

Rack it or stack it?

According to a number of retailers, it takes both to make successful point-of-purchase displays in your store

BY ANDY LILIENTHAL

When your store receives product, you want to display it attractively. But there's more to merchandising than just making it look nice. Certain display methods work better than others for merchandising hobby products.

An integral part of retailing is the point-of-purchase (POP) display. These racks, displays and other fixtures are key elements in letting consumers see what's being sold. Chances are, if you have a product, there is a company that has, or will make, a POP

unit to fit. In some instances you may not even need specific shelving or racks.

Just as it's important to figure out what is selling, it's equally important to find out what display methods work at selling certain products.

We asked several retailers about their POP fixtures and which merchandising methods work best for them. Their answers might give ideas that may also work in your store.

Shelves and racks

Mike Brey, president of Laurel, Md.-based Hobby Works, says most retailers get one of two fixture catalogs, and sometimes both. One is from Store Supply Warehouse, the other from Retail Specialty Supplies. "We use those catalogs to get an idea of the different things that are available, but then we will usually seek out [a local company to buy from]."

Brey says he often gets better deals on fixtures by going through local shops. However, he points out items like small countertop wire racks are relatively inexpensive through catalogs.

Most large cities have fixture vendors; check your phone book or the Internet.

Sometimes you can find used items, too. District Manager Justin Mueller, of HobbyTown USA in Westminster, Colo., says many of the POP items in that store were purchased from other stores that were going out of business. Buying secondhand can frequently save you money, and often the units are in great shape.

Another route is to make your own displays. Tony and Mike Daicar, owners of Leading Edge Hobbies in Kingston, Ontario, had racks built specifically for their store.

"I think the best thing we did was design our own gondolas," Tony said. A friend of his came up with the plan, and the units were easily and inexpensively built from melamine and flatwall. Leading Edge uses them to display a multitude of products.

Stack it up and sell

A recurring theme from hobby retailers is that having a stack of product increases sales. The well-displayed pile may give the idea your store is stocked to the gills with product, which consumers seem to like.

For example, Tony Daicar said Leading Edge has what they like to call the "pile-o-trucks." At the time of the interview, the pile was made of Duratrax Warheads.

"Monster trucks are one of those things that, when you walk in and see a big pile of them ... people say 'Wow!'" he said.

HobbyTown's Mueller gives his take on the stacking theory: "R/C car boxes are pretty colorful and exciting to look at, so you stack them up and they look good."

It's not just R/C products that can benefit from the stacking display method. Bill Kleinschmidt, owner of ABC Hobbies in La Crosse, Wis., says stacking model kits can also benefit sales. He keeps a big stack of beginner-level kits by the store entrance,



Some of the most prominent displays in any hobby store are the eye-catching Woodland Scenics merchandisers.



K&S Engineering makes multiple merchandisers to identify and organize its metal products.

and says this particularly appeals to parents and young modelers.

L.R. Earl, owner of Earl's Hobby Hangar in Logan, Utah, said he's currently got a stack of Real Flight G3 flight simulators in his store, along with accessories such as mousepads.

Demo displays

Another way of merchandising your product is through demos. Even just having a video or DVD of the product in action can make a difference in sales.

"For example, the William Mark Corporation, the guy who makes all the little flying air toys; he had a very well-done DVD. You put it on a loop, put it on an end cap or near your point of sale, and your sales will quadruple," Mike Brey said. The evidence backs him up: one of his stores playing the DVD sell hundreds of Aeroprops, while another one sells hardly any.

L.R. Earl's store has a computer running the Real Flight G3 demo for people to try. "I had one guy come in the other day; he played with it for a little while, and came back and bought one," Earl said. "The guy said, 'I'm going to learn to fly this way!'"

Tony Daicar also believes in product demonstrations. When Leading Edge Hobbies bought a number of Blade CXs, E-flite included a demo unit.

"We bought 12, and we got one as a demo. When we fly that around — sold. When people come in and see it fly, they're like, 'that's way too cool' ... it totally sells them," he says.



Stacking items neatly has its benefits, too. It lets customers know the store not only has the product in stock, but also a lot of it, which retailers say helps sales.

POP near the POS

Placing items near your point-of-sale (POS) or cash registers can make them hot sellers. These are often low-cost, high-margin impulse items.

Pricing is important too, says Hobby-Town's Mueller: "If you get it up to more than \$10, it seems to hurt, and it's a little bit harder to push. Anything below \$10, we call them 'shut up' toys," items bought by parents to appease their children.

Often, these smaller items have a decent margin on them, too. Brey's rule of thumb with his counter merchandise is simple: no

low-margin items by the register. "It's got to be 50% margin stuff, or else we won't consider putting it up [there]." The near-the-register items are a retailer's last chance to get customers to buy something, he adds.

The Daicars stock balsa gliders, Testors glue, X-Acto knives, hemostats and Micro-brushes by the register. Daicar's father builds small displays to hold these items.

"If someone comes up to the register with a model and one of our employees doesn't ask, 'Would you like some glue with that?', I run over there and beat them," Daicar said jokingly. ▣

MANUFACTURER'S MERCHANDISERS

A number of manufacturers supply racks specifically for their products, sometimes free and often coupled with special deals. These merchandisers help sell product because the consumer knows exactly where to look for the items. Here are a few of the companies that offer them, and contact information:

Woodland Scenics

Virginia Goeglein, marketing director for model railroad scenery manufacturer Woodland Scenics, says the company's merchandisers are "silent salesmen" because the products will do a lot of the selling for you. Goeglein said a store will buy an assortment of product for one price, then buy a merchandiser for another price.

Woodland Scenics offsets the price of the merchandiser by offering free goods. **573-346-5555; sales@woodlandscenics.com**

Du-Bro

It's hard to find a store that sells R/C products that doesn't have at least one Du-Bro merchandiser. The company has a variety of items to display its wide range of products. Pictures and descriptions are available at www.dubrodealer.com. **800-848-9411; rc@dubro.com**

Midwest Products

Ed Rogala, senior sales manager for hobby lumber manufacturer Midwest Products, says the company sells its merchandisers both "a la carte" and stocked with product.

"We run promotions from time to time, and [they] typically involve a free freight program," he said. "We don't try to mark up the rack, we want to make money keeping the rack full. **800-348-3497; customerservice@midwestproducts.com**

K&S Engineering

K&S Engineering makes brass, aluminum and copper tubing, rods, strips and sheets, as well as other metal building items. It offers 12 different merchandisers to accommodate most stores. According to national sales manager J.C. Pell, these metal-and-plastic POP units can carry all of K&S's product, and each merchandiser comes stocked with product. **773-586-8503; ksmetals2@aol.com**