



International Report (Short version)

The Talk Retail Erasmus+ project was created to help retailers wishing to open their companies to the international to acquire the communication and soft skills needed. Each country had their opinion on the retail industry's state of the art after having done research about it. However, we wanted to agree on the ten most important skills that would be the beginning of the creation of our online course. In this objective, all partners asked 50 participants to answer a survey to know the retailers' weaknesses and strengths and understand their needs better.

WHAT ABOUT THE RETAIL INDUSTRY IN EUROPE?

The retail industry is an important part of employment in these countries. It's a sector in constant evolution with the incorporation of emerging communication technologies, new regulations in commercial operations, and the adoption of new forms of sales. Over the past two years, the industry has taken a hit due to intense lockdowns across Europe, forcing businesses to close down or find alternatives to selling their goods, with only 'essential' stores such as grocery stores allowed to remain open. Many retailers also relied upon tourism bringing in customers from around the country and abroad; however, with travel restrictions in place, many shops lost their customer base almost entirely.

Retail is the largest sector in terms of employment in Europe, with nearly 20 million workers. In addition, it supports millions more jobs in indirect employment amongst suppliers, service providers, and partners. Its contribution to employment is geographically spread retail is in the top 3 industrial employers in 95% of Europe's regions. COVID-19 did have a negative impact in some countries, but it is usually weaker than expected. Most countries experienced a drop in their retail sales in 2020, but they recovered and the impact was generally weaker during the following lockdowns. Surprisingly, some countries seem to have benefited from COVID-19,

notably in Northern Europe. The main reason is that Northern European countries usually have a “tourist deficit” during summer with more people going out of the country than entering it. However, last year due to travelling constraints, these countries had more consumers than usual.

The situation also appears heterogeneous depending on market segments, with textile and apparel retailers being amongst the most severely affected by the pandemic. Apparel stores were considered non-essential and were thus often closed during lockdowns. As people were forced to stay at home, there were fewer incentives to buy clothes: sales in clothing stores, therefore, decreased by 24% in EU-27. However, these sales are expected to improve as soon as the situation eases. The effect on clothing retailers is also directly linked to companies’ policies on remote working: if remote working remains important after the pandemic, the sales will not fully recover.

WHO ARE THE RETAILERS?

According to the surveys, the retailers are mostly between 25 and 60 years old, and even from 18 to 25 years old in France and Ireland. The main sectors where retailers work in the consortium countries are the food, clothes, and accessories sectors. However, we can notice some differences between the countries. In France, Italy and Latvia, craftsmanship is also a popular sector with 18% of responses in France, 16% in Italy and 14% in Latvia. In Ireland and France, book and stationery shop is also more present than in the other countries with 14% in Ireland and 18% in France, compared to 4% in Spain, 4% in Italy, and 2% in Latvia.

Concerning the businesses, most of them were created from 1 to 5 years ago in all countries of the consortium, except in Spain where companies are more than 5 years old. Most businesses employ from 1 to 5 people in their structure, and really few have more than 250 employees.



WHAT RESTRAINS THE INTERNATIONAL OPENING?

Among the most challenging aspects that retailers face when opening to the international market, the five most quoted were:

- the lack of financial means,
- the lack of knowledge about the targeted,
- the lack of human capital,
- the lack of language skills,
- the lack of technological skills.

WHAT ARE THE TEN MOST IMPORTANT SKILLS?

The main objective of the first result of Talk Retail project was to find the 10 most important skills for retailers to acquire communication and soft skills. After comparing all answers, the most quoted skills were:

- 1) Vocabulary knowledge in the targeted language
- 2) Use of social networks
- 3) Proficient oral expression skills in the targeted language
- 4) Oral comprehension in the targeted language
- 5) Proficient management of a website
- 6) Patience
- 7) Cultural and ethical sensitivity
- 8) Problem-solving skills
- 9) Written comprehension in the targeted language
- 10) Effective pitching techniques

Thanks to this result, we can create our micro-learning online course, being aware of the retailer's needs and expectations.

Most of the retailers didn't do any training to open to the international market. There were only a few people who received some training to learn more about exports and to improve and practise their English or any other language.

WHAT ARE THE BEST PRACTICES?

Participants in the surveys commented on the best practices or advice they could give to someone that would launch their own business in the retail industry at the international level. Here are a few of them:

- Take everything into consideration, and plan it thoroughly: having a clear and defined strategy and not improvising anything is a clue stage for success,
- Identify your target audience,
- Make sure you can afford the extra cost of sending physical items abroad before you start offering that service,
- Research the market and competitors, and know the local dynamics: it is important to know the non-written rules and the local habits to access the local market,
- Set up a strategy and a risk management plan, and be ready to adapt,
- Have a good international network: knowing the right channels and addressing the right persons is a crucial step for a successful export,
- Sell products or services that are in line with the needs of the local hosting country,
- Study the language: a good first step in getting in contact with local dynamics. Learning foreign languages to learn how to communicate with your customers.
- Focus on something specific,
- Gain experience and learn from someone who already using this type of export or similar,
- Be open-minded and inviting.
- Have patience until your own business is back on its feet.
- Be aware of the obligations

Most of the participants encouraged people to start and to be motivated as it can be really difficult at the beginning. One said, “Never a failure - always a lesson”. To sum up their statements about motivation, they encourage you to believe that you can do it, and do it: you just need to take the risk.

CONCLUSION

It can be concluded from the current research and survey that the landscape of international retail is undergoing a big change due to the effects of the COVID-19 pandemic, and rising inflation. Consumer spending habits are changing and retail owners who hope to open their doors to international customers must be aware of trends in consumption as well as the many soft skills required to be successful in the business. Not only is intercultural communication a challenge, but issues related to finance and logistics must also be considered.



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