

KEYPOINTS

THE RETAIL NEWSLETTER

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ACCELERATING RETAIL

Target opened 3 locations in CA, MO, and PA on July 21. Target has nearly 2,000 locations...**Smoothie King** opened 18 stores and signed 34 store commitments during Q2 2024, with a goal of 100 openings for the year. Smoothie King operates 1,300+ units worldwide...**Lush** will remodel all 260 US stores. So far 15 stores have been revamped...**Ross** opened 24 stores in June and July. It operates 2,148 total stores and plans to reach 3,600...**World Market** opened its newest location, with 6 additional openings planned in 2024. World Market operates 239 US stores...**Aldi** ended July with 4 store openings, entering the WI market while expanding its presence in MD, MN, and MI...**Toys"R"Us** owner WHP Global signed a license agreement with the Navy Exchange Service

LUSH FRESH HANDMADE COSMETICS



Lush will remodel all of its 260 US stores this year

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Command to open Toys"R"Us shop-in-shops in NEX stores, with 2 to launch this fall and additional stores to follow in 2025. WHP is also partnering with Go! Retail Group to roll out up to 24 Toys"R"Us US flagships, with the first to open this fall... **Primark** will open a store in MN in September, part of an ongoing US expansion that will bring Primark to 27 stores in 11 states...**Sierra** recently opened its 100th store, and is set to open 26 locations in 2024...**Wawa** opened a store in WV, its 13th state. It now has more than 1,060 stores...Japanese retailer **Daiso** opened 3 US stores this week. It now operates 141 stores in 8 states...**Kohl's** is opening **Babies "R" Us** locations at 200 of its stores this fall...Australian apparel brand **Princess Polly** will open 5 US stores in 2024, in CA, AZ, and MA...**Qdoba Mexican Eats** will open 39 US locations, led by franchisees. Qdoba operates 760 locations and plans to double its footprint to 1,500 units over the next 7 years... the 100th US **Lego** store opened this month in MI.

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Observations

Chris Cardoni, Editor

OBSERVATION: Life Lessons from Blockbuster:

Some of the most useful and enduring things I've ever learned about dealing with human beings I learned at Blockbuster Video.

I was reminded of this when I came upon this **Retail Dive** article: *Blockbuster still wants you to be kind, rewind - The video rental chain's last-standing franchise location...has both loyal customers and nostalgic fans* (Daphne Howland, Senior Reporter, RetailDive.com, July 24, 2024), about the "last-ever Blockbuster in the world", located in Bend, Oregon. The article notes: "As the last one standing...Bend, Oregon's location is now a tourist attraction...Children seem confused as their parents try to explain what they had to do to watch a movie when they were their age: browse through tapes or disks at the store, give the clerk the membership card, pop the movie into a machine...then return it to the store". And the tape would be rewound, of course.

Earlier in these pages I've shared my retail experience. I worked in a drugstore for five years. I sold shoes, ran a car wash/gas station/car rental office, managed a book store - and for a few years I managed a Blockbuster Video store. I've dealt with hundreds of customers in hundreds of situations. Here are few things I learned about people:

They are not in any way responsible: I told a customer they had 3 weeks of late fees due to an unreturned tape; they replied, with great indignation, that they'd asked their *neighbor* to return it, so why should they have to pay? Anyone who's spent any time in front-line retail will tell you that the old saying "the customer is always right" wasn't supposed to be taken literally. The customer is *hardly ever* right. But it behooves you to treat them as if they are right.

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KPP NEWS

New Business: Investment Sales: VP of Investment Sales Jonathan Aron is handling the sale of **5 Pierce Street**, a free-standing Walgreen's location in Greenfield, Massachusetts...**Property Management:** The KPP management team will handle property management for **332-338 Newbury Street**, Boston, Massachusetts.

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DECELERATING RETAIL

Conn's filed for Chapter 11 in Texas. The company plans to wind down its business, shuttering its fleet of 550+ stores...

Rite Aid is closing 50 more locations, according to recent filings in the retailer's bankruptcy case...**Red Lobster** filed paperwork with the US Bankruptcy Court in Orlando for a new owner: RL Purchaser LLC, a stalking horse bidder made up of Red Lobster's lenders, which proposed a \$376 million bid...**Big Lots** now intends to close more than 300 US stores. It had first announced about 40 closings...**Buca Di Beppo**

BIG LOTS!



Big Lots now says it will close more than 300 US stores

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has filed for Chapter 11 bankruptcy. It has 44 restaurants across 14 states...**Noodles & Company** anticipates closing at least 10-15 restaurants...**LL Flooring** has filed Chapter 11. It will close 94 stores at the start. The other 300 locations will continue operating normally.

NEW ENGLAND RETAIL

A combined **Carter's/OshKosh B'Gosh, Claire's, Mélange Home, Perfume Palace, Limited Hype, Jack's Country Store,** and **Vineyard Vines** will open at Kittery (ME) Premium Outlets...The first **Panera to Go** store in MA (and the second anywhere) opened in Watertown...**TD Bank** will close 7 MA branches, including 2 in Boston. Following the closures, TD Bank will have 128 MA branches...**Boston Pickle Club** will open its 2nd Boston area location in Norwell, with 10 courts...**Honey Baked Ham** will open 8 stores in MA and 2 in RI. The family-owned company has 400+ US locations.

MONTHLY RETAIL SALES: COMMERCE DEPT.

Retail sales increased 1.0%, the Commerce Department said. Excluding autos and gas sales rose 0.3%.

Source: U.S. Department of Commerce - commerce.gov

CONSUMER CONFIDENCE INDEX

The Conference Board Consumer Confidence Index® rose in July to 100.3, from a downwardly revised 97.8 in June.

Source: The Conference Board - www.conference-board.org

Customers - people - like (and very much need) small victories

They have a very hard time choosing:

The question I was asked most often, by customers facing a storeful of movies organized by genre, including an entire wall of New Releases, was "What's a good movie?" A nearly impossible question to answer, but it shows that people tend to be paralyzed in the face of too many choices. Many retailers and fast food chains have learned this, and will limit or package items to make it easy (Value Meal #1, anyone?).



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Most important of all, they like (and very much need) small victories: Ah, the look on a customer's face when they won their case, and I removed the late fees from their account! Many people feel the world is against them and larger victories are out of their grasp. Ignore the late fee; accept the return; listen to the grievance, and grant the request. Allowing them these small victories makes them feel at least a little better, for at least a little while. You've lost nothing, really, and gained a great deal. Ask Target, or Amazon, or any of a number of merchants who have made customers into advocates by letting them win a little.

OBSERVATION: Become the Boardwalk: "Everyone loves a classic beach boardwalk, and even the most landlocked retailers can adopt some practices that help make it a perennial summer attraction", proclaims a recent piece on **Chain Store Age** (*Three retailing lessons from the beach boardwalk*, Dan Berthiaume, CSA.com, 8/9/2024).



Photo:©mkopka@123RF.com

Berthiaume suggests three aspects of the classic beach-town boardwalk, with its "magical row" of arcades, shops, bars, restaurants, psychics, and ice creameries, that retailers should well adopt:

Gamification: Boardwalks have games designed to make you keep playing. "Any retailer can benefit

by offering...some type of game where they can earn points that can be traded for rewards... [the] urge for competition keeps customers visiting more frequently and longer."

Convenience: Boardwalks offer tremendous convenience to beachgoing consumers...[with] a wide variety of amenities all in one general area...centers should consider expanding their offerings...and take a creative approach to co-locating different types of partners within stores."

Localized Assortment: "Stores on the boardwalk will often feature products that cannot be found anywhere else... Retailers of all types in all locations can use a localized merchandising strategy for at least some of their assortment"

Retailers, take a walk on the boardwalk!

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