



A CITY'S CHARM

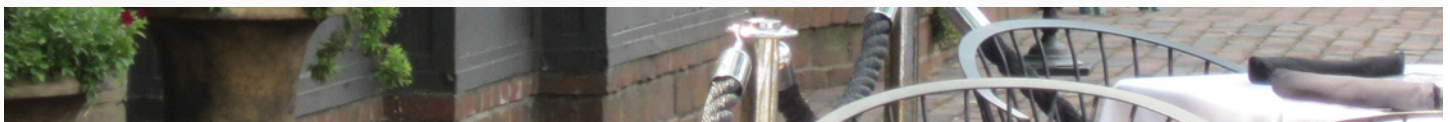


PHOTO: RETAIL MINDED

Discover Old Town Alexandria's History of Success. Plus! Learn How Veteran Retailers Continue to Thrive Year After Year.

By Amy Barnes Knebel

Most visitors coming to Washington, D.C. expect museums, monuments, government and not much else, but right across the Potomac River lies the long-standing boutique haven of Old Town Alexandria. Originally a seaport and trading center, Old Town Alexandria has maintained a passion for commerce since its incorporation in 1749.

Shoppers have a bevy of independent retailers clustered with a few square miles along the same brick sidewalks once trod by some of our nation's founding fathers. Most shops are located within historical buildings, some dating from the colonial era, which provide for a unique peek into America's history.

Not only is Old Town full of American history, but it also has a history of supporting independent businesses, many of which have been in business for more than 30 years. Savvy area residents know to skip the mall and come to Old Town Alexandria because the rich variety of stores centered along King Street meet almost every need imaginable.

SECRETS OF SUCCESS

With so many retailers in Old Town, the only problem customers will have is finding time to get to every store. Bellacara, an upscale beauty boutique on King Street, provides customers with an array of products, while The Shoe Hive on South Fairfax Street offers fine shoes and accessories. In search of a perfect gift? The Christmas Attic and The Urban Attic on South Union Street both have a wealth of unique items for any time of the year and any occasion. Looking for an outfit that's also handcrafted art? Imagine Artwear on King Street carries artist handcrafted clothing, accessories and jewelry. All that shopping can work up an appetite, but luckily there is no shortage of indie restaurants to enjoy either, including Bittersweet on King Street. These are just a sample of what makes Old Town Alexandria enticing for shoppers.

So what's the secret behind their success? A number of boutique owners and small business resources revealed several key practices that give these indies staying power.

All owners agree that one of the most important business practices to master is the realm of finance. Bill Reagan, executive director of the Alexandria Small Business Development Center, stressed that boutique owners who lack a solid financial background "need to become proficient or hire someone who is. Businesses are well served to consult with the ASBDC to make sure they are not wasting any effort."

Angela Sitilides, who owns Bellacara, stressed being "fiscally responsible. It is easy to get caught up in buying everything people ask for. Unfortunately, you can't make everyone happy, and often people learn it the hard way." Cheri Hennessy, who along with her sister owns The Christmas Attic and the Urban Attic, maintained that her financial strength is her budget. "I know where all the money is, and that allows me to look far enough ahead to take advantage of what's good and what's bad."

Jody Manor, Bittersweet's owner, agreed with Hennessy and added, "Not only do you need to know where the money is going, but you have to be prepared to invest profits back into your business so you can continue to innovate and stay on the right track."

Another secret to long-term success is maintaining your focus.

"Remain true to yourself and don't compete," Suplee stressed. She cites what happened to another store with a core customer base similar to hers; the owner changed the merchandise mix to try to attract an additional type of customer. It didn't work because the original customer base was fragmented and that store is no longer in business.

Knowing your core customer is also vital. Elizabeth Todd, owner of The Shoe Hive, pays close attention to local customer preferences and stocks what she knows her customers will buy. She observed that moms and tween/teen daughters were shopping together, so she stocks for both. Sitilides can rattle off exactly who makes up her customer base and knows they require a knowledgeable staff.

RESPONDING & REACTING

At the same time that a boutique owner is trying to maintain focus, veteran indies emphasized that remaining nimble and vigilant have enabled them avoid mistakes or least nip them fast should they arise.

"I'm committed and very involved in the day to day," Todd said. Hennessy agreed that boutique ownership isn't a hobby and that you have to be able to react quickly and make hard decisions to do what makes sense for your business.

"My customers, employees, inventory and suppliers are my assets and you have to protect your assets constantly," Suplee remarked. "It's ongoing and never ends."

The Small Business Development Center's Reagan considers the information that many POS systems provide help retailers make quick and informed decisions, strengthening their businesses. Reagan also noted that all the successful boutique owners he knows leans on their POS systems – something he considers a must for retailers.

GAINING LOYALTY

Stores who have weathered more than the most recent economic downturn agree that customer care and cultivation contribute greatly to their success. Some business owners such as Sitalides and Manor use formal customer loyalty programs, while others such as Supplee take advantage of trunk shows and custom ordering to entice new customers and reward loyal clients.

Hennessy and her sister actively pursue new clients to add to their multi-generational customer base. Reagan maintained it all comes down to the connection customers either do or don't feel when walking into a boutique.

“Veteran, successful boutique owners are gregarious and not threatening,” he shared. “They engage with something other than asking if a customer needs help. Successful retailers also know that staying in touch and communicating with customers creates a relationship. Essentially, you are selling an experience that appeals to all the senses and when this happens, a customer walks out feeling better, like they have just visited a friend.”

Understanding this means understanding that who takes care of your customers is critical to your success – or lack of

it. It's either you or your staff, and developing and retaining top-notch staff is of utmost importance.

Sitalides advised that great staff is essential to long term success. She has had very little turnover because when she finds someone great, she does her best to keep them happy. Reagan maintained that retaining and motivating loyal employees helps create employees who become customer's favorites.

Over at Bittersweet, Manor recognizes that, “when you are competing with a chain, the only thing we can do to make it better is our service.” Manor has cultivated a staff stocked with long-term employees and treats them well – including offering cash incentives – as part of his employee management strategy. His theory of “putting the plant in the right window” has helped him retain staff by identifying the right role for each employee and then helping that employee grow into the role that's their best fit. Then, he said, “I'm surrounded by employees who both know their roles well and are a great fit for their roles. Everybody wins.”

MAKING HISTORY

Unfortunately, some boutique owners succumb to a bunker mentality and look at other local businesses as competition. Veteran retailers in Old Town Alexandria think differently and know community promotion and networking works wonders. In addition to taking advantage of support that the ASBDC offers, including workshops and get togethers, indies are going grass roots with additional networking and community programs. And the best part? Their efforts are paying off.

TOP FIVE REASONS RETAILERS SHOULD WORK TOGETHER

- 1 Encourages economic stability in communities
- 2 Promotes collaborative efforts to help indies succeed
- 3 Supports entrepreneurs in their at large efforts
- 4 Competes with big box retailers in a way a single store can't do alone
- 5 Offers leadership through each other's strengths

“You have to promote your community, not just your business, as a destination,” Supplee contended. “I want this community to become comfortable to others.” She serves on several boards and always participates in special events such as First Night Alexandria, often working to recruit additional stores’ participation in community events. Manor stresses that the concept of community for him includes working with local schools so students are exposed to additional career paths.

Agreeing that “a rising tide lifts all boats,” Hennessy noted that you can learn a lot from other stores, display ideas and additional product ideas. Sitalides revealed that, “a friend who owns another Old Town boutique is someone I can always count on to tell me when something I’m doing could be better. Those friendships are invaluable.”



PHOTOS: RETAIL MINDED

Old Town, Virginia supports their independent merchants with signage that reminds customers to support local businesses. When repeated throughout communities and stores, consumers consistently receive the message to shop local and shop indie. The strategy works, which is why Old Town and other communities nationwide do this.

To answer the need for more grassroots sharing of ideas and resources, The Shoe Hive’s Todd started the Old Town Boutique District (see sidebar) where she used her prior career skills to create a group for like-minded retailers to join. Indie retailers in Old Town Alexandria have plenty of resources at their disposal and the historically successful retailers take advantage of these resources for information and networking.

For customers, successful independent businesses in Old Town Alexandria means having strong retail experiences surrounded by America’s early history. Local boutique owners work hard to practice what they preach, which clearly shows in their success. Not only is Old Town Alexandria charming to shop and dine, but retailers everywhere can also learn from studying the history and practices of these savvy, treasured retailers.

Know of a city you think deserves some spotlight attention? Let us know! Email Retail Minded at nicole@retailminded.com.

IT’S AMAZING WHAT ONE WOMAN AND ONE IDEA CAN DO

Founded by Elizabeth Todd in 2005, the Old Town Boutique District was inspired to bring like-minded retailers together who alone do not have marketing budgets to gain exposure in the Washington, D.C. media market. Understanding this and yet still determined to give recognition to her store, The Shoe Hive, and other local retailers, Todd came up with the idea to market the Old Town area of retailers collectively.

In her first five years of operations, Todd marketed jointly with a neighboring boutique to save money and cross-pollinate between the two stores’ customer lists. Over the next five years, the Old Town Boutique District grew to 35 member stores and has staged large-scale shopping events that routinely attract television coverage and drive new shoppers to Old Town’s stores. A winter joint clearance sale has become legendary and draws shoppers who wait outside in the cold for hours to get boutique merchandise at 70 percent off. The Boutique District organizes and runs a Santa photo station during the Christmas holidays to make sure loyal boutique shoppers have one less reason to head to the malls instead.

“Smart marketing works, and if you’re a small business owner, smart collaborative marketing works even better,” stated Kim Putens, Old Town Boutique District co-organizer and retailer.

We think they’re right!