It's Time to Be CREATIVE:

Staying in Business through the Pandemic

Drastic times require creative thinking about how to run your business more efficiently and effectively. Read on for ways you can take action today.

BY Gwen Bortner

As news changed daily on the actions we each needed to take as a result of the COVID-19 Pandemic, it became obvious that small businesses were going to be hit the hardest. But small businesses also have the greatest flexibility with the ability to make modifications quickly and adjust to an ever-changing environment.

On Tuesday, March 17, 2020, Heidi Kaisand, publisher of American Quilt Retailer and the owner of Hen and Chicks, a local quilt shop and I got together over Zoom to discuss ideas on how the local quilt shop, or any local craft business, can survive the pandemic crisis. <u>Click here</u> to listen to our discussion. The following highlights some of our conversation along with a number of other ideas we did not have time to discuss.

It has become increasingly clear we can no longer do business as usual, at least for the near future and possibly longer. As people are encouraged to socially distance themselves and shelter in place, everything changes for many in our industry. But, as one of our listeners said, "It's kind of an exciting time because everything is up for grabs. It's a free pass to cancel what wasn't working and try something new."

Those with brick and mortar shops will have little to no customer foot traffic. Instructors who spend the majority of their time on the road will be staying home. Customers who count on their crafting community for social interaction will be isolated.

First Evaluate

Regardless of your business model, now is a good time to take a hard look at your finances. This includes not only looking at how you expect you income to change, but also where and how you can adjust your expenses. Try to be realistic about income adjustments. As folks spend more time at home, many will turn to their favorite hobbies as a means of comfort. These people will continue to need supplies. If you already have an online store, be prepared to see more online sales. If you don't have an online store, consider options for selling supplies via phone, email or other online service. Sales will probably change, but it doesn't have to drop to zero and in some cases may actually increase.

Also look at what expenses can be reduced or possibly eliminated. Often there are lots of little items that actually add up to a significant number. Consider adjusting when and how much inventory you are buying. Review automatic payments, credit card statements and other items that may not usually be scrutinized closely. Eliminate everything that isn't a necessity for staying in business in the near term.

If you have employees, you will also want to look at how you can maintain your employees if feasible and if not, who may need to be laid-off, at least temporarily. For any remaining employees, ask yourself how their work might be adjusted either in terms of hours, work load, or work location. In some cases, even though keeping a store open to customer visits may not be advisable, it may still make sense for the business to be open serving customers in new and different ways.

Also look at the expenses that we typically think of not being able to be adjusted, like rent, credit card payments, utilities, etc. Reach out to these vendors and talk about how you can work together to get through this time. Everybody is aware of the issue and most are willing to work with their customers to create a mutually agreeable plan. If you have mortgage, you may be able to delay payments for a few months until things settle down (this is called forbearance). Don't assume anything is off the table as a possibility until you ask. The key, regardless, is to communicate! Stay in

communication with any many people as possible to develop creative solutions and eliminate unhappy surprises on either end.

Do Something Different

Now is the time to put all those fabulous creative skills to use. Creativity doesn't have to just be in the artistic realm, it can also be used in the problem solving arena.

Sales

Sales don't need to stop and in some cases may just increase. Historically during times like these, people turn (or return) to hobbies that bring them comfort. Others who have considered starting a hobby but "didn't have time" will take advantage of this unique scenario.

So how can you maintain sales when we are no longer allowed to utilize our traditional business model? Below is a list of some ideas that can be leveraged as a jumping off point:

- Take orders via phone or email and then use PayPal or a similar service to process the remote payment securely.
- Create a virtual personal-shopper experience using Facetime or Zoom to "walk" customers through the store.
- Offer curb-side pick-up or possibly porch delivery for local customers.
- Offer shipping to those not local or unable to leave their home.
- Offer one-on-one help and/or private lessons via Facetime or Zoom so customers that have gotten stuck or are ready to learn more have opportunities.
- Create a virtual class or stitch-a-long using private Facebook groups or Zoom.
- Develop a "Learn-to" package that includes tools, supplies and instructions for someone to get started.
- Create a variety of age appropriate projects that can keep children occupied during their time away from school.

Remember that this time of challenge is also a time of opportunity. Much of your final result will be based on how you approached it.

Marketing

Marketing may be more important than ever. As such, remember to focus on and understand your business' brand. Creating marketing messages that match your brand is another way to provide comfort to your existing customers and possibly create new customers.

It is also a great time to try some ideas that you have put on the back burner or thought not feasible due to time required to implement. In addition to your current marketing activities here are some options that might be worth considering:

• Beyond all of the obvious posts to be done on Facebook or Instagram, consider trying a Facebook Live or IGTV post to create a more "in-person" environment.

- Increase the frequency of your current newsletter delivery.
- And when people actually take the time to respond to your newsletter (because they have more time too), respond back and begin a dialog. Creating opportunities for communication will be even more important now.
- Employees that may need to work remotely could call any of those customers for whom you have a phone number just to check in and see how they are doing.
- If you track customer birthdays, start sending out cards now and prep cards for the rest of year while time is available.
- Partner with a favorite teacher/designer to offer something virtually to your customers. You can provide the supplies, they can supply the instruction and/or design.
- Consider creating a combined network of other businesses that are not your direct competitors to increase the reach of all of your marketing efforts—like a shop-hop, just virtually.

Also remember to watch what other craft-based businesses are doing in the way of marketing. Ultimately, all small specialty retail businesses have more in common than we do differences. So learn from one another.

Community

Many of our businesses are more than a retail store, they are also a community of friends and enthusiasts. As the pandemic requires physical isolation in many cases, maintaining community will be more important than ever.

Although there is nothing that will adequately replace a hug from a friend, being able to stay in contact with fellow enthusiasts is a positive step. If you are not already do so here are a few ideas to maintain the community feel while keeping our distance:

- Set up a Facebook group for your customers. Create virtual events like "Stitch and Chat" for specific times on various days to encourage folks to be on. If possible, host a Facebook Live at the same time so everyone can see each other's comments.
- If the weather is good and it is deemed appropriate by local authority's guidelines, consider hosting an outdoor stitching event in an open public space being mindful of guidelines offered by the experts.
- Host a virtual quilt show by inviting customers to contribute photos and a brief story about their quilt. This can be shared via Facebook, Instagram or as part of a daily email.
- Business owners can create a virtual mastermind group to maintain communication with their peers, brainstorm and provide support for one another.

Most importantly, be willing to try new things. This scenario is new to everyone and it may take a bit before new concepts are fully adopted. But community is important and relationships matter.

My To-Do List

Make Good Use of the Time

So often we complain that we don't have time for.....fill in the blank. Well, now is the time!

The first thing to do is to try and keep a cool head and a calm demeanor. Panicking rarely has leads to a positive result. Then look at the "should do" list or create one and start working through the items that seem to have the most value in the long run.

In case you need a little help getting started on that list, here are a few ideas to prime the pump:

- Update your website whether minor updates or major revisions. This includes deleting old information, uploading new content, or freshening up images.
- Complete an extensive inventory review. Analyze all of the various product categories, vendors, etc. to determine where, if any, changes should be made going forward. Also this is a great time to perform a physical inventory if you don't already do so on a regular basis.
- Move the shop around and/or make any major physical changes you have been putting off. This might include a fresh coat of paint, moving shelves or other activities that would have normally disrupted regular store hours.
- Update shop samples. Most owners rarely have time to actually participate in the hobby that brought them to the business in the first place. This is a particularly good time to try out new ideas, tools, supplies and techniques to determine if you want to bring them into the shop.
- Get on top of your email. Dedicate a chunk of time to actually getting your inbox under control and then make a commitment to stay on top of it, even when things return to normal.
- Invest in your own business education. This can be done by reading a few business books or by signing up for (or actually completing already purchased) online training programs.

Ultimately be confident in the knowledge that there is no "right" answer in this situation. This is new for everyone, but that also means we are all in it together. So if we apply our creativity, maintain a positive attitude, and do our best to make good decisions for our unique circumstance, many of us (hopefully most of us), will make it through the pandemic and out the other side.

If you are needing a little help brainstorming about what you should do, I am offering for a limited time, a free 20 minute brainstorming session, just <u>click here</u> to sign up. We can all get through this if we maintain our creativity, stay calm, be gracious to one another, and work together!



Gwen Bortner is a business consultant focused on the craft enthusiast industry. For more information on how she helps her clients build profitable businesses and to get more down-to-earth business advice visit gwenbortner.com.

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