

INTURN

Guide:
6 Steps to Elevate Your Off-Price Business

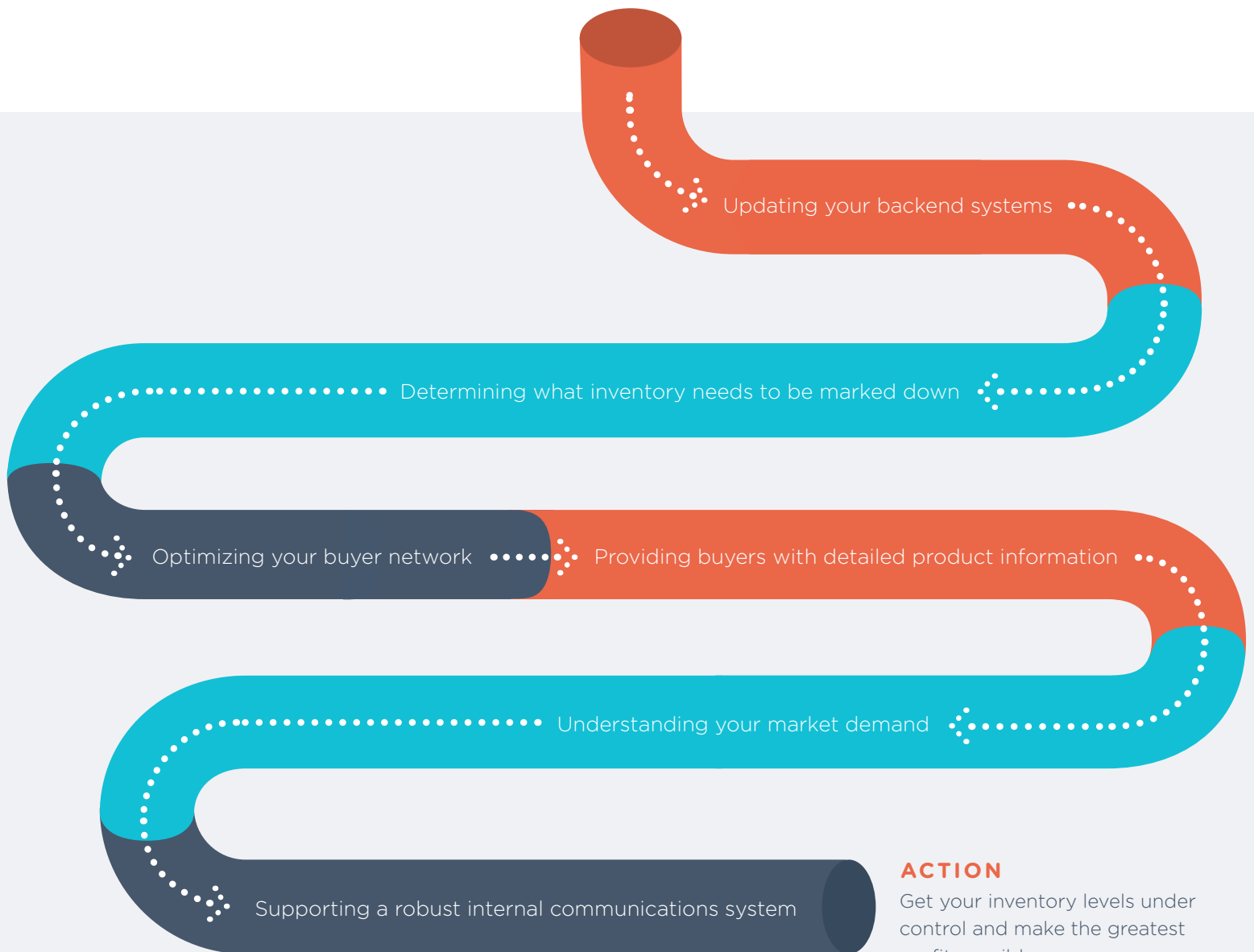


HIT YOUR MARGINS, NOT THE BARGAINS.

Where to start?

Don't just sell your product to buyers who will buy the most product. Instead, optimize the value of your inventory and hit your margins. Many companies are unsure where to start.

We have put together **6 simple steps** to help get you on your way.





STEP #1

Bringing your backend systems to the front

Odds are your systems and processes are the same as they have been the past 20 years, since Microsoft released Excel.

It all comes down to having a solid foundation and full visibility in both systems and workflow processes. Most companies ignore their internal backend systems that have seen limited innovation in decades. These legacy systems typically form the foundation of the company's operations.

Such legacy systems are:

- Inventory management
- Image management
- Markdown optimization
- Invoicing/PO



72% of all retailers are looking to update their systems.

Only 36% have a plan on how.

Updating your backend systems

ACTION

Update or replace your backend systems and operational processes to bring visibility and structure to your inventory tracking and overall off-price business performance.





STEP #2

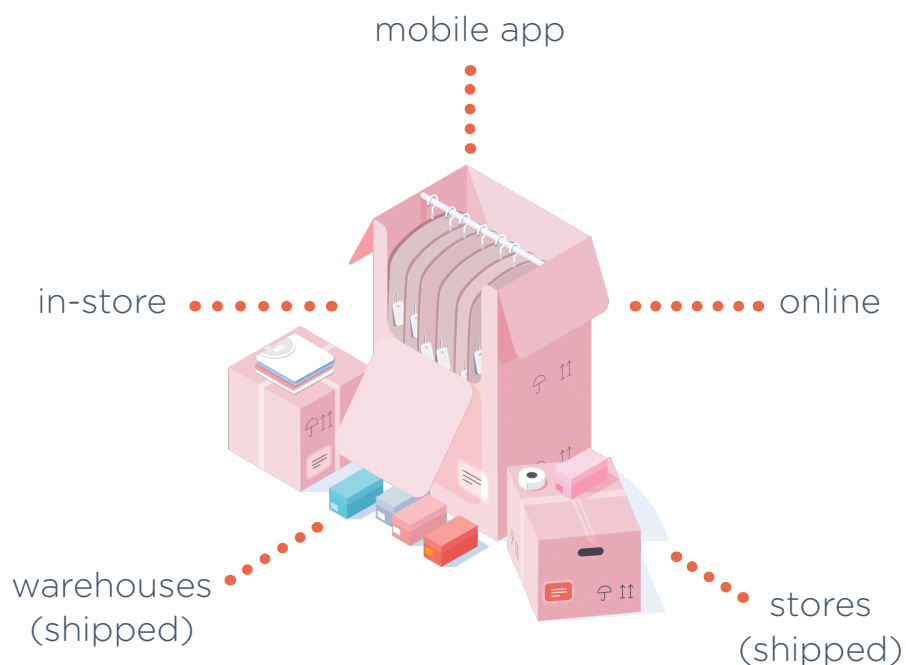
Determine what inventory needs to be marked down and sold

Products can be moved to multiple locations during their selling lifecycle due to haphazard returns, cancelled orders, and shipping changes brought on by new shopping technology.

Additionally, poor and incompatible reporting systems can cause further inventory miscalculations. Taking full stock of all products across wholesale,

retail, and e-commerce stores is crucial.

Catering to your customers' needs to drive sales cause products to be purchased, shipped, and returned across all channels—in-store, online, and through mobile applications, shipped from both stores and warehouses—in every combination possible.



Determining what inventory needs to be marked down and sold

ACTION

Get all of your reporting up-to-date and aggregated for each channel of purchase to give you a clear real-time view of the inventory situation and where your cash is tied up.





STEP #3

Identify optimal buyers for your off-price inventory

You want the right **buyers** for your varied **inventory** in the right **market** with the right **customers** at the right time. Each buyer is unique. They look to buy different merchandise for different types of customers selling at different price points and volume levels in different geographical locations.

The 'right' buyer may not be the one with the highest market demand for the product. There are many other factors to consider.



Some buyers can be difficult to communicate with, holding up potential transactions that then lead to unnecessary losses, or they have a customer base that is not aligned with your brand.

Optimizing your buyer network

ACTION

Vet your current buyers, and reach out to new buyers in both domestic and global markets in order to sell your inventory with the highest profit margin.





STEP #4

Provide buyers with the most product information possible

Buyers who are blindly purchasing items based on only a description are likely paying a lower price for those items, not fully knowing what it is they are buying.

Buyers frequently have to Google style numbers to get more information on the products listed in the product listings sent to them. It's time to stop that.

The following information should be included in the product listings you send to buyers:

- Images
- Product descriptions
- Measurements
- Fabric content
- Material code
- Product origin
- Color code
- Country of origin



Providing buyers with detailed product information

ACTION

Aggregate and provide all available product information to buyers in a clear, comprehensive manner in order to increase buyer confidence and purchasing prices and enhance existing relationships.



Global apparel brands have demonstrated an **increase in recovery value of +50%** on product listings with rich content.

Multinational off-price retailers project they can **save 100 hours** per buyer per month with easy access to inventory offers rich with product data.

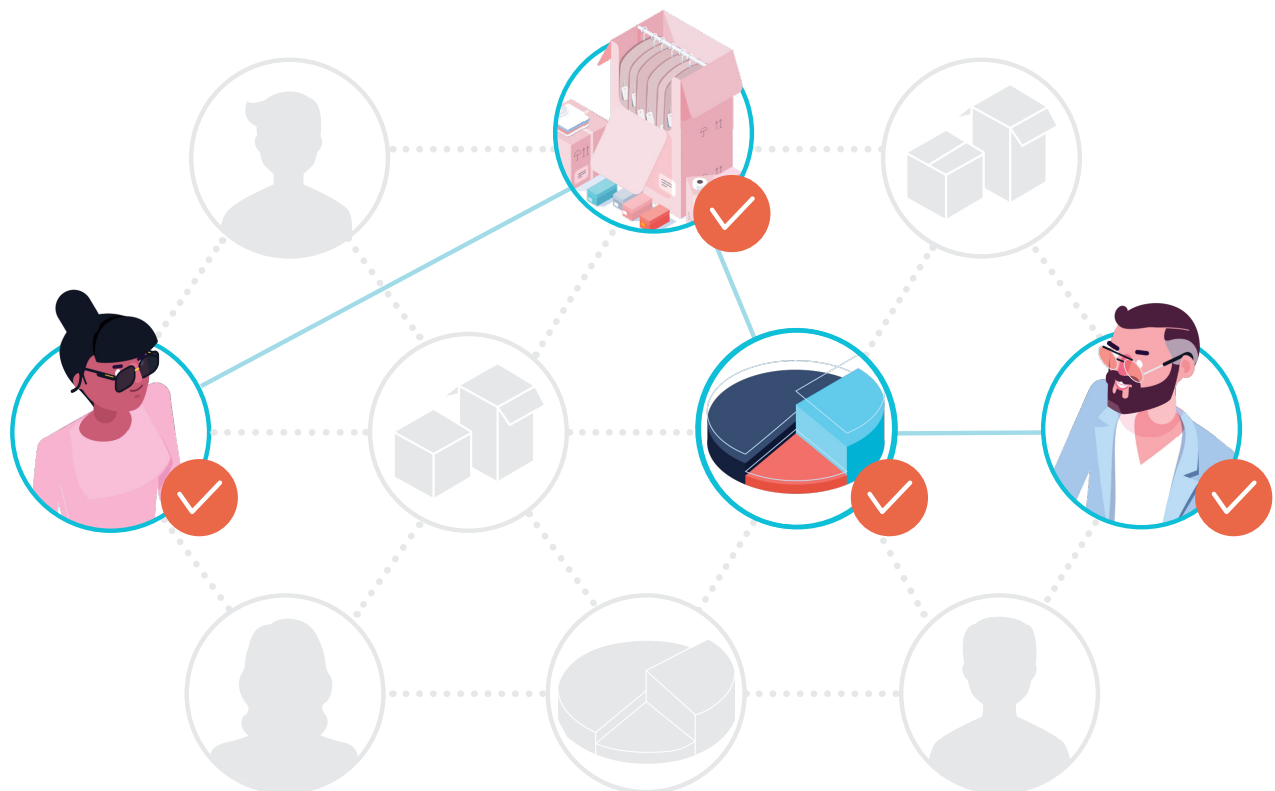


STEP #5

Assess market demand

All markets vary. Product type, demand, customer type, and selling price-points are all unique to individual markets whether they are domestic or international. Items that may be out-of-season or not in style in one area may not be in others.

Offers of merchandise curated for specific buyers in specific markets are more likely to have the product sell at a higher price, as buyers will be able to additionally sell it at a higher price to their end consumer.



Understanding your market demand

ACTION

Find the location and market where there is the highest demand for and lowest supply of your merchandise in order to sell your products at the highest price.



By curating product listings for specific markets, multinational brands have **reduced by 80% the time** off-price retailers spend on buying an assortment of goods.

Off-price retailers have **bought 25% more units** from these curated product listings.



STEP #6

Collaborate as a team

Implementing the strategies listed above requires an efficient team with strong internal communication.

All team members should have a good idea of each other's responsibilities. This way, you can work together to hit your sales goals and avoid mix-ups. Such confusion and lack of visibility can compromise a sale and even long-term relationships with buyers.

Additionally, having internal oversight and visibility will allow management to better understand the systems in place, benefiting the company through more informed decision-making from the top down. This sets your company up for growth.

Collaborative work saves both time and money.



Over 30% of employee work time is spent unknowingly **duplicating the work** of their colleagues.

*Kit Sims Taylor study, 1998.



Employees spend 2.5 hours (over 30%) of their workday **looking for existing company information**.

*The High Cost of Not Finding Information: An IDC White Paper

Supporting a robust internal communications system

ACTION

Improve teamwork and internal insight in order to create a streamlined and efficient process for turning over your inventory.



Conclusions

While high inventory levels seem impossible to manage, there are ways to lower those levels and have maximum recovery value to make up for the missed projections and low sales numbers.

By updating your backend systems, optimizing your buyer network, understanding your market demand, and providing buyers with detailed product information, all while supporting a robust internal communications system, you will be able to get your inventory levels under control and make the greatest profit possible.

Gain visibility of your inventory with INTURN

Manage and monetize your excess inventory, improve your cash flow with faster recovery times, and optimize and expand your buyer network for increased product visibility.



Online inventory management system



Selling and negotiation platform



Customized analytics and reporting



Team permissions and security system

INTURN



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