

# Make Customers The Key To A Huge Success

Tom O'Toole's wildly successful bakery has three simple principles — all focused on customers.

*Entrepreneur:* Tom O'Toole

*Company:* Beechworth Bakery

*Business type:* Retail bakery

*Turnover range:* \$2M – \$5M per annum

*Business history:* Commenced 1984

*Based:* Beechworth, Victoria

*Contact:* (03) 5728 1132

## The Beechworth Bakery story:

Tom O'Toole's Beechworth Bakery took \$2.7 million in cash across the counter in the 1999-2000 financial year, making it the highest earning, stand-alone retail bakery in Australia. The business has come a long way since it turned over \$100,000 in 1984, when O'Toole purchased it.

The small bread and cake shop is in the little town of Beechworth, three hours' drive north-east of Melbourne. The reasons for its outstanding success are "so simple that most people miss them," according to O'Toole. Here is his success philosophy:

Produce an ever-changing, exciting range of quality products.

Provide excellent service.

Constantly look for ways to improve — especially with the help of customer feedback.

O'Toole says: "I really believe that the fundamentals of business have never changed: people want it fresh and they want it now. I tell all my staff: if you wouldn't buy it, don't sell it. That's my quality control."

To make customers more familiar with his 250 lines, O'Toole urges his staff to keep the shelves looking well-stocked and to change the presentation so that customers don't get bored. He says: "Most people come in, buy their white sliced or their French stick, and go again. You have to break that pattern, get them out of that comfort zone. I move the French sticks down the other end of the shop and Mrs Jones comes in and says 'where are they?' and then she sees some pumpkin bread and says 'I'll have some of that'."

Exemplary customer service is another essential factor in the bakery's success. O'Toole says: "All the customer wants you to do is 'look at me', 'greet me', 'talk to me', 'thank me'. It's so simple — those four steps and yet we often don't do it. I see it all the time. You go into a shop and the staff are saying to themselves 'Can't they see I'm busy?' I tell my staff: 'You are customers in other people's shops, so treat your customers the way you like to be treated'."

## Key learning points:

*Product quality.* Use your judgment — as a customer — when planning a product range. If you wouldn't buy it, don't try to sell it.

*Product presentation.* Move stock around regularly to break customers' shopping patterns. Allow them to find 'new' lines — ones they would have missed if everything was always in the same place.

*Excellent service.* Give customers these four things: eye contact with a smile, a greeting, help with what they want, and a thank you. That is all they want.

*Customer feedback.* Give customers the opportunity to help you improve your business. Ask for their feedback. Reply to all who give it — and give them another reason to bring their custom back.

The bakery has yellow customer feedback sheets prominently placed around the shop. O'Toole receives about fifty customer comments each week. He says: "I keep it very simple, just your comments and suggestions about how we can do it better. All the staff get to read them and I answer every one. Some people whinged and moaned when I started asking for feedback, but I listened and I changed a lot of things and my business grew. Now if somebody complains, I'll send them our '2 Beechworth Dollars' voucher. They will stick it on the fridge or sit in their wallet, and every time they open the fridge or their wallet, they see it — the Beechworth Bakery. And it's there for the next time they go to Beechworth."