

# POINT OF VIEW

Powerfully Simple Point of Sale



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"People do not buy goods and services. They buy relations, stories, and magic"

Seth Godin

## Bulk Buying, Do You Really Save?

We've all heard a statement like "The More You Buy, The More You Save". As a consumer, this offer is tempting. It works great as long as you can use everything you've purchased before it goes bad or becomes obsolete. Retailers are tempted by these offers as well. Suppliers sometimes offer the best prices in exchange for high-minimum order quantities. Sure, the cost per item is lower, but the retailer ends up parking the extra inventory on the stockroom for some time before getting the profits he hopes to gain. Is that a bad thing? An article on Retail Science, *Using GMROI To Evaluate Your Inventory Investment*, explains how keeping just enough merchandise on hand to meet upcoming demand, lowers your inventory investment and improves profits, even if you end up paying a little more for the privilege of buying less.

By George Maginnis



## Looking Outside the Box for Inspiration

Looking for fresh promotion ideas for your next big sale, a new employee benefit to bring in the best of the best, or some other unique solution? Try looking outside of the box... literally.

Journey outside your store and take a look at what unrelated industries are doing. With a little modification, you can apply the these same great ideas in your business.

As a great promotion example, Dell offers a mystery coupon for up to 12% off select items. Could you do something similar? People love a good mystery and can't help but

want to find out what their secret deal is.

Try promoting a product-specific sale featuring "mystery" coupons that are handed out at the door. They could vary from 5% to 75%, since only a handful would have the highest percentage. The chance of getting 75% off will draw people in and, even if they get a lower percentage coupon, they may still pick up what they came in for and any related items.

Salesforce, a global SAAS software company, offers an interesting and unique benefit to their employees.

They provide each employee with six days of paid volunteer time per year, plus \$1000 a year to donate to a charity of that employee's choice. This benefit is not only great for the employees, but for the recipient organizations too. Adjust this idea to fit your company. Offer your employees two or three days of paid volunteer time and do a single contribution to a charity collectively chosen?

Looking outside your box and your industry can lead to innovative ideas unique to your business.

By Leticia Stryker



# A Sure Sign the Holidays are Coming

The holidays are just around the corner. Customers will be streaming through your doors to take advantage of the seasonal promotions you've been planning for the last several months.

In order to make the biggest possible impact on your customers and your balance sheet, give some thought to how in-store signage directs customers to the sale items you have throughout your store. In his book, *Why We Buy*, Paco Underhill gives valuable insight into customer behavior. Over the last 30 years, Underhill and his team of trackers have stationed themselves in stores, banks, restaurants, and other retail establishments to learn why shoppers do what they do.

Underhill's research determined that shoppers entering a store need anywhere from 12 to 20 feet inside the front door to adjust to their new surroundings. Any signage placed within this area is likely to

be completely overlooked.

In order to get the most from any sign, Underhill states the importance of determining what the customer will be doing, and where they will be looking when inhabiting any area of the store. The perfect message in one space could be completely wrong for another.

Drawing your customers' attention to the items you wish to promote is crucial to the success of your sale.

Be sure to pay attention to how and where your signage is placed when getting ready for the holidays.

If you'd like to learn more about making all signage more effective, read *Signage: 3 Ways to Get the Most from Your Silent Salesman* on our Retail Science blog.

<https://paladinpointofsale.com/retailsience/get-the-most-from-your-silent-salesman/>

By George Maginnis

## Executive Perspective: Maintenance Files Save Time and Money

Most Paladin users enjoy the speed and accuracy of ordering from their major supplier using Electronic Data Interchange or EDI. The Maintenance Files sent to the retailer are one of EDI's best features. Each of the three files performs a unique function.

**Invoice File:** Shows the contents of a completed order on its way to the retailer. This is similar to an electronic packing slip.

**Price Changes File:** Retail pricing updates to all items in Paladin purchased from the supplier.

**Inventory Maintenance File:** Contains updates to product descriptions and changes to inventory costs.

Any one of these files saves the retailer a huge amount of time. The Invoice File alone dramatically reduces the time needed to receive the contents of a shipment.



**Ryan Dunn**  
 Asst General Manager

Once the order has arrived, the Invoice File adds the new items to the stock on hand. Inventory levels are updated automatically. When orders are received electronically, your employees spend much less time in the back of the store. Instead, they'll be out on the sales floor restocking shelves and helping customers.

The other two files keep all item costs, retail prices, and descriptions accurate and up-to-date. Without the need to monitor and manually adjust each of the thousands of items in your inventory, how much time would you save?

Maintenance files automate the time-consuming chores that come with managing a large and complex inventory. Taking advantage of the

data contained in each of these files allows you and your staff to spend more time assisting customers and making sales.

Maintenance Files differ slightly between suppliers. Contact your supplier to find out which updates are available to you and how to take advantage of them.



# Selling B2B: A Repeat Revenue Source

You may be missing a large opportunity to strengthen and expand your profits if your store isn't selling directly to other businesses (known as selling B2B). Business customers provide reliable and consistent income for your company.

You probably know numerous owners or decision makers associated with local businesses. Instead of waiting for these customers to come to you, pay them a visit. This is a personable and easy way to start selling B2B.

For example, let's say there is a real estate office, preschool and gym nearby. What supplies do they need regularly that you already stock or can order?

Could you offer the **real estate office** signs and related hardware, sold decals, or realtor lock boxes for keys?

The **preschool** likely goes through significant amounts of dry erase supplies, brown Kraft paper, disinfectant and spot removing cleaners.

As for the **gym**, they probably need to purchase replacement mirrors, flooring materials, and lighting supplies.

Start the partnership by establishing a relationship with each business. Meeting face-to-face creates an opportunity to learn what they need and what it would take for them to buy from you. Offer special pricing, free delivery, and other services to add value. Don't be afraid to offer supplies you may have to special order.

Be observant. Any business with 10 or more employees is likely to have a recurring need for the products you can provide.

*By George Maginnis*



## Have You Made a Succession Plan?

You've spent your lifetime building a successful business. All the while, you've imagined the nostalgic moment of proudly passing the torch on to the next generation and retiring somewhere sunny or maybe traveling the world. With more than 90% of American business being family-owned, this generational transfer is often part of the American dream. Below are some tips help you start a succession plan early and ease any stress or frustration of transition.

**1. Make sure they actually want it.** Getting your kids involved early helps build their interest in the business and strengthen their leadership skills.

**2. Take it slow.** Gradually dispensing responsibilities and control

gives your replacement the opportunity to increase their competency and build employee respect.

**3. Openly communicate expectations.** Both parties should express their goals and come up with a plan to handle generational differences in things such as work ethic or technology.

**4. Promote experienced advisors.** Start training current employees who would be best suited, in both ability and loyalty, for other key roles supporting the new chain of command.

Having a succession plan is crucial to the success of your protegee and company.

*By Leticia Williamson*

## Business of Excellence

**Company:** Hoquiam Ace Hardware

**Manager:** Kelly Nordberg

**Location:** Hoquiam, WA

**Years in Business:** 59

Drive an hour due east of Olympia and you'll be in Hoquiam, Washington, where the Chehalis & Hoquiam rivers empty into North Bay. Hoquiam got its start as a logging town in the 1870's. The town has an estimated population of 8,500.

Hoquiam Ace Hardware's own roots go back almost 60 years. The store has prospered through the city's many changes over the decades. They continue to thrive even though a big box retailer has moved in a few miles up the road.

After 28 years, Manager Kelly Nordberg still enjoys helping customers start and complete their projects. She says the store continues to thrive by providing excellent customer service to local homeowners and managers of rental properties in the area.

Unique services and helpful pointers from her expert staff keep customers coming back.

Drawing the attention of new customers is the biggest challenge the store currently faces. Adding additional signage, exterior lighting, and dabbling in social media have helped maintain their profile.

### Best Advice:

Kelly points out the business continues to be successful by staying in front of the public and consistently providing excellent customer support at every opportunity.

*By George Maginnis*



**PALADIN**<sup>TM</sup>  
DATA CORPORATION

# Paladin Tech Buzz



Our nation has been plagued with a variety of natural disasters over this past summer.

Hurricane season landed hard on Texas and Florida. 160 mph winds were followed by severe flooding. Countless homes and businesses were destroyed. Reports of the potential devastation sent people scrambling for higher ground or to find space in shelters until it was safe to return to what was left of their lives. Wildfires burned for weeks throughout the Pacific Northwest charring millions of acres of forest. Smoke blanketed the region causing residents to limit their outdoor activities during most of the summer. Many potential visitors sought out other vacation destinations. Without trees and other vegetation to hold the soil in place on nearby hillsides, state and local officials are bracing for damage to cities and roads from mudslides as the rainy season approaches.

It's heart-wrenching to see people's lives completely upended by disasters, natural or otherwise. As a company dedicated to supporting independently-owned businesses, we always hope that retail stores impacted by disasters, like the ones witnessed this summer, have a reliable plan in place to back up their point of sale data.

As business owners start the recovery process, insurance companies will want accurate records of inventory in order to settle claims for merchandise that was lost. Records of accounts receivable will allow the business to recover the money it's owed as it rebuilds.

Doing your own backups to protect your data is part of your financial responsibility to your business. Once it becomes a regular part of your closing routine, a daily backup will become a habit like turning off the lights and locking your doors at the end of the day. To learn more about the manual backup process, visit the customer portal or contact Technical Support.

If the idea of having more to do as your trying to head home has no appeal, Paladin's Datawise™ can automatically create a master copy of your database in the cloud. Your master copy is updated hourly to ensure you always have a recent backup. You'll still need to do a manual backup once a month, but we'll take care of the rest.

Should you ever need a copy of your data, our technical team is there to help. We'll help get you back in business. To find out more about DataWise, call 541-706-9553 and talk to a backup specialist.

By George Maginnis

## Upcoming Events

Paladin will be attending the following events. To arrange a visit, please email us at [sales@paladinpointofsale.com](mailto:sales@paladinpointofsale.com)

PCCA 2017 International Seminar  
October 4-7 | Houston, TX

Wallace Fall Market - **FREE USER MEETING**  
October 11-13 | Pigeon Forge, TN

House-Hasson Fall Market  
October 27-28 | Shreveport, LA

**Paladin User Meeting 2018**  
February 15-16 | Bend, OR  
[Click to find out more.](#)



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**Repeat Rewards**  
LOYALTY PROGRAM



**PALADIN™**  
DATA CORPORATION

## The Perfect Pair

The RepeatRewards loyalty program integrates with Paladin allowing you to maximize marketing efforts easily & effectively through the solution trusted by retailers everywhere.



Mention this ad when you sign up for our loyalty service and we'll

**CREATE YOU A CUSTOM MOBILE APP  
FOR YOUR STORE AT NO EXTRA COST!**



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