

# “What’s a Store to Do?” The Future of College Stores





## ***Challenges facing College Stores***

1. Being Walmart-ed
2. Online booksellers
3. Shift from traditional textbooks
4. Bad economy
5. Lower profit margins

## ***What's a Store to Do?***

1. Diversify – Deep and Wide

## ***Implement a Plan of Action***

1. Identify challenges
2. Diversify
3. Evaluate choices
4. Commit
5. Manage and Maintain





# What's a Store to Do?

*SHORT ANSWER: **DIVERSIFY***

How? Think **Deep and Wide**

**Deep** = more of what you already have

**Wide** = items/services outside your regular offerings





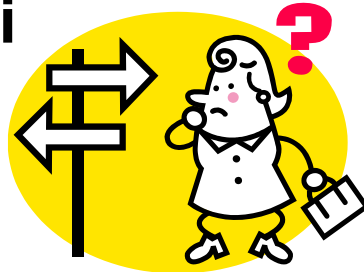
# What's a Store to Do?

## DEEP

More Books  
More Pens  
More T-shirts  
More Snacks  
More Logo  
More Gifts  
More Electronics  
More Greek  
More Alumni

## WIDE

Jewelry - Shoes  
Pet Supplies - Auto  
Fresh Flowers  
**Cosmetics - HBC**  
Garden - Hardware  
Dry Cleaner - Hair Salon  
Eco-friendly - Fair Trade  
Exercise Accessories  
Designer Fragrances  
Greeting Cards  
Pop Up Shops

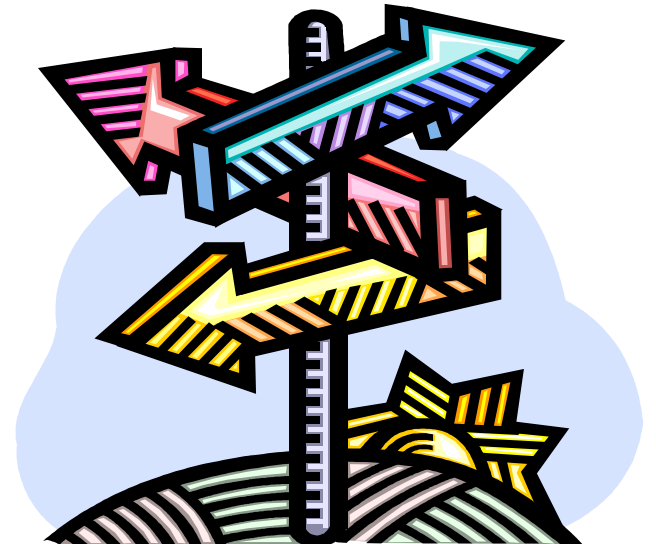




# What's a Store to Do?

#1 Being WalMart-ed

**DIVERSIFY – WIDE**



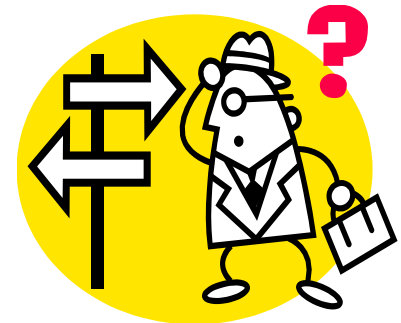


# What's a Store to Do?

#2 Online Booksellers

#3 Shift from Traditional Textbooks

**DIVERSIFY – DEEP**

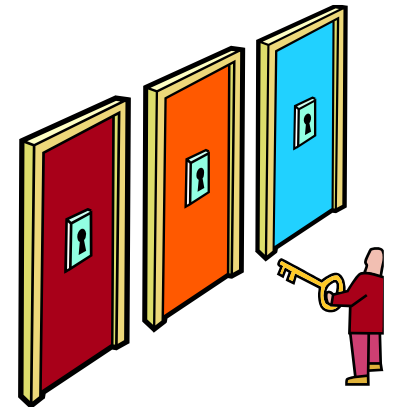




# What's a Store to Do?

#4 Bad Economy

**DIVERSIFY - WIDE**





# What's a Store to Do?

#5 Lower Profit Margins

**DIVERSIFY – Shop Smarter**





# What's a Store to Do?

## **IMPLEMENT A PLAN OF ACTION**

1. Identify the challenges
2. DIVERSIFY – think deep and wide!
3. Evaluate the choices
4. Commit
5. Manage and maintain





# Implement a Plan

## 1. Identify the Challenges

A bad economy, internet book sales, and low profit margins are some of the challenges discussed. In addition, your store may have unique challenges such as commuter students, competition nearby, school edicts, etc. Identify your challenges.

Successful retailers have one thing in common – they have made themselves relevant to their customers. Unsuccessful retailers are the ones not willing to give their customers what they want. Today college stores have pretty much the advantages of location, name recognition, trust of the community, and convenience. Use these advantages to YOUR advantage.





# Implement a Plan

## 2. Diversify

There are two ways to diversify at the retail level.

One, add to the *depth* of product already carried.

For example, add additional lines of backpacks that offer new or unique features from the ones already stocked. The second way is to add to the *width* of products offered. An example of this would be adding a whole new category such as auto parts to your store.

The only retailers to move forward will be those that find ways to remain *relevant to their customers*.





# Implement a Plan

## 3. Evaluate the Choices

- **Profitability** – is the choice profitable?
- **Demographics** – does choice fit students, faculty, visitors?
- **Store space available** – is there a space for the choice?
- **Cost vs Return** – what is the cost compared to return on investment?
- **Competition** – is there already a business selling this choice? Can you do it better? Also, is there not a business close by selling this choice?
- **Convenience** – does choice offer your customers convenience?
- **Disposable commodity** – is it a choice that will keep customers coming back?
- **Recession proof** – will the choice sell in a bad economy? Is it something customers “need” or “want”?
- **Incremental sales** – will the choice lead to incremental sales?
- **Availability of product** – can the choice be easily ordered and kept in stock?
- **Current sales** – what is already selling? BYU-Idaho increased HBC because it was selling.
- **Listen** – have you had requests for something? Write them down – see a pattern?

**HBC IS A LOGICAL CHOICE for STORES TO DISVERSIFY**





# Implement a Plan

## 4. Commit

***Take fearless responsibility for your choice.***

Seek out the newest and the hottest at the best price. If you choose HBC, for example, do not go to WalMart and buy “whatever” to resell at your store. WalMart is your competition, and would be next door selling textbooks given the chance!

Now, order the product, get it in house, prepare the space, acquire special merchandising tools if needed, market the new department with signs, emails, text messages etc.

Just do it!





# Implement a Plan

## 5. Manage and Maintain

Take responsibility for your decision as an actual part of your store. By managing the section yourself, YOU maintain ultimate control and increase your profit.

Remember, *you can't sell what you don't have* so plan ahead for those “too busy” times by delegating personnel to keep well stocked or by keeping backstock.

