

DRIVING RETAIL SUCCESS

Sell More Through Leveraging Clinics & Seasonal Events

PEARL IZUMI

This editorial feature is sponsored by Pearl Izumi with Mercedes Ross.



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Pump Up Your Turns & Pump Up Your Profit

If you want to make money selling shoes, then it's time to think "turns." Ask yourself: "How many times can I turn my inventory and earn an average 45 percent margin after markdowns?" If you can't honestly answer that question, it's time to sit down and do some planning, said Ken Bankson, a senior analyst with RMSA.



First, focus on the number of turns you expect to get and how your marketing plans will help meet that goal. Planning for turnover—whether it's two, three or four turns a year—helps control inventory and avoids over ordering.

In general, retailers should strive to get three turns a year out of inventory. "In other words, plan on selling through your stock approximately every 17 weeks," Bankson said. "It's easy to over order, but that could require a sale to clear unsold inventory. That, in turn, depresses margins," he explained.

Here are a few points to remember:

- Increasing the number of turns per year decreases the amount of time stock is held in inventory.
- Quicker turnover dramatically increases cash flow from that product category.
- More turns per year makes it easier to bring in fresh product when needed.
- Planning the number of turns controls inventory and avoids sales that decrease margins.

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Merchandising *is the Secret* to Selling Shoes & Events

How to Sell More; Shoes

Cycling shoes tend to be a "destination" buy. But why not grab customers browsing the aisles? They seldom ask for help, so shoes must sell themselves. And a wall is the best bet to silhouette inventory. Create groups for men's and women's shoes; break them down by brand and separate road from mountain bike shoes.

- Women's shoes belong on a different fixture. Decorate appropriately.
- Use clear signage for features and prices.
- Display them correctly—Pearl Izumi left shoe; Shimano right shoe. Face toes down.
- Put a seat nearby so customers can try shoes on. Avoid high-traffic aisles.
- Boxes on the floor should be neatly stacked and in size order.

Clinics, Sales Training Sells Shoes

Shoes are technical products and sales success demands knowledgeable staff. Explain why you picked the brands and inventory mix. Schedule rep to the staff clinics to explain technical features, and teach selling techniques.

- Review which shoes fall into which price point brackets.
- Tie price points to bikes. Sell a bike; sell a pair of shoes.
- Pedals, clearly priced, are an easy add-on sale for new cyclists.

* Quick sales tip: running stores staff bring out multiple brands of shoes, along with the requested brand to try on. By doing this it increases the likelihood of a purchase, especially if the first choice wasn't what they really wanted.

Sell More By Taking Advantage of Seasonal Events

They remind customers of the season, coming events or ongoing sales. Themes should change monthly and twice-a-month in high season. Keep them simple. An uncluttered message is powerful.

Here's an example for May. Put a menu board at the front listing the summer's events. Encourage customers to buy now and join the fun early. Tie that into mannequins sporting spring apparel and shoes. Put cute messages on foam-core boards. Make customers smile.

MAY: Get customers excited about summer events. Highlight your ride schedule and push the message, "It's time for a new bike."

JUNE: Summer events demand a sale. Push it with large format signs in windows. Use banners if possible.

JULY: Focus on a key summer event. Mannequins should say, "We have what you need."

AUGUST: Summer's coming to an end. Clean house with a sale while customers are still walking in.



Do It Now!

- Check shoe inventory for the right models and sizes.
- Configure shelves and display to show off shoes.
- Make sure your shoeshelf inserts are current & match the displayed shoe.

Remember This:
From the backroom
to the floor
get it on the customer
to go out the door.

What's next?

- Keeping product in stock: re-ordering
- Product staying on the floor: systems
- Getting your customer in or on your product: training

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