



by Marc Bluestone

Bluestone's Retail Strategies

Establishing Added Value

When you need to buy something, what factors do you consider when selecting the place you will buy from? What do you look for from an optician? Hours of operation, convenient location, fast, friendly service? What do you look for from a clothing store? Large selection, mannequins that show the clothes being worn, a clearance rack?

What does this have to do with business? Okay, try this one... What do you look for in a moulding vendor? Large selection, prompt and reliable service, guaranteed quality? Every time any of us makes a purchase, we weigh a variety of factors that include all of those listed above and many more. We choose who we do business with based not just on the product they sell, but by the way they sell the product.

The process by which a business causes you to select them over another business that sells the same product is frequently referred to as "adding value." Value is added to a product or to a sale, when the merchant bundles services, enhancements, and conveniences to their core offering, causing you to want to buy from them. Frequently, these bundled services include things that make the consumer's buying process easier, faster, more pleasant, and less risky.

Another way of describing this process might be to say that the seller treats the buyer in a way that is equal to, or better than, what they themselves would expect were the roles reversed. In other words, the seller "does unto others" the way they would like others to do for them.

The framing business is competitive today and it continues to intensify. Price and discounting are huge issues for many framers. From the framers I have spoken with, it is possible to divide the way people deal with these issues into two very general groups. Those in one group are very likely to discount their product in the hope of retaining business. Those in the other group are likely to stand their ground on price and choose to rely more heavily on the "value" that they add to a transaction as a way of retaining business.

My guess is that neither group is exactly right in their approach. As with most things in life, the correct approach is probably a mixture of tactics designed to produce a very favorable shopping experience. So here, in no particular order, are factors that I think "add value" and might help independently-owned custom framing stores retain and grow their business.

1) Be Open When Your Customer Wants To Shop. While working 10am-5pm might be appealing to you, it is probably not the most convenient time for many customers to shop. You need to be open when they're not working. I suggest 10am until at least 6pm everyday, including Saturdays.

2) Make Your Store Pleasant To Shop. What can you do to make your store more pleasant for the customer? Do you offer coffee, bottled water, a complimentary soft drink? Do you have toys for kids to play with? Stools at the design count-

er for people to sit on?

- Think of all the things you don't like about the "big-box" that you are competing against; then commit to offering the experience they don't.

3) Make The Experience Quick. People want the whole story from you, but they appreciate when it is condensed. More often than not, getting something framed would be on a person's daily list of chores, not their list of treats. In other words, your customer greatly desires the finished product, but the process of designing the frame at your counter can be time-consuming and overwhelming.

- Establish a relationship, but do it quickly. Do a complete design presentation, but keep it focused. Calculate pricing accurately, but without apparent effort or deliberation.
- People lead busy lives. If you can do a great job—*quickly*—then you are "adding value."

4) Fulfill Your Promise. Every time we take an order, we are essentially making a promise to do a certain thing by a certain date. Value is added when you fulfill your promise.

- Adhere strictly to "due dates." Deliver every order on time or die trying.
- Complete the order for the promised price. Don't nickel and dime customers with added costs unless it was specifically discussed at time of order.
- If you can't complete the order for some reason, including out-of-stock moulding, contact the customer immediately. Have proposed solutions before you contact them. Realize that they care little about your supply problems.

5) If You Screw Up, FIX IT. Every once in a great while, framers damage art. When this happens, there are a few things to remember.

- Immediately develop a plan for how you can make the problem right. Find a replacement for the damaged item, contact a conservator, or do whatever else you can to fix the problem.
- Contact the customer in a very timely manner. Let them know what happened. Let them know what you intend to do about it. Assure them that you will assume full responsibility.
- Do not try to figure out how you can save money while extracting yourself from the fire. This causes a fight that you almost never win. Instead, just do the right thing and your customer will appreciate the effort and probably patronize your business in the future.

6) Guarantee Your Customer's Satisfaction. How do you feel when you buy something and it doesn't end up being as great as you hoped? We need to realize that many customers have very little idea what their finished frame will look like based on a 6" corner sample.

- If the customer doesn't like the finished result, you need to have a policy about what you will do, and won't do, to address the situation.
- I would suggest that you make any changes to a finished order that the customer desires. If the new design costs the same or less than the first design, then make the changes without cost to the customer. If the new design costs more, then charge only the difference.
- It does you absolutely no good to have a dissatisfied customer leave your store. One of the biggest ways we can add value to a customer's experience is to assure that they receive what they hoped for.
- We hold ourselves above "big-boxes" because of the "service" we provide. This is where the rubber meets the road.
- Customers are risk averse. They will shop at the store where satisfaction is most likely to be achieved. Consider promoting your satisfaction guarantee. It might be the factor that causes someone to choose you.

7) Guarantee Your Quality. If a hinge slips, if a mat lifts, if a corner pops... It goes without saying that we should fix these problems quickly, without charge to the customer, and with a smile and a heartfelt apology.

8) Thank Your Customer. Has Target ever sent you a thank you note? No, but I bet your custom clothing shop has. This is another area where you can outperform the big box or your neighboring framer.

- The small amount of effort expended in thanking each customer can increase their likelihood of recommending you to a friend or returning the next time they need something framed.

9) Add Extra Services. Anything you can do that makes your customer's life easier adds value to the experience. If you can effectively provide services that "big boxes" and other local independents do not, then you are establishing a competitive advantage.

- Many customers benefit from delivery and installation services. Custom frames can sometimes be too large and heavy for people to carry home and hang themselves. Stores that provide these services make themselves indis-

pensable to customers requiring that level of care.

- Many shops successfully offer “shop-at-home” services that provide added convenience for home or office customers. You might also offer to pick-up items that are too large for your customer to carry easily.
- Some customers require shipping for their finished frames. You can “add value” for your customer by offering packaging and shipping services. They will appreciate not having to make a separate trip to the packaging store.
- Be sure that you earn a profit on added services. Delivery, installation, on-site visits, and shipping are services that should be a profit center for your business, not giveaways.

10) Make An Offer. At the beginning of this article, I said that I was recommending a combination of service and price. The previous nine suggestions were about adding value through *service*. Here are a few thoughts on adding value through price...

- It is undeniable that consumers have been conditioned to expect periodic “values” from merchants. Even Rolls-Royce dealers do an occasional mailing with a discount on maintenance or accessories.

- My point is, even if you *never* discount, there may be some value to offering an incentive to customers. Have you considered sending a gift certificate to those in your database that haven't made a purchase in three years?
- If you are doing direct mail to customers, or potential customers, an offer of some kind is often the difference between the success and failure of the effort.

Operating a successful business is all about finding and satisfying customers. In many cases, whether or not you get that customer depends not only on the product you are selling, but also the way you sell the product. By “bundling” your product with convenience, a good experience, and a minimum of risk to the consumer you are “adding value” in a way that is likely to produce more, and better, sales. ■

Marc Bluestone is president of FrameGroup Incorporated, located in St. Louis, MO. With a staff of more than 50, FrameGroup operates 10 custom framing stores, a mobile custom framing gallery, and a commercial framing division. Before starting his own business, Marc held retail management positions in sales, merchandising, and operations and was vice-president of a publicly held retail company.