Store-to-doors by Factorie Table Bay

By Daniel Africa

Overview

- Problem Statement
- What are Store-to-doors?
- Store-to-door data from store (Table Bay)
- How do we capitalise on Store-to-doors?
- Advantages and Disadvantages of Store-to-doors
- Questions to consider

Problem Statement:

In September 2023, Factorie Table Bay Mall was left without a Manager. The store was under serious pressure for underperforming. The store was not meeting weekly and monthly budgets assigned, and it was also not meeting comparable sales from the previous year.

The current floor supervisor, Lutho Xesha and sales assistant, Daniel Africa were both promoted to acting manager and floor supervisor respectively. As part of management we were tasked with improving the store's performance. To improve the store's performance we implemented the VIBE which focused on a more resolute and forceful behaviour in terms of our customer engagement rather than a direct approach. Another implementation to improve the store's performance was **store-to-doors**, which was an unseen success.

What are Store-to-doors?

Store-to-doors is a service where customers can place an online order, track the order's progress, and receive the product at their doorstep.

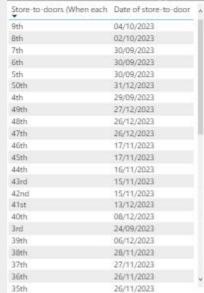
In terms of the Cotton On Group (COG), store-to-doors is a service provided within the store. Employees can order a desired product and size for a customer that is not within the store from our Distribution Centre (DC), which can be delivered to the customer's doorstep free of charge.

Store-to-Door Sales From September to December 2023



Business Week 12 27

Date when each Store-to-door happened



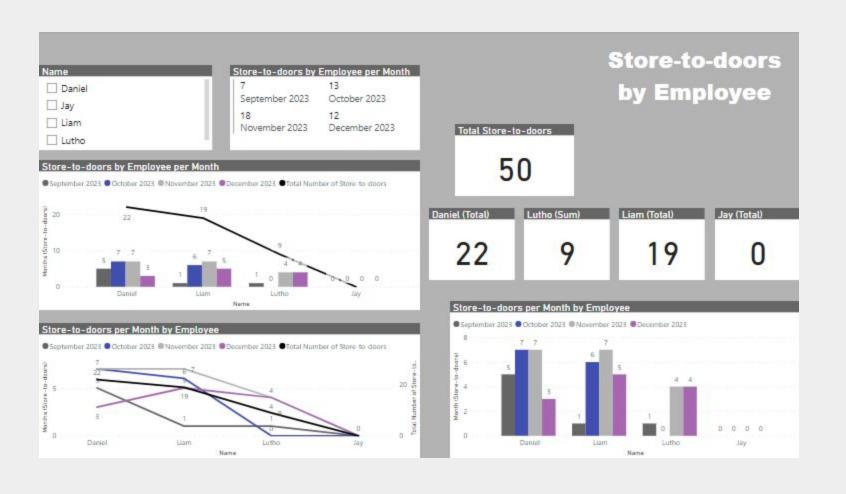




10

Store-to-doors by Week

um of Store-to-d	oors by Week
12	1
Business Week	Store-to-doors
13	2
Business Week	Store-to-doors
14	4
Business Week	Store-to-doors
15	б
Business Week	Store-to-doors
16	0
Business Week	Store-to-doors
17	2
Business Week	Store-to-doors
18	4
Business Week	Store-to-doors
19	2
Business Week	Store-to-doors



How do we Capitalise on Store-to-doors?

Table Bay mall is situated on the corner of the R27 (West Coast Road), which is surrounded by wealthy suburbs with the likes of West beach, Big Bay, Sunningdale, Parklands North, Melkboss and Atlantic Beach Golf Estate. These suburbs are very wealthy areas with an approximate value of 3.4 million rand for a standard 3-bedroom home and this is increasing annually..

Our store was not as busy as other stores and were not making a lot of money. We had to find a solution to increase sales to reach budget and comp sales from the previous year.

We were aware that we have very wealthy clientele surrounding the mall, but nothing attracting them to the mall as we have no form of entertainment at the mall. This causes the busyness of the mall to be very slow-paced, consequently causing us to make minimal sales.

We capitalise on store-to-doors by:

- Implementing a persistent engagement with a resolute behaviour as part of the relaunch of the VIBE.
- We noticed that when a customer could not find a size in store, or wanted some of our new stock that our store did not have, we could do a store-to-door sale for them to increase our sales.
- Our customers are eager to do store-to-doors when we explain to them that the process is similar to that of buying online on the Cotton On website.
- It also encourages our customers that the delivery for store-to-door is free opposed to buying it online where you would pay for delivery.
- Our customers live a distance from Central Cape Town and a lot of our flagship stores, with Canal Walk Factorie being the nearest (20 - 26 minutes away). They do not take pleasure in traveling to another busier store (because of the distance), hence opting for a free delivery system rather (store-to-door).

Advantages and Disadvantages of Store-to-Doors:

Advantages:

- All money made from a store-to-door sale goes to the store the sale was processed at.
- These sales do not affect the store's SOH (stock on hand).
- There is no delivery fee attached to a store-to-door sale.
- A store-to-door sale can be attached to a normal sale with a customer physical taking an item in store and having the other (store-to-door) being delivered to their home.
- Customers can get items from smaller stores that are within their area, opposed to bigger stores and traveling far to them.

Disadvantages:

- Delivery takes about 3-4 days
- Deliveries are only processed throughout week days and not on weekends.
- Like any online or delivery order, there is opportunity for mistakes to happen with orders or prolonged waiting periods.
- Date and time of delivery are not specific.
- There is a waiting period before receiving your desired product, opposed to getting it immediately.

Questions to consider:

Does a store-to-door sale affect your SOH (stock on hand)?

 No, a store-to-door sale is done when the item is not present in the store at all. It's one of our omni channels which is processed through our DC (distribution centre) and affects their SOH.

Does it take long to process the sale?

 No, our POS systems allow for a quick and efficient store-to-door sale. All that is required is their details (Name, surname, cell phone number, email and their shipping address).

Does the store receive the money from the store-to-door sale?

• Yes, the store at which the sale was made will receive the money from the store-to-door sale.

Do you pay a delivery fee for a store-to-door sale?

 No, all store-to-door sales have no delivery charge regardless of their price, opposed to buying online where a certain amount needs to spent to receive a free delivery. How long does it take for the item to be delivered to your desired location?

• It takes 3-4 working days for the item to be delivered.

Is a store-to-door the same as buying an item online?

 No, they are 2 different systems that our company makes use of to increase the opportunity for sales. A store-to-doors sale is processed from within the store on one of our POS systems, whereas a purchase made online is processed on the Cotton On website.

How do I track my order?

• When you process the sale it is important that the correct details of the customer are taken down (cell phone number and email), as they will receive an SMS or email stating that they can track their order through our 3rd party delivery system (Dpd laser). They will receive updates of when their order is delivered, what time it's been delivered and where it is being delivered to, and regular updates throughout.