

BICYCLE DEALER

BOULDER CYCLE SPORT

BOULDER CYCLE SPORT: CREATING A SUCCESSFUL SHOP CLUB

WHAT MOUNTAIN BIKES
ARE MADE OF

YOUR SHOP'S TIRE STRATEGY

TUNE UP THE SHOPABILITY
OF YOUR STORE



MAXIMUM STORE DESIGN

GETTING CUSTOMERS TO HANDLE THE MERCHANDISE!

BY PETER J. ROSEWICZ

WHAT BICYCLE STORE OWNER OR MANAGER DOESN'T WANT TO GENERATE MORE SALES AND MORE PROFITS? TO ACHIEVE THE BEST SALES OUTCOMES, IT'S IMPORTANT TO CONTINUALLY EVALUATE YOUR STORE'S SELLING ENVIRONMENT -- IN OTHER WORDS, IT'S PERSONALITY AND PRESENTATION. WITH THE RIGHT APPROACH, YOUR STORE CAN BE ONE OF YOUR BEST SALES TOOLS: LEADING SHOPPERS TO THE PRODUCT THEY ARE SEEKING AND MAKING THEM FEEL WELCOMED, COMFORTABLE, AND INSPIRED TO BUY.

Your store's visual appeal and the ease and effectiveness of customer movement translate into a shopping experience that ultimately plays a major role in driving your sales and profit performance. If you are like most IBD's and are looking for ways to bring more traffic to your store and generate more sales, it may be time to take a closer look at your visual merchandising.

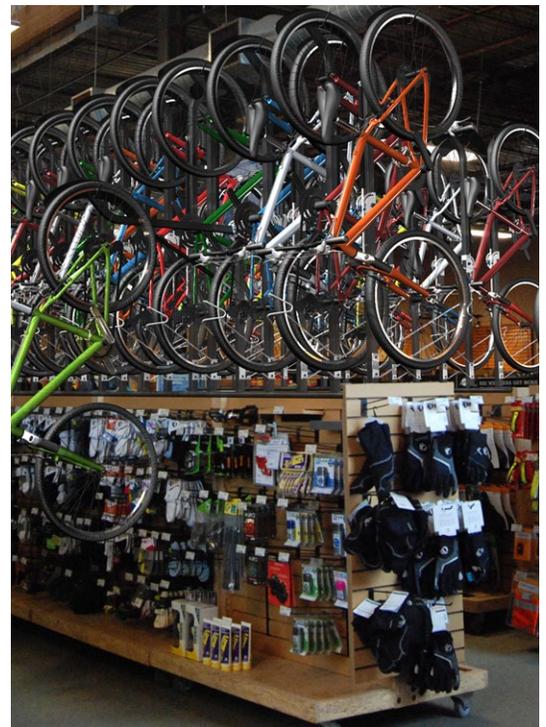
Visual merchandising is the art of implementing effective design to increase store traffic and sales volume. Visual merchandising begins with the management's decision on how to create the best buying environment possible for it's customers in the confines of the stores physical dimensions. There are lots of elements to consider in creating

"the right environment" like color, lighting, space, touch, smell and movement. Visual merchandising is more of a feel or art than a science. Like art, there are some basic principals that are used and manipulated for the desired result. Before you start painting walls, changing floor surfaces and moving fixtures around, I suggest stepping back and objectively evaluating your store.

DESIGNING A FLOOR PLAN THAT WORKS

The first step is to pull out your paper and pencil and stand in your store at the entry point. Walk through the store and experience it through the customer's eyes. With the customer in mind, develop a planogram, or map, of the traffic flow, visuals, and product placement that will create the best buying environment and shopping experience. A planogram is a layout of the store's interior with strategic placement of merchandise with the goal creating visual focus points that create excitement, draw the customers in and provide easy product identification and access.

Planograms are a tool to design and refine the merchandising area to maximize the use of the available space while generating more sales by arranging the products in a way that makes it appealing to the consumer. Planograms help enhance the entire store and the selling environment to generate more sales by showcasing the product in an uncluttered, organized manner that has logical flow and is visually engaging.



**“STAND IN YOUR
STORE AT THE
ENTRY POINT.”**

A successful store planogram will make it easier for customers to quickly locate their desired product category and merchandise. It enhances the customer's ability to self-select product and coordinate their buying plan. Planogram computer software packages are readily available and make creating plan options and updating planograms quick and efficient.

PRESENTING THE MERCHANDISE

After you have determined the best store layout and location of product categories, the next step is to profile the merchandise and develop a merchandise planogram. Profiling merchandise consists of developing a plan for what products, how many products you plan to include, and where they are located to best complement each other.

Customers respond best when merchandise is grouped into categories and the product is laid out so that neighboring products create visual linkages. For example, create a product grouping (i.e. helmets) in one

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area with good, better and best options in an easy to view, touch and select arrangement. Add easy to read and understand product information about the helmets that empower customers to confidently self-select and purchase. Placing related product groups nearby, like helmet mounted mirrors or even sunglasses, creates a visual connection that entices the customer to take a closer look at a product they may not have originally had in mind.

I suggest avoiding long stretches of neatly lined up product categories. These long stretches lack excitement and can be visually tedious on the eye. It's important to include visual breaks and provide focus points that organize and highlight key products and product groupings. Visual focal points can include life style images, promotional displays, or solution selling areas. Solution selling areas pull together many items that are needed for a specific activity into a well-designed display arrangement.





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Another effective way to add excitement and build value in your store is to use quality, creative manufacturer supplied point-of-purchase displays (POP.) Using pop displays, especially POP that incorporates graphics, is an effective way to highlight top brands, key selling points, or promotions that build added value for the products, and your store.

POP displays add interest to the store layout and help increase impulse sales. Customers often enter a store looking for a particular brand or product. They see the customized display, and almost without fail, will gravitate to the area. Many product manufacturers have developed refined POP displays based on market research that are also tied into a broader marketing campaign. Why not tap into that marketing expertise and investment? Free standing POP displays stand out from the store interior, create emotional interest, reinforce a brands position, help differentiate products, and make it easier for customers to self select.

LET'S TALK ABOUT BIKE MERCHANDIZING

As a bike dealer, how do you present your mainstay product group to the customer? How do bikes fit with the accessories and floor plan for a good customer experience? For some dealers the most challenging area of merchandising is bicycles. In many cases the retail floor space looks like a warehouse for bike inventory.

Put yourself in the shoes of a customer. Can they identify what bike they're looking at amongst the rows and stacks of bikes? You should ask yourself, what is the benefit of seeing so many bikes and that much eye level rubber? A few of the downsides of the warehouse approach is that customers can get confused, frustrated and many of the bikes' best selling features can go unnoticed. Additionally, when the bike inventory is on the display floor, precious merchandising space is sacrificed. After all, bikes are large and consume roughly 6 plus square feet of floor space each. An ideal situation would be a balance of bikes and merchandise that is uncluttered, provides convenient access, easy-to-identify categories, product attributes, and branding that will draw the customer in and hold their attention.

CREATE MORE SALES OPPORTUNITIES BY CREATIVELY UTILIZING SPACE

With a limited amount of floor space how does a bike store owner maximize their offerings without sacrificing one product group over the other? Most retail environments have the most available open space above the floor gondolas. Positioning your bicycle inventory over a merchandise gondola can effectively increase your bicycle saturation to floor space by 60% while dramatically increasing the amount of merchandise you can offer. A standard 2 sided 60" tall gondola

with bikes positioned above the merchandise uses 3.3 sq. ft. of floor space per bike, and provides an additional 6.3 sq. ft. of merchandising space per bike. A standard 2-tier display uses more floor space or 5 square feet of floor space per bike, and offers no additional space for product merchandising.

“CUSTOMERS RESPOND BEST WHEN MERCHANDISE IS GROUPED INTO CATEGORIES AND THE PRODUCT IS LAID OUT IS SO THAT NEIGHBORING PRODUCTS CREATE VISUAL LINKAGES.”



Positioning bikes above the merchandise gondolas maintains your bicycle presence on the floor and increases your total merchandise volume. This stacked approach delivers a broader, easier to access offering of merchandise in a smaller footprint, which helps satisfy more customers—and increases the probability of additional sales.

“STEP BACK AND OBJECTIVELY EVALUATE YOUR STORE.”

LANDING AREAS CREATE PRIME SELLING ENVIRONMENTS

Whether positioning your displayed bicycle inventory above the merchandising gondolas or using standard floor displays, I recommend developing specific landing areas for bikes. These landing areas are dedicated open spaces for showcasing an individual bike with specific features in an easy to view

and touch setting. The landing area is ideal for giving the sales person a dedicated space to focus on the customer, the specific bike, related merchandise, and conduct the sale. This offers a far superior selling environment than having your sales person and customer pull a bike out from a rack and stand in the aisle to view and discuss it's benefits, then struggle to put the bike back.

INVESTMENTS IN VISUAL MERCHANDIZING PAY OFF ON THE BOTTOM LINE

These merchandising approaches offer strategies to polish your store's personality, presentation, and maximize the return on your investments. Good store design results in an improved customer experience, which in turn increases sales, keeps customer coming back, and the referrals and traffic to your store flowing.



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