

BIG TIMES

Buyers International Group

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The Single SKU Strategy...

They're all around you – in every category and price point. They are single items that have sold multiple times in the past year. These items deserve some attention as they can substantially increase your sales, without requiring much of an increase in your inventory.

In nearly every inventory we have uploaded into B2B, we identify items that have sold three, four or even five times in a year that have not been brought back into stock for whatever reason. It's important to note that these items occur in *all* price points and that the philosophy remains the same; if it sells multiple times, replace it!

My favorite example, which I've talked about in many seminars, happened about four years ago. A jeweler called to ask about replacing a \$5,000 diamond band that had been in stock for only three weeks. I told him to reorder it. "*But, its August.*" He said. That's right, and you had it for three weeks.... Reorder it!

He called several weeks later and said, "*I got that ring in again... and I sold it, what should I do?*" "You reorder it." I said. "*But, now I've sold the same ring twice and I'm in a small town...*" I said, "Just reorder the ring, and keep reordering it until it stops selling."

He didn't call again until January, when he said, "*By the way, between the first time I called you in August, and Christmas, I sold TEN of that same ring.*" That's ten rings at \$5,000 a pop. Here's the question... how many of these single SKU's do you have that you can sell ten times in the next year? And it doesn't matter what they sell for; what matters is how many of them you can sell in the next twelve months.

In a B2B call we did last week, a jeweler said he is uncovering these little gems (also known as single SKU's) throughout his store in all categories and price points – and he's bringing them all in right now. There are likely hundreds of styles that would perform well; they're just looking for a little of your attention. We miss them because we have *thousands* of items to keep track of and we don't take the time to reorder many of our fast-selling items. Consequently, we miss sales opportunities because we simply don't see the patterns.

Once you start reordering your fast sellers, you will see sales increase immediately. Additionally, you become a more important customer to your supplier. Therefore they are far more likely to stock balance non-performing inventory as your value to them is much higher than a jeweler who buys just once a year, and never reorders, but wants to stock-balance merchandise a year later and doesn't understand why the vendor doesn't want to cooperate. There's a way to do this so that you and the vendor come out ahead of the game.

If you haven't been on a B2B demo call yet, I would encourage you to send an email to Ellen, ellen@bigjewelers.com so you can see how B2B will help you identify your little gems. One of our last B2B demos of the season will be this Tuesday, December 4th at 4pm ET.