

## Eight Tips to Improve Your Pro Shop Business

by Mark Barrette

This is the time of year when planning, forecasting and budgeting for pro shops begin to pay off. By now, the pro shop operation has endured the initial “rush” that is expected when hockey and figure skaters begin their fall seasons. Most skaters purchase their skates and equipment before the season starts, allowing practice sessions to double as break-in periods for these items. This time in the season requires the pro shop manager to focus on providing essential items that skaters often lose, break or leave at home.

The following tips will help pro shop managers improve the daily operations of their pro shops, with the end results being a more successful business.

### 1. Receive product early when possible.

Most suppliers offer generous booking terms that allow operators to receive product as early as January/February with payment due in September/October. For some operations, taking product early is not possible because of the timing of their fiscal year end; for all others, it makes sense. As a retailer, it gives one the opportunity to showcase new products when they’re first available. During this time, most buyers are willing to experiment because the product is new. Receiving product early encourages the inventory turnover that is vital to a successful operation. The increased turnover rate will result in more revenue.

### 2. Train staff in the importance of add-on sales.

Some of the most popular items in the pro shop have natural add-on items that should be sold anytime the companion item is sold. For example, whenever a new pair of skates is sold, the salesperson should encourage the customer to purchase a pair of blade guards (plastic or cloth, depending on use). As an added bonus, the cost of the blade guards can be built into the price of the skates, entitling everyone to a pair when skates are purchased. Tape, stick wax, and rubber end caps are all add-on sales for sticks. Add on items should be kept near the front counter, easily accessible to both staff and customers.

### 3. Serving customers should be the #1 priority of the pro shop. The pro shop will make money if customers are happy.

The main focus of so many operators is on making money; they lose sight of the importance of serving customers. All successful pro shops keep their customers happy and coming back. Since a pro shop operation is dependent on repeat business, the more often customers are satisfied, the more frequently they will return. Keep in mind the rule of thumb; when it comes to unhappy customers, a customer having a bad experience is likely to tell eight to 10 people about the experience.

### 4. Do not try to be something you are not.

Often when a new facility opens, the pro shop is stocked to the maximum, carrying hundreds of thousands of dollars in product only to find the business struggling to pay the bills. Most pro shops are best served by being convenience centers for all facility user-needs. People do not want to go out of their way for tape, laces, accessories, sticks and blades. For more expensive items, such as skates and protective equipment, they are willing to shop around for the best price and selection. Since most pro shops are limited in space, product selection becomes a problem (or lack of). With the

emergence of the Internet and mail order catalogs, competition is at an all time high in the business. The arena pro shop is best suited to concentrate on the essential accessories, team business, and custom apparel that caters to its association or skating club.

#### 5. Focus on skate sharpening and repair.

This is one area where an internet site or mail order catalog cannot compete with the arena pro shop; therefore more time must be spent making sure skates are being sharpened correctly, and repairs are done in a timely manner. Skate sharpening is important because it attracts potential customers into the pro shop. A pair of skates takes five to seven minutes to sharpen. During this time, the customer will look through the pro shop for items he/she needs. Train all skate sharpeners to suggest items customers might need. For example, a skater with a rusty set of blades might be better served with a pair of cloth soaker guards instead of plastic guards. Customers appreciate this advice, and it builds goodwill for the next time they need to purchase something. Train all skate sharpening staff to inspect incoming skates for damage. Loose or missing rivets are easy and often quick to repair and can generate at least \$1 per steel rivet and \$2 per copper rivet. Over the course of one year, replacement of 1,000 rivets results in at least \$1,000 in added revenue, with minimal expense (rivets cost approx. \$ .03 each; labor is already in place for pro shop/skate sharpening).

#### 6. Carry custom branded apparel that appeals to the clientele.

It is difficult to select what, if any, NHL team apparel to stock in the pro shop, and which specific NHL teams to stock. If someone can do it right, year after year, they should use their talent to pick horses. On the other hand, custom apparel, hats, and souvenirs that carry the local hockey or figure skating association's logo are sure to sell. Local customers are proud of their affiliation with their organization and want to display that pride in the form of logo items ranging from hats to t-shirts, varsity jackets, pins, and mini-sticks.

#### 7. Switch to a computerized point-of-sale system.

For smaller shops, this is not an option, but for all others, a computerized point of sale (POS) system will repay its cost in the form of better inventory control, more accurate sales reports, and increased marketing capabilities. Mailing lists can be stored and called upon to announce a special sale or promotion. The POS system will allow the management team to reward the most loyal customers. A computerized POS system is an investment in the business that is sure to pay off.

#### 8. "Blow out" product through sales and promotions near end of season.

At the end of the season, the last thing the operator wants is to go into the slow period with a lot of merchandise from last year's booking order. This merchandise is paid for, so the primary focus should be on recovering the product cost. This is difficult for some operators who want to get the most out of each item. By now, new merchandise is arriving, requiring additional space for display and storage. Once the new product arrives, the old merchandise becomes even harder to sell.

#### Conclusion:

Serving the customer takes on many different forms, from helping the customer select the right item to stocking the store with the products the customer wants. All successful pro shops have one thing in common; their first priority is to serve the customer. The most successful pro shops are the ones that go beyond their competition, each and every day, in making customers their primary focus.

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