

Clinton Cards

The greetings-card and gifts retailer is struggling to catch up with its rivals, writes *Rachel Barnes*

Funny, risqué, romantic or cute, whatever type of greetings card you are looking for, the chances are that, at some point, you will find yourself in Clinton Cards.

However, the experience is rarely joyous; often afflicted by harsh lighting and low, tiled ceilings, Clinton's stores seem designed to encourage consumers to make a quick decision and get out.

The 654-store chain is suffering as other retailers have moved on, while its densely packed, tiered-shelving layout seems to have changed little in decades.

In the year to August, the company invested £600,000 in 'new and future stores', but admitted to no investment in modernising existing ones.

The retailer knows it must act. In March, it hired consultancy Branded to lead a 'wide-ranging' strategy review.

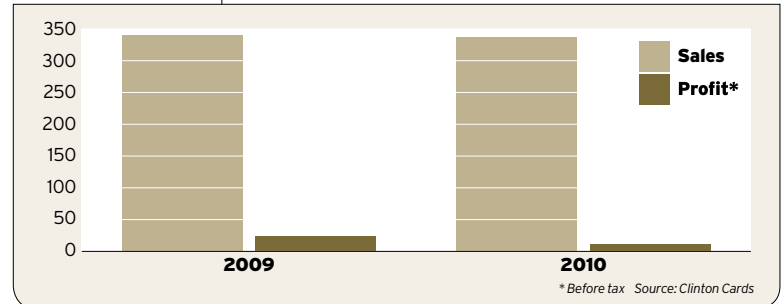


Clinton Cards full-scale strategy review

Results from the company's biggest market research survey in its 42-year history are being used to draw up plans for fresh store designs; the overhaul will touch on all areas of marketing.

To get the company 'fit for the future', chairman Don Lewin has also outlined

Clinton Cards sales and pre-tax profit (£m)



plans to relaunch its website with the added offer of card personalisation, which will be marketed in 2011. It is also phasing in contactless card payments for transactions of less than £15.

With like-for-like sales down 3.9% in the first 10 weeks of its financial year

(to 10 October), what does the future hold for Clinton Cards?

We asked Jamie Malcolm, partner at consultancy Positive Momentum and former Moonpig.com marketing director, and David Dalziel, creative director of retail design agency Dalziel & Pow.

Diagnosis Two industry experts suggest how Clinton's can best play its trump card



'Clinton's has lost its way, with new technology and online companies eating into its business structure'

Jamie Malcolm partner, Positive Momentum

As a customer, I know that when I forget an important date, I can pop into a Clinton Cards on any high street and buy a card and gift - all of which will be binned within two weeks.

It might be the thought that counts, but you can't sustain a business with this customer attitude. Moreover, with businesses such as Moonpig.com, which enhance the online retail experience through personalisation, Clinton's will suffer as market share is potentially lost.

Running high-street stores is expensive and a low average basket value means footfall needs to be huge to sustain the rents, let alone make money.

For me, the brand sits alongside the likes of Woolworths. It should have been online 10 years ago, but it has not moved with the times.

Clinton's appears, at last, to be addressing the elephant in the room - the question as to what it is. It has

lost its way, with new technology, experiential retail and online companies eating into its traditional business structure.

Remedy

- Stop being so 'grey'. Be bold and edgy, rather than trying to offer all things to all people.
- Redefine store strategy in light of the move online. Sell different products online and in store, and drive online sales using the retail stores.
- Run a pilot in a few shops to test new thinking, and be radical, based on the research. Understand exactly what drives customers into stores. Is it a distress or planned purchase? What else are customers looking for?
- Engaging Clinton's 8000 employees is vital for any strategy change. It's not the pretty part of a rebrand but it's essential - they are the public face.



'If it was any more dated, Clinton's could have looked coolly retro. But it just looked out of touch'

David Dalziel creative director, Dalziel & Pow

When Westfield White City opened in 2008, every retailer was encouraged to enhance their store concepts to create a total experience greater than the sum of its parts. More than 200 retailers and brands did just that, to greater or lesser effect, with one exception - Clinton's.

If it was any more dated, it could have looked coolly retro or nostalgic. Instead, it just looked out of touch. While others anticipated the future of retail through design and service, Clinton's put its head in the sand. Not for it the powerful statement of a Top Shop window, the warmth and reassurance of the Ugg store, the confidence of HMV, the wit of Camper, the engagement of Apple.

By not adapting to the market, Clinton's has gone backwards. The product mix is static, with little innovation. The interiors don't feel like they were ever designed; it's a shopfitter's scheme - expedient, efficient

but uninspiring. In all big chains, there are poor sites that may not have been refreshed for some years. My impression is that the whole chain is a collection of neglected stores.

Remedy

- Rebrand the business. Consider a change of name, but don't throw out 'Clinton' without exploring its possibilities.
- Evaluate the offer. Is it fresh, relevant and worthy of its space? If the offer isn't delivering profit, cut it out and take some risks.
- Reclaim the high street. Be a local hero and trusted friend. There are lots of property options for a successful brand, such as seasonal pop-ups.
- Be young, be interactive, be engaging. Make a point of difference - there's no point in investing in the past. It's time to start again.