

Miniatures Marketplace - August 2000
SHOULD YOU HAVE A PROMOTIONAL SALE?

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Miniatures BY BARB

My article in the June issue spoke to the benefits of attending trade shows. One of these benefits is participating in seminars, workshops and discussion groups. At the Business Techniques seminars I conduct at miniature trade shows, we cover topics such as the technique of "Suggestion Selling", customer service and cultivating new customers.

When I was asked to lead a discussion group at the upcoming MIAA Trade Show in Atlantic City, I immediately said "yes". It sounded interesting and exciting. I was asked to lead a discussion group on how "Sales Impacts Your Bottom Line". The topic surprised me! My negative approach to having promotional sales will lead to lively interactions.

As a consumer I am uncomfortable with sale promotions. In the past when you went into a shop, the price of an item was the price of an item. Therefore, you knew what the item was worth. Merchandise didn't go on sale until the end of the season. My feeling is that once you have put an item on sale you have de-valued that item. You have placed doubt about the pricing of other items in your shop. Will they go on sale? Should the consumer wait and see?

In recent years, stores seem to have sales every other week. I find that if I need an item I never have confidence that the price might not be cheaper next week, or even less expensive the following week. When do I make my purchase? How can I feel confident that I haven't overpaid? It makes a consumer uneasy.

When I price an item that I designed & handcrafted I consider the following: the cost of the materials used to make the item, the cost of any tools used in the construction, the cost of helpers, the cost of my time and any percentage I may have to give a distributor. To me, that is what I consider the value of an item. Most retail shops add a markup to the wholesale price. That should represent the value of the items to the shop owner and customer. If that item is put on sale what is its value... the original price or the sale price?

This premise does not include merchandise that are damaged, old, faded or not current. These items have less value anyway. By lowering the price you are actually offering them for sale at the price they should be valued at. They no longer have the same value as a current piece in perfect condition.

At my most recent seminar, I mentioned that I would be leading this discussion group at the upcoming MIAA show. Some retailers have very interesting alternative solutions which they have used successfully in their shops and are excited about sharing with us.

Plan on attending the MIAA Trade Show in Atlantic City, August 19th through August 21st. We look forward to you joining our discussion. I am confident we will enhance our business knowledge!