

[LAB Open](#) > [LAB Pro](#) > Helping small food retailers master the pivot during COVID-19

LAB Pro

# Helping small food retailers master the pivot during COVID-19



# INNOVATIONS

📅 9.10.2020 💬 0

Many small, independent retailers were already struggling to keep up with chain competitors before the coronavirus crisis. Now these companies are facing yet another challenge: How to adapt and survive the COVID-19 pandemic and its aftermath. The pandemic has caused unprecedented challenges for the food industry, and small businesses are being hit hardest. It is clear that these

**small companies need to adapt to a new business environment, but how? Without a clear fact-based strategy and relevant up-to-date information on the topic, pivoting the business model can be much harder than it seems.**

Authors: Jaime Ysern De La Calle & Brett Fifield

## **Taking action without a plan**

Small retail businesses are usually run by entrepreneurs, and these are adaptable and resilient by definition. Because of how fast the COVID-19 crisis has been unfolding, entrepreneurs, faithful to their entrepreneurial nature, have taken action quickly in an attempt to adapt to an entirely new business landscape.

Precisely, history has proven that the companies most likely to emerge from a volatile market are those that embrace a willingness to adapt (Panebianco 2020). However, the COVID-19 pandemic has left little or no time for change management. Small retailers have quickly taken action without a plan, and implementing change without adequate strategic planning means navigating the pandemic without a clear goal. Consequently, while the intention behind implementing change is excellent, it also carries a high risk of failure. The question is: Has this approach been successful for small retailers?

A recent study (Ysern De La Calle 2020) strives precisely to answer that question and provide these small businesses with up-to-date evidence to point them in the right direction. Because mastering the pivot is indeed challenging, and urgency alone is not enough. Direction without urgency yields no change. But urgency without direction yields change without meaning (McFarland 2012).

## **Uncertainty, stress, and decision making**

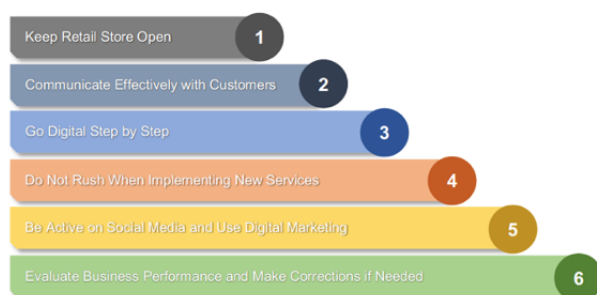
Most studies focus exclusively on COVID-19's impact on the food industry in general and the macroeconomic scenario in the context of a pandemic. While it is beneficial to understand what is happening on a large scale, small companies need more information about changes applicable to their operations in particular—only then can they point their businesses in the right direction. Research by Ysern De La Calle (2020) examines precisely how small food retailers in Finland have responded to COVID-19. The study focuses not only on what specific actions entrepreneurs have taken to tackle the crisis but also on customer engagement and loyalty throughout the process.

If being an entrepreneur is already a stressful job, coping with a pandemic has only added more pressure and uncertainty to the mix. The study reveals how stress and anxiety have hindered decision making and have pushed many entrepreneurs to make fear-based and rushed decisions that ultimately have led to counterproductive results during the execution phase. These companies have implemented services like home delivery, eCommerce, or have engaged in collaborations with other entrepreneurs. These services are very well received by customers during a pandemic, but if execution happens without outlining the resources needed and without thinking about the long-run effects of their implementation, there is a high risk of negative outcomes.

It is not a surprise that customer engagement and loyalty have also taken a toll as a consequence, with customer disengagement leading to customer attrition in some cases. The study shows that even though retailers have tried their best to serve their existing customers, the lack of know-how and effective communication is crippling their efforts. However, it is not too late for small retailers to get their businesses back on track if they learn from their mistakes and make the necessary adjustments.

## Getting back on track

Once a failure has been detected, it is essential to go beyond the obvious and superficial reasons for it to understand the root causes. This requires the discipline to use sophisticated analysis to ensure that the right lessons are learned and the right remedies are employed (Edmondson 2011.) The findings mentioned above provide fascinating insights into what failed, but they are only the first step to help small business owners get back on track. However, moving from mere data to developing recommendations presents entrepreneurs with the opportunity to adhere to an evidence-based plan leaving less room for improvisation (Picture 1).



Picture 1. Recommendations for small food retailers to cope with COVID-19 or other pandemics (Ysern De La Calle 2020)

Acting on impulse is much riskier than asking for guidance, especially in exceptional situations, like the COVID-19 pandemic. With the help of these six recommendations, small food retailers do not need any longer to do guesswork. Although it is still unclear how the world will be after COVID-19, it is safe to assume that business as usual will not be an option anymore. Small retailers need to embrace this fact and keep moving forward, and these recommendations are definitely a good starting point for this new normal.

## **Mastering the pivot**

Because these small businesses tend to lack organizational structure due to their size, usually the entrepreneur alone is in charge of implementing change. Even though small retailers share similarities in their business models, this entrepreneur dependence also makes them very diverse in some cases, basically as different as people can be. The elements at the core of the business model are the same, but each company operates and interprets that business model in an entirely different way.

Therefore, it is of paramount importance for small retailers to look at the recommendations and decide which ones best fit their situation, strategy, or goals. The recommendations provide a comprehensive look at the specific business model adjustments necessary to cope with a pandemic. Still, in order to truly master the pivot, small retailers also need to know how to interpret and use them effectively. Only then will they successfully go from surviving to thriving.

## **References**

Edmondson, A. C. 2011. Strategies for Learning from Failure. Harvard Business Review. [Cited 18 September 2020]. Available at: <https://hbr.org/2011/04/strategies-for-learning-from-failure>

McFarland, A. 2012. Urgency Without Direction is Chaos. Pivot Point Solutions. [Cited 16 September 2020]. Available at: [https://pivotpointsolutions.net/2012/03/05/urgency-without-direction-is-chaos/?doing\\_wp\\_cron=1600242069.1479399204254150390625](https://pivotpointsolutions.net/2012/03/05/urgency-without-direction-is-chaos/?doing_wp_cron=1600242069.1479399204254150390625)

Panebianco, C. 2020. Five Ways Businesses Can Pivot in Response to COVID-19. CPA Practice Advisor. [Cited 16 September 2020]. Available at: <https://www.cpapracticeadvisor.com/small-business/news/21140042/five-ways-businesses-can-pivot-in-response-to-covid19>

Ysern De La Calle, J. 2020. Understanding COVID-19's Impact on Small Food Retailers in Finland. LAB University of Applied Sciences, Faculty of Business and Hospitality Management. Lahti. [Cited 17 September 2020]. Available at:  
<http://urn.fi/URN:NBN:fi:amk-2020092820757>

## Authors

Jaime Ysern De La Calle is studying in the International Business Development program at LAB University of Applied Sciences

Brett Fifield is a Principal Lecturer in International Business at LAB University of Applied Sciences

Illustration: <https://pxhere.com/fi/photo/614188> (CC0)

Published 9.10.2020

## Reference to this article

Ysern De La Calle, J. & Fifield, B. 2020. Helping small food retailers master the pivot during COVID-19. LAB Pro. [Cited and date of citation]. Available at:  
<https://www.labopen.fi/lab-pro/helping-small-food-retailers-master-the-pivot-during-covid-19/>

 AVAINSANAT    FOOD INDUSTRY    SMALL RETAIL BUSINESSES



This work is licensed under a Creative Commons BY-SA 4.0 International License



**Osallistu keskusteluun!**

## Vastaa

Sähköpostiosoitettasi ei julkaista. Pakolliset kentät on merkitty \*

Kommentti

Nimi \*

Sähköpostiosoite \*

Kotisivu

☐

Tallenna nimeni, sähköpostiosoitteeni ja kotisivuni tähän selaimeen seuraavaa kommentointikertaa varten.

LÄHETÄ KOMMENTTI

---

Lisää aiheesta

---

## Applying VPL for SQL on a Moodle platform

LAB Pro

[# Innovations](#)

---

## Digistrategia onnistuneen digimarkkinoinnin perustana

LAB Pro

[# Innovations](#)

---

## Messuilla voi erottua myös yksinkertaisella messuosastolla

LAB Pro

[# Innovations](#)

## Ammattikorkeakoulusta työelämään – mitä uraseuranta kertoo?

LAB RDI Journal

[# Design](#)

### Muita artikkeleita

---

## Löytävätkö kulttuurin ja matkailun toimijat toisensa? Kulttuurimatkailun e-opinnot siltana yhteistoimintaan

LAB Pro [# Design](#)

📅 8.10.2020

---

## Applying VPL for SQL on a Moodle platform

LAB Pro

[# Innovations](#)

📅 5.10.2020

---

## Digistrategia onnistuneen digimarkkinoinnin perustana

LAB Pro

[# Innovations](#)

📅 5.10.2020

LISÄÄ ARTIKKELEJA

## LAB OPEN

Open access -  
julkaisualusta LAB-  
ammattikorkeakoulun  
henkilökunnan,  
opiskelijoiden ja  
yhteistyökumppaneiden  
julkaisuille.

**SUOMI** **ENGLISH**



## LEHDET

**LAB Pro**  
**LAB RDI**  
**Journal**

**Muut julkaisut**

**Julkaisusarja**  
**LAB Focus -**  
**blogi**  
**Suunta**

## INFO

**Tietoa**  
**sivustosta**  
**Käyttöehdot ja**  
**alasottoilmoitus**  
**Saavutettavuusseloste**

## TOIMITUS

**Toimituskunta**  
**Palaute**

Lomakkeet  
suojattu  
reCAPTCHA-  
palvelulla:  
**Tietosuoja**  
**Ehdot**

**LAB University of Applied Sciences**