

BUSINESS ADVICE: STOCK SELL THROUGH

GROWTH

SELL THROUGH QUICK WINS

Can you imagine a business that doesn't monitor its product range and use this to make future buying decisions? A recent study by Stepper indicates that over half (54 per cent) of optical businesses are in this situation.

Are you in risk of going long periods of time without your best sellers on display?

Do you only order when you've sold the slow sellers that have been 'hanging around' and risk having only slow sellers on display?



1. Ensure that you monitor stock sell through, be this via an electronic system or a more manual system as described in the article.
2. By all means buy what you like, but use validated sales data to back up your choices.
3. Be aware of the impact of promotional activity such as discounting or a sale and the impact that this may have. Would you have sold that frame at full price?
4. Organise your stock into meaningful categories, groups and sub groups and maintain stock numbers in these groups.
5. Measure sales and review regularly, e.g. every three months.
6. Identify the under achievers and star performers in your stock.
7. Take action on the above by increasing or reducing frame sub group stock profiles in accordance.
8. Be mindful of the profitability of sub groups.
9. Have a buying plan.
10. Decide how many of each brand you need. Drill this down to numbers by gender, material, full rim/supra/rimless and keep to this plan.
11. Buy regularly. Weekly buying might suffice, but a couple of successful clinics can leave you short, so be flexible. Make sure that you don't go for periods of time with your best sellers not available!
12. Replace what you sell – keep a note of what has been sold and buy a direct replacement. Maybe try another colour, or a similar new model.
13. Use supplier's websites to keep up to date with their frame collections.
14. Take advantage of buying via the internet. Online ordering from suppliers means you can buy outside trading hours giving you flexibility to order when best suits you and your practice.
15. Don't let bad buying decisions of the past affect your future business. If you insist on only buying new until you have sold slow moving stock, you will end up with a practice full of slow selling frames.
16. Look to see if suppliers offer a next day delivery
17. Keep in touch with your sales representatives to help you evaluate new styles and current trends.