

## What I Expect from My Retail Manager

Most clubs have some sort of non-F&B retail operation such as golf and tennis pro shops, while some in more remote areas may have a general store. Often the pro shops are operated by the professionals – both golf and tennis; in other cases, the club has a retail manager to oversee these operations. But no matter who is responsible for the retail bottom line, there are certain things that I, as a general manager, expect. Here's my list:

**Create and use an Annual Buying Plan** – What, when, and how much inventory is purchased each year should be carefully planned. The plan should be in writing and be revisited at the end of the year to see how well the club did in buying and selling various categories of merchandise. Revisiting the plan at year's end will help improve next year's buy. Good buying decisions are the most important thing a retailer can do to be successful.

**Benchmark the Operation** – Retail operations must be benchmarked in detail to learn as much as possible about what sells and doesn't sell. The more the retailer knows about the customer's buying habits, the better future buys will be. It's also important to analyze the results of buying and markdown decisions. What and how many items are marked down represent the buying mistakes. A retailer should always learn from those mistakes to avoid repeating them. I also want them to track, monitor, and analyze monthly and year-to-date sales by product category, brand, and item to better understand what sells and what doesn't.

**Create and use a Merchandiser's Book** – Proper management of retail inventories and good business practice require that retail managers maintain close scrutiny of their buying decision, retail benchmarks, inventory purchase orders, and a log of their major merchandising decisions such as markdowns, sales, inventory discrepancies, write-offs, and any member feedback about the retail operation. By maintaining this information in a single binder, retail managers have a convenient method of continually analyzing their buying and merchandising decisions with an eye toward continual improvement.

**Know the members and their buying habits by using a Membership Retail Book** – Each retail interaction with a member reveals something about his or her buying habits and preferences. A Membership Retail Book is simply a place to organize and record the information learned about each member. It is as simple as recording member information in an alphabetized ledger book under each member's name or utilizing the member preference feature of your retail software. Once information has been entered for a particular member, it is easy to add more information each time that member shops. In time the Membership Retail Book will accumulate a wealth of information about members buying habits and preferences. This information can be used to improve buys, better serve members, increase retail sales, and improve margins.

**Have an Established Discount Policy** – Inevitably some merchandise will not move quickly and will sit on shelves or racks for some time. Such slow-moving merchandise should be made more attractive to members by reducing the price through a series of pre-defined discounts. Tracking such discounts in the Merchandiser's Book may help the retailer understand what didn't sell at full price and this understanding will help improve future buying decisions.

**Use a Sales and Promotion Calendar** – An annual sales and promotion calendar should be developed to help the retailer market promotional and discounted sales. The more members that know in advance

about promotions and sales, the more foot traffic there will be in the shop. It can also be used as an opportunity to learn more about member's buying habits.

**Rotate stock and change displays** – Move merchandise around daily or frequently to keep the shop interesting and fresh. Use props and displays to showcase merchandise. Seasonal decorations offer many opportunities to make the shop attractive and inviting. Ensure shop clerks are familiar with all products in the shop. Staff must be familiar with their inventories and knowledgeable about products carried in inventory.

**Conduct timely and accurate inventories** to ensure that cost of goods sold is computed correctly. Conduct a formal analysis of cost of goods sold when the monthly number is out of line. Benchmark the cost of goods from month to month to spot any negative trends.

**Train staff** – In addition to teaching shop clerks customer service, merchandising, and sales techniques, they must know as much as possible about the products they sell. The retail manager must work with vendors to provide detailed information about their products.

None of the above steps are rocket science. More than anything they are the organizational habits of a professional retailer. Implement any or all of these practices and watch the business and annual margins grow.

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