

## Creative Retail Marketing with Limited Space

**Primary Goal** - to generate additional non-lodging revenue with limited space, time, and inventory investment.

### *Setting Up Shop - Creating Your Retail Space*

- **Soft approach** to retail is a better fit with our industry. Pushy sales approach negates the comfortable, hospitable feeling you are hoping to provide. Avoid putting signs and price tags on the room items (that's pushy). They will easily discover these items in your retail area.
- **Location of retail area** is key. Ours is right next to the checkout location. \*\* Upon check-out /paying their bill, they will remember to purchase items they have been interested in during their visit.
- **Convenient access** to retail space throughout a guest visit is beneficial. Our retail space is never closed or locked up. It is open and available for browsing 24 / 7. This allows them to casually wander over and spend time browsing multiple times during their visit, day or night. \*\* It also makes it easy for one person to make a surprise gift purchase without the other person seeing it. Purchases are conveniently billed to guest room account (unless preferred otherwise)
- **Lighting is key.** Depending on the location, you can't be too bold with lighting. But you do need decent lighting for your display area. We use softer led lighting under shelf style lighting as much as possible. There are plenty of options to try.
- No need to forfeit valuable guest spaces or common spaces - even a small space can generate good results.
- Years ago, we had a gift "closet" - literally - a closet. Added shelves on 3 sides & displayed retail items in this little nook.
- Needing more space, we converted a high traffic hallway into a Gift Gallery that yields approx. \$25,000 / year. This hall area is furnished with tall open cabinets, hutches, and bookshelves. We also converted an unused doorway into an additional display space.
- Back to location - all guests pass through this hall area several times throughout their stay. Their exposure to the gallery is subtle, yet easily eye-catching.
- **Don't forget the wall space!** This hall area can also display art items (consider local art works on consignment)

## *What sells best? How to choose merchandise*

### *Room experiences boost sales*

**FACT:** Guests often purchase what they use & experience during their stay. Your guest room can showcase some items that you offer for sale. The following items are successful in our gift gallery:

- We sell a **TON** of our pillows (both standard & king size).
- Towels - our guests love our towels, so we sell them in sets, nicely wrapped & ready to go.
- Logo bathrobes
- Large sizes of our amenity line (body lotion / shampoo / conditioner / bar soap).
- BIG seller - Our RHI signature rabbit. Each room has a resident Harry the Rabbit. During their stay, this little guy is full of daily surprises. As a result, guests NEED to bring home their own Harry. And there he is, sitting in the gallery, waiting to go home with them. This is clearly an "experience" inspired purchase.
- Bedding is a popular seller. Although we do not sell bedding, many innkeepers do (Comphy sheets has a great sales program). If you feature specialty spa products in your room - sell them!

### *Memorable merchandise - help guests remember their visit*

**FACT:** Guests want to take a piece of you home with them. Keepsake items are hugely popular. Offer items that appeal to the sentimental side - reminding them of their amazing visit. Consider these:

- Most popular - custom hand painted ornaments. We offer a variety of styles. Guests will often purchase a different one at each visit. Your inn will hold a special place on their Christmas tree every year (a sweet reminder to return).
- Logo it! A variety of glassware / mugs / coasters / tote bags sell well & are a constant reminder of your property.
- Logo Apparel - You are not a mall - space it tight. Choose 1-3 items. If you offer sizes, you can display a few and keep the size options elsewhere for you to grab quickly. If you wish to avoid too much inventory, consider just one signature color. Choose apparel options that are unisex. Baseball caps are good selling one-size-fits-all item.

### *Additional merchandise to consider*

**FACT:** Guests often purchase gifts for others. Offer as much variety as space allows.

- **Consider items that connect with the theme of your inn.** We offer a few "rabbit themed" items that speak to the name of the inn. If you serve high tea - offer tea cups, or a particular tea pot. If you feature a particular artisan coffee or a particular locally sourced preserve at breakfast? Sell it.
- **Don't forget the kids!** We are an adult-only property. But our guests are always bringing something back to their kids, grandkids, etc. Babymooners leave with a plush bunny for the expected little one.
- **Again - USE THE WALLS!** Connect with a few local artists or photographers. Offer to sell their work on consignment (no cost to you). When agreeing on your percentage of sale price, remember that you are paying sales tax and credit card fees.

## Things to keep in mind

- **Size matters** - Keep many of your items to a "travel friendly" size. Luggage space is at a premium. Guests must choose wisely - but they WANT to buy stuff!
- **Consider offering to ship items.** If you choose to offer this option, **be sure to post this in your retail area.** Guests will take this into consideration when making buying decisions.
- **Make it nice.** Always have fresh tissue & bags for purchases. It doesn't need to be fancy & custom printed. Just a simple paper or plastic bag works. **ULINE.com is a great resource for packaging.**
- **Do not sell the same items that are found in nearby shops.** Guests are shopping around you. Keep your small inventory unique. And do not go to a local discount/Dollar store for "trinkets" and then re-sell them (just don't).
- **Edibles - This can be a challenge.** Shelf life can be an issue. Proper temperature can be an issue. Delicate locally crafted chocolates, etc., must be sold by a specific date & stored at consistent temperatures (avoiding direct sunlight, etc. When items are past date or compromised, you take the loss. **HOWEVER** - teas, coffees, preserves, etc. are hearty stock. Maple syrup works well for us in Vermont.

## Where to shop for merchandise? LOTS of resources to explore!

- **Great vendors at the AIHP Marketplace.** They know the industry & are anxious to help you with ideas.
- **Promotional Product companies** - They offer a wide variety of logo item options, including many lines of apparel. There are TONS of these around & online. **Choose wisely here. It's best to establish a personal relationship with a trusted company who takes the time to help you with good choices, good pricing, and provide samples.**
- **Shop local. Explore local crafters** - consider asking them to make custom items just for you.
- Keep your eyes open for ideas. As you travel or shop in distant areas, take pictures of items that interest you. Take pictures of the company info so you can contact them.
- **Regional wholesale reps** - They represent a variety of product lines & are usually willing to visit you to discuss their items. Local shopkeepers may be willing to share their rep info with you.
- **Gift Shows / Retailer Trade shows** - This is a HUGE one-stop-shop wholesale product experience. 100's & 100's of wholesalers displaying products in a single "shopping madness" venue. They are held across the USA. For a master list of all the shows, go to **www.wholesalecentral.com** (Click on Trade Shows). There may be one coming near you!

- Explore **online wholesale B2B Marketplaces**. Right from home, explore this HUGE shopping venue where you can view several wholesale catalogs from 100's of companies. A popular marketplace site is **www.shopzio.com**. Simply set up an account, shop from MANY catalogs, and purchase all from one site.
- Another convenient online resource is **www.wholesale.com**. This is a **major directory of ENDLESS wholesale outlets** that may inspire you & provide you with info to connect directly with companies.

### **To get started - A few companies to consider:**

- **Deneen Pottery** (www.deneenpottery.com) AIHP Partner. Fantastic custom pottery products. We have worked with them for 20+ years.
- **Lake Pointe / DNJ Specialties** (www.lpointe.com) AIHP Partner. Custom products & logo products
- **OMO Specialties** (www.OMOspecialties.com) Located in New Hampshire. Fantastic personal service / **Apparel & logo everything** / Great pricing. I have worked with Jen for many years. She will find what you want and offer plenty of ideas.
- **DejaBrewUSA** (www.dejabrewUSA.com). Custom Glassware / drinkware. Offers a wide variety of drinkware lines, good service, good pricing. They are in Fairport, New York. I have worked with them since 2011 - **all kinds of custom etched & imprinted glassware**.
- **Hestia Creations** (www.hestiaproducts.com). Custom designed ornaments & keepsake products. Has worked w/ the inn industry for many years. Unique items & great service. Located in Marblehead, MA.
- Online wholesale multi-line resources: [www.Shopzio.com](http://www.Shopzio.com) or [www.Giftwaresales.com](http://www.Giftwaresales.com)

### **Things to keep in mind**

- **File for a Tax-Exempt ID**. This may be required to establish an account with a wholesale company.
- **Pricing** - Double your cost is standard practice. **If your shipping costs are exorbitant**, you may want to consider adding a slight addition to the price to help offset that expense.
- **Keep the area clean & dust free**. It sounds obvious but can easily be a forgotten area. Dusty stuff doesn't sell.