Power of Planning

2015 CAHHS RETAIL SCIENCE ACADEMY

BY HENRY HAKU, URSULA PAWLOWSKI AND LILLY STAMETS
Panelists

- Henry Kaku, Buyer/Manager
  Santa Rosa Memorial Hospital, Santa Rosa, CA
- Jackie Davis, Gift Shop Manager
  Antelope Valley Hospital, Lancaster, CA
- Ursula Pawlowski, MSHR Governance and Operations Manager
  American Hospital Association, Chicago, Illinois
- Lilly Stamets, Manager of Gift Shops
  UCSF Medical Center, San Francisco, CA
Agenda

1. **Why** Do We Plan: For our Customers
2. **How** to Plan: Mission Related Best Practices
3. **What** to Plan: Classifications, Celebrations
4. **When** to Plan: Annual, Quarterly, Monthly, Weekly, Daily, Hourly
5. **Where** to Plan: By Floor Layout, Zones
Why Plan?

- If we fail to plan, we plan to fail

Three Questions

- How many of you or know someone who has:
TOOLS

- National Retail Federation (NRF)
- Purchasing Power Plus (PPP)
- Cindy Jones Associates
- National Association of College Stores (NACS)
- California Association of Healthcare and Hospital Systems (CAHHS)
- Association of Healthcare of Volunteer Resource Professionals (AHVRP)
2015 AHVRP
Healthcare Retail Calendar and Monthly Planner

- Great resource and **quick reference** tool for DVS’s and gift shop managers.
- Organized in a **15 month** calendar format.
- Presents specific data on financial issues and reporting **metrics**.
- Proven promotional and merchandising ideas.
- Creative ways to expand gift shop **revenues**.
- Track your sales against goals.
- Handy reference for buying and knowing your customer.
- Display concepts and much more.
What is the *Retail Calendar*?

1. **Planning tool** for running a Hospital Gift Shop
   1. Knowing when to plan the business cycles.
   2. Knowing what our customer expects in our gift shop.
   3. Knowing why our customer buys.
2. The taking and use of customer surveys.
JANUARY

**Merchandising**
- Create Buying Calendar
- Markdown Seasonal
- Feature Calendars and Date Books
- Prepare for Year End Inventory

**Operations**
- Jan and Feb 2015 Attend Gift Shows
- Passover/ Christmas Merchandise
- January 2015
- Markdown Slow Sellers
Merchandising

- Feature Valentine's Day
- Focus on Men customers
- Spotlight President’s Day
- Prepare for Black History Month
- Chinese New Year

Operations

- Feb 12-14, 2014 Add Staff
- Feb 1-14, 2014
- Feb 16, 2015
- Month of February Honor African American product
- Feb 19, 2015
What People Plan to Give on Valentine's Day, 2010

Source: Conducted for NRF by BIGresearch Jan. 5-13, 2010. 9578 respondents
MARCH

Merchandising
- Spring Forward: Daylight Saving Time
- Daylight Savings Time
- Create Pi Day
- Feature St. Patrick’s Day
- First Day of Spring

Operations
- Set up Spring Merchandise
- March 8, 2015
- March 14, 2015
- March 17, 2015
- March 20, 2015
APRIL

Merchandising
- Good Friday
- Passover
- Easter
- Administrative Assistant Day
- Earth Day
- Feature Mother’s Day

Operations
- April 3, 2015
- April 4, 2015
- April 5, 2015
- April 22, 2015
- April 22, 2015
- May 10, 2015
**MAY**

- **Merchandising**
  - Feature Accessories for Mother’s Day
  - Memorial Day
  - Graduation
  - Retirement

- **Operations**
  - May 10, 2015
  - May 25, 2015
  - May 26 - June 30, 2015
  - May and June
Merchandising
- Graduation
- Flag Day
- Father's Day
- Summer Gift Shows
- Prepare for Inventory

Operations
- June
- June 16, 2015
- June 21, 2015
- Atlanta, Dallas, LA, SF
- End of June
July

- **Merchandising**
  - Feature Red, White, Blue
  - Attend Gift Shows
  - Christmas in July

- **Operations**
  - July 4, 2015
  - July 2015
  - July 25, 2015
# How to Plan Purchases Quarterly

<table>
<thead>
<tr>
<th>Quarter 1</th>
<th>Quarter 2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>January</strong></td>
<td><strong>April</strong></td>
</tr>
<tr>
<td>$ 1,000</td>
<td>$ 1,000</td>
</tr>
<tr>
<td><strong>February</strong></td>
<td><strong>May</strong></td>
</tr>
<tr>
<td>$ 2,000</td>
<td>$ 1,000</td>
</tr>
<tr>
<td><strong>March</strong></td>
<td><strong>June</strong></td>
</tr>
<tr>
<td>$ 1,000</td>
<td>$ 1,000</td>
</tr>
<tr>
<td><strong>Total Plan Sales</strong></td>
<td><strong>Total Plan Sales</strong></td>
</tr>
<tr>
<td>$ 4,000</td>
<td>$ 3,000</td>
</tr>
<tr>
<td><strong>Buy</strong></td>
<td><strong>Buy</strong></td>
</tr>
<tr>
<td>$ 4,000</td>
<td>$ 3,000</td>
</tr>
</tbody>
</table>

*Figures are all at retail value*
# How to Plan Purchases Quarterly

## Quarter 3
- **July** $1,000
- **August** $1,000
- **September** $1,000
- **Total Plan Sales** $3,000
- **Buy** $3,000

## Quarter 4
- **October** $2,000
- **November** $2,000
- **December** $2,000
- **Total Plan Sales** $6,000
- **Buy** $6,000

*All figures at retail value*
<table>
<thead>
<tr>
<th>Description</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Stock Value (Budgeted)</td>
<td>1.200</td>
<td>1.100</td>
<td>1.000</td>
<td>8.000</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Purchases</td>
<td>67,999.58</td>
<td>99,162.24</td>
<td>146,044.97</td>
<td>116,317.52</td>
<td>165,244.29</td>
<td>129,050.62</td>
<td>155,290.13</td>
<td>67,468.77</td>
<td>84,079.17</td>
<td>156,708.38</td>
<td>130,424.08</td>
<td>175,268.80</td>
</tr>
<tr>
<td>Purchase Committed</td>
<td>0.00</td>
<td>0.00</td>
<td>37,950.00</td>
<td>0.00</td>
<td>7,500.00</td>
<td>0.00</td>
<td>0.00</td>
<td>1,200.00</td>
<td>0.00</td>
<td>38,000.00</td>
<td>0.00</td>
<td>38,000.00</td>
</tr>
<tr>
<td>Budgeted Sales (Stock Value)</td>
<td>266,071.85</td>
<td>469,133.58</td>
<td>635,618.10</td>
<td>136,444.01</td>
<td>54,934.29</td>
<td>90,818.70</td>
<td>176,431.70</td>
<td>67,419.20</td>
<td>126,344.43</td>
<td>173,513.21</td>
<td>229,128.35</td>
<td>415,421.96</td>
</tr>
<tr>
<td>Stock Adjustment Cost (Budgeted)</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>11,301.06</td>
<td>19,918.33</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Actual Sales (Stock Value)</td>
<td>1.253.14</td>
<td>17,008.11</td>
<td>7,059.08</td>
<td>17,971.71</td>
<td>1,680.52</td>
<td>11,301.06</td>
<td>10,907.49</td>
<td>16,775.40</td>
<td>9,000.31</td>
<td>19,918.33</td>
<td>9,008.72</td>
<td>24,992.27</td>
</tr>
<tr>
<td>Closing Stock Value</td>
<td>1,266,746.44</td>
<td>730,028.66</td>
<td>548,376.87</td>
<td>-12,126.49</td>
<td>110,310.00</td>
<td>45,731.92</td>
<td>-21,141.57</td>
<td>49.58</td>
<td>-41,065.26</td>
<td>-16,804.83</td>
<td>-98,704.27</td>
<td>-202,153.16</td>
</tr>
<tr>
<td>Closing Stock Value (Budgeted)</td>
<td>1,100,000.00</td>
<td>1,000,000.00</td>
<td>8,000.00</td>
<td>-110,310.00</td>
<td>-45,731.92</td>
<td>21,141.57</td>
<td>-49.58</td>
<td>41,065.26</td>
<td>16,804.83</td>
<td>98,704.27</td>
<td>202,153.16</td>
<td>0.00</td>
</tr>
<tr>
<td>Open to Buy</td>
<td>98,072.27</td>
<td>269,971.34</td>
<td>-540,376.87</td>
<td>12,126.49</td>
<td>-110,310.00</td>
<td>-45,731.92</td>
<td>21,141.57</td>
<td>-49.58</td>
<td>41,065.26</td>
<td>16,804.83</td>
<td>98,704.27</td>
<td>202,153.16</td>
</tr>
</tbody>
</table>
# How to Time Quarterly Deliveries

<table>
<thead>
<tr>
<th></th>
<th><strong>Sales Plan</strong></th>
<th><strong>Buying Plan</strong></th>
<th><strong>Delivery Plan</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarter 1</td>
<td>$ 4,000</td>
<td>Quarter 1</td>
<td>$ 4,000</td>
</tr>
<tr>
<td>Quarter 2</td>
<td>$ 3,000</td>
<td>Quarter 2</td>
<td>$ 3,000</td>
</tr>
<tr>
<td>Quarter 3</td>
<td>$ 3,000</td>
<td>Quarter 3</td>
<td>$ 3,000</td>
</tr>
<tr>
<td>Quarter 4</td>
<td>$ 6,000</td>
<td>Quarter 4</td>
<td>$ 6,000</td>
</tr>
</tbody>
</table>

Total $ 16,000

*All figures at retail value*
<table>
<thead>
<tr>
<th></th>
<th>Periodic</th>
<th>Perpetual</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FIFO</td>
<td>LIFO</td>
</tr>
<tr>
<td>Sales</td>
<td>$110</td>
<td>$110</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>-85</td>
<td>-90</td>
</tr>
<tr>
<td>Gross profit</td>
<td>$25</td>
<td>$20</td>
</tr>
<tr>
<td>Ending Inventory</td>
<td>$355</td>
<td>$350</td>
</tr>
</tbody>
</table>
2015 Retail Calendar and Plan Quarterly

- January: July
- February: August
- March: September
- April: October
- May: November
- June: December
Thank You

HENRY KAKU, JACKIE DAVIS,
URSULA PAWLOWSKI AND LILLY STAMETS
POWER OF PLANNING PANELIST