

BACK 2 BUSINESS CHECKLIST

MERCHANDISING: Worksheet #1

General Merchandising Considerations

As a result of COVID, changes in consumer behavior have been recognized and more are anticipated. It's very likely that you'll need to evaluate your pre-COVID merchandising mix, as the pandemic has triggered changing consumer motivators and behaviors. Consider making adjustments to your vendor lineups, product selections and overall strategy to best position your company to serve consumers in the "new normal."

Evaluate your vendor mix.

- Consider consolidating your brand selection:** Challenges are anticipated in the manufacturer supply chain, and financial impacts from the pandemic may put pressure on your lines of credit and purchase scope. Consider if consolidation to a more refined brand mix could yield benefits.

Evaluate the performance of your assortment. Consumer motivation and behavior may cause shifts in the viability and profitability of your current assortment.

- Identify slower-moving and less-profitable products you can reduce in your assortment.**
- Use the reductions above to support new faster-selling, higher-demand products.**
 - Freezers
 - Top-mount refrigeration
 - Connected home products (such as those from Google Nest)
 - Grills and outdoor products
 - TechSupport

Inspect your in-store demonstrations. As consumer traffic in your store resumes or increases due to the relaxation of government restrictions, ensuring your sales floor is ready to go should be a top priority.

- Reposition any needed categories to a more prominent area of the store, if appropriate.** Changes in consumer behavior may create more demand for products that previously were not in high-priority locations on your floor. Consider highlighting high-demand categories (cleaning, freezers, etc.) in highly visible areas.
- Ensure all displays, demonstration areas and products are clean.** Cleanliness will be paramount, so consider initial and multiple daily cleanings to keep displays fresh and clean.
- Ensure all live demonstration units are fully functional.** Now, more than ever, consumers will be seeking an efficient shopping experience. However, product demos will remain key. Make sure all live demos are working properly each day.
- Make sure your go-to models are ready.** Consider regular verification that your go-to models (Nationwide Local Advantage models, sales drivers, etc.) are on display and properly highlighted.

Keep a close eye on current key vendor promotions and specials.

- Two major durable goods promotional events are on the horizon (Memorial Day and July 4th), so make sure you stay up to date on the latest offers and promotions, and are merchandised to take full advantage of these special opportunities.
- NMG Members can monitor the existing and any added promotions or specials via MemberNet.

Stock up on your top-selling products now. Fluctuating prices, based on inconsistent demand and inventory challenges, are anticipated, so stock up on top-selling products when they're available at pricing that fits your merchandising strategy. You may wish to have more on-hand inventory of these top sellers for the near term to prevent any lost sales due to challenges in securing inventory going forward.

