Expansion Plan For Everyman LLC

An Essay Presented

by

John J. Petrach III

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Dr. Matthew Rutherford, First Reader

Dr. Jonathon Butler, Second Reader

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Executive Summary

Stillwater, Oklahoma is the home of the Oklahoma State University Cowboys, and is known for a small college town atmosphere with friendly, down to earth people. Staples of the town include the university, and a few small town success stories like the restaurant Eskimo Joes and Kicker Audio. Aside from the handful of notable successes in Stillwater, business turnover has been an issue that has kept the small town from truly maximizing its potential. An example of this includes the unfortunate rotations of businesses prime locations like one on Main Street that has less-than-successfully held Brooklyn’s Steakhouse, Town Hall Eatery, and now a hopeful Granny’s Steakhouse in less than three years time. However, while some prime locations have offered nothing but heavy turnover, the town has slowly accepted new-age restaurants and stores into its community. Due mostly to the growth of the university, concepts like craft coffee shops, modern housing, and unique eateries have taken shape with hopes of evolving the small Oklahoma town. Everyman is a store that has existed for just less than two years, and has grown organically to find a valuable niche in Stillwater.

Everyman is a multifaceted business that currently encompasses craft coffee, high end barbering, and men’s suiting in addition to accessories. The coffee side of the business boasts a constantly changing menu that sources beans from the top roasters in Oklahoma, the barbering side blends the old school practices of barbering with new school style, and the suit shop offers professional and formal wear for college students and professionals alike. The founder and owner, Bryson Baker, is a Stillwater native who graduated from OSU, and has a passion to give back to mentoring young men. He started this company as a “Haberdashery with a Give Back”, in hopes to create a men’s store that donates to the development of young men and boys in need of direction and purpose. The company is currently partnered with 10 “Giveback Partners” to which it donates a portion of its revenue, and hopes to continue to add partners as growth continues. Mr. Baker started the company along with his wife Raychel a couple years ago with a small check that was used to buy a box of ties to sell. The company has literally grown from a box of ties to a brick and mortar store on Main Street that has won the city Chamber of Commerce's Business of the Month award, and is the only dedicated men's professional and casual clothing store in Stillwater.

When comparing the revenues of the first quarter of 2018 and 2017, Everyman has grown by 220% from a calendar year ago, and plans to continue in its growth to a new phase of the business that Mr. Baker has dubbed "Everyman 2.0". The business has currently outgrown its walls. With barbering constantly booked full, a growth opportunity in the craft coffee market, and a need for expansion of the formal wear provided, a change must be made to appropriately serve the demand. Everyman is also planning on filling an untapped market of craft beer and cocktails for young professionals and students who seek a higher end experience. The aspirations for growth are noble, but the transition from one location to another could prove detrimental to the brand that has been built. According to a survey of businesses by McKinsey & Company, only 26% of businesses are successful in their transformations, a statistic that is against the odds of the local business owner[1]. In order to be successful in the implementation of Everyman 2.0, the company must put in place steps to improve the employee structure and hiring process, implement a new marketing strategy successfully, expand ecommerce for retail and its services, and create guidelines for an unconventional franchising system that would create opportunities for further expansion.

[1] Figure 1

Current Situation

Mr. Baker has the desire to expand into new product/service offerings, in addition to finding a new location, which brings about the need to examine the state of the market for these expansions, and the current state of operations at Everyman. The shift to a new location would include plans to add a wet bar that features craft beer, expand the barbering aspect of the business, and further expanding the retail portion. The profitability of this move hinges on the state of customers' disposable income, in addition to trends in those respective industries. To assess this possibility I turned to IBISWorld, a market-analyzing database that was made available through the university library. Their data regarding disposable income is promising for the possibility of future spending money, since Everyman is by no means a necessity provider. Their data found that disposable income growth from year 2013 to 2018 has steadily increased by 1.9%, and the projections to the year 2023 will pose the same growth numbers[2]. IBISWorld also states that the data reflects "American spending income to be extremely stable over the long term as individuals are able to tap into savings accounts and alternate income streams to maintain their lifestyles"[3]. With the disposable income in support of consumer spending, the real indicator of opportunity will be the health of the markets that Everyman hopes to expand in.

Everyman has had their sights on craft beer since their opening in the current retail store, according to the owner, and continues to keep that hope alive for Everyman 2.0. The craft beer market has grown from a retail dollar value by 10% from 2015 to 2016, and volume share has increased steadily over the past 5-7 years, according to the main news source of the craft beer industry, craftbeer.com[4]. This information is important for Everyman, for while they are not brewing themselves, they hope to source their beer from craft breweries in the state of

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[2] Figure 3
[3] IBISWorld. (2018, March 1)
[4] Figure 4

Oklahoma. To further support the growth of craft beer, IBISWorld had an objective ruling that supports the promise of this industry. Their data regarding craft beer indicated, "Although both craft brewers and their competitors have speculated that the rapid revenue growth among industry brewers is poised to plateau due to market saturation, consumer demand for craft beer remains robust"[5]. The issue of potential slow in the number of breweries should not pose as an issue for Everyman, as long as the desire for consumption remains growing, which it stands to.

Retail clothing, in contrast of the craft beer scene, is not experiencing the same growth in its respective industry. According to IBISWorld, men's clothing "began to slowly contract over the five years to 2018, as more male consumers turned to the Internet for their clothing needs"[6]. Demand for brick and mortar stores has fallen year over year, as e-commerce has expanded. The unique opportunity for Everyman, being in Stillwater, is that there is not one specific men's clothing store in the entire city, allowing the store to make the most of the thinning market. With this being said, from a scalability standpoint, the retail clothing aspect of the business is does not pose the highest growth opportunity from an in-person sales standpoint. Information regarding the market of e-commerce retail sales is more promising however, as Figure 5 displays the increase of both disposable income as well as the use of e-commerce.

The state of upscale barbering, like craft beer and retail, hinges on the disposable income of customers, so with that continually set to grow, the possibilities are promising. To gain further insight into this industry, a Forbes article by Kyle Hagerty analyzes barbering, in addition to the men's grooming, which is an industry "estimated to reach $26B by 2020"[7]. As one of the largest revenue providers for Everyman, the barbering aspect of the business is focused on to be expanded with Everyman 2.0. In contrast to the decline of on-premise retail purchasing,

[5] IBISWorld. (2017, December 1)
[6] IBISWorld. (2018, February 1)
[7] Hagerty, K. (2017, July 6)

barbering is a service that is safe from the take-over of e-commerce. Hagerty said it best with the claim that, “there is no way to get a haircut online”, which, as of now at least, is a true statement. The service provided by Everyman is one that is focused on the experience, and justifies its price-point with the environment, treatment, and high quality of the service. Rather than one service being offered, masculinity, luxury, and high quality are associated with the services of the barbering industry, which allows barbershops to avoid “competing with Sports Clips or Supercuts because the customers of each are looking for something completely different”. Due to this state of barbering, the “National Association of Barber Boards of America Executive Officer Charles Kirkpatrick estimates the growth [of the industry] at roughly 10% year over year[8].

Locally, the coffee aspect of business at Everyman has seen growth of 245% in the past year (Comparing Q1 revenue of 2018 to Q1 revenue of 2017), and the craft coffee scene in Stillwater is still yet to reach its capacity. Through personal research of craft coffee shops, when comparing nearby Tulsa and Oklahoma City to the town of Stillwater, the ratio of specialty coffee shops per person (not including Starbucks) is around 16,000 to 1. Stillwater on the other hand has a ratio that is closer to 19,000 to 1. With this local data present, there is also only one business in Stillwater that roasts its own coffee beans, that of which being Aspen Coffee Company. An alternative to this local roaster is still not present in town, and could be filled by Everyman with minimal costs.

In addition to the local opportunity in the coffee market of Stillwater, there is a void in the scene of upscale bars for young professionals. As the craft beer industry is growing especially, students and young professionals are forced to frequent Iron Monk, Stillwater’s local brewery, or go to Tulsa or Oklahoma City for the night. The only other known upscale bar in town is Zannotti’s, a wine bar. This establishment has found its niche with an older demographic,

[8] Hagerty, K. (2017, July 6)

and caters to a slow paced evening with dim lighting soft music. If young professionals, or students are looking to enjoy a bar in Stillwater that is upscale and serves craft beer/cocktails, they are forced to leave for the city. Leaving an opportunity for Everyman to fill this void as well to cater to this group.

With the information on the state of these industries in mind, the state of Everyman specifically is one that shows promise. With less than two years in a brick-and-mortar location, the company carries no long-term debt, and is the only dedicated men's wear location in town. With this in mind, the soft goods, suiting and tuxedo rental aspect of the business have grown by 41% in the past calendar year. The barbering side has had a similar upward trend, and when asked about the change of the number of bookings in the past year, the barbers confirmed they are more often than not booked full, especially on weekends. As an employee of the company, I have been privy to experiencing the success of Everyman's barbering, which is now getting to the point of being oversaturated with customers. It is not uncommon for customers to be turned away due to lack of availability of the schedule that the barbers have.

The current state of operations regarding employment of associates is where Everyman has been running into issues as of late. When dealing with a college town, retaining quality employees has been an issue. The two head baristas of the company will be graduating from college this year, and the team will nearly have to start from scratch at the beginning of the summer. Hiring of employees as of now only comes from the 'Manbassador' program that Everyman employs. A Manbassador is an unpaid ambassador for the Everyman brand who markets the company via social media, and by helping with various events throughout the year. Associates for Everyman are only hired out of the pool of current Manbassadors, which can incentivize brand activity, but also limits the pool of talent for possible employees. While a great idea on paper to keep people involved with the brand, the numbers of Manbassadors has depleted, leaving the reserves for possible workers low. In the past, I have personally seen prospective employees turned away and work elsewhere because they could not commit to volunteering before having a chance at employment. This issue limits the level of talent that Everyman can bring in, and causes issues when the company needs to hire multiple employees, but has few high-level prospects in the pool of Manbassadors. In addition to getting quality employees involved, the training at Everyman is still being streamlined. As a startup, the training has been slowly made more systematic, but from a quality control and consistency standpoint, training of employees on craft coffee preparation, sales, and measuring for suiting/tuxedos is not thorough enough to be recreated on a larger scale.

Secondary Research

To help Mr. Baker craft an expansion strategy for Everyman, I provide a review of expansion strategies. That is, what has been shown to work, and what is less known about available options for the company. However, before a company can venture into expansion, they must first understand the barriers that keep from expansion. Some of the key barriers that I evaluated and compared to Everyman came from Lois Shelton's scholarly article "Scale Barriers and Growth Opportunities"[9]. These include financial deficiencies, being a lack of funding, management issues regarding how the business is run, and competitive deficiencies from a lack of resonating with their target market.

All three of the major barriers that she references could pose possible issues for Everyman if not addressed appropriately. First, though the current state of the business is profitable, financial deficiencies could pose an issue to Everyman in an expansionary state. Investing in a new location with the desired square footage of at least 6000 square feet will cost more than double their current rent. Currently, Everyman pays $1,850 a month in rent, but according to Mr. Baker, the new location would cost anywhere from $5,000 to $7,000 a month. This cost increase comes in addition to the needed labor to run the location, and new equipment to fill the building. Without saved funds, equity investments, or both, the company may not be able to last more than a few months in a new location.

Next, the barrier of management and organizational deficiencies mentioned by Shelton could pose as the largest barrier to Everyman due to the nature of a growing startup. The learn-as-you-go management style that has worked thus far for the company could not possibly be successful in a new larger operation. The lack of organizational routines, minimal reporting

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[9] Figure 2

structure, and lack of systems in place would lead to an inconsistent operation within the store, making the expansion ineffective.

The last major barrier mentioned by Lois Shelton was the barrier of competitive deficiencies. Unstable links to customers and suppliers could contribute to the high turnover that has resulted in Stillwater's past. The need to create a consistent relationship with customers and maintain long-term transactions would absolutely be something that needs to be addressed. Unestablished competitive position could be something that Everyman falls into as well, though it is less likely given that Everyman is diversified in their product and service offerings. This could take place with parts of the business, like say, just the coffee aspect, but would be unlikely given that any of Everyman's services/goods get the customer in the store, in front of all of the offerings at once.

With the known barriers of expansion stated, the types of proven expansion strategies must be listed to illustrate how Everyman can appropriately work to over come those barriers. As the company hopes to grow, with outside/inside funding alike, one proven effective strategy is a strategic alliance. In his book, "Entrepreneurship, Successfully Launching New Ventures", Bruce Barringer defines a strategic alliance, as "a partnership between two or more firms that is developed to achieve a specific goal"[10]. A strategy like this can be very useful for a small business like Everyman because it allows the pooling of resources, and collaboration to achieve a goal that could not be done before. Strategic alliances can take place on a technological level as well as on a marketing level, in addition to other methods, and could foster a mutually beneficial relationship to aid expansion.

New product/service development is another proven strategy that companies use to grow beyond what they are already doing. Everyman is already planning on implementing this, which

[10] Barringer, B. R. (2012)

validates in some way the desire to implement an additional facet of the business like craft cocktails and craft beer. Peggy Lambing covers new product development in her entrepreneurship book titled, "Entrepreneurship", and points out the fact that this strategy "is a high-risk endeavor, since many new products and services fail". The nature of Everyman is multifaceted however, which allows the company to have the ability to take more risks in regard to incorporating additional offerings/services because it is diversified in what it provides. In addition to this, Lambing points out that "small companies… have an advantage in new product development because they are not caught up with all of the rules and regulations of large companies"[11]. As Everyman seeks to keep bringing new customers in the door, addition of services like a wet bar will allow for more opportunity. In regards to developing in ways additional to a wet bar, expanding into e-commerce further could provide an opportunity for the retail side of the business to expand, and the possibility of incorporating food into the coffee and bar side of the business could allow for increased customer time within the store, and more money spent. Aside from major additions to Everyman, the company has conducted experiments that entailed bringing in small samples of possible new products, and taking note of how each sold. This tactic is supported by Eric Ries's book, "The Lean Startup", which regarding innovation confirms, "Companies can create order, not chaos by providing tools to test a vision continuously"[12]. This experimental type of growth regarding testing new products is one that can continue to keep Everyman fresh in the eyes of the consumer.

Franchising is one more strategy that has proven effect. Bruce Barringer defines this as a "firm that already has a successful product or service licensing its trademark and method of doing business to other businesses in exchange for an initial franchise fee and an ongoing

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[11] Lambing, P. (1997)
[12] Ries, E. (2011, January 1)

royalty"[13]. This allows for the expansion of the brand, without costing too much to fund additional locations. With the right systems and guidelines in place, franchising can be a very lucrative way to expand. As of now, the systems are not in place for Everyman to be able to be expanded in this way. Efficiency is still being sought out in the first location, making franchising a distant possibility. This is something that Everyman would like to implement though in the future, but in a more laze faire way than a typical franchise.

The last strategy I evaluated that has been proven effective is licensing. Courtney Price defines it in her book, "Tips & Traps for Entrepreneurs", as owning "intellectual property that has value to someone else" and selling "the use of that intellectual property"[14]. Rather than an entire business and its systems be sold like with franchising, merely the likeness of the brand is sold with this strategy. Small businesses often can grow when purchasing intellectual property to use, but this reduces the profitability and autonomy of the business. If a company were trying to grow their own brand, using licensing may not be a useful outlet because they would be using another brand's recognition to grow. If Everyman were to choose to sell some sort of intellectual property, their brand could grow, however it gives some control of the brand image to a third party. Since Everyman is still in the stage of establishing and imaging the brand, this is likely not the best avenue for the company to explore.

Secondary Research: Analogs

Due to the unique combination of offerings that Everyman provides, there is no one company that can be analyzed to give all-encompassing data on what the next steps look like for expansion. Rather, a number of companies with specific situations and changes that applied to what Everyman is doing were evaluated to shed light on the possible directions expansion could

[13] Barringer, B. R. (2012)
[14] Price, C. (1998)

look like. The majority of my recommendations come specifically from market data, but some real world examples were looked into to give a more wholesome proposal. Aside from the local businesses including Iron Monk and Zannotti's that were evaluated, analyzed in depth were a flagship store for Hudson Bay Company, and a barbering concept called Royal Razor Barbershop. This was conducted to provide insight on both the local market, and businesses in other markets that reflected similarities to Everyman.

The Solution

With the current state of Everyman clear, and due to the state of the markets they are in, in addition to the ones being pursued, an expansion plan including a new location with a full wet bar is supported by the market trends. A new location is needed to supplement the continuous growth, and current/future market that exists in Stillwater. Strategic alliances with local breweries, artisans and local businesses must be made to improve the chances of success within Stillwater. The placement of the location should remain on Main Street, as the location is still within 1.5 miles of campus, and the most business saturation is on, or East of Main Street. Downtown Stillwater, where Everyman is currently located, has added new businesses within the past few years like 1907 Meat Co., Greige Goods, Empire Nutrition, and Blue Spruce Gelato to allow the area to be more inviting for customers to walk and spend evenings in. Leaving this area of Stillwater could create the most risk for a new location.

A large space must be chosen in this area, and Mr. Baker wants the building to be no less than 5,000 square feet, to accommodate the multiple facets of business in addition to the new service development. This size would be adequate, and should focus more on the services offered, rather than the soft goods side of the business. The data on the various aspects of the business and their industry growth above reflected that the barbering, coffee, and wet bar (largely craft beer) growth opportunity is much higher than that of soft goods like the tuxedos and suits. Mr. Baker made it clear in an interview that what makes Everyman unique is the customer experience, rather than the products sold. In order to capitalize on the customer experience, the services provided must be given the most attention. This value proposition is also more sustainable than that of focusing on the already declining industry of men's clothing. A real world example that supports the limiting of retail space is one in an article from Chain Store

Age, a retail business news provider. The case they covered was that of a former flagship store in Manhattan for Hudson Bay Company, which will undergo a renovation to reutilize the space so that "the retail space will be reduced from 650,000 sq. ft. to 150,000 sq. ft.". The point of this retail downsizing is to rethink "how retailers create exciting environments and leverage less productive space, while substantially improving the value proposition"[15]. This same view should be supported by Everyman, and keep it from having to do an eventual downsizing itself.

As briefly touched upon, franchising should be the eventual goal for Everyman from an expansion standpoint, though Mr. Baker nearly cringes at the word. While not the favorite idea of the owner of Everyman, franchising is recommend for the following reasons:

1. The ability to make franchising succeed remains in the hands of the brand owner. The book states, "The franchisor's ability to select and develop effective franchisees strongly influences the degree to which a franchise system is successful"[16].
2. A franchising system can allow the company to expand to multiple locations, without incurring a large amount of overhead, while keeping systems and specific aspects of the company present. Mr. Baker has stated that he would be open to a type of franchising that involves him selecting and grooming a franchisor that has a desire to start a business. The first topic that Bruce Barringer covers in his entrepreneurship book regarding developing a franchise covers developing franchisees, and this is what Mr. Baker would focus on more than anything, which he has expressed serious interest in. While a form of

[15] Wilson, M. (2017, October 24)
[16] Barringer, B. R. (2012)

franchising would be taking place, the cookie-cutter business mentality would not be employed. Mr. Baker would train the franchisee on aspects that he deems important, and grant autonomy to the franchisee for the rest. The reason being for this, according to Mr. Baker, is that he wants each Everyman location to have its own atmosphere, uniqueness, and even choice of products. This autonomy would be granted as long as the four aspects of the business remains the same, and that the store engages in the philanthropic side that Everyman employs.

Eventually, Mr. Baker has expressed that he has a desire to implement a clothing line for the Everyman brand. This expansion would also fall under a new product development, though it may not be as lucrative as the expansion into services like alcohol. Mr. Baker ‘s goal is to have a custom clothing line for formal and professional wear, in addition to casual wear. Due to the trends of retail for men’s clothing declining, I would not advise this product expansion. If it were to take place at all, the data would support an implementation of the brand after an e-commerce presence is established. To refer back to Figure 5, the percentage of disposable income is forecasted to grow steadily according to IBISWorld, but the percentage of online sales is expected to skyrocket over the next 5 years. These trends suggest that growth in an Everyman branded clothing line would have the greatest chance of success if provided across an established online platform.

Implementation:

With the understanding that a new location is to be chosen and moved to as soon as possible, Everyman must implement steps to improve their chances of success, and grow beyond the "legitimacy threshold" to allow for the most opportunity to begin franchising. In a Nontraditional Research article by Dr. Matthew W. Rutherford, the legitimacy threshold (LT) is described as the point a small growing company must cross to achieve "relative permanence". One of the main issues keeping Everyman from this threshold is what is called the Liability of Newness (LON). This "occurs because new firms do not yet have the systems established internally or externally that are required to compete effectively against larger firms"[17]. For a store with various intricacies due to the variety of offerings, no one plan can be prescribed to ensure a successful transition to the expansion plan stated above. Rather, multiple steps must be taken and prioritized to ensure the growth of the business can remain or improve to cross over the legitimacy threshold. Streamlining the employment structure will allow for the best talent to be hired, and put in place operational systems that will lead to a smooth transition in implementing a franchise. Modifying the marketing efforts to better cater to the market would also increase awareness for the brand, thus allowing future locations to gain recognition quicker. Lastly, expanding in e-commerce will improve efficiency and expand the reach of the brand, all improving the chances of implementing an eventual franchise system. The three different phases of my plan can be done in order from having the least amount of money to spend, to having the most. So as the company has more financial backing, Everyman can implement these steps in order to successfully continue their growth.

Phase 1: Employment

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[17] Rutherford, M. W. (2007, March 1)

The first step to ensuring the implementation of my desired expansion plan regards the employee structure of Everyman, which will benefit from various changes. At this point of the business, even as Everyman grows in its current location, a full time employee must be hired to develop in time for a new location. Mr. Baker, who lives roughly an hour away in Oklahoma City, currently works three full days a week at the storefront; though Everyman is open a total of six days a week. Being the person that the employees turn to for questions and assistance, there are often long wait times to get questions answered, issues resolved, etcetera. A full time employee who understands the entire operation and how it runs will greatly improve efficiency in this area, and will be a large asset in the moving to and opening of a Everyman 2.0.

A key aspect of running a quality storefront is the people hired, and the current hiring structure could pose as a deterrent for high quality talent. As discussed previously, Manbassadors are the only pool of people that can currently be hired at Everyman; this results in high quality talent turning away to seek a more immediate paid opportunity. The current structure needs to change, to either further incentivize the Manbassador program by making it a paid role, or by allowing non-Manbassadors to be hired. The reason being, that high quality talent, thus more qualified people for the role, result in greater efficiency and a better bottom line. A study by Aon Hewitt, a leader in human resource solutions, showed an 11% improvement in revenue when comparing that of highly qualified to marginally qualified employees[18]. Implementing this change could result in revenue growth as soon as the fall, when the next round of employees will be hired. Aside from the concrete support of this, highly qualified employees will result in building better relationships with customers, and improving the experience the Everyman can provide.

[18] Figure 6

Training and system placing must be another focus point regarding the employment phase of expanding. As previously discussed, in order to have a business plan that can be recreated successfully and franchised, strong systems must be placed. This portion of the phase must be focused on immediately to improve the efficiency of the current location, and will pay dividends when moving to Everyman 2.0. Implementing systems can be done without costing much aside from time to create them. Once in place, the training of employees will be made easier and shorter, and the customer experience will improve.

Incentivization is also a step that I would recommend putting in place for Everyman to improve their chances of expansion. Everyman should include incentives for associates regarding sales of soft goods, coffee, and even barbering. To gain further data on this subject, a study by the Incentive Research Foundation "proves that incentives work. Properly applied, they improve communications and performance". Incentivizing will result in the improvement of employee efficiency, and will get more customers in the door depending on the incentives provided. A study by the Incentive Research Foundation confirms this with their research, which "found that individual incentives resulted in a 27% improvement in performance and that team incentives improved by 45%"[19]. The three staples of running an entrepreneurial company are selecting, training, and rewarding of employees. Focusing on these three aspects with the improvement of the employment process, training/system placing, and incentivizing of employees should allow for the first phase of Everyman's expansion implementation to progress.

Phase 2: Marketing

As growth and an eventual expansion plan for Everyman 2.0 is carried out, the marketing strategy will be vital to the success of the company. With the understanding of the basic concepts like the importance of a strong social media presence and community involvement, I turned to an

[19] Stotz, R. (2009, January 1)

article from the Journal of Business Research (JBR) to gain another perspective on important areas to focus on as more effort is put into marketing. Their research approached a "shift from 4 P's to 4 A's framework, which suggests that customers must be provided 'accessibility' to and 'awareness' of 'acceptable' and 'affordable' solutions to their needs"[20]. These characteristics are more important for a growing startup as it is aiming to build a brand and engrain into the market it started in. Figure 7 illustrates the 4 A's to show how each could be approached. "Upscaling the offer" should be an important tactic for the affordability aspect because of the high price points that Everyman employs. Creating the basis for the value proposition will need to be focused on as new and prospective customers are introduced. Cultural fusion will be an important goal to work toward from an acceptability standpoint because implementing aspects of Oklahoma or Stillwater culture into the offerings that are provided will aid in gaining local appreciation and improve psychological acceptability from the customers. This will be a major aspect to stress when eventual franchising is done. Lastly, building awareness and reach for Everyman must be focused on to simply gain attention from the prospective customers to get them in the door.

With a concept like Everyman, the newness of the multifaceted model is interesting to first time customers; it is just a matter of getting them in the door. An example of a successful marketing strategy from an entrepreneurial barbershop concept to do just that employed a plan that has been effective in their market. Everyman should implement something similar to improve their marketing efforts. The basis of the tactic was: "To help attract newbies to the shop, [the business owner] decided to throw a series of weekend parties" to get people in the door[21]. At the "parties", beer, wine, and food would be provided, with something screening on their big screen TV. All while these events are taking place, the barbershop was running, and haircuts and

[20] Sinha, J. (2017, May 25)
[21] Hise, P. (2014, October 24)

shaves were taking place. Getting people in the building was the hardest part to convey the value of the shop to the customers, so giving them more reasons to come inside resulted in success. After years of various events, the owner has boiled down the process to three activities to get customer buy-in. His steps include “documenting the event with visuals, extending [the event] via social media, and drawing a bigger crowd with partnerships”. This type of event holding could absolutely take place at Everyman. Partnerships with the local brewery, or any food company in town could lead to a multi-beneficial result, and the awareness for Everyman would have more opportunity to grow. This concept of marketing the company has resulted in success that has allowed them to be featured on American Express’ “Small Business Saturday” section of their website. If Everyman can employ a tactic like this similar business did, their chances of success in marketing the brand can only improve.

Phase 3: E-commerce

As the costs from restructuring employment to a marketing plan have risen, they will continue with the final phase of e-commerce expansion. The costs of expanding in this area can vary widely depending on what service and provider being used. Currently, Everyman uses Shopify, an online store service that costs them $80 a month. In order to expand their e-commerce presence, they may want to employ the next level of service up that Shopify provides. Though considerably more expensive at a price point of $300 per month, additional features like the advanced report builder and ability to streamline the shipping process will be beneficial in the long run. Other costs of expanding in this area would be the eventual need for at least one employee committed to fulfilling online orders, getting products shipped, and dealing with online assistance. Lastly, modifying the current Everyman website to better suit a larger e-commerce presence, or employing someone to maintain the page would be needed, which could cost anywhere from a few thousand dollars in a one time fee, to the monthly pay of a new employee. With that being said, as Everyman grows, and especially as they hope to expand their retail presence with eventual branded clothing, e-commerce must be expanded upon. The trends of online service growth illustrated on Figure 5 are enough reason to warrant an expansion is this area, relative to the current brick and mortar sale focus.

The marketing plan will have to consider the e-commerce presence, and work to expand the reach of Everyman's website. Awareness will have to be raised around events that are put on, and at the store itself to incentivize use of the website or online store. Ecommerce could aid with the brick and mortar store as well, as it can be tied to the services and even some of the products provided in the shop. The current website already allows for online bookings of barbering and suiting appointments, but expanding the online presence could include the ability to place coffee orders, or perhaps allow purchasing hair product while you book an appointment to pick it up conveniently after a haircut. The possibilities are endless when considering the potential upside for the use of e-commerce for Everyman, but the costs are similarly lofty.

Conclusion:

Everyman has seen exponential growth over the past year and a half of business in its brick and mortar store, but has reached a point where it is being confined by its current space. An expansion is needed that will include moving to a new larger location, employing expansion strategies of new product/service implementation, and building the foundation for an eventual laissez faire unconventional franchising possibility. This will be done through three phases of reforming the employment process, implementing an unconventional marketing campaign, and focusing on the e-commerce side of the business. The uniqueness of the store can only be supplemented by a strategy that is tailored to its vision and what the market will allow. I am confident that the research I have conducted supports these arguments, and that Everyman would have a greater chance of success if it were to employ this plan.

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Appendices:

Figure 1

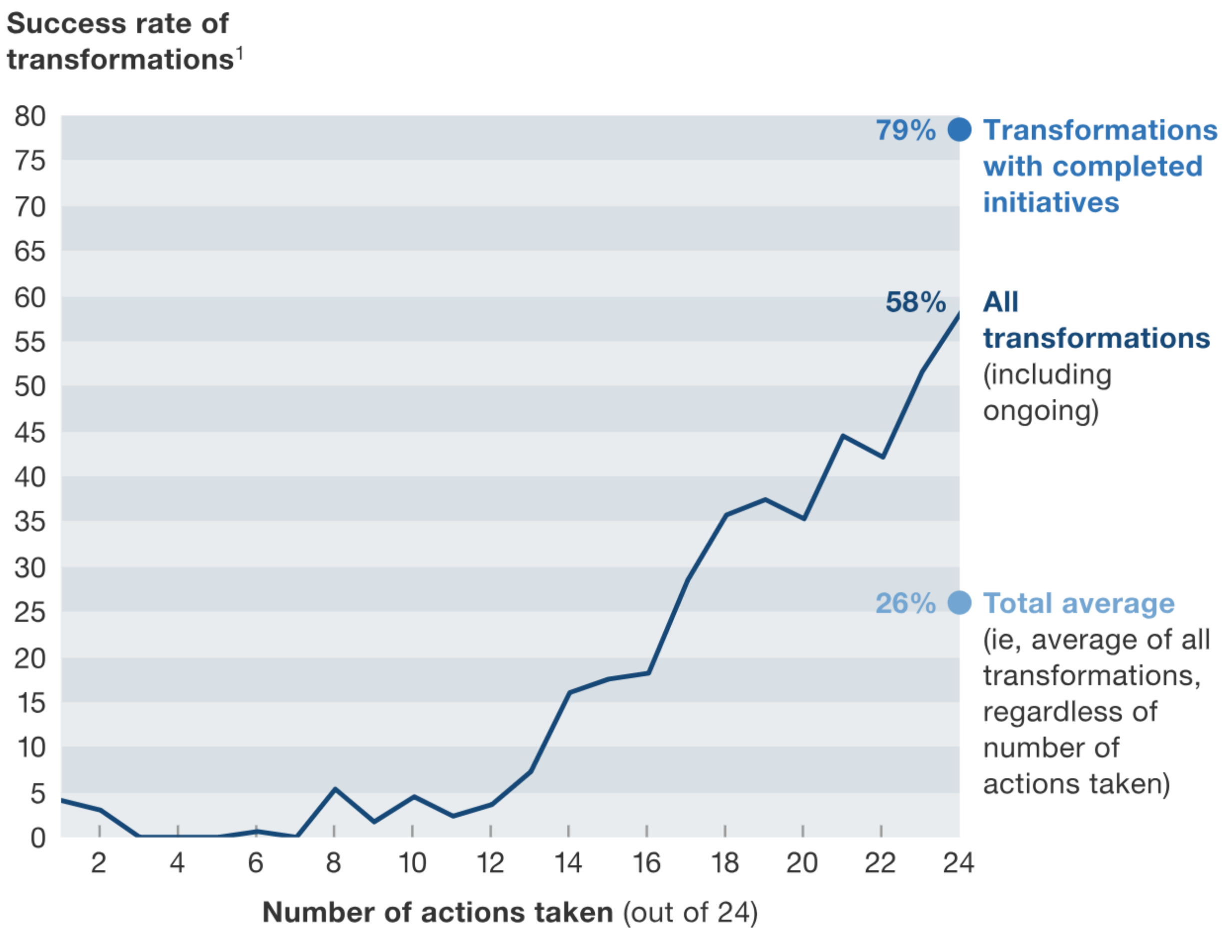

Figure 2

Table 1. Types of Scale Barriers for New Ventures.

Scale Barrier	Effect of Liability of Newness	Effect of Liability of Smallness	Resources Required to Overcome
Financial Deficiencies	- lack of organizational legitimacy (minimal operating history, non-existent firm reputation) - weak exchange relationships (unstable links to financial institutions and markets)		- actual /potential profitability - effective networks with suppliers of debt and equity (investors, venture capitalists, banks) - access to IPO, debt and equity markets
		- minimal slack resources (meager initial endowment, minimal financial cushion)	- financial cushion
Management and Organizational Deficiencies	- minimal internal coordination (minimal organizational development, lack of organizational routines, minimal reporting structure) - lack of infrastructure - operating problems		- efficient administrative structure - well- defined organizational routines - communications and control policies and facilities
		- high vulnerability to leadership and organizational weaknesses - regarded as risky or unstable employment	- redundant production and organization processes - management depth and oversight consistent employment and promotion opportunities

Scale Barrier	Effect of Liability of Newness	Effect of Liability of Smallness	Resources Required to Overcome
Competitive Deficiencies	- unestablished competitive position (novelty to market, lack of time to accumulate strategic resources, untested strategy) - weak exchange relationships (unstable links to customers and suppliers)		- strategic industry resources - advertising and promotion - customer and supplier loyalty
		- low profile with potential customers (limited customer base, limited geographic reach) - lack of organizational legitimacy (few large and prestigious clients) - minimal bargaining power, small order size	- customer and operations networks - large scale resources (multiple locations, mass marketing and production capabilities, enhanced service and production capabilities) - large diversified customer base - limits to appropriation

Figure 3

(Disposable Income Growth Protections)

2013	36,369.00	-2.1
2014	37,432.00	2.9
2015	38,702.00	3.4
2016	38,956.00	0.7
2017	39,156.00	0.5
2018	40,030.00	2.2
2019	40,964.00	2.3
2020	41,742.00	1.9
2021	42,619.00	2.1
2022	43,386.00	1.8
2023	43,977.00	1.4

Figure 4

Figure 5

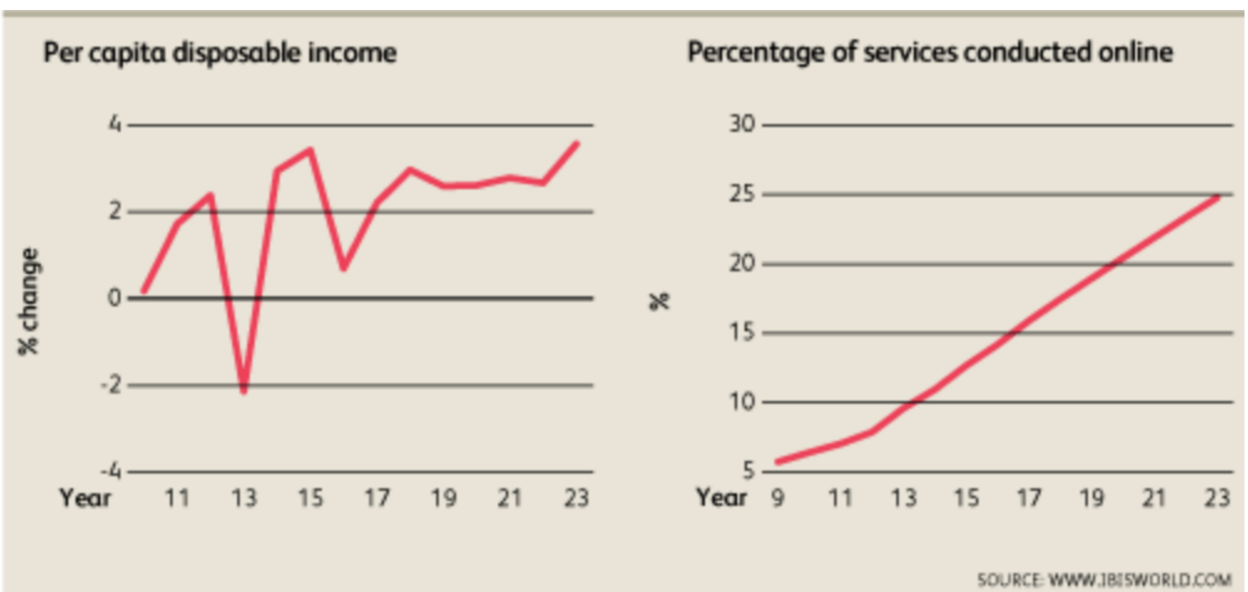

Figure 6

Figure 7