

Marie-Louise Jacobsen



The Art of
Retail
Buying

An Insider's Guide
to the Best Practices
from the Industry



The title is centered and features decorative purple swirls that wrap around the text. The words "The Art of" are in a smaller, black, sans-serif font. "Retail" is in a large, bold, black, sans-serif font. "Buying" is in a black, sans-serif font, slightly smaller than "Retail".

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Dedication



To Stephen Wayne Johnson, my husband,
my best friend and my hero

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Patrick Chai - Eut Marketing
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Deirdre Ball



To my friends Arthur, Adela, Doy, Aileen, Franco, GK, Jana, Kelvin, Patrick, Vish and Yoka: no formal introduction needed; you are my best.

To my husband Steve, who believes that books and friends should be few but good. Thanks for believing in and supporting this project.

To all the buyers, assistant buyers, merchandise managers, sales managers and dedicated sales staff with whom I have had the pleasure of working in the past 28 years: you have made me laugh, inspired and thrilled me, at times exasperated me but, most of all, imprinted wonderful memories that I will cherish always.

To my great friend Franco Guidotti, who shared with me his vast knowledge of Italian fashion, products, food and the Italian way of doing things. You have been a constant source of inspiration, and given me insights into design, sophistication and splendor.



As competition continues to escalate at a significant rate, retailers must utilize all their knowledge to keep pace with other merchants in the marketplace. Being able to forecast accurately the needs of their customers and satisfy them with the appropriate merchandise takes a great deal of experience and know-how. Perhaps more than anyone else in a retail organization, it is the buyers and merchandisers who are responsible for ensuring that the store's merchandise mix has the appeal to turn browsers into shoppers.

Although the sophisticated technology available to retail organizations today is an enormous help to buyers and merchandisers, their task still requires a great deal of knowledge and hands-on experience.

This book enables readers to examine the role of buyers and merchandisers, the qualifications, qualities and abilities required for the job, and how their decisions affect the business. Buyers who want to be successful must understand the climate within which they work. This environment consists of numerous components such as customers, types of retailers, the strategic planning process and the organization within which the buyer operates.

At one time or another, you have probably heard someone say: “Retail isn’t rocket science. All you need to do is buy stuff and then sell it!” To the outsider, it may seem easy enough but those of us in the industry know better. Sure, the basic principles of buying can be learnt, particularly the general knowledge needed by all buyers in their day-to-day activities. But mastering the art of buying is something else.

What makes retail complex is that there are literally billions of buying options open to buyers. Take the approximately 195 countries in the world, multiply this by the number of manufacturers in each, and then multiply that by the number of items each makes just in that particular segment of the buyer’s business and it gives you a pretty good idea of the complexity involved.

The tricky part is to sift through all these offers to find the right items that suit the retailer’s customers. The task of selecting catalogs of merchandise the buyers anticipate will sell is only the first step. Then come the decisions of how much, in what colors, in what sizes, delivered in which months and placed in which locations, for all of these components to make a profit.

Retail is not for the faint-hearted. It takes a lot of hard work, dedication and the will to win customer loyalty. To gain and retain customers, you must first position yourself as the retailer of choice in the consumers’ minds. This can be achieved by having the right merchandise of the right quality at the right price in the right location at the right time. There has been much talk about giving customers excellent or outstanding service but, unfortunately, not enough emphasis has been given to the core of the retail business: its products.

Retailers will, no doubt, agree that buyers are required to understand and use quantitative analysis in their day-to-day decision-making. Statistics on business performance are linked to consumer-spending behaviors which, in turn, are linked to strategic processes in selecting merchandise that will drive people’s ability and willingness to buy.

Retail is BIG business. Worldwide retail sales are estimated to exceed US\$7 trillion and 30% of these sales are generated by the top 200 largest retailers. So staying ahead of the game requires today's retailers to be smarter in managing and controlling what goes on their shelves. It is essential for professional buyers to focus on their product selections, and ensure that these selections are products that will satisfy consumer expectations and demands. In essence, professional retail buying is about being able to anticipate consumer demands and create ideas that combine and combust into exciting products that fulfill the consumer's desires.

The Art of Retail Buying shares with you some of the secrets of the trade, including how to build a range of products and why some products are selected over others. Whether you are currently working in the industry or are looking to become involved in buying, I hope this book will prove both inspirational and informative. Even old dogs can learn new tricks.

In the summer of 2006, I was approached by People Skills Asia to create a syllabus on retail buying for buyers in Asia. There was a need for a professional buying course applicable for Asian retailers that would tackle issues particular to the Asian region. People in the retail industry found that the courses available were too academic and theoretical for practical implementation.

What was needed was a course covering the how-to, the what-to and the when-to, with easy-to-understand material and case studies that would enhance their buying skills and facilitate the management of their daily activities.

From my 30 years of extensive retail experience—15 of which had been spent as General Manager Merchandising with one of Singapore's leading retail groups—I understood only too well the many challenges facing retailers and it took very little convincing for me to become involved in the project.

Throughout my career, I have always tried to make enhancing people's buying skills an enjoyable and rewarding task. So when I was asked to write a syllabus on retail buying, I felt I had much to contribute. Such was the success of the course, launched in Bangkok in the autumn of 2006, that I was prompted by many participants to turn the syllabus into a book because, they said, not all retail companies were willing to invest in training their buyers and many would benefit from having such a book at their disposal.

Retailers should recognize that without talented and knowledgeable buyers, they risk losing market share, customer

loyalty and competitiveness—all of which translates into profit, or the loss of it. Training and enhancing buyers' skills is a vital part of staying ahead.

Retail buying is a demanding job that requires a creative flair, a strong awareness of fashion and lifestyle trends, as well as good interpersonal and team-working skills. Buyers and merchandisers have to ensure that the right merchandise is being sent to the right stores, at the right time, in the right quantities. This takes a blend of forward planning and rapid response to consumer demands. In combination with the other areas of the business, success comes from maximizing profit, which is achieved through anticipating customer needs and responding rapidly to immediate issues. It involves complex data analysis, liaison with the store's operation teams and balancing store stock levels.

To succeed as a professional buyer, you will need strong analytical and numerical skills, an interest and understanding of consumer demands and strong commercial awareness. A buyer also needs to have the ability to understand and prioritize issues quickly and this can be achieved through good time-management by tending to issues that have an impact on the business performance. Progression into the merchandising function also involves the ability to manage change. The better equipped you are in your buying function, the better you will be able to adapt to these changes: and the best change of all is to graduate from a good buyer to an excellent one!

As a norm, retail management will be expecting buyers to deliver higher year-after-year sales and profit projections, and it is not uncommon to hear buyers lamenting and wondering how they are going to match their management's expectations. The answer lies in re-thinking and re-strategizing your buying plans, as in how and why certain products are being bought, and by reviewing your vendor portfolio and asking if all are performing to expectation. Once this is established, the next natural step is to apply the Pareto Rule of 80–20. This principle implies that 80% of your sales are usually generated by 20% of your vendors: as such, some of that percentage growth can be found in building on your top-performing vendors and replacing weaker ones. I call this “the art of knowing what to keep and what to grow,” or “the art of knowing what to keep and what to throw.”

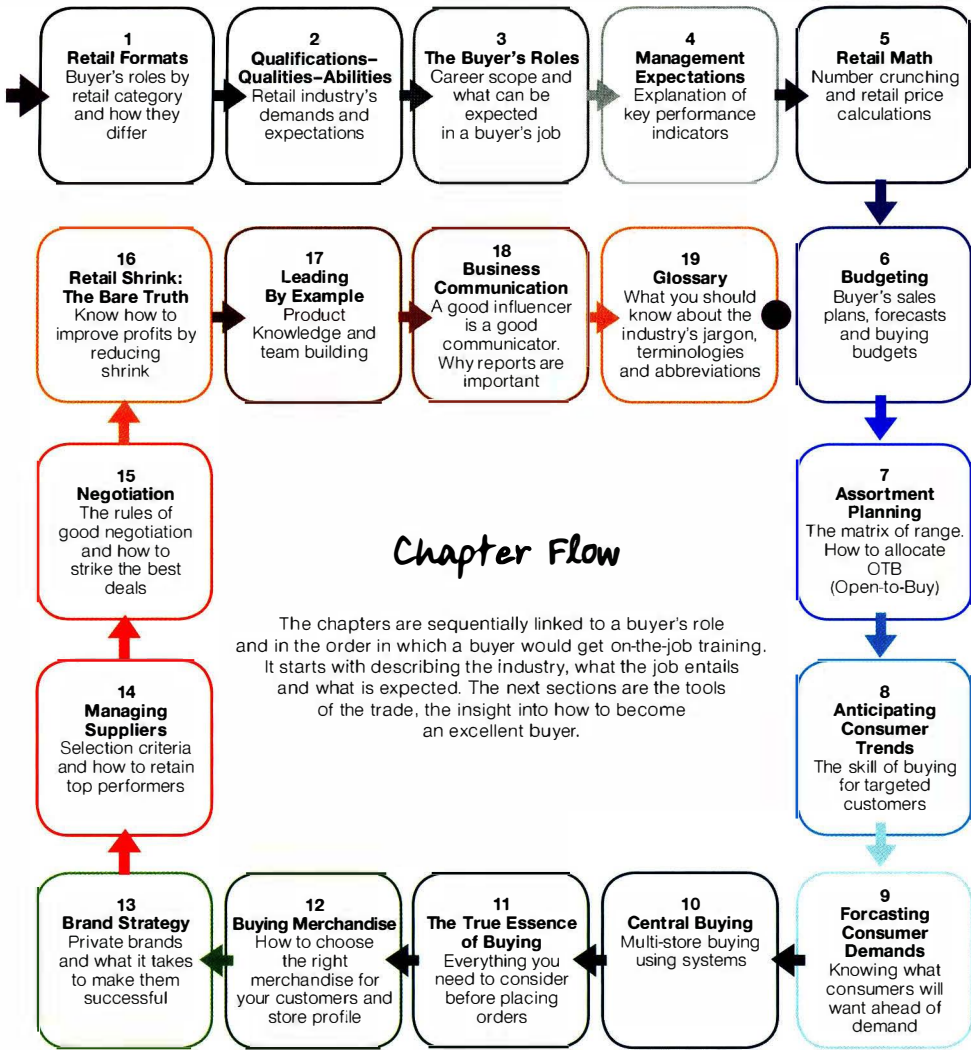
Why do people buy a new cookbook? For some, it is to learn how to cook; for others, it's to find better and more delicious ways to prepare food. Likewise, *The Art of Retail Buying* is meant for

students aspiring to enter the retail industry and anyone in the industry looking for self-development, inspiration and growth.

Predicting consumer demands starts with understanding and responding to consumer trends. The prime objective of the buying function is to anticipate the needs and wants of customers by being ready to gratify their product desires, and this can only happen if you, the buyer, spend time on the selling floor interacting with your customers!

From the outset, a good buyer needs to be equipped with the right sets of tools. The skills required can be learned and/or improved at any time, and what better time than now to start expanding your proficiency.

Welcome to *The Art of Retail Buying*, your insider's guide to the best practices from the retail industry.





WHAT IT TAKES

Before we look at the various organizational structures within which buyers are called upon to operate, it might perhaps be useful to say a few words about the personal qualities and characteristics that contribute to making a good and successful buyer.

In my experience, anyone wanting to engage in a retail buying role should have a creative and extrovert personality, be a natural problem solver and be able to handle a high level of multi-tasking. Retail buyers must be able to understand and predict customers' needs and the saleability of a wide selection of products based on

cost, style, function and quality while, at the same time, comparing these to other similar products available in the market. This is a significant task because they must order items months ahead of time, which requires a great deal of calculated risk based on experience and, more often than not, on sheer gut feeling.

Buyers need to put aside personal tastes and preferences and focus solely on what they anticipate customers will buy, in what quantities and at what premium. In making these choices, they also have to do so within specific purchasing budgets. A great deal of self-confidence is needed. Buyers eventually become experts in the merchandise categories they are buying for. After an initial trial-and-error period, they come to know what to buy, how to buy and where to buy, narrowing down wide selections of resources and knowing the best places to buy.

A retail buyer works in a dynamic but sometimes stressful atmosphere where decisions are made hourly. There can also be long and irregular hours, especially during holidays. Work is always fast-paced and competitive, and the buyer must quickly estimate the potential profitability of many products.

These conditions may vary, depending on the size and type of the organization for which the buyer works. Large department stores and chain stores require a buyer to plan, buy, and ensure that the sales staff is knowledgeable about the products. The role is, however, supported by back-office roles such as assistant buyers, visual merchandisers and other operational functions.

In a small store, a buyer may hold more than one position which, besides buying, may include advertising, floor and window displays, hiring new employees and training.

The roles of the buyer can be many and varied, being determined by factors such as the size of the company (the number and locations of outlets); the number of staff; the yearly revenue; and the merchandise classifications. Set out below are some of the many types of retail organization in which buyers may choose to shape a career.

RETAIL FORMATS

- **Hypermarkets/Supermarkets**

Hypermarkets are big business and growing fast in Asia. Asian consumers have changed their shopping habits, moving away from traditional wet-markets to the comfort of hypermarkets/

supermarkets, which provide a wide selection of goods in pleasant surroundings, and where the freshness of meat and vegetables is assured.

Hypermarkets in Asia can be home-grown like Mydin in Malaysia, or local start-ups such as Dairy Farm that grew to regional reach, or imported concepts such as Tesco, Carrefour and Jusco.

What they all have in common is that they sell “general” merchandise that includes perishables, household items, hardware, toys, small electronics, clothing, toiletries, cosmetics, furnishings and furniture, and more. They all boast of either being the cheapest or, at least, of offering the best value for money.

• **Discount stores**

Discount stores are stores that sell local or regional brands at lower than market price points. They can have a wide mix of goods or concentrate on specific merchandise types. More often than not, they will buy season-end merchandise, job lots and/or secondary brands. Merchants are required to hunt for deals regionally and buy in bulk to get the lowest price possible.

Factory outlets have been developed by the brand owners to release their own discounted season-end goods. The benefit lies in the control of the retail price this gives and thus leads to better profits.

What, then, is the difference between a hypermarket and a discount store? Comparative research has shown that the hypermarkets tend to have higher mean prices, but use promotional tools more often and more widely than the discount stores. Hypermarkets use promotional areas with strong signage that gives the impression that they are cheaper because they have the muscle to buy big and are thus able to offer bigger discounts. The advantage hypermarkets have is in the depth and width of the products on offer, which make it practical for consumers to shop there.

• **Department stores**

Department stores come in two types: those with a full-line designation, which carry a wide range of merchandise, from health and beauty to fashion/softgoods and accessories, to household and small electrical items/hardgoods and, occasionally, specialty gourmet foods; or those dedicated to specific brands or products. Department stores may have stores within the store, like shop-n-shops, ID-shops or specialist sections.

Because the department store serves as “the umbrella” for a wide assortment of goods, it is deemed convenient for customers to shop there.

While some department stores may concentrate on specific merchandise types, such as apparel and accessories, in the majority of cases they, like other retailers, need to decide which customer profile they intend to pursue and buy accordingly.

The vulnerability of today’s department stores is that they have a hard time competing with true branded stores (see below). Customers are becoming increasingly fussy, and without very good service and merchandise that can give them points of differentiation, department stores may lose their edge. To maintain customer loyalty, some stores have adopted store credit cards and created special card-member events with special offerings or discounts to reinforce loyalty and consumer spending. The balancing act, though, is not to use such marketing tactics too often; otherwise, consumers can become blasé with yet another discounting event.

• **Branded stores**

Branded stores are those that carry single known brands. These may be globally or nationally renowned brands such as Nike, Adidas, Esprit, Mango, Zara, Timberland, Levis’, and H&M; or “high-end” brands such as Gucci, Prada, Fendi and Burberry. These stores are either operated directly by the brand owners or through a franchise agreement.

The merchandise, price points, store layout, store design, store locations and merchandise displays are usually strictly spelt out by the Master Licensee or brand owner. Customer service is high and specialized. These stores are usually located in “choice” areas, streets or malls, with the stores designed specifically to encapsulate the mood of the brand. Customer loyalty is linked to brand loyalty



which, in turn, gives the consumers a sense of identity with the brand. Branded stores lose their customers when they start losing their luster. I call these “sunset brands”: in most cases, the brand has either lost touch with its customers, or the customers have graduated from them and moved on to other brands that are more in tune with their lifestyle.

- **Single-unit independents**

This trend is still big business in retailing. There are still many entrepreneurs who wish to be their own boss. Many of them are very successful, as they are able to cater very specifically to their customers’ needs and give them personalized services.

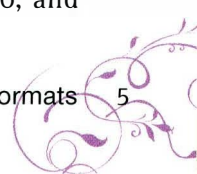
The merchandise, similar to that in specialty stores, is usually limited in choice but appealing nevertheless. The “boutiques” can carry ranges of shoes, jewelry or apparel, which are usually higher-priced goods and sometimes custom-made.

Initially, the owners themselves usually act as the buyers but, as the business grows, they may expand this role to incorporate hired professional buyers.

- **Specialty stores**

Specialty stores are, as the name suggests, stores that specialize in specific types of merchandise, with a specific lifestyle offering. These can vary from luxury goods to mid-priced high-quality goods at commercial price points. Examples include sports shops, dive shops, telecoms shops, book stores, branded cosmetics (a new trend in the health & beauty industry), antique shops, oriental carpet shops and shoe shops, to name but a few. Here the attraction is that customers shop these stores as a destination shopping trip. The expectation is that they must have a wide choice of merchandise within their respective specialist categories and very knowledgeable staff who can recommend the right items.

The specialist stores are vulnerable to competition from general merchandising retailers who may opt to have some specialist sections for which they are sometimes able to buy in bulk and sell these items quite cheaply, creating price mayhem with point-of-no-return price levels (the point at which an item has been discounted so often that it can no longer command its original price). For example, pashmina shawls used to retail at \$500 when they first came on the market. Big retailers then bought these in bulk and sold them at \$300; other retailers discounted them further to \$200, and



today they can be as low as \$150. In such circumstances, they can no longer command their original value of \$500: the price has gone down to a point of no return.

Specialty stores are compelled to know a great deal about their customers and their individual requirements. There is usually a great deal of customer follow-up and special purchases on customers' behalf.

• **Franchised stores**

When the owners/developers of a concept or brand wish to expand the business into other territories or countries, they often adopt the franchising business model under which, for a fee, the franchisee is given the right to operate the retail concept in very specific locations (regions). This retail operation is conducted under specific rules and regulations that have been set out by the owners (the franchisors).

Franchises abound in the fast-food industry—McDonald's, Wendy's, Kentucky Fried Chicken, and Starbucks—but are also found in the fashion industry—Zara, Mango, Debenhams, Tommy Hilfinger and more.

• **Catalog retailing**

Catalog selling is still very popular, especially in the United States. Examples in Asia include Ikea and Lands' End.

Some department stores feature merchandise that is only available through this channel and thus will have separate buyers purchasing for the catalog business.

Some retailers in the United States use only catalogs as a means to reach their customers, with the exception of a few factory outlets to dispose of slow-moving merchandise.

• **License stores**

Licensing is similar to franchising, with the main difference being the start-up fee. Some of the best-known of such arrangements include Benetton—the largest retail licensor in the world—Ralph Lauren, and Marks & Spencer.

Here the licensees are required to follow the merchandising philosophies established by the licensors, and the buyer's role is quite different from any other retailing format. The merchandise sold is either produced completely by the licensee—in which case the buyer needs to be able to do product development—or purchased directly from the licensor (the original brand owner) by the licensee's buyer for distribution to the individual units. Generally, the

individual stores have no buying responsibilities. Today, increasingly, licensors adopt a “push-model,” under which the licensee gives the licensor an open-to-buy (OTB) budget (OTB being the difference between planned purchases and stock already ordered, or the value of merchandise that a buyer can order for a particular period), and the licensor selects all the merchandise to that value. Under this business model the licensee does not require a buyer. Though convenient for the licensor, it is riskier for the licensee.

Ideally, it is best when the licensees have some say in the assortments they carry, as these would be bought with their particular customer profile in mind. Benetton, for example, has as many as several thousand styles each season, and the individual licensees have the right to buy or select what they deem best for their stores.

- **Chain organization**

Chain organization is defined as multiple outlets under a common ownership. These can be general merchandise stores, limited-line stores, specialty stores or stores with different concepts but under one group. They can vary from discount stores and value-oriented stores to private brand stores or even off-price stores. Off-price stores are stores that sell only discounted merchandise. Unlike factory outlets, which sell only a specific brand, off-price stores can sell a wide range of merchandise. Buyers, in this case, would be looking for factory over-runs, season-end goods or job lots.

BUYERS' WORK ACTIVITIES

Typical work activities can vary according to the season, particularly for those working in fashion. Out of season, the majority of the time will be spent in the workplace (in the office and on the shop floor). During the buying season, a significant amount of time will be spent away from the workplace in assembling a new collection of merchandise.

Throughout the year, tasks typically involve:

- Analyzing trends; regularly reviewing performance indicators with sales
- Managing plans for stock levels; reacting to change in demand and logistics

- Meeting suppliers and negotiating terms of contract
- Managing relationships with existing suppliers
- Sourcing new suppliers for future consumer demands
- Liaising with other departments within the organization to ensure projects are completed
- Attending trade fairs/trade shows, locally and abroad, to select and assemble a new collection of products
- Participating in promotional activities
- Finding time to interact with customers
- Writing reports and sales forecasts, and analyzing sales figures.

In my many years in retailing, the one thing that has been consistent, regardless of the company I have been working for, is

the buyers' lack of enthusiasm for writing reports, which are often handed in late, some incomplete, or worst of all, inaccurate. The main reason for this is that these buyers are not intimate enough with what is going on in their departments or areas of responsibility. As they are rarely on the selling floor, they do not have first-hand information on customer reaction to the merchandise and do not relish reading tedious computer-generated sales and profit analysis reports. The result is

that many reports are scantily done.



What many of these buyers have failed to understand is that poorly written reports connote poor job performance. How can management have confidence in buyers who cannot summarize their weekly or monthly trade clearly and cogently? Time spent in learning how to construct reports properly is time well spent. It will not only help you comprehend your business better, but will also signal to management that you are a professional, you know what is happening in your business, and can therefore recommend plans of action which will more than likely be accepted and supported.

Great influencers are always great communicators!



REQUIREMENTS FOR A BUYING CAREER

At one time in the retail industry, it was common for people to start at the very bottom of the ladder and make their way up, in some cases even to a senior management level. While there are still many such stories, this is no longer typical.

Today's buying hopeful must possess leadership, management and decision-making skills to meet the challenges of a career.

The following requirements are universal in the retail industry. The abilities listed are necessary for a successful buying career irrespective of the store's location. The bigger the market, the higher

the stakes and demands on the buyers to buy merchandise that will keep their store competitive.

As you progress through the book, you will find that most of the subjects are catering for stores that buy a very wide range of merchandise for many different store formats. However, those of you who are operating with specific brands only should also read on: the fact of the matter is that your brand is in heated competition with all the other retailers out there.

If you also think that you don't have much influence on the ranges that your principals are showing you, think again. You do, and in more ways than one.

Think of it this way: the retail market is like a great big jigsaw puzzle of the ocean. Each piece may look the same but each has its specific place. Buying merchandise is a bit like that—similar yet different, because each serves a specific customer requirement, desire and demand. Your job will be to find that piece and place it exactly where it's supposed to be ... on your shelves: if you anticipate that requirement, desire and demand, the piece will fit just perfectly.

THE 12 QUALIFICATIONS—QUALITIES—ABILITIES REQUIRED FOR A BUYING CAREER

1. Education

A college education—preferably a degree majoring in retail management, marketing or business administration, or a degree from a fashion merchandising school—is considered a must for a buying career. Liberal arts graduates who show interest in retailing can also be considered.

The reason for this is the amount of work involved in analyzing company reports, financial statements, inventory listings, open-to-buy positions, unit sales summaries, and so on.

There are some retailers who are willing to offer tuition and courses to further enhance the skills of their buyers or buyers-to-be. Investing in education is good for both company and staff, improving individual productivity and translating into better merchandising management.

We are all constantly on a learning curve. Even without a college degree, you can continually expand your knowledge.

I believe that this book can help you improve your current processes and inspire you to take a fresh look at the way you do things.

2. Enthusiasm

When retailers are faced with two candidates who have similar education and experience, it is the more enthusiastic candidate that is most likely to be hired.

A buyer needs to interact with assistant buyers, department managers, selling staff and back-end staff, and should have an enthusiastic attitude to motivate them in their jobs.

This same enthusiasm can be felt by customers thinking about making a purchase. In my experience, buyers who take time to talk to customers will most likely be the best at “guiding” them in their buying decisions. Customers are usually thrilled to have the opportunity to talk with the buyers, and share their ease or difficulties in finding the right products.

3. Analytical excellence

Buyers have constantly to make decisions on such things as colors, prices, styles and sizes. Without a solid analytical ability, their decisions are at risk of being faulty. Analytical excellence is vital for measuring and evaluating situations and trends, for forming sound judgments and for making the right decisions.

The first and best step in the decision-making process is to analyze sales and any other available data. Remember, though, the data can only reflect what is happening with the merchandise you have bought; it will say nothing on missed opportunities.

4. Ability to articulate

By the very nature of their job, buyers are continuously interacting with people, both inside and outside the company.

Internally, you need to be able to articulate well when you are requesting a bigger budget or making a merchandise presentation on ranges you propose to buy. Good communication is necessary with a buying assistant who helps you carry out delegated responsibilities, or with selling staff when you guide them in how to place the merchandise on the selling floor.

Externally, when visiting vendors, buyers have to clearly express their views on ranges, quantities and price, as well as negotiate the best terms possible. Articulation skills—spoken, written and, in many cases, drawn—are necessary tools of the trade.

5. Product and market knowledge

Buyers are required to have full information on the product portfolio for which they are responsible. Without it, it is not possible to evaluate whether the offering is the best available.

While vendors are a great source of information, great product intelligence can also be generated by trips to factories and buying agents.

With constant changes in merchandising and product lines, it is essential that buyers keep updating their knowledge on a regular basis. Good product knowledge makes a solid base of information on which buyers can make accurate decisions; which, in turn, helps maximize profits.

To ensure that the best possible merchandise or product is chosen for the store, buyers are required to be fully conversant with the wide selection of resources available. This includes where the best deals can be made, the best terms and conditions, the best deliveries and, if needed, exclusivity terms.

The buyer may select the best product, but if the vendor is known to have delivery problems, the goods might not prove to be successful sellers because they arrive later than planned, taking up precious OTB that might otherwise have been placed elsewhere. On-time vendors are just as important as best-buy vendors.

Buyers should have a set of basic requirements when dealing with new vendors from existing markets or vendors from new markets.



6. Objectivity

For a professional buyer, personal likes or preferences are of no importance; rather, what he/she anticipates will sell is what matters. It is the anticipated preferences of customers that form the selection criteria for the merchandise.

Whatever the product portfolio, objectivity must prevail. The choices and selections must be based on your store's customer profile, historical sales data, market sensitivities, trade paper forecasts, market representatives or any other objective sources.

Without total objectivity, the store may be left with shelves of unwanted merchandise rejected by the customers. These "rejects" cost money and ultimately reduce profits.

7. Forecasting

One of the more difficult tasks for buyers is to be able to predict the direction in which the consumers' merchandise preferences are heading. In-house forecasting formats or budget forms are available as tools to use within the budget guidelines set down by management, but the merchandise mix and variables are the buyer's responsibility.

Buyers purchasing staple items such as food, appliances, household items and the like are exposed to fewer risks than a fashion buyer. Fashion buyers are faced with many more, constantly changing, variables such as colors, trends and styles, and fabrics, which require an in-depth knowledge of the consumer profile and trends—together with a good dose of gut feeling thrown in—if forecasting is to be accurate.

Forecasting becomes even trickier when the buyer needs to buy six months or more in advance, taking the possible risk that the color emphasis may change in the interim. While past sales combined with fashion forecasters' predictions are helpful, the buyer always needs to exercise sound judgment.

8. Dedication

Working long, irregular hours is typical for buyers. Buying trips where the day's orders need to be reviewed; vendor visits; fashion shows; market-week (a fixed period when all vendors show their new collections for the coming season, enabling buyers to make comparisons and vendors to assess the volume of production required)—all add up to long, full days, especially when the associated administrative work has to be completed as well.

Managing peak festive periods or season-end sales, where the buyers are required to be on the selling floor, or opening a new branch or store where stock deliveries and inventories need to be presented in the best possible manner are all part of a buyer's responsibilities.

Only the truly dedicated can endure these long days, and this is where the *passion for the job* makes or breaks an aspiring buyer.

9. Honesty/Integrity

This is one of the most important qualities that any retailer should seek in its buyers and merchandisers.

Wherever beautiful products are on display, the temptation to pilfer is high. To overcome this, many retailers offer high staff discounts.

There will always be people who will try to entice buyers to favor their products. This can be through offering a direct monetary bribe, goods in kind or lavish dinners and outings.

Call it what you like—bribe, backhander, sweetener, kickback—it's corruption all the same. How does it all start? Amongst experts on the subtle, sometimes manipulative, power of gifts views vary as to what constitutes a bribe. In the absence of explicit policies governing what is acceptable, individuals in positions of responsibility and trust can sometimes cross the line and become entangled—perhaps tragically—in questionable activities. However, even where there are no clear guidelines, there are usually tell-tale signs where something is amiss, if you pay attention. In some Asian countries, declining a gift may be considered rude; in most, however, there is a fine but perceptible line between politeness and bribery.

I hold the view that a gift becomes a bribe when something specific is expected in return. For buyers, this may entail buying higher quantities from the source, paying more for the goods or giving more space on the selling floor than the product deserves. I would suggest that, as a rule of thumb, a gift—in whatever shape or form—be considered a bribe whenever there is a condition attached to it. Learn to know the difference; otherwise you may jeopardize your reputation and your job.

It is not only morally wrong to engage in such practices but if/when caught, the likelihood of being thrown out of the industry is very high. Over the years, I have seen many bright buyers lose their job and their entire career in the retail industry because of this.

You should, therefore, never let anyone take advantage of you by putting you and your job in jeopardy. It is just not worth the pain that goes with losing everything you worked so hard for. You have to be constantly alert to this because, as someone once said: "Opportunity may knock only once, but temptation leans on the doorbell."

10. Time management

Time management is important if you are to juggle the multi-tasking that is required in a buyer's job. Many buyers fail on this one count alone. They find themselves stressed out and reports start to get sloppy and late.

Effective time management entails the ability to prioritize work to enable you to be more productive and clear-headed in managing your analytical reports, which then enables you to be more creative. Stress, on the other hand, will hamper your creative thinking, your communication and your health.

11. Appearance

The old saying "Never judge a book by its cover" doesn't hold true for a fashion buyer. They are expected to dress fashionably or, at least, very professionally. Buyers are business people who interact with customers, vendors or business associates most of the time, and being properly attired will make a good impression.

A well-groomed buyer serves as a role model for aspiring assistant buyers, department managers and sales associates.

12. Negotiation skills

Good negotiation skills are such an important and fundamental part of a buyer's job that I have dedicated a chapter to this subject. Chapter 15 outlines the eight golden rules of negotiation, how to negotiate favorable terms and the factors to be aware of when negotiating.

RETAIL RECRUITMENT ADS

The following examples illustrate the qualities, qualifications and abilities retailers seek when looking for a new candidate to fill a buyer or merchandise manager's position. The first example is from Macy's (USA) website.

Job description for a buyer



Job overview

Maximizes sales and profitability of a given area of business through the development and implementation of a strategy, analysis and appropriate reaction to sales trend. Lends overall support to the company sales, gross margin, and turnover objectives.

Core responsibilities

- Train, motivate and develop team to ensure effective performance and growth through consistent on-the-job training.
- Establish department direction and priorities, and communicate effectively to merchant team.
- Develop and execute seasonal merchandise plans and pricing strategies.
- Complete accurate forecasts evaluating financial components based on current trends, and accumulate information leading up to future events that will

have an impact on the business, specifically events that may influence the general cost of living or changes in people's lifestyle.

- Develop assortment plans which support the departmental goals and key item focus.
- Profile target customer to ensure customer satisfaction.
- Partner with the planner on the development of assortment plans.
- Manage vendor performance to maximize profitability and achieve financial objectives.
- Communicate with Macy's Merchandising Group for direction and recommendations to maximize division performance.
- Determine marketing plans and promotional calendar.
- Reconcile marketing plans with assortment and financial plans.
- Develop visual presentation guidelines for the stores to support seasonal strategies.
- Maintain collaborative partnerships and negotiate effectively with vendors and internal colleagues.

Skill summary

- Minimum of 1-2 years' prior buying experience in a department store or specialty store environment.
- Experience with planning, forecasting and allocation.
- Strong analytical and PC skills.

- Strong negotiation skills.
- Sense of urgency.
- Excellent written and verbal communication skills.
- Ability to develop, plan and execute strategies.
- Ability to deal effectively with all levels of management.



Job description for a merchandising manager

Job overview

Responsible for developing strategies to maximize business performance and profitability, promotional strategies, competitively dominant merchandise assortments, by business profit maximization, and customer satisfaction by meeting demographic needs. Oversees the execution of merchandise selection and procurement for related families of business. Sets the merchandise direction to ensure a focused continuity on the selling floor across families of business.

Key accountabilities

- Manage, coach and develop buying staff.
- Foster an environment that promotes personal development of divisional merchandise manager (DMM), buyers and their businesses. Build and maintain high morale amongst entire buying team and personally set the example for development.
- Set the overall strategy and merchandise direction for a pyramid of businesses.
- Direct DMMs to develop assortments that support the needs of the customer and the financial objectives of the merchandise division.
- Ensure that pricing, promotional strategies and marketing support the financial objectives of the merchandise group.
- Work with the planning organization to develop assortment plans that support overall strategy of in-stock positioning for key merchandise categories, important merchandise classifications and key vendors.
- Work with the General Manager Merchandising to strengthen market relationships and knowledge of market trends, strengths and weaknesses.
- Understand competitors' strengths, weaknesses and strategies.
- Facilitate and promote timely communication and cooperation between stores, merchandising functions and resources to accomplish sales, margin and service objectives.

- Support buying staff with the vendor community to ensure that Macy's, Inc. obtains merchandise exclusives, product launches, best deliveries, and the desired sales, turnover and margin plans.
- Establish department direction and priorities, and communicate effectively to merchant team.

Skill summary

- Successful completion of multiple buying and/or management assignments in a full-line department store, or equivalent.
- Strong leadership profile.
- Highly organized and have the ability to adapt to quickly changing priorities.
- Excellent written and verbal communication skills.
- Strong negotiation skills.
- Ability to work well with all levels of management, build partnerships and direct teams.
- Ability to develop and empower a team.

RETAIL JOB SEARCHES

There are several avenues open to someone looking for a job in retail, including visiting the websites of big retailers to check their current job availability, as illustrated above; checking newspaper recruitment ads; and contacting specialist recruitment agencies.

Recruitment agencies have the advantage of having a retail client base for which they source talent. They are well versed in their clients' company profiles and the types of future employees they are seeking. The disadvantage, especially for someone starting a career