

# Five retail errors to overcome

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Recent research has shown that less than 50% of new businesses survive beyond their fifth year, as today's business world is more dynamic and competitive than ever.



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Here are some of the mistakes that will spell doom for any [retail business](#).

## 1. Not focusing on the market

Many retail stores have failed because of focusing on the products rather than the market. If you continue sticking to a product for which there is no demand, you are guaranteed to fail. As a business owner, you need to realize that your main objective is to make a profit. Do not develop an emotional attachment to your product. Carry out some [market research](#) occasionally and be sure to update your product line accordingly. However, do not be too quick to give up on a product just because of temporary situations that will change with time.

## 2. Poor planning

Success in the retail business takes more than just optimism and determination. It calls for elaborate planning that addresses every aspect of the business. First, take time to write a budget to have an idea of how much money is required to get started. Underfunding is one of the biggest killers of retail businesses. Therefore, make sure you have sufficient financing before launching out. In addition, you need to plan on your product line, market demographics and business location. The good news is that there are many planning tools out there.

## 3. Underestimating the work involved

Retailing is not for the faint-hearted. [Running a successful retail store](#) is a very demanding and tiresome exercise. You will need to invest countless hours in making orders, marketing, selling and paying bills on a day-to-day basis. Even when your business has grown and you have hired employees, there will still be new demands that you will need to address. Therefore, if you are not prepared to put in all the blood, sweat and tears, then it might not be advisable to venture into retailing in the first place.

## 4. Overlooking customer needs

Neglecting the needs of your customers is one sure way of failing in the retail business. Some business owners look for locations that are cheap for them, but inconvenient for the customer. As a result, they end up making poor sales. Others do not think about their customers when setting business hours. For instance, if you open at 11am and close at 4pm, you will miss customers who would want to shop in the evening or early in the morning. However, the biggest mistake of retail businesses is failing to handle customers with courtesy. If customers feel disrespected and ignored in your store, they might never come back.

## 5. Failure to keep up with technology

Selling methods and marketing strategies are changing at a very rapid rate. For example, several years ago, people used to buy hardcover books from stores. However, today's technology has made it possible to download books directly from the internet. In addition, traditional marketing methods are giving way to modern strategies such as email and social media. Therefore, businesses that fail to embrace [retail technology](#) will not be around for a very long time.

## ABOUT CHARLES MBURUGU

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