

— Growing challenge of retail store management —

Retailers the world over are today faced with unprecedented competition and change. Globalization and the advances in information and communications technologies will continue to have a major impact on the future of retailing in Asia and the Pacific. Singapore has enjoyed remarkable economic growth over the last decade, and during this period its retail sector has grown and undergone numerous transformations.

Singapore abounds with about 18,000 retail establishments employing some 80,000 persons. The value added by the industry was US\$1.5 billion in 2002, with value added per worker of US\$18,650. The retail industry is also significant because it is a breeding ground for entrepreneurs. In addition, retailers form an important component of the tourism industry, accounting for more than 50% of all tourism receipts. For these reasons, the Singapore Tourism Board envisions positioning Singapore as the “shopping capital of Asia.”

An APO multi-country study mission, 12–14 July, allowed participants to observe and understand the latest trends in the management of retail stores, including e-commerce/online shopping, visual merchandising, and customer relationship management. Eighteen individuals from 15 member countries attended the study mission. They visited 77th Street (S) Pte Limited, a youth streetwear fashion shop founded by an award-winning female entrepreneur; Carrefour Singapore Pte Ltd; Metro Department Store; and Atlas Hi-fi Pte Ltd. The visits exposed them to the best retail practices of small businesses as well as those of one of the world’s biggest retailers, Carrefour.

Some of the emerging trends faced by Singaporean retailers include lifestyle shopping, e-tailing, retail technology, retail innovation, and changing consumer



Participants visiting the Carrefour retail chain

demographics. The large number of establishments and high employment figures, along with low productivity, drag down the overall productivity of the service sector. Stiff competition, the rise of other regional players, and budget airlines are luring consumer spending away from the domestic retail sector. These coupled with rising rental fees and labor costs make restructuring the industry imperative. The government has thus devised Retail 21, a plan to make Singapore a world-class center of retail excellence.

SPRING Singapore is the lead agency for the development of the retail industry in the country. An interesting initiative by the Singapore Retailers’ Association in collaboration with SPRING Singapore is the recently set up Retail Academy of Singapore to offer professional training to retail supervisors and executives in partnership with world-class organizations. 🌐