

Monthly Musings



courtesy of Fletcher Consulting

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SMART INTELLIGENCE:

Dollar Stores are Amazon's Great Threat

In a case of "turnabout is fair play," Amazon now finds itself as a victim of another retail source that it can't figure out how to beat – dollar stores.

[USA Today](#) reports that Amazon, which is often blamed for causing the "retail apocalypse" that led thousands of brick and mortar stores to close, cannot shake off dollar stores, the smallest of competitors.

Amazon, which is often blamed for causing the "retail apocalypse"...

I reported two years ago that dollar stores were taking a chunk out of Amazon's business model. Amazon still hasn't figured dollar stores out, and these small stores' numbers are actually proliferating. So much, in fact, that some communities are actively limiting the number of these stores because they tend to locate near lower-income shoppers and are not seen as a sign of affluence.

The dollar stores promote a "treasure hunt" experience by constantly...

The dollar stores promote a "treasure hunt" experience by constantly rotating their products. Among the dollar stores, Dollar Tree is the only major chain that sells ALL of its products for just \$1.

The other two major chains – Family Dollar and Dollar General – sell their products at a discount of 20% to 40% compared to supermarket and drugstore prices.

Does EVERY seemingly insurmountable titan have a compelling weakness?

A market analyst revealed last year that while nearly 85% of higher-income households subscribe to Amazon Prime, only 60% of lower-income households subscribe. This indicates that customers who live paycheck to paycheck don't see enough value in Amazon Prime to work the cost into their budget.

Amazon responded three years ago with monthly payment options for Prime membership and, a year later, launched Amazon Cash, which allows shoppers without credit or debit cards to add cash to their accounts for shopping.

Amazon also offered a 45% Prime membership discount for shoppers on welfare or food stamps.

So far, none of these tactics have worked, and the dollar stores continue to flourish.

Which begs the question: **Does EVERY seemingly insurmountable titan have a weakness?** It happens regularly in football (for example, the Dallas Cowboys losing to the lowly New York Jets), basketball and baseball. It occurs in business when smaller, nimbler enterprises discover niches that the giants have overlooked or don't want to invest in.

Remember, Amazon started off merely selling books!

If you need assistance identifying and leveraging your niche, email me. We need to talk.



SMART TAP DANCING: Responding to Weather

How do you respond to a 38-degree temperature when you were planning on 70 degrees?

The weather in Big Spring last Monday through Wednesday was much like it had been for weeks: warm (sometimes a little too warm) and comfortable.

That made my client, Expedition Royalty, confident that their selection of Thursday, October 24 (a date chosen three months ago), would make for a wonderful West Texas evening in the heart of their operations, where they buy and lease mineral rights in the Permian Basin.

The giant street party for the community was all set:

- Six food trucks with everything from pulled pork sandwiches and hot dogs to street tacos, mac 'n cheese in a cup and snow cones
- Troughs filled with cold beer, soft drinks and bottled water
- A concert featuring rock act Shane Smith & the Saints and red dirt country performer Jason Boland and the Stragglers

Other key elements to the evening:

- An amazing interior wall that had once been another building's exterior wall. Expedition Royalty preserved the two gigantic [murals with Coca-Cola](#) and Owl Cigar logos that date back into the 1910s, so each is over 100 years old.

- A drawing for a **2019 Ford Expedition**. Expedition Royalty bought the new SUV from Big Spring Ford



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and donated it to United Way of Big Spring & Howard County, with all ticket sales (a total of almost \$22,000) benefiting United Way and 14 other area agencies.

- The actual ribbon cutting for Expedition Royalty's new office in this historic building, which is at least 90 years old.

I had already notified the media and they planned to attend, as did a projected crowd of 3,000 guests.

An unexpected guest, however, was a cold front that lowered our temperature to a shivering 38 degrees. Our event management team, which consisted of yours truly along with Expedition Royalty leaders and the Sullivan Group (event planners from Houston), quickly made a series of on-the-fly adjustments to make the evening a success despite the frigid weather (yes, I even saw snow flurries!):

- Replaced snow cones with a hot chocolate bar
- Had plenty of hot coffee available
- Worked with the food trucks to deliver all unused food as a donation to the local Salvation Army, first responders, nonprofits and any assisted living centers and youth organizations interested in the donated food

- Streamlined the number of speakers for the grand opening ceremony
- Shortened the comments from the remaining speakers
- Conducted media interviews inside the office rather than outside to keep everybody comfortable

The final result? An outstanding event, albeit with smaller attendance than originally forecast. One food truck vendor [said in a TV interview](#) that Expedition Royalty's immediate focus on distributing the food to nonprofits and first responders revealed the true heart of the company.

The way that you respond in a moment of crisis does indeed reveal your actual character, just as it did with Expedition Royalty. To say the least, having a backup plan for the unexpected is always a wise move.

In spite of the weather, strong communications and follow-up with the media throughout the day resulted in stories and interviews in:

- KMID/ABC 2 in Midland-Odessa
- KOSA/CBS 7 in Midland-Odessa
- KWES/NBC 9 in Midland-Odessa
- KBST AM/FM Radio in Big Spring
- KBYG AM Radio in Big Spring
- KCRS AM Radio in Midland-Odessa
- Big Spring Herald
- Odessa American
- Midland Reporter-Telegram (story is in process)

Media hint: Even when a TV station is not able to send a reporter, you can offer to shoot and submit your own video on your smartphone along with an appropriately brief narrative – which is precisely what I did for one of the TV stations.

Newspapers and radio stations will also accept video for their websites. Our digital story in the Odessa American newspaper included three photos and two videos.

SMART BUSINESS:

Who is Your Roberta?

T. Scott Gross, who I admire greatly as both a friend and the guru of customer service, created Positively Outrageous Service. Please

watch [this inspirational customer service clip](#) about a 7-Eleven clerk and how she showed genuine care and concern for an elderly customer on a brutally cold winter evening.



Once you watch this video – **and you're missing a real blessing if you don't** – please ask yourself these two questions:

1. Who am I a Roberta for?
2. Who is the Roberta in my life?

SMART PLANNING:

Your 20/20 for 2020

The most brilliant company leaders are well into their planning stages for 2020. They're evaluating the following:

- What did we do in the last year that worked best?
- What trends or market sectors did we see moving – both positively and negatively?

- How do I plan to respond to these movements in 2020 and beyond?
- What opportunities did I miss last year that I won't miss this year?
- How will I make customers and prospects aware of what I am doing?

If you need help developing 20/20 vision for 2020, [click here](#) and let's visit.



THE Tiebreaker

Lowe's Sets a Caring Standard

Following the string of tornadoes that ravaged portions of the Dallas area on October 20, Lowe's employees showed their heart for community.

According to [WBAP radio](#), about 15 Lowe's employees visited the Richland Meadows neighborhood in Richardson the following Wednesday. Many of them were volunteering on their day off, while others worked their shift by reaching out to others.



They carried carts loaded with essential items, cleaning supplies and water for storm victims. The crew delivered entire cases of bottled water door-to-door.

WBAP also reports that Lowe's employees in affected neighborhoods throughout the Dallas area responded the same way.

You better believe that the people of Dallas will long remember how Lowe's showed up for them in a time of crisis.

