

Retail store management

The retail industry plays a strategic role in the security and social solidarity of communities and channels the fruits of economic prosperity to the people. A workshop on Retail Store Management was organized by the APO in collaboration with the China Productivity Center, 22–25 August, in Taipei to explore current strategies and trends in the global industry and their implications for Asian retailers. The workshop was attended by 17 participants from 13 countries, mostly from the private sector.

There is a clear division of the retail industry in APO member countries: reformed and unreformed (informal or fragmented). Since the 1997–1998 Asian financial crisis, many retailers have been rethinking their business strategies and expansion plans. The main trends are presently consolidation, liquidation of unprofitable operations, and profiling of concepts. Distribution channels traditionally used are changing due to the availability of technology and creative business engineering (e.g., franchising, Internet retailing) and the need to improve customer satisfaction. Smaller traditional retail formats remain threatened, especially if they are unable to reform. The significance of the changes will unfold in varying speed and depth in different countries depending on steps taken to address service-sector liberalization under the WTO regime as well as national policy on growth.

The key expert, Dr. Seung-Ho Anh, Republic of Korea, outlined the Korean retail experience and the evolution of retailing from markets and bazaars. Site visits were made to IDEE Fashion Concept; B&Q Do-It-Yourself home improvement store; and Taipei Financial Center Corporation (Taipei 101), an example of the Republic of China government's efforts to remodel business districts to be more international and revive the local retail industry.

Workshop participants returned home with three key points in mind. First, evolution of the market is forcing retailers to examine existing systems: there is a difference



Visiting IDEE store in downtown Taipei, the world's first "woman concept" store

between "fit to use" and "fit for the future." Second, the challenge is to combine existing systems with incremental projects designed to add value. Third, in developing a resilient retail industry a holistic strategy needs to be taken at national and regional levels.

The Asia-Pacific region continues to be a hotbed of retail development driven by local demand and external competition. APO member countries should focus on developing comprehensive distribution systems encompassing supply chain management, logistic systems, marketing systems, industry databases, and legal frameworks to enable retailers to regenerate in response to natural market forces. Strong and rapidly growing consumer markets in Asia have far-reaching global implications as standards of living improve with economic prosperity. 🌀