

Do It All

If you want something
doing well...





In its first full year of complete ownership by Boots, Do It All (DIA) produced an outstanding result recovering to record a £2.5 million profit from an operating loss of £7.6 million in the previous year. Overall sales fell 3.2 per cent to £337.2 million as further underperforming stores were closed but like for like sales from the ongoing stores increased by 4.4 per cent. Free cash flow in the ongoing chain was well ahead of target at £22 million.

Strategy The acquisition of WH Smith's share of the business in June 1996 has enabled management to refine DIA's strategy, drawing on detailed customer research. While remaining a full range DIY retailer, DIA is differentiating itself more clearly from competitors. It aims to offer stylish and innovative products, with greater emphasis on inspirational displays. Extending its established strength in home decoration, it is now building its position in 'outdoor living'. It continues to offer good value, while improving margins through effective buying and a growing proportion of own label and exclusive lines. Its established reputation for outstanding service and advice enables it to introduce additional service policies that customers value – for example, no-quibble exchanges on returned products, even if they have been used.

Store development The programme of store closures is now virtually complete: by the end of the year exit plans had been agreed on all the remaining units.

Among its 134 ongoing stores, DIA has begun a series of selective relocations and refits. The relocation of the Stockport store in June 1997 provided the opportunity to test a brighter, more browsable layout, and similar layouts were introduced in Peterborough and Truro.

Merchandise DIA has continued to extend its own label and exclusive ranges, ensuring that they remain contemporary and stylish. As a result, they accounted for 21 per cent of sales in 1997/98. Woodstains, paints, wallpapers and bath accessories were particularly successful. As part of the stronger emphasis on outdoor living, DIA introduced its own exclusive Champion range of mowers and new ranges of garden furniture and barbecues.

Customer service For the second year running, DIA won a BT/Daily Telegraph customer service award. Service innovations currently on trial include the Design Wizard, an interactive console that allows customers to select a roomset on screen and try the effect of different wallcoverings and paints.

Logistics DIA continues to reduce logistics costs. A key cash flow driver has been its success in reducing stockholding while improving stock availability.

Outlook DIA expects to make continued improvement in profit and cash flow performance. The contribution to sales and margins from own label and exclusive lines is expected to rise still further in 1998, boosted by further product innovations. Sales will also benefit from a higher level of customer communications, promotions and advertising, funded by the withdrawal of the Bonuscard in March/April.

Do It All	
Managing Director, Rod Scribbins	
Sales £m	337.2
Decrease %	3.2
Profit £m	2.5
Sales split	%
Decorative	55
Workshop	24
Gardening	21



Growing consumer interest in innovative products to achieve an individual look has been boosted by Do It All fashion paints and special effect paints.