

Make friends and influence brands

EVERYONE'S A WINNER IF RETAILERS BUILD BETTER RELATIONSHIPS WITH THEIR BRANDS, SAYS ROGER WADE

How can independent retailers survive against the high street giants? I think the answer is by being special, which means you have to focus on what makes your store special and different from the rest of the high street.

It's a classic David and Goliath situation; you have to use your small size and nimbleness to beat the giants. Focus on offering brands and products that are different to what is on offer elsewhere. You must also know your local customers, and which trends they are following.

One of the most important things is to concentrate on the brands that are really doing the business. I know it sounds like business jargon, but in my experience the 80/20 rule really does work: 80% of your business comes from 20% of your brands. Buy deep into top-performing brands and styles, and budget for 80% of your turnover. As for the other 20%, use it to experiment with new brands and product that keep the store fresh. But most important of all, be sure to develop your relationship with your top-performing brands.

While at Boxfresh I was amazed by how few retailers worked on developing strong relationships and joint initiatives with the brands that they stocked. Most brands have PoS budgets available, and would love it if good retailers approached them with ideas.

You can also increase sales by developing shop fixtures, PoS, and shop windows with the brands. For instance, at Boxfresh we ran an annual shop window and PoS competition, with a prize for the best display.

Try to develop your relationship with your local representative or agent. Encourage them to visit your store and participate in staff training, or just visit to check sell-through, and maybe increase repeat orders. A lot of brands don't have internet direct sales, so see if you can develop internet sales and increase your market share. Keep a customer database, hopefully on your own computer retail program, and send out emails informing shoppers about brand events and special offers, or new product launches. Try to make your customers feel special.



MOST BRANDS HAVE POS BUDGETS, AND WOULD LOVE IT IF GOOD RETAILERS APPROACHED THEM WITH IDEAS

Too many retailers blame brands for over-distributing, but the reality is that it's partly their own fault. The retailer needs to focus on fewer brands and increase the sales volume so that brands don't have to look elsewhere.

But most importantly, when a brand does start to sell to another account or a major retailer, don't throw your toys out of the pram and drop the brand. That is simply commercial suicide. Competition is healthy, so just try to up your game, and only drop the brand if and when it stops performing.

I remember when my company was distributing streetwear brand Carhartt and we had our own shop in London's Covent Garden. A store round the corner, Interstate, was selling twice as much Carhartt as we were. But it didn't affect our business one bit and we were happy to gain the extra wholesale turnover, which made it a win-win scenario for everyone.

● Roger Wade founded Boxfresh and is now director of Brands Incorporated, a brand and licensing consultancy