



How much is the retail value of this 8ft section?

The answer is going to shock you!

I'll give you some hints. The cards retail for \$2.99 each. In this eight-foot department there are two four-foot sections. Each four-foot section is eight card pockets wide and twelve card pockets deep. There is an average of five cards in each pocket. In this eight-foot department there are **nine hundred sixty cards** (when full it holds 1,152 cards). At retail that equates to **two thousand, eight hundred seventy dollars and forty cents** (\$2,870.40).

This is not an anti-greeting card tip! This is an awareness tip! There are a few store owners and managers out there that are slightly blinded by the lure of the promise of a fifty percent profit margin that most greeting cards offer. If you do the math you need to sell **four hundred eighty cards** out of this rack before you even start making money. This can be a vicious circle. If you sell 480 cards then you have to re-order which delays the profit portion from rolling in!

Here is a project for you. Count how many cards you have in your four-foot card section. Then count how many sections you have. Take that number and times it by 5 (5 cards average per pocket), make sure to check for overstock and carryover seasonal cards, then finally, times your total count of cards by the average retail of your cards. Now compare it to your yearly sales. If there is any profit, then you're good to go! If not, then it may be time to adjust your card inventory.

One more tip: keep a close eye on those harmless-looking spinner racks; they can hold hundreds of cards!

Greeting cards can offer profit revenue, but only when inventory is controlled.

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Thank you for being a member of NCPA! Gabe