

THE RETAIL MANAGEMENT ADVISORS

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USING THE BEST ADVERTISING MEDIUM FOR YOUR STORE

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I have heard it said that half of all money spent on advertising is wasted - you just do not know which half. In today's economy it is more important than ever to spend your advertising dollars wisely. But, how can you know for sure where to spend them? This is where it is important to know your local area. In some areas, TV is an important medium. In other areas, newspaper or radio is most important. Just as every retailer is unique, so are the best methods for advertising unique to the local area. To see what works best in your community, you must test the different methods. One way to do that is to use the same advertisement in different media and see what results you get. Use coupons, codes, and specials to measure the headline, timing, and placement of your ad. Test only one item at a time and one medium.

Testing can also be as simple as asking every customer for several weeks how they heard of your business, or what medium they actually read or listen to. It may be a specific radio station or TV station or newspaper, etc. If radio or TV also find out what time they tune in.

### Ask, ask, ask

Do not be afraid to ask your customers their preferred method for receiving information about your store. Once they have told you, then use that method! Personally, I prefer either direct mail or email. It puts me in control of when I actually read the message.

One way to find out your customer's preference would be to simply hand each customer a small card on which they write their preferred method, as specific as possible, with the option of putting their name and email address on the back for a drawing for a Gift Card or Gift Certificate. This serves two purposes. You find out their preferred contact method and this also gives you their email address. Once the customer gives you their email address, you can use it to market to them. (Keep in mind that you must always tell them in each email that they can opt out of receiving emails from you and give them an easy way to do it.) As you know, from getting our newsletter, monthly sales survey and other occasional surveys, we use Constant Contact as our email service provider. If you are interested in using them, let me know and I will send you a link to sign up with them. Doing it this way, you will get one month's free service from them. The important thing is to start.

## COMPUTER SECURITY (an Overview)

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350,387,036 is the estimated number of records containing sensitive personal information involved in security breaches in the U.S. since January 2005. Most analysts believe this number is actually much higher. Frequently a company finds out after the fact that a breach occurred and they have no idea how many records were affected. Some businesses have no security for their computers, no firewalls, no encryption, no security software and never know they have been breached until they are officially

notified. The time to protect information is NOW and hopefully this is before you have experienced an information security breach.

So, here's the first line of defense. Fairly easy and affordable . . . certainly much less expensive than the cost of notifying your customers and employees that they should not have trusted you with their personal information.

1. Protect your personal information.

If you receive an email asking you to update your personal information. DO NOT use any links provided in the email, and do not give your information out to someone calling you or mailing a letter to you.

If you receive an email to update your banking information, from a vendor you have a credit account with for example, go directly to that website and log in to your account and check your information. Do you use a provided email link. If you get a phone call, ask to call back and check the number you were given against what you have on file. Either call or email to verify a request for personal information through the mail.

2. Know who you are dealing with.

If you are interested in doing business with someone new, put their name or business into a search engine and see what else you find out. Try calling the contact phone number. Also be wary of file sharing. It is a great tool, but make sure you are protected. If you don't check the proper settings, you could allow access not only to the files you intend to share, but also to other information on your hard drive, like your tax returns, or other personal documents. In addition, you may unwittingly download malware.

3. Use security software that updates automatically.

Security software should include anti virus, anti spyware and firewall protection. The anti-virus software scans incoming emails. When your anti-virus program notifies that you should not open an attachment Don't. You paid for it so use it. Even if the email is from your best friend or personal banker, don't open it. Delete it and ask them to resend it. If you have anti-virus software installed and it updates automatically, when a pop-up window tells you your computer may be at risk, click here, Don't!. If you think you should not trust your anti-virus software, update NOW to something else. The firewall is the guard on duty to keep out hackers.

4. Keep your operating system and web browser up-to-date and learn their security features.

In addition, you can increase your online security by changing the built-in security and privacy settings in your operating system or browser. Check the "Tools" or "Options" menus to learn how to upgrade from the default settings. Use your "Help" function for more information about your choices.

If you're not using your computer for an extended period, disconnect it from the Internet. When it's disconnected, the computer doesn't send or receive information from the Internet and isn't vulnerable to hackers.

5. Protect your passwords.

Passwords should have 8 characters (as a minimum) and not be a catchy phrase, the user id, or personal information. Change passwords at least once a quarter and don't use the same password for multiple online accounts you access. Also, it should go without saying, but do not share your password with others.

6. Backup important information.

If you wonder what information is important, ask yourself what information you get from your employees, customers, and business associates that you need to run your business. Now, if you have important information on your computer, (like customer contact information, bank accounts, the business's tax records, and so forth) back up the information to a disk or external drive and then put it in a safe place. I talked to a computer forensics expert recently. He said he is always amazed at the number of people who will burn the data to a disk and leave it in the disk drive of the computer or put it in the desk drawer. If the computer is stolen or a disaster occurs, the disk will go too. Also, back-up

the information and restore at least one file or document and make sure the back-up is good. Then put it in a safe place separate from your business or home (if you operate a home business)

7. Make a written plan today for what you will do in an e-emergency.

Write a sample of the letter you will send to customers. Make a list of all programs on each computer. Make a list of who uses each computer and for what purpose. Look at all the information you collect and keep. Write down what you collect and why you collect it, why you keep it and how long it is kept. These are questions that will have to be answered if a security breach occurs.

A PERSONAL STORY ABOUT A SECURITY BREACH

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As usual, my husband and I use our credit cards a lot. In the morning he used a particular card twice with no problem. A couple of hours later I tried to use the same card to buy gas and got a message that it was invalid. Thinking that the magnetic strip might have gone bad, I used a different card, planning to call the credit card company when I got home. However, when I got home there was already a message on my answering machine from that credit card's fraud department. The credit card company had already put a fraud alert on my account when they noticed unusual activity. There was a \$0.26 charge to someplace in China! Also a \$2.22 charge to someplace in New Jersey that they said looked like a fee for currency transfer. Of course, these were both invalid. They closed my account and new credit cards are being sent by UPS. The moral is, no one is immune to credit card fraud, the credit card companies are very vigilant about checking for unusual activity and never be complaisant about your credit card security. It can happen to anyone at any time.

### **A COMMENT ABOUT NEWSLETTER TOPICS**

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I want to give a special thank you to all who responded to our survey asking for subjects you would like to see addressed in our newsletter. While only 31 of our readers responded, we got a number of good suggestions, one of which I have used this month. The specific question was, "How to advertise? What's the best vehicle: print, radio, TV, local cable, billboard, etc." We will be using others in coming months. Remember, any time you have a suggestion for a subject you would like to see addressed in our monthly newsletter, let us know. The reason we publish it is to help you, the independent retailer, and we can do that only if we know what it is you want to hear about.

Since our newsletter goes out to many various forms of retail, our subject matter must therefore be more general than some of you expressed an interest in seeing addressed. There were a number of suggestions I will not be able to use for the newsletter as they are more appropriate for groups of similar retailers. For example, a question about what is selling well right now is only appropriate to other similar stores. Also the question about how to sell men's suits is best addressed with a group of similar men's stores. There were also several respondents who were looking for very specific information concerning operating expenses, which also can be very specific to the type and size of store being operated. This is why we started our SWAP (peer) Groups, so similar retailers have a forum where they can share with each other this type of information. SWAP stands for **S**hare **W**ith **A** **P**eer.

To make it easier for retailers to join a SWAP Group, we have 4 different levels available, from a monthly E-SWAP group than can be done easily by even the smallest retailers to full 2-day groups that only larger retailers can afford due to the time and financial commitment required. To see these options and to join the group that will work best for your situation, visit us on the web at <http://the-retail-advisor.com>. Click on "peer groups" in the left-side navigation bar.

QUOTE OF THE MONTH

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Benjamin Franklin said, "An ounce is prevention is worth a pound of cure." Please take time today to ensure your "pound of cure" is NOT money spent on tech support, legal advise, and reputation repair.

## JOIN ONE OF OUR NEW E-SWAP GROUPS

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Don't be left out! Send us an email to learn how to connect with other similar retailers around the country to share, learn and become a better and more profitable retailer.

E-SWAP is a new, unique peer group for independent retailers! With E-SWAP you get the benefit of being part of a supportive group of peers without the usual time and money investment required by traditional peer groups.

For just \$12.95 a month you can be a member of one of our new E-SWAP Groups. SWAP means Share With A Peer and that is what you will be doing: sharing with and learning from your peers.

For more information, send us an email to eswap@the-retail-advisor.com with your name in the subject line and we will email back to you detailed information OR click here to go directly to the web page giving all the information by clicking on this link: http://www.the-retail-advisor.com/peer_groups.html

Do it today because you owe it to yourself to have a group of trusted, sharing advisors helping you with your business.

OPEN-TO-BUY

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**Announcing a new lower pricing structure for our Open-To-Buy Service.**

If you are tired of trying to decide how much of each type of merchandise to buy when at market, or if you are having trouble with cash flow, you owe it to yourself to try using an Open-To-Buy. We normally find that retailers who follow an Open-To-Buy enjoy increased Sales, higher Gross Margin and Profit and better Cash Flow.

Now, you can have a professionally generated Open-To-Buy, including a monthly review by someone with over 30 years retail experience for as little as \$230 a month (after a one-time set-up fee that includes help with setting Stock Turn Rate and Markdown percentage goals and the development of an annual Gross Margin Plan by classification).

We do not require any long-term commitments so you can cancel with just 30 days notice. Call us at 1-877-206-1299, visit us on the web at <http://www.the-retail-advisor.com/open-to-buy.html> or send an email to [LC@the-retail-advisor.com](mailto:LC@the-retail-advisor.com) to get more information, sign up and get started on your way to a more profitable store.

## WHAT WE DO . . .

- o [Monthly Open-To-Buy Service](#)
- o Open-To-Buy Implementation on Your System (if available)
- o Merchandise Performance Evaluation
- o [Shrinkage Control](#)
- o Development of Incentive Plans
- o [Development of Job Descriptions](#)
- o Seminars On Retail Subjects
- o Financial Analysis
- o Financial Budgeting and Cash Flow Projections
- o Computer/POS System Evaluation, Selection, Usage
- o Policy and Procedure Development
- o [Lead Tele-SWAP Groups](#) (Share With A Peer)

## Contact Information

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phone: 1-877-206-1299
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