

DOWNTOWN BUSINESS TIPS NEWSLETTER

SEPTEMBER 2012

The Business Tips Newsletter is brought to you in partnership by the Dahlonega Downtown Development Authority & the Dahlonega-Lumpkin County Chamber of Commerce & Visitors Center.

7 Low Cost Design Ideas for Small Retail Spaces

By Jane Porter, entrepreneur.com

When Julie Owen bought Cocobolo Interiors in 2008, she set about adding more contemporary items to the Armonk, N.Y., shop. But with only 3,000 square feet, she struggled to figure out where to put her expanding line of furniture, lighting fixtures and accessories. Her solution: create sections within the shop and arrange the furniture the way customers might imagine it at home, using low bookcases and folding screens as dividers.

As Owen discovered, making the most of a small retail shop means being strategic about how you design the space and organize your merchandise. Here are seven other simple and affordable ways to maximize a small retail space:

1. Paint an accent wall. Painting one wall a bold color is an affordable and effective way to not only spice up the space, but also to make it look larger. A bold colored wall creates the illusion of receding in space, says Libby Langdon, HGTV design expert and author of Libby Langdon's Small Space Solutions (Knack, 2009). Putting colorfully printed fabric or wallpaper on one of your walls is another way to achieve the same effect, while adding eye-catching textures and patterns to your store.

2. Create window-like effects. Windows can open up a small space and make it seem larger. At Poppyseeds, a vintage decor and fashion accessory shop in Stanwood, Wash., the owners cut window spaces into the walls separating two small rooms to create a more airy feel. In another room, co-owner Marybeth Sande put white linen panels across an entire wall, creating the illusion

of windows. Hanging drapes around tall, skinny mirrors is another way to create a window effect, Langdon says. "That gives an illusion of more light and movement in a small space."

3. Think vertically. Displaying items on various levels maximizes space and is visually appealing to customers, says Jerry Birnbach, a Somers, N.Y., store-planning consultant. Hanging shelving at different levels is the easiest way to achieve this effect. You also can mount drapes and other items from the ceiling to the floor to draw the eye up and create the sense of a larger space, Langdon says.

4. Avoid a cluttered look. Owen managed to add more merchandise but avoid a cluttered look by using neutral colors, such as ivory and gray for furniture and larger items. She then accented the space with smaller brightly colored items like vases and pillows. She also makes sure not to crowd her merchandise too closely together. "We try to make it look elegant and give it some space," she says.

5. Move beyond shelving. Shelving can be a very effective way to make the most of your wall space, but you can also find more creative, space-saving ways to display products. Instead of a big floor case for jewelry and other small items, Langdon recommends buying an old painting in an ornate frame and stretching the canvas in linen to create a giant corkboard to pin products on. At Poppyseeds, tea towels are displayed on an antique wrought iron headboard propped against a wall. The headboard takes up little space and adds character to the store.

DOWNTOWN NEWS

DDMC Monthly Meeting
Wednesday, September 26, 8:30 AM
Chamber of Commerce Boardroom



September 29 - 30
Information:
864-3711

The recently completed Carriage House Shoppes (at the corner of S Grove & E Main St) offers space for 10 downtown businesses with wine tasting, art, culture, specialty items, and MORE!!
Be sure to go and visit these new shops!

Have a specific topic you would like to suggest for an upcoming newsletter?

Send ideas to Rebecca, rebeccashirley@dahlonegadda.org, or call her 706-482-2707!

Thanks for helping us provide the most relevant material for our business community!

Key Trends for Retail Success

By Errin Welty, Vierbicher, LLC | From Main Street Story of the Week | August 21, 2012

While many communities are still reeling from the after effects of the recession, consumers are opening their wallets again. Savvy business owners are taking the opportunity to review their marketing plans and position themselves to capture future sales. In many cases, retailers are finding that today's shoppers think and act differently when it comes to finding and visiting local retailers and restaurants. These new customers often enjoy shopping locally, but are more likely to seek information about local businesses from online sources than from word of mouth and traditional marketing sources.

Shifting Business Hours

In a smaller community or neighborhood that already draws from a limited trade area, changing demographics and consumer habits will have a significant impact on businesses that stick to the 9-to-5 business model for the bulk of their sales. The traditional 9-to-5 hours of operation originally catered to the single-income household, where (typically) female shoppers made household purchases during the day. But today's America is made up of dual-earning households and suburban and rural residents with long commutes, so there are fewer local daytime shoppers. Luckily, there are strategies that retailers can use to better communicate with and serve this population base while retaining existing customers. A recent Destination Marketing International report reveals that 70 percent of all consumer spending is done after 6 p.m. Many small town businesses have been slow to adapt to this trend, thereby missing out on a critical window to capture a key segment of the local market. This is often due, in part, to limited staff or aging proprietors. However, new businesses opening in traditional districts can serve as examples for other businesses to follow.

Working with the Internet

The second most critical trend for small-town retailers to embrace is the growing importance of the Internet, not only to expand the trade area through direct sales, but also due to the increasing importance of the web as a decision-making tool. According to national information from the Department of Commerce, five cents of every retail dollar is spent online. This represents a 16 percent increase from 2010 and an 800 percent increase since 1999. While urban consumers were at the forefront of the Internet revolution, increasing 3G cellular coverage and higher capacity broadband in rural regions are making the trend relevant in these communities as well. Rural retailers, however, have been slower to adapt; and as a result, many searches on sites such as Yelp and Citysearch in small communities do not produce results that expose local retailers to new residents and tourists. Research by PewKnight determined that 79 percent of the U.S. population with online access uses the Internet to identify businesses and aid decision making on most local topics, including research on local bars, restaurants, and personal service providers. This highlights a challenge for local establishments that rely only on storefront presence and word of mouth to attract new residents or pass-through visitors who use the Internet to guide shopping decisions. Providing basic information (hours, directions) on a store website and populating major business search sites (Citysearch, Yelp, Google) with pertinent information can provide low- to no-cost market exposure to new population groups.

All types of businesses have made a significant commitment to reaching this new market. Service providers can often be especially flexible, as they require less staffing to accommodate off-hour client requests. While there is frequently significant resistance to change among business owners discouraged by past ineffective marketing campaigns or unfamiliar with the Internet tools to successfully adapt to the new market, there are scalable models that allow businesses to move forward at a manageable pace. Some early steps to include:

Study the local market. Survey businesses that successfully reach your target demographics. Business owners may be surprised to find that the busiest hours at the local grocery or even the library are Saturday morning or Sunday afternoon. If this is when target customers are out and about, stay open for them. This doesn't have to mean more hours, just smarter hours. Opening later in the morning or closing during mid-day is acceptable if there are few customers during that time and, most importantly, if the new hours are communicated clearly and kept regularly.

Try it out on a small scale. Experiment with extended hours one evening a week or one Saturday a month. The key is persistence and consistency, as it may take six months or more for marketing to pay off. But, if a customer who finds a store closed during advertised hours, it can ruin months of effort. Retailers can accomplish more with this effort if they coordinate so customers can combine stops.

Pair up with local entrepreneurs or community resources. Businesses with limited staff may be able to extend hours or expand their customer base through co-tenancy. Explore ways to encourage local coffee shops or diners to host evening musical performances, art classes, or other group activities. Other evening activities might include community programming, such as a yoga class held in a downtown theater or vacant storefront.

Populate the Internet. Make sure local businesses are listed on websites where customers read reviews and look for businesses. Google Places and Yelp are two examples. Making sure that your information is complete and accurate on these sites is important so that customers can find basic information on your business. Having detailed information can also help your business show up accurately on mapping websites, many of which base the placement and prominence of businesses on the presence of reliable information in these directories.

Create an online community network. By linking together local online presences using tools such as Facebook, Twitter, FourSquare, and other platforms, businesses can cross-promote and reinforce common hours, specials, and other messages. Civic groups, youth sports, and other organizations can be valuable partners in this type of endeavor, as they often have established networks and represent unique segments of the local population.

These strategies can apply to retail businesses of any size and scale; but, as with any local business strategy, they should engage the unique customer base in the area. Many businesses, especially those that have been around a long time, find themselves able to connect with previously untapped markets as a result of market analysis and tech-savvy outreach.

4 Interview Questions That Get to the Heart of a Candidate's Potential

By Caron Beesley, sda.gov

Hiring new employees is an opportunity, but it's also a huge risk. So perfecting your interviewing skills is critical. But what kind of interview questions are most effective at helping you find an employee with the right skills and experience, and the best fit for your company culture? The most successful interviews are based on facts, and these are usually best gleaned via the behavioral interview technique. As in life, actions and (in this case) past actions, speak louder than words. You can get a pretty good sense of how anyone is going to react, cope or integrate into your team based on how they've done this in the past. Some of the best recommendations I've seen for conducting fact-based, behavioral interviews (and we're not talking psychoanalysis here) come from Jeff Haden, a bestselling business writer and contributor to Inc. Magazine. Here's a summary of his favorite behavioral interview questions as published in this article:

1. "Tell me about the last time a customer or co-worker got mad at you." Interpersonal skills as well as ability to deal with conflict are critical in any small business. The key to this question, Haden explains, is to keep probing so that you find out why the customer or co-worker was mad, what the candidate did in response, and the outcome. Look out for a candidate who blames the other person and takes no accountability for the conflict on themselves. What you really want to hear is a candidate who admits responsibility for the conflict, but who worked to rectify the situation. This doesn't mean they are a cause of conflict, but their actions suggest that they learned from the situation, admitted they were wrong and fixed things.

2. "Tell me about the toughest decision you had to make in the last six months." The goal is here to evaluate the candidate's reasoning ability, problem solving skills, judgment, and willingness to take informed risks. If you get no answer - consider it a warning sign. Other more positive responses may shed light on how the interviewee made a difficult analytical decision based on reasoning or perhaps a difficult interpersonal decision. A really good answer will combine both!

3. "Tell me about a time you knew you were right but still had to follow directions or guidelines." Clearly, here you are looking to evaluate the candidate's ability to follow, but also their potential ability to lead. If the candidate went against these directions or guidelines, "because I knew I was right," then consider that a warning sign. Likewise, note whether they followed directions but then let their performance suffer because they felt wronged or overlooked. Positives to look for include candidates who did what needed to be done, met deadlines despite everything, and then raised their concerns or issues at an appropriate time and place, with the goal of improving things. Now if they did all this and stayed motivated, while helping motivate others as well, then they deserve a big tick in the box.

4. "Tell me about the last time your workday ended before you were able to get everything done." Here you're evaluating commitment, prioritization and communication skills. Pay attention to this warning sign: "I just do what I have to do and get out. I keep telling my boss I can only do so much but he won't listen. Things to look for are comments about staying late to finish critical tasks, or prioritizing during the day to stay on top of everything so that nothing is left uncompleted. Perhaps most important is communicating early on that deadlines were in jeopardy and then staying late or prioritizing accordingly. Surprisingly few employees put their hand up to tell their manager that they're going to miss a deadline before it's passed them by.

The Bottom Line

Keep the dialog going and insert follow-up questions ("so what happened next" or "wow, how did you deal with that?"). If candidates are being honest and have experience or facts to back up resume hype, then they should be able to participate fully in this form of interview. If they can't, potential disconnects between who the candidate says he is and who he really is will be easier to spot.

Concludes Haden: "... great employees will almost always shine during a fact-based interview."

The "Downtown Business Tips" newsletter is intended to provide merchants with monthly information about improving their business's position in the market! Please send your comments & suggestions to Rebecca Shirley, rebeccashirley@dahlongadda.org, 706-482-2707.

Use our website dahlongadda.org "Doing Business Downtown" for business resources.

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