

# DRIVING RETAIL SUCCESS

## The "Buy Cycle" Is Important; "Sell Cycle" Is Critical

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

**RMSA**  
Retail Solutions

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### Dealer Spotlight: Beccy Sullivan



We changed our approach to ordering apparel this season. Instead of flipping through a catalog, getting in a shipment and filling fixtures, we considered the staff's advice when choosing styles and colors using a good, better, best format.

We had just met with our Pearl Izumi reps, and their tips were fresh in our minds when our

apparel shipment arrived. Following their suggestions, we created a separate anchor wall for women's apparel. After revamping our floor plan, we concentrated on keeping technical stories and color stories arranged strategically. We also cross-merchandised socks, gloves, bags and shoes with apparel. We added size rings to new matching hangers and we bought mannequins that bring life to the clothing and suggest complete outfits for customers.

The additional time and attention has paid off. Customers comment on the look of the store and it's easier for customers to browse and buy. It's also easier for staff to identify restocking needs and keeping fixtures stocked has helped sell through.

Higher Gear's apparel—as a percentage of total sales—is up 35 percent, improving from 6.4 percent of sales to almost 10 percent. More importantly, our margin is up nearly 3 percent in gross profit. We're confident apparel can consistently achieve 10 percent of total sales at these increased margins by simply executing the Driving Retail Success strategies. Thanks!

Beccy Sullivan, owner Higher Gear  
Wilmette & Highland Park, IL

#### Do it Now

- Have you noticed any inventory trends? Place fill-in orders now and avoid running out.
- When making choices, remember the good, better, best sequence.
- Now is the time to add a second or third color story to apparel displays.

#### Get Ready

- Make sure you are well stocked for add on sales
- Load up accessory carts with impulse and add on items—place them close to the cash wrap
- Clear your cash wrap of clutter

#### What's Next?

- Add on Sales and how to make the most from them
- Double merchandising to boost sales
- Gathering information to invest in new fixtures

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<http://www.bicycleretailer.com/resources/47.html>

### Quick Review: The Five "BUY CYCLE" Rules:

- The Buy: Purchase items for your store and your customers.
- The Strategy: Explain to staff why you bought what you bought.
- The Training: Teach your staff how to sell what you bought.
- The Look: Make sure what you bought appeals to your customers.
- The Sale: If what you bought isn't selling put it on sale right away.

Even among the best thought-out purchase plans, a dud can emerge. And those duds, hanging around your store, can damage new merchandise sell-through. Every year vendors come out with new styles, new colors, new technology. . . new. . . new. . . new! Last year's pink is a shade different from this year's pink. That new wheel is 10 grams lighter than that old one. You know the drill. But if last year's products are cluttering up your fixtures and walls, how can you effectively display what's new? Old products compromise merchandising, they blur your color ways and confuse technical detail for discerning customers. Put old items on sale so the BUY CYCLE can work

### Decide Now What Needs To Go

Every decision we make is fraught with uncertainty. Admit it—if you bought the wrong style or the wrong color (and who hasn't), then put it on sale now. And, yes, that means in season. If you're sitting on a size run of hideous jerseys and none sold by mid season, then put them on the sales rack.

If only a few miscellaneous items in odd sizes are on hand and they are out of stock, then put them on the sales rack. Mark down early and clean house while customers are shopping for in-season products. It's especially important for winter apparel. Tights on display in May are going to be there all summer. Mark them down in January or February. And sell those summer dogs in July. As for re-orders, only order what's selling. Otherwise there will be more candidates for the end-of-season sales rack.

### Sales Racks Are More Than An Afterthought

Yes, there's a right way to set up sales racks. For example, marked down apparel requires separate racks for men and women's wear. Rounders are excellent sale racks. You can mix shorts, jerseys and jackets if you like. Correct fixtures and signage clearly differentiate full-price items from sale items.

Merchandise by size—small, medium and large. Use hanger and bar size rings. But stuffing a sales rack to the brim is turnoff for shoppers. Even sales staff hates to poke through a hodge-podge of different colors and styles. Let the rack breathe, put the overflow in the back, and feed the rack as needed. And designate an employee to manage it. Signage is critical. Information signage should be one color; sales signage another. Most consumers may be unable to read a sign from a distance, but they can recognize the color and head straight for the sales. Stick to one color for sales. Period.

Where you place the rack is critical. If it's apparel, don't put it in front of the apparel section. It's been marked down, so why distract customers from full-price items. Customers can "sense" a sales rack and will find it no matter where you put it. They know it's there. In fact, you should have a year-round rack for true bargain hunters. It's also the best way to clean house regularly.

#### HOW DO YOU MAKE A SUCCESSFUL BUY?

Create a **Good, Better, Best** merchandising plan with color stories. This will help you to determine what you will have to display for a consistent overall look throughout your store.



**Good** level shorts are best placed on a rounder with size rings and signage. This makes it easy to find entry level shorts, but don't overstock this fixture!

**Best** shorts can be displayed on a straight-out so the panels face the customer. This method helps show the panels to justify the **Best** distinction.



**Better** shorts should be placed on a hanging rail, here shown on the lower left of the display.