Sew & Quilt Store

Temple Sewing And Supply, Inc
PROCEDURES MANUAL
2 0 0 8 AD

Effective January 1, this year

INTRODUCTION

This procedures manual sets out detailed instructions on day to day operations of our stores. It is essential that everyone follow the same procedures and maintain a cohesive store operation.

Each employee is required to read, and sign a notice of compliance with the policies and procedures contained herein.

MISSION STATEMENT

The Mission of Temple Sewing And Supply, Inc and its Sew And Quilt Stores is to <u>sell sewing machines and associated products and services</u>, while <u>empowering customers and staff</u> to enjoy sewing, quilting, and related activities; <u>to promote a supportive center</u> for fun, creativity, and sharing <u>prompting long-term customer relationships,</u> employee job satisfaction, and an acceptable return on and safety of investment.

- Sell Sewing Machines And Associated Products And Services
  Empower customers and staff to enjoy sewing, quilting, and related activities
- Promote a supportive center for fun, creativity, and sharing
- Promote long-term customer relationships
- Promote employee job satisfaction
- Produce acceptable return on and safety of investment

<u>LONG TERM GOALS</u>

Dominate the sewing and quilting retail market in Central Texas.

Develop a secure, dependable, and profitable business capable of achieving its mission while providing ample return on investment and owner compensation.

Provide a fun center for sewing and quilting where beginners and more experienced sewers are empowered to achieve their sewing dreams.

GOALS

Increase New Customers: Add 2,000 new customers.

Increase the Frequency of Sales.
Increase the Frequency of Sales to one visit per two months for 75% of customers.

Increase Customer Retention
Retain 75% of customers while reactivating 50% of lost customers.

Increase the Average Amount per Sale by 25%.
From $39.95 to $50.00 (Non Sewing Machine Sales)
$1,483.66 to $1,855 (Sewing Machine Sale).

Improve Sales Close Ratios for all sales personnel.
(to 1:3 Ratio)

Increase product turns for fabric (2), threads (3.5), books & patterns (3), Cabinets (3), Software (4), and General Notions (4).

Improve Merchandising in each store to include Flow Charting, Vignette Displays, Reallocation of Window Walls and Displays, Added Product Lines, etc.

OUR CUSTOMERS

While Temple Sewing And Supply, Inc. believes that our employees are our greatest asset, the cornerstone of our business is our commitment to deliver quality products and services to our customers through an organization whose number one priority is customer satisfaction. In short, our customers are the most important people in our business, and we are dependent on them.

Whether we are dealing with them in person or over the telephone, they should never be considered an interruption of our work, but rather the purpose for our organization. They are deserving of the most courteous and attentive treatment that we can give them, and are not someone with whom you should argue or match wits. Please remember that our customers are human beings with feelings and emotions like our own and should be treated accordingly. CUSTOMERS ARE THE LIFE BLOOD OF OUR BUSINESS.

GENERAL INFORMATION

Each employee will have access to the current Personnel Handbook and this Procedures Manual. In addition to these employee handbooks a master business and marketing plan is available for interested parties to read and glean better understanding of the overall goals, objectives, and strategies being implemented by the company.

This Procedures Manual is ever changing to meet the needs of our organization, customers, and staff. It is intended to clarify basic operational procedures and provide a framework for on going refinements.

CENTRAL OFFICE

David Trumble
502 San Gabriel Blvd. Georgetown, Tx 78628 (512) 819-9610
David's Cell: (512) 635-5705 gsewquilts@suddenlink.net

STORE LOCATIONS

Killeen Sew & Quilt
2201 S. W.S. Young Dr. Ste. 111C Killeen, Tx 76543
(254) 616-2200 killeen@sewandquiltstore.com
Jeremiah Trumble

Temple Sew & Quilt
1510 S. 31st Street Temple, Tx 76504 (254)774-9797
Fax (254) 774-8878 tsewquilt1@clearwire.net
Steven Weathers

Bernina Sew & Quilt
4300 W. Waco Dr. Ste. B 76710 (254)772-2887
wsewquilt01@clearwire.net
Steven Weathers

HOURS OF OPERATION

Monday – Friday	10:00 AM – 6:00 PM
Saturday	10:00 AM – 4:00 PM

Extended Hours may be arranged to accommodate late or early classes.

PROBLEM SOLVING

Whenever a problem arises, requiring assistance from management (sickness, facility, etc.) contact the following:

Central Office: (512) 819-9610.	Temple: (254)774-9797.
Jerry's Cell: (254)371-1963;	Killeen: (254) 616-2200.
Donna's Cell: (512) 635-0421.	Waco: (254) 772-2887.
David's Cell: (512) 635-5705	

MEETINGS

Various meetings will be held periodically for the purpose of planning, resolving issues, operational management, implementation. All employees are expected to attend those meetings appropriate to their responsibilities. Failure to do so is not acceptable. The management group will meet at least quarterly for purposes of maintaining operational integrity. Weekly sales and training meetings will be held in each store for the purpose of reviewing active leads, assigning follow up, resolving organizational and personnel issues, planning store activities and operation, and generally maintaining an effective sales team.

TRAINING AND DEVELOPMENT

The Office Manager will supervise the basic training of all new employees including the implementation of shop training, a video training series, Personnel and Procedure Manual Reviews and specific skill review checklists.

After basic training is completed, the local manager will be responsible for coaching staff members toward their full potential through one on one incidental trainings, weekly sales staff training meetings, and various group training opportunities. Periodically, additional training opportunities may be made available. Occasional whole staff events and/or meetings may be held as needs arise.

All required trainings and meetings are paid as regular pay, while elective trainings and classes are not paid as per the employee's option.

SUPERVISION AND EVALUATION

The Office Manager is responsible for employee evaluation, while the local manager is responsible for supervision and contributes to the evaluation of the staff under them.

Evaluations are performance based. Periodically the performance of each staff member will be examined with respect to their sales quota. The quota is established by multiplying their hourly wage times eight (8) and comparing it with their gross sales as revealed on the POS system. An employee making $10.00 per hour will be expected to produce eight times that amount in personal sales or $80.00 per hour. Over the course of a 40 work week the employee's quota would be (40 x 80) $3200 in gross sales. Employees have the opportunity to achieve their own base rate based on the average performance levels over a period of 8 weeks. Bonuses are paid on performance beyond their personal quota and on the achievement of weekly team goals per store.

Additional performance factors will be taken into consideration including level of enthusiasm, attitude, consistency, cooperation, etc. Quota exemptions will be made for outside trainings, meetings, and certain other necessary activities.

Written evaluations may be filed, and maintained in the staff member's personnel file. A copy of the evaluation will be given to the staff member for their benefit. Grievances and disciplinary issues will be managed as they arise and processed as needed through standard policies and procedures.

DEFINITION OF SALES

Selling is empowering another person to get what they really want.
Selling is listening to the interests, desires, and needs of the prospect.
Selling is informing the prospect of what you have to offer.
Selling is helping prospects process their pros and cons to make the best decision for them.
Selling is achieving a mutually acceptable basis for doing business.

Sales Process

1. **Create Opportunities** to share your passion for sewing machines & products.
2. **Greet Customer** and Connect-- Listen, Ask, Listen, Diagnose Desires & Needs. **Work Every Prospect.** Don't give up until the customer has purchased everything they need and want.
3. **Seven Key Questions** Every Customer Must Have Answered Before They Buy
    a. Why should I buy?
    b. What features do I really need (WANT)?
    c. What machine will meet my needs?
    d. Is this the right machine for me? How will I feel using it?
    e. How can I afford this machine?
    f. Is this my best buy? Is this the right place to buy? Is this the best deal? If I wait, can I get a better deal or lose this great deal?
    g. What will others think?
4. **Demo and Highlight** - Answer the customer's Asked & Unasked Questions.
5. Use your **SALES OFFER SHEET** & Use the PRESENTATION BOOK:
    a. Get Name, Address, Phone #, Email Address. If you know the customer is already in the computer simply write customer's name and write in large letters ("IN COMPUTER") Double check computer for completeness.
        i. Write down each machine you demonstrate. Highlight benefits and Features you stressed.
        ii. Ask for privilege of contacting them later to answer questions.
    b. Write down **MSRP** & **Pending Sales Price.**
    c. Sign & Designate Time Price is Good. **BUILD URGENCY.**
        i. **MAKE COPY**: 1 for Customer, One For Follow Up
        ii. <u>**FOLLOW UP PACKET**</u>: Besure to add appropriate brochures & Copy of Sales Offer.
    d. Once the customer has left:
        i. Update customer information in computer!
        ii. Fill out Thank You Card & Mail It!
6. **NEVER SELL PRICE!** If you sell price, the customer will feel cheated.
7. **SELL VALUE!** Sell Features & Benefits; Service & Support
8. **Use the PRESENTATION BOOK**: Reference Benefits and Features. Show machines not on the floor as needed. Note Pricing & Savings.
    a. Pricing Tools: MSRP helps set value.   Our Price sets Value.
    b. **Quote Our Price** by allowing the <u>customer to see the printed price in the presentation handbook.</u> Do not discount this price unless it is perfectly clear that the customer can not afford Our Price or a few more dollars off are required to make the sale. Do not quote any price below the SALES Price without direct approval from either Steven or Jeremiah.

   c. Staff Codes: 2678 means COST (Not Including Costs of Servicing Customer); 6464 means MINImum price ever to sell; 7253 means SALE only for use when customer balks at Our Price or when advertised. Most often set a timely sale price between Our Price and 7253 Price. Remember the lower we sell a machine the less money we have to pay you.

9. **Sell Yourself, The Store, The Product:** Why should I buy from…?
   a. Added Benefits: Local Service, Tech Support, Double Svc Warranty, etc.
10. **Trial Close – LISTEN,** Overcome objections by answering the questions in item 4.
11. **CLOSE PRESENTATION**: <u>Ever Customer Must Leave With Either A Sale or A Packet.</u>
    a. Ask and Collect the Money
    b. Expand Sales Opportunity With Follow Through & Follow UP
       i. Give Customer Complete Packet: Brochures & Sales Offer
       ii. Mail Thank You Card.
       iii. Phone two days later to follow up.
       iv. Don't let a sale just slide by, keep after it. Help Get Your Customer What they Really Want And Need.

SALES DO'S

- <u>Learn everything you possibly can about selling</u>. Fine tune your sales skills. The company will assist you with a variety of trainings and learning opportunities. However, as a professional sales associate, it is your responsibility to master the sales process and use it effectively.
- The selling process has six key steps. Virtually every sales interaction will follow these steps, whether it lasts several minutes or several months: **Prospecting, Cultivation, Presentation, Overcoming Objections, Closing, Follow Up.**
- **#1 KEY: Greet Every Customer and "Work"Every Customer.**
- **BASIC PROCEDURE FOR SELLING**
  - Know who you are. **You are a Sales Associate.** Your job is to sell sewing machines and associated products.
  - <u>Prospect:</u> Each day plan to make 10 prospecting contacts. Use telephone, postcards, email, etc. Secure and follow up referrals. Contact repair customers whose machines were repaired 6 months ago or that may be likely for trade in. Contact leads, hot prospects, active customers, etc. and invite them in to the store for a personal demonstration or other activity. Do not depend on walk in traffic, however, when a customer comes in, show them something. Find and Identify Potential Buyers. Customer must come into the store unless you go door to door. So, bring 'em in. Actively distribute your business cards everywhere. Develop a personal prospect list to cultivate. Consider everyone: friends, neighbors, relatives, etc. Ask for referrals (Use the store Referral Program) and follow up. Get and process prospect's vital information. Maintain active prospect list (at least 50 prospects). Update weekly.
  - <u>**Cultivate Prospect**</u> - Actively work to turn prospects into buyers. Fill out, study, and use the Customer Profile Form and POS system to lead you to what the prospect wants. Send postcards and emails. Make phone calls. Set appointments to do Demonstrations. Celebrate every customer who comes in looking to buy, but depend on your own initiative to insure the creation of sales opportunities. Give everyone who comes in a quick 2 minute demo and seek the opportunity to give full demo. Talk about their next machine. **Keep it upbeat, enthusiastic, and fun** to talk about

their next project, machine purchase, etc. Studies have shown that it costs $900 to bring one new customer into the store through standard advertising. Similar studies have also revealed that 85% of all sales are from repeat customers. Therefore it is essential to develop accurate detailed complete information on as many prospects as possible; and mine that prospect list again and again. Sell a low end sewing machine. Follow up and sell a higher quality sewing machine or a serger. Continually work to build rapport and strengthen your selling relationship with each customer. Follow up and sell again and again. The customer will love you for your attention and service.

- **Sales Presentation** – Demonstrate, Motivate, Stimulate! Create a desire to buy. Learn and/or develop product demonstrations for each machine. Master a quick 2 minute WOW demo and keep it ready to put on the show at the "drop of a hat". Use the proposal or sale book to take notes on demonstrations and give one to the customer and keep one copy. Once point of sale is in place, type info into POS.

  - Build Rapport. Greet the customer and help them feel relaxed and welcome. Avoid trite comments like, "May I help you?" Instead, introduce yourself and get the customer's name. Guide the prospect into a general non threatening discussion of her recent projects, interests, etc.

  - With the customer in mind and targeting her needs, get the customer's attention with a quick enthusiastic 2 Minute WOW! Demo. Start with what they can't get anywhere else. If the customer has come for needles, or thread, or something else; seize the moment to WOW her with something she can get excited about.

  - Get the customer to sit down beside you. After 2 Minute Demo, be sure customer is seated. (Keep finely tuned 5 Minute & 20 Minute Demos ready to go at a moment's notice.) If the customer shows additional interest, ask her if it would be OK to show her some more. If agreeable, launch into a full sales presentation and demo (keep it short, no more than 20 to 30 minutes).

    - Ask questions. Listen. Engage. Remember "Talker is Buying".
      Get the customer to tell you how to sell to her.
      As you proceed with the demonstration, get your **demo tablet** out and begin writing down the customer's Vital Information: What do you need? Name, etc., What do they already have? What do they want? What would they like to do? What are their hopes and dreams? Ask Questions, and LISTEN.
      Choose a beginning point to address their needs and desires. Usually, the best to start is with a mid level machine unless they say, "I want the best." Or give some other similar indication. Then sell up or down as appropriate. Your goal is to find the "right" machine for the customer. It does not matter what brand. It does matter that the machine meet the customer's needs and desires.
      Demonstrate the machine. Highlight features and benefits. What will this machine do for them? Show them the basics & the WOW! Keep demonstration notes on the demo tablet and make offer on the sale or proposal form. Eventually, you need to make an offer, keep one copy of the demo report and give the customer a copy. Date the copy and explain that the offer is good for only 5 days. (A $5 deposit may hold the offer for up to two weeks unless a nationally advertised

financing package is involved. Adjust as needed.)
The DEMO IS NOT A CLASS. Don't confuse the two. Demo must be quick and easy – look quick and easy. Avoid too much detail. If asked, offer to teach on their machine after sale. Or at class. "I'll teach you all about that in class."

- **BASIC DEMO:** The Bernina website and Baby Lock websites and product guides offer many demonstrations you can develop and use to best advantage. A simple way to insure you can demonstrate all the machines is to stitch out (straight stitch, zig zag, satin, a decorative stitch, and a blind hem on each and every machine in the store.) Schedule about thirty minutes every day to practice your demonstration skills with or without a customer. .

Sample Demo: Sew out the following: Straight Stitch on 2 Triangle pieces of fabric (Silk and Cotton on bias) and add a piece of denim folded over and lengthwise, folded again and again until you have 8 layers. Show pivoting ease, stitch quality, and penetration of denim. Demonstrate the leveling foot and electronic foot control if these are on the machine. Proceed to sew out a Zig Zag & Satin Stitch on material to illustrate a tee-shirt Neck and Stretch Stitch. This stitch is so strong you might say something like, " If you can break this stitch I'll buy the machine for you. If not, you can buy the machine today. OK" Demonstrate how easy it is to do Buttonholes on Wool fabric. Follow with sample sewing of Bar tac, and Darning Stitches Sew. Demonstrate a Button Blind Hem stitch (You may include overcast and basting stitches with the blind hem stitch.) NEBS prewound bobbins can streamline your demonstration think about keeping a few handy Demonstrate Decorative Stitches using a Winged Needle on lace. Feed a Ribbon while sewing a ladder stitch. Demonstrate with Stretch Elastic, Entredeu (Between 2), or other fancy stitches. If you machine has embroidery capability, demonstrate how quickly and easily you can transition from sewing to embroidery. Load a design and demo lettering. Show what is available on this machine. Have the customer touch the screen. Get them involved. Identify the Alphabets - "touch B…aby Lock.You just programmed your first letters." Show an easy Frame, and set up to sew out a quick 4 Min Embroidery ample.

Use **pre-sewn samples** to enhance and abbreviate your demonstration. Remember, the purpose of the demonstration is to show the customer the benefits and features of the machine – not to teach a lesson or just to show off you skills.

Use the **product brochure** to augment and support your sales demonstration. What is in writing is often more powerful than what we say. Use all the tools available to you to make the sale: Sales Presentation Book, Quote Sheet, Follow Up Packet

Make customer comfortable with machine, store, and other employees. BRAG. Avoid talking about competitive machines, highlight what we offer and avoid putting down the competition. Is this the right machine for you? Tell me more. Do you like this stitch?

See how easy it is to… on your machine.

- ESTABLISH VALUE: You are NOT selling just a machine. How does the customer win by doing business with you? Internet sales offer no warranty, no classes, no service, no technical support, Zero Create Your Own Value! You must believe in yourself, your store, & your product. Use the Sales Pad. Put up signs. Use

Certificates. Never let a customer miss the added values you offer! You are selling yourself, your store, and your services as a package. Make sure the customer knows every bit of it.

MSRP Price		Don't Say It Write It/ Show It!
Special Benefits	$X	
Classes	$X	
Service		$X
Gold Standards	$X	
Unlimited Tech Support	$X	

- <u>WRITE Don't Just Talk</u>. Write the values clearly on the demo pad or offer sheet. Write the MSRP price. Add it all up. Show Our Price in Presentation Book. Don't say the price, because often customers think you are just pulling a price out of thin air. They want to know the bottom line. They want to know the machine is worth the price.
  Give one copy to the customer and keep one. Type demonstration notes into POS leads section.

- Ask additional questions & listen for clues to guide you further. Manage objections as necessary.

- <u>Handle Objections</u> – In order to make a decision about anything, we must consider the upside and downside. Help your prospect work through this process and what works best for them. Do not create the objections for the customer, but be ready to support, encourage, and guide the customer to their best possible decision. They may question the value, price, quality, etc. It is your job to help them find solutions.
  When a sewing machine is demonstrated, record the prospect's name, address, phone number, e-mail address, the specific machine or machines demonstrated, benefits package, and any agreed upon pricing with the name of the demonstrator. This is the closing OFFER. Give the customer a signed and dated copy with everything spelled out (Good for only 3-5 days.). Make it clear. The more time you give, the less chance you have they will buy.

- **<u>Ask for the Sale.</u>** Follow Through with essential details. FOLLOW UP.
  <u>Closing the Sale</u> – Ask for the money. Work to achieve a mutually acceptable basis for doing business. Sale is not complete without the money.
  A<u>: Close the Sale: I have to ask my husband?</u> Is this the right machine? Is this the machine you want?
  -Give the proposal to the customer and explain that the offer is good for no more than 5 days. (Consider financing options and issues.)
  -I can run the credit card or Ap if approved try the machine for 2 weeks. This gives the husband the courtesy of consulting him. If you decide this is just not possible for you, you can bring it back no questions asked.
  -OR a $5 deposit will hold this offer for two weeks, if you decide you don't want it, I'll give your deposit back to you.
  B<u>:Close the Sale: I need to check…</u> Is this the machine you want? I can hold this deal for you for 2 weeks, if you make a $5 deposit today. If you just can't do the deal, I'll give back the deposit no questions asked.
  C: <u>Close the Sale: Not Ready.</u> Tell me why not doing it today? If $$, discuss payment plans, options, Layaway etc. If justification issue….
  If unsure of value of machine… list value items in print.
  D. <u>Close the Sale: I can get it on the internet for</u>… or So & So will give it to

me for…Avoid pricing games. Establish Value. Hold Price & Value. Show Added Value Managers Closing: Offer 30-60-90 days 20% Off on Business Card with Expiration Date good toward purchases of … HOW DOES THE CUSTOMER WIN?

E. Whenever you have a delayed closing on the sale, follow up within 24 hours – 3 days – 1 week as needed to assist the customer. Don't lose a sale because of laziness or forgetfulness on your part.

YOU DO NOT HAVE TO BE HIGH PRESSURED TO HELP THE CUSTOMER MAKE A DECISION! The worst thing you can do to a customer is decide for them that they can't afford it, can't master it, don't deserve it, etc. Never tell a customer or think it – "This machine is too much machine for you." You have no right to prevent the customer from getting what they really want.

- Follow-Up and Service After the Sale – The easiest sale is the one that is already made. We call this repeat sales. Use their Customer Profile information to guide you in addressing the customer's evolving needs.

Work to set real goals that stretch you toward excellence. Consider These as Examples:

Get 3 Referrals from Each Sale; Make 30 prospecting contacts per day.
Find ways to get 3 to 4 new prospects per day and work it.
Make frequent positive contacts to cultivate prospects .
Schedule appointments to do 3 to 4 demonstrations every day.
Set a goal of selling one sewing machine or cabinet everyday or so.

Track Your Own Formula:

10 Prospects Contacts -> 1 – 3 Demonstrations & 3-4 Demonstrations -> 1 Sale

EVERY CUSTOMER NEEDS TO BUY SOMETHING TODAY!

Remove the blinders, by showing showing showing.
3 Demos = 1 Sale When the customer asks about needles, guide them to a demo on sewing machine or serger. When they ask about fabric, demo, demo. Cross Sell Every Day.

How to get Demos: Demo To Everybody -- ASK

- Cross Sell: When customer comes for 1 thing redirect to show another
- Turn Repairs Estimates into Sales Opportunities & Demo
- Set Demo Appointments: Personal Demo just for them.
- GET REFERRALS.
- Pass out Business cards liberally. Hand out 10 cards per day outside of store. And more in.
- Create Events to Demo For Groups & Follow Up for Personal Demo
- Sell at Clubs: Every club meeting should include a 5 Minute Demo
- Sell at Class: Every class should include a 5 Minute Demo & Selected Products To Sell

EMAIL CONTACT

The single most cost effective way to contact customers is via E mail. While there are several ways to accomplish this, it is suggested that you use Microsoft Outlook or the POS Email Manager. Follow their directions.

It is important when sending email to customers to always include the following: identify the store from which you are sending the email; identify yourself as sender, refer everyone to the website for additional information and timely postings (www.sewandquiltstore.com); offer to remove their email contact upon their request and list your appropriate email address; encourage and invite people to come into the store.

THANK YOU CARD

After every demonstration and sale, be sure to send a thank you card. What happens after the demo or sale is often more important than what happens at the store. Let the customer know that you care about them and that we continue to support them all the way.

REFERRAL PROGRAM:

Referrals are the life blood of sales. Not only is it essential to get all necessary information for customer service, it is vital to get referrals for expanding the sales. Experts contend that for every sale, there are five referral sales just waiting to be processed. This is the easiest and best way to find new prospects.

Be very liberal about giving out your business card to everybody. Give new customers several cards and challenge them to give them to their friends, relatives, and others.

ASK For Referrals! Give customers incentive to give you their referrals.
ALWAYS follow up on every referral. It is like gold just waiting for you.
Give the special “I love this store…” referral cards to customers and encourage them to hand them out freely. Reference, instruction sheet.

CUSTOMER INFORMATION

Get It! Type It! Keep It! Use it!

Use the customers name and watch your sales grow. People love to hear their name in a positive complimentary way. This information will enable you to at least double your sales if you use them. Record the information in the POS for easy access later. Always ask for Email address, because this is the easiest way to keep contact.

With the Customer Profile, find out what your prospect has, desires, needs, and work over time to help your prospect get everything they wish for in terms of sewing and quilting equipment, supplies, and materials. This information is your telescope to dozens of repeat sales. Talk about their next machine or next big purchase in a way that builds expectancy and anticipation for the customer. Similarly, the Service Information helps keep track of the problems the prospect has, when their machine was last serviced, and when it may need to be replaced. KEEP THE POS RECORD ACCURATE!

ESTABLISH VALUE

NOT selling just a machine. How does the customer will by doing business with you?
Internet sales offer no warranty, no classes, no service, no technical support, Zero
Create Your Own Value! Must believe in your self, store, & product.
Use the Sales Pad. Put up signs. Create Certificates. Never let a customer miss the added values you offer! You are selling yourself, your store, your services as a package. Make sure the customer knows every bit of it.

MSRP Price	Don’t Say It Write It.
Special Benefits	$X
Classes	$X

Service	$X
Gold Standards	$X
Unlimited Tech Support	$X

Set Time Period. If asked about problems with machine purchased elsewhere, tell customer to contact their Tech Support. Don't give away services to those who didn't pay for it.

Offer One Time Adoption Program. $250.00 to become Machine Customer
Provide Benefit List—VOID if another purchase.

Typical Tech Support costs $75-$150 per hour. After first 6 mo. Software support costs hundreds of $$ per six month contract.

When a sales person says, this is the price today. Customers sometimes feel the price is just pulled out of the air. Write down each value and the offer and it become real. When people read something, they often believe it is true just because it is written. Avoid saying prices, show price.

Who gets the credit for the sale?

It is vital that all sales associates work together in a cooperative and respectful way. Everyone must feel they belong to a team effort, and are a contributing part of that team.

Your sales are tracked by the POS system. Whatever name is clicked as the clerk doing the transaction will get the credit for the transaction.

If you are processing a transaction for another sales associate, simply click their clerk id and they will get the credit.

Each employee has a personal quota they need to meet and receive bonus pay when they exceed their quota.

The team also receives bonuses based on achieving their weekly goals. Therefore, it is essential to work together while striving to make as many personal sales as possible.

When two or more sales associates are on the floor at the same time, rotate responsibility for customers as they enter: "Your Up." Avoid hogging the show, and avoid being a wall flower. Work together. When a customer enters asking for a specific sales associate who is present, honor the customer's request. If the sales associate is absent, explain the absence briefly, and offer to assist the customer. If the customer is completing a sale, assist them to do so.

When a customer comes in with an older troubled machine for repair, fill out a repair tag asking about the machine's problems. Highlighting rust spots or other obvious problems. Always ask, "Have you considered a new machine?" Expect to turn up to 50% of older machine repairs into sales of new machines.

Each sales opportunity is singular. There is never any guarantee that a customer who leaves with an offer will ever return. Work hard to close this sales opportunity today. If the customer leaves with an offer and no money down, FOLLOW UP! A good rule of thumb is to follow up 24 hours later with an appreciation call and weekly for cultivation. The sale that is not followed up is lost. Each sales opportunity is also potentially an endlessly recurring series of sales. FOLLOW UP!

Use sales offer sheet to make notes during demonstration. Highlight special features by writing some of them down. Toward end of sale when you are confident this is the right machine, write the MSRP on the page. Below it list the benefits your store offers on this machine. What does the customer get extra. Write down the VALUE of each item. Then Total Them. Today's Offer: Show price (don't say it aloud) from Sales Book. Give copy to customer & Keep one- enter POS.

If the customer says, I need to think it over, talk it over with my husband, etc. "That is fine, I can hold this offer on your new sewing machine for two weeks if you will make a tiny deposit of $5 today. If you decide you don't want your machine, I will give you the deposit back no questions asked." This $5 makes this sale yours, but be sure to follow up.

Pre-arranged sales may be processed through the point of sale system and the transaction placed on suspension for up to 24 hours. Be sure to clearly date, list the sales offer, sign or initial, and indicate the deadline (preferable within 3-5 business days) for the offer. The more time you give on a sales offer, the less likely the customer will buy. In this way, if you are not present when the customer returns to pay, the attendant at the time can complete the sale for you.

Unless an offer is properly recorded in the system OR a signed offer to sell is presented, do not accept the sale at less than Our Price.

Be honest and team focused. If you ring up a sale under you clerk id, it will register under your quota, but if the sale was prearranged and the other sales person was expecting your help, go ahead an ring it up under their clerk id. Work together.

If a customer comes in and asks for a demonstration on a product you do not know how to demo: a.) You may ask another Sales Associate to take over the sales opportunity. (The second sales associate gets credit for the sale if they close it.) b.) Offer literature, video presentation, or assistance for the customer to explore with you. Avoid pretending to know what you don't. Let the customer know that there are experts in the store who will be glad to teach them all the things they want to learn through classes. Often sharing with the customer the possibilities is enough to launch a sale. If you close the sale, you get credit for the sale.

Avoid taking over someone else's sales opportunity, but be ready and willing to assist other sales associates. If a sales associate sets up a demonstration, and the customer comes to that sales opportunity, but an unforeseen complication arises; (a.) the customer wants to move beyond the scope of the initial presentation to something beyond the knowledge and skills of the sales associate. (b.) a tension develops between the sales associate and the customer. (c.) an emergency arises requiring the sales associate to leave. The sales associate is free to request assistance from another sales associate. In this case the two sales associates must mutually agree on how to assign the credit for the sale. Any disputes would be settled by the Personnel Manager.

PRICING POLICY:

PRICING POLICY

The sales book lists the MSRP and Our Price for each serialized product. Use them. **Trade ins should be taken off MSRP or Our Price if approved.** **<u>No Trade ins are accepted off sale pricing.</u>** If you have a question about the value of a trade in, check with Steve or Jerry. They will be happy to review your sales offer and let you know what we can do. When including Add Ons such as extra feet, thread, cabinet, etc. be sure to consider the actual cost of these items and keep the net sale price within net target range.

Any pricing under the Our Price must approved by Steven or Jerry. Pricing on major products will be set by the office in conjunction with the local managers. Even minor discounts can unduly threaten store profitability. When the store offers a 20% discount, it may actually reduce the store's profit margin up to 70%. Than means there is less money to pay salaries, rents, etc. It is crucial to hold pricing firm.

MY SALES CHECKLIST FOR TODAY

_____ I AM A SALES PERSON AND TODAY I WILL SELL SEWING MACHINES.

_____ I have my prospect list up to date and make the following contacts:
- _____ I am sending _____ Emails to Cultivate Prospects
- _____ I am making _____ Telephone Calls to Cultivate & Set Appointments
- _____ I am sending _____ Postcards to Cultivate Prospects

_____ I have _____ appointments set to Demonstrate Sewing Machines Today.

- _____ My goal is to Demo at least _____ machines per day.

_____ I have my demonstrations ready with all materials, fabric, scissors, thread, etc.

_____ I greet customers with enthusiasm and a smile within 1.5 seconds of their arrival.

_____ I redirect walk-in customers to show the WOW! 2 Minute Demo.
- _____ I encourage customers seeking repairs to consider trading up.
- _____ I encourage customers seeking other products to consider a Demo.

_____ As the 2 minute demo draws to a close, I seek the opportunity to do full demo.

_____ I am excited to demonstrate sewing machines – no matter what brand.

_____ I get the customer to sit down and participate in a 20-30 Minute Sales Presentation.

_____ I ask questions and listen carefully to the customer to find the best match to demo.

_____ I use the Demo Book & Sales Offer Sheet and write down the customer's vital information.
- _____ If the customer is already in POS, I just write the name.
- _____ If customer is not in POS, I get Name, Address, Phone, Email
- _____ I find out the customer's current machines and sewing problems.
- _____ I find out the customer's wants and needs.

_____ I demonstrate the first machine seeking to make sure this is the right machine.

_____ I get the customer involved in the presentation.

_____ I use my sew out samples, show pre-sewn samples, and literature.

_____ I affirm that this is the right machine, and help the customer feel it is her machine.

_____ I ask for the $$$. I use the appropriate closing techniques.

_____ I help the customer work through any objections.

_____ I establish VALUE. I write down MSRP, Benefits Package, & Today's Offer on Tablet.

_____I close the sale.

_____ I expect 1 sale for every 3 presentations. _____ Today, I will sell _____ machines.
_____ I follow Up. _____ I set up to sell each customer's next machine, cabinet, etc.

HOW TO ADD CONTENT TO www.sewandquiltstore.com

Take lots of digital pictures of classes, projects, etc. and email them to the office for posting on the website. If you have a special class to post, or sale going on, or other activity; send it to the office.

OPENING THE STORE

- Security: Turn off the security system by entering the security code.
- Double Check Prior Night's Closing Procedures:
  - Empty all garbage cans & fill with fresh liners. Dust horizontal surfaces.
  - Vacuum floors. Pick up any lint, threads, or other junk on floors.
  - Check Sewing Machines: Threaded with demo materials ready.
  - Check Fabric Displays: Put any bolts away & straighten. No raw edges out.
  - Do not use pins in the bolts of fabric. Avoid tearing fabric and risking customer injury by pins. Fold the fabric down from the folded edge and rewrap on the bolt. Neatly place bolts on shelves with fabric loose but held in place by other bolts.
  - Bathroom Check: Fixtures clean, Paper towels & toilet roll full, Floor clean.
  - Report problems by calling the Steve, Jerry, or Donna.
  - Set Up Cash Register: Retrieve cash drawer. Verify $100 in drawer. Turn on Register "Off" to "REG". Enter your employee ID and press "clerk" button.

Calculating Yardage

Enter whole yards or partial yards of Fabric as follows:
Use Decimal with Partial yardage only.

1) Enter Partial Yards As

• 1/8	=	.13	¼	=	.25
• 1/3	=	.33	3/8	=	.38
• ½	=	.50	5/8	=	.63
• ¾	=	.75	7/8	=	.88

2) Include Decimals with partial yards. Press Quantity and Amount per yard.

NON TAXABLE SALES

Enter your clerk number first. . Customer must file tax exempt form with each store. Assistant Managers may download a blank copy of the form for customer to fill out if desired:

http://www.window.state.tx.us/taxinfo/taxforms/01-3392.pdf#search='Texas%20sales%20tax%20exempt%20form'

Press Non Tax before 1st item.
On some registers, if more than one item is being purchased you can press "Non-Tax" @ end of sale. (Check Yours.) Complete sales as usual for cash, check, or credit card sale. (ie. Ring items as usual. Press subtotal with tax. Press Non Tax. Press subtotal with tax.
You may Tax Exempt individual items on any ticket.

SPECIAL ORDERS

All special orders must be paid in advance.
Record this information in the store notebook.
Be sure to get names, addresses, payment, and phone number.
Once product arrives; Be sure customer is notified immediately.
Note: Special order merchandise is not returnable.

RETURNS

New Sewing Machines purchased from us may be traded up within 30 days of original purchase for full credit toward the purchase of a new more expensive machine as long as the machine is still in resalable condition with all its parts.
The Following Are Not Returnable ----- **WE DO NOT ACCEPT RETURNS ON:**

Special Order Merchandise	Opened Packages or Damaged Goods
Opened Software	Gift Cards/Certificates
Fabric	Machines Without Trade Up

All returns must be accompanied by a sales receipt dated not more than 10 business days prior.
Upon approval of Manager, returns may be exchanged for store credit certificate to be redeemed within sixty days.
All returns over $50.00 (Sewing Machines, Furniture, Large Ticket Items) shall be subject to a restocking fee of 25%, and must be submitted to the central office for payment to be sent by US Mail (within 14 days.).

RETURN POLICY (REVISED 4/08)

New Sewing Machines purchased from us may be traded up within 30 days of original purchase for full credit toward the purchase of a new more expensive machine as long as the machine is still in resalable condition with all its parts.
All returns must be accompanied by a sales receipt dated not more than 30 business days prior (Check POS).
No Cash Refunds Over $50.00. All returns over $50.00 (Sewing Machines, Furniture, Large Ticket Items) returned within 3 days of sale in original packaging and in resalable condition, must be **submitted to the central office for refund** payment to be sent by US Mail (within 14 days.).
All other returns shall be made for store credit only. The Manager may assess a restocking fee of 25% on any merchandise returned without proper packaging or in less than new resalable condition even if returned within the three day window..
The Following Are **Not Returnable** ----- **WE DO NOT ACCEPT RETURNS ON:**

Special Order Merchandise	Opened Packages or Damaged Goods
Opened Software	Gift Cards/Certificates
Fabric	Machines Without Trade Up (After 3 Days)

Total Retail Solutions
TRS 8
User Friendly Manual

Table of Contents

Opening Procedures

1.Turn on the computer and monitor.
2.Turn on ALL sewing machines and sergers.
3.Unlock all necessary cabinets and drawers.
4.Count cash drawer (opening total should be $100.00).
5.Open the POS system by double clicking on the “TRS9” icon on the desktop.
6.Enter the password **“masterkey”** into the box that pops up, and hit the “enter” key.
7.Click “Done” on the next box that pops up. You can click on the “leads” button if you want to check to see if any of the leads due for follow up are yours.
8.Go to top of screen and click on “Security”.
9.Find “Continuous Log In” on the drop down menu & click on it. Enter your “ID-Password”. Remember that you must put the dash in between the two or it won’t work. Then hit the “Enter” key. Follow up on any of your leads that are due, via phone, e-mail or mail. Work on any tasks that were assigned. Attend to ANY & ALL customers.

Shift Change Procedures

Have area straightened and cleaned up prior to the next shift arriving.
Count the cash drawer. (The amount should be $100.00 + any cash you took in during your shift)
Give the employee coming in any necessary information they may need to be aware of
Fill in your worked hours on the work schedule.

End of Day Procedures

1. Begin end of day procedures about 30 minutes before the shift is to end.
2. Count cash drawer and fill in the shift report sheet.
3. Take out any cash amount over $100.00 and place it in the envelope inside of the bank bag.
4. Run the Credit Card Report and the Valutec Report. (See additional instructions for these procedures)
5. Place all signed credit card slips and the reports into the same envelope the money was placed into and put the envelope back into the bank bag. Place the bank bag into the assigned place and

LOCK it up.
6. Close all open programs on computer by clicking on the "**X**"
7. Back up the POS system onto the USB stick. To do this …Open Windows Explorer. Open Program Files. Select TRS8. Select the File folder labeled DATA. Copy the folder. Paste the folder into the USB Memory Stick. It may ask you if you wish to overwrite, click OK.
Turn off the computer (from the start menu) and monitor.

ALSO:

Turn off all machines.
Leave any notes for manager if needed.
Fill in your hours on the work schedule.
Clean and straighten the work area, take out the trash if needed.
Lock **ALL** cabinets and drawers.
Leave cash drawer open with no money inside.

How to Enter a New Customer in POS

Click on the "Customers" tab.
Click on the "E-Z Customer Search" button.
Hit the "Enter" key once.
Type the Customers last name, and then hit the "Enter" key once.
This will bring up a list of customers with that last name; if the customer you are looking for is on the list; double click on their name to select them.
If the name was not found, a box will pop up that says "Customer not found, add this Customer?" click "Yes".
Enter the customer's First name; the last name field should already be filled in.
Enter the address and type the zip code into the "Fast Look Up" field.
If the zip code has been used before it will fill in the city and state fields for you. If the zip code hasn't been entered before, you will then enter manually the information in these fields and leave a note for your manager add the zip code and city to the list. Enter the e-mail address and phone number if they will give them to you.
Enter any notes in the "Notes" box at the bottom left of the page. Example: Bernina 135s Owner or Interested in Beginning Sewing Classes.
When all information has been entered, click on the **"□"**button toward the top of the page to save the information.

How to Edit a Customer File in POS

Click on the "Customers" tab. Click on the "E-Z Customer Search" button.
Hit the "Enter" key once. Type the customer's last name in the box and then hit the "Enter" key.
Double click on the correct customer's name.
The customer's information should now be displayed on the screen.
MAKE SURE YOU HAVE SELECTED THE CORRECT CUSTOMER BEFORE MAKING ANY CHANGES. ONCE CHANGED, THE OLD INFORMATION CAN'T BE RETRIEVED!
Click on the **"□"**symbol toward the top of the page.
You can now edit any of the fields on the screen.
When you are finished with all changes, hit the **"□"** button toward the top of the screen to save the changes.

How to Enter a New Lead in POS

Click on the "Customers" Tab. Follow the previous instructions to search for or add the customer.
Once you have the correct customer displayed on the screen, click on the "Lead" button toward the

bottom right of the screen.
This will take you to the lead page and fill in the customer's information for you.
Use the drop down arrows in each field to enter the make, model, and salesperson and demo length.
Type in the price quoted to them in the price field. Enter any notes about the demo in the "Notes" field.
This could be that you gave brochures, wanted to talk to husband, etc.
When all information is entered, hit the **"□"** button toward the top of the page to save the information.

How to Enter a Serialized Sale into POS

Click on the "Lead" tab at the top of the page to check to see if there is a lead entered for that customer in the system.
Use the **"□" and "□"** buttons to search for the customer name.
If there is no current lead for the customer go to next step.
Click on the Customers" tab.
Follow the previous instructions to search for or add the customer.
Once the customer is displayed on the screen, click on the "Sale" button toward the bottom right of the screen.
This will take you to the "Sale" screen.
Use the drop down arrows to Make & Model of the product being sold (Once the make and model is chosen, it should automatically enter the price for you if not enter the price selling the machine for or check to make sure the price is correct).
Click on the "Select from List" button toward the bottom left of the screen and double click on the correct serial # being sold.
If we need to order a machine you will leave the serial # field blank.
Use the drop down arrow in the middle of the screen to select the salesperson for the sale.
This will be you if it is your sale; if there were a lead attached to it you would select that person's name.
This is how commissions are figured.
When all information is entered hit the **"□"** button toward the top of the screen to save the information.
Click the "Add to POS Ticket" button toward the bottom right of the screen.
A box will pop up that says, "There is no Current POS Ticket. Would You Like to Start on for this Customer?"
Click the "Yes" button.
Double click on YOUR Clerk ID.
This will take you to the POS screen and enter the item for you.
You will then ring up any additional products being sold…Example: Thread, Stabilizer, Etc. then hit "Total".
This will show you the total amount of the sale.
You will accept the payment and finish the sale.
See separate instructions to do this.
If the item being sold needs to be ordered let Manager know to order it on her weekly order.

How to Enter a Non-Serialized Sale in POS

Click on the "Customers" tab.
Follow the previous instructions to search for or add the customer.
Click on the **"POS Sale"** button toward the bottom right side of the screen.
Double click on your clerk ID.
Scan the barcodes of the items being sold.
For thread enter the 4-digit color number.
To adjust the quantity being purchased, hit the "F2" key on the keyboard or on the screen, change

the quantity then click the “OK” button.
When all items have been entered, hit “Total”.
Accept payment and complete sale. **Ring Store Use as a regular Customer.**

How to Accept Payment in POS

Hit the tender type key first (Example: Cash, Check, Credit) on screen.
If you have selected “Cash” as the tender type, a box will pop up asking you to enter the amount….
Enter the amount of cash given to you.
Then hit the “Enter” key.
This will finish the sale and open the cash drawer.
The correct amount of change to give the customer will be shown on the screen if you entered the amount given correctly.
The receipt will print at the end of the transaction.
If you have selected “Check” as the tender type, a box will pop up asking you to enter the amount…
Hit the “Enter” key.
This will automatically enter the exact amount of the sale.
Make sure the checks are made payable to: Bernina Sewing Center (Not Hancock’s). All checks must have the phone #, Drivers License # and Expiration Date. Always ask to see the ID!!!!!
Place the check in the drawer when it opens.
The receipt will print at the end of the transaction.
If you have selected “Credit” as the tender type, a box will pop up asking you to enter the amount,
Hit the “Enter” key and it will enter the exact amount of the sale.

Always, Always, Always, run the credit card through the credit card machine 1st, to make sure it clears, before finalizing the sale in the POS.

How to Ring up Sale in POS Using a Gift Card as Payment

1. Get the card balance from the credit card machine.
2. Follow the instructions on the “How to Get Gift Card Balance” page.
3. Click on the “Customers” tab. Follow the previous instructions to search for or add the customer.
4. Once you have the correct customer information displayed on the screen, click on the “POS Sale” button toward the bottom right side of the screen.
5. Double click on your clerk ID. Scan or enter the items being purchased.
6. If this is a serialized sale, follow the previous instructions for this type of sale.
7. When all items are entered, hit “Total”. Follow the instruction page on “How to Redeem a Gift Card” and complete sale on the credit card machine 1st.
8. Make sure to print a copy of the receipt for the store to keep (should be the copy they will sign).
9. Click on the ***“Use Gift Cert”*** button toward the middle right side of the page.
10. Enter the **EXACT** amount of the **PURCHASE** then hit the “Enter” key or click the “OK” button.
11. Hit the “Total” key again to finalize the sale. Print an **EXTRA** copy of the POS receipt and attach it to the signed receipt from the credit card machine, place both in the envelope.

If the Gift Card does not cover the purchase enter what portion it does under **“Use Gift Cert.” and enter the rest under what ever they use to pay for the balance**

Putting Sale on Layaway

Start sale for machine as normal.
When all items to be put on layaway are on the POS ticket Click “Total” click **“Put on Layaway”** button toward the bottom middle of the screen.

Description should be make and model of machines. Click on the “OK” button. Click “Yes” you want to enter an initial down payment.
Enter the dollar amount that the customer is paying. (This can be as low as 20% and as high as the full amount).
Enter your Clerk ID.
Enter any notes to attach to the sale.
Be sure and have a copy of the Layaway agreement for the customer to sign.
Click Clerk login This will start a POS ticket for this customer with their deposit on it.
Hit the “Total” button Accept the payment and finish the sale.

How to Enter Payment on Layaway

1. Click on **“Tab # 7 Accounts/Layaways”**.
2.Use the arrows to find your Customer, Jump to Acct# or Complex Search will find them also.
3.Once you have found your Customer Click “Enter Payment” button.
4.Enter amount to be paid and Clerk
5. Click “OK”
6.This will ask for Clerk and take you to a POS Sale ticket.
7.Complete POS sale transaction.

How to Pick Up a Layaway

Click on “<u>Tab # 8 Point of Sale</u>” there will be no name on this screen.
Click the “Layaway Pickup” button.
Choose which Layaway is being picked up.
Click “OK”.
A box will open and ask, “Apply payments already made” Click “Yes”.
Put in your clerk name. Complete POS sale as normal.

How to Run a Credit Card

Press the “F1” key standard.
Press the “F1” key purchase.
Swipe the card with the strip toward the inside.
It will show a line of numbers on the bottom of the screen, this is the account number,
Press the “Enter” key.
You then enter the total amount of the purchase, and then press the “Enter” key.
<u>Make sure to verify that the amount is correct BEFORE hitting the “Enter” key!!!!!</u>
The machine will print a slip for the customer to sign. Tear it off then hit the “Enter” key.
This will print a copy for the customer to keep.
You will keep the signed copy and they get the unsigned copy.

How to Enter a Repair in POS

Click on the “Customers” tab. Click on the “E-Z Customer Search” button. Hit the “Enter” key once.
Type in the customer’s last name, and hit the “Enter” key once.
Double Click on the customers name if in the system.
Hit the “ESC” key if not found then click “Yes” add customer, if new customer.
Fill in all the fields then click on the **“”** to save the information.
Click on the “Repair” button at the bottom right of the screen.
Enter the Make, Model & Serial # of the machine being serviced.
Click on the “Service Request Select” box.
Select “Service requested”, and then click “OK” at the bottom of the screen.
Click the “Accessories Checked in Select” box; select all accessories that are left with the machine.

Click inside the “Promise Date” box and enter estimated pick up date.
(Talk to your tech for the length of time he will need the machines)
Use the drop down arrow under the “Tech” box to select the tech’s name that will be performing the service.
(Some of you only have one tech) Click the **“□”** at the middle top of the screen. Click on the “Claim Check” button. Click on “Print to Receipt Printer”.
Select “Epson TM-T8811 Receipt” and click “OK” Repeat Steps 16 thru 18 two more times for a total of three receipts.
Click on the “Repair Label” button 3 times.
Attach 1 label to the top of the written repair form; attach 1 label to the top of two receipts.
Make a copy of the written repair form.
Staple 1 receipt to the written repair form, Staple 1 receipt to the copy of the repair form, and staple 1 receipt around the machine handle.
Call the chosen repair technician to tell them of the repair ready for pick up unless he comes once a week.
Put the copied form in the Tech Folder. Put the original written repair form with the machine for the tech.

How to Complete a Repair in POS

1 Click on the “Repairs” tab toward the top of the screen.
2 Find the customers invoice using the **“□”** or **“□”** buttons at the middle of the screen or the “Jump to Repair #” space.
3 Click on the **“□”** button to go into edit mode.
4 Click inside the “Work Performed” box and type the tech’s notes written on their repair form stating the work performed.
5 Click inside the 1st box under “Labor” type 1 (or 2, etc.) hours of labor.
6 Click inside the $ box next to that line and type the total labor $ amount. (Example: 1 hour = $49.99, 2 hours = $99.98, etc.)
7 Click inside the 1st box under “Parts” and type or scan in barcode or part description of any parts were used.
8 Click inside the $ box next to that line and type in the total $ amount for that part if not seen. Repeat for any additional parts used.
9 Click on the “Make Repair Complete” button at the bottom left of screen.
10 Hit the “Enter” key once.
11 Click “NO” to e-mail customer.
12 Click on the **“□”** button to save the new information.

When Customer Comes to Pick Up

1 Click on the “Repairs” tab at top of screen.
2 Find the customers invoice using the “□” and “□” buttons or the “Jump to Repair” space.

3 Once you find the correct invoice, click on the “Add to POS Ticket” button.
4 Click “Yes” to set pick up date.
5 Click “Yes” to start POS ticket.
6 Double Click on your clerk ID.
7 Hit the “Total” key.
8 Collect the money & finalize the sale as usual.
9 Have the customer sign the bottom of the written repair form.
10 Place the written form in the Tech Folder.

<u>Returns and/or Exchanges in POS</u>

Remember they must have the receipt to make an exchange or get a refund as stated on our receipts.

Click on the “Point of Sale” tab.

1 Click on the “E-Z Customer Search” button.
2 Hit the “Enter” key once.
3 Enter the customer’s last name then hit the “Enter” key.
4 The system will pull up all entries fitting that description; select the correct customer by double clicking on their name.
5 Double click on your clerk ID.
6 Click on the “Return Next Item” button.
7 Scan the UPC Code or manually type in the Item # (you will need to hit the “Enter” key if you manually enter the #)
8 If this is an exchange, scan or enter the new UPC Code or Item # (you will need to hit the “Enter” key if you manually enter the Item #)
9 If more than one item is being returned or exchanged repeat steps 7 thru 9 until all items are entered.
10 Hit the “Total” key. (If there is an even exchange, the system will automatically finalize the transaction)

12. If money is owed to Bernina Sewing Center, the system will show the difference owed, collect the payment and finalize the sale as usual. If money is owed to the customer it will show as a negative amount (Ex: ($11.81).
11 If a refund is due to the customer, click on the “Process Refund” button. (Refunds MUST be completed in the same manner that they were tendered; however if this was a large cash transaction, they will have to wait for a check to be issued by the company. If their original transaction was in the form of a check, they will have to wait for their original check to clear, and then a check will be issued by the company. A check request will have to be filled out for these purposes and approved by the DM. If the original transaction was a credit, transaction, you would process the refund on your credit card machine using their credit card, make sure to have them sign your copy and attach it to a copy of the original receipt and refund receipt)
12 Select the correct “F” key or on the screen to choose the refund tender type. (EX: F5 = Cash)
13 The system will now automatically finalize the refund transaction.

Entering New Employees in POS

Click on the “Security” button at the top of the screen. Select “Edit Employees /Clerks / Salespeople”.

1 Enter your security code then hit the “Enter” key.
2 Click on the “+” to add a new employee.
3 Go to the boxes at the bottom of the screen and fill in the information in each box. (Clerk ID can be First Name, First Initial and Last Name, Just initials, etc.) Remember that the employee must enter the ID and password exactly as you entered it in the system, it is case sensitive and space sensitive.
4 Select the security level you wish for each employee to have, by using the drop down menu in that field. You can create a new security level by selecting that button and checking/un-checking the desired boxes on the list.
5 Click on the “Set Password” button.

1 Enter a password for each employee (the last 4 digits of their SS# works well for this) when finished hit the “Enter” key.
2 Click the “Done” button to close the screen.
3 Check each newly entered ID and Password by logging in using them to verify that they work. <u>Please note that you must put a “dash” between the ID and Password!</u>

Check –In/Receive Orders

Click on “Jump to Order” button if you know the order #, if not search for the correct order using the “□” or “□” buttons until you locate the correct order #.

1 Click on the “Orders” tab.
Click the “Check –In/Receive Stock” button.
Click on “Jump to Order” button if you know the order #, if not search for the correct order using the “□” or “□” buttons until you locate the correct order #.
2 Press “F1” (for start # received at zero) or “F3” (for start # received at # ordered).
3 Depending on which choice you made, either enter the # received or verify the quantity entered is correct under the “Received” column.
4 Click inside the box under the “Label” column for items that you wish to print a barcode for.
5 Click on the “Check-In Now!” button at the bottom of the screen.
6 If you selected to have barcodes print, click the “Yes” button.
7 Click “Yes” to include price and description.
8 Click “No” to print date codes.
9 Barcodes will now print, click “No” to view report, unless desired.
10 Please note that your inventory will automatically adjust when the items are checked in, there is no need to manually adjust the inventory to add these new items.

Adding New Serial # to POS

1 Click on the “Serialized Inv.” Tab.
2 Use the drop down menu under the green “Make” to select the correct machine make. (Ex: Bernette)
3 Use the drop down menu under the green “Model” to select the correct machine model. (Ex: 80e)
4 A list will come up, listing all current serial #’s for that make and model.
5 To add new serial #’s to the current list, click on the “Add New Serial #” button.
6 A box will pop up, type the new serial # in and hit the “Enter” key once.
7 Now enter any desired notes (floor, stock, classroom…) hit the “Enter” key again.
8 If cost does not show or is not correct with invoice received click “□” to Edit and enter correct cost.
9 The new serial # should now be included on the inventory list.
10 Repeat steps 2 thru 8 until ALL serial #’s are added into inventory.

Adding New Inventory to POS When Item is NOT Found

Click the “Inventory” button at the top of the screen.
Click on “Edit Vendor Products” Click on the “Quick Search” button.
Enter the description, part# and/or vendor, then click the “Find” button.
A box will pop up that says “Found 0 Products”, click the “OK” button. Click the “+” at the top left of the screen to add a new item.
Use the drop down menu in the vendor field to select the correct vendor.
In the “Part #” box enter the correct part #, (this is the re-order # attached to the item).
In the “UPC/Barcode #” box, enter the same number used in the part # box, you can copy and paste if desired.
In the “Description” box, type a brief description of the item (Example: Foot #8 Classic Jean Foot).
In the “Cost” box, enter the correct cost of the item (this should be listed on your invoice from the vendor).
In the “Suggested Retail” box; enter your correct retail price.
Click the “□” button at the top left side of the screen to save the information.
Click the “Add/Edit in the POS Products” button at the bottom right side of the screen.
This will open up a new screen.
Enter the desired quantities in the “Inventory Count”, “Warning Level” & “Wanted Level” boxes.
In the “Department #” box, enter the appropriate Dept # for the product. Click the “OK” button toward the bottom of the screen.
A box will popup that says “Item Successfully Entered” click on the “OK” button.
Click on the “Print Barcode Labels” button, click “Yes” to include price and description, “No” to include date, and then enter the quantity on labels desired and hit the “Enter” key.
(You will print labels for everything except, serialized items, and Isacord thread)
Repeat steps 3 thru 19 until all new products are entered into the system.
For “Serialized Items” please see further instructions on “How to Add New Serial #’s to the POS”.

Adding New Inventory to POS
When Item is Found

1.Click the “Inventory” button at the top of the screen.
2.Click on “Edit Vendor Products”
3.Click on the “Quick Search” button.
4.Enter the description, part# and/or vendor, then click the “Find” button.
5.The POS will list any items fitting the description and/or part#. Highlight the correct item if in a list, if only one item is found simply click, the “OK” button.
6.Make sure that there is UPC/Barcode # and the description on the screen is correct.
7.Click on the “□” button on the top of the screen to go into edit mode.

8.Enter a UPC/Barcode # if there is not one already (this number should match the part #).
9.If the cost is already entered, verify that it is correct, if not adjust it to the correct cost.

1 Enter the correct retail price in the proper box.
2 When all information is entered and you verify that it is correct, click on the "" at the top left of the screen to save the information.
3 Click on the "Add/Edit in POS Products" button at the bottom right of the screen. This will bring up a new screen.
4 Click on the "Adjust" button toward the middle right side of the screen.
5 Click on "Up or Down" and enter the amount that you want to increase/ decrease the inventory for that item by (You must use a negative number to decrease inventory).
6 If adding, enter amount. Click OK. Check cost - enter if not correct. Click OK. Check vendor if correct click OK.
7 Click on the "" button toward the top left of the screen to enter into edit mode.
8 Now enter the correct retail price in the "Price" box.
9 Enter the desired "Warning Level" (this is when you wish for the POS to warn you to reorder).
10 Enter the desired "Wanted Level" (this is how many of this item you wish to keep on hand).
11 Enter the "Dept. #" (this is the category dept. # that this item falls under).
12 Click on the "" at the top left of the screen to save the information.
13 Click on the "Print Barcode Labels" button, click "Yes" to include price and description, "No" to include date, and then enter the quantity on labels desired and hit the "Enter" key. (You will print labels for everything except, serialized items, and Isacord thread)
14 Click the "Done" button at the top right side of the screen to close the window.
15 Repeat steps 3 thru 23 until all new inventory items are entered into the POS.
16 For "Serialized Items" please see further instructions on "How to Add New Serial #'s to the POS".

How to Edit Inventory in the POS

Click on the "Inventory" button at the top of the screen.
Click on "Edit Vendor Products" Click "Quick Search" Enter the UPC Code then click the "OK" button.
Click on the "" at the top left side of the screen to enter the edit mode.
Change the fields that need editing.
Click the "" at the top left of the screen to save the new information.
Click on "Add/Edit in POS Products" Repeat steps 4 thru 7 so that both contain matching information.
Click on "Done" box to close the screen.

Store Use

Store Use will be rang as a regular POS sale with 100% discount and no tax.
You will still use your "Store Use Customer" that you have already created.
You will edit him to make it so that he ha

DAILY REPORTS

At the end of each day the daily sales report must be completed. Specific procedures may vary slightly. Therefore, make sure you are up to date on current requirements.
Close out the register: run daily report and count down the cash drawer.

PROCEDURES
FOR INDEPENDENT TEACHERS

TEACHER'S PLAN:
Fill Out And File

- Submit in writing detailed descriptions, locations, times, and details of each class by deadlines (at least 30 days in advance) to the local store contact.
- The Store will notify you when the classroom is reserved for your class.
- Clearly identify what you will be selling in the class: a kit, pattern, book, machine feet, various supplies are expected to be sold with each class.
- Provide store promotional signage and samples.
- (Use supplies from the store exclusively. If you need something we do not carry ask for assistance.)
- Prepare kits with the assistance of the store staff.
- Aggressively promote your own and other's classes in a positive manner.

Arrive at least 15 minutes before your class session to make sure everything is ready.
Make sure kits, materials, supplies, machines, equipment or other needed items are all ready and working.

IMPLEMENTING CUSTOMER APPRECIATION PROGRAMS

10-100-10 ---- 10%

10 Qualifying Purchases Over $100 in 10 Months → 10%

This program intends to promote consistent repeat sales over $100.
The program: 10 Purchases, over $100, in 10 Months.

- ➢ When a customer wishes to participate, open TRS8 to the customer and type into the note space at the bottom of the Customers page:
  Program Name: 10-100-10 and Starting Date 00/00/0000.
- ➢ Upon Repeat visits, note the customer's program and record today's date if the purchase qualifies. Do nothing if it does not qualify.
  Record Date of Qualifying Sale & Amount Before Taxes
- ➢ Once you see 10 qualifying purchases, listed. Inform the customer that their credit will be calculated and added to the system within 1 week. A store manager should do the actual calculations.

NOTE ANY EXCEPTIONS.

To calculate total of the qualifying sales: Simply review the POS sales record and add up the total of those qualifying sales. Multiply the total by 10% (0.1) and create a store credit for the customer. Drop a post card into the mail indicating the amount of sales and the store credit issued.

10-50-10 ---- 5%

10 Qualifying Purchases Over $50 in 10 Months → 5%

This program intends to promote consistent repeat sales over $50.

The program: 10 Purchases, over $50, in 10 Months.

- When a customer wishes to participate, open TRS8 to the customer and type into the note space at the bottom of the Customers page:

  Program Name: 10-50-10 and Starting Date 00/00/0000.
- Upon Repeat visits, note the customer's program and record today's date if the purchase qualifies. Do nothing if it does not qualify.

  Record Date of Qualifying Sale & Amount Before Taxes
- Once you see 10 qualifying purchases, listed. Inform the customer that their credit will be calculated and added to the system within 1 week. A store manager should do or approve the actual calculations.

NOTE ANY EXCEPTIONS.

To calculate total of the qualifying sales: Simply review the POS sales record and add up the total of those qualifying sales. Multiply the total by 5% and create a store credit for the customer. Drop a post card into the mail indicating the amount of sales and the store credit issued.

BASIC POLICY:

All purchases of any product or service qualify for Customer Appreciation Program.
EXCEPTION: Any product purchased below customary and usual sale pricing
DOES NOT QUALIFY. Example: Sales of fabric and general merchandise over 20% off do not qualify. Machine, Software, Cabinet pricing below Our Price and/or Established Sale Price from the Sales Book do not qualify. A purchase of a Denim Pro under $199, or a purchase of an Ellure under $ 1299 would not qualify. If a customer purchases an Ellure for $999 or fabric at 30% their purchase may be over $100, but it does not qualify because they have already received maximum discount on the sale.

INSTANT STORE $$$

Encourage referral business and acquire new customers.

The program:

Customer Enrolls

Type in the program title into their customer pate in TRS8.
Record start date.
Hand the Referring Customer a handful of $5 New Customer Gift Certificates.
Explain: "Be sure to write your name on the back of the certificate."
Or ask them to do so in front of you.

The customer then distributes the gift certificates.

The prospect comes in.

New Customer redeems the gift certificate and becomes a new customer.
(To be a new customer, the individual must make a purchase and have all pertinent data entered into the TRS8 system. Out of town guests do not qualify.)
Once the new customer makes their first purchase, is added to the database with a complete record, they become a customer.

Take the gift certificate after the new customer is finished,
and find the Referring Customer on the back of the certificate.
Go to that customer and create a $5 credit for that customer.

Send a Welcome Post Card to the New Customer.

Send a Thank You card with notice of the $5 credit to the Referring Customer.

IDEAS FOR BETTER SALES & CUSTOMER SERVICE

The following is a collection of sales, marketing, operational, and customer service ideas cleaned through Best Business Practices at Bernina. The concepts and ideas contained herein are presented for the purpose of helping our staff better understand and assist the development of our business together. Some of these ideas are currently implemented. Some may be implemented in the near future. Some may never actually be implemented due to a wide variety of reasons.

NARDA (North American Retail Dealers Association) reports that the average cost of producing a new customer through traditional advertising alone is about $1,000. Our cost of producing one new customer through our advertising is $40. This is much better than national numbers, but still a pretty high cost. Referrals are much less expensive. We can actually save big by giving away money away creatively through referrals.

Tell A Friend or Refer A Friend is a traditional approach to seeking referrals by asking customers to distribute a Friendly Call card to their friends. It is a highly effective program, when excited customers tell their friends about the store, but it is often not a highly efficient program because very few customers participate even when invited to do so.

Bring a Friend Sweepstakes: Apply the above program with a twist. Host a sweepstakes event where current customers get a free chance on the sweepstakes item just from bringing in their friend who becomes a new customer.

Gift Certificates: A better and more effective way to attract new customers is through selective distribution of Gift Certificates. Gift Certificates may be distributed everywhere to NON CUSTOMERS. Keep in mind this is a New Customer Program. A $5.00 Gift Certificate is only a cost when it produces a new customer. The experts tell us that Discount Coupons are treated like trash, but Gift Certificates are treated as real money. We have control of where to sew our Gift Certificates. We can give them where we think they will produce, and not give them where we think they won't. Hmmm, we just saved $995 to get this new customer. Now where can we find people who are not yet our customer? Where can we give away $5.00? By the way, if we give away $5 certificates and we keep minimum 50% margins we actually only give away $2.50—Oh, that is a savings of $998 for each new customer. The more we give away the more new customers we get.

Gift Certificate/Tell A Friend: Combine these two programs for even better results. Ask current customers to distribute Gift Certificates to all their friends. Let them have the thrill of giving away real money! Then reward them with their own $5 store credit for every new customer Gift Certificate redeemed in their name.

Focused Gift Certificates: Gift Certificates can be simple dollar amounts like $5.00, $10.00, or $20.00, but they can be for other things too like: Special Event, Special Class, Personal Demonstration, etc. Creative use of Gift Certificates can pay high dividends.
There are several variations of this strategy. **AVOID LOYALTY DISCOUNTS, BUT REWARD LOYAL BEHAVIORS OR ACTIVITY.**

Gifting Programs stipulate that when a customer spends a certain amount or makes certain number of purchases the store gives them a special gift or opportunity to purchase a special item.

Punch Card Programs vary, but generally involve the store issuing a punch card to be carried by the customer and punched each time the customer transacts a purchase (5 times or other amount etc.) of a certain amount ($25 total spent at least $250 or 10%) to receive a store credit toward the next purchase or a store credit for a certain amount ($25)

Store Pays You Program credits 10% store credit rebate after a customer makes ten purchases (or other number). When a customer makes a purchase over $50, inform the customer that they qualify for the Platinum VIP Program and ask if they would like to enroll. Upon enrollment the customer's transactions are automatically tracked in POS. When the customer has completed ten (or other number), the store credits the customer with 10% of the total amount of the customer's purchases. These customers receive special sales opportunities, appreciation programs, and encouragements.

CUSTOMER CLASSIFICATION: Classify customers for more effective marketing and care programs. Inactive, Active, Gold or VIP (Over $50 a month), Platinum VIP (Over $100 per month) Use POS to track. Reward the best customers and reach out to the lessor customers. All customers are not equal. A few pay all our bills, but we need the ranks of the few to become many. Give Honor To Whom Honor Is Due.

Customer Appreciation Programs. Customers who feel appreciated will keep coming back again and again. The challenge is to make customers feel special, loved, cared for, listened to, supported, and appreciated without giving away the store.

Exceptional Customer Service. Much of this can be done through exceptional customer service by the staff on a day to day basis. Greeting the customer and engaging the customer in positive relational interaction for a few moments (keep it limited, the store is not the place for a gab fest) is vital.   Avoid the abrupt pressured greeting, "What do you want today? Or How can I help you?" Instead, greet the customer with open ended, warm, friendly interest.

THANK YOU CARDS. It seems like such a simple thing, but saying thank you goes a long way to making customers feel appreciated. When a bandit takes their money, they resent it, but when their family accepts their contribution they love it. Thank You Cards should be sent after ever major sale and whenever it seems like a good idea. A Thank You Card at the end of the month sent to the top ten best customers with a Gift Certificate inside can insure that customer's continued loyalty.

Show And Tell Events are a great time to build loyalty, boost the customer's self esteem, and confidence. While this feature is often rightly incorporated into clubs, it makes a great special event where people come just to see what their friends have made, to share their newest creations.   The Show And Tell event idea can be adapted to highlight individuals who have several items to show by creating their own special event – one person shows. Offer to mail out invitations to all the the guest artists' friends and relatives with details of when and where their items will be displayed.

Or a selected customer could be the guest artist at a Show And Tell Event. Display customer projects in honored locations through out the store. It is a cheap way to get samples, and it sells. Schedule 2 per year.

Customer Appreciation Events. A quarterly customer appreciation dinner with guest speaker, video, or presentation. A special invitation only event for best customers, most regular customers, etc. can be a great moral booster.   Make it a special time where the customer truly feels appreciated and special. Give out Award Style Certificates and/or token gifts. Make it fun, exciting, and motivating. The events could be organized around Quilting, Embroidery, Clothing, etc. This is not a selling event, but it will sell more long term than most sales events. Schedule 2 Per Year.

Special After Hours Events. For customers who have special challenges with work or other obligations, special invitation only after hours sales or classroom events can be a big boost for those customers who truly want to be loyal, but whose schedule does not match regular store hours.   Schedule 1 per quarter.

Extend Store Hours. This is one that keeps popping up, but requires some thought. Traditionally, sewing shops have been open only during day time hours. Stores in Malls and some urban areas have expanded their hours for customer convenience. This becomes important if the competition has extended hours, or if the adjacent stores are open longer hours.   This argument extends to Sunday considerations too. This approach does not work everywhere and it adds stress on staff unless multi-shift staff is developed.

AFTER SALE REWARDS. How can we make a customer feel more fondly toward our stores? What do customers appreciate?

Our experience has shown that Free Things are counter productive. Customers do not appreciate free things. It seems to cheapen the whole relationship. The store must uphold the value of its products and services.

One of the ways we have tried to add value is through added value items such as Free Needles For a Year and Scissor Sharpening. Some customers really seem to appreciate this gesture and faithfully come for the needles, but buy additional items as well. Other customers seem to resent having to come in for their needles. It is as though they expect us to deliver the needles. They come in with a nasty attitude and leave having purchased nothing. A careful study of this kind of reward needs to be made to determine the best way forward.

Technical Support, Machine Classes, and similar items do seem to be much better received.

After sale follow up is perhaps more important than rewards. Thank You Cards, Follow Up Phone calls, and Personal Touches can significantly reduce potential problems and strengthen relationships.

EXPAND CLASSES, CLUBS, EVENTS. **All classes should be designed to make money**, sell product, and inspire sewing and quilting. Maximize profits per square foot by making the classroom produce $250 per square foot per year. If the classroom is 600 square feet, it must produce $15,000 per year. Why is the class meeting?

How does it help the store? How much money is expected from the activity? Exactly, specifically, what items are to be sold?

Keep Classes Up Front in the minds of the staff. Weekly staff meetings should review, plan, and implement details for promoting and operating Classes, Events, and special activities.

Increase the number of classes offered in each store to 20 hours per week with an average attendance of 4 students. Hands on classes should be designed for 6 students, and lecture demos should be designed for 15 students. A daily schedule of 3 to 4 classes is ideal. Schedule at least one major educational/ inspirational event each month (outside presenter quarterly). A **Quarterly Preview** event in which all the classes, samples, and events are promoted could offer a Bulk Class Ticket (Unlimited Classes & Events for 3 Months for $199). Classes, Clubs, Events should be **aggressively promoted** through the Website, Emails, Posters in the Store, Samples in the store, and as many other was as possible. Website or Email registration could be set up.

Schedule Classes far in advance to provide time for promotion. Ideally, recurring classes should be for the year and included in an annual promotional calendar. Special Classes should be scheduled at least three months in advance to insure ample time to promote and fill the classes. Classes with multiple sessions should include even longer promotional times. Sit and Sew classes should plan for 6 students, and Lecture Demos should plan for 15+. Every class should have time to fill and be properly promoted. A quarterly promotional event could be held in which the classes are described, samples displayed, and registrations started. The POS system provides an excellent way to track and manage classes, clubs, and events. Build Classes. Market the Classes. Sell the Classes. Profit from Classes.

New Teachers are needed to accomplish this objective. Sales staff should all participate in teaching classes, because it offers a prime sales opportunity.

Free lance teachers should be added, but arrangements must be profitable for the store. Two models: 1.) **Hourly rate** for teacher plus 1 hour of preparation per session. This model should reflect the average pay rate of regular employees. 2.) **Flat fee** for a class designed to be paid for with 1.5 to 2 paying students. ($30 for 2 hour class; students charged $20 per class; break even with two students; the more students the more profitable for the store.) The store should have the right to cancel a class if there are less than two students. All freelance taught classes must have **Samples** produced with store product (to belong to store; enough product may be offered for a second teacher's sample). Note: while a freelance teacher may promote their own class, they use our facilities, our customers, our equipment, and our resources. Avoid percentage deals that rob us of profits.

All classes should have **Class Kit for Sale** to Students. If a freelance teacher assembles the kit, they may be paid a commission on their sales of kits at up to 10% of gross price of kits sold. If the kit costs $20, and there are 6 students; the teacher would receive a commission check for $12.00. To qualify for this commission, however, the teacher must sell the kits in the class and either personally enter the sales into POS or have a staff member do so with the teacher's name as clerk.

Clubs appear to be struggling right now but it is important to develop groups for sharing and promotion. It may be helpful to pre-enroll a group of people with similar interests to form a group. The old structures are failing, we need to try some new tactics here. A new BOM is forming in one store by first enrolling and collecting the funds prior to actually starting.

Events are vital. An event is something special, heavily promoted, well attended, and designed to inspire. It may be an Embroidery Event, Serger Event, Business In A Box Event, or something entirely new. The more events the store offers, the more impact they will have. Consistant, regular events pay off big time.

At least four times a year we need to bring special celebrity guests in to conduct the event, but **at least once a month** there needs to be something truly special to draw bunches of customers into the store to be inspired. **Events (With Guest Educators and/or Local Store Leaders) might include some of the following ideas:** Event in A Box, Embroidery ER, Applique Event, Glitz Event, Serger Event, My Label Event, Portable Sewing Event, Baby Shower, Wedding Shower, Carnival, VIP Event (promote upcoming Classes), Customer Appreciation, Exclusive Best Customer Sales Event, How to start your own profitable sewing business, Business in a Box, Embroidery Business In A Box, Store Quilt Show, Featured Customer, Customer Creative Personal Show, Fashion Show, Embroidery Show, My Label Event, Measuring Event Parties, Be Your Own Designer, For The Birds, Cooking &/or Sewing Retreat, Perfect Fit Event – Pants, Blouse, Jacket, Jeans Party, Sewing Jewelry Event, Early Saturday Morning Events, Open Houses – Selected Targeted Groups, Exclusive Sunday Afternoon Events – People love to feel exclusive. World Travel Sewing Event – Sewing Around the World, Charity Sewing Events, Project Linus Event, Costuming Event, Open Sewing

Event, PARTIES of all kinds. – Is your store fun? Really? Stitch Therapy, Group Quilting Event, Offsite Retreats &/or Events, Pet Projects Festival/Show, Gifting Event.

Ideally, there should be a major event every month, and many lessor events to keep the flow of interest and participation as high as possible. People who do not come into the store do not buy. As a side note, our stores average only 10 transactions per day. That means we only have ten paying customers in the store on an average day. Occasionally, we have only five or six and occasionally we have maybe twenty. With a consistent flow of events and special activities, the average number of customers and transactions should increase significantly. This means more profit.

Guest event leaders are available from Janome, Baby Lock, Elna, Bernina, OESD, and many other sources. The cost for guest leaders ranges from FREE to $3,500, but most charge around $400 per day.

A detailed calendar of special events needs to be finalized and distributed to all customers as a Christmas Gift promoting all the major events coming in the new year.

REACH OUT TO DRAW IN:

Service Notices: The Service Department should send out a notice Every Six Months to encourage sewers to bring their sewing machine in for service. Timely notices become almost like appointments. People just do it when reminded.
Class Notices: Notify prospects of up coming classes in areas of interest, and notify them when a class they have registered for, requested, or expressed interest is being scheduled.

Special Invitations Always Help: Consider the interests and desires of the customer and find special opportunities to interest them.

Friendly Phone Call: Become the best friend of the customer. Build relationships based on their passion and interest. Avoid a gab fest, but a quick "How are you?' "I missed You…" "I was just thinking of you.." or "Have you heard…" contact can build powerful loyalty. Remember this is not a sales call. This is a Friendly Touch.
Create Special Events for Selected Individuals: Review the inactive customer list monthly and develop a cohesive plan to invite in-actives to become active.

Use Post Cards, Emails, Phone Calls to promote and invite.

TRACKING AND FOLLOW UP

A new customer who never comes back has a very small Lifetime Customer Value. A customer who only shops once a year can have a very low Lifetime Customer Value. When we sell to a customer, it is vital that we establish a long term relationship that keeps bringing sales in the door. Tracking, maintaining, and following up customers is essential for continued profits. Using the POS system, every customer should be entered with essential contact information including EMAIL ADDRESS. When a customer returns, it is important to review the information in the computer to make sure it is still accurate. People change phone numbers and email addresses quite frequently. Without this information, it is impossible to follow up and keep contact with this customer. The customer should not be thought of as a given transaction, but in terms of their Life Time Value. By definition an active customer is one who purchases something at least once every two months. An active customer for ten years is one who has made at least 60 purchases in the store. The challenge is to keep as many customers as possible in this Active Category.

MONTHLY REVIEW & OUTREACH: On a monthly basis, a search should be done in the POS for customers who have not been in the store within the past two to three months. This search can be structured to identify those who have not purchased in a year, six months, or longer periods as well as specific periods between x and y dates. Once the information is obtained and the customer list is printed, a follow up campaign needs to be set in force. Keep in mind a customer who has not been in the store to purchase in several months is probably not really a customer of the store any longer, and certainly not a loyal active one. Reach out to short term in-actives with special invitations, friendly phone calls, A note with a coupon or Gift Certificate inside, and other friendly touches. Longer term in-actives should receive special notices about sewing machine repair, new product offerings, Special Offers, etc.

When it comes to follow up there are a few basic ways to contact people: Post Card, Email, Letter, Phone Call. Keep reaching out in creative ways until the customer says, "Stop!".
Recover Inactive Customers: In the POS search (for in-actives over 3 months), consider what the inactive customer purchased. Adjust follow up accordingly. Set up a 1,2,3 punch system for Recovery. 1. Send Post Card Invitation (To Special Event, Class, Visit the Store, etc.). Monitor two weeks later. For those who did not purchase during these 2 weeks, have a staff member make a friendly promo telephone call. Monitor 1 to 2 weeks later, the manager then telephones to personally invite the customer to a special fun class, event, or activity.

ADD ONS. Before ringing up any sale, the staff should ask, "Do you need any…?" When selling thread, ask about adding needles. When selling a sewing machine, sell to add thread, needles, and whatever else would be appropriate. It is amazing how a $5 sale can turn into a $10 or $15 or $30 sale just by asking "Is there anything else…?" "Do you have plenty of …?" "You might need…?" At the check out center, there should be convenient displays of small, high interest items for impulse sale add-ons. A quick demonstration of a novelty item often sells and inspires at the same time.

BUNDLING. The more products are bundles, they more they will sell. Bundle a sewing cabinet, sewing machine, and serger together, and they will sell together. (No need to discount.) Instead of selling one bobbin, bundle 5 or ten in a bundle and even raise the price. Customers will not even bat an eye. If the customer needs one bobbin, don't they really need at least half a dozen? Bundle threads in sets to sell more thread. When a sewing machine sells, the customer needs thread, needles, fabric, oil, scissors, rotary cutter and mat… Bundle, Bundle, Bundle.

KITTING. Every class should have a kit. No matter what the cost of the class, more product is sold when it is in a kit. Beginning Quilting and Beginning Sewing Classes should sell a Beginning Kit at a couple different price marks for Good, Better, Best. A temptation when doing kits is to discount the price, but it is important to remember that it takes staff time and effort to do the kits. Therefore, kits should generate more money than the individual products by themselves to pay for the labor costs. Kit should include tools, supplies, fabric, whatever is needed for the class plus just a little extra.

RAISE PRICES. Raise Prices. Increase Margins. In big box stores with minimal customer service and labor costs, much lower margins can be profitable. In high customer service businesses, the labor costs must be paid out of higher sales margins. While a big box store may sell a product with 15% to 30% markup, the same product in a high customer service store must produce 50% to 70% margins. In the high customer service store, the product that is being sold is not limited to what is in a box. The real product is the whole package including exceptional customer service and support. Example, Fabric should be sold at 2.68 Keystone and rounded to nearest 99cents, instead of the lower 2 Keystone. A store selling quilt fabrics from various vendors may set a standard price of $10.99 for all fabric (whether purchased at $3.85 or $4.75). This approach simplifies matters, and enables the store to effectively offer sales, liquidations, etc. without losing money.

TRACKING CLOSE RATIOS One of the most important pieces of data is the ratio of demonstrations to sales closed. First, it is essential that sales staff engage in demonstrations to create sales opportunities. Then it is vital that the sales person be able to draw the sale to a profitable close for both the customer and the store. Tracking may be accomplished by use of the Tracking Sheets or Lead Section in the POS system. The contact information for the prospect must be recorded accurately, the date of demonstration, the machine covered, the pricing offered, personal interest information of the prospect, and a deadline must be included. A copy of the Tracking sheet should be give the prospect and one kept for the store. When a sale is completed, the tracking sheet is marked SOLD.

SALES TOOLS. What does the customer need to make an informed decision? What will make the customer feel more confidence in their decision? How can the store make sure the Customer buys from this store instead of elsewhere? It is the obligation of the store and sales staff to give the customer what they need. A friendly low pressure, quality demonstration, plenty of support information, a brochure, store packet, business card, etc. are all tools to meet the customer's needs. The sales presentation book includes a picture, detailed description of features, benefits, and price for easy use by the sales person and confirmation for the customer.

SALES TRAINING. Sales Training is essential. A staff member who is expected to sell products without the appropriate tools, knowledge, and skills is going to be frustrated and unproductive. Selling is not a gift. Selling is an attitude that uses all available tools, techniques, and resources to meet the needs of the customer. Employees who are hired to sell, and do not do so are a waste of money. There are three solutions: Train and Empower, Reassign them to other duties, or Replace. How can each individual staff member maximize their contribution to the company, feel worthwhile, and make a positive difference?

Weekly Sales Meetings in each store are a necessity. All sales people should attend. Leads should be reviewed, follow up engaged, additional training provided, and organizational nuances implemented. Sales close ratios must be consistently and regularly monitored with the goal of improving close ratios to a standard of 1:3. Each sales meeting should include the following: Leads Review, Skill Training, Planning for Events & Classes, Correction of Problems, Assignments of Responsibilities.

Product Turn is defined as total Cost Of Goods of a product (or category of products) divided by the average inventory of that product. Example: your store has 1000 bolts of fabric with a value of about $70 per bolt or a total inventory value of $70,000. This seven thousand dollars constitutes capital investment in fabric. If total fabric sales amount to $21,000 and the Cost of Goods for the year were $11,000, divide the cost of goods by the inventory of $7,000 to find that you had three (1.57) turns of your fabric. BBP benchmark is one to 1.5 for fabric, while some promoters claim up to Three turns. Our turn on fabric in 2006 was only .**25 turns**.

Rule of thumb: Order every possible product that you can sell (at least 50% of it) in thirty to sixty days. Avoid any product that just sits. Or find a way to make it sell faster with strong margins.

Expose Hidden Losses: Do not invest unduly in products that have low turns with funds from high turn products. Don't beat a dead horse. Increase fabric profit margins and increase fabric turns, reinvest all sales of fabric into new inventories until the inventory is built up to optimum levels. Then only replace inventory as it turns.

Perceived Pricing is a big part of the problem. Customers expect to pay marked pricing on many products, but some products they will just not buy unless it is on sale. If standard keystone is used, you start losing money first by overlooking the added costs of freight and shrinkage, and then you lose money when the product goes on sale. First know what the **real cost of goods** is: wholesale price, plus freight, plus shrinkage, plus shelf life, plus inventory tax, plus cost per square foot used for storage and display… A $4.25 per yard piece of fabric may well cost $5.00 when all real costs are considered. **Solution: Raise Prices.** Instead of using a Keystone of 2 times wholesale cost use **Keystone 2.68** to compensate for shrinkage, freight, and marketing discounts. (Always round to nearest $0.99.) A common practice in quilt shops is to take the most expensive fabric; apply Keystone 2.68 and round to nearest $0.99. Then set all quilting fabric at the same price ie. $10.99 or $9.99. Then when you put it on sale at 10% or even 20% off you still have a reasonable profit margin. Buying promotional goods even yields a better return on investment. The customer feels they are getting a good deal. You feel good because there is money in the bank. Everybody wins.

Increase Pricing. Know your real costs. Increase your Keystone to 2.68. Round price to nearest $0.99.
How to Increase Turns: Play the pricing game. Set the initial price high enough to sell the product on sale and still maintain a good margin. Resolve never to lose money on any product, and to keep average Gross Margin at about 50%. When a product first comes in, feature the product (at max mark up). After 90 days put it on sale at 10% off. After 18 days cut it into kits; make fat quarters; use it in a class; make it part of a Block of the Month project; Sell it Off. After 180 days clearance the product at 20% off. Keep a perpetual flow of product through the store. Get rid of the product as fast as possible. Make it a game: How fast can we sell out of this…? Make money even if you put it on sale at 50% off. When the fabric first comes in, cut fat quarters to increase the sales exposure.

Clearance old product before it rots.
When customers see the same old product all the time, they think why should I buy this when nobody else wanted it. This is especially true for quilt fabrics. Refuse to keep fabric more than a year. New fabric comes in and goes on display for 30 to 60 days. It goes on sale at 10% off. After ninety days or before it is repackaged, kitted, fat quartered, sampled, featured in block of month, etc. After 120 days it gets liquidated at 20% off. You can clear out large amounts of fabric by listing it at on sale with a slightly reduced price. Women love sales, deals, and bargains even if the sale has very little value.

Sample Sell. Use the slow movers and make an attractive sample. Put the sample on display adjacent to the fabric with a pattern. Give people a vision for the fabric. A single neat sample can produce a dozen sales because customers capture a vision of what they can do. Samples need to be awesomely attractive. Support should be available to those who lack confidence – offer a class to achieve the dream. Sell fabric through classes.

Merchandise & Re-Merchandise. It a product does not sell within a month or so, re-package, re-display, re-position, re-spotlight the product to get more customer attention and see it walk out the door. Place the product where the customer can not miss it. Place it at an angle so it is more natural for the customer to notice it. Make it look new, fresh, different. Samples Sell. Try different approaches to organizing and featuring the product. For fabrics try rearranging in sets, color blending, coordinates… Keep the store and displays Interesting, Attention Grabbing, Neat, Clean, Orderly. If a product does not move out the door in a month or so, move it so the customers will have a fresh view of it.

Feature New Products. New products sell. Customers want to have the newest, finest, neatest new things. Signage pointing out, and merchandising can draw customers to get the newest things.

Kit Kit Kit: Take those fabrics that didn't sell quickly, kit them and use them in classes. Take those slow moving products and make them part of a class kit. Sell packages and more will sell.

Fat Quarters: As soon as new fabric arrives, cut at least one yard into fat quarters. This increased the exposure for the fabric and increases its turn. Cut additional fat quarters as appropriate. Display the fat quarters attractively adjacent to similar colored fabrics or in a display of their own. Amazingly, many fabrics that move slowly on the bolt will sell faster in another setting or form. Sets of 5" by 5" cuts work the same way. As a last resort on older fabrics, turn older fabrics into fat quarters. This approach also works with 5" x 5" and similar cuts.

Fix It! Clutter distracts from sales. Fix it! Eliminate Clutter. Keep fabrics neat, clean, dust free, and attractively displayed. Avoid stuffing fabrics. Space is good. Keep store and displays NEAT, CLEAN, ORDERLY. **NEAT, CLEAN, ORDERLY.** Clutter kills sales. Dust kills sales. Mess kills sales. The one overriding principle that every expert on retail merchandising agrees is that the store must be spotlessly clean, neat, well organized, orderly, and attractive to the eye.

Buy Unique Quality: There are dozens of other fabric shops and sewing stores. They set their own prices, but customers love shopping all the stores and if they find one fabric here and the same fabric over here – what happens? They immediately conclude the lower priced fabric store is the best deal in town. It does not matter if the fabric is the same quality or how much it cost either store. On the other hand, when you carry unique products, you have no competition. Instead of competing on price, you compete on the uniqueness and quality of your offerings. Avoid duplicating what other stores are offering. ?? If the other six stores carry only quilt fabrics, and nobody carries fashion fabric, maybe you could create a niche of your own and fill the void?? Be Cautious, but unique.

Provide Special Order Services. Provide resources for your customers not available elsewhere. Caution, set minimum requirements. Provide catalog or online resources. Special orders pay for themselves before your spend the money. Just think if customers special order four of the same product, how may turns is that? Oh, since you collect money before ordering, there is not inventory expense, so you have amazingly high turns.

FLOW CHARTING. When a customer enters the store, where do they go? Do they go to look at the products you want to sell, or do they miss them altogether? How often do you hear? "Do you sell sewing machines here?" or "Do you have fabric?" Scratch your head, we wonder how could they miss it? The reality is that the store must create the kind of customer flow or movement through the store that the store wants if it intends to sell. Most customers when the open the door will move straight ahead or to the right. If there is no obstruction directly ahead, the customer may move all the way to the back without really seeing anything along the way. Solution, create a flow chart of how the store wants the customer to move through the store. A great example of this is IKEA. They have a basic path that almost all of their customers follow to see all kinds of products they might otherwise overlook. An ideal set up would be to create a natural traffic flow as the customer enters the store by placing a display five or six feed back from the door. Since the customer can not move forward, they proceed to the right. Strategically place displays along a path through the store so the customer sees a wide variety of products. Note: most people are not attracted by straight line walls (although most of our displays are straight line wall displays). Most people are attracted by angled presentations. So they prefer to move at about a 45^0 angle to the right. If they see a display coming out of a flat wall at a 45^0 angle, their attention is drawn to it. Flow Charting enables the store to arrange its products for optimum exposure and increased sales.

VIGNETTE DISPLAYS. While it is difficult to display all the various notions, and products in the store in attractive vignettes: Vignettes sell. Arranging an ideal sewing room glimpse at different price marks gives the customer a vision for sewing. Packaging all the samples, accessories, Workbooks, and tools adjacent to a cabinet, sewing machine, and serger can produce big steps toward package sales.

REALLOCATION OF WINDOW WALLS: It use to be thought that lots of window exposure so people could look into the store was a good thing, but recent studies and recommendations of Marketing experts suggest just the opposite. The store has only .5 seconds to get its message out to a person driving by, and only 2.2 seconds to communicate with a person walking past the store. The fact is most people don't even look through the windows to see what is in the store and if they do it is only a quick glance. The new recommendation is that window walls be treated in two ways: As walls in the store and as advertising space. These are two very different applications. Often we forfeit the practical use of the window wall by trying to provide attractive views of the whole store. This is expensive. <u>Walls are for product display and selling. Therefore the window wall needs to be designed like any other wall to display products.</u> Yet, the window wall needs to be considered advertising space. How? One way is to use bold vivid banners or posters in the windows that can be seen and understood from a hundred feet away. A second way is to create specific window display vignettes to attract interest. The basic recommendation from the BBP Marketing Expert is to build displays with solid backs and set them in front of the windows. On the back facing out of the window, display the signage or advertising vignette. On the inside display store product just as it were any other wall.

COLORS. Bold colors sell, muted colors do not. At least that is what the experts say. Bright bold Reds and Blues grab the customer's attention and stimulate buying decisions. Commonly, sewing machines are white and we display them on white or tan tables. A bright backdrop would increase sales. A bright pad under the sewing machine would increase sales.

PRODUCTS OFFERINGS: What do our customers buy? This is the question we should ask instead of what do we sell. The answers do not necessarily match. The store sells sewing machines, but what do our customers buy? Whatever they buy, is what we should be selling. If our customers are buying a special kind of experience in self expression, creativity, pleasure; then we need to sell that experience. As a business, 75% of our income comes from the sale of sewing machines, but what if we could expand our sales of other products to equal the sales volume of sewing machines without hindering those sales. It is often said we sell what we promote, so we could simply promote other products more. We can package products. We can bundle products. We can even add new products.

EMPLOYEE AGREEMENT

I have read the PROCEDURES MANUAL thoroughly. I have asked any questions I needed or wanted answered, and received adequate response from the management.

I therefore agree to comply with all aspects of this PROCEDURES MANUAL; its policies, procedures, and provisions without reservation.

I sign this agreement freely and without coercion of any kind.

Name ______________________ (Please print clearly)

Signed _____________________

Date _______________________