

Downtown Idea Exchange

Case Study:

Washington downtowns team up to offer merchants a lesson in revitalization

JJ's Bridal and Formal Wear in Chehalis, WA, (pop. 7,000) recently made a simple change that has more than doubled its business. The store, which features consignment clothing and brand-new bridal wear, used to be called JJ's Consignment and New Bridals. The consignment items were featured on the first floor, and the bridal wear was tucked away on the second floor.

When retail consultant Jon Schallert stopped in during a walking tour, he suggested that the emphasis should be switched. "All the beautiful bridal wear was tucked away where no one could see it," says Mary Kay Nelson, tourism coordinator for the Centralia/Chehalis Chamber of Commerce. "[Schallert] pointed out that everyone feels comfortable in a bridal store, because it's beautiful. Well, practically as soon as he walked out the door, they started switching. Now they're just going gangbusters."

Schallert, president of Schallert & Associates Inc. in Sorrento, FL, and a specialist in improving the profitability, productivity and desirability of downtown shopping districts, visited the store as part of a one-and-a-half-day event that included a lecture the night before, followed by walking tours of downtown Chehalis and neighboring Centralia (pop. 13,000) and concluded with

another lecture and slide presentation specifically tailored to the stores in the two downtowns.

About a hundred people turned out for the first evening lecture, titled "Increase Your Profits by Improving Your Image." Joanne Schwartz, downtown development director for Chehalis, says the turnout was "pretty amazing, for our community."

Pointing out problems

The highlights of Schallert's visit, however, were the walking tours. In each town, he visited eight to ten stores, leading a number of business owners who could get away from their shops to hear what he had to say to individual proprietors. He spent about 15 minutes in each, talking to the owner and making suggestions. "He can walk into a store, spend just a few minutes talking to the business owners, look around and make incredible suggestions," says Schwartz. Ranging from little things like lighting, to what types of merchandise to carry, to what to highlight in advertising, Schallert offered advice tailored to each store — suggestions that are usually very doable, Schwartz says. "Not everything is horribly expensive, not everything is horribly complicated," she says. "Maybe changing some lighting or traffic patterns, or putting in new carpeting."

For example, in a men's store that had been in business for 78 years, Schallert pointed out that the employees have, combined, an incredible amount of experience that is unusual to find in a clothing store. The store has now started featuring that information in its advertising campaigns. Similarly, he pointed out that a quilting store, featuring some 6,000 bolts of fabric, is unique and should be played up.

"What Jon is able to do is bring these businesses to a decision to change their stores in just 15 minutes," Nelson says. "We work with these people every day and we can't get them to do that."

One possible reason that Schallert has such success in sizing up stores could be his fresh perspective, Schwartz says: "Sometimes, we can't see the forest for the trees. You don't notice things in your own business or your own home that need fixing."

Putting ideas into practice

Schwartz and Nelson started looking for an opportunity to bring Schallert to their towns after attending a seminar he offered several years ago. "We were so impressed with what we learned, but we understood that we weren't the right people to hear his message," Nelson says. "We wanted our merchants and retailers to hear him — they are the ones who could put his ideas into practice."

Revitalization has become a priority for the two towns in recent years. Originally, the two towns along I-5 between Seattle and Portland were timber dependent, but "the days of

logging are long over,” says Schwartz. “We are two small towns that are struggling to retrain our workers and refocus our businesses.” The two towns have also brought in other consultants, and are working on streetscape improvements, banners and marketing for the area.

The opportunity to invite Schallert to speak arose when Centralia College was looking for presenters for its Ellis W. Oliver Business Series, a series of lectures that brings business leaders to the community to speak on current issues, free of charge for students, faculty and the community. “It felt like the perfect fit. Downtown revitalization is the number-one priority for both communities — to help the retailers in the businesses downtown,” Nelson says.

Putting responsibility on the retailers

And it gave them the opportunity to match Schallert up with the people who really needed to hear his message. “He didn’t really leave [revitalization] up to the city. He left it up to the merchants,” Nelson says. “He said these are things you can do for yourself. So often, a consultant would come in and say, ‘Well, if the city would just do this... if the chamber would just do that... all these problems would go away.’ From the chamber’s perspective, he kind of let us off the hook.”

Schallert reinforced retailer responsibility during a slide presentation following the walking tours. Using digital images snapped during his visits to the two towns, Schallert

pointed out problem spots and talked about the responsibility retailers have to creating a desirable shopping experience. The hour-and-a-half-long program once again drew close to 100 people, as it outlined his vision of the two communities, discussing strengths and weaknesses and what could be done. “It’s one thing to be in a store and have things pointed out, but it’s another thing to see it in a photograph,” says Nelson. “It’s like looking at a picture of yourself — when everybody’s looking at it, you can really pick out your weak spots.”

An inferiority complex

One weakness that Centralia and Chehalis have as towns is an image problem. “We have a real inferiority complex,” Nelson says. “A lot of us have lived here for years and years, and you don’t often see what’s unique about your community. It takes an outsider to come in and tell you that you’re unique. We downplay ourselves a lot, and we need to be telling the world that we are wonderful.”

The world may be starting to get the message. Anecdotally, business owners are noticing more people visiting their stores from out of town — not in huge numbers yet, but it’s growing, Nelson says.

Perhaps that will snowball as more businesses take Schallert’s message to heart. Not everybody has put his suggestions into practice, but Nelson and Schwartz are sufficiently impressed that they’d like to have him back for a more in-depth visit, perhaps charging the merchants for consultations. “If merchants are willing to pay to have him spend time in their stores, they’re going to be more apt to adopt what he suggests,” Nelson says.

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Fine-tuning tips for downtown retailers

Jon Schallert, owner of Schallert and Associates Inc. in Sorrento, FL, offers these tips to give small retailers an edge:

1. Look at your store from the consumer’s point of view. A positive first impression can be marred by the clutter, grungy carpet and dusty merchandise that becomes invisible to an owner who sees it every day. Other, less noticeable items detract also, such as dim lights or burned-out light bulbs, paint colors that don’t match, and multiple flyers and signs in the windows.

2. Become an expert in a profitable niche. Make sure that at least some items in your store have above-average profit margins, with markups of five, 10 or 20 times cost. Often this means searching for a special niche category and finding suppliers who are just starting out.

3. Make an emotional impact on your shoppers. “Owners must work to make their stores radiate joy, excitement or some other powerful emotion,” Schallert says. “For a shopper today to put up with any inconvenience, they must love the store in which they shop.”

4. Adapt to changing market conditions. Independent bookstore owners who sit still while Barnes & Noble and Borders move nearby won’t survive long, Schallert says. They must give book buyers a reason to seek them out. A store might expand its selection of mysteries, solicit authors for book signings, and offer a personalized gift service that allows customers to send attractive, gift-wrapped packages of carefully selected mysteries and related items.

5. Don’t try to do it all yourself. Put together a network of people who can provide technical expertise and specialized advice. “Most retailers became successful by being independent and relying on themselves,” Schallert says. “This is often the same trait that keeps a retailer from growing his or her business to new heights.”

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