



# DRIVING RETAIL SUCCESS

PEARL IZUMI

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

## SUCCESS STORY

**Dan Pinneo**, co-owner of Littleton Cyclery in Littleton, CO, has grown his apparel business 200% each year for the last three years. *"When we bought the store in 2006, I met with our Pearl Izumi rep, and decided to buy four fewer Madones and put the dollars into clothing,"* related Pinneo. *"We started out as a \$300 account, now we're one of the largest in the territory. Apparel has really increased our customer base, especially among women. Women are now the majority of our clothing sales and 50% of our overall business."*



Before



After



## WHO'S YOUR CUSTOMER?

It's a key question to ask yourself, regardless of what you're selling. This is especially true in apparel, where it's difficult to be all things to all people. So there are really two parts to this question: Who is your customer now, and who would you like your customer to be in the future? Are they affluent or thrifty? Enthusiasts or novices? Men or women? Young or old? There's no reason to guess as a lot of information is right at your fingertips. One easy way to look at it: What kind of bikes do you sell: mountain, hybrid or road? This is an easy way to categorize your current customer base. If you're selling mostly comfort bikes, hybrids, and cruisers, you might want to rethink that full size run of \$200 bib shorts! Changing the apparel you carry is also an easy way to make a change in who you want to attract. Clothing is conspicuous, and baggy shorts on mannequins sure tell your traffic a different story than tri suits.

## THE APPAREL OPPORTUNITY

Cycling apparel has the greatest growth opportunity of any category in your store. There, we said it, now we have to back it up, right? Cycling traditionally has been a "gears and rubber," greasy-hands kind of a sport. Always has. Many new consumers are coming in the door, many of them women. We have a terrific opportunity to not just sell them a bike, but really help them enjoy it! And part of that is looking the part. Today's consumer has an expectation of a high-quality retail environment. They are accustomed to it and comfortable in it. Take a trip to any mall and look at the apparel stores. They set your customer's expectations. The Outdoor and Ski industries have figured this out. So apparel and footwear now makes up 40% of sales! In contrast, in the bike industry, it's about 10%. We can grow that. Apparel is such a huge opportunity because consumers want to touch it, see it, and try it on to make a good choice. It can be technical, fashionable, or both. It is specific to our sport and lends itself to product expertise just like the bike. This means customers coming in the store and buying bike apparel from you. In the current state of the economy you can't afford to miss any opportunities. Spend some time on this now, before the season starts! If you do it right, you can see amazing returns on your investment. That's why we're here to help. So keep reading; you'll see six of these pieces in BRaIN over the next few months.

## BY THE NUMBERS

From the 2008 NBDA Retail Survey

\*Apparel is one of your highest margin categories and is one of the quickest ways to increase profitability. What can you do to surpass these numbers?

PERCENTAGE of APPAREL and FOOTWEAR SALES by STORE SIZE				
Below \$300K	\$300-500K	\$500K-1mil	\$1-2 million	Over \$2 million
7%	7%	8%	10%	11%

## Get Ready

Here's what you should do this month:

- Gather catalogs of apparel and footwear lines you're considering
- Have a staff meeting and get your employees' feedback
- Look at your 2009 bike sales reports to analyze who your customers are
- Take pictures of your clothing section and clothing racks

## What You'll See Next

Next issue, we'll talk about Smart Buying: How to set the table for success by buying the right brands and styles for your target customer. How to plan a complete offering among the brands you carry, with no gaps or overlaps.

## Quick 'N' Easy

(Do This Today)

You can do this by the weekend! Create interest in a clothing wall with a shelf, a hanger and some flowers, double display product -like a helmet- to remind them of other products in the store and create add-on sales.