

Outsell the Recession



**Your IT is a
catalyst, not
a cost!**


allpoint

Your Retail IT investment Is Getting a Bad Rap!

It's not a cost...it's a catalyst!

For as long as we at All Point can remember, we've been arm wrestling a debate over how to view the cost of IT. There's an obvious sense of dread when the time comes to talk about "the estimate" with our clients. As people that stand on the other end of these decisions, it can be disheartening. Why? Because we watch the outcomes of smart IT spending every single day...and they are called an investment for good reason.

A negative mindset hinders owners from making smart tech decisions. A solid tech stack deserves to be viewed with the same enthusiasm and 'accepted truths' of other store investments. Let's dig in!

The Right Location

There are many reasons that store owners are so careful about where they choose to sign a lease or buy their property, and it comes down to exposure to the right people to buy what they're selling. Do they see finding the perfect location a cost? No. It's the ticket to the right kind of traffic...which translates into more trips, tickets and baskets.

Accepted Truths of Finding the Right Retail Location			
Visibility	Target Audience	Competition	Convenience
Increased foot and drive by traffic, which can translate into more sales	Helps you attract the kinds of people ideally suited to buy what you're selling	Attract the customers already in the area by default	Time is money, and quick customer trips mean more of it

The Right Staff

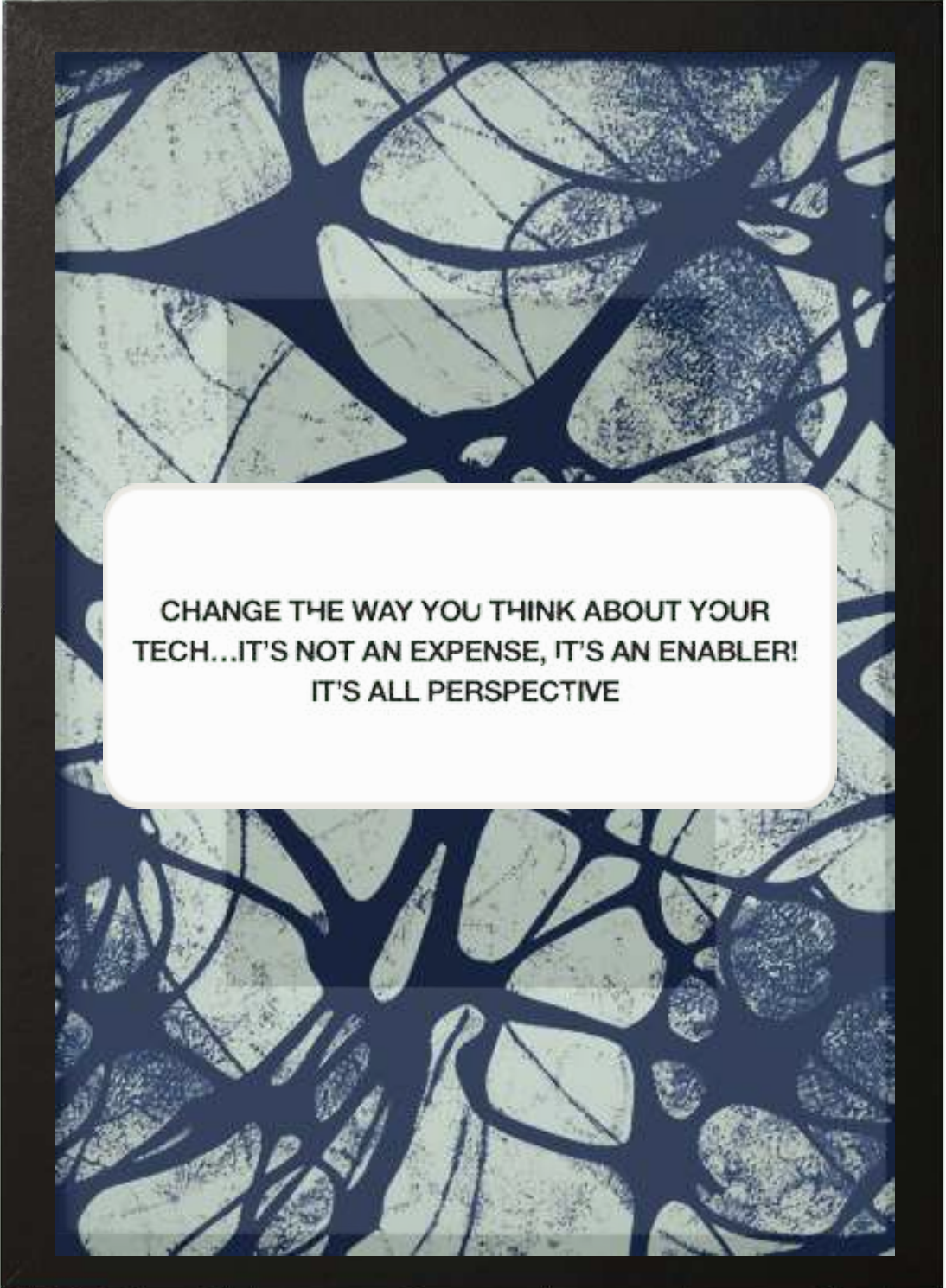
The right retail store employees can 'make or break' a retail business, and people who are customer-focused, productive, skilled at selling, and able to work well together are not a cost—they are a critical factor every retailer's playbook.

Accepted Truths of Finding the Right Staff			
Customer Service	Target Audience	Sales Skills	Teamwork
They are the face of your retail store, and often the reason for the physical store trip. Great customer service can lead to repeat business, positive word-of-mouth, and increased sales, while poor customer service can drive customers away and damage your reputation	Productive employees can help ensure that your store runs smoothly and efficiently, leading to improved customer experiences and increased sales. On the other hand, unproductive employees can cause bottlenecks, delays, and customer angst.	Those skilled at selling products provide customers with helpful product information, make appropriate product recommendations, and upsell customers to higher-priced items. Those lacking may not only kill the close, but they can also prevent future visits	Teamwork makes the dream work. Employees who work well together can improve communication, boost morale, and create a positive work environment. The Debbie Downers cause tension, kill productivity and the customer experience.

The Right Tech Stack

So, here's where we get stuck. Location and staff are seen as fundamental investments, where technology is often seen as a revenue suck. We're crying foul!

Do you consider your phone or email systems a cost? No, because customers connect with you through them. Same for your Internet and website costs—people can find you, contact you and buy from you via a fast, functional website. So why, we ask, do so many owners pinch pennies on IT investments when even the basic benefits are hard to argue? We ask ourselves this question all the time.



**CHANGE THE WAY YOU THINK ABOUT YOUR
TECH...IT'S NOT AN EXPENSE, IT'S AN ENABLER!
IT'S ALL PERSPECTIVE**

Accepted Truths of Finding the Right Technology

Improved Customer Experience

Ramps up your customer experience by making it easier and more enjoyable to shop in your store. For example, implementing a mobile (POS) system reduces wait times and improves checkout speed, meaning a better, more friction-free shopping visit.

Better Inventory Management

Helps you manage inventory more efficiently so that you always have the right products in stock. The right inventory management system can help you track sales data, monitor stock levels, and place orders more accurately, reducing the risk of stockouts and overstocking.

Personalization

Helps you personalize the shopping experience for your customers, tailoring product recommendations and marketing messages to their individual preferences and behaviors. This can lead to higher customer satisfaction and increased sales.

Omnichannel Sales

This is key, as the right technology enables you to sell products through multiple channels, such as online, in-store and via pop ups, to reach a wider audience and offer a seamless shopping experience across all channels.

There are some established items on every retail P&L that are seen as drains versus radiators. Don't let your tech fall into this trap! Retail store owners should revisit the many upsides of technology, create a long-term strategic plan for implementing it, and consider partnering with a technology provider like All Point to get unbiased, expert help navigating the "source to support" process.

Now, Let's Talk About the Many Upsides of IT Ownership You May Be Missing

Beyond the basic benefits of the retail technology running your store, there are some other upsides you may not be thinking about—and it's all about optimizing operations while "unlocking dormant revenue". We like to keep it simple by saying that with the right tech stack, you can save time and money and open the door to new profit potentials.

With the right retail IT, store owners can tap into a totally new acronym—UDR, or Unrealized Dormant Revenue

New Lenses for Retail Tech Investments		
Saves You Time	Saves You Money	Makes You Money
It's all about efficiency and moving away from manual tasks and processes. If you don't take the time to automate properly, you end up throwing people at it. This leeches profits by making you invest too many hours or hire too many people.	<ol style="list-style-type: none">1- Create a more efficient labor pool2- Help you catch theft with irrefutable proof3- Open the door to better pricing privileges via vendors that buy in volume4- Save money by bundling: wrap the software, hardware, and the migration costs into one monthly fee per store	Utilize the biz intelligence that comes with capable and connected systems. Multiple data points—connected and consolidated—paints a picture that allows you to buy better, capitalize on trends and turn on 'clienteling' to get closer to your customers.

While there may be an initial investment required to implement new technology, the potential returns reach far beyond the costs. By embracing technology and leveraging its power to drive sales and improve operations, you can do more with less, while also ratcheting up your CX.

Let's break this down a bit. When you can analyze customer sales data, channel behaviors, demographics, and other metrics, you can spot trends, optimize your product and pricing, and improve your marketing at every touchpoint.

What if you could impact your average ticket value and units per transaction because you can clearly see how your products are selling and which customers are buying? This kind of thing can be done 'automagically' with a simple report.

Then there's getting closer to your customers. Knowing who your customers are, where they buy and how they buy gives you the data to lure them in more and up your average sales within a given year. This is because your customers feel seen, heard and 'personally serviced', so they want to give you more loyalty. The more loyal they are, the more they come in. They more they come in, the more they buy. It's one big lucrative loop!

All of this can be easily automated and, by doing so, you're unlocking revenue potential that would have been otherwise lost.

What, then, is the hold up?

As we always say, our client's pain is our pain. But when we help our retail clients make more money, we all win. This said, it can be a rough conversation when asking them to make the mental shift to approve the funds for new retail IT. Here's why.

Fear of Change

Implementing new technology can be disruptive to a store's operations and require significant investment in terms of time, money, and employee training. Some retail store owners also get caught up in concerns about the 'potential' risks and challenges involved.

Short-Term Focus

It is common for retailers to be more focused on short-term goals, such as reducing costs and squeezing out more profits versus investing in tech that take a minute to show a return on the investment. This is a short-term mindset.

Lack of Resources

Some may not have the financial or human resources to invest in new tech, which can legit require significant capital investment or hiring new employees with specialized skills to manage and maintain it.



How to Outsell the Recession in Three Easy Steps

All of this culminates in getting more out of your retail business, and right now, there's a lot to manage to make it happen—the biggest one being the schizophrenic economy.

According to recent news reports, we are likely headed for a recession...or at least some form of one. In preparation, retailers are rolling out their recession playbooks. Target is bulking up on grocery and household essentials to drive foot traffic. Macy's and Walmart are focusing on their most loyal customers and Best Buy and others are going for exclusives that ensure full price. All good, but you're a small retail business...what does YOUR playbook look like?

Hang in there. There's no reason to revisit pandemic-inspired panic! We got our clients through that challenge with flying colors, and we learned some essential moves to ride out whatever storm shows upon your economic doorstep.



1. Inventory your existing assets



Inventory—How is it selling? When, and at what cycles? Are there category adjacencies you could be leveraging to get customers to add to every basket? Out with the old: If it hasn't moved in 3-6 months, it's not going to start during a recession. Take stock, detach unemotionally, and discount and move quickly. Free up your cash and real estate in the store and replace it with what you can make money on.

Data—Do you know what's really happening behind the cash register receipts? The Data will drive you. What is moving the best, at the highest profits, with the least amount of time on shelf? Where in the store is the most activity? Does this correspond with your highest sellers? Regarding your non-movers, is it old inventory or is it in the wrong spot?

Multiple points of data collection (POS, video, traffic counters, heat mapping) can tell you a story to drive revenue quickly and efficiently. Can your systems talk to each other and paint this picture? Its 2023, so they should be able to.



Location—When is your peak traffic time?
Could you do more to attract more people in more often? How? During what time frames?
The answer can drive your Labor vs. Conversion strategy and it's critical—putting more people on the floor at the right times with the right training = more sales.



2. Know your facts and stats

Once you've done an honest once over of what you have on hand, dig in on what you can leverage the most without any more out of pocket.

- What is your foot traffic? What time of day? What day of the week? How many a month?
- Of those, how often do they convert? How many times do they visit?
- What do they buy?
- What is their ATV (average ticket value)?
- What deposits or inventories do they buy from?





3. Be a force multiplier

You can lean on the data you have on hand to get more from what you've got, and this creates revenue. Otherwise, you're going to have unrealized profits sitting dormant—every single day.



Knowledge is power. And with the right plan, the right platform and the right reports, you'll have what you need to leverage the heck out of every asset within your walls—both the physical and the virtual ones.

With all these technologies talking together, they can drive a revenue result that is exponential. However, like many other tools, if they continue to be unused or unrecognized, they will remain dormant and considered an expense.

We liken this to the decision many of us make every January to get in shape. Maybe you join a gym, pick a diet or a nutrition program, even go as far as to hire a trainer. It's a focused goal you've set—a focused plan you've put together, and a significant investment you've decided to make in your health. But guess what? Even with all those programs, expenses, and expert guidance, if YOU don't work your plan and get off the couch, nothing changes!

The same thinking applies to your tech stack, the data that remains dormant and unrealized for your review, and the expert guidance from partners willing to help guide you. If nothing changes, nothing changes. And if you're going to outsell the recession, you had better get off the couch and get serious about your retail health.

Look, this is not rocket science

But when things get 'tight' with the economy, this is how you do it. You can change retail systems—even in a cost-conscious economic scenario—in an affordable setup to get the ammo you need to take action. The best part? You'll see an immediate outcome.

In the end, it's all about your customer. Finding them, attracting them, knowing them, upselling them and keeping them. You HAVE to have the retail systems and data necessary to do this—otherwise, you're just throwing spaghetti against the wall.

Don't go it alone

Retail service providers like All Point can help you unleash Unrealized Dormant Revenue by shining a light on what technologies can help you do more with less time and stress. We do it with our Managed Retail Commerce offering. It includes all hardware, software, integrations, platforms and unlimited service support coverage, all wrapped up in a fixed monthly technology-as-a-service model. It's unique, and we don't know anyone else offering it.

See, all we've ever done is retail, and we've been living in these trenches for decades. When commerce needed to become 'unified', we had to take on an entirely new role for our clients and, already navigators, we had to also become their Wingmen. This meant taking on their retail technology challenges from "all points", solving them with solutions that keep them on course, and protecting them from the unexpected.

An added benefit is our ability to 'right size the pricing'. Because we are both solutions-neutral and part of a buying conglomerate, we get the best pricing available on things like Internet, voice and merchant service fees. This gives us a bird's eye view of what things SHOULD cost while keeping our client's butts covered.



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**Want to rethink the health of your retail IT? Get
in touch for a free 15-minute consult!**