



retail profile

Retail Makeover Made Easy

“Store-in-a-Box” Program Transforms Portrait Photography Franchisor

The colors and textures of a stunning photo can be dramatic. But if those elements aren't faithfully represented each time that photo is reproduced, the impact is lessened and the message blurred. The image has to be presented in a consistent manner each and every time.

In business, the challenge is the same, especially on the retail level. When customers walk into a store, they expect the same look and feel whether they are in Pittsburgh or Portland. A retailer's task is to accomplish that feeling as quickly, easily and cost-effectively as possible so it can focus on its core business of serving customers.

Atlanta-based CLIX is a rapidly growing franchisor in the portrait photography industry that offers three distinct revenue streams for franchisees: a retail-based digital portrait studio; a protected territory for on-site, special-event photography; and on-site, assisted or do-it-yourself photo imaging and digital scrapbooking design services.

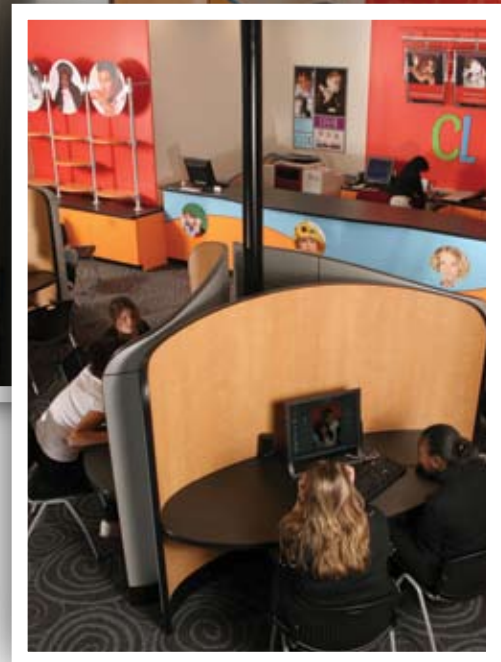
Established in 1999, CLIX has six locations with six more planned to open by year end and commitments for more than 35 future stores. With an aggressive growth plan that calls for the opening of 20 additional locations in 2007, CLIX is taking advantage of an increasingly popular means of handling the build-out of multiple retail locations.

In & out of the box

CLIX has turned over responsibility for its store-build-outs to Lincolnwood, Ill.-based Total Resource Group (TRG) through its unique “Store-in-a-Box” program designed for retailers and franchisors that are opening multiple retail sites typically occupying between 1,500 and 3,000 square feet.

In the case of CLIX, TRG assumes responsibility for every aspect of the store build-out process including the handling of communications with CLIX's real-estate team, architectural plans, value engineering, manufacturing of custom store fixtures, store graphics, exterior signage, floor and wall coverings, computer installations, construction and many other details.

The result is that empty shells of retail space are



turned into “Open for Business” condition in 60 to 90 days. Everything necessary is shipped to the destination on a single truck and installed onsite.

The streamlined process allows CLIX – or conceivably any other multi-unit retailer to spend time where it matters most: the marketing of their new storefront business. The marketing of a new business is crucial to its success. Photo industry retailers don't make any money during the build-out of locations, but their future revenue depends on formulating strategies for attracting customers instead of dealing with contractors, architects and fixture manufacturers.

“TRG alleviates the many construction headaches a franchisee can experience while building out their storefront,” said David Asarnow, CEO of CLIX. “We don't want franchisees to become construction experts. We need franchisees to become experts in operating their CLIX business. Our franchisees who are just beginning the process tell us that a huge weight has been lifted off their shoulders.”

More than a supplier

TRG is not simply a supplier to CLIX; it learns its business from the bottom up. A team consisting of a head project manager and designer, senior account executive and customer service representative handle each detail of the store-opening cycle. Altogether, TRG might have 25 to 30 people involved in each store build-out. But TRG is not only handling the build-out of CLIX stores, it is also responsible for their new design. TRG offers design services free of charge to its clients.

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TRG enhanced the graphics package, clearly defined point-of-purchase displays, improved customer traffic flow and better aligned the color scheme of CLIX retail locations to the CLIX brand. As an example, while CLIX was in the portrait photography business, it wasn't selling many picture frames. TRG changed that.



Lincolnwood, Ill.-based Total Resource Group (TRG) "Store-in-a-Box" program is a great solution for retailers and franchisors that are opening multiple retail sites typically occupying between 1,500 and 3,000 square feet.

"Picture frames weren't selling because there was not a retail merchandising area," Total Resource

Group co-founder Bruce Olans said. "We worked with CLIX to create a department within the store that better merchandised the frames and additional products. Due to the revisions, we believe frame and incremental product sales will increase dramatically."

Typically, retail companies hire architects and designers who are looking to create something unique. While that obviously makes sense, it also has to be affordable for retailers. There's no need for European lighting and marble countertops. There's no need for a \$300,000 store when \$100,000 will do.

"We're not designing to please ourselves," said Olans. "We're designing for the client. Architects and designers often pick a lot of esoteric materials to justify their fee. If it requires something simplistic, they won't go in that direction because it is hard to justify. We are trying to design a store that will not only work for the client, but that we can roll out and produce at the most reasonable cost."

Because Asarnow was receptive to changing the store design, the enhancements to the look and feel of CLIX studios are now closely aligned with the company's brand image and identity of CLIX; a "fun, friendly, hip and now" place to have high-quality portraits taken that are competitively priced and delivered right away. Plus, the brand identity of CLIX will have a common look and feel nationwide.

"We wanted to convey the fact that when customers walk into CLIX they are about to embark on a 'special experience' in terms of having their portrait

taken," Olans said. "They are not walking into a big-box retailer where every client is treated the same."

Myriad issues can slow or complicate the build-out of a photo retailer. There are lease restrictions, drawn-out permitting processes, signage issues and cost overruns to name only a few. The contractor may have under-bid the job and the cost suddenly escalates for additional work. As problems arise, the "blame game" begins, with each party protecting its own interest.

By consolidating responsibility to one entity, the "blame game" is eliminated for multi-unit retailers and franchisors in the photo industry. But there is also no place for passivity during the store-opening process. Olans said that if an outsourced build-out company simply does as instructed by a client, it's not doing its job. Conflict is good if it works in the best interest of a client. Recommendations can be made that can trim costs and increase efficiency during build-out.

"The client knows best. We are just there as a facilitator to challenge the client and say 'What about doing this or that?'" Olans said. "We try to give them a fresh perspective that they haven't looked at previously using our 20-plus years' experience in the retail arena."

Said Asarnow, "It is a true partnership. The TRG team came to our studios not to just duplicate what we had, but to fine-tune the studio look, feel and workflow and align the total CLIX brand experience." ■