

FRONT-END OVERHAUL



Jump start 2019 with six months of profitable tips

by Gabe Trahan

Have you heard of NCPA's Front-End Overhaul Profit Makers newsletter? In 2018 more than **130 tips** were emailed to those who have signed up for the twice-monthly email from NCPA and *Drug Store News* ... FREE!

Here is just a small sample of quick tips shared from January to June of 2018.

January: You should have *at least* two end-caps up right now: one offering flu prevention items such as immune boosters, hand sanitizer, and wipes. The other end-cap should offer symptom relief products, along with items such as facial tissues, thermometers, and humidifiers.

February: Essential oils could be the new box of chocolates. Set up a combination gift of assorted oils and a diffuser to sell for under \$50 — a great price point. Also, a little paint can do you some good. You can add character and interest by painting a wall or several walls an accent color. Consider changing the colors in the waiting area, consulting room, the durable medical equipment wall, nutrition section, leg health wall, diabetes support center, or the card and gift area.

March: No matter where your store is located, March 1 is the date you should have a display of sunscreen on the sales floor.

April: When it comes to donating, you need a budget and discretion. First, do your research to determine if the organization is worthy of your hard-earned money. Having a budget for donations makes it much easier to say no to requests if you are not comfortable with them. Create a checklist of questions to ask before opening your checkbook.

May: Is generic allergy over-the-counter medicine flying off the shelves? Maybe flying off too fast? Check your retails! Here's what I found in a store that was selling large quantities of generic 30-count Zyrtec. The retail was \$3.99, and the brand was \$24.99. The generic Zyrtec was a generic brand that was not part of the primary wholesaler's private label line; because of that, the item was not included in the zone pricing list of products. The \$3.99 retail was formulated by a default formula of a 25 percent profit margin. If you find yourself in a similar situation you can correct this pricing problem two different ways:

locate and mirror the retail of your wholesaler's private label equivalent for that item, or subtract 25 percent from the brand equivalent price and round the retail up to end with a .99 on the price.

June: Are you your biggest OTC competitor? On a recent store visit, I noticed that there were a lot of personal and health care "dollar section" products displayed in proximity to the major brand and store brand products! Do not inventory OTC products in your dollar section. Instead, stick to dollar items in the kitchen, cleaning, pet, auto, and gadget departments.

Start getting Profit Makers in your email inbox free by visiting www.ncpanet.org/innovation-center/front-end-overhaul. Click on the Profit Makers banner found on the right side near the top of the page. While you are on Front-End Overhaul webpage, take time to explore the photo galleries, print out your favorite one-page tips, take a peek at the videos, and before you leave the page, click on the FrontEndMarketplace.com link (www.frontendmarketplace.com/) directly below the Profit Makers banner to find unique items for your store, and take advantage of Vendor of the Month specials. ■

Gabe Trahan is NCPA's Senior Director of Store Operations and Marketing. Gabe uses more than 40 years of front-end merchandising experience to help NCPA members increase store traffic and improve profits. Visit www.ncpanet.org/feo to watch videos, read tips, and view galleries of photo examples by Gabe. Follow him on Twitter @NCPAGabe for additional tips.