

PMP Sales

Powerful Sales with Personal Commitment

in collaboration with

tango
MEDIA
MANAGEMENT

present

How a Restructuring Sale Generates Profit and Improves Business Performance

The purpose, potential, and profitability of a process
designed to reinvigorate independent furniture retailers in America

re·struc·tur·ing

rē'strək(t)SHəriNG/

noun: a reorganization of a company with a view to achieving greater efficiency and profit, or to adapt to a changing market.



Every retail operation can improve aspects of its business to increase profit. Some improvements present themselves as a challenging and long-term commitment, others can be instituted easily and immediately. In the end, the result of purposeful and managed improvements generates additional revenue and profit. A Restructuring Sale delivers accelerated revenue, a retooled business model, and a retrained and motivated staff. The PMP Sales process surrounding a Restructuring Sale event results in improvements such as:

- Surplus cash flow that can help set the retail organization up for continued success in its current environment
- Customer relationship management strategies created or strengthened
- Higher closing ratios, larger gross profit margins, and reduced overhead
- Educated, trained, engaged and motivated sales staff
- Merchandise selection responsive to the local community demand trends

What does conducting a “**Restructuring Sale**” involve?

The process begins with a deep dive into your business...



PMP Sales seeks to understand your past to help clarify what is happening in the present, so that we can determine a successful path into the future. Our initial analysis looks at key indicators of health, strengths and weaknesses in the following areas:

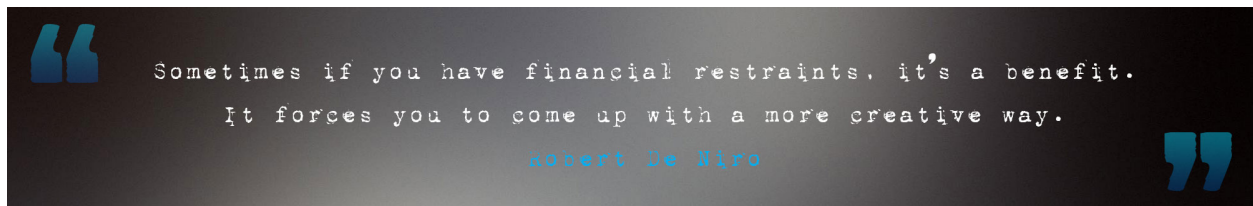
1. Financials/Overhead
2. Merchandising
 - a. Vendor and Brand Relationships
 - b. Floor Display and Pricing
3. Marketing and Advertising
 - a. Surrounding Demographics vs. Target Market
 - b. Competitive Environment
 - c. Media Landscape
4. Personnel & Sales Staff
5. Sales Capacity
6. Business Plan

Analysis is critical and follows a similar process to an intensive doctor visit. The doctor asks questions, then asks more qualifying and exploratory questions, and then analyzes the data collected to determine the illness and how to best treat it.

PMP Sales spends time identifying your store's unique strengths and opportunities, and then recommends ways to strengthen the advantages while solving the weak areas. We then create an overall action plan that includes steps to be implemented before, during, and after a Restructuring Sale event.

An effective action plan establishes long-term goals and short-term actions to efficiently ensure a correctly-focused effort dedicated to dramatically driving growth, revenue and profitability. Long-term goals of a retailer most likely include a financially secure business that can be passed down through the generations. Short-term actions include preparing a store for a Restructuring Sale and implementing changes that will ensure the store's health after the completion of the 8 to 12 week event.

Financials/Overhead



During the past three decades, PMP Sales has partnered with hundreds of retail operations and recognizes that most stores do many things well. Many stores need assistance to improve a few key areas that will help them get back on track. Careful analysis of business operations can identify areas of strength that can be leveraged while improving other areas that currently drain precious profit.

For some stores, financial leaks come in the form of excess warehouse space, quite often filled with stale, overstocked inventory. For other stores, leaks manifest as an inefficient payroll structure, or expensive under-performing advertising, or unchecked product-buying habits, or a large, untouched and disengaged customer base in the community.

Many stores have struggled for so long without help, and sadly they now have accumulated an unmanageable burden of debt. The financial pressure builds to a point that the owner feels powerless - too tired to move forward, too trapped to back out.

Retailer's strengths come in the form of location, reputation, years in business, specialty products and/or services, personnel, vendor resources, etc.

Through deep analysis, PMP Sales uncovers the elements that require attention to take each store's unique situation to a new level of financial freedom. Correcting a few key behaviors positively impacts others and results in overall operational improvement. Leveraging strengths, improving weaknesses within a managed and focused process results in increased revenue and profitability.

Together, the retailer and PMP Sales develop an improvement plan that includes an intensive "Restructuring Sale" event. During the event, PMP Sales puts into practice its recommendations and suggestions, while highly-trained and experienced PMP Sales specialists work alongside the store's owner and staff teaching, training and implementing required changes, so that the store experiences a successful Restructuring Sale event while learning the skills to continue operating successfully and profitably after the event.

Merchandising



As a regular attendee at all the major market trade shows, PMP Sales stays current on all home furnishing trends, and maintains active relationships with vendors offering the best value for the right merchandise.

Depending on a store's situation, a retailer may need to augment their inventory prior to running a promotion. In some cases, this step is saved for after the promotion, to replace the old inventory that was just cleared out.

In either case, PMP Sales provides guidance and knowledge to the retailer as they navigate the crucially important and challenging task of choosing the right furniture for the families and homes of their community.

PMP Sales uses the retailer's existing resources whenever possible, but also maintains relationships with hundreds of vendors. We can strengthen a retailer's ability to offer financing, consignment, better values and discount solutions. Many of our clients form new relationships with these vendors and continue to benefit on the bottom line as a result.

In addition to the right selection of merchandise, floor display is a secret ingredient to a successful promotion. Our Project Managers are expert at arranging and tagging a showroom to create urgency and a system of getting sales closed during the event.

Marketing and Advertising



There's so much truth in the old adage, "You had to be there..." PMP Sales takes personal commitment seriously. We believe that to properly gauge the environment in which a promotion will be held, we must actually put ourselves there.

As part of our initial analysis, PMP Sales will often arrive on-site to scope out the surroundings. This gives us the opportunity to evaluate the area's demographics compared to the store's current target market. We also use this time to shop the competition, and to analyze the local media landscape. The collected information helps us create a skeleton proposal of best advertising methods for the retailer's store.

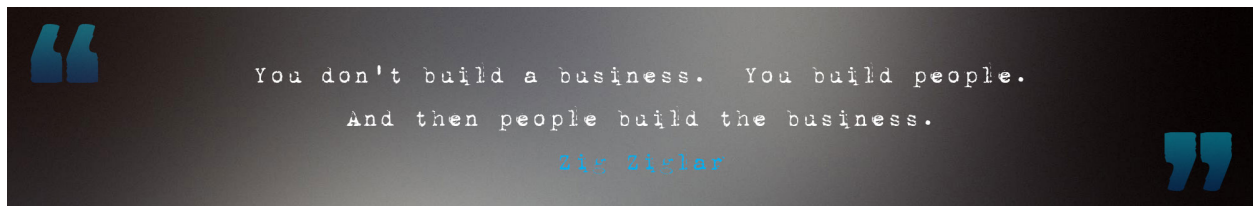
Meanwhile, our advertising department, in conjunction with our talented media partners, perform additional and intensive research on the retailer's behalf to prepare a full advertising campaign for the promotion, custom built for that particular store. The campaign takes into account all the factors collected on site, objectives of the business, input from the owner, research, and budgeting allowances.

As with all our processes, the Advertising Campaign is completely transparent and subject to the owner's approval. Nothing goes to press without owner approval. Open communication is maintained between the owner and our Advertising Department before, during and after the promotion.

PMP Sales takes advantage of group-buying discounts and passes those directly on to our clients. Retailers save 20%-50% on advertising costs such as signage, direct mail, and TV/Radio production. They spend less on agency fees (only 10% compared to the standard 15%) for TV, Radio, Digital, and all graphic design is not only high-quality customized work, but completely free to our clients.

Through our experience we have witnessed that the community responds best to a retail promotion when they are told the truth. The message contained in the advertising will translate the truth of a retailer's situation into the most powerful, effective, and positive light as possible. PMP Sales protects our client's reputations as an integral part to setting them up for continued success after the Restructuring Sale, and in to the future.

Personnel & Sales Staff



When we analyze the area of personnel and sales staff, we look for answers to many questions, including these:

- Is the store's staff properly trained and educated on their roles within the business process and plan?
- Are the sales people motivated, excited, quietly confident, engaging, likable?
- Do they recognize the value of long-term relationship building, of appropriate consultative selling?
- Do they know how to effectively and comfortably close a sale?
- Do they know what they can say, how to say it, and have they customized the concepts into their own style using their own language and way of speaking?
- Do they practice and study? When was the last sales training session? When was the last time they trained with an outside trainer? Ever?

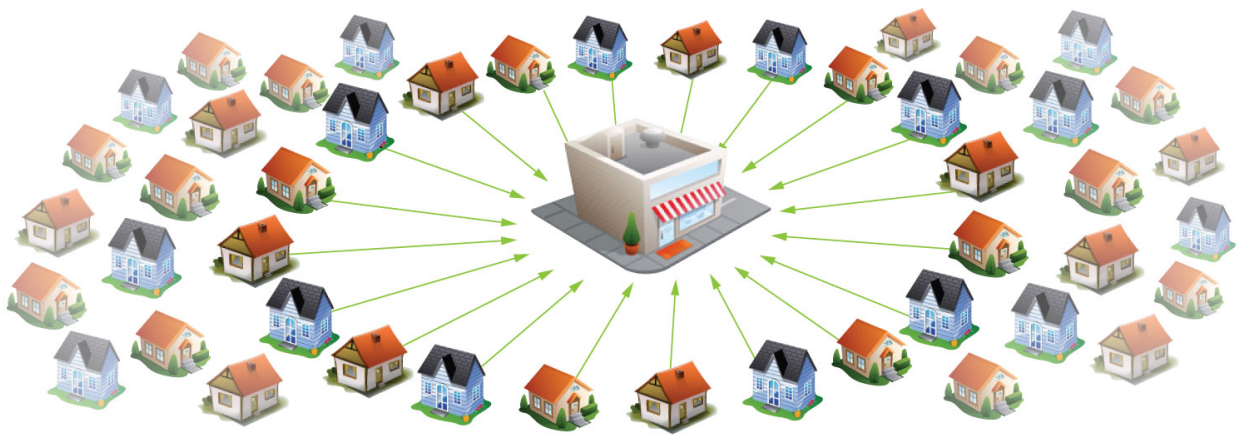
A motivated, educated, trained and engaged sales staff will drive incremental revenue and profitability. For the length of the Restructuring Sale event, PMP Sales will provide your store with qualified, experienced and talented personnel who will collaborate with your staff - teaching and training them how to incorporate the changes needed for success.

After the 8 to 12 week experience, you will have accelerated revenue and a revamped business concept built on successful behaviors and strategies upon which your team will be able to maintain and grow into the future.

Sales Capacity



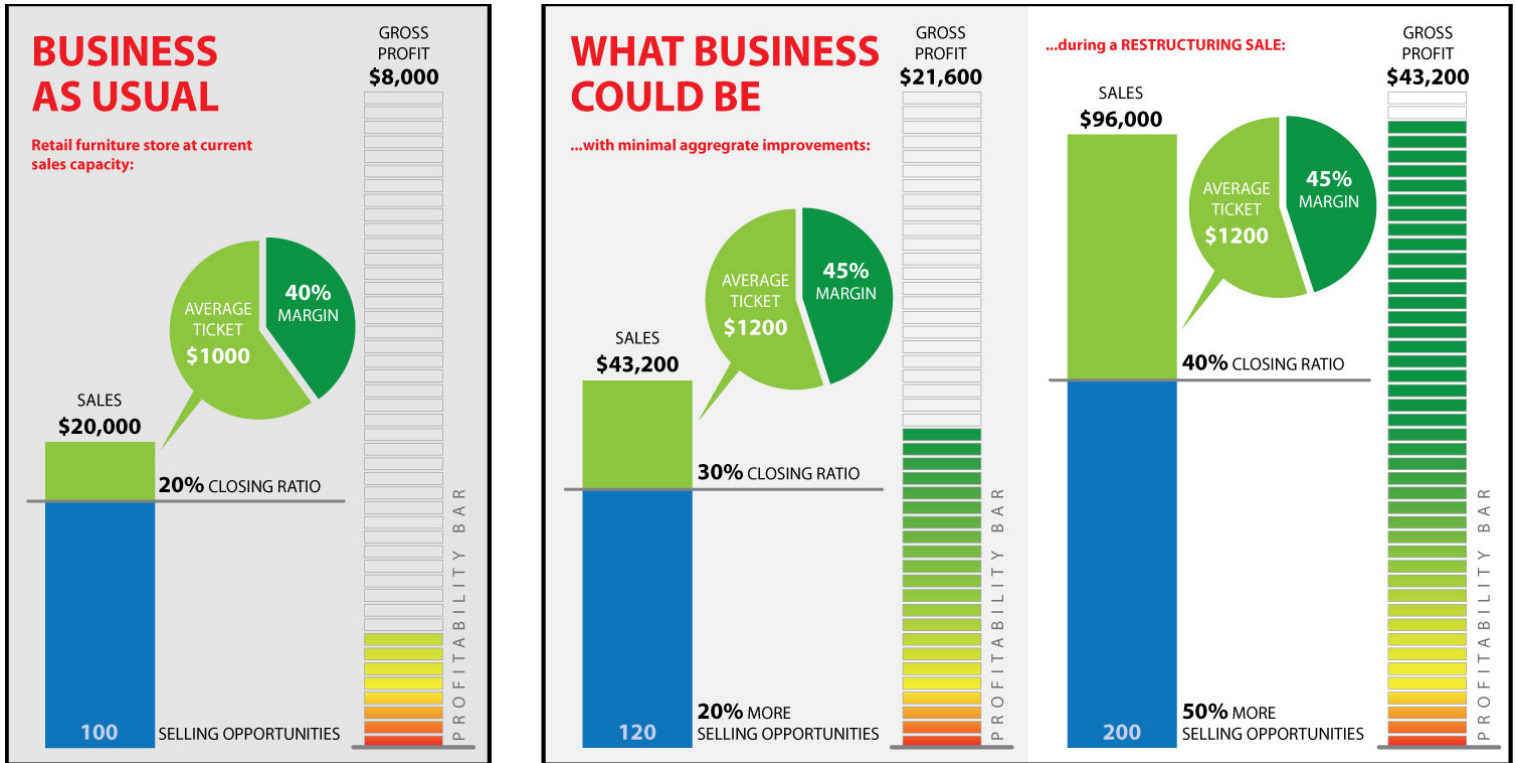
The average US household spends more than \$2,000 per year in home furnishings, according to the US Census. Take a look at your community and surrounding neighborhoods. How many homes are within a 10-mile radius? How about a 20-mile radius? Find 50,000 nearby homes and you will find \$100,000,000 being spent each year on home furnishings. You probably need just a little more of that spent in your business in order to achieve your goals. There is massive opportunity within easy driving distance to your store, and we know how to help you get your share.



A visitor to the store is someone with the intention of buying. The minute they park their car in the parking lot identifies them as a potential customer. The sales process begins with a business' marketing and advertising programs, and continues through the delivery of that purchased item into the customer's home, and beyond.

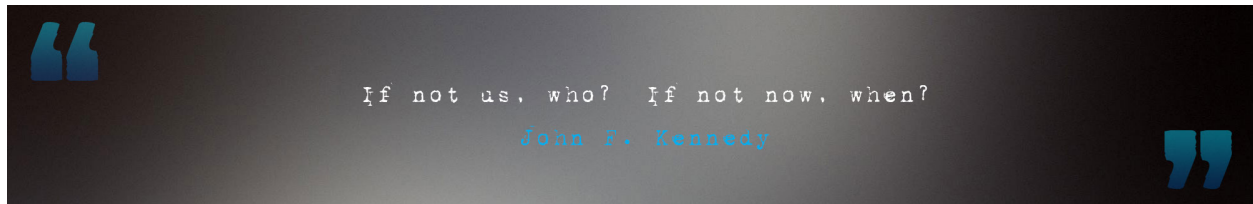
However, there is a moment of truth. The moment when the customer exchanges money for a product and service. Most often, this occurs in the store between a representative of the store and the customer. What is the sales process surrounding that moment of truth - the exchange of money? How can this be improved?

If a store's closing ratio is 20%, then what would the impact of an improvement up to 30% in the staff's ability to close the purchase? Then, consider the impact of 20% more selling opportunities. Also, what happens if each sale generates an additional 20% in revenue on products that have 5% better margins, purchased with 10% better terms?



Even modest improvements result in massive revenue growth and significant increase in profitability. If minimal aggregate improvements like the ones shown here produce such remarkable results, imagine what a full scale Restructuring Sale event would do!

Business Planning for Continued Success



A Restructuring Sale event with PMP Sales focuses on immediate operational and revenue improvement, while assisting a store to redevelop their business plan and vision. The process redirects the store to success long into the future.

Independent retailers either in financial crisis or ones simply wanting to improve their operations work with PMP Sales during this short-term and intensive program.

Change in ownership, retirement, economic conditions, community changes - the reasons that revenue is not adequate to meet expenses - let alone generate a profit - are endless and often unique. Stores that were once successful, yet still rely on old systems of operation, find profitability a far away concept. The business needs an infusion of cash, a new concept to begin making money again, and a strategy to continue being a profitable business.

The action plan that PMP Sales presents to a client will provide solutions to immediately improve operations and attain short-term goals. The Restructuring Sale event will put these plans and recommendations into action, with our experts showing and teaching the owner and staff along the way. At the conclusion of the program, the store will have undergone an evolution in ways that will be self-sustaining, will have better cash flow and will be on its way to long-term profitability.

The best part about a Restructuring Sale is that a retailer actually **makes money** while instituting improvements and gaining knowledge, instead of the other way around! The promotion not only pays for itself and PMP Sales' involvement, it also generates additional money in your pocket.

Conclusion

PMP Sales is dedicated to helping the independent retailer improve business. We become your partner and help you identify, understand, plan and implement improvements that will result in a stronger operation, revenue increases and profitability. We mention profitability often. Profitability represents the ultimate result in the theories and practices of effective retail operations. We deliver profitability.

We require no money upfront, our services extend beyond other promotion companies, and we are paid strictly on commission of the sales made under our strategy umbrella.

The first step is a **free consultation** with us that will allow us to get started on helping your business grow and become more profitable.

Questions or comments? . Please drop me a line at ron@pmpsalesusa.com