtags.
- **Merchandising:** Your merchandising, like all areas of your business, should connect with your brand identity and reflect a consistent theme. Visual merchandising, like shop windows, is the cornerstone of any successful retail business because it tells people who you are and entice them to visit your store.
- **Protect your brand:** Know your rights and protect your intellectual and creative property with non-disclosure agreements, copyrights, trademarks, patents, and other elements.
- **Stimulate the senses:** Music, lighting, colors, textures, and smells come together to set the tone for the customer's shopping experience, reflecting how the brand does business.
- **Tell a story:** For showcases that stop passers-by, get creative by grouping your products to tell a clear story about your business. Theme your product in a way that sparks your imagination.

7. The location of your store is very important.

So please note the following:

- Be familiar with the local demographics and try to open stores near a significant portion of your business's target market.
- Choose a location where you can hear a lot of pedestrian footsteps. Don't rely on someone who knows you are there and is cornering you.
- If you are opening a shopping mall store, ensure you fully understand the leasing details and the policies and guidelines your business must follow.
- Rather than being surrounded by competitors, you want to be surrounded by other popular retailers that already attract customers.

8. E-Commerce Website

Online shopping won't replace the value of brick-and-mortar stores anytime soon, but a well-designed, responsive e-commerce website is essential for today's retail business. This dramatically expands the reach of your business and helps bring people to the physical location of your business. Tips for creating a seamless online-to-offline shopping experience:

- **Focus on user experience:** Your business' online store should be structured and easy to navigate. Just like a physical store, products should be presented in an attractive and practical way, and the checkout process should be quick and easy.
- **Include customer reviews:** Easy to integrate and helps build trust and transparency.
- **POS system integration:** When you create your site, choose an e-commerce theme or plugin that integrates your business' online sales tracking with your store inventory management system.

- **Start an active blog:** Publishing articles related to your business's industry, products, and customers once or twice a month will demonstrate that you are a leader in your field and help you reach your target audience. A great way to engage with and stay at the forefront. The types of discussions taking place in your industry.

An active blog also offers another way to drive traffic to your e-commerce site through effective SEO.

Make your blog a perfect channel for promotion

Keep your content engaging and relevant: Don't let SEO hijack your content's quality. Your blog will only work if people want to read it. Your business may use it to engage in relevant industry issues or to promote new products, events and offers.

Promotion with strategy: Using the company's active social media accounts to share and promote company blog posts such as LinkedIn and Facebook, and monitor various channels to better target company efforts.

Post Scheduling: Companies can use automated tools to schedule blog posts on specific days and at specific times, so you don't have to be at your laptop all the time at the right time of the week/month. You can make effective use of your time with batch writing and staggered posting.

Employee Engagement: Why not encourage some members of your team to contribute to your blog? They may have new ideas and perspectives and this can help change your writing style. Plus, it takes the pressure off you to keep bringing new content to your business.

Blog Monetization: Businesses can use blog ads to get people to click through to their online store, monetizing their blog and making it a more valuable asset to their business.



9. Maintain your cash flow

Being a small business, staying competitive with online retailers and large corporations can be very difficult. Effective cash flow management is your best defense to protect your business from bankruptcy and maximize your chances of success in a competitive environment. Here are some tips for achieving healthier cash flow.

Keep the books in order

It is essential for any business to keep accurate financial records detailing all income and expenses. With so many great accounting software packages for small businesses, this doesn't have to be complicated and time-consuming.

Manage orders and payments

Ensure that there are efficient processes for taking orders, issuing invoices, managing payments, following up on outstanding invoices, and resolving disputes so that there are no obstacles or slowdowns in the flow of funds to the business..

Use POS Software

A point-of-sale system should be compatible with your accounting software, as well as your cash registers, barcode scanners, and card payment systems. This allows you to track inventory in real-time, avoiding the costs associated with excess stock, or lost sales due to product shortages.

Compare insurance rates

In addition to labor costs, building rent and maintenance, and inventory, insurance is likely to be one of your main expenses, so it's worth looking for the best rate every two years.

Look for credit card service

Fees Just as you compare quotes from insurance companies, you must also check the fees regularly you are paying your credit card processing company. For smaller retail businesses, these may add up.



10. Common Mistakes to avoid

Below is a quick checklist of common mistakes in any retail business and how to minimize these issues.

- ⊗ **Trusting on Assumptions:** - Don't estimate and assume that you know what your target audience wants or that won't change. Always pay attention and precisely study trends, stay in touch and keep up with the times.
- ⊗ **Inappropriate Location:** Carefully consider whether to locate your business in a shopping mall and on a high street, and prefer a high traffic location. Before starting your business, research the demographics of the area to make sure you are targeting the right market.
- ⊗ **Downplay the brick-and-mortar experience:** E-commerce isn't the end of high street shopping. Customers still enjoy "try before you buy". Your store is your business face-to-face. Make it an unforgettable experience.
- ⊗ **No consistent theme** - your identity should be reflected in store décor, design and signage, merchandising, online presence, marketing materials, and the vibe your business wants to create for shoppers.
- ⊗ **Decoupling Offline and Online-** A company's e-commerce site and field store should complement each other as part of consistent branding. Your online store is also a great way to get people to your business' door, so take advantage of it.

- ⊗ **Inactive Social Media Accounts-** Stay online and active so your customers can interact with your business and maintain two-way conversations to keep you in touch with what your target viewers and buyers are looking for.
- ⊗ **Don't Underestimate reality :** The retail industry is more competitive than ever, so businesses can't afford to move forward or drop the ball in any area of their business. stay relevant, Stay focused, and hire top talent.

Financing

Appropriate financial support is essential to both the stability and growth of retail. When the unforeseen happens, cash flow is tight, or new business opportunities arise, it's important to have the financial resources to investigate. The question is what type of financing is right for your small business?

Capital loans: Gives you room to grow your revenue stream while maintaining your existing operations, such as marketing campaigns, expanding locations, or adding inventory.

Equipment Loans: Purchase the equipment you need to run your retail business, such as store equipment, machinery, computers, and necessary vehicles. It differs from merchant cash advances in that they are paid as a percentage of your business credit. The advantage of this is that payments become more convenient and manageable. This kind of funding you can use for purposes like:

- Inventory
- Short-term capital need
- Line of Credit
- Marketing
- Equipment

11. Expert help and advice!

In the event of unforeseen circumstances or a period of restricted income for any reason, it is important to have quick access to funds. Always seek help from professionals and consult financing like from Employer Capital. When choosing the right financing solution for your business, there are many things to consider and the variety of terms and payment options can be overwhelming.

Financing can be a major roadblock for a business, so it's very important to seek professional advice and support before tackling small business financing. At Employer Capital, we specialize in supporting Small Business Owners, offering simple and flexible financing solutions. Every business is different, so we take the time to understand you and how your specific needs work, then customize a solution for your business.

We have mentioned a few of the financial services that are best suited for your business, but please contact us to discuss more detailed options and find out what we can do to improve your business.

Call us now at 888-440-3636 or visit our website for more information.

