

TOP3 by Design - a business model that inspires

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Our very own Gaye Steel sheds light on the innovative business model that has propelled Top3 by Design into being such a strong and influential presence in Australian retail.



The Top3 by Design business model highlights the importance of developing a distinctive offering with a compelling proposition. With a high level of customer engagement and a focus on customer service, Top3 by Design is now a leader in designed retail and collected the 2009 Global Innovator Award.

Top3 by Design is the brainchild of Terri and Bernd Winter, who opened their first concept store in Crows Nest, NSW in 2001 and launched an online offer simultaneously. Terri explains, "I've got a passion for small objects that change the everyday, not necessarily items that make big statements- simple things with practical design." In other words, Top3 by Design is not just another homewares store. In the process of developing the company's architecture, the name Top3 by Design emerged from the philosophy of the company. Products are selected based on merit of design i.e.: the top three products in the market. The underlying principle is to stock up to three products in selected categories and settle if desired products are not available. Product categories evolve as consumers' choices and preferences change; for instance iPhone and iPad covers are in high demand today.

Understanding the importance of a fully immersive sensory experience, Top 3 by Design's store layout and shelving design encourages customers to explore and engage with the products. Sales staff encourage customers to touch and feel the products and to experience the simple aspects of the design.

Top3 by Design has experienced explosive retail growth, with three retail stores in NSW and online with a complementary, 'e-tail'- integrated store. The model

seamlessly integrates weekly web updates and social media tools with traditional media to cement the brand's market leadership.

A constant challenge for small retailers is the changing landscape of online shopping. Competition is fierce at a local and international level. It is often difficult to compete with reduced margins and competing offers including free delivery, same day shipping, speedy return if not satisfied and, more recently, online pure play companies offering in-home trial.

As a result, Top3 by Design emphasises the importance of partnering with suppliers with specific expertise. "It's vital to surround yourself with people who know more than you do", Terri explained. We work with specialists in their field and nurture those relationships to respond to external demands and an ever-changing retail landscape." Terri says, "Size is a blessing. Small retailers are nimble; they're not caught up in hierarchy, internal competition for resources or slow decision making, but, of course, ultimately the most important part of the equation is my team."

A final word....

With an ever-changing retail landscape, a point of difference is more important than ever.

It is essential to consider online as a customer contact point rather than viewing it as a separate business. Develop a model that seamlessly integrates bricks and mortar with an 'e-tail' integrated store. Online requires stock management as per a physical store. For all retailers it is of paramount importance to partner with key suppliers who provide expertise and add value to your business.

Top3 by Design is a business model many look towards for inspiration when it comes to enhancing the customer experience. ■