GRIT GUIDE
BY GRIT BLUEPRINT

GRIT GUIDE
NO. 03

ONE RED NUMBER ONE CHANGE THIS MONTH

How to Turn One Red Number Into One Change This Month

Pick one weak spot your numbers show, take it to the person who is paid to help, change one thing and look again on a set date.

Featuring Nick Talarico and Eric Knox

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7 steps 8 min read Checklist to print

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YOU'LL FINISH WITH

One area of the business picked from a report, one change written down with an owner and two dates, a conversation with the person paid to help, and a second look at the same number on the date you set.

THE STEPS

01 FIND THE REPORT YOU ALREADY HAVE

02 READ IT FOR TWO THINGS

03 PICK ONE RED AREA

04 TURN THE NUMBER INTO SOMETHING A PERSON DOES

05 TAKE IT TO THE PERSON WHO IS PAID TO HELP

06 CHANGE ONE THING AND PUT A NAME AND DATES ON IT

07 LOOK AGAIN ON THE DATE YOU SET

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From the episode: Independent Retailers Need Better Data. Do it Best Has The Tools..
Watch it at gritguide.com/grit-guide/videos/independent-retailers-need-better-data

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At the Do it Best Spring Market in Denver in March 2026, the co-op launched a tool that colors a member store's floor plan. Nick Talarico, Chief Operating Officer of Do it Best Group, described it from the show floor: "So, like green, yellow, red. Think of your floor plan, like a bird's eye view of your floor plan, green, yellow, red" (3:04).

Green means an area is beating the store's peer set. Yellow means look into it. Red means dig in now. The tool is called Retail Pulse, and the part that matters most for this guide came next: "And then there's actually solutions baked in that your territory sales manager would talk to you about on how to improve an area that's red or yellow" (3:04).

A color is a signal. It becomes useful when it leads to a conversation and then to a change. This guide gives you that path for one area of your business, in one month. It is for owners and store managers at independent hardware stores, lumberyards and building materials dealers. You do not need Retail Pulse to use it. Any report that compares part of your business to something, such as last year, a budget or stores like yours, can start it.

WORDS TO KNOW

Point-of-sale data
The record of what actually sold at the register, item by item. Often shortened to POS data.

Peer set
The group of comparable stores your numbers are measured against.

Territory sales manager
The person at a co-op, buying group or supplier assigned to a group of stores, who works with the owners on plans like this one.

Top line sales
Total sales before any costs come out. The first number on most reports, and the hardest one to act on directly.

BEFORE YOU START

- The latest report you get that compares areas of your business: from your co-op or buying group, your point-of-sale system or a main vendor
- The name of your territory sales manager, your rep or whoever explains that report
- An hour with no customers, to read it
- One person on your team who could own a change for a month

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01 FIND THE REPORT YOU ALREADY HAVE

Most stores already get more numbers than anyone reads. Start with one report that compares parts of your business to something else: last year, your budget or similar stores.

If you belong to a co-op, ask what data it already holds about you. Talarico's point about Do it Best is that it has 9,000 locations, and thousands of them share their point-of-sale data with the co-op. That is a comparison one store could never build alone. Buying groups, distributors and some vendors can show you similar views. If you are a Do it Best or True Value member, ask your territory sales manager for the Retail Pulse view of your store.

Before you read anything else, write down what the colors or comparisons mean. Green against your peer set and green against last year answer two different questions.

02 READ IT FOR TWO THINGS

Eric Knox, director of LBM sales at Do it Best (LBM is short for lumber and building materials), reads his reports for two things. First: "I'm generally looking for what categories or what vendors are down the most from a dollar standpoint because I'm losing business" (7:59). Second: "I also want to look at, all right, where are we crushing it?" (8:28).

Do the same with your report. Circle the two or three areas that are down the most in dollars. Circle the area where you beat everyone. The red shows you where business is leaving. The green shows you what you are already known for, and where more customers like your best ones might come from.

> **"I'm generally looking for what categories or what vendors are down the most from a dollar standpoint because I'm losing business."**
>
> **Eric Knox** (7:59)

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03 PICK ONE RED AREA

Now choose one. Write it as a sentence: “Our [area] is [how far] below [what it is compared to].”

If two red areas look equally important, pick the one you can move faster or with less effort. That is the tie-breaker in Grit Guide’s take below. A month is short. One area worked properly will teach you more than five areas touched once.

04 TURN THE NUMBER INTO SOMETHING A PERSON DOES

A red number is a result, and nobody can do a result. People can do the things that produce it. Knox makes the same point about sales goals: “And if the only goal is I want to grow sales, okay, great. How are you gonna do that?” (15:06).

Ask what would have to happen in that area for the number to move. Write down two or three possible changes. Each one should be something a person can do this month: reset a section, fix what keeps running out of stock, teach the counter one product line or look again at how the area is priced. Do not pick one yet. Take the list to the next step.

05 TAKE IT TO THE PERSON WHO IS PAID TO HELP

Do not work the red area alone. Bring your sentence and your list to your territory sales manager, your rep or whoever explains the report. In Retail Pulse, the suggested fixes for a yellow or red area come through that conversation.

Bring four things: the area, the number, what you think is going on and what you have already tried. Ask what stores like yours do differently in that area and which change they would make first. Then choose one.

06 CHANGE ONE THING AND PUT A NAME AND DATES ON IT

Write the change down: what it is, who owns it, when it starts and the date you will look at the number again. Give the owner the reason as well as the task.

Change one thing at a time. If you move the layout, the prices and the stock in the same month and the number moves, you will not know which one worked. Remove one constraint, see what happens, then decide the next move.

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07 LOOK AGAIN ON THE DATE YOU SET

On the date, pull the same report and look at the same area. Then decide one of three things: keep the change, adjust it or stop it. Write down what you learned either way.

Put it on the calendar as a standing review. Talarico said of Retail Pulse itself, “And it’s not a one-time launch” (4:52); the co-op has a three-year plan for it. Your review can run the same way. Once a month: one area, one change, one second look.

FINISH LINE

You should now have: One area of the business picked from a report, one change written down with an owner and two dates, a conversation with the person paid to help, and a second look at the same number on the date you set.

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FIX ONE RED AREA AT A TIME

Stefanie Couch teaches strategy the same way. Find the biggest thing holding the important work back. Remove one constraint at a time. Keep one to three priorities and one clear first move. When two choices would do about the same good, the quicker win or the easier lift breaks the tie. A report full of red invites a store to try a little of everything, and then nobody can tell what worked.

She also keeps the tool in its place. She grew up in an independent lumberyard and knows how lonely a big problem feels when you have neither the time nor the money to solve it alone, so data that comes with a path forward is a real help. The reason to fix a red area is to give your people more time for the customer standing in front of them. Check every change against that.

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TWO SCRIPTS

Use it when: you take a red area to your territory sales manager or rep.

SCRIPT

"**[Name]**, our **[area]** is showing **[red / down by how much]** against **[what it is compared to]**. Here is what I think is going on: **[your best guess]**. Here is what we have tried: **[what]**. What do stores like ours do differently there, and which one change would you make first?"

Use it when: you hand the change to someone on your team.

SCRIPT

"**[Name]**, for the next **[number]** weeks you own **[area]**. The one change is **[change]**, because **[reason]**. We will look at the number together on **[date]**. If something gets in the way, tell me by **[day]**."

REAL STORY

Nick Talarico walked through Retail Pulse on the show floor in Denver, and the episode page lays out the order he describes. A member store shares its point-of-sale data with the co-op, which is what makes the comparison with its peer set possible. The owner opens the floor plan view, a bird's-eye drawing of the store instead of a table of numbers. The colors come first: green is beating the peer set, yellow deserves a look, red needs work now. The red and yellow areas go to the territory sales manager, who brings the suggested solutions. The owner works one area, then checks the color again.

The tool was brand new when they recorded, and the episode reports no store results yet. This example shows the method. The outcome is still to come.

Whose story **Nick Talarico**, Chief Operating Officer, Do it Best Group

Talarico describes the tool between 2:46 and 4:58 in the episode transcript.

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CHECKLIST: ONE RED NUMBER, ONE CHANGE

- [ ] I found one report that compares areas of my business to something
- [ ] I know what each color or comparison means
- [ ] I circled the areas down the most in dollars, and the area where we win
- [ ] I picked one red area and wrote it as a sentence
- [ ] I listed two or three changes a person could make this month
- [ ] I took the area to my territory sales manager, rep or the person who explains the report
- [ ] I chose one change and gave it an owner, a start date and a review date
- [ ] On the review date I looked at the same number and decided to keep, adjust or stop

YOU'RE DONE WHEN

- One area is named in a sentence, with its number.
- One change is written down with an owner, a reason and two dates.
- The person paid to help has seen it and weighed in.
- The second look happened on the date you set, and the decision is written down.

WHAT TO DO NEXT

For the sales team side of the same idea, read What to Measure on a Sales Team Besides Total Sales. If you are not sure what your co-op or buying group can give you, What a Co-op Does for an Independent Dealer explains it. If your red area turns out to be a margin problem, start with How Pricing and Margin Work at a Dealer.

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QUESTIONS PEOPLE ASK

What is a peer set in retail data?

The group of comparable stores your numbers are measured against. Green against a peer set means an area is doing better than stores like yours, which is a different question from whether it beat your own last year.

What should I look for first in a sales report?

Two things: the categories or vendors that are down the most in dollars, and the areas where you are winning. Eric Knox of Do it Best reads his reports that way, because the first shows where business is being lost and the second shows what you are known for.

Why change only one thing at a time?

So you can tell what worked. If you change the layout, the prices and the stock in the same month and the number moves, you will not know which change did it.

What if my store is not in a co-op?

Ask the buying group, distributor or main vendor you work with what data it already holds about your store. Your own point-of-sale system can compare an area to last year or to your budget. The steps work the same way.

Who should own the change?

One person on your team, by name, with a reason, a start date and a date to look again. The owner or manager still checks the result, but someone has to be responsible for the work in between.

EPISODES IN THIS PIECE

Independent Retailers Need Better Data. Do it Best Has The Tools.

With Nick Talarico · The Grit Blueprint Podcast · Mar 2026

How To Win in 2026: Sales Data, AI, And LinkedIn with Eric Knox, Director of LBM Sales at Do it Best

With Eric Knox · The Grit Blueprint Podcast · Feb 2026

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SOURCES

1. Independent Retailers Need Better Data. Do it Best Has The Tools. (Grit Blueprint Podcast, Nick Talarico with host Stefanie Couch) Grit Guide
2. How To Win in 2026: Sales Data, AI, And LinkedIn (Grit Blueprint Podcast, Eric Knox with host Stefanie Couch) Grit Guide

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ONLINE
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