

CHEKLIST

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Care About Your Competition

By Mitchell Levy

When is the last time you walked into your competition's store?

I know what you're thinking: "I don't care what they do, I do it so much better." That may well be the truth, but you still want to know what your competition is doing. They may not be doing things better, but they will most likely be doing things differently.

What your competition is doing is affecting your business. What you don't know, you don't know. When I owned and operated my MSB locations, I always wanted to know what was going on at other MSB locations in my neighborhood.

Let's start with what hours the competition was open. On one of my exploration visits, I learned that my competition was open on Sunday. I was closed on Sunday. I thought six days was enough.

My location was the highest volume Western Union money transmittal location in the territory. I took pride in being No. 1, and I loved the large monthly commission that I received. My competition being open on Sunday made me think most likely some of my customers who couldn't get to my location by closing time on Saturday would have an opportunity to do their transactions on Sunday with my competitor.

If I didn't go and explore my competitors, I would have never known they were open on Sunday. I didn't like the possibility of losing the customers that we worked so hard to get, so I immediately opened Sunday to protect my turf and keep my customer base.

WORKING CUSTOMERS

Sunday was not the busiest day of the week for us. It was a little slow at first. We would do 30-50 Western Union transactions every Sunday at the start. I asked these customers why they came in on Sunday. The answer was all ways that they needed this was the best day for the

Eventually, I would be close to many of the transactions taking place that if I

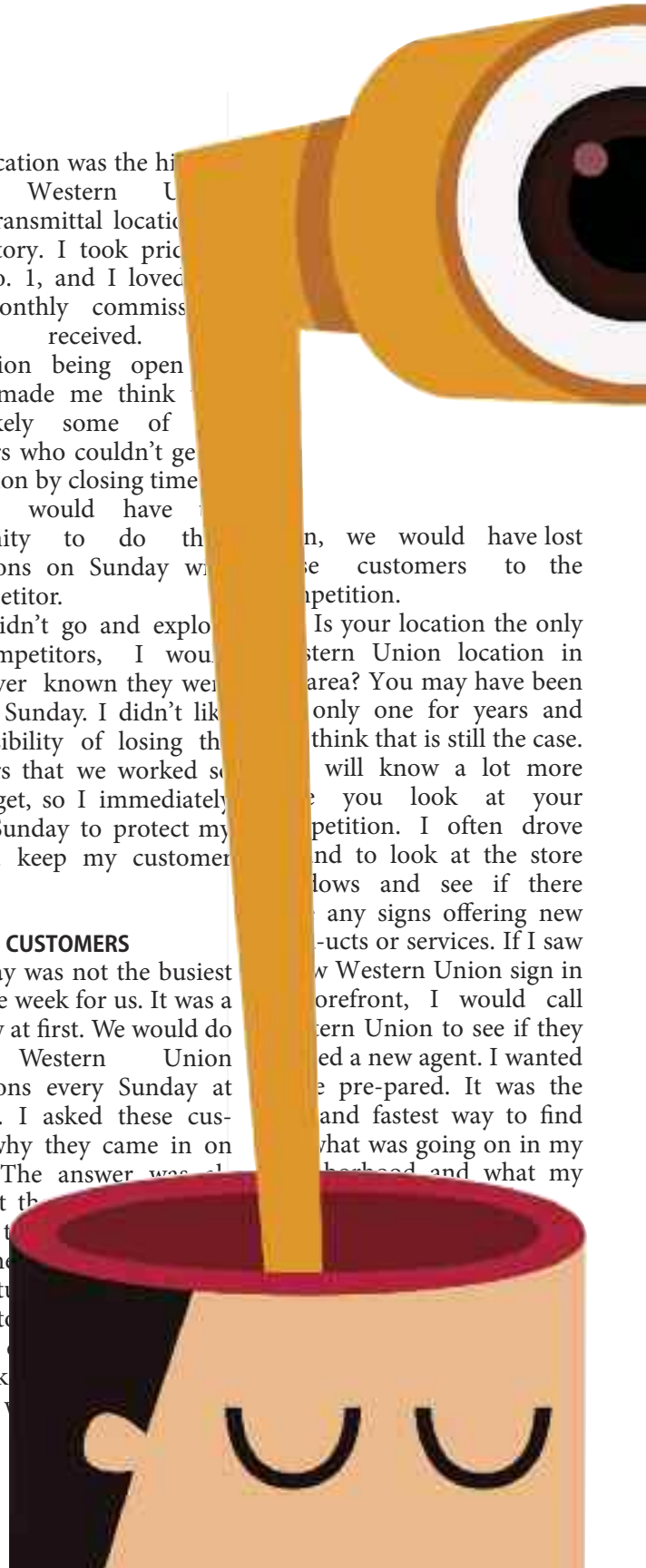
...n, we would have lost these customers to the competition.

Is your location the only Western Union location in your area? You may have been the only one for years and think that is still the case.

You will know a lot more if you look at your competition. I often drove around to look at the store windows and see if there

any signs offering new products or services. If I saw a new Western Union sign in the storefront, I would call Western Union to see if they had a new agent. I wanted to be pre-pared. It was the easiest and fastest way to find out what was going on in my neighborhood and what my

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MONEY ORDERS

Are your money order sales decreasing? Is it a sign of the times or did the competition lower its price to 25 cents? Do you want to lower your price to keep the business and cash flow?

By knowing what your competition is doing, you can better prepare your business. I was always aggressive and proactive. I wanted to have the lowest priced money orders. We all know it draws customers to our business. I always say that for a free money order, customers will travel farther and wait longer in lines.

I launched my business with the slogan “Home of the Free Money Orders.” It made my locations busy with customers from the day I open.

I wanted to be opened the longest hours. I wanted to offer the most products and services. I wanted to have the most staff to keep the wait time to a minimum. You will not know the answers and what to do to improve unless you know what your competition is doing.

By looking at my closest competition, I saw that they had a large lottery area with tables and chairs. They always had people in their store playing lottery. I never took lottery too seriously. I thought it was a hassle.

Once I saw what my competition was doing, I immediately called Pepsi and told them to remove the big soda vending machine in the lobby. With the extra room, I rearranged and added tables and chairs for lottery customers. My lottery business skyrocketed.

I would see the same customers who play in the competition’s location, play in our location, too. They liked to change it up. My lottery commission rose to a six-figure income. If I did not see this happening in the competition’s store, I would not have thought about it.

DIFFERENT IDEAS

We can all learn a lot from observing and having an open mind. I am not saying that your competition is smarter than you, but they just might have a better idea. They just might have paid a consultant for good ideas, and now you know them for free.

Is their staff friendly? Do they wear name tags? Go in and buy a lottery ticket, interact with them and you will learn a ton.

There are secret shopper companies available that shop your competition for you. If this was not an important part of growing your business, there would not be an industry built around shopping the competition. In my opinion though, you’ll learn the most by doing the

shopping yourself. If you visit your competition with an open mind and find just one thing that can help your business, you will be a winner.

I know what you are thinking. Where are you going to get the extra time to look at your competition? You are very busy running your business and working through the daily challenges, dealing with your employees, and let’s not forget, the heavy load of BSA/AML compliance.

Compliance is a full-time job for most operators and, it is not going away. Let me give you a tip to streamline and lessen some of the burden of compliance. This system will free up some of your time which you can use to shop the competition. Start with this simple and free organizational tip from the compliance man.

Implement and use the free forms that we offer on our website, thecomplianceorganization.com. These easy to use forms should be put on clipboards and hung on the walls in your location for all your staff to see and use. Follow the instructions on these forms and use them. It will be a simple change to help you stay compliant and free up some of your time.

Let the compliance man help you grow your business — and make your competition wonder how.