



## **Turning around a DIY superstore**

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Woodlands DIY has been trading in Leeds for close to a century. Incorporated in 1940 and bought by the current owners in the late 1970's, the business separated the shed manufacturing from the DIY superstore that occupies 3000m<sup>2</sup> of trading space on a large and valuable site.

The owners were considering closing the store in early 2011, and invited The Knowledge Studio to look at the problem. The engagement began with a general analysis of the store's operations, brand, products, marketing, staff and customer service. This revealed the business had languished for several years, so an ambitious set of changes were proposed to double the turnover by December 2014. The owners approved the recommendations and asked us to implement the changes.

A continuous-improvement, knowledge-based approach was selected to ensure changes were sustainable and staff were able to take responsibility for improvement. Our team then worked closely with the store manager to identify problems in each area and then inspire staff, show them where to find the knowledge they needed to make improvements, and how to apply it. Work commenced with customer segmentation and branding, identifying key values and repositioning the business to be more relevant and more competitive in the markets it ought to be trading with. Marketing strategies were then methodically developed around a marketing calendar, and the product lines and services were reviewed accordingly. A new website was planned, and by the end of our engagement staff were gathering content.

Physical changes began with general tidying and repainting of the store. A tea-room was built to attract early morning trade customers, and this construction engaged staff in the process and provided an opportunity to teach concepts like merchandising and retail management. Analysis had shown the store layout needed adjustment to make items and departments more accessible and appealing to customers, so this was systematically researched and a new layout then implemented. Staff were simultaneously trained in the reasons for the changes and how to maintain a high quality presentation.

While the store was receiving its makeover, it was equally imperative that staff of all levels knew their roles and responsibilities. A store handbook was developed, employees were given extended

training and included in all improvement activities to gain experience. The store employs fewer staff per trading space than its competitors, so practices were refined to improve efficiency. Undesirable activities were identified and trained out, and in the case of theft staff were dismissed and practices altered. More formal lines of communication between staff, management and owners were opened, and procedures like weekly inspections were adopted. Motivation was also addressed, with structured incentives, recognition for excellence and mechanisms for setting targets and monitoring performance.

A closeout report was prepared on conclusion of a the project, highlighting the achievements, the total cost of the project, unresolved issues and future recommendations. In summation, the project was completed on time despite an extremely limited budget, no additional resources to undertake the work and many technical and cultural challenges. The project was also successful according to other measures:

- The project achieved financial break-even, with all expenses and capital improvements being paid for out of increased revenue during the project period.
- Newly found pride in the store became evident, staff motivation levels rose, and the results of everyone's hard work became tangible.
- The emphasis on customer feedback was found to be highly beneficial to both morale and turnover, and by the end of 2011 compliments were beginning to be received on the change of appearance in store, staff attitude, customer service and efficiency.
- Observations showed a wider variety of customers had been encouraged to shop at the store, and daily till transactions increased on occasion by up to 20%.
- Monthly turnover compared year-on-year showed an increase of over 10% during October to December 2011, and January 2012 turnover was up 25% over January 2011. This was particularly pleasing in light of negative figures published by several big-name DIY competitors for the same period.
- The project was seen as a success by the owners; closure of the store was no longer an option, their faith in staff had been restored, and kindly said of The Knowledge Studio's involvement:

*"Your input and knowledge has been invaluable, it has been enjoyable to work with and learn from you and your enthusiasm for the task has really helped other members of staff through what can only be described as 'difficult times'. The shop project has achieved some real improvements and it has not gone unnoticed that many of these were as a direct result of your input and perseverance – perhaps the most pleasing aspect of this project has been the apparent shift in staff attitudes and demeanour, particularly more recently, which again I'm sure owes a large amount to your own effort."*