

# Balancing the Internet & Retail Stores



## Strategy: Create and execute one strategy instead of many

**Our client's challenges:** Used CDs and other digital media had been under attack from pirates and the likes of iTunes. The client tried to maintain high selling prices. At the same time used books were introduced at very aggressive pricing. Both store management and customers were confused. Revenues fell significantly. Jacquard's assessment: Follow the same aggressive pricing approach for both channels. The internet and stores are complimentary and both supported the pricing and inventory turns methods.

**The internet and store fulfillment** processes were poor. Internet customers received bad service, and stores were not getting products. Store merchandising was not consistent with new lower market prices or the constantly turning product.

Jacquard aligned the management team with Profit Projects® customized to focus on fast and accurate fulfillment, pricing and cashflow.

Success Thread™	Profit Projects®	Highlights & Client Comments
<b>Operational Speed – Internet</b>	<ul style="list-style-type: none"> <li>Internet Pricing and Fulfillment</li> </ul>	Implemented a pricing strategy to make the smaller volume customers more profitable. Rebuilt fulfillment process
<b>Operational Speed – Stores</b>	<ul style="list-style-type: none"> <li>Classic Store Management</li> </ul>	Improved merchandising in the stores. Established formal process to track market prices.
<b>Financial Discipline</b>	<ul style="list-style-type: none"> <li>Cash Flow</li> <li>Geneen Formula</li> </ul>	Implemented Jacquard customized cash flow. Reorganized to close unprofitable stores. Implemented cash, channel and pricing models to improve cash return on investment.

## At a Glance

### : The Client

Privately-owned retailer of used music, movies, books, and video games. Products are sold both on the Internet and through eight company stores.

### : The Goals

Grow sales of books and digital media by significant amounts and create cash immediately.

### : Project Time Line

12 weeks

### : The Impact *More Profit!*

- Within five weeks, fulfillment improved from 73% in 1 week to 99% in 1 day.
- In 12 weeks, profits grew by 200% per week.

### : The Impact *More Cash!*

- Total project expenses were \$43,000
- Internet revenue went up with only 1/3 of the inventory, creating more fresh materials for stores
- In twelve weeks grew cash by 200% per week

Jacquard Associates is a team of hands-on, roll-up-your-sleeves business professionals who help clients identify strengths, raise expectations and improve the way they do business. We help **motivate** people, **streamline** processes, **impose** financial discipline and **create** systems to yield better customer service, faster turnaround, improved sales and enhanced profits.

Our single goal is to provide clients with tools to improve business performance fast. Organizations typically are full of opportunity. Owners and executives have great ideas and increasingly urgent needs. We specialize in transforming those **Ideas to Action** through a set of simple, proven, proprietary tools for improvement. A client's customized program of Ideas to Action may include:

- **One-to-One Coaching**, to develop mission-critical personnel
- **Wonderments**<sup>®</sup>, highly revealing and effective mini-projects demonstrate the impact of executing fundamental improvement opportunities
- **Profit Projects**<sup>®</sup>, longer-term improvement initiatives tailored to the client's needs and implemented by Jacquard and the client's team

Jacquard Associates also helps companies and industry groups develop **performance improvement expertise** through seminars, workshops and focused roundtable discussions.

**Work with us is easy.** We connect the dots between entrepreneurs, managers, investors, and bankers. We also perform certain services that other turnaround firms may not provide, and we are able to seamlessly integrate with any existing professionals in situations that warrant it.

Last but not least, **we put our money where our mouth is:** our fee structure is tied directly to our performance.

To learn more, call us at 847.945.8700 or visit us at [www.jacquard.com](http://www.jacquard.com).

## Industries Served

### Manufacturers

Automation – very small to very large  
Automotive Aftermarket  
Bicycle Parts  
Cases “sample and department store”  
Cleaning Supplies  
Clothing  
Consumer Auto  
Electrical Assembly equipment  
Electrical Components  
Fabric Printing  
Food Consumer, Staples, Flavoring  
Forgings  
Grinding  
Home Builders  
Jukeboxes  
Kitchen Assemblies  
Medical Equipment  
(hospital and private practice)  
Medical Test Equipment  
Metal Forming  
Mops  
Packaging – dangerous material  
Packaging – temperature controlled  
Packaging Materials  
Plastic Extrusion (consumer parts,  
plastic wood, electrical parts)  
Point of Sale Displays  
Printed Circuit Boards  
Printing (commercial, display,  
label and fulfillment)  
Specialty Albums  
Test Automation  
Valve Regulators  
Vending Machines

### Distributors

Collectibles  
Electronic Assembly Equipment  
Ethical Drugs  
Exotic Metals  
Factory Automation  
Fulfillment (various)  
Ice Cream  
Janitorial Supplies  
Jewelry  
Manufacturing MRO Supplies  
Medical Supplies  
Screen Printing  
Specialty Foods  
Used Production Equipment  
Wholesale Foods  
Wines & Beverages

### Service

Audio Visual Systems  
Banking – mid market lending  
Communication Software  
Contractors (general, electrical,  
HVAC and plumbing)  
Engineering  
Environmental Testing  
Industrial Cleaning and Coating  
Investment Bankers  
Marketing  
Point of Sale Marketing  
Public Accounting  
Publishers  
Surveyors  
Telephone Systems

### Retail

Carpeting  
Clothing  
Jewelry  
Music and Games  
Restaurant Chain  
Toys