



Keys to Visual Merchandising

Presented to:
MMBA Annual Conference
Arrowwood Resort
May 18, 2009
Alexandria, MN
by
Tom Shay, CSP

How to Put Sizzle on Your Sales Floor

What is your average ticket size?

What are your sales per square foot?

Why is sales-floor analysis important?

_____ % thinks all businesses look the same.

First Aspect: Merchandising

What is the quality of the merchandise?

How complete is the product selection?

Is there a commitment to a category?

Is this product a fringe category item?

Do they have the "A" items on hand?

Does the business sell outdated or used merchandise?

Does it carry name brands?

Does it do a good job of display/demonstration?

Second Aspect: Store layout

Is the store organized to save the customer time?

Is the store easy to get into and out of?

Does it look like it is it worth going in?

Does the store appearance match its advertising?

Staple items in rear of store

Have an attractive entrance

Design your traffic flow

Utilize end caps

Appeal to as many senses as possible

Have a display with "add-on" items

Display impulse items

Related items facing

Colorize

Use of signs inside and out

High-dollar items at eye level

Second Aspect: Store layout (continued)

Whole goods at eye level

Display a season ahead

Third Aspect: Image

Is it a "forward-looking" store?

Is the business concerned about my safety?

Does the business have great sales?

Are the sale prices legitimate?

Fourth Aspect: Attitude

Will they take care of a problem?

What is the store manager like?

Does the sales staff understand the business they are in?

Is there something unique about this store?

Fifth Aspect: Six most common mistakes businesses make

No logical front-to-back arrangement

Does not utilize windows

Does not target a specific type of customer







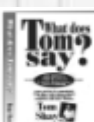





Exterior walls not used

Focal points not used to get people to move to opposite walls


No power or main aisle

Resources Order Form

Today's prices reflect a 20-percent savings off regular prices!

| | | | | | |
|---|--|------------------------------|---|---|------------------------------|
|  | Filled with 251 strategies for increasing business with retailers. Also a great read for retailers. | \$15 <input type="text"/> |  | Create and see each of your next 12 financial statements (includes a disk for computer installation). | \$25 <input type="text"/> |
|  | Advertising and promotion ideas that have been proven to work at little or no cost. | \$8 <input type="text"/> |  | Advertising and promotion ideas that have been proven to work at little or no cost. | \$8 <input type="text"/> |
|  | Business-building and managing ideas to increase profits and reduce expenses. | \$8 <input type="text"/> |  | Business-building and managing ideas to increase profits and reduce expenses. | \$8 <input type="text"/> |
|  | A collection of 50 of the best of Tom Shay's columns from 65+ trade journals and magazines. (PDF format on CD) | \$15 <input type="text"/> |  | A second collection of 50 of the best of Tom Shay's columns from 65+ trade journals and magazines. (PDF format on CD) | \$15 <input type="text"/> |
|  | 29 posters providing inspiration, education and motivation. | \$15 <input type="text"/> |  | This deck of cards creates an interactive event for employees to learn how to work better with customers. | \$15 <input type="text"/> |
|  | Make your annual advertising, marketing and promotional plans – guaranteed to keep you on budget and on task! | \$30 <input type="text"/> |  | Screen savers for your PC containing photos of store displays and the best ideas from the Power Promoting books. | \$15 <input type="text"/> |

VALUE PACKAGE

| | | |
|---|---|-------------------------------|
|  | Get the complete 12-piece set of Profits+Plus Tools which includes: EZ Cashflow™ How to become the Preferred Vendor Powers Posters Collection All 4 Idea Books What Does Tom Say? Power Promoting PC Big Deal Cards What else Tom Say? Screen Savors AMP Calculator | \$175 <input type="text"/> |
|---|---|-------------------------------|

EACH ITEM SOLD WITH A GUARANTEE TO MAKE YOU MONEY!

| | |
|--|----------------------|
| Name: | Business Name: |
| Address: | City, State, Zip: |
| Phone #: | e-mail Address: |
| Credit Card #: | Expiration date: |
| Signature: | Today's Date: |
| Please send me the monthly e-retailer via e-mail FREE! | <input type="text"/> |



Here's looking at you

By Tom Shay

SOUND ADVICE FOR BUSINESS

Let's take an afternoon trip through your community and examine the sales floors of your competitors; we want to see how they merchandise the goods and services they offer. Hopefully, at each business we will find quality items, well displayed and reasonably priced—these three being the essential components of how to successfully sell merchandise.

Because of the strong support given to businesses by product manufacturers, it would be nearly impossible to visit any specialty business without seeing manufacturers' displays. Manufacturers have spent tremendous amounts of money creating displays, which they expect will assist the customer in making the decision to buy—whether or not a salesperson is standing with the customer. With so many choices before the customer, the manufacturer wants the customer exposed to its goods and services in order to get the customer to spend money on its items.

This is the good news, for there are few industries in which the manufacturer does such a quality job of creating point-of-purchase (POP) displays. With the efforts of manufacturers accomplishing so much of what is necessary; too often businesses depend solely on these displays. That is the bad news.

Visiting numerous businesses while researching this article, this writer frequently found sales floors that were more a collection of manufacturers' displays than a showroom for the goods and services offered.

Let's take a look at a baker's dozen of ideas that not only will increase your chances of completing the sale, but also will enhance your ability to distinguish yourself from the competition.

Let's first look at Ideas Nos. 1 through 4, because they work together. The importance of the first one—having an attractive entrance—is supported by research stating that more than 50 percent of customers get their strongest perception of your business by the exterior appearance. Mother was right when she told us we get only one chance to make a first impression!

The second idea is to look at how merchandise is placed around your business. As they enter your sales floor, you want customers to immediately see the direction you want them to go. The traffic flow you have created should take your customers through the store in a manner that exposes them to all of the product categories you carry (that's the third idea).

The fourth idea is to place your drawing card merchandise in the back of the store. Think about grocery stores—where do they place the milk, bread, eggs and meat? They are on exterior walls, far away from the front door. This layout ensures customers will see as much of the business as possible on their way to get these items.



Here's looking at you (continued)

By Tom Shay

SOUND ADVICE FOR BUSINESS

The next ideas also work together because we are now looking at how to maximize the displays you create and make the manufacturers' displays an important part of your efforts.

The sales floor needs not only to address the current season, but also should tell customers about trends for the next season. Just visit a department store to see how winter coats are displayed in late summer. This plants a thought in the minds of customers so that, when they have a need for a coat, they know where to shop.

Idea No. 6 is that your business should appeal to as many of the five senses as possible. Research shows customers are more likely to spend money when the store smells good, has pleasant music, and allows customers to see and feel the products.

While manufacturers already have done a great job of colorizing their merchandise (Idea No. 7), it is important you do the same with related items near one another (Idea No. 8) and having displays of add-on sale items (Idea No. 9). For each product you sell, anything to maximize the appearance, install the product, or give additional value should be placed near the initial item.

One of the best examples of this we have seen was in a business selling carpeting. Next to one display of carpet samples were a display of vacuum cleaners (a great add-on sale) and a sampling of carpet scent packets for the impulse sale (Idea No. 10).

As for floor displays, if a display has an unattractive side, it should be placed against a wall or backed up to another display. Merchandise needs to be seen no matter which direction a customer approaches from.

Merchandise a business so customers see things from front to back and back to front (Idea No. 11).

Completing our display discussion, the most important space in your business is the area at eye level. Using walls to their maximum effectiveness, you should display high-dollar items at eye level (Idea No. 12); and if you sell accessories to the whole goods you are selling, the whole goods should occupy the eye-level space (Idea No. 13).



Here's looking at you (continued)

By Tom Shay

SOUND ADVICE FOR BUSINESS

Although we promised you a baker's dozen of ideas, there is one more. This is done intentionally, because—just as in dealing with customers—you should give them more than what they expect.

Idea No. 14 deals with signs. Signs have been shown to substantially increase sales. Today you can easily use a computer-software program to create signs to introduce new products, explain the benefits, and tell your customers the services you offer.

Today's customers have the advantage of being able to shop through a catalog, the Internet, or in many businesses. When they do come to your business, make sure your business gives them many reasons to spend with you and to return.