

Try not to look at this until you've done all the exercises that go with the listening.

### **E-business means business**

Richard: Things turned upside down for many businesses earlier this year, so for this week's podcastsineenglish.com business podcast, we're looking at how two companies made changes to survive.

Jackie: Mmm so okay, Richard, what happened?

Richard: In March 2020 companies in the UK, they were told that they weren't allowed to offer over-the-counter services.

Jackie: So obviously... obviously that would affect many high street shops.

Richard: Yes, indeed all high street shops, and including those who sell fish and chips. So the Chesterford Group in the UK, owns 40 fish and chip restaurants, serving about 50,000 people every week, however, of course, the coronavirus lockdown forced the restaurants to close for all walk-in customers.

Jackie: So... so therefore no customers at all then?

Richard: They lost all their customers in one fell swoop.

Jackie: Right

Richard: So what the CEO, James Lipscombe, did was he realised the company was running out of cash, fast. So he had to do something really quickly. And within two weeks, he created a new way for the company to continue in business.

Jackie: Okay, so what did he do?

Richard: He started a 'click and collect' system. So they designed an app and they started taking food orders online, cashless payments only. [Jackie: Right] So customers go on the app, and they turn up and they just tap their card at the store so there's no interaction with staff whatsoever.

Jackie: So click is on the app and collect is at the shop.

Richard: Exactly

Jackie: Right

Richard: And... and actually they also introduced home delivery as well on a similar sort of basis.

Jackie: Okay, so two new systems. Did that work?

- Richard: Yes. He kept 70% of the staff and they worked throughout the lockdown. And this very fast decision prevented the business from closing down.
- Jackie: Well another company... another example of a company adapting to the new situation, Richard, is Boohoo. You won't have heard of them.
- Richard: I certainly haven't. Who are they?
- Jackie: Well they're a... they're a fashion brand, but they already sell online.
- Richard: Okay. So how were they affected then?
- Jackie: Well, the problem with them was they sold a lot of clothes to women who wanted to buy fancy dresses and shoes for the weekend. It's a quick turnover, right? So come Friday or Saturday, big night out, big sales.
- Richard: But of course no one was going out, so no one was buying these dresses.
- Jackie: And no one was ordering anything online at all.
- Richard: Okay. So what did they do then?
- Jackie: Well, again, two things: First of all, the... the company had all this stock that no one was buying, so they advertised an everything-must-go flash sale, 70% off all stock and 50% off 500 dresses.
- Richard: Wow
- Jackie: And then they replaced the range. They introduced a whole new range of clothes: loungewear.
- Richard: Ah. Stay-at-home wear then. Clothes for the sofa.
- Jackie: Exactly. Fancy pyjamas to wear all day, and attractive leggings and tops. Still attractive clothing but for watching TV instead.
- Richard: So their strategy was to clear out the old stock [Jackie: Yes] and bring in a totally new line at speed. [Jackie: Yes] So, did that work?
- Jackie: Absolutely. A few weeks later, the company announced that it had not only survived the first few weeks of the crisis, but increased its April sales against the previous year. So two companies that adapted, one with how they sold their product and the other with new products. But they both relied on being online.
- Richard: Yes. So that simply means e-commerce is definitely the way to go.