SALES Q & A



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How to make more incremental sales on non-tool items

just did it. I'm sure you've done it before, too.

I was in line at Walmart and grabbed a Snickers bar. I didn't plan it. I didn't need it. It was an impulse. The store planner didn't accidentally put the gum and candy at eye-level. He or she knew by enticing shoppers that a certain percentage would cave to temptation. Today it was me.

There's a business lesson in my guilt: impulse sales can improve your bottom line.



Are you saying that as a tool dealer selling \$1 candy bars will make me rich?

It won't make you a billionaire. But impulse and side items can definitely impact

About 84 percent of consumers have admitted to making an impulse purchase, says a poll by CreditCard.com. (The rest are living in denial, I think.) More than 54 percent have spent more than \$100, including 20 percent spending more than \$1,000 on impulse buys.

As you can see, I'm not talking about making money selling penny candy.

And, as much as it may be a weakness for many, chocolate is probably not a good fit for a tool truck. It melts and has a short shelf-life. So, I suggest you avoid selling candy bars.



"I've had dealers tell me that the numberone unit volume part number on their truck is a particular flavor of beef jerky," says Don Russell, marketing manager at Cornwell Quality Tools. He emphasized he's not talking dollar volume, but units. "Heaven help them if they stock out."

Some customers get irritated if their favorite jerky flavor isn't in stock, Russell says. "We also have dealers that say they eat all their profits because they like the jerky as well."

Jerky is a great item: Long shelf life. Low cost. Perfect fit. And it gets customers out to your truck where you can engage them, or they can browse and buy tools.

"Some dealers cover the back wall of their truck with beef jerky so customers have to walk all the way to the back," says Russell. Same strategy as the grocer buying milk and bread deep in the store. The more stuff you pass by, the more stuff you're likely to buy.

Jalapeño

الأحكراف

Moist Tender Delicious

And as long as you're selling salty snacks, don't forget drinks. A mini fridge stocked with regular and diet soda, along with some energy drinks, can go a long way to more impulse buys. To increase per-unit profits, consider stocking up at local sales or a warehouse store.

"On a hot day, why would a guy not come out to the truck for air conditioning and a cold drink?" Russell says. (Just don't forget, you're the Tool Truck Guy, not the Gut Truck Guy!)

Most dealers don't allow customers to put snacks on time payment. You probably shouldn't. You need the cash flow to quickly replenish snack inventory - and you can't repo jerky and a Coke.

Soda and snack foods aren't the only impulse products worth carrying. There are other side items. They may say "the way to a man's heart is through his stomach," but they also say "the difference between men and boys is the price of their toys."





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What kind of toys are you talking about?

Obviously I'm not talking children's playthings-except during the holidays (see the next question on "gifts"). I'm talking about non-work-related gadgets and hobbyist items. We're looking at side products, that aren't part of your core business of selling tools and equipment. That is, anything not in a technician's toolbox or on the shop floor.

"Bluetooth-anything, cameras, small drones and other electronic toys sell very well," Russell says. "We actively seek out items like that."

Technical people tend to be drawn to anything with a battery inside. But many technicians are also outdoorsmen. You just need to know who your customers are both on and off the job.

I live in Chicago. My wife Beth's family lives in Wisconsin. The cultures are very different.

A Milwaukee repair shop will likely have more hunting-fishing types working there than a shop in Chicago, even though the shops could be less than an hour apart. However, just because he doesn't hunt doesn't mean a Windy City customer wouldn't like to buy a good hunting knife.

"What guy doesn't like a knife?" nice Russell. asks "The number of knives sold through mobile distribution is amazing ... Look at any mobile tool company and they all have knives. But are those tools or toys?"

Bottom line: It's all about what influences *your* bottom line. Guys need tools to do their job. They have a dollar amount in mind they expect to spend on tools. But they also have "fun mon" (or "discretionary cash" in marketing speak), that they'll spend for things they want.

It doesn't matter if you're meeting a want or need, inventory both and you'll make more sales.



So what about gifts?



The CreditCard.com poll notes that many impulse purchases tend to be selfish.

About 47 percent of impulse buyers bought something for themselves, says the poll. I guess you could say that's a "to-me-from-me gift" if you want to stretch the definition. But over one third (37 percent) said they bought for a loved one on impulse. Close to 16 percent bought something for their spouse or significant other and 21 percent made a purchase for a child.

Most franchises and warehouses will offer gift items for the holidays in September or October. Follow their lead and stock up before the big season. Holiday gifts tend to sell out quickly. And since these aren't traditional catalog items, once they're gone, they're gone.

Big holiday sellers include toy racetracks and radio-controlled planes, drones or automobiles.

Bluetooth headsets and speakers are also great holiday gifts, and big sellers year-round, says Russell. Cornwell has brought in some items for the holidays and ended up carrying them year-round because they've been big sellers.

"There's not a lot you can buy for Christmas from 7-Eleven on December 24," jokes Russell. So you have a chance at a good number of lastminute sales depending on your stock.

"To me it all goes back to your truck being a retail store that coincidentally has wheels on it," says Russell. The more you think like a retailer, the bigger the jump in your incremental sales.



What about selling my branded merchandise?

I don't think flag-branded merchandise is a big mover. I do like the idea of

making your branded merchandise available for purchase. But I think expecting something like wearables to become a profit center is misguided. Your customers have been conditioned to see branded product as free product. It may be very hard to change that thinking.

I think a customer may buy a branded jacket, hoodie or sweatshirt when they're in a pinch. But I don't think that's a first choice as a gift or for themselves.

The real benefit of a price tag is it gives your giveaways a higher perceived value. A free jacket is nice. A free \$100 jacket is GREAT!

So next time you reach for that candy bar at the gas station, ask yourself what you can learn from their techniques, displays and merchandising.