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October 13, 2020

## **Are you ready for the holiday shoppers?**

In all likelihood, we are going to face a wave of adversity during the upcoming holiday season. The election process will drag on long after November 3<sup>rd</sup>. Covid-19 plus flu issues and economic policies will continue to drag the economy, and public reaction to the media's continued blitz of doom and gloom will generate continued fear in the retail and commercial markets. We are already seeing major retailers move up their holiday sales campaigns attempting to capture sales from their competitor down the street.

Do not fall into this trap of trying to compete with the big box retailers and competitors who are trying to one-up each other for the pre-holiday sales. Most of the chain and mall stores are willing to sell at or below cost just to keep their doors open with no thought of the overall ramifications of their actions. They rely heavily on walk-in traffic to purchase lower-priced items in volume. If you attempt to compete in such a destructive "race for the bottom," not only will you lose out on profit you might otherwise make while depleting your inventory, but you may also be unable to replace needed fast sellers because you only covered overhead. If you cannot supply a variety of quality items to your regular customers, they will go elsewhere. Further, getting into a discount war will be telegraphing to the world that you are selling overpriced low quality merchandise just like the chain stores, thereby sully your reputation as a quality jewelry store that you have worked so hard to build. Just like any customer, affluent shoppers want deals, but they do not want to shop somewhere that sounds cheap. Jumping into the holiday sale craze will not only put you in an economic bind but also cheapen your brand.

We have noticed that, over the past few months, our clients have faced a reduction of walk-in customers but overall sales have not been seriously affected. Quality (higher-priced) sales have remained consistent, and in some areas even increased. Many of our clients' better customers have not been adversely affected by the economy to the same degree as a general walk-in shopper. They shop with intent – to buy quality pieces for specific reasons. There will always be holidays, birthdays, anniversaries, special occasions, etc. When they contact you, it is for the purpose of buying, and it is your job to sell them.

Never forget that people expect to pay for quality, whether times are lean or not. It is incumbent upon you, as a professional, to hone your sales skills and training and take advantage of the opportunities as they arise. Sell yourself as well as the product. The customer relies on you to remind them of all the added value and service you provide. Constantly train staff and work on add-ons and up-sales. It may take a little more effort on your part, but that effort will pay off.

We at PRIME specialize in assisting retailers in finding the path to achieving their goals and overall success in their business. We invite you to visit our website, [www.NVPrimeConsulting.com](http://www.NVPrimeConsulting.com), for an overall view of the services we provide. If you have

questions as to how we may be able to assist you, please do not hesitate to call - 888-849-4978. Of course, all communications and information are strictly confidential.

Sincerely,

**The PRIME Team** – *Jim, Jeannie & Warren*

-----Professional Resources & Inventory Management Experts-----

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