

Growth Hidden in Value

After a tumultuous year that has been unlike any other for many industries, Toufic Kreidieh, CEO & Co-Founder of BFL (Brands For Less) Group spends some time here highlighting that growth is still there for many companies, but that it is hidden in what consumers now put value on during these unusual times.



The pandemic may seem like all doom and gloom with most businesses around the world continuously experiencing a slow down or reeling under the pressure to revamp business strategies overnight. However, all is not lost if we begin to study what consumers value at this time and make the immediate transition to effectively deliver their needs.

When the footfall in brick-and-mortar stores decreased following the implementation of lockdowns, it was a natural response for retailers to move towards e-commerce and open shops online either to enhance their presence or to kick-start their digital journeys. It is true that investments in technology are non-negotiable but also, it is important to reflect on existing business practices and re-align priorities, considering the new reality.

Revisiting business strategies amid crisis

The trend in e-commerce has already been growing in the Middle East even prior to the pandemic and while it is now essential for every store to have online presence, it is not the only factor to succeed and achieve remarkable growth. E-commerce in Middle East, Africa and South Asia regions is predicted to grow by USD148.5bn by 2022. However, when the pandemic hit, the Arab Gulf region alone saw a 214 per cent year-on-year increase in cross-border online sales by mid-2020.

With these figures, it may seem too attractive to pour the investments in this emerging sector. However, retail companies can still launch an ambitious expansion strategy that both serve the traditional offline shoppers and the online market. The necessity of the traditional offline shopping should not be underestimated, especially in the Middle East markets. Rather, it is best to explore the value of both worlds on how they are serving customers at this time and what unique propositions they can truly give to shoppers.

As an off-price retailer, BFL Group has a wide range of customers and took advantage of the unique value offered to them. In a time of crisis, consumers would naturally restrict spending especially with

uncertainty of jobs and business. However, when they can still get their most-loved brands at competitive prices, customers will not hesitate to spend, knowing that it is a wise buy.

How to sustain e-commerce growth?

With the huge turnover on e-commerce, building a fulfillment centre solely dedicated to online orders could be a smart move, especially if the sales growth is speaking in volumes. This will help prepare the retailer to keep up with the momentum and fulfill customers' needs in no time. Investing in technology such as robotics is worth it if it brings a more efficient and faster turnaround. Accuracy in products delivered to customers is another reason to invest in modern technologies, because a wrong order can lead to a very dissatisfied customer, possibly gone forever.

Apart from ensuring the continuity of operations, it is also necessary to ensure customer satisfaction. There are several ways to achieve customer satisfaction and setting up a well-defined customer experience strategy can lead to higher customer satisfaction rates and increased revenues. Ensuring the safe delivery of packages to customers on the heels of the pandemic outbreak, for instance, is there one thing consumers are very particular about, and so making sure this is met with great caution opens the door for a repeat order.

Whether in traditional or online shopping, customer satisfaction must be the top priority, and innovative approaches to serve them are highly appreciated by customers. Even as digital operations gain pace, a high percentage of customers in the UAE and other Arab Gulf nations are now returning to offline shops. Given a chance, with safety in mind, customers in this part of the world still want to see the real thing when it comes to shopping.

Lastly, having a dynamic structure and innovative approach is what will keep your business alive and enhance its growth. Being able to show to your customers your excellence amidst difficult times is a rare chance in life. Remain ambitious and optimistic about the future. The journey has just begun and there is a lot more to come.

