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What's Next for Apparel Businesses?

How leaders can successfully move their businesses forward amid the disruption of COVID-19.

The COVID-19 pandemic has evolved at an unprecedented speed and scale. After eight months of balancing how to “act now,” and what to “consider next,” business leaders are tired and confused. The pandemic is creating a universal shift in how governments and organizations act to protect the economy, education, and the citizens of this nation, and leaders feel the downstream effects of it all.

Self-quarantine, social distancing, community spread — these formerly obscure terms are now everyday words. New habits and behaviors are forming an approach to doing business, which in many cases likely will not go away after the crisis passes.

For businesses in the apparel decaying sector, the most immediate impact was fear and uncertainty, and

many of them felt that with a huge reduction in sales and order volume during the first few months of the pandemic. But life goes on, and whether or not a business received PPP or other government assistance support, most have survived this first wave of what will likely be a three-part rebound and recovery from the decimating blow COVID dealt the industry this year. Businesses now have a story to tell, and can learn and employ those lessons from surviving COVID to revive their business and soon start to thrive again.

And while the impact to the economy is not fully known, both direct-to-consumer (B2C) and business-to-business (B2B) organizations are scrambling to meet the immediate needs of their marketplaces.

A New Mindset

In particular, those who have viewed digital commerce as a secondary channel now need to reorient every aspect of their business toward a post-COVID commerce mindset. There lies an opportunity to double-down on new strategies to capture market share through augmenting existing offerings and creating new lines of service.

While this represents an opportunity to grow revenue, attract new customers, and drive channel shift, it depends on digital channels and the business's capabilities in having appropriate scale and stability to handle the crush.

It's not a good use of leadership's time to continue focusing on how to keep the lights on and make a quick sale. That time has passed, and the ▶



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companies that are still operating must start thinking more strategically. PPE is not the viable, long-term strategy to bet the future of a business on. Businesses must revisit and even reimagine their strategy in the interest of capturing new marketplace opportunities and their fair share of new customer segments. So, what does it look like to revive a business post-COVID, and eventually start to thrive again?

Three critical factors or questions must be posed in order to press on into this new business environment. Every business needs clients, culture, and cash to operate, so leaders need to ask themselves how does their business reassure their customers and employees during this uncertain time? How do they stabilize operations with frictionless transactions and the capacity to handle increased demand across existing and new channels? And finally, how does the business reconfigure their products, services, and markets and establish new partnerships and ecosystems to retain new and existing customers? It's these aspects that will revive and help a business succeed post-COVID.

While leaders and businesses may have focused on being pliable and prepared from March to November/December 2020, these same leaders and businesses must now focus on making their businesses more predictable and profitable. Profits of the past are fuel for the future, and COVID should have taught all businesses that they must pay attention to margins and the bottom line more than topline revenue to ensure a healthy, sustainable business model.

Customer Reassurance

To prosper in 2021 and beyond,

winning businesses must find ways to keep clients for life. It's far easier to keep a client than it is to go out and find new ones. Focus on consulting the client, learning about their business and purpose for their purchase in order to recommend the best possible solution. Every revenue source, customer, touchpoint, and piece of content matters.

Businesses need to do an experience audit to make sure they are providing a consistent and reassuring message, building on customer confidence and deepening trust. For example, right now there are a lot of businesses looking to pivot from a traditional bulk purchase model for merchandise to a just-in-time/produce-on-demand format. Additionally, businesses are looking for ways they can ramp up e-commerce sales and cast a wider net. Leaders should educate themselves on the best online solutions out there, such as Shopify, Wix, and WooCommerce. Look into partnering with someone skilled in the e-commerce space to offer consulting services to clients, or better yet, to help produce a tutorial or resource to better serve clients.

Establish a responsive listening aspect of the business. Businesses that keep up with their customers are scaling their rapid-response capabilities properly by asking the right questions, analyzing the data, and then meeting customers where they are by acting on real-time predictive insights. And, by putting this listening infrastructure in place now, businesses will be able to adapt practices over time, making them more relevant and connected to their customers on an ongoing basis.

Consider a live chat feature on the business's website, or even a chatbot

who can assist with identifying basic needs of a customer, and providing them with information. Ensure there is someone available during business hours to answer calls and return them within one hour.

Finally, make sure the business's social channels are active and someone is checking them regularly. Posts of printing techniques are great, but do customers really care about what goes on in the back of a print shop? Maybe occasionally, but businesses are encouraged to celebrate their clients, and post success stories of how they helped their customers win. Share best practices that are meaningful to customers and focus on recommending popular products and options to support them. Also, highlighting employees, who are the most important asset of any company in the apparel decorating industry, is a sure way to get a positive reaction from customers and team members. Customers don't care about how much a business knows until they know how much it cares.

Stabilizing Operations

Businesses must stabilize their digital channels, platforms, and infrastructure. Realizing that search is up for online apparel companies, businesses must ensure that their website offers the best user experience possible.

New consumers digitally engaging with a brand will bring about a different set of expectations and new opportunities to build trust and relevance. The website experience is more than a transaction engine for goods and services; it needs to appropriately represent the business' brand position and what the business stands for. The more client testimonials and photos or videos; interactive, real-time information; and guidance a business can give its customers, the more sales it will win. The way people do business is changing, and will likely not go back to the way it was. For those looking to improve their websites, Donald Miller provides more helpful tips at mystorybrand.com.

It's also imperative businesses effectively meet shopper lifestyles and take advantage of current dynamics in online ordering, such as 24-hour turnaround for graphic design and free ▶

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shipping on orders. Utilize Zoom and other virtual services to connect with clients on a personal level. Leaders should consider building a virtual showroom where their business can debut the latest styles and brands for clients. Consider where enhancements can be made across segment/audience targeting to reach new and emerging segments cheaply and effectively.

Internally, businesses should ensure daily and weekly operations are audited constantly. Put together a cross-functional team to tackle critical business issues and monitor KPIs, with clear ownership of responsibilities established and team members empowered to drive the response end-to-end. This virtual “war room” will not only allow business leaders to more aggressively handle the current chaos in the post-COVID marketplace, but it will lay the foundation for a more collaborative environment with increased ownership inside the business.

Reconfigure the Business

This is a time for reconfiguring and extending the business’s products, services, merchandise, partnerships,

and ecosystems. The industry has a lot going on right now, and it will take some time for the dust to settle. Wholesalers around the country are facing supply chain disruption and low inventory levels. New markets and ecosystems are opening up, such as virtual school programs and events, that require e-commerce solutions and direct-to-customer fulfillment and shipping. Companies are rebalancing their merchandising. Social distancing and travel restrictions that limit traditional high-touch sales processes have accelerated a need for “low or no-touch” purchasing. Businesses will be forced to revisit their customer engagement strategy.

Reconfiguring the business is all about long-view thinking and opportunities. Leaders must think through how to scale the business by growing market share. While engaging new clients is one method for this, leaders should also consider focusing on a “shared wallet” approach where they can upsell with secondary products and services. For example, a shop can easily triple or quadruple their revenue from a client

by adding custom graphics services, personalized packaging/shipping, and bundling promotional product items along with screen printing and embroidery.

Everyone in the industry as well as sister industries like promotional products and print have been negatively affected by COVID. Leaders should assess the distribution methods that are quickly being adopted to ensure they are taking the steps to remain relevant. Explore new partners and distribution channels to widen the business’s product offering.

Carefully analyze the business’s pricing and promotion strategies to optimize profitability and market share across key customer niches and regions. Businesses must understand where discount levels are necessary due to shifts in demand, and if pricing needs to be adjusted in the short term to take advantage of changes in consumer shopping preferences. Business leaders must look for ways to build complexity in their business model to layer in additional revenue opportunities and margins, while charging customers for a simplified solution to the many pain points customers are faced with.

What is known for certain is that business as usual has been disrupted significantly, and in many cases, permanently. Yet, there is an opportunity to double-down on digital commerce, expand the product mix of the business, and grow the client base as customers rapidly change their shopping patterns and habits. As organizations adapt, their watchwords must be trust, relevance, and convenience. ■

After 12 years in hospitality managing luxury resorts for The Ritz-Carlton and other premier brands, Lovelace made a career change to better align his priorities and passions in life. In 2017, he became general manager of Booster Spirit Wear, a custom apparel business serving schools and communities. The company has exceeded \$6 million in annual sales in just five years and is committed to enhancing the lives of its team, partners, clients, and their communities to radically change the industry.

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