## Case Study



## A Rare Retail Success Thanks to ActionCOACH

Chris Gorton has always believed in following his gut instinct, so when the opportunity of buying Sue Foster Interiors came up, he and his wife Vicky Lee-Gorton jumped at the chance.

Vicky was originally working for the Foreign and Commonwealth Office in Dubai, but she wanted to spend more time with Chris and their two young daughters, running their own business seemed the perfect answer.

Chris and Vicky bought Sue Foster Interiors in January 2006 and, although neither of them had any experience in soft furnishings, they both knew this was something they could do. "This type of business just appealed to us, it was as simple as that," claims Chris.

Chris and Vicky relocated to Hampshire and with no knowledge of the area they began to learn the trade. It was not until April 2009 that Action Coach Gary Mullins came on board, Chris explains:

"The business had been running well for three years, but we then attended a free business seminar held by Action Coach. We met Gary Mullins there and realised what else we could be doing. We have never looked back - the whole ActionCOACH approach is so refreshing and motivating."

"Gary has quickly become an extended part of our team. He understands the company and has an energising approach 'to working on your business not in it' which has massively improved everything - from customer service right through to profit margins."

Gary has worked with Chris and Vicky to get the business competitive and up to speed but in a very rigorous way as Chris explains:

"We were always chasing our tails and finding we were one step forward and two back, we needed a systematic and organised approach. That's what we now have."

Gary first helped the couple focus on their figures and new business generation – looking at their breakeven point, cash flow and net profit and techniques for converting leads into customers.

Gary Mullins also spent some time in the shop and this in store experience helped him identify several areas for improvement. For instance he noticed that when a customer requested samples, Chris and Vicky were not sending these directly, but contacting the supplier to send the samples out. As a result they didn't know whether these ever arrived with the customer.

"This was one of the first things we changed. Samples are now sent to the shop and we send them directly to our customer with a personalised letter. It means extra work for us, but the personal touch is appreciated and it helped us quickly realise that customers don't want to be sold to, they want to be helped," remarked Chris.

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Chris and Vicky have just started a referral scheme in the last four weeks with Gary's help. Chris explains "Although it costs a bit to put in place, sending out the referral discount cards has already paid for itself and is generating many leads."

In addition to looking at their own business, having an Action Coach has encouraged Chris and Vicky to look at competitors and to therefore understand their shop's own USP.

Chris explains, "We went out and found out what our competitors charge and what sort of service they offer. We found we were 25% cheaper than our competitors, so we were able to put our prices up. In addition, the competitors were not respectful of people's houses, so we have made sure all our staff are trained to the highest standard and respectful of our customers' needs."

Their Action Coach has also helped Chris and Vicky to move forward and to optimise their precious time – something many entrepreneurs struggle to do. For instance Gary noticed Chris was spending 60% of his time measuring and fitting client orders, rather than managing the business.

"It was a hard decision to make, as I enjoy this side of the business, but we decided to recruit two more people, so I can work on moving the business forward rather than spending so much time up a ladder!"

As a result customer conversion rate is up as Chris now has time to follow up on leads. In fact sales have increased by a massive 10% compared to 2008 and turnover this financial year is set to be £400,000. Chris puts this in context:

"This is a huge achievement when you think about the number of retailers who have failed or are failing in the current climate. We're not struggling like so many major names, we're actually growing and driving the business forwards."

In addition to focusing on enquiry handling, Gary Mullins has helped Chris and Vicky identify other ways to improve their bottom line. For instance he suggested they have a buying review and look at all of their costs with their biggest suppliers. This resulted in a 5% reduction in costs and a corresponding increase in profits.

Another example is that he has encouraged the couple to look at their product offering. "On the whole, people don't change their furnishings regularly, so Gary has helped us change our positioning so that we we're not just a furnishing and fabric shop, but we also sell essentials, such as, curtain poles, tracks, accessories and paints. Things that people need on a regular basis, consequently increasing our number of transactions," claims Chris.

Chris and Vicky both agree that they will continue working with Gary throughout 2010, Chris concludes:

"We still have a great deal to learn, but the changes we have made so far have gone full circle and are paying for themselves and more. Our profit is up and importantly we have more time to spend as a family – which after all is a key reason why we went into business in the first place!"

To see what ActionCOACH can do for your business call or email Gary

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