

DO YOU OR DON'T YOU?

DO YOU GIVE HOLIDAY BONUSES TO STAFF?

SURVEY

For this month's question our panel answered:

YES, WE HAVE

72%

NO, WE HAVEN'T

28%

TOTAL RESPONSES: 83

To join **Instore's** Professional Retailers Panel, email us at editor@instoremag.com

Respondents were advised that, by "holiday bonuses", Instore meant cash bonuses or substantial gifts not based on sales or commissions.

YES, WE DO

1. I do give holiday bonuses and they are typically pretty hefty. My right hand guy got \$6,000 last year, the three employees next in line got \$3,000 each, and that is net. If we do well, I am happy to share with those that contributed to our success. If you don't, you're a cheapskate!

2. I generally give \$100 to \$300 in cash to each employee depending on length of time in our employ. It is really just a gift which is not based on performance.

3. Some years we give cash and when inventory levels are up and cash is down, we give store credit to purchase items in the store at cost.

This way we do not have further cash outlay and the staff get the things they may not buy for themselves.

4. I give each employee 8% of their annual gross pay.

NO, WE DON'T

1. We've found Xmas cash bonuses to be effective the first, maybe second year. But afterwards, they become *expected* as part of their total pay package and lose the spirit in which they were designed.

2. The store has goals each month as a team. If we reach that goal the team gets to split the "pot" of money that has been put out for that month. It is split by the percent of business that each person writes. For example if Employee A writes 30% of the business, they get 30% of the money in the "pot". I feel this makes everyone work as a team for the store goal and then they are rewarded for their personal efforts.

3. We treat our employees to bonuses throughout the year. It is based on how well we are doing. So it is usually a nice surprise for them and the Xmas bonus isn't a "big elephant in the room" so to speak.

4. We are in business to do business and all compensation is tied directly to production.

** Names of respondents were withheld due to the sensitive nature of this month's topic*

ON SALES

missed again



The holidays mean more lost opportunities than any other season, says **Shane Decker**.

YOU LOSE more sales during the holidays than any other time of the year. Yes, you read that correctly! Despite the undeniable truth that the Christmas selling season is responsible for a gargantuan portion of most jewelers' annual revenues, it also costs you big-time in unearned sales. Why? Very simply, many jewelers are not prepared to provide the same level of service that they do during the other 11 months of the year. In other words, they clerk.

When a customer walks in, tells you what they want, and you immediately write it up, you have just "clerked" a sale. Because the money is so easy, we often overlook the fact that a "clerked" customer leaves your store undersold, and/or with nothing, and/or with no add-on sales. How much money does this practice cost your bottom line?

If you stay on top of your game, you can turn the multitude of holiday opportunities into a bonanza of created sales. After all, no other time of year sees men visit jewelry stores in droves. And research has shown that while women will typically average about \$500 to \$900 per purchase, men will average up to \$2,500! Furthermore, men are a far easier sell: you suggest, and they buy.

When selling jewelry to a male customer, never fail to find out the "Who-What-When-Where" of their particular situation. Their answers to these questions will give you all the tools you need to close a spectacular sale. Take the fol-

lowing example:

Salesperson: Is the gift for someone in particular?

Man: Yes, my wife.

Salesperson: Great move; women love jewelry! Does she know?

Man: No, I haven't told her.

Salesperson: Well, women also love surprises, so that's perfect! Did she drop any hints about what she wanted?

Man: I think she said she wanted a pair of diamond earrings.

Salesperson: Diamond earrings will make the *perfect* holiday gift. Have you thought about how to give them to her?

Man: Well, no, I haven't.

Salesperson: Oh, I have a great idea for you! I'll tell you what it is when we're done.

With this conversation, you've not only built a relationship with your customer and reassured him that he's doing the right thing, but he now has to buy your product to get the great idea you've promised. This customer will regard you as an ally, and make it that much easier to include an add-on sale as well.

After all, customers are ready to spend money during Christmas-time, yet we only write up one item! Why not add on a sale or two... or ten? The lead-in line you should use with every customer is this: "How many other people are on your list?" Because without a doubt, his daughter needs a bracelet, and his son

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MISSED

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needs a watch, and his wife needs a necklace to match the earrings he just bought! Customers quit buying when you quit selling, and you should *never* quit during the holidays.

But don't rush: closing the deal depends upon a proper presentation. Other customers will wait because they'll see the awesome service you're providing, and because they know that people just have to wait during the holidays. Let them know that someone will be with them shortly, and that the wait will be well worth it! Make sure your store has apple cider, coffee, and cookies available, as well as a warm, festive atmosphere that reminds them of home. This makes it far more likely that customers will stop for a while and linger to spend money with you.

Yes, the holidays are a big part of your store's annual sales... but they could be even bigger. Why waste the most lucrative opportunity of the year? Kick your salesmanship into high gear, and listen to the cash registers ring like those famous sleigh bells!

Shane Decker has provided much sought-after sales training for more than 3,000 stores worldwide. He can be reached at (866) 424-2472.

TRUE TALES

strange stories from the front lines

Dad decided to try a new setting technique when resetting Mom's engagement diamond. Well, she noticed it missing out of the setting not long after she got the ring back. Devastated, my mother finished making dinner and to her surprise she found her diamond ... baked right into the cheese on the top of the lasagna. Thank goodness, Mom was the only one whose diamond was set that way and needless to say that technique was never used again! But it doesn't mean family members won't still be the guinea pigs for new ideas, luckily the rest of them have been great successes!



CASEY GALLANT
STEPHEN GALLEN JEWELERS;
ORLEANS, MA

STEP BY STEP

Managing Information

Kate Peterson tells you how to slash 'information overload' and work more productively.

CONSIDER FOR A MINUTE all the publications, memos and reports you'll need to read this week. Yes, all those business journals, trade magazines, memos, POS reports, local newspapers, faxes, emails, customer communications currently clamoring for your attention. Exhausting, but necessary, right? Not necessarily. The fact is, too much information *can* be dangerous — creating stress, as well as slowing the brain's ability to perform important tasks like analysis and decision-making. So how does one manage to protect oneself against the very real ailment known as "information overload"? By controlling the input, rather than letting the input control you. Here's how:

1. SET PRIORITIES. More often than not, we allow ourselves to become overloaded with information that is far less than critical. Setting priorities is your first task. Begin by looking at the types of information you collect. The order of priority for information categories will vary from store to store, and sometimes, depending on the time of year or the immediate circumstances, even within a store. Determine that priority order for your store under normal circumstances. Now, look carefully at all of your ongoing information sources, and determine which are the most effective at providing critical input in each category. Once you've identified your information categories and sources, select and list the three most important sources of information in each category, then limit your input to those sources each day.

2. ELIMINATE TIME SINKS. Eliminate sources of information that are more distracting than helpful. Have you ever fallen into the "You've got to read this! It's brilliant" Book-of-the-Month trap? A friend or associate calls and tells you all about this great book that has helped him revolutionize his business — so you rush out and buy it, only to realize, after having invested five hours in reading it, that much of what the author is saying is in direct conflict with the message put out by the last guru you followed. Or how about the "Trade Magazine Trap"? That's the one that has you subscribing to every magazine, newsletter, periodical and report that has anything to do with our industry, in the hope that you won't miss an iota of important information. How much time does it take to actually *read* all of the publications thoroughly enough to insure you've gotten the most from all of them? Another significant

cause of wasted time is web-browsing. Web research can be profitable — *but only* if it's done with a specific goal in mind.

3. FACE OFF. Remember that face-to-face conversation is the best vehicle for gathering information from human sources. Regardless of format, most information reflects the thought and/or work of another person. With that in mind, you can safely assume that whenever possible, a two-way conversation with the creator of the information will be the best way to insure complete, accurate delivery.



4. DON'T OVERDO IT. Know when enough is enough. Many of us waste a great deal of time looking for that elusive "missing piece". There's much to be gained from cutting off research and analysis once a sufficient amount of useful information has been collected or an appropriate amount of time has passed. It's rare that the needle in the haystack is as valuable as the time it took to find it!

Kate B. Peterson is co-founder of Performance Concepts (www.performanceconcepts.net), a leading sales and management consultancy for US retail jewelers.