

# **The Right Time, Right Skills, Right Market, Right Price To Achieve Sustainable Outreach**

Bruce Schwartau, Assistant Extension Professor,  
University of Minnesota Extension Service

How many times do things just seem to fall into place at just the right moment? Do vacuum cleaners have a big discount just at the time yours explodes and almost starts a fire? Does your car run out of gas just as you are driving into the station and the manager is at the pump, dropping the price by \$.15 a gallon?

Some good things happen by chance and some good things happen by planning. The Retail Analysis & Development program (RAD) had a little luck in 2005 & 2006, but much of the success came from research and special efforts by many people with different skill sets.

The changing retail marketplace has created a stir in rural Minnesota. Many downtown shop owners are worried as they feel the effects of big discount retailers expanding their locations throughout Minnesota. Internet sales are also taking shoppers from their stores.

In 2003, an Extension Specialist, several faculty from the Department of Design, Housing, and Apparel, and two Regional Extension Educators started a research project to see how well retailers in three Minnesota communities were surviving in this new economy. The objective of the Retail Analysis & Development program team was to help Minnesota communities maintain a diverse retail sector with independent retailers successfully competing with “big-box” retailers. A two-pronged approach was started: 1) Research & teach strategies that work for the retailers; 2) Develop a tool to analyze the changes in retail purchasing patterns within a region to aid strategic planning. One outcome goal was to have retailers implement at least one “best practice” concerning marketing, customer relations, and business operations within six months after attending an Extension program. The second goal was to have economic development entities within a community use the analysis tool to develop strategies for retail business development.

## Taking Advantage of Unique Skills

Extension Specialist, Sherri Gahring, acted as the “connector” between the faculty in the Department of Design, Housing, and Apparel and the regional educators Liz Templin and Lisa Hinz. The group was able to get funding, obtain research approvals, and recruit community partners. Each team member used their special skill, whether it was to create the survey instrument, conduct interviews, write the research reports, or develop the slide set for sharing the research results. This lead group took the next step of pilot-testing the presentation in the three researched communities.

The second tool of RAD was a customized Retail Trade Analysis report for nearly every community with a population greater than 5,000. This analysis would measure the retail strength of a community using data that was previously collected by various government agencies and present it in a way that communities could use. Iowa’s Office of Social & Economic Trend Analysis (SETA) was using a computer program to assemble sales tax data into a report for each community in Iowa and placed it on their web site. An Extension Program Specialist at Iowa State was hired to adapt their computer program to utilize Minnesota data. After the computer program was adapted an REE with computer skills would manage the process if needed.

## Finding the Right Price for the Right Market

An outside specialist was hired to analyze the market for the informational reports that would be developed. The team was unsure who the purchasers would be. The original plan was to sell and deliver the reports in a web site. Iowa's SETA provided these reports at no charge on the web. Interviews with potential buyers found that they not only wanted the informational report but that they would need a workshop to understand the data. This added value product was determined to have a value of \$1,000-\$1,500 dollars. The goal was recover approximately \$13,000 in costs. Prices were established to reach the most towns yet still recover the expenses. A bundled price was set for the combination of workshops, Analysis and Strategies in rural communities.

The assistant capacity area leader and the resource development specialist helped in various aspects of the marketing of the program. Media kits, direct media contacts, key message rehearsals, and professional writers all helped create awareness of the new retail products. New web sites were designed. Sample letters were written that could be used by cities to obtain sponsors for the local workshops.

## The Right Timing

Enough can't be said about the timing of this program. The people starting this work recognized a need and started the research. There was also a great amount of public discussion about the effects the big box stores, especially Wal-Mart, in the media. The economic development authorities, chambers, downtown business associations, and cities were feeling pressure to help existing businesses in their communities. The Retail Trade Analysis became available just in time for the March 2005 U and Your Economy presentations so the 100 people who attend the event could see a sample report. Extension's presence at the state chamber executives meeting and the Economic Development Association of Minnesota summer meeting helped spread the key messages of the program. The topic has also been of interest to the media. Several times the newspapers have been financial sponsors and many have given it extensive coverage. At one event 3 television stations were covering the meeting and conducted interviews with sponsors, presenters, and participants.

The two community retail offerings have now been available for 18 months. Over 30 chambers of commerce, business associations, cities, and economic development entities have requested the Regional Extension Educators to work with their businesses. Improvements have been made after evaluations so make the group discussion more effective. Additional changes and more program offerings are now being evaluated.

To find out more information or to share ideas please contact the Retail Analysis & Development program manager, Bruce Schwartau, University of Minnesota Extension Service, [bwschwar@umn.edu](mailto:bwschwar@umn.edu), or visit the website at [www.extension.umn.edu/retail](http://www.extension.umn.edu/retail). Sample retail reports can be found at the website.