

# The Retail Management Advisors

## Suggestions for Increasing Sales

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A continually increasing sales volume is critical to the success of the independent retail specialty stores. Operating costs continue to climb every year and you have no control over many of these costs (i.e. utilities, taxes, insurance, etc). While many operating expenses can be reduced or eliminated there is no way they can be reduced enough to make up for poor sales. Sales are the lifeblood of retail, and continuing increases are necessary. Following are some suggestions for increasing sales, without giving away the store:

1. Offer an incentive to salespeople for exceeding the store's monthly sales goal. They will work harder when they know there is something in it for them.
2. Know who your customer is so you are merchandising properly for them. If you have not tried this before you may be surprised. Prepare a short questionnaire for them to complete. As an incentive for the customer to take the time to complete the questionnaire, have a drawing from all responses and give away a Gift Certificate to the winner.

Ask questions that will help you to better understand your customer so you can provide them with the shopping experience they want. Some questions are:

- \*How often do you shop at \_\_\_\_?
- \*Is the selling staff friendly and helpful?
- \*Is the selling staff knowledgeable about the merchandise?
- \*Is the sales transaction handled quickly and conveniently for you?
- \*Is there any particular type of merchandise you usually buy at our store?
- \*Is there any merchandise that we do not now carry that you would like?
- \*Are store hours convenient?
- \*Would you like to be notified via email when we are having a special sale or other promotion? If so, please enter your email address: \_\_\_\_\_.

3. Have the 'right' assortment of merchandise. Develop and use an Open-To-Buy to plan your merchandising strategy and keep the flow of new merchandise coming into the store. New merchandise is exciting to both your customers and your selling staff. When your customer walks in the door they expect you to have a good selection of the merchandise they want. This does not mean the store must be packed with as much inventory as will fit in the space. It means an appropriate level of suitable merchandise for the store's customers.

4. Use the information your software system provides on customers to target direct mail. A good system should allow you to get listings of customers: with a birthday this month, with an anniversary this month, who buy a particular brand, who wear a particular size, etc.
5. Continually work to bring new customers into your store: get listings of area newcomers and mail a coupon for a percentage off their first purchase or give them a free gift. It is not enough just to send them information about your store or wait until they see an ad. The idea is to get them into the store so they can see what you have to offer to them.
6. Make sure your sales staff is well trained on how to handle all possible transactions on your current POS system so the customer is not frustrated by having to wait when they are ready to pay for their purchases.
7. Continuously educate your sales staff on the store's merchandise. When new merchandise comes in have the buyer explain its features so salespeople will know how to sell it. If an item is more expensive than others carried in the store they need to know how to explain the differences to the customer so the customer knows they are getting a good value for their money.
8. If you sell apparel, help customers with wardrobe coordination. Keep records on customers so you know what they purchased from you previously.