Retail Is Retail...Or Is It?

February 16, 2016
3:15 to 4:30 pm
Monterey, California
Gwynne Gillette is VP of Business Development for Lori’s Gifts, a 35-year-old national retailer based in Dallas, Texas and specializing in operating gift shops in the hospital setting. With 17 years in this unique industry at Lori’s Gifts first as Director of Human Resources, then in the Business Development side, Ms. Gillette has experienced firsthand the challenges of moving a traditional retail business model into the 21st century. Before joining Lori’s Gifts, trained as a Music Therapist at West Texas A & M University and SMU and is a native of the Texas Panhandle.
Every day my inbox is inundated with “must-have” tools for everything from general marketing strategies to physically conducting sales transactions:

- Online marketing
- e-Commerce
- Catalog sales
- Email marketing
- Social media marketing
- Mobile transactions
- In-store technology experience
- Self-pay terminals
- Self-assist kiosks
Sure, retail is retail, but sometimes it feels like all the talk is about how and where you CONDUCT the sales transaction, not what you’re actually selling or to whom.

How should niche retailers craft a growth model for the 21st century?
Hold Your Ground

HCAHPS
Hospital Care Quality Information from the Consumer Perspective

Healthier Hospitals Initiative

The Joint Commission
National Quality Approval

California Hospital VOLUNTEER Leadership Conference 2016
Embrace Everything

HCAHPS
Hospital Care Quality Information from the Consumer Perspective

Healthier Hospitals Initiative

California Hospital
VOLUNTEER Leadership Conference 2016
Pick and Choose
Pick and Choose… *Wisely*

I suggest that you take a step back from the edge and analyze your unique retail position first; THEN decide where you need to go.
Who Are You?

How should niche retailers craft a growth model for the 21st century?

– Niche: the situation in which a business's products or services can succeed by being sold to a particular kind or group of people; a specialized market –Merriam-Webster Dictionary (2016)
I propose that the hospital gift shop doesn’t represent niche retail in the classic sense. Your niche is WHERE you are, not who you’re selling to.

When making decisions about changes to make in your shop, don’t stick yourself in the wrong niche.
Who Are You?

The hospital campus makes up the most diverse population of any facility in any location in this country.

- Economic diversity
- Cultural diversity
- Ethnic diversity

The single unifying characteristic is a health-related concern.
Fundamental Questions

• What do I want my shop to be?

• Understand your niche
  – How is my shop different from “other” retail?
  – How is it the same?
  – Determine your absolute standards
    • Compliance
    • Benchmarking
Fundamental Questions About Change

- How could it impact my customers?
- How could it impact my employees and/or volunteers?
- How could it impact my shop’s position in the market?
- Is it holding me back?
- Does it set me apart in a positive way?
- What are my reservations or concerns?
Fundamental Questions About Change

• Does there have to be a problem before I decide to make a change?
• Do I want to be proactive or reactive?
• What is my ultimate measure of the success of my shop?
When contemplating change, the \textit{biggest} challenges are…

- Customer expectations – all your customers
- Competition
  - Discount retailers
  - Boutique retailers
  - Online retailers
  - Other onsite retailers
- Technology
  - What you’re required to use
  - What you’d like to use
  - What you’d like to avoid
  - Implementation and learning curve
- Physical environment
  - Hospital setting
What Happens If...?

• Computer system (POS)
  – Inventory management
  – Customer perception
  – Cash handling
  – Employee management
What Happens If…?

• Chip technology and EMV readers
  – Effective 10/1/2015 responsibility for fraudulent transactions changed

<table>
<thead>
<tr>
<th>Chip Capability: Card</th>
<th>Chip Capability: POS</th>
<th>Counterfeit Liability after October 2015 Lies with:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Magnetic stripe only card</td>
<td>Terminal not enabled for contact chip</td>
<td>Issuer</td>
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<td>Magnetic stripe only card</td>
<td>Contact-chip-enabled</td>
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<td>Chip card</td>
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<td>Counterfeit magnetic stripe card with track data copied from a chip card³</td>
<td>Terminal not enabled for contact chip</td>
<td>Acquirer/Merchant</td>
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<td>Counterfeit magnetic stripe card with track data copied from a chip card³</td>
<td>Contact-chip-enabled</td>
<td>Issuer</td>
</tr>
</tbody>
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Source: EMV Migration Forum May 2015 (www.emv-connection.com)
What Happens If…?

- **Online presence**
  - Virtual visitors
  - Promotions & marketing
  - Additional sales

**US E-Commerce Sales as Percent of Retail Sales (2003-2015)**

Source: US Census Bureau (www.census.gov)
What Happens If…?

www.chp.edu

3.4% of total sales
What Happens If…?

12% sales increase on implementation
What Happens If…?

• Unique circumstances
  – Oversight bodies (e.g. Joint Commission)
    • Most common violations under the Life Safety Code – fire safety
  – ADA compliance
  – Hospital initiatives
    • Healthy eating / Thrive
A Balanced Approach

• Pleasing ALL your customers
  – Patients
  – Visitors
  – Employees
  – Hospital Administration
  – Your board
  – Your accountant
Where are the best change opportunities?

- Customer surveys
- Data analysis
  - 5% rule
- Professional networking
- Industry best practices
- Fresh eyes: “seek out and use the wisdom of others”
A Balanced Approach

• Making the tough decisions
  – Keep what is truly working
  – Let go of what isn’t working
  – Try new things regularly but don’t chase squirrels
  – Don’t be afraid to pull back when something new isn’t working out
  – Learn from the best
  – Ditch hubris and embrace humility – you have to have thick skin to effectively evaluate and change your shop
In Closing

There’s no question that changing is harder than staying where you are. There’s a lot to consider prior to any change.

But keep in mind your mission – to serve the hospital community – never changes. Don’t lose sight of that and the outcomes you desire will follow.
Reminders

• Sched.org

• WiFi Access
  – CAHHS2016
Save the Date!

2017 California Hospital Volunteer Leadership Conference
Hyatt Regency Mission Bay Spa and Marina
February 20-23, 2017

[Website Link] www.calhospital.org/2017-volunteer-conference
Thank you!

Contact Us
CAHHS Volunteer Services
1215 K Street, Suite 800
Sacramento, CA 95814
(916) 552-7544
volunteers@calhospital.org
www.calhospital.org/volunteers