

MOVERS AND SHAKERS

Discover the stories behind two enthusiastic entrepreneurs who are creating major waves in the UK business world

Retailers often declare that customers are their most important asset. But, while some sound as if they are paying lip service to the idea. Sally Bailey, chief executive of White Stuff, is a true believer. Even the clothing retailer's website reflects her view, declaring: 'Lovely clothes for lovely people'. Ms. Bailey says: The most important people are those who buy our product. This includes the buyers who select it, and the customers who buy it in our shops. Everything we do is about service to get the product into the customer's hands.'

So when research revealed that customers disliked changing rooms that opened directly onto the shop floor, White Stuff amended its floor plans, introducing a false wall that screened off the changing area. 'It's not rocket science,' explains Ms. Bailey. 'You just need to listen to what the customer is saying. We are dedicated to pleasing them. We ask: "What is the best thing we could do?"' Hence, the introduction of one oversized fitting room in each of White Stuff's 54 stores to enable mothers to bring their buggies in while they change.

'When a customer walks into a White Stuff shop, we want them to feel like they are at home,' says Ms Bailey. 'There are chairs to sit down on, water coolers, and staff will come along with colouring books to entertain children while the customer browses.' Even the background music is carefully considered. On Saturdays it has a faster tempo. On Sundays, when customers may prefer a quieter atmosphere, the tone is softer. 'The music is changed by the hour, according to the day,' says Ms Bailey.

White Stuff has eschewed the shop design of a traditional fashion retailer, preferring to model its interiors on a Victorian house where Ms Bailey believes her customers aspire to live. Since her arrival, White Stuff has sought locations away from the beaten track and shopping centres are viewed as anathema. 'To be honest, we do have some stores that are very hard to find,' says Ms Bailey. 'In Exeter, for example, there's the High Street and the shopping centre, but you have to turn left down an alley to find White Stuff, right by an organic butcher and coffee shop.'

Yet White Stuff's customers, whom Ms Bailey describes as 'extremely loyal', are not deterred by these intrepid expeditions. When she took over five years ago, White Stuff had 15 stores and an annual turnover of £14m. Today, turnover is in excess of £55m, with stores generating annual revenues between £500,000 and £2.5m from an average customer spend of £35.

Matt Stockdale, managing director of HomePride, which this year will turn over more than £4m, has the mother of former Tesco buyer Fraser McDonald to thank for his success. Desperate to get the supermarket chain to stock his oven cleaning product, Oven Pride, Mr Stockdale bombarded the buyer with calls.

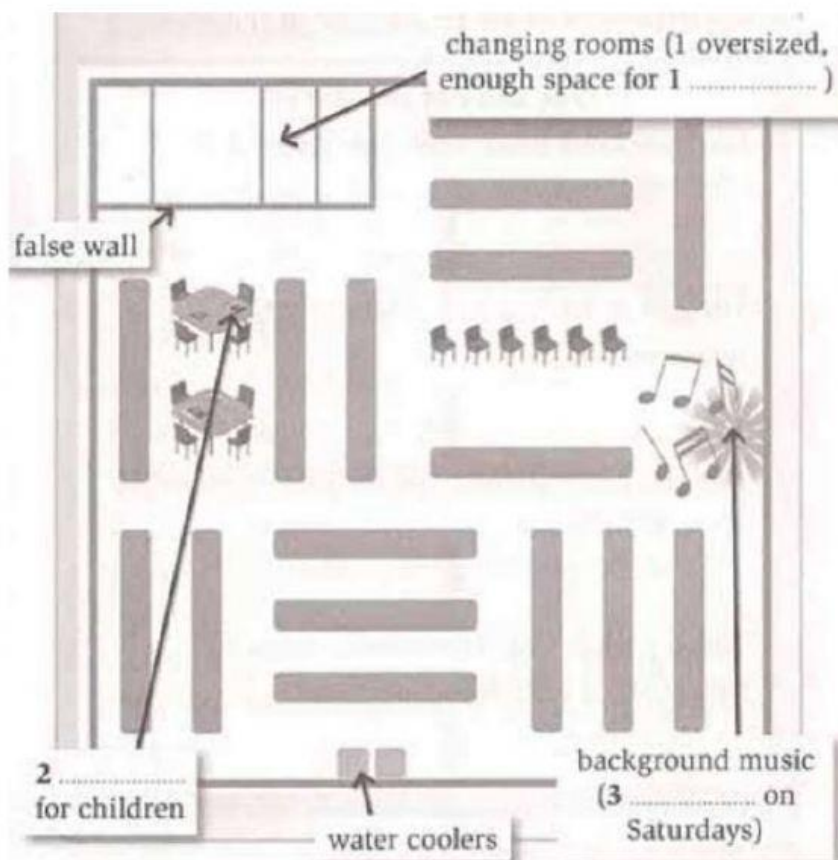
But it was to no avail: The response was always "Thanks but no thanks",' he recalls. 'So I said, "Let me send some to your mother, your aunt, your grandmother..." and, I think to make me go away, he gave me his mother's address.' Two weeks later, Mr Stockdale was in the buyer's office signing a deal to supply his product to 30 stores. 'He told me that his mother wanted him to give me a chance but that he didn't give me much hope,' says Mr Stockdale. A year later he was supplying 130 Tesco stores. 'I didn't realise when I first approached Tesco that it was the UK's biggest supermarket chain,' says Mr Stockdale. 'I just knew that I shopped there.'

The idea for the oven cleaner came in 1999 when, after being made redundant from his job as a sales manager for a telecoms business, Mr Stockdale decided to fulfil a lifelong ambition to run his own company. 'I looked at a catalogue business first because direct sales was what I knew,' he says. 'But I came across chemical companies making products, one of which was an oven cleaner. I was always the one lumbered with cleaning our oven, so I was intrigued.' He tested one product, a bottle of white fluid, which produced such great results that he started to research the oven cleaner marketplace. 'I found the hardest thing was to clean the racks,' says Mr Stockdale.

He decided to create kits to make cleaning racks easy, sourcing packaging, disposable gloves and a bag, into which the racks could be placed with the cleaning fluid. 'I created 5,000 units and sent one each to Kleeneze, Betterware and QVC, and got nowhere,' he recalls. Dejected, Mr Stockdale found another sales job but, 15 months later, a fax arrived with a purchase order from Kleeneze. 'I went to the garage and dusted down the stock,' he says. Kleeneze sold out within weeks, and placed more orders. Then QVC faxed across an order. 'I was suddenly on national television, but in eight weeks QVC had sold out,' he says. 'I didn't realise what I had.' It took a letter from a satisfied customer, asking when the cleaner would be available in shops, to prompt Mr Stockdale to change his strategy and approach high street retailers. Enter Tesco.

In its first year, HomePride turned over £90,000 but soon reached £1.1m. 'Going into retail changed everything for me,' says Mr Stockdale.

Questions 1-3: Label the diagram below. Choose NO MORE THAN TWO WORDS from the passage for each answer.



Questions 4-8: Do the following statements agree with the information given in the reading passage? Write

TRUE *if the statement agrees with the information*
FALSE *if the statement contradicts the information*
NOT GIVEN *if there is no information on this*

- 4 Sally Bailey intends to find locations for White Stuff in shopping centres.
- 5 Sally Bailey started White Stuff.
- 6 The buyer at Tesco initially rejected Oven Pride.
- 7 The buyer's mother often gives him advice on products.
- 8 Matt Stockdale discovered important information about Tesco after contacting the company.

Questions 9-13: Complete the flow chart below.

Choose NO MORE THAN TWO WORDS AND/OR A NUMBER from the passage for each answer.

THE STORY OF HOMEPRIDE

