

## Benders Shoes:

# Building on Fifty Years, One Customer at a Time

NANCY PRENTICE

The decades-long story began in the early 1970s when Roland and Angie Bender, in their fifties and living in the Minnesota twin cities, bought a shoe store in Grand Rapids, Minnesota, nearly 200 miles away. The couple had two teenage boys, a college-aged daughter, and an abundance of determination but no footwear experience. Roland was an insurance adjuster, and Angie worked in retail with Dayton Hudson for several years, but they both had a taste for adventure. With the tip of an opportunity from Angie's brother, Les, who owned an independent shoe store in Virginia, Minnesota, the family took a giant leap and never looked back.

With the purchase of a 40-year-old, 2,000-sq.-ft. store in 1973, known as Stenborg Shoes, they went on to build a multigenerational business. The Benders were bolstered by a strong alliance with Brown Shoe Company, whose brands at the time supplied most of the best-selling styles and acted as a mentor by lending support with accounting and inventory management.

The Benders had no Plan B when they relocated to the place they had only visited once or twice. And their achievement was quite remarkable for

people who came from different professional backgrounds. As it turned out, Angie's talent in customer service was integral to the partnership. She handled the sales while Roland balanced the back office, including the shoe buys, stock room, maintenance, and more.

"Those were happy times," recalls eldest son and current owner Craig, "We all enjoyed the lifestyle change that came with the move and a home on the lake." Craig and his brother, Brian, grew into the enterprise and worked alongside their parents.

Three years later, the Benders got wind of a store for sale about 30 miles away in Hibbing, and the whole family went for a Sunday drive to see it. Craig and his father assessed the combined women's apparel and shoe destination and noticed the former had significantly

overtaken the latter, with footwear contributing next to nothing. Envisioning an opportunity, they bought the shoe portion of the space and rented the building, sharing the space with the clothing retailer. After Craig got his high school diploma, he began commuting to run the store. Back then, he recalls, the sales goal was \$1,000/week, and they did well enough to absorb the adjacent clothing area soon after. Years later, they would more than double the size of that business with a move to a 5,000-sq.-ft. location in the same town – where they added their apparel mix.

## Decades of Opened Doors

Craig took college courses here and there, but he learned most of what he knows from experience. In 1982, he married his wife Cindy, and life evolved

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**The second and third generations in the family business. From left, Kayla Lorentz, Craig Bender, Tara Bender Paulson and Reed Bender.**

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along with responsibility. What seemed like a dare lasted decades, as last year the Grand Rapids location, which has grown to 10,000 sq. ft., commemorated its 50th anniversary. And Craig Bender will celebrate 40 years as a business owner this year. In 1984, Craig's parents sold the business to him and Cindy. The transition was seamless, more like a quiet transfer of ownership than a visible change, as they had been working together all along. Though "retired," Craig's parents remained very active. Roland continued to manage the checkbook until he passed in 1987. Angie worked in the store well into her 80s. She would come in daily because she loved the customers and could run rings around the younger salespeople. On Saturdays, when some were distracted by how busy it was on the sales floor, Angie was more motivated by the opportunity for increased sales.

Brian and his wife, Linda, who became sales floor manager, were key players in the growth of Benders' operations. Brian also had experience in construction, which was indispensable in the eventual renovations in Grand Rapids, Hibbing, and Duluth. He and Linda ran Benders in Grand Rapids while Craig focused on Hibbing.

Craig has widened the company path with expansions of all kinds, more space, additional doors, and new categories. Recognizing an investment in the future of Benders and downtown Hibbing, a more open floor plan and broader selection for men, women, and children, including athletic styles and handbags, made shopping more accessible for entire families. The early 1990s ushered in another segment – a gift shop. The strategy for the gift sector was organic as they decided to "spice things up" with additional offerings that fit the geography and demographics of northern Minnesota. The initial product mix of gifts was more akin to a traditional, nostalgic souvenir shop but has evolved to include more contemporary décor, toys, beauty, and Minnesota-made items. In 2013, Craig opened their first Duluth location that carried men's and women's shoes, which moved into a bigger space

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10 years later. Today, Benders has 65 employees and three locations selling a combination of high-quality footwear, clothing, and gifts.

A partnership with NSRA has provided support. As a long-time member, Craig references a connection that began



**Benders was recognized by the Grand Rapids Area Chamber of Commerce in honor of its 50th anniversary in 2023. Chamber representatives at both ends and center are shown with, from left, Maria Olson, Kara Morse, Kay Lynn Lofstrom and Kayla Lorentz.**

before the big Vegas markets. His senior management regularly reads the newsletters, and everyone benefits by learning from other retailers' experiences. He says there are always good takeaways, especially for hard-to-handle situations.

Owning a business that serves small towns has great advantages. One such is enjoying relationships with loyal staff and convivial clientele that last decades. A local business with different generations attracts clients of all ages, and "customers become friends," says Craig. The same can be said for longtime employees who have become integral to Benders. General Manager Kaylynn Lofstrom has been with the company for almost 30 years. She started on the sales floor and is invaluable as someone inside the business and outside the family. Brian and Linda recently retired, and the Benders continue to blend family with an infusion of younger NextGen members. Tara Bender Paulson, Reed Bender, and Kayla Lorentz are the third generation working to improve and grow the company. The extended family experience gives the business a well-rounded and inclusive outlook. With their mellow and modern approach, nieces and nephews are partners, learning to adapt to today's retail challenges and bringing fresh energy. Craig points out the value of giving people space in their early years full of change. New people lead to lively conversations and creative suggestions that require everyone to be open to listening.

Beneficial tools like EOS (Entrepreneurial Operating Systems) have become instrumental in transparency and accountabili-

ty. A system that lends structure and streamlines interactions between management and staff keeps everyone moving in the right direction. For a family business, EOS is a buffer for feedback and mitigating necessary conversations, as it feeds neutral facts and information. There are “to-do’s” and goals with built-in agendas and meetings customized for the organization. Craig says it maximizes time and energy and encourages productivity. Craig credits EOS for the strategy that led to the expansion of the Duluth store.

Big on efficiency, Craig suggests “The Five Dysfunctions,” by Pat Lencioni, for a refreshing take on leadership. It’s an entertaining read with humorous advice that applies to life beyond business.

### Good Things In-store

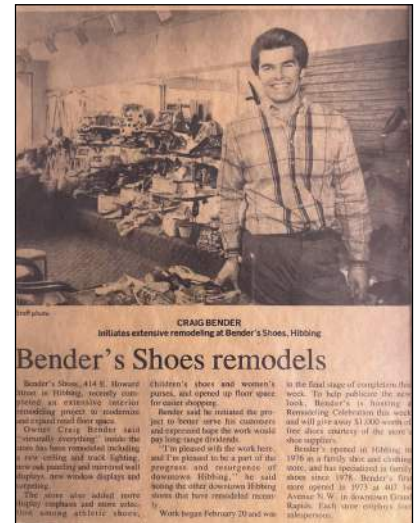
With a product mix, there is something for everyone in the family, but as Craig says, “With any closet, women seem to fill it more.” The athletic business is strong, and the adult categories are the most profitable. **Keen, New Balance, Brooks, Rieker, and Dansko** are more in demand these days. Benders has seen some brand evolutions over the years. Craig recalls when Nike was their biggest vendor in the 1970s and then became more of a competitor, seeming to outgrow the independents. Partnerships are critical, and they are also becoming more challenging. The next generation will have to finesse those relationships and figure out how to coexist and remain profitable. Craig cites a setback that grew from COVID-19 – the increases in ‘futures’ pricing by vendors previously locked in at a set value for retailers who pre-book orders. E-commerce has also produced headwinds. At one time, Benders had considered launching their own online business and realized it was not for them. Going up against the majors or Amazon, who have economies of scale and bigger budgets for online selling, would not be a competitive advantage. Benders know their edge comes from doing what they do best – taking care of the customers in the stores.

They see value in online marketing and use social media as a part of their media mix. Facebook and Instagram feature up-to-the-minute promotions and upcoming events. They honor their staff with “Staff Sunday” posts that shine a light on their extended Benders family. They do local newspaper, radio, and television advertising. And they see the value in using a percentage of their budget on promotion with a strategy that blends digital and traditional. Benders has the cost advantage of being in smaller market areas versus the major metros. While nearly impossible to measure or tie back to a purchase, Craig knows that marketing is necessary. In-store, they have increased promotions and contests for sales staff and often partner with vendors on giveaways. Employees become more aware of the product and highlight individual brands. They are down to a few trunk shows a year, mainly for



**(Above) In 1973, Roland Bender (right) purchased Stenborg Shoes from Nils Stenborg (left).**

**(Right) Craig Bender spearheaded the remodeling of the Hibbing store around 1983.**



Dansko. Remote locations are more challenging, and reps have larger territories and less discretionary time to dedicate. Visits with vendor brand reps are now a fraction of what they used to be, with buys mostly made at markets.

Benders aims to add more value for their customers that can't be found elsewhere. Their staff engages in continuous education on products, and the services provided by the in-house certified pedorthist have elevated shoppers' experiences. Many appreciate the benefits of being matched with comfort beyond the regular retail or e-commerce experience. They organically find ways to give back to customers and build loyalty with rewards programs, other periodic community-based promotions, and complimentary gift wrapping year-round. For those who can't venture out, they offer delivery and free shipping at certain price points. Benders is known to deliver to people in assisted living, sometimes several pairs at a time, to provide that extra comparison-shopping opportunity. Craig acknowledges that while not a sizeable piece of the business, it is one of the many ways they honor their commitment to stellar customer service and to continue the level of service that Angie started.

Benders' business was built on bold moves by a family who took a chance and created a legacy. ■