



Photo courtesy of Marcum LLP

The Marcum Retail Symposium

BY RONALD S. FRIEDMAN, CPA

Hello again. Fresh from the Magic Las Vegas show last month, my thoughts are now on the upcoming Marcum Retail Symposium and the great keynoter we have lined up!

This will be the first time that we are presenting the Marcum Retail Symposium on both coasts, in Los Angeles in the spring and New York in the fall.

As I write, final arrangements are being confirmed. But by the time you are reading this, details should be available on our web site at www.marcumevents.com. Please visit the site for registration and other information.

Onto our keynoter (drum roll, please!): Marshal Cohen, chief industry advisor of The NPD Group, is one of our industry's true luminaries and an expert on consumer behavior and the retail industry. My dear friend, Jeff Mann, our presenting media sponsor, has arranged for Cohen to guide us through these difficult months for the retail industry.

I expect he will be addressing issues such as the supply side difficulties everyone faced and the delivery delays that left manufacturers with excessive inventories that needed to be liquidated. Being a retailer is not for the weak, and we all could use the advice of a bona fide expert.

Cohen has followed retail trends for more than 30 years, at NPD and as the head of leading fashion and apparel manufacturers as well as for major retailers. As part of his work at NPD, Cohen leads many top firms in long-range and strategic planning sessions. He often utilizes motivational presentations to help launch corporate goals and kick-off meetings. He is

also the author of two books, "Why Customers Do What They Do" (2006) and "Buy Me! How to Get Customers to Choose Your Products and Ignore the Rest" (2010). Whether you are a manufacturer, wholesaler or distributor, Cohen's perspective on the state of the industry and how to move forward will apply to your business.

No matter which end of the industry you're in, the question for all of us is the same: how do we sell during these trying times? Bring your questions to the Symposium and be prepared to participate in a lively Q&A session.

On topics that are important for the consumer products industry in the coming months, brick-and-mortar is here to stay; stores are not going anywhere. Every year, 5,000 stores may close, but another 5,000 open up. Online sales continue to grow, but the online market represents less than 20% of all retail. That means 80% of sales still take place in stores.

The question to be asked is: why shop in my store versus the one down the street? You need to be different, exciting and create an experience your customer wants to participate in. If your store looks the same as all the others and your product line does not change often enough, your customers will walk!

Customer service and communication will keep them coming back. How many times have you walked into a retail store and not been greeted with a warm smile and a friendly "How can I help you?" That can be

the kiss of death for a sale. But when the store team welcomes you and makes you feel comfortable, sales follow. It may seem basic, but in today's competitive environment where every edge counts, it has never been more true.

How many emails do you send out on a weekly basis to let your customers know what is new and exciting at your store? How many phone calls do you make to customers inviting them in for a private preview? The answer is probably not enough!

Also important is to not fall in love with your inventory. If products are not moving fast enough, fill up your markdown rack with the non-performers so you can generate the cash for fresh goods. Focus on your inventory turn, watch the open-to-buy and follow a written business plan that you live and breathe every day. Inventory turn at every level of the business cycle is imperative for a successful consumer product company.

A successful business does not happen by accident. It takes great management that works on the business, not just in the business. Use your advisors to guide you and keep you focused on the important issues. I look forward to seeing you at our Marcum Retail Symposiums in Los Angeles and New York for answers to the pressing issues of our time.

Until next time, remember what I always say: if you're not having fun, then go do something else!