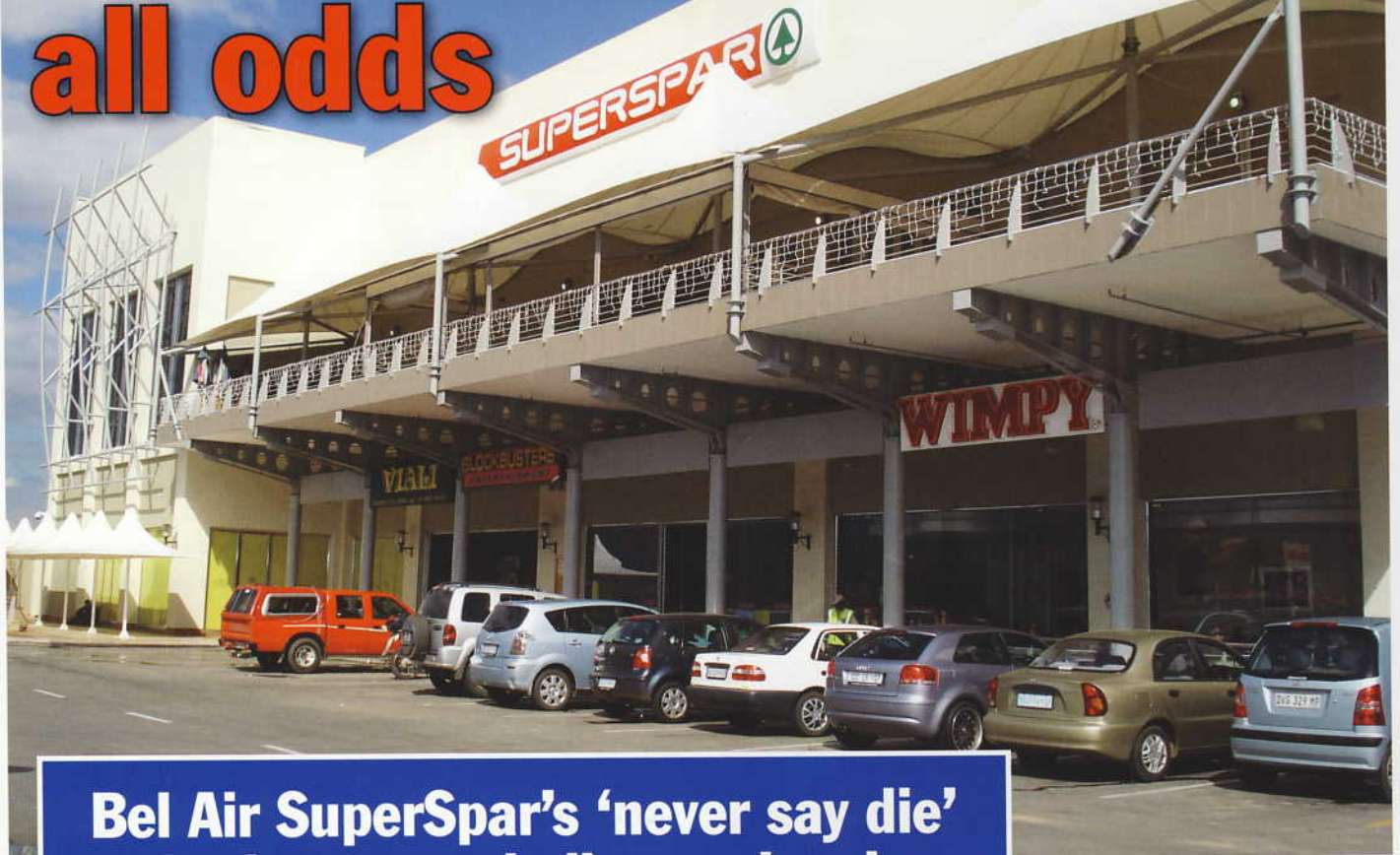


Success against all odds



Bel Air SuperSpar's 'never say die' attitude meets challenges head on

The odds just keep on mounting – and against them all, George Skoutellas has rescued, relaunched and grown turnover in his Bel Air SuperSpar in Bel Air Shopping Centre, North Riding, Johannesburg, since he bought it in May 2009.

Bel Air SuperSpar in Bel Air Shopping Centre, North Riding, Johannesburg, is a remarkable story of determination, community investment and ultimately, success.

BY JANICE HUNT

Liquidation

When Skoutellas bought the store, the centre was at about 60% occupancy and was under provisional liquidation; he was assured that it was at its lowest and that the centre wouldn't be liquidated. It was. And within four months, occupancy plummeted to about 30%.

Says Skoutellas, "With the liquidation, the major tenants who'd been in the centre – Woolworths, Cattle Baron, Clicks, Musica, and many others – found trading under those circumstances to be difficult, and left.

We'd been pulling out all the stops to encourage customers back into the store, but with the huge drop in tenant numbers, we had to go the extra mile to bring customers into this store."

Mounting challenges

When he took over the store, it was rundown, stock levels were low, and staff were fairly demotivated by the uncertainty of the centre's future. Skoutellas, who's not afraid of a challenge, was confident that his investment hadn't been a mistake, and that he could survive. Then came the liquidation, along with the mass exodus of tenants. Just as he started recovering from that blow, the council closed a road in the area that meant that anyone wanting to come to the store had to travel quite a number of blocks to access his store. The challenges mounted, and with them, his determination to overcome each one. It's a matter of principle to him; he had committed to the community and was determined to remain loyal and continue trading.

His move to Johannesburg to take over the store was also fraught with challenges.

He relates the circumstances. "I'd sold my Spar store in Volksrust and had been looking around for a store in Johannesburg. I'd put in an offer for this Bel Air store, but there were complications because of the provisional liquidation. Suddenly I was told the store was mine and I had to take it over in just a few days to ensure continuity of business. My wife was eight and a half months pregnant with our first child. We had to sell our house in Volksrust, find a place to live in Johannesburg, move, and prepare the store for re-launching – in a short period. I still don't know how we did it, but we did. The store was re-launched towards the end of May 2009, and two days later my son was born."

Retailing background

Skoutellas comes from a background of retailing and has been with Spar for several

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years. His father was a Spar store owner in small towns for 20 odd years from the mid 70s before returning to Cyprus. Skoutellas decided to move to Johannesburg as it would offer bigger challenges – which it has – and more opportunity for growth.

He's described by Spar South Rand's retail operations manager, Safura Dawood, as "a real go-getter." She adds, "If anyone can overcome the obstacles this store faces, George can. He's positive and hands-on, and he has an excellent instinct for retailing. He's also a natural people-person and he's already formed excellent ties in this community; ties that I'm sure will serve to see him through tough trading conditions."

Growth strategy

His strategy for the store, developed in conjunction with the Spar team when he bought the store, was first and foremost, aggressive trading, with many different price and product campaigns. He restocked the store to high levels. He made sure his shelves were packed neatly, clean, bright, and that the offering in the service departments was always fresh and appetising.

He quickly got to know the profile of his customer base – generally young, two income families with small children – and made sure he catered for their specific needs.

Branding was another important aspect of the strategy. Bold and eye-catching signage went up all over the area, and particularly on the outside of the shopping centre, which promised a fresh new offering.

Community ties

Probably the most appealing aspect of the strategy was Skoutellas's community involvement. "I come from a small town, Volksrust, where the store was automatically involved in community activities. I understand how important community is. I also knew that I could form close ties with the community in this area in North Riding." He set about identifying every school, nursery school, church, and association such as the SPCA in the area – and offered each one a donation box in his store. Customers decide which organisation they want to support, and place their till slips in the box of their choice. Skoutellas then makes a proportionate

The community boxes for donations for local community initiatives were installed by George, which immediately positioned the store as a community minded and involved business – and started building customer loyalty.



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S&R 20

SUPERMARKET & RETAILER, NOVEMBER 2010



The Bel Air SuperSpar management team from left: Andrea Stephanou (store manager), Ron McHarg (in-store Master of Ceremonies), George Skoutellas (owner) and Saloshini Sungharandan (store manager).

donation to the various places, based on the amounts spent on the till slips. Today there are about 30 boxes and few people leave the store without slipping their till slips into one of the boxes. It's a huge success, he says. It's recognised for what it is; supporting the local community, and it's appreciated. Various other community initiatives are also undertaken by the store on an ongoing basis.

Service departments

Bel Air SuperSpar has a trading area of 2 533m², with the full range of departments. Skoutellas is particularly proud of his service departments, which include butchery, bakery, home meal replacement, and fresh produce. He keeps the standards and the range in these departments extremely high because they're largely responsible for attracting and retaining customers.

The butchery, he says, has been doing well for some time, and has won the regional Cleaver Award (by the Red Meat Industry Forum, based on votes from the public) on a couple of occasions. His aim now is to win the national award by providing an excellent range at good prices.

The bakery is a real drawcard. The baker, Virginia Khoza, was sent for special training and has taken to her job like a duck to water. She creates new confectionery items on practically a daily basis, and keeps the department exceptionally well stocked with a wide variety of freshly baked goods

The home meal replacement section is a strong department and is growing, says Skoutellas. It's run by a professional chef who experiments with new meal recipes that will appeal to harried shoppers popping in after a long day's work looking for a meal solution, particularly one that

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doesn't break the budget. Fresh produce is also extensive, with a range of commodity type products, as well as more unusual offerings that retain customer interest.



The colourful bank of flowers outside the entrance to Bel Air lends an exceptionally bright and welcoming atmosphere to the store; even better is the fact that the range is much wider and the flowers are more budget friendly than the average supermarket offering.

Staff

The store has 120 staff members. When he took over, Skoutellas assessed the situation and realised that some areas were over-staffed, some under-staffed, and that few had adequate training. He restructured for optimum efficiency, and sent many of them for training.

His philosophy as far as staff is concerned is based on respect. It's a philosophy that works and keeps people motivated. This also plays itself out in his hands-on approach to running the store. He involves himself in his staff members' work, showing an interest in their jobs and helping out wherever he can, especially when it's a new task that has to be implemented. He quickly built up an extremely positive work environment, which has endured despite the ongoing setbacks.

Entertainment

Weekends are the busiest period in the store, and Skoutellas has introduced entertainment for shoppers in the form of a roving MC with a wireless microphone, Ron McHarg, who announces 'crazy specials', where for five minutes or so when a bell rings, a product will be sold at an extremely low price. He also plays music, and interacts with customers, keeping children and parents alike entertained. Skoutellas



The HMR department is run by a professional chef who experiments with new meal recipes that will appeal to time-strapped customers.

wasn't too sure of the success of this activity until the MC wasn't available one Saturday and customers kept asking where he was; they missed him.

Big prize

Having overcome many hazards in 18 months of trading, Skoutellas has just been faced with another road closure that makes it even more difficult for customers to reach the store. In the first week following the closure, he'd lost 2 200 customers. Working with Spar, they devised a campaign that will run as an in-store competition over 22 weeks. The prize? A house. "It's bound to work," enthuses Skoutellas. "It's a big and emotional prize that will make a life-changing difference to the winner."

Weekends are the busiest period in the store but Skoutellas makes sure customers are kept entertained with a roving MC announcing crazy specials throughout the day.



Virginia Khoza, baker, develops her own delectable creations daily, making the bakery a big drawcard for shoppers.

Jukskei Park

In June this year, Skoutellas added to his challenges with the purchase of Jukskei Park SuperSpar which he revamped in just two months – and tripled the turnover. 