



KCPOS  
Integrated EPOS

# How To Maximise Sales In Retail

Are you making the most of your sales potential? Find out more about the essential steps every retailer should take.

# Maximising Sales in Retail

In an ever more competitive environment, retail is a cut throat sector which takes no prisoners. Recent times have seen the demise of retail veterans, with its most infamous casualties being Woolworths and now BHS.

Adapting and evolving commercially is the key to retail prosperity, but are you taking the vital steps to stay ahead of the game? Are you proactively thinking of how to improve your customers in-store experience? Are you doing enough to entice your customers to return again and again?

This guide will take you through several steps which every retailer should be following in order to be successful in their industry. From the back office numbers, to at the front facing customers, we will discuss the factors which will position your business ahead of the pack.

# Sales Metrics

Your sales metrics, or sales KPI's are a highly powerful tool. They can highlight your strengths, but equally highlight some areas of improvements, which can then be of focus for your business.

To understand how to increase your sales, you first need to know your sales.

## **Staff Opportunities**

Metrics can be a very informative tool in accurately evaluating performance of your staff. To have a true understanding of whether you are maximising your sales, you must first look at all the opportunities your staff had, compared to their rate of conversion. A conversion rate can highlight the strong sellers within your store, which can then be met with praise and reward.

## **Staff Performance**

Likewise, if certain staff members are underachieving through their conversion rate, the proper training, assistance and motivation can be provided in order to maximise the potential in your staff and ultimately your sales. To keep track of your individual staff performance, have you considered having individual users on your pos system and measuring sales in this way? A modern EPOS system for example, has the functionality to accurately monitor sales figures and performance.

## **Store**

Evaluating the performance of your store is a key indicator into where your sales are materialising. If you have several stores, making the comparison between your locations can be highly beneficial. Likewise, using certain store performance tools such as heatmapping of customer interest could highlight what's working well for you, and what needs addressing.

## **Reporting**

Reporting functions can plot your sales information and formulate it into data that can inform your decision making. Have you ever considering reporting your data on a variety of time periods? Monthly, Weekly and Hourly data reporting can give you interesting data that may assist you in exploiting your sales opportunities.

# Product Knowledge

By ensuring employees are knowledgeable in your product, they are far more qualified to sell your product, which is a huge bonus for maximising your sales.

## **Training of Staff**

The first way is through the regular training of staff. Make sure your employees know everything they need to know about the products you have on offer. Your training should include the product specifications, make sure your staff are speaking about the technical details like it's second nature. Features of the product are important, but how these features are translated to benefits for your customers are essential. Make sure your staff are aware of what the best sellers are, this is useful when engaging with customers and can offer an expert opinion and recommendation which is always received well in retail.

## **Regular Sales Meetings**

Continuous, regular catch ups and meetings within your team can encourage staff to stay motivated to generate sales and be committed to success within your store. This can ensure your sales are on track and can make necessary adjustments and recognise ongoing achievements. Another idea is by having weekly team member product summaries – for example one colleague may focus on a particular product, they could update the team on the progress of this product etc.

# Value Added Selling

By increasing the value of your products, albeit real or perceived value, this can make your products far more attractive than goods at a similar or lower price.

## **Premium Products**

Adding value goes further than placing a fancy bow on your items. It can be through the whole customer experience in purchasing the premium product. To give your value added products 'Premium Status', you should ensure you highlight their superior qualities and maintain their high prices. To really cement the extra value, you could create a sleek store design, have your staff members ooze class and in the right environment, even be offered drinks whilst shopping.

# Store Design & Impulse Buying

The design of your store has a huge bearing on your sales and how your customers engage with your products. There are several measures you can take to maximise your sales in your store.

## **Determine where to lead shoppers**

Have you ever wondered why the bread and milk are right at the back of the supermarket? It's to increase your potential of impulse buying. By placing the 'essential' items at the back of store, it encourages customers to be guided through the aisles of promotions until they reach the product they are looking for. Maybe your most popular products could be placed strategically in a similar fashion?

## **Use of colour**

Colour is an underutilised, but powerful tool to encourage customers to spend in a retail setting. This may sound primitive, but a bright interesting display will clearly attract attention next to a plain, blank display. Make the most of colour, and if used correctly, could regenerate your store completely.

## **Declutter your 'Compression Zone'**

The compression zone is the front area of your store which has the largest amount of foot traffic. The reason it's called the 'compression zone' is because where the customers will essentially decompress and move around your store. On this basis, it is important not to overstock this area as there are a large number of opportunities for customers to be distracted or to miss sales opportunities.

*"Up to 20% of the average household grocery bill comes from items that were purchased on impulse alone".*

# Differentiation

You need to establish a Unique Selling Point (USP) to your retailing experience and give the customer a reason to visit your store, all amongst the fierce competition on the high street. This all forms part of your brand image and can make you a 'one of a kind' retailer.

## Core Values

You need to first determine what your core values are, combined with the quirks of your business. From this, you can implement features which compliment what your business stands for.

What can you do in your retailing experience that sets yourself apart?

## Store Atmosphere

If you take Hollister for example, a fashion retailer who has a unique store layout which is instantly recognisable at any of its stores. As its clothing is inspired by surf culture, it adopted a beach shack appearance, and this is replicated across all its locations which gives it this unique appeal. This casual approach to retailing reflects the casual nature of the brand, which adds to the unique in-store experience.



## Store Experience

What can you do within your store that other retailers don't offer? Providing a unique experience could be your point of differentiation. Using the example of 'Build a Bear', the retailer which gives you the opportunity to design your own customised teddy bear.



# Loyalty

Rewarding your regular customers is a proven way of retaining your customer base, and ultimately maximising your sales. Does your business have any loyalty schemes in place?

## Loyalty Cards

Why not try implementing a loyalty card, in which regular customers can build points or earn discounts. This will encourage the repeat purchase of your products. Loyalty cards are a fantastic way to generate extra business and work well as a simple marketing tool to spread the word about your company.

The idea of loyalty cards is simple. When a customer visits your shop and makes a purchase, they get mark/ stamp/points on their card. Several returns and purchases later, they can then redeem the card for a "reward" of goods or services. Many businesses find that loyalty card schemes increase sales through existing customers and attract new ones as well. Customer retention, increased product awareness, increased reach are all benefits you will see from employing a loyalty strategy.

*"A large number of companies have implemented loyalty schemes which have proved to be incredibly successful for increasing their sales. Starbucks have a customer retention programme called 'My Starbucks Rewards, which caused a 26% rise in profit and a 11% jump in total revenue in 2013's second quarter of fiscal results"*

# Optimise Prices

Pricing is a very influential variable within sales, it can either boost your output or hinder your success. Through a strategic approach to your pricing, you should calculate the cost of your goods and research your customers price sensitivity, combined with competitors to set your prices accurately.

## Tiered Pricing

This can be a hugely effective pricing strategy through its ability to offer your products to a wider volume of customers which previous were out of your pricing bracket. For example, offering products at £10, £100 & £500 versions of products open up three tiers of customers, thus maximising your sales potential and output. The lower priced option acts as a gateway for new customers who may upgrade. Also by offering a range of prices, this can give the customer a choice, but between you and you – not your competition. By offering a range of prices to the customer it gives the customer a greater sense of value as they can pick a product for themselves at a price they prefer.

## Discounted Pricing

Discounting traditionally is seen a strong method of increasing sales – which it is, however do so with caution. By lowering your prices this could result in a devaluation of your brand, and could affect your customers shopping experience. If done correctly, discounting can be used by your store staff by communicating with your customers which is far more personal. This compared to placing large discount signs around your store may have a more negative effect which could hinder the sales of your full price items.

## 'Useless' Price Points

The Economist magazine once had 3 subscription options that readers could choose from.

1. Web only subscription - £59
2. Print only subscription - £125
3. Web & Print subscription - £125

Which appears to be of greatest value? Option 3 is made to seem far more valuable from the apparent 'useless' price point of option 2. Consumers are inclined to choose option 3 as its seen as the best value for money, however if option 2 is removed, more readers would be inclined to choose the cheaper alternative.

Pricing can have a great influence of the perceived value of your product, which needs to be considered when pricing your range.

## 99p Effect

One of the most prevalent but successful behavioural pricing strategies, the 99p price tag could have a significant increase in your sales, and encourage shoppers to purchase. 99p has been proven to have a psychological association with discounts, therefore from a relatively small price drop, the item may have significantly more value to the customer.

*"Research showed that lowering the price of a pizza from £7 to £6.99 had a 15% increase in sales."*

# Retail Technology

Increasing your sales can be achieved by the dedication of your staff and the quality of your product. However, your retail technology can be the difference between barely surviving and being a leader in your sector.

## **Omnichannel**

Aligning all your channels to one comprehensive strategy is referred to as Omnichannel marketing. For example, what's happening in store should be reflected on your website, social media channels, digital advertisements and so on. This collectively integrated strategy serves your brand far more effectively as one clear message is consistently delivered everywhere.

## **Personalisation Technology**

Is your business making the most of personalised technology? You could drive your sales through personalised vouchers, offers & recommendations from previous purchases

## **EPOS Systems**

Through using retail technology, you can maximise your sales output in a number of ways. Firstly, a modern EPOS system can serve your customers more quickly and efficiently, reducing queuing time and transaction time. A more efficient point of sale, means more customers are making transactions and ultimately more money flowing to your business.

*"50% of out-of-stock lost sales are due to ordering and forecasting causes - essentially poor stock management. Using an EPOS system would result in an immediate 2% increase in revenue upon implementation".*

# Summary

In summary, to be truly successful within a retail environment, the fundamental actions discussed will all serve to drive your sales up and push your business forward. To establish yourself as a leader within your retail sector, each of these functions should not be employed individually, but as one collaborative approach.



KCPOS is a fully integrated accounts point of sale system, designed for modern retail, wholesale, trade and hospitality businesses.

Flexible and affordable, KCPOS will fully integrate with your back-office accounts software to create a complete business system which will reduce your costs and improve efficiency. With an easy to update touch screen interface, training is quick and easy and by utilising the latest database technology, KCPOS, handles transaction growth whilst remaining robust and reliable.

**[kcpos.co.uk](http://kcpos.co.uk)**