

Store Management: Stop Me or I Will Drive By How to Become a Destination Location By [Mark Horne](#)

“If you are not known for something, you will be remembered for nothing.” A few days ago on my weekly walk through the village where I live, I noticed a closed store I have walked by every week for some 15 years. I don’t think I ever walked into the store and for a moment, I had trouble remembering what business was there. To become a destination location, you must strive to be a best-in-class retailer by developing destination categories and stocking destination products.

1. **Focus** your attention on high consumer demand categories. You can’t be known as the “Stomach Acid Location” by carrying the largest selection of antacids. No matter how much stock, nor how much space you allocate nor how much you advertise, it won’t do any good. That said: you need to add products that have high demand and are the purpose of a trip, not impulse items. Examples of destination categories are Tobacco, Beer, Foodservice products to name just a few.
2. Within destination categories you need to **feature** the most **popular products** within those categories to drive traffic.
3. **Expand** your **selection** (breadth) to carry additional SKUs within destination categories. Increasing your inventory gives you the opportunity to get the reputation of a one-stop shop for most all products within the category.
4. Grow your sales by **offering quantity discounts** within your categories. For example, in addition to bottled water in the cooler, you should be selling and displaying cases of water at discount prices. Offering two-for and three-for prices are another example.
5. **Allocate space** according to sales not based on manufacturer rebates. Businesses that chase rebates instead of sales misappropriate space at the cost of sales coming in the front door. The additional margin will not offset the lost sales opportunity. In addition rebates do not create related or impulse sales.
6. “**Stack it high**, watch it fly, stack it low, it won’t go.” You need to have people look at a display and go WOW! If they don’t see a large display of products you won’t gain additional sales. You have to look like a retailer. Successful retailers build large displays. Look at your grocery competitors.
7. **Get rid of non-selling inventory** and replace with fast moving products. Most stores I have consulted with have had products that have been there 3 years or more. I call this “Just-In-Case inventory management instead of Just-In-Time inventory. You can’t stock products that don’t turn at least quarterly.
8. **Increase your total inventory**. Most stores are under-inventoried by as much as 25%. You can’t sell from empty shelves.
9. **Establish build-to inventory levels** and refill your inventory more frequently to these levels. It keeps products fresh and keeps you from over-stocking the store.
10. **Price every product** in the store with either shelf tags or on the item. It costs you sales when customers can’t figure out the price of products.

[Mark Horne](#) is a senior consultant with [LJT Management Services Inc.](#) For over 20 years LJT has consulted Convenience Store chains, individual operators and oil companies to improve sales and operations. To contact LJT Management: info@ljtusa.com