



'Tis the Season

Retailers can use holiday-themed merchandising and events to connect with customers and increase foot traffic.

By Pamela Mills-Senn By Pam

As the fourth-quarter selling season approaches, devising a holiday merchandising strategy is paramount for retailers, particularly since this time of year can make a substantial difference to their profitability. Ramping up inventory is just one piece of the puzzle; retailers also have to put in the time to ensure that customers shop their stores and leave loaded up with merchandise.

“Your merchandising efforts should be strong all year long but you should

really step it up for the holidays,” says author, speaker and retail expert Laurel Tielis, founder of Laurel Tielis & Associates, a San Francisco-based consulting company.

There are several ways retailers can accomplish this.

DO THE EXTRAS

This is the time to offer free gift wrapping or shipping, says Tielis. Give a treat to every dog that comes in and a cup of hot cider or glass of wine to customers.

The idea is to show them it's a special time of year and that they are valuable customers, she explains.

Richard Shiu, co-owner of Best in Show, also located in San Francisco, says his store's free holiday gift wrapping is an important part of the business for this very reason. It's also why at Halloween, the store hosts a costume contest and happy hour.

“It's not really about boosting sales,” says Shiu, of the Halloween events. “It's about generating customer good will.”

Janene Zakrajsek, co-owner of Pussy & Pooch, with stores in Long Beach and Los Angeles, says events play an important role in the business all year, but especially during the holidays. One event, “12 Days of Twinkle,” highlights a different aspect of gift giving during each of the 12 days. For example, one day might feature discounts on treats, and the next might feature discounts on spa services or grooming products. The store also sends out a letter to its top customers inviting them to a special pre-holiday sale.

Nadine Joli-Coeur co-owns seven Natural Pawz stores in and around Houston. For Christmas they always bring in special items—not holiday themed but new and unique—to the stores. She creates gift baskets, customizing these upon request. She puts more staff on the floor and trains them on being patient, positive and super attentive to customers. She also hosts wine tastings and pet art events at select stores.

“We do this early in December, before people get burned out,” she says.

FOCUS

Retailers should focus their merchandising efforts on key areas. Otherwise they risk overwhelming and confusing people. For example, at Halloween,



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Shiu says he concentrates on drawing customers to their costumes.

“We create a huge section of costumes in the area where we retail our apparel and this is where we decorate rather than decorating throughout the store,” he says.

Apparel accounts for a significant percent of their business, he explains. During October costumes comprise about 40 percent of the store’s apparel sales, therefore, it focuses attention on this area instead of drawing customers to other parts of the store. Shiu also forgoes Halloween-themed toys.

However, Christmas is all about selling their private-label toys and apparel for dogs and people, says Shiu, which is why the Christmas tree in their window is festooned with these toys, and the dog and human mannequins are dressed in the store’s brand.

Although Natural Pawz stores always have puppy sections, the area is highlighted during the holidays because this is when many puppy adoptions occur, says Joli-Coeur. They also heavily promote the bakery treats at Christmas since these sales perk up around 50 percent at this time of year.

Zakrajsek focuses on the store’s brand. Rather than throwing up the traditional red and green decorations, she uses their colors; black, white, lime-green, and shades of gray in the window and throughout the store. The window reflects the store’s avant-garde image, with dramatic lighting and display elements, and restrained use of product

(Zakrajsek embraces a minimalist merchandising approach, and this doesn’t change because of the holidays).

“Get creative, tell a story,” she says of both window and in-store displays. “And then edit, edit, edit. Things need to breathe. Don’t create too much clutter.”

And focus on impulse buys via displays, signage and suggestive selling, advises Tielis. Develop stocking-stuffer

put various 1950s-themed props in their windows, along with hats, and invited folks from the neighborhood to pose in the window.

“The cost was zero, and it got a ton of attention,” Tielis says.

Zakrajsek, who has done something similar, agrees. “Any time we’ve had a live element in the window we’ve gotten amazing feedback.”



Pussy & Pooch's LA store's holiday window display, shows their use of unique elements, colors and their signature style.

displays. Look for cross-merchandising opportunities such as feeding bowls with treats, or collars and leashes with a play toy, she suggests. And don’t forget to add in a t-shirt for the owner.

CONNECT

For retailers, holidays should be about connecting with customers, says Tielis. Offering holiday photos is one way to do this (the stores mentioned here give customers the opportunity to take photos with their pets). Interactive window displays are another creative way, she says, mentioning a local hat shop that

Tread lightly, if at all, on creating religious-themed displays, advises Tielis, unless you know your customers. “If you’re not selling to this group, it’s so much wiser to avoid this and make your displays seasonal,” she says, explaining that overly religious displays could irritate and turn off some customers.

Natural Pawz keeps their customer demographics in mind when decorating for the holidays. For example, Joli-

Coeur says that some stores with a predominantly Jewish clientele would incorporate more blue in their decorations.

Solicit customer feedback, suggests Tielis. Consider your windows. Most stores leave their Christmas displays up from Thanksgiving through Christmas, risking windows that look tired and worn. She advises stepping outside the store periodically and looking at your windows with a critical eye.

“But you can also ask people passing by what they think,” Tielis says. “Go online and ask for suggestions. Right now you want to involve the community. You want to create customer engagement.”

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