KEYS TO A GREAT RESTORE

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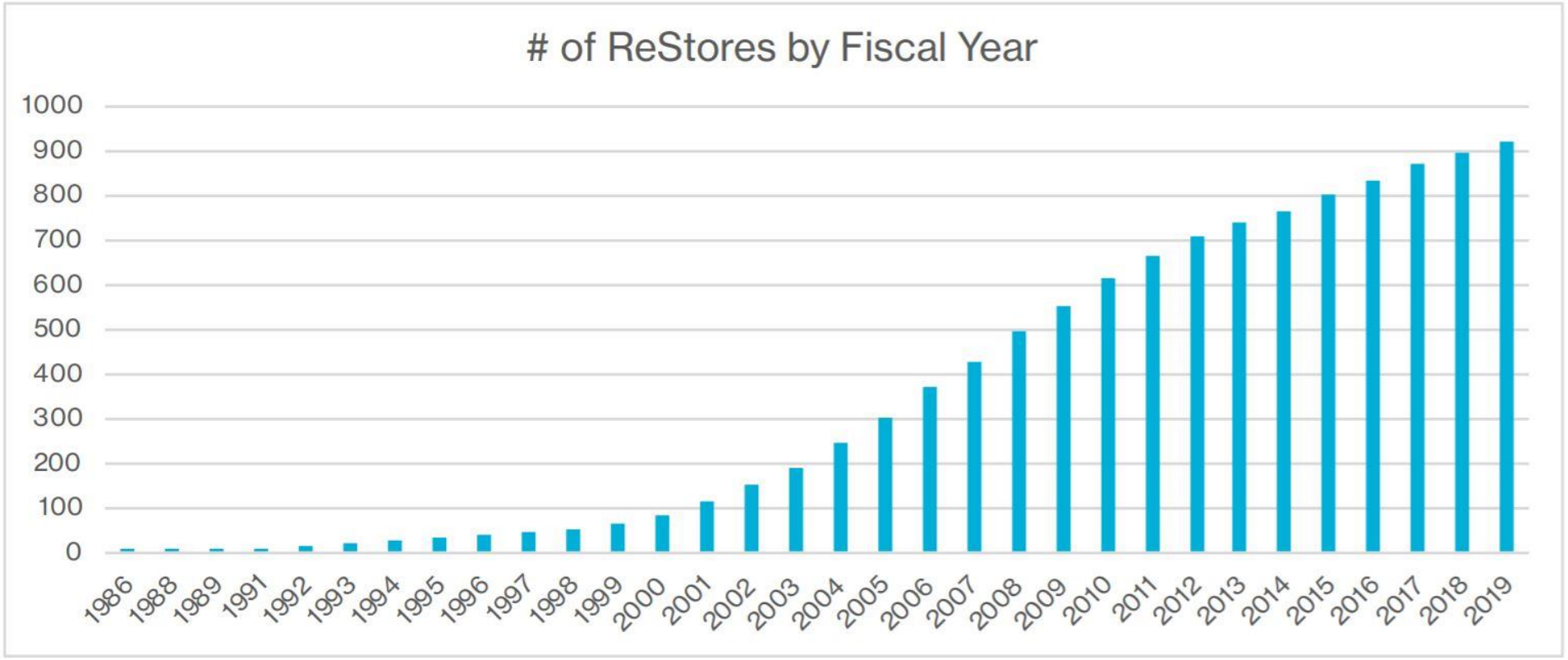
Habitat for Humanity® | ReStore®

State of the Habitat ReStore Community

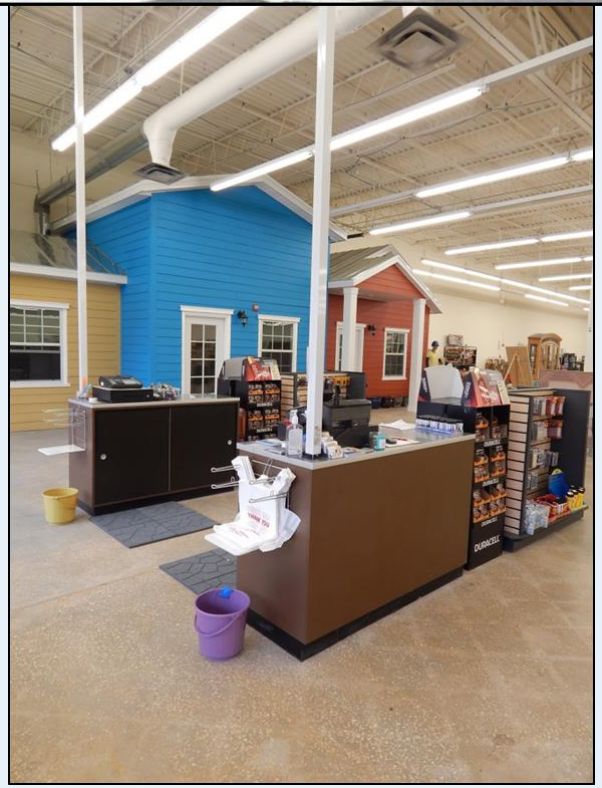
- 906+ stores in 49 states
- 46% are less than 10 years old
- $527 Million Gross Sales
- $133 Million Profit to serve families
- $37.56 average SPSF


# of ReStores by Fiscal Year
1000
900
800
700
600
500
400
300
200
100
0
1986
1988
1989
1991
1992
1993
1994
1995
1996
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019

Mattress
Furniture

DRIVE THRU
DONATION CENTER

Habitat for Humanity
ReStore
Shop. Donate. Volunteer.



The Habitat ReStore “brand”

BRAND

perceived emotional corporate image as a whole.

IDENTITY

visual aspects that form part of the overall brand.

LOGO

identifies a business in its simplest form via the use of a mark or icon.

Habitat for Humanity® | ReStore®

- “Clean, friendly and safe place to find treasures”
- “The place to donate your hard-goods”
- “ReStores support the HFH mission”

ACE Hardware

Habitat for Humanity®

ReStore®

style guide

A resource for Habitat ReStores

MARCH 2019

Habitat for Humanity® | ReStore®

We build ***strength***, ***stability*** and ***self-reliance*** through ***shelter***.

HANDOUT

Habitat for Humanity | ReStore

Keys to a Great ReStore

Great ReStores…

Are focused on donors and donations: We are in the donation business, not the retail business. A steady supply of high-quality donations, driven by a deliberate and systematic procurement process, is critical for every great ReStore.

Are market-driven: Great ReStores strive to understand their particular market and serve the needs of that market. Each ReStore determines what it sells and what it will charge based on donation supply and customer demand in its market. Staying current with ever-changing local markets is essential to success.

Are marketing machines: No matter how successful we think we are, we must never assume that we are well known to our potential donors and customers. Great ReStores are constantly getting their message in front of the public through every available outlet: word of mouth, good press, a great website (optimized for search engines), paid advertising, social media, special events and promotional materials.

Operate in good real estate: There is truth to the cliché: "Location! Location! Location!" Great ReStores are convenient and easy to find; have adequate parking; and are located where donors, customers and volunteers feel safe. Bad real estate is the single greatest inhibitor to a great ReStore and is the hardest and most expensive thing to fix later. Take your time and do this right. Get an expert's help in making this important decision.

Are all about empathy: It is not about us! To create the ideal experience for donors, volunteers and customers, we must understand it from their perspective. Strong ReStores constantly evaluate their operation from the vantage point of an outsider.

Invest in their people: Take care of the people who take care of you. Training, resources, competitive compensation and opportunities to grow will attract and retain great talent. Great talent is required to run a great ReStore.

Have a strong female donor and customer strategy: Women control most household incomes in America. Focusing on the female customer does not exclude the male customer, but ensures that more discerning customers will feel welcome.

Emphasize merchandise turnover: Turnover is the number of times during a given period that inventory is sold and replaced. The best ReStores have regular markdowns and sales, so there is an emphasis on a high turnover of merchandise. The good merchandise will turn over automatically (via the cash register), so a store can quickly have 10, 30 or even 50 percent dead merchandise on the floor. Get that stuff out of the store to make room for better or different merchandise.

Have a strong volunteer program: The benefits of a strong, regular volunteer program go well beyond the obvious advantage of keeping labor costs down. Volunteers often have skills that our paid staff may not have and can be a great source of referrals for donors and customers. Dedicated volunteers lend a real sense of community to a ReStore that cannot be duplicated at a for-profit venture.

Don't starve their business: As in any other business, it will cost money to make money. Prudent investments in infrastructure, maintenance, equipment and advertising are all necessary for a thriving business.

Form partnerships: Great ReStores are vibrant members of their community, partnering with local nonprofits, organizations and businesses, and within the Habitat family.

Embrace the Habitat for Humanity mission: We have a great mission! Why hide from it? Habitat for Humanity is one of the most recognizable brands in the world, and the best ReStores use it aggressively and with great care. Use your store to connect your customers, donors and volunteers to the impact of Habitat in your community and around the world.

Activity!

Habitat for Humanity | ReStore

"Keys to a Great ReStore" Self-Assessment

Give your ReStore a rating from 1-4 for each key (1 = meeting none or very little of criteria; 2 = meeting some of criteria with lots of room for improvement; 3 = meeting much of criteria; 4 = consistently meeting almost all of criteria).

1. ***Great ReStores** are focused on donors and donations:* We are in the donation business, not the retail business. A steady supply of high-quality donations, driven by a deliberate and systematic procurement process, is critical for every great ReStore.

Score (circle one): 1 2 3 4

2. ***Great ReStores** are market-driven:* Great ReStores strive to understand their particular market and serve the needs of that market. Each ReStore determines what it sells and what it will charge based on donation supply and customer demand in its market. Staying current with ever-changing local markets is essential to success.

Score (circle one): 1 2 3 4

3. ***Great ReStores** are marketing machines:* No matter how successful we think we are, we must never assume that we are well known to our potential donors and customers. Great ReStores are constantly getting their message in front of the public through every available outlet: word of mouth, good press, a great website (optimized for search engines), paid advertising, social media, special events and promotional materials.

Score (circle one): 1 2 3 4

4. ***Great ReStores** operate in good real estate:* There is truth to the cliché: "Location! Location! Location!" Great ReStores are convenient and easy to find; have adequate parking; and are located where donors, customers and volunteers feel safe. Bad real estate is the single greatest inhibitor to a great ReStore and is the hardest and most expensive thing to fix later. Take your time and do this right. Get an expert's help in making this important decision.

Score (circle one): 1 2 3 4

5. ***Great ReStores** are all about empathy:* It is not about us! To create the ideal experience for donors, volunteers and customers, we must understand it from their perspective. Strong ReStores constantly evaluate their operation from the vantage point of an outsider.

Score (circle one): 1 2 3 4

6. ***Great ReStores** invest in their people:* Take care of the people who take care of you. Training, resources, competitive compensation and opportunities to grow will attract and retain great talent. Great talent is required to run a great ReStore.

Score (circle one): 1 2 3 4

Donor Driven Model

impacts every aspect of our strategy

Market-Driven

Marketing Machines

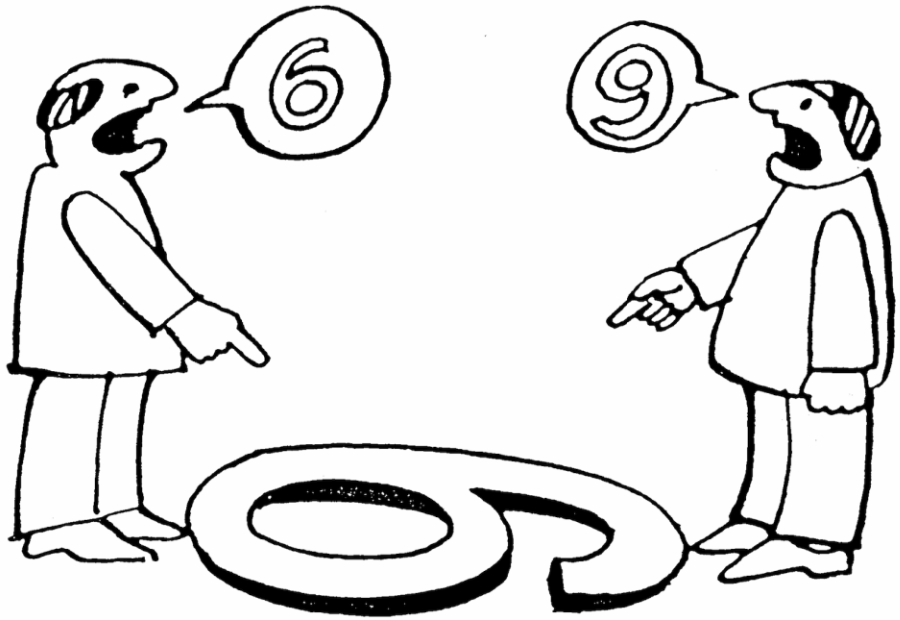
Operate In Good Real Estate

Trade Offs for low-cost location

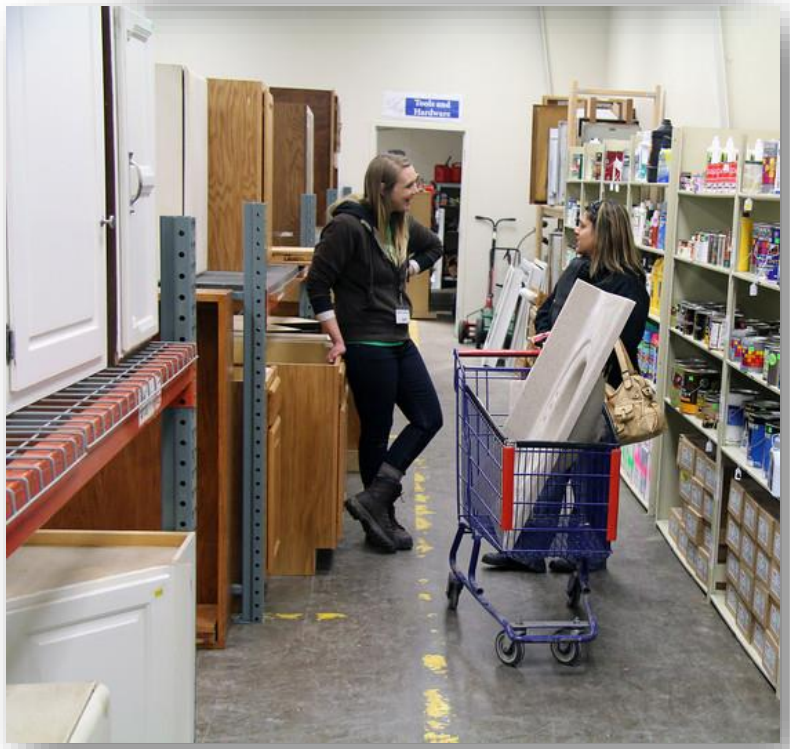
- Fewer high-income shoppers
  - *Result: Lower price points*
- Fewer drop-offs, more pickups
  - *Result: Much higher cost per donation*
- Longer drive times for pickups
  - *Result: much lower efficiency*
- Less top-of-mind awareness within target donor demographic
  - *Result: Higher marketing costs*
- Uncomfortable/inconvenient for volunteers
  - *Result: More paid staff*

Great customer service starts with

EMPATHY



Invest In Their People



Training Opportunities

- Habitat 101 (local, national, and international)
- ReStore University 201 (in-person training: *March & Oct*)
- Online ReStore videos and training information
- Safety training (My.habitat and Lockton)
- *“ART Academy” (Donation manager training – Sept.)*
- *“New Store University” (web based)*
- *Habitat Learns (MyHabitat)*

Inclusive Donor & Customer Strategy

Emphasize Merchandise Turnover

At which store would you rather shop?

sale
discount taken at register
NEW ARRIVALS
20% OFF
50% OFF
Habitat for Humanity®
ReStore®
the store that builds homes

How do we maximize our space?

- Look at a single square foot of the floor.
- How much does this need to generate to earn its keep?
  - Sales per square foot
- As much as possible, eliminate and/or shrink all spaces that aren't sales space
- Become obsessive about making sure that square foot earns its keep
  - Sales per square foot by department
- It's about the value of the *space*, not about the price of the *stuff*!

Strong Volunteer Program

Don’t Starve The Business

Form Partnerships

Embrace HFH Mission

New Orleans Area
Habitat for Humanity
OUR MISSION...
Volunteer
Halton
Habitat for Humanity
ReStore
supports Habitat's building programs
a wall is raised
a home is built
a new future full of hope is reached

Any Questions?

A "good" ReStore - Benchmarks

- Occupancy: **14-18% of gross**
- Open: **?**
- FTEs: **?**
- Sales/Square Foot: **$45**
- Margin: **25-30%**
- Payroll: **30-40% of gross**
- Marketing: **4-7% of gross**
- Size: **14,000+ sq. ft**.
- Location: **10-15 minutes from donors**

ReStore Manager Roles & Responsibilities

A ReStore manager (director) is responsible for everything the ReStore does or fails to do.

- Drive **Sales**
- Secure **Donations**
- Maintain standards of incredible **Customer and Donor Service**
- Set and hold accountable **Performance Standards**
- Establish and reinforce **Ethical Standards**
- A **Leader** for entire staff, paid and unpaid.

Key Attitudes of Great Manager

- Optimistic
- Lifelong learner
- Leader and team player
- Empathetic
- Willing to take ownership
- Infectiously enthusiastic
- Confident in self but not arrogant
- Creative problem solver
- “People person”
- Patient
- Entrepreneurial
- Autonomous
- Flexible

Thank you!

Questions?

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restore@habitat.org

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