

6 Ideas To Gear Up Your Business



Ron Farrell shares his top insights for ag retailers

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Business consultant Ron Farrell says there are plenty of platitudes that could be said about the challenges retailers are facing, but even if those may feel good to say, they don't change anything.

He says the industry has arrived at a time that will bring "huge changes," and now is the time for ag retailers to assess their people, services and products.

"The lessons of 2019 shouldn't be put together with the lessons from previous downturns or weather issues," Farrell says.

From Farrell's perspective, successful retailers will position themselves in two ways: being technically strong and eager to lead. For 25 years, his consulting business, Farrell Growth Group, has assisted hundreds of retailers with benchmarking, mergers, acquisitions and business strategies.

"Retailers need to be prepared to get out of the rut and

advance their business strategy to one of change leadership," he says. "The economic reset will bring tremendous pressure to the entire market."

Here are six ideas he's shared:

1. Look out 10 years ahead in time. Then, backfill your strategy from there. He says only looking out three to five years isn't far enough. One exercise he shares is for retailers to identify the top 10 customers at each business location. Then, assess and explain why each customer will still be your customer in 10 years.

2. Find something different to do. "We can continue to improve

our businesses by doing what we've done in the past only better, but there's a limit to the gains made, particularly in a down ag economy," Farrell says. "It's tough to change, but it's paramount retailers are differentiating themselves and promoting themselves to customers."

Farrell says farmers are looking for information and opportunities.

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3. Evaluate what you're selling. Farrell says for the past 50 years, ag retail has been selling products and giving away service.

"Service is the one thing we should be selling," he says. "E-commerce threatened status quo and forced retail to become better."

He suggests retailers look at the services they are currently providing, and ask yourself if the customer sees value in those services. And then also ask if your business is providing services the customer does not find to have value.

4. Assure your role as the trusted adviser. "The trusted adviser relationship you have with your customer is yours to lose," Farrell says. "Whatever you do, do not give up that relationship."

In his view, success will be directly tied to being a trusted adviser.

5. Field the right team with the right goal. Farrell says one thing in business has not changed: the principle of providing a great customer experience. He advises to invest in, monitor and recognize professionalism in your team.

"In the highly competitive world, customer experience is possibly the only factor that can give an organization the competitive advantage," he says. "Top-drawer customer experience is only delivered by top-drawer personnel."

6. Be a technologist. "The only way to stay competitive is to stay ahead on technology," Farrell says. "Retailers who stay up-to-date and ask questions about technology put themselves into a position where they can also advise farmers, who are also at times overwhelmed with technology themselves."

Technologies on his list to watch include blockchain, artificial intelligence, autonomy, 3D printing, predictive weather and more.

"When retailers can position themselves to serve the role as a valuable adviser, they'll continue to find success," he says.

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