

The importance of water to be successful in Retail

Retail exists to move demand and offer, products and Customers closer to each other, and those who work in this industry make sure this happens in an effective way every day.

Two young fish are swimming alongside each other when they come across an older fish who - swimming in the opposite direction - waves at them and says: "Hello kids. What's the water like?" The two young fish keep swimming for a while, then one of them looks at the other and asks: "What the heck is water?"

Success means realising that the Customer is for Retail what water is for fish

In 2005 **David Foster Wallace**, an American writer and essayist, quoted this metaphor to his young undergraduates at Kenyon College (Ohio) to make them think about how often we take the most basic things for granted even though they are necessary to survive.

You can listen to him here (<https://www.youtube.com/watch?v=8CrOL-ydFMI>) .

To me, this was empowering because I was able to pinpoint a feeling that I had not been able to express: realising that the Customer is for Retail what water is for fish. Fish cannot live without water, Retail cannot live without Customers. Even though this concept is clear, often Store Managers and Store Sellers are the first ones to take it for granted.

Retail exists to move demand and offer, products and Customers closer to each other

Those who work in this industry (from Large-scale Retail to Wholesale, from DOS to Franchising, etc...) **make sure this happens in an effective way every day.**

During my 30 years of sailing in the vast Retail sea, I have experienced the **D>O** good times. A low offer struggling to meet a high Demand, resulting in great opportunities for anyone who had good products and fairly good trade skills. Those who spotted the potential offered by this situation immediately established a market presence by increasing their retail space square metres. Customers were important to the extent that they bought quickly and without too much fuss. People also talked about Customer service and Customer care, but they were never the main focus. What mattered was to make quick money.

Later on, and with different timescales depending on the types of products/sectors, **D>=O** became the prevailing ratio. Therefore, the overall balance between Demand and Offer led to the need to find new ways to stand out in the eyes of the Customer. This is when more striking locations were developed, increasingly sophisticated and "exclusive" products were made available and an increasingly unique

offer (merchandising, layout, display and windows) was presented. There was also a greater focus on Brand development (specifically luxury brands) to guarantee exclusivity. The words Customer and Service became even more strategic. To gain new Customers, *differentiation and exclusivity* are key.

What is the market like today?

Nowadays, the ratio that describes the market can only be **D<O**. A very low Demand with a very high, extensive Offer that has a strong visual and commercial impact and cannot achieve the expected results, and is enhanced by an online offer! Constantly proposing the same strategies that worked in the past cannot bring the expected results. For this reason, the importance of water for fish should be "remembered". In order to empower the store team, Customers must become key, as they are the true focus for a Store Seller. Customers have underlying expectations and - more importantly - wishes. We must try to understand their reasons for buying and establish an incisive and exciting relationship with them.

By coaching Retail Managers, we can bring Customers back at the centre - because they deserve it - and create the conditions for a common goal.

How many Retail players' collaborators, within their different roles, focus on the Customer and how many of them are still asking themselves: "*What the heck is water?*"