

Richard Hammond

Practical problem solving for retailers and brands.

Prepared by Richard Hammond August 2013 "The retail pragmatism that Richard practices is so intuitive and effective...
This is the case for every issue from the Big Idea that sets a retail brand apart to points-of-discovery. Provocative and idea-inspiring."

JIM LUCAS
Executive Vice President
Director of Shopper Marketing
DRAFTFCB

"Richard is the most brilliant, hands on retailer I have met. He truly delivers profitable results and helped our organisation to improve. I can strongly recommend Richard and I hope to work with him again shortly."

PER SJÖDELL Managing Director Gant AB

Retail Manifesto

Passive product sitting on fixed shelves or represented on static screens no longer cuts it in modern retailing. Discovery, people, stories, theatre, purpose and physical kinetic energy are vital if a brand or business wants to inspire customers to engage with their product.

Retail, for a hundred years a fundamentally slow-moving tectonic-plate activity*, is in sudden structural, creative and practical turmoil. Online retail is being superseded by connected retail, the online signal-to-noise ratio rises inevitably higher, as the foundations of physical retailing continue to shift beneath the bricks and mortar. The old certainties of 'put it on a shelf or on a page, shout loud enough and people will buy' are dissolving away.

These erupting structural changes have brought the old skills of retail activation back into play: engage customers by making product personally relevant. Make shopping an event, get people talking about you and your product, become location agnostic, make the ordinary vital and exciting. Stores and brands that are winning today are the ones that have worked out what they are, why customers might buy into that and have then become brilliant at expressing and proving it.

For 26 years now, I have been observing and participating in this process at the sharpest edges of retailing and for some of the biggest and best brands in the world, including Sony, BP, L'Oreal and Kingfisher. I'm also the author of the world's all-time best-selling retail manual: *Smart Retail*. Now in its third edition, available in 15 languages and sold in dozens of markets. All that experience comes down to a very simple, practical and absolutely vital thing: I understand how to engage and inspire customers to interact with product.

This is the most exciting time in retail's modern history – some big names are falling down, some new ones are fizzling briefly before losing momentum but a core are riding the change like the most thrilling rollercoaster imaginable. There's never been a better time to go and make cool stuff happen. I can help you do that.

Richard Hammond

Managing Director – Smart Circle Limited Author – Smart Retail Author – Modern Retail Management



* The last genuine structural innovation in retail having been the invention of self-service by Clarence Saunders in 1913, granted US Patent Number 1,242,872 in 1917. Am I missing the internet as a fundamental innovation? Absolutely not: the internet is another form of selling to a customer with whom you are not face to face. It started with the flyers issued by craftsmen in the 12th century, went through the awesome Sears catalogues of the 'great push West' and through into the first day the likes of amazon blinked into life. What has changed is the potential ubiquity of that distance sales connection, it's no longer store-to-home it's anywhere-to-anywhere across massive geography, cultures, languages, borders and markets.

"Retailing needs smart people and Richard is a smart guy who provides good advice on how to improve stores and build a better business."

> NICK BUBB Britain's leading retailing analyst

"Richard has not only written a great book (which each of our store management team has a copy of) but he has also delivered great workshops for our senior team and has a lively, engaging and entertaining style backed up with thought provoking content. Richard 'knows his stuff' and I recommend him highly."

DARREN WILLIAMS
Head of Retail
Hotel Chocolat

Consultancy

Practical and Clear

My consulting style is practical and straightforward, though grounded in a deep understanding of customer psychology, new technologies and fundamental theory.

I have a habit of summarising every project, whatever the size, as a single illustrative diagram – in fact, I believe that if a consultant can't do that, then they've failed to deliver the right answer to the question.

Why a single diagram? Because retailing, despite a geek's heaven of new and emerging tools, is still a very simple thing. Retail is no more than working out what to sell, to whom and how. We believe keeping that in mind is essential.

Look at every successful retailer, wherever you find them, and you'll discover simplicity and clarity in their understanding of what sort of business they are, why people might give a damn and how to express that in the offer. Our consultancy, whatever the challenge, stays true to that idea.

"Richard and his team challenged us hard to get to the real fundamentals of why we are in business, and his thought provoking and open style galvanised us into action. He created new formats that may change the way we see forecourts in the future and was able to align clear thinking with practical retail insight to get to innovative yet pragmatic ideas"

ALEX WINDLE, Marketing Director, BP UK

Pace

We're a lean, nimble team – able to maximise consultancy bang for your buck and able to move faster and without the preconceptions that can hobble the giant consultancies. If a challenge needs additional expertise then we assemble a team tailored to you. It's a super-efficient method.

For a full review or just a chat call me: +44(0)7971 600 936 Or email on Richard@Smart-Circle.com

Skills and Experience

Skillset

- Customer experience improvement
- Retail activation
- Store and product-performance improvement
- Format development
- Retail troubleshooting
- 'Back to the floor' insight
- Bespoke seminars
- Expert assessment and strategy

Recent Projects

Destination BP

Recently completed a major concept-format for the future of BP filling stations – new technologies, modern convenience food, and the old principles of active retailing come together.

Literary Activation

In 2012 helped Russia's biggest publisher, Eksmo, to gain increased presence and sell-through of their list titles at retail – educating the channel and introducing principles of retail theatre to stores.

Retail Engagement

Worked with Sony for eight years through to 2012 on a wide-range of retail activation projects – helping to create vibrant, active retail presence for Sony product in direct and indirect channels.

Consultancy Clients

- Sony
- o RD
- L'Oreal
- Gant
- Eksmo (Russia's largest Publisher)
- Kingfisher
- Clarks

Smart Circle

- Borders
- ° EE
- Leo Burnett Almaty (to work with convenience stores in Kazakhstan)
- ° B&Q

Interactive Lectures & Speeches

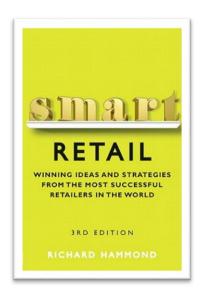
- Norwegian School of Retail Management
- Carphone Warehouse National Conference
- The Retail Forum (jointly with Angus Thirlwell, founder of Hotel Chocolat)
- University of Westminster
- RETRA Conference
- Leeds Metropolitan University
- ° Gant Global wholesalers and retailer conference
- Eksmo Russian Book Retailing Summit
- Garden Centre Association Conference

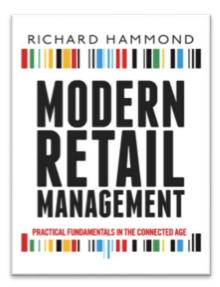
The Books

Smart Retail (Pearson, 2003, 2007 and 2011)

Smart Retail is my book about the active engagement that makes the best retail businesses, both off and online, so successful. It has sold so many copies, across three editions and fifteen different languages, because it doesn't attempt to reinvent the wheel but instead strips retail back down to what works and explains why it works.

Everything my consultancy does is founded on the practical consistencies I've seen at work across the world's best retail businesses and chronicled in *Smart Retail*. It would be daft to be anything other than practical – though plenty of consultants would be happy to try to convince otherwise...







Modern Retail Management - Practical Fundamentals in the Connected Age (Kogan Page, 2014)

My second book, *Modern Retail Management (Practical Fundamentals in the Connected Age)* arrives in 2014. It is intended to form a base textbook for various retail degree courses and is the first of its kind to tackle the subject from a channel, location and platform agnostic perspective.

Endorsements for Smart Retail

'A toolkit of retailing skills to take you beyond survival, to super-performance.'
 Angus Thirlwell, Founder - Hotel Chocolat

Smart Circle

- For me Smart Retail was a real revelation and written with a tremendous amount of insight into the way retail and retailers work. For me it's on a parallel with Paco Underhill's work.
 Richard Jones, Commercial Director at Monty's Bakehouse
- 'A wonderful insight into the world of retailing. A fun and inspiring read.'
 Vittorio Radice, Saviour of Selfridges
- 'A really practical and helpful guide, essential reading for anyone involved in retailing.'
 Charles Dunstone, Founder and Chairman The Carphone Warehouse
- 'Congratulations on pulling together such a comprehensive list of essential learnings.'
 Cliff Burrows, President EMEA Starbucks
- 'This is a great book which delivers sensible pragmatic advice applicable to all retail sectors at all levels'
 - James Heneage, Book Retailing Genius
- 'This book is full of practical good things to make running stores that bit easier to get right.'
 Julian Richer, Chairman and Founder Richer Sounds
- 'Very much to the point and a great practical guide to retailing.'
 John Thornton, Former Chairman Thorntons
- 'Gets to the core of the excitement in successful retailing.'
 Professor John Dawson, Founder of the Institute for Retail Studies at the University of Sterling
- 'A book about doing it.'
 Allan Leighton, President Loblaw Companies and Deputy Chairman Selfridges & Co.

Case Study - A Destination Forecourt

Problem

How to turn the seven minutes customers loathe into seven minutes customers enjoy

Background



The average visit to a UK petrol station takes seven minutes. Seven minutes that customers told oil companies they hated. BP tasked us with creating a blueprint for thinking on a future generation of BP service stations that customers might instead look forward to visiting.

This is an active project and thus we can't show you our designs or even tell you much about them! What we can reveal is that we have created two very distinct

experiences, one for re-fuelling, and the other for convenience shopping, that work together to prove BP is on the driver's side. We have defined a revolutionary 'Big Idea' for the retail business and brought global best-practice, active-retailing principles and practical solutions into the mix.

Fuel stations used to be all about the driver, they were enabling places that helped make the thrill and freedom of motoring a reality – Destination BP is redolent with those historic ideals but in a practical and modern application.

Tools

- Full strategic review of the BP retail business
- Deep immersion into existing research with additional bespoke work then defined and delivered to test proposals and concepts
- Concentration on wider retail best-practice, taken from outside the oil industry
- Working with a retail design partner on visualisation of ideas and concepts
- ° Identification of an online subscription model for one product area

Outcomes

 This major project is generating exciting dialogue within the BP business as it is shaped it for real-world application – the first Destination BP sites are getting closer...

Case Study - Kingfisher plc

Problem

To plant the seeds of change among the Kingfisher Global Talent Group

Background



Kingfisher plc had gathered together the 70 global members of their 'Talent Group' in Warsaw – this group represents the next generation of leaders within the business and varied from Country CEOs to specialist talent at senior levels. I was asked to spend two days with the group and to inspire ideas for change and development in their roles, businesses and marketplaces.

But how to inspire a room of 70 where there were eight languages spoken and simultaneous translation into English and French? I decided to take them shopping! We spent time in a nearby Warsaw shopping centre – analysing retailers on a set of criteria to uncover what made some brilliant and others less so.

Tools

I used my signature 'Street Time' exercise to inspire the group

- Short lectures on world retail best-practice
- Practical exercises challenging existing ideas and inspiring new ones
- Time out in the field, analysing retail businesses
- ° A grand final-exercise in creating new formats across a number of retail sectors

Outcomes

Delegates loved the programme. New ideas, new understanding of customers, markets and their own businesses flourished. Many new programmes were put into place as a result of this activity.

In particular, the UK Screwfix board were inspired to re-engineer their customer experience, and have gone from strength to strength ever since – even in a declining building market.

SCL CREDENTIALS

Case Study - Borders UK

Problem

The need to address sales challenges, without alienating customers

This our *anti* case-study. The facts are that our late intervention (six months before Borders' UK investor pulled the plug) created significant sales-gains in all stores where our recommendations were implemented. The fundamentals at Borders were in the process of being successfully pulled around by the management team there, that the investor cut and ran leaves us with a tale of what could have been!

Background



Borders had changed ownership twice in three years, senior management wanted to put that behind them and re-focus store teams on the challenge at hand. Sales had slipped 10% like-for-like and booksellers were starting to lose heart.

We started by reviewing the customer experience, in particular looking for ways to energise stock – we wanted to make the selling of books an active rather than passive process.

Tools

- Identified a series of ceremonies and elements of retail theatre that were able to create energy and activity in the merchandising
- A course for General Managers that sought to inspire a sense of togetherness, to foster a better understanding of Borders' unique strengths and to look at practical ways to turn that understanding into sales

Outcomes

- Operations management reported a marked increase in inspiration and energy among senior store management – remarkable in the context of a business that was under such negative pressure
- Sales increased by up to 20% in the stores where the programme was followed through

"There are many retail experts, but Richard genuinely wrote the book on the fundamentals. When I've worked with Richard, I've been impressed by his grasp of my business's culture and commercial requirements, and the skill with which he tailors his advice and communication to his client."

PHILIP DOWNER Retail MD and Consultant

"I first worked with Richard before the opening of a flagship store to help with planning the customer service experience, and how to deliver it. He knows his stuff and can deliver it in a straightforward way but he's also so easy to work with."

CHRIS THOMAS
Former Head of Retail Strategy & Central Operations
Sony

Smart Circle

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