

Shopping A Trade Show

For most independent retailers going to a trade show is the single most stressful event of the season. Often, just the traveling to the show causes stress as it is not something that is done very often.

Planning for the trip is the first step in preparing yourself for this important endeavor. As soon as you find out the location and time of the show, try to book your hotel and flights as soon as possible to save yourself money on travel expenses. If you can, combine the trip with some “free” time over a weekend (if you can get someone to mind the store!) A Saturday night stay over is often cheaper than a mid-week trip. This will also allow you to spend some time looking at other stores in the city that you are traveling to, and taking this time to learn new ideas is an added benefit of the buying trip.

Buying vs. Shopping

Buying is the process that we use to select products for our customers while shopping is what we do when we buy for ourselves. Knowing the difference is critical for your success in retail. You are your customer’s eyes and you should have a clear vision of what is important to your customer as you prepare to shop the show.

Some Tips

Here are some “tips” that will help you make the most productive use of your time at the show.

- Know your Open to Buy (OTB) by month (If you don’t have it, rough it out as soon as possible prior to the show. If you can’t do it before you leave, then delay writing any firm orders until you can prepare a budget for your receiving)
- NEVER spend all your OTB – spend no more than 90% – save the remainder for last minute deals
- Identify your KEY vendors/categories before you enter the show, get the show catalogue and identify where the key vendors are located and mark them on your show map
- Walk the show quickly the first time, don’t spend any time at any one booth; try to get an entire overview of the products that are offered
- Look for items that jump out at you just as they would for your customers, pretend that you are your customer and look for items that are really unique and special
- Mark your map with the booths you want to return to – make appointments if you think that they will be busy when you want to see them
- Keep a diary/note pad of what you see and why you like or think that you need it for your store
- A digital camera is a great tool – include vendor name with each picture

(many shows will tell you that you cannot use a camera, but it is ultimately up to each vendor and if they know you they will let you take pictures if they do not have any available).

- Use your own purchase order forms, not vendor forms and clearly write description of the item as well as quantity, price, in-store date and CANCEL date! Never give an order without a cancel date!!!
- Wear very comfortable shoes! Take frequent breaks, drink lots of water, go to bed early every night and avoid alcohol. Recognize how stressful the show is for your body and treat yourself well.

5 Common Buyer Mistakes

There are five common mistakes that buyers make at trade shows. Knowing them will help you avoid making them! Most buyers at trade shows:

- Over buy – they purchase more than they really need because of either minimum quantities on orders or over estimate of customer demand/ need. Always ask yourself how long it will take to sell what you are buying, if the answer is more than two months, you may be asking for trouble! Paying a little more for less than factory packs is often a wise thing to do
- Deciding too quickly – there is a tendency to buy the first things that we see and then later see even better items and buy them too! Don't place any orders until you have walked the entire show
- Not using purchase orders – use your own purchase order as it has your terms of doing business and your cancel date and other requirements of your store; the vendor form is built in their favor, not yours
- Accept too big of a shipping window – an order that may come in any time between August 1 and October 31 is not acceptable. Make sure that every order clearly states delivery date and a cancel date no more than 30 days after the scheduled delivery date (and if it comes in past the cancel date, and you still would like it, call and tell the vendor that you will keep it if you get 40% off the invoice).
- Don't negotiate terms – it never hurts to ask! See if you can get longer payment terms, pre paid shipping, promotional items, fixtures and other items. Look in my Downloads section of www.dionco.com under Tools & Resources for the list of 87 terms that are negotiable and try to get at least ten in your next deal.

Vendor's Objectives

Remember, vendors are at the show to sell their products. They also would like to be able to ship as early as possible so they can improve their cash flow but that is not always the best thing for you. They also want to sell what they have and not necessarily what you ordered, so make sure your purchase orders have a complete description of what you bought. Also, remember that for most vendors the invoice is produced the same day as the picking ticket and packing slip and you may receive the merchandise with as

little as 10 days left to pay for it. Negotiate 30 day terms from the day you receive the merchandise, not the shipping date.

5 Little White Lies

Some vendors will sometimes “shade” the truth and the most common of these little white lies are:

- “You are getting the best price.” In most cases this means that you are paying what every other independent retailer is paying, not what the larger customers are
- “This is a show special and will not be available later.” In most cases, the show special is available for up to two weeks after the show closes
- “It is our best selling item.” It may be the best selling to other retailers, but it is no guarantee that it is the best selling to consumers
- “There is no problem with deliveries.” At least at this moment, but after the show when all the orders are tallied, you may not receive the item
- “You will get dating.” The clock on the dating, however, will start when we pick and pack, not when you receive it.

Remember to question everything and make sure that you can live with the answer.

Summary

Remember to take your time, have a plan to buy (OTB) and a plan to sell and try not to buy any quantity that you can't sell in three months, two or one is even better.

It is far easier to buy 72 than to find 72 Customers! Repeats are a double edged sword, be careful of them and make doubly sure that you can receive the repeat on time and that you customer will wait.

Write on all orders “NO BACKORDER” so that you move up the ladder on shipping priority.

Check if they have a web site for ordering and if you do order on the web, email or fax your own order form to confirm the order.

Try to Get

Try to get as much as you can when you are preparing to buy, the vendor is never more accommodating than when you are standing there with your pen in hand. A few to ask for are:

- 60+ day payment terms
- Pre-paid shipping
- No pre-approval for damage/defective returns and full refund (not

- credit note)
- Co-op advertising
 - Guaranteed repeats
 - Free goods for display/make up
 - Guaranteed sale – 90 days

That's it! Remember that you are buying the future of your store, your success or failure for the next six months, be careful and good luck!

the future of commerce

