

HOW TO  
- DOUBLE YOUR -  
**IN-STORE**  
SALES

- 1) UNDERSTAND YOUR FOOTPRINT
- 2) KNOW THE MARKETPLACE
- 3) PRICE YOUR PRODUCT RIGHT
- 4) USING IN-STORE MARKETING
- 5) TRACK & RECORD IN-STORE SALES

# 1) UNDERSTAND YOUR FOOTPRINT

**There is not another business segment today that sees as much foot traffic per square foot than a convenience store.**

Busy lifestyles are here to stay, and that translates to significant growth opportunities for the convenience store operator.

Packaging a product for market is something that needs to be anticipated. Don't wait until your product is ready to be shipped to realize that you don't have the proper packaging for sending it safely and at a reasonable cost. Packaging can also influence the product itself (shape, weight, solidity), so think about it early.

## The 4 rules of product packaging:

- Low cost
- Protective
- Attractive
- Regulations compliant

Keep your “on-counter” footprint low by using alternative packaging such as Clip-Strips™.

By minimizing your product’s need for counter-space, you will see more stores willing to bring on a new product.

The most valuable place for a product to be is at the checkout counter. If you are able to minimize your countertop footprint, you will receive better placement in the store.



## 2) KNOW THE MARKETPLACE

There are two types of convenience store, those who started from the ground up, or those who bought into a franchise. A lot of money may be required in either case, but corporations make franchising may be easier in terms of marketing, advertising, and other setup tasks.

If you are seeking to have your product sell better in stores, it's important to know the person to talk to. If the store is locally owned, the owner is usually in the store 4-6 days a week. If the store is a franchise or corporate owned, the owner may visit the store every few months or never.

In spite of the rising popularity of internet shopping combined with home delivery of grocery and convenience items, starting and operating a 'mini convenience store' is still a good business venture to activate that has the potential to generate respectable profits. The name suggests it all.

In order to succeed in this segment of the highly competitive retail industry, the store must be convenient. This means an easily accessible and highly visible business location, well-stocked with the most popular convenience products, and fast and friendly service. Remember, if a customer's shopping experience at the store is not convenient then there won't be any repeat business.

In addition to the usual supply of convenience products, such as milk, eggs, bread, snack items, and soda pop, be sure to add other products and services to attract customers to the store and keep them returning as repeat business. These products and services can include lottery ticket sales, tobacco products, newspapers, calling cards, postal stamps, and even fresh-cut flowers for sale on a daily basis.

Once again, business location is the key to success. The business must be located with easy street access and good parking, or alternately in an area of heavy foot traffic like a mall, transportation terminal, or office district. Understanding the business will give you better insight on how to sell more product.

### 3) PRICE YOUR PRODUCT RIGHT



Though it is true that higher volumes will make up for lower prices to some extent, unless you can sell to big box stores such as a Kmart or Wal-Mart, you absolutely need at least a 50 percent markup to be picked up by convenience stores.

Although doubling the price may sound outrageous, it does not result in excessive profits when you consider the expenses for rent, taxes, insurance, supplies, labor, etc., that you must pay.

Sometimes you will have to sell an item at a lower markup, if you believe you cannot compete at the full price.

## Standard Markup Rates

(50 percent), here is a quick way to calculate your selling price:

$$\text{Selling price} = [(\text{cost of item}) \div (100 - \text{markup percentage})] \times 100$$

For example, assume an item costs you \$10 and you want to use a markup of 35 percent. The selling price would then be calculated as follows:

$$\text{Selling price} = [(10.00) \div (100 - 35)] \times 100$$

$$\text{Selling price} = (10.00 \div 65) \times 100 = \$15.38$$

Do not multiply the cost by 35 percent and add that amount to the cost. That will produce a retail markup of 17.5 percent, not the desired 35 percent.

Don't overlook shipping costs in your cost of merchandise. If your competition will allow, add the freight cost before you apply the markup. Most of the time, however, you will simply have to add freight to the marked-up price, thus recovering only the cost of the freight.

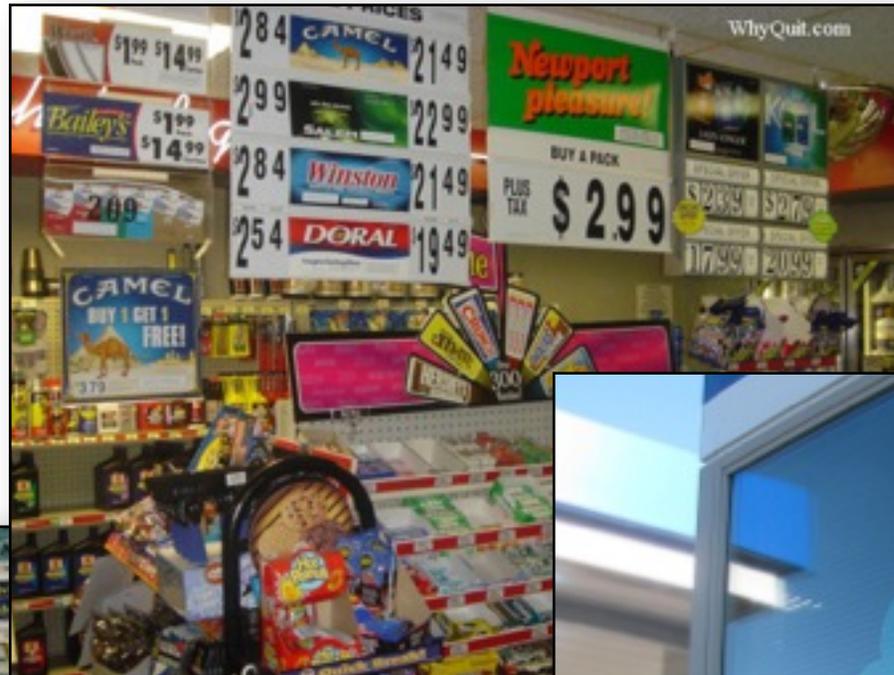
## 4) USING IN-STORE MARKETING

In-store marketing creates a lively atmosphere and enriches the shopping experience. The store is more than a distribution point. It is a marketing medium that allows for various touch points of communication or messaging,

In-store marketing tools have been used in US convenience stores and grocers for years to advertise and promote brands of consumer packaged goods made by such world-class firms as Coca-Cola and Kraft.

What began with signs on shopping carts two decades ago has grown to such imposing and sophisticated tools as oversized TV screens suspended from the ceiling. The larger the store, the more opportunity for conveying brand messages.

Here are some examples of in-store marketing:



## 5) TRACK & RECORD IN-STORE SALES

Measuring what consumers buy is at the core to your growth. You should be monitoring shopper behavior, demographics and busy and slow times in the stores. This information will have a long term benefit when revisiting packaging, branding or marketing.

Mr. Checkout relies on Nielsen for their sales data that they can take to big box stores like Walgreens, Target and Walmart. Nielsen has a unique set of tools that examine key business trends by product, category or market using retailer scanner-based sales and causal information gathered weekly from tens of thousands of retail outlets. This information enables you to identify the “why” as well as the “what” behind changes in product sales for fine-tuned marketing strategies.



Their point-of-sale (POS) technology for our retail measurement services captures sales and price data from virtually every major retail chain. Where electronic data is not available, they use detailed field audits.

Nielsen leverages purchase data from the world's largest frequent-shopper database – more than 60 million households.

If you are seeking to take your product to the next level, contact Mr. Checkout today to find out how you can get your product into C-Stores and Grocers across the country right on the countertop within 60 days.

**<http://MrCheckout.net>**

**1(800) 367-0076**