

Could Your Store be Dying a Slow Death, Without Your Knowing It?



By Harry J. Friedman
Founder/CEO, The Friedman Group

It always amazes me how many big retailers don't see that they're dying a slow death because of their unwillingness to change the sales culture in their stores.

Or, if they're lucky enough to have a good merchant at the helm that drives the business, how many sales they're losing in spite of great merchandising, because they're still married to the formula that made them successful years ago. Know anyone like that?

Not long ago, I took a trip to New York to visit with a few large retailers about their business and sales goals. Wow. One of the retailers I visited with has been around for a long, long time. Very famous, indeed. A 5th Avenue biggie. Here's what happened.

No smiles, no order, no nothing

I went with my sales manager and we arrived early to shop the store. From the moment we entered the store I had the feeling we had stepped back in time. The mood and tempo was way off. Absolutely no energy anywhere. Even the mannequins weren't smiling. Having some reasonable powers of observation I could tell that there was no organization to the selling floor. Salespeople were free to talk or not talk to any customer. They could clump together or hide behind displays. Doesn't matter to someone.

Our first encounter was a numbing, "Are you finding everything all right?" I did want to respond with, "No, we were looking for a professional salesperson with a good opening line" but alas, I didn't. Our luck continued as we passed by three or four more salespeople putting merchandise away. A few moments later, a gentleman who appeared to have worked in this store forever, looked me up and down and said, "We have some specials over here, and a special sale rack over there." Nice. Apparently I was not qualified to have a presentation made to me.

This organization is pure and simple a merchandise-driven business. They celebrate their wonderful offerings and hold in high esteem the traditions, culture and visual merchandising reflective of their years of being in business. One thing for sure. They have no clue on how to run a sales floor. Do they care? Or do they just not know what's possible?

In my interview with the head of training it was all confirmed. NO CLUE. She did let me know that they paid commission and had metrics of all sorts. To her, life was good.

You know, it's kind of funny. I have never had any luck talking to retailers who are happy with their business.

Sales-squashing budgets

Fast forward to the next day. Another visit. This time with a national retailer with over 500 stores. Nice offices. Head of training again. She was very intelligent and had some reality on what could be. Turns out she was the only employee in the training department. Oh my. The company has a very simple philosophy. Keep payroll to a minimum and if necessary, cut it more when sales are off.

They're an apparel company with stores of about 3,000 square feet and three staff on duty. Hourly wages, no extras, and hold the productivity please. The whole thing is kind of funny really. I know from experience we can help this company. A lot. Then she held up some don't-tread-there Kryptonite and our meeting was pretty much over.

At last, someone gets it

Back in Los Angeles we were working with an advertising company on a simple premise of "why would you bring more people into your store that you are not going to sell." Basically, get the sales floor "right" before you advertise to bring more traffic in, so your advertising has a chance of paying off.

They have a very famous local client they wanted me to meet. He is on the radio and television more than you can even imagine. We chitchatted for a while and I asked him a few questions about his business. Ladies and gentlemen, we have an *operator* here.

He was all about the productivity of his salespeople. He quoted average sale, conversion rate, number of transactions, etc. I then looked over to my advertising friends and asked them why in the world I was at this meeting. It's not often that I have a chance to meet someone who understands the extra 25% increase in sales that can be achieved with a staff of well trained salespeople. Salespeople there get four weeks of training. Then if an individual doesn't hit the numbers, they go back to training to get right. WOW. Let's just say that they have set all of the industry standards, period.

What you can take away from this story

So, here's my suggestion to you. Even at this point in the year, make this "the year of the salesperson." Salespeople that can meet and exceed sales goals. How many do you have now? What's the goal? Do this as a percentage. Maybe you want to shoot for 60% of them to hit goal, or 40%. Get relentless on this. Set up a reward system that really motivates them. Focus everyone on going for it. Practice tough love.

Don't keep poor performers past the point of pain. Pain is 90 days for training and another 90 to start performing at an acceptable level. The good news is (sort of) that for the first time in a decade, there are some good people looking for jobs. Be choosy.

Another thought. If the head of the company can't out-sell everyone, put someone in authority that can. It's all about turning shoppers into buyers and having them want to come back again. Get sales managers on the floor who care about the customer more than the staff. Get a smile on those faces and don't accept anything less than a "Showtime presentation."

You can make it a remarkable year. REALLY remarkable. But not if you're loose or acting like you "deserve" customers who buy. It's all about making a cultural change to performing at a very high level. It takes tough love. Sometimes very tough. But you can do it. Call us if you need some help. And remember, I still love you.

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CALL 800-351-8040

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to sleep at night."**

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you attend the



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If any of the following nightmares sound familiar, come to the seminar that will solve these problems once and for all...

> I'm so tired of telling my staff to do something, only to end up doing it myself because they didn't, or didn't do it like I wanted. How can I hold them accountable?

> Why can't we find and hold onto good people?

> I've got one sales superstar, but he's a pain in the neck. No one likes him but I'm afraid to let him go. I need his sales.

> How do I get my staff to hit their sales goals? Are they too high? Does a new employee get the same goals as a veteran? How do I know what's right?

> Do I pay commission so salespeople get paid for their actual performance, or will that make them pushy and scare off my customers?

> How do I get my staff motivated? How do I get them to stop chatting and texting, and give my customers the service they deserve?

> I spend way too much time answering questions and putting out fires. I need to put some systems in place so people know what's expected of them and how to perform their jobs. But where do you find that kind of information?

Get answers to these issues, along with more sales and more sleep! Call or click for more info.

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