A fourth generation family member, Pete Nordstrom, President of the Full Line Store Group for Nordstrom, Inc., began his career with Nordstrom as a young teenager sweeping floors, running stock and polishing shoes. He sold shoes during the summers while attending the University of Washington. After graduation, Pete continued his career at Nordstrom and worked his way through the ranks in the women’s shoe division. He became junior women’s shoes buyer and then became merchandise manager for women’s shoes in one of the regions. Together with the Nordstrom family and loyal associates, Nordstrom continues to grow and enjoy prosperity.

At the Retail Smarter symposium, Mr. Nordstrom spoke about the history of Nordstrom. In 1901, his great grandfather opened the first Nordstrom as a shoe store in Seattle Washington. As the store was passed down from generation to generation, the Nordstroms made a bold business decision and merged the shoe store with Best Apparel. They then went public with the store and expanded into Oregon and California. Pete says “the family worked as a team to get the business to where it is today,” usually with three or four members of each generation in upper management sharing responsibilities and decision making. There are currently 135 Nordstrom stores in 26 states. Today, Nordstrom is expanding at a fast pace with 135 stores in 26 states and many more in progress.

Pete also discussed the culture of Nordstrom, and said that the company’s first
Preventing for the Next Economy

by Teresa Scott

Ira Kalish, Chief Retail Economist and Senior Vice President of Retail Forward held the attention of the attendees with his outlook and advice.

Companies need to expect change even if they are doing well today; they need to keep up with tomorrow.

Ira Kalish, Chief Retail Economist and Senior VP of Retail Forward provided insight on the, ‘new, new economy,’ aka the, ‘next economy.’ Ira Kalish has over 11 years of retailing consulting experience, and is an expert on U.S and global issues. His area of expertise is the effect of economic trends on the global retailing industry.

Mr. Kalish outlined the essentials to make retailers successful. The important criteria included customer focus, being differentiated, brand management, innovation, supply chain efficiency, flexibility, and most important humility. Companies need to expect change even if they are doing well today; they need to keep up with tomorrow. Kalish noted that in the future retailers are going to be the brand.

The New Economy is dead. Retailers who were looking for the New Economy anticipated more than was realistic. Productivity didn’t grow as fast as expected. Companies over invested in Information Technologies and the result is that there is now excess capacity. Companies have learned that the Internet did not change everything, and Internet companies have not prospered. Companies have also realized that the business cycle has survived and the equity bubble did not.

Yet some of the New Economy has survived. Productivity is rising, inflation is lower, the Internet has changed our shopping behavior, globalization endures, and now we have a smoother economic path because we invested heavily in I.T, thereby improving inventory management.

The Next Economy’s trends help forecast where to focus. Today’s consumer debt is excessive, and with a declining equity market, customers don’t feel as wealthy as they did before. They feel they have less spending power. There is also excessive emerging Market Debt, Japanese Bank Debt, and US Foreign Borrowing. The latter implies that the value of the dollar has to fall which has already begun.

In the long term, we can look forward to good growth, but not fabulous. We can expect low inflation, value orientation, and consumer caution. Retailers’ biggest growth comes from 45-64 year old ranges which are consumers that aren’t as fashion conscious, but they will spend more on services and will save more. Consumers

See Economy on page 11...
The new generation of consumers has entered the market place. They make and spend more money, are more time sensitive, desire technology and customization, and possess more consumer knowledge at their young age than their generational counterparts. They are the Tweens and according to Cynthia Cohen, Founder and President of Strategic Mindshare, Tweens use four factors in choosing retailers and determining what is considered to be hot for brands and product selection. First, they have an innate sense of quality and value, they make judgments everyday as they make brand and product choices, they evaluate products by frequency of change and desire authenticity and consistency.

What would offer the first clue to marketing a retail chain to teens? Their room! Covered floor to ceiling with posters, pictures, a computer with screen savers of their favorite musical icons, and dresser drawers full of the hottest trends and adorned with trendy accessories. All flat surfaces are covered! According to the CEO of Hot Topic, Betsy McLaughlin, this is the strategy that Hot Topic used as a basis for merchandising their stores. “Make it look like a place where our customers can relate and feel comfortable...our merchandise is strategically placed top to bottom and every flat surface displays merchandise... Hot Topic currently carries ten thousand SKUs in twenty different product categories.”

Music is the driving factor that dictates the type of products Hot Topic merchandises. McLaughlin states that it defines the Hot Topic customer, “we know that if the bands are wearing it, our customers will wear it.” Hot Topic currently carries young men's and junior's apparel and accessories. “We have new merchandise arriving each and every day and this is important because our market segment frequents the mall more often and for longer periods of time than any other consumer group. We want our customer to know that every time they enter our store there will be something new.”

Hot Topic's marketing strategy is simple yet effective, “be where the teens shop and play...which means the mall and Ozzfest.” Although Hot Topic currently doesn’t employ any advertising, they sponsor Ozzfest because it is true to their brand.

Hot Topic is in touch with their market segment and has a passion for their customers, their employees, their product assortment and music.

When you were a child, were you ever scorned for touching expensive merchandise, or read the sign, “I break I cry, you break you buy!”? Instead, Mars Music’s CEO Mark Begelman believes that the corporate policy of Mars is, “Inspire and they will play, inspire and they will buy.” This element instills respect of each and every customer regardless of their age or financial situation. A fourteen year old child may not be able to purchase a $3700 guitar, but one day they might. We want them to remember who ignited that dream and who created memories through experience. By encouraging our customers to play and touch our merchandise, Mars creates a lifestyle. Mars’ average shopping time is approximately two hours which makes Mars more of an activity and a substitute to the movies, arcade, or the mall.

Another important element to retailing to tweens is to relate to them. The average sales associate at Mars is a twenty-five year old musician. “Our associates talk the talk, they have the hair, tattoos and earrings, yet are clean in uniform and well identified.

Mars uses several promotional strategies to appeal to tweens. Specifically, Mars has organized the programs called ‘Kids in Tune’ and ‘Blues in the Schools’. Kids in Tune has kids from 60 high schools throughout the country distributing promotional packets in malls or concerts trying to collect unused instruments to be distributed to worthy children.

Advertising to our young market segment has to be done strategically and creatively. “This consumer group is real, edgy, hip, cool, and well educated,” says Begelman, “therefore, Mars employ edgy and real advertising campaigns specifically directed to this market segment.”
Robert R. Rodgers, Senior Vice President and General Manager of The Great Indoors, Sears Roebuck and Company, came to speak about this new innovative which represents Sears’ latest retail concept in home decorating and décor. This is not a concept that evolved overnight. Sears took the time to do research since the original concept came to light in 1996. Sears believed that this concept would capitalize on a significant retail opportunity between big box home improvement stores such as, Home Depot and Lowe’s, and smaller, high-end specialty stores. However, in order to ensure this new retail concept’s success, they conducted some market research in various communities to discover what customers need and want. It became essential to fully understand what a customer desired when it came to a home décor store.

The overall objective of The Great Indoors concept is to identify and address lifestyle trends and to take advantage of an under-served portion of the market. The product offerings focus on a target market of about one hundred forty to one hundred eighty billion. If this ambitious plan eventually captures the market, Sears will have exponential gains from this venture.

With The Great Indoors, Sears is looking to focus on home environment projects that include mainly remodel/refinish, redecorate/decorate, and furniture in a hybrid format. Their goal is to capitalize on this “sweet spot” between the big box home improvement stores and the high-end specialty stores. In fact, indoor projects require considerable time and money. For instance, the average duration of a project is eight weeks, and the average consumer spends approximately six thousand five hundred dollars on their home. Sears’ goal is to give the consumer as much independence as possible so that they can be creative and truly allow their home to reflect their individual style and taste.

From a structural standpoint, Sears wanted a diverse team of associates creating this ultimate home experience for the customer. They mostly utilized their female associates to finalize their approach because women make most of the household decisions, especially when it comes to interior décor. By doing this, they were leveraging Sears’ core strengths giving the new concept every opportunity to succeed. The Great Indoors team spent an enormous amount of time listening to the customer because customer centricity is the core of Sears’ business. They vowed to make a partnership with the customer to create the best store possible. “After all,” claims Rodgers, “the more enjoyable the shopping experience, the more time the customer spends in the store, which, in turn, leads to more sales per customer.” Additionally, consumers feel that perfecting their home is an ongoing process, and they move from room to room changing the décor to better suit their taste and mood. It has even been said that decorating is part of a woman’s blood. Every woman wants to be proud of her house because it is truly a reflection of her.

In order to satisfy a woman’s need to be proud of her home, Sears made the remodeling/redecorating process about the transformation of her and her home. Women want to spend time in the store because it caters to women. The store is organized around the four rooms of the home complete with information so shoppers can make educated decisions. The shopping experience is pleasant utilizing wide aisles, sellable pieces of furniture to soften the look of the floor, and warm colors to create a sense of home. If the customer cannot find what they are looking for on the floor, there are also more than fifty thousand items that can be special ordered. The customer is happiest when they leave the store with what they were looking for, and The Great Indoors aims to make that a reality at each store visit.

See Rodgers on Page 6...
Customer Service: Inside and Out

by Jamila Wyse

On the first morning of the Retailing Smarter symposium, Michael Patrick, CEO and President, MOHR Learning; Jay Redman, Vice President of Service, Selling, and Training, Saks Fifth Avenue; Arthur Friedson, Vice President Coworker Services, CDW Computer Centers, Inc.; and Greg Emmer, Vice President Attractions Line of Business, Walt Disney World Company held a panel discussion on customer service.

Michael Patrick, discussant chair, started his introduction with the fact that service training has evolved based on what the customer is asking for and their expectations of a company’s employees. Mr. Patrick then took us through the evolution of the customer service training approach, which includes: courtesy skills, selling, empowerment, teams, and strategic planning. These stages show where concentration was placed historically and present day concept of strategic planning. The purpose of training around the service aspect of the company is to build the entire business.

Jay Redman began with how Saks Fifth Avenue changed from a product focused mission, to a mission statement with the intention of making it the “most inviting, luxury shopping experience in the world”. This change resulted in a culture change for Saks. Saks Fifth Avenue has flagship, traditional, resort, main street, and international store types, along with a direct catalogue service. With all of these different avenues, there was still a service dilemma; only 200,000 people represented 35% of Saks’ sales. Saks recognized that when customers come in to purchase, it is most often for wants and not needs. So in order to draw in the customers, a “key emotional experience” must be delivered. Thus, the focus must be taken of the 200,000 core customers and placed on the other two million customers that make up 65% of their sales. The key experience drivers fell in to the realm of the store environment and associates. In order to achieve this, Saks started with selecting talent to embody it, training the talent to maintain it, setting their performance standards to represent it, making sure their performance measures enhance it, and ensuring that compensation and recognition were tied back to it. Furthermore, they communicated to employees that the focus was service. Throughout this process, Saks learned that concentrating on manageable behaviors such as training, communication, and measuring results were great catalysts in their re-focusing. The fact still remained that all of the positive results came down to tying all compensation, incentive, and recognition programs around creating that key emotional experience.

Arthur Friedson, discussed the difference between CDW and the other companies on the panel. CDW is primarily a business-to-business operation. CDW uses “culture as a weapon”, thus getting co-workers more engaged in the business. The company’s philosophy is that if one takes care of their co-workers, then they will in turn take care of the customers. CDW offers its employees an abundance of benefits, including a dry cleaning service during the weekdays. There is a culture of celebration and big parties are held that often comprise of immediate family members. CDW encourages suggestions from its workforce and offers careers to its employees instead of jobs.

CDW is customer passionate and has many programs in place to demonstrate this fact. The company firmly believes that people do business with people they like. Customers are often brought in for tours of the company so that they know whom they are truly doing business with. Strategic planning has been concentrated in bringing the level of customer service to unexpected heights.

Greg Emmer introduced his company by sharing that his company’s focus was on guest experience. Walt Disney World recently celebrated its 100-year anniversary and it certainly has plenty to celebrate. Mr. Emmer mentioned that the objectives behind Walt Disney World always included building an emotional connection with customers, ensuring guest satisfaction, and

See Customer Service on Page 11...
Larry Magee is the CEO, Chairman and President of BFS Retail & Commercial Operations, LLC. In his talk at Retailing Smarter 2002, Mr. Magee explained how the company’s focus on its front line associates and its commitment to its customers helped BFS to survive and succeed through turbulent times.

BFS has the largest number of company-controlled tire and automotive retail generalist locations in the world with more than 2,200 stores in 49 states and Canada. It is made up of several retail store groups including Firestone Tire and Service Center, Expert Tire, TiresPlus, and GCR.

BFS’ retail mission is to make car care easier for their customers. This mission is reflected in the company structure. The retail group is a customer-focused, flat organization, with only two levels between the retail store and Mr. Magee. The company operates with a bottom-up perspective, believing that the further away from the customer any decision in business is made, the worse that decision will be.

According to Mr. Magee, the foundation of Firestone is its front line associates, those people who interact with the customer every day. This foundation lays the groundwork for the results BFS achieves for its associates, its customers and the company.

This focus on the company’s customers and employees is what helped BFS through the turbulent period. On August 9, 2000 BFS made a voluntary recall of 6.5 million tires in stalled as original equipment on Ford SUV’s. Because of the potential for both internal and external crisis, the company immediately took steps to ensure that the foundation of BFS, its associates, was strong. BFS made sure that company staff were in constant communication with front line associates. They guaranteed financial income levels from the previous year and instilled a feeling of optimism throughout the organization. These steps helped to enlist the support of store associates quickly, which was crucial to retaining the loyalty of the customer.

With the internal structure secure, the company turned toward addressing customer concerns. They doubled tire production and airlifted tires from Japan. In addition, they immediately established a refund plan for customers to avoid inconveniencing them further. Five months from the date of recall, 6 million tires were replaced, 400,000 refund requests were processed, and 1.5 million consumer telephone inquiries were successfully handled. Throughout the process, the company spoke with one voice and one consistent message both to customers and to the media.

BFS’ commitment to its associates and its customers is the reason for its continued success. This is evident not only in how the company responded to the recall, but also in how the associates and customers responded to the company. Since August 9, 2000 employee retention levels have been more than maintained; they have increased. Most importantly, the company has improved overall customer satisfaction.

Mr. Magee explains that in retail, how you bounce back from adversity is the most important thing. To move forward from a crisis, there must be determination and commitment to the customer and to the brand. The value of a solid business foundation can never be underestimated, during good times and bad. At BFS, the solid foundation is its associates, who helped the company to survive and succeed through turbulent times.

Larry Magee: Leading Through Turbulent Times by Jo-Andrea Hogg

RODGERS continued

Robert says, “If there is one absolute truth in retail, it is to continually listen to the customer.” The customer is very pleased with the quality, convenience, and store experience of The Great Indoors; however, there are improvements to be made in affordability and employee assistance. There is no doubt that The Great Indoors is working on improving their weaknesses as we speak because they value and take to heart their customers’ suggestions and feedback. Most importantly, The Great Indoors is trying to enhance their brand name and their relationship with the customer. There is nothing more important than creating a satisfied customer. Ideally, each customer will develop unsurpassable store loyalty, and they will spread the word to their friends of the new name in home décor.
It is wise to keep in mind that no success or failure is necessarily final.” Lee Diercks, Founding Partner, Principal and the Managing Director of Clear Thinking Group, Inc, began with this quote sending a hopeful message that companies can recover from bankruptcy proceedings. The characteristics of retailers that file bankruptcy vary. However, according to Mr. Diercks, there are some common themes that become apparent. First, the strategy may not necessarily be wrong, but poorly executed. For example, K-Mart suffered from an identity crisis because they did not choose a strategy and stick with it. Another characteristic is senior leadership and management ego. This is the primary reason why many firms are not around today. Failure to use technology as a core competency is another key factor in many retailer bankruptcy filings. Also, according to Mr. Diercks’ study of bankrupt retailers, the belief that rapid expansion and abrupt strategy changes have also led many retail companies to their demise. An inability to change a company’s culture or a lack of or poor business planning could lead to disaster, too. Any company must be especially careful not to fall into any of these traps.

In order to succeed for the long-term, a company must constantly challenge their strategic direction and tactical execution. The company’s team of employees must understand the customer, competition, and the outside environment. It is important that companies know and understand their competition so that they can use this knowledge to their advantage. It is essential that a business offer something unique and special that keeps a customer coming back to their store. In addition, the company must implement and maintain a disciplined business review and planning process. Retailers must focus on execution and work to develop their key performance strengths. Technology is essential to drive the supply chain and customer productivity. By maximizing their use of capital for short-term returns, retailers enhance return on assets. To sum up, bankruptcy is primarily due to poor leadership and management. Investment in training is critical to a firm’s success; therefore, a firm must concentrate on retaining their current customers and getting them to purchase at each store visit.

Stephen Miller, Principal, The Ozer Group, discussed a macro view of the retail industry. According to Miller, the retail industry is plagued, yet blessed with a very fast paced environment. Because of this, management must be able to think on their feet and resolve issues quickly. The pace of change is the biggest challenge for any retailer. More surprisingly, the top three retailers in each category dominate seventy to eighty percent of their market. Because of market saturation and increased competition, it became much more difficult to conduct business. In fact, revenue per square foot has declined twenty percent over the last thirty years, and retail space has experienced a seven-fold increase over that same time period. Furthermore, the retail life cycle is getting shorter and shorter. Because of the introduction of other retail formats, especially online, retailers must develop multiple channels of revenues. They must integrate alternative streams of revenue into their existing retail concept to benefit from expense efficiencies and enhance top line sales.

Surprisingly enough, of the top ten retailers in 1950, only four of them still exist today, and they include K-Mart, Sears, Walgreens, and JCPenney. Competition from companies with large resources (human and financial) can cause the demise of those companies without competitive resources. This is why it increasingly important to understand the market trends and change with the times. If there is a more efficient way to accomplish a task, it is important to try and attempt to improve current standards (systems, controls, process) as they all take resources. Most importantly, the customer is the driving force in any retail environment, and they want to be served and catered to. By understanding today’s customer, it will only help a company become more successful. It is not only important to empower your employees in a retail environment but the customer as well.
Within corporate America, there are a lot of strategies to effectively grow your business. Some companies work on trying to enter overseas markets or rapidly expand to markets here in the US in order to get ahead. Others try to focus on getting the most out of the current markets where they dominate or hope to dominate. According to Jack Williams Jr., Vice Chairman and CEO of Stein Mart. Stein Mart’s strategy was to slowly grow their chain and move at a pace that was comfortable for the company. Starting out in the early 1900’s in Greenville, MS, Stein Mart established itself as a store that offers department store products at competitive prices. Stein Mart created their growth pattern to success by looking at three factors: the people they hired, the capital necessary to run the chain, and the supply of merchandise to the store. By evaluating the issues, Stein Mart has created a profitable growth pattern that works to the style of the company.

The first issue Stein Mart addressed was the investment in the associates. Stein Mart believes that people are the foundation for any successful business. In order to get the most out of their employees, Stein Mart took care of them by training them and creating opportunities for them to grow. Stein Mart highlights best employees through the creation of A-Teams. These teams are organized whenever a new store opens. It is an honor to be part of that winning team. The result of this has paid off. Stein Mart enjoys low turnover and employees who are proud to work for Stein Mart.

A second area of focus for Stein Mart was capital expenditures. Stein Mart had to decide how much they wanted to invest in new stores and what kind of markets they wanted to pursue. Stein Mart opted to hold out for more favorable individual leasing arrangements in suburban markets instead of announcing a massive entry into a given market. This conservative focus was best for the culture of the company.

A final area of focus for Stein Mart was merchandising. Stein Mart had to decide upon the relationship they wanted with their vendors and the distribution channels that would work best for them. Stein Mart believed that if merchandise is not complete, consistent, and compelling the store couldn’t function. So, they decided to treat their vendors as partners. The result paid off in the wake of September 11th when vendors helped mitigate the effects of significantly reduced demand for apparel. Stein Mart’s delivery system is a little unique also. Their merchandise gets shipped directly to the store as opposed to having distribution centers. This works well for Stein Mart because it allows the stores to get the merchandise onto the sales floor quickly, and it also cuts down on the expense of operating a distribution center.

Stein Mart has created a growth plan that has allowed them to become a star within the retailing industry. Stein Mart’s strategy is not for everyone, but developing your people, controlling your capital expenditures, and building a positive relationship with your vendors was a winning plan for Stein Mart.

The 20th Annual Retail Store Design Competition

Marianne Wilson, Senior Editor/Special Projects of Chain Store Age magazine announced the winners of Chain Store Age’s 20th Annual Retail Store Design Competition. Having Ms. Wilson at the symposium is a great way to see some new retail trends and concepts without trekking around the country. Along with her passion for retailing, Ms. Wilson brought visuals of the category winners. The overall Retail Store of the Year award went to the flagship store of Toys “R” Us in New York City’s Times Square. Among its many attractions: a 60-foot Ferris wheel. Ms. Wilson reviewed the winners in 24 additional categories as well as interesting new retail concepts around the country. Details about these prestigious awards can be found in the February 2002 issue of Chain Store Age.
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How do you live up to your brand strategy in the store? This is exactly the question that Terri Kabachnick and Ken Banks answered at Retailing Smarter '02. They spoke about what a brand is to their five-step plan to totalbrand integration.

Retailers with strong brands know that the marketplace is not just another price war, and so those companies who survive are able to reach out and establish relationships with their customers. They believe that “brand” is an overused term in retailing and marketing sectors. They gave three reasons why stores must brand and whose job is it to brand. First, stores with the strongest brands succeed in adverse times. Second, customers still want both value and a relationship. Third, customers don’t have time to deal with stores they don’t trust. Banks and Kabachnick believe that the job to brand begins with the CEO. From there, it is championed by the marketing department, promoted by all staff departments and respected by store associates everyday. Basically, it’s everyone’s job. Customers shop fewer stores now than ever before. Companies have to relate with their customers in order to gain the market share. Not all retailers suffered from September 11. Companies like Wal-Mart, Kohl’s, Target, Costco and Pier 1 posted gains in sales compared to September 2000. This exact same group of companies did not suffer through Christmas 2001 either.

Companies know they need a brand, but what does “brand” mean? A brand is not just a new logo, a catchy slogan, a new corporate name, or an ad campaign. A brand is the relationship with your customer and differentiates the company from it competitors. A brand is the measure of your success.

CEO’s of successful companies know that their people are their competitive advantage. Because of this, they are defining brand standards, creating position templates and matching people to positions. Brand behavior must be lived by all employees. Successful brands know the importance of CRM (Customer Relationship Management) and ERM (Employee Relationship Management). However, a brand champion must lead the brand and that champion must be the CEO.

Terri and Ken’s current research consists of over 4000 retail executives and associates surveyed, from both large and mid-sized companies. Research has concluded that 42% would leave and follow a good boss rather than build a new relationship. Also, 72% of management personnel have no clue as to their future with their company. 81% believe obtaining a leadership position was based more on politics than competencies. Finally, 58% believe an outsider has a better chance of getting a leadership position. So, in order to brand successfully, companies must rehire, retain and renew the experience of the first day. Successful companies know that people don’t leave companies; they leave their managers and reducing annual employee turnover does not solve people problems. Ultimately, the brand champions must seek to integrate the whole company.

Terri and Ken finished their presentation with their 5-step plan to totalbrand integration. First, you must define your brand strategy. Don’t assume everyone knows what the brand is about and don’t assume they will remember. Second, define and assess your people to ensure that you hire and keep the ones who can live up to the brand promise.

Determine the DNA of your best performers. Customers determine the whole brand of the store. Third, define and research your people just as you do your customers. Fourth, communicate and align the strategies and the standards throughout the organization. There are millions who can get the idea to the customer, but only thousands who can get it to the employees. Fifth, align your hiring standards to meet the standards of your brand and the DNA requirements you have established.

In conclusion, Terri Kabachnick and Ken Banks summarized their findings by claiming, “if you want to sock it to your competition, you have to know who you are!”

Terri Kabachnick and Ken Banks, Co-founders of Totalbrand Integration discussed bringing a retailer’s brand to the forefront through integrating the whole company.
NORDSTROM Continued

priority is customer service. Nordstrom wants its customers to think of themselves as extended Nordstrom family and believes that the best service you can give a customer is selling them a quality product. Pete says, “the service equals results.” He explains that customers are a lifetime investment, and it is Nordstrom’s duty to earn their business and fulfill their wants. He believes that Nordstrom is defined by its employees and wouldn’t be where they are today without the help of their devoted associates.

Nordstrom offered the audience a piece of advice shared like a recipe’s secret ingredient passed down through generations from his great grandfather: “If business isn’t good, it’s because you’re not servicing right, or you don’t have what the customer wants.” Nordstrom began as a small family business and is still run successfully by the family. “We’ve enjoyed some success along the way,” Pete said, “but we still have work to do.”

Kalish Continued

are spending less time shopping—they are more focused. They want to get in and get out.

But what do companies need in order to stay ahead of the game? They need to find their niche. Retailers need to concentrate on how they can differentiate themselves, become branded, how they can focus on their supply chain innovation, and how they can look to their I.T as a core competency and as a core asset. Companies can now use their information to drive their business, such as Amazon.com.

Other retailers need to look at Wal-Mart to see what they are doing. Now Supercenters are taking over and the food centers are their loss-leaders. The Supercenters get more frequent shopping, have bigger average ticket, cross shopping, and have improved space economics. Wal-Mart is getting bigger, improving its quality, and will even start selling used cars!

What are the other retailers going to do to keep up? Merge. Promodes and Carrefour merged in order to keep Wal-Mart out of France. They can also exploit size-centralize and match efficiency. Other retailers are avoiding price competition by using different merchandising techniques. Retailers also need to invigorate brands.

In department stores there are many disadvantages. It’s difficult to shop, too much sameness, cost problems, and shoppers increasingly going off malls. Kalish thinks that the future of soft line specialty stores are to refocus, seek new markets and, focus on a lifestyle in the way Chicos has done for Baby Boomers.

The future of E-retail sales is to learn from mistakes. Multi-channeling works better than stand alone businesses. Victoria Secret is a good example of a multi-channel retailer.

Ira Kalish concluded with, “the risks to watch for are the collapse of the dollar, the rise in the price of oil, consumers staying home because of an unstable economy, consumers staying at Wal-Mart, equity market collapsing, and Enron stifling investments.”

CUSTOMER SERVICE Continued

using training strategies to effectively serve park visitors.

There is plenty of tradition at Walt Disney World such as the vocabulary used when on the job or in terms of Disney speak, in the role. This helps draw the employee into being a part of the company, which increases quality of service. The quality customer service keys are: safety, courtesy, show, and efficiency, listed in order of their importance. In order to ensure guest satisfaction, Walt Disney World recognized that it needed to develop a common purpose for their staff members, which is to “create a place that makes our guests feel like nowhere else on earth.” This comes back to creating a magical moment and always remembering that the most important guest is the one that is right in front of you. In order to effectively measure that guest service is being maintained, complaints are often dealt with one-on-one with a phone call response.

It is important to recognize that although these three companies were different in nature, the overarching theme was very powerful. Customer Service affects all areas of the business industry no matter what type of company it is. Taking the time to find any opportunities that may be present in the area of service training and improving them can only result in better customer service.
Dr. Dale Henry, founder and president of Your Best Unlimited helped the symposium participants to “wake up and clean up” themselves and those around them mentally, so that every person we come in contact with is a person of quality. He taught us how to break our rituals and focal points so that we can focus more on our customers and not ourselves. Dr. Henry’s ideas for achieving this goal is to have a can-do attitude and to look at life with a positive point of view – never say, “It’s not my job” and never say, “I wish I had.”

Dr. Henry kept us laughing the whole time with his humorous stories and anecdotes. Dr. Henry explained that he tries to be a thermostat. When his environment changes, he adjusts to it. Most people, instead, are like thermometers-when things go down, everything goes down. “This is where humor comes into play,” explains Dr. Henry. Humor is always the key to healthy adjustments. He pointed out that “if invention is the mother of necessity, humor is the father of learning.” Dr. Henry gives an example of this by telling us that a 3-year-old child laughs on average 300 times a day, while a fully educated adult laughs 30 times a day. When we stop taking ourselves so seriously, magical things begin to happen within ourselves and our teams.

With enthusiasm, professionalism, and humor, Dr. Henry helped us to focus on being our best by stressing the importance of having a sense of humor in the workplace, focusing on others, and expecting the best from every situation.

For more information on Dr. Dale Henry, please visit his website at www.drdalehenry.com.

**Thank You!**