



As featured in
The CEO Magazine
For more info visit
theceomagazine.com



SUCCESSFUL Sales

Brent Dowsett has turned Australian Geographic Retail around to become an award-winning retail chain, with unique products and some of the best customer service in Australia.

Images by Scott Ehler

Brent Dowsett is a fixer. He has built a career on coming into ailing businesses and fixing them, making them profitable and able to grow. This was how he came to be the managing director of Australian Geographic Retail (AGR) stores, when he was brought in to turn the business around after a period of stagnating sales and growth. “I think that my whole career has involved problem-solving and fixing businesses,” Brent says. “This was a business that required fixing. When I was brought in [to Australian Geographic Retail], there were many issues that needed to be resolved.”

The problems with AGR were significant, but not impossible to fix for someone with Brent’s experience. For the first few years, he worked on restructuring the

company, getting rid of unprofitable stores and bringing down core costs. Brent also attributes a lot of the success he has had with the company to a new management team he developed, principally by promoting from within. “I have now got probably the best small retail team in Australia. I have taken a small retail business and have been able to develop a team that has grown the business, on average, almost 4 per cent ‘like on like’ per year on the sales line, over 5 per cent on the delivered margin line, and almost 10 per cent on the store contribution line. I would hazard a guess that during the GFC, there are very few other small retailers that could say the same thing without adding significantly to the number of stores. At the start of this process, I had 47 stores; at the end of this process, I have 52.

“We pulled an enormous amount of cost out of the business, and then we started implementing better training for our staff. We implemented a better marketing program for the staff. We started importing product from overseas rather than buying it locally. We are able to increase our margin by doing that, so we are able to increase our sales because we have unique products. We have started refurbishing stores and put new designs into the stores. So really it was a massive makeover. I mean, we basically took an ugly duckling and turned it into a swan.”

It is these stores, a focus on the customer service delivered in them, and the unique products they sell that have really helped AGR succeed in becoming profitable again. The difference, according to Brent, is having an exceptional product that staff >

“I have now got probably the best small retail team in Australia.”
- Brent Dowsett



know well. He forms exclusive relationships with suppliers to ensure they are the only distributors of their products in Australia. "About 40 per cent of our product we buy from overseas ourselves, and we need to do that to have unique product that you can't get elsewhere. So 60 per cent of our product we buy from local suppliers, local wholesalers who have long-term relationships with manufacturers. They import the products to Australia and we buy the products from them. If we import from overseas, it is going to take up to three months from the time we make the decision to buy something. By the time it is manufactured, then sent from Asia generally down to Australia, gets into our warehouse, gets out to our store, it can be three months, whereas with the local suppliers we can actually go and order from them and it can be within their store within the space of two weeks. Today, we have exclusive relationships with manufacturers that have the really good products that we need to have in our stores, so it is a symbiotic relationship: they need us and we need them."

Once they have the unique product, Brent says, the next step is investing in training of staff to ensure every person who comes into the store has a good experience. The training is innovative and is focused on the front-line staff. "We have developed our own training system now, and it has gone pretty much all online," Brent says. "All of our staff go through that training program. We have an annual conference every year for the store managers. We bring them in from right round Australia. We introduce new selling techniques, we train them, we introduce them to new products, and we set them free in the world, excited and motivated to go out there and drive our business further."

"I would say that there is not a week that goes past that I don't get an email or letter from a customer congratulating us on the wonderful service that one of our staff members somewhere has done. It is not only the store managers, but it can be just one of our casual workers. People come in looking for unusual gifts and our

staff are just very competent at helping them find things, suggesting things. We also demonstrate our toys and the gifts that we have in stores, which most retailers don't seem to do. If you go into our stores, they will get it out of the box and put it on the counter or floor and they will actually show you how it works. That is just a massive difference."

In addition to this, AGR launched its website and online stores in 2010, which proved to be a very good business decision for the company. In only five years, the online store has increased its sales exponentially. "Our online business has grown since we first launched it at the back end of 2010," Brent explains. "In that first year, we did only \$200,000 worth of sales online. This year, we will do \$3 million worth of sales in our online business. All retailers have recognised the importance of online, but we were quite early in doing that. Back in 2010, there weren't many Australian retailers that actually had an online presence. We weren't very good at that back then: we made a lot of

"We have solved most of the problems. We know what we are doing, and now it's time to expand the footprint and grow the business."

- Brent Dowsett

mistakes, we did not do it very well, but we have invested a lot in it and we have grown it fantastically in the space of just five years."

The company has always been on the receiving end of numerous awards since Brent took over, a testament to his leadership and the changes he has made to Australian Geographic Retail. "Since I have been here, we have won *CHOICE* magazine's Toy Retailer of the Year in 2010. We won the Roy Morgan Customer Satisfaction Retailer of the Year Award in 2011 and 2013, and we were elected runner-up in the Australian Retail Association Outstanding Retailer of the Year Award in 2012. We have just been advised that we are a finalist in the Global Magento Conference for mobile websites. So for a tiny, little retailer, that is an incredible record."

For the future, Brent says, Australian Geographic Retail is heading into an expansion period.

His team has turned the company around from being unprofitable and stagnant to an award-winning retail chain, with what he says are the best staff in the country. "I have got a loyal, dedicated, passionate, and competent staff. They love the business, they love the product, and we have the best customer service in Australia without a doubt. We plan to open 10 to 15 stores this coming financial year, and they will all be AGR stores. Last year, we opened 10 new stores, three of which were Australian Geographic and seven of which are a brand-new brand called Bobble Art. Once we have got the Bobble Art brand functioning properly, then we will start expanding the Bobble Art portfolio as well."

"So what I see in the future now is expanding the store presence around Australia. We have solved most of the problems. We know what we are doing, and now it's time to expand the footprint and grow the business." •



LIGHT STAX

Inspiring the next generation of bright minds

Creative

lights up as you build

Expandable

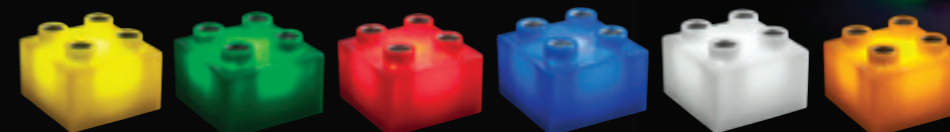
100 per cent compatible with other toy bricks

Colourful

choose from 4 LIGHT modes

Powerful

base brick on USB power or batteries



Visit www.mdiaus.net.au/buy-light-stax to find your nearest Light Stax retailer