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# What a Difference Our Differences Make

**T**he new year has begun in the same fashion as last year ended—as a total whirlwind. This is a good thing because it shows our industry is strong, active and focused on growth and expansion. Our analysts have been scattered across the country, and I have been in Missouri, Iowa, Indiana and New York (getting out one day before the “big dump”). You would think I could figure out a way to be in Florida, the Gulf Coast or Hawaii, or stay put in Houston.

My travel in early 2016 has been a perfect example of the absolute differences that exist throughout our country. A good way to depict this statement is to give a brief overview of the type of data (from 2015) we are looking at each day for each site we become involved with.

- > **Scotland County, Mo.:** Population 4,890, population density 11, average household income \$49,053.
- > **Westchester County, N.Y.:** Population 980,512, population density 2,069, average household income \$130,617.
- > **Jefferson County, Ind.:** Population 33,391, population density 87, average household income \$57,168.
- > **St. Louis County, Mo.:** Population 998,136, population density 1,912, average household income \$87,007.

These are indicative of the types of trade areas and markets we visit every week. It’s a cross-section of U.S. communities and identification of the core factors that create each trade area to which each individual facility must properly respond if it is to provide the

level of overall experience each customer deserves on every visit. Each analyst must shift mindsets very quickly and be able to know and understand the vast differences when defining each trade area.

## Devil in the Details

For the customer, it does not make a difference if he or she visits the same location multiple times a day, once a day, once a week or once in a lifetime. Every one of those visits matters, and each customer’s needs and wants are different on any given day. Whether a regular or a stranger walks onto the property, that person will remember the attention given to him or her, whether the desired item was on the shelves and if anyone said “Hello” when the customer walked into the store.

It is for that very reason the operational soul of any unit can’t be dictated by the desire of company headquarters. If the company has 10 stores, it has 10 distinct fiefdoms; if it has 450 stores, it simply has that many more individual village stores. It does not take a village to raise a child. However, it certainly does take a store to know, understand and satisfy the needs of the village.

Does the saying “Different strokes for different folks” have meaning in the real world

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of retail? Due to the function of our company and the locales we are in every week, we can attest to the certainty of the statement. In this country, reality is framed by the absolute differences throughout. As I’ve said many times, “Boston baked beans and Birmingham barbecue are not interchangeable”; each is indicative of its own origin and area, but that does not mean they will be loved to the same degree in other geographic regions.

## Going Head to Head

Differences in customer characteristics and trade area environments are evident simply by looking at company knowledge and understanding whom its customers might be. This is easily illustrated by comparing directly competing companies that develop facilities on adjoining properties or within a core portion of a trade area, or at the same intersection within different quadrants:

- > Wal-Mart and Target
- > Lowe’s and Home Depot
- > Verizon and AT&T
- > OfficeMax and Staples
- > Macy’s & J.C. Penney

And the list goes on in the supermarket realm, QSRs, airlines, hotels, automakers, etc. Different customer types demand different needs be fulfilled, which is in tune with different regions of the country, and the marketplaces and trade areas within those regions. The only time “Location, location, location” matters is when it is defined for the needs of the potential customers who will patronize that location. We cannot be all things to all people, but we can be what the people need once we identify who they are and what that means for their location. So when you’re planning new stores, always think in the terms of a “group of one.”