

DON'T LET DIVERSION KILL YOUR RETAIL BUSINESS!

What started out as a great idea and a new source of revenue for salons in the sixties - **RETAIL** - is slowly being strangled and siphoned off into Mass Market Distribution.

Today you can walk into any mass market operation such as **Costco, Target, Wal-Mart**, including major **grocery and drug chains**, which routinely stock Professional Only products.

What is up with that? The answer is that unless the **Salon Industry** tightens up their lack-luster policies on **Diversion**, it is going to get a whole lot worse, before it gets any better.

Because Professional Products are available in mass market outlets, your client purchasing one of your Professional Only type products, may not buy from you again, because they can easily find the same product at their local mass market retailer - **FOR LESS**. This is turning Professional products into a **Commodity product**, which means that the consumer will buy these type products on **PRICE ONLY**. Why pay Salon retail, when they can easily buy the same product for less somewhere else.

The **Moral** to this story is that Salons should be more *selective* in their approach to finding products for professional use and retail movement. Find lines **NOT** carried and represented by everyone else. Find and establish a **Unique Point of Difference**. Separate yourself from the rest of the clones. Only sell lines having direct responsibility to the growth of the Professional Salon Industry, and that will not allow Diversion into Mass Market Retailers.

You cannot compete with mass market retailers. They purchase in the millions at any given moment and that is why when you do see Diverted product in these outlets, there are whole aisles devoted to their display and promotion.

Retailing is a serious business. It can easily give the Salon at least **one half of the total profitability** of the entire business. Your Salon retail business should be at least twenty five per cent of the total business, and to reach these levels, the Salon has to be involved in the **Education, Motivation, and Compensation** of their staff. Any less is sure failure. Additionally, the Salon has to be active in **Merchandising** their space to capture the imagination of their clients, as well as maintaining stock levels to support the **Promotion** of the lines represented.

Stay focused on your industry's business, which is **Hair, Skin, and Nails**. Accessories such as blow dryers, curling irons, etc. supporting the Service also work. Today with such a wide range of demographics, the Salon has to consider newer lines that have a distinct market position, such as **No Sulfates** and less aggressive ingredients. The Salon consumer, many of them **Baby Boomers**, are looking for the best they can find, in products that help their hair and skin become **Healthier**, where Price is never an issue - if Performance expectations are met.

Look at your Salon as a **One Stop Shopping Experience**, as Convenience today is high on your client's minds. We are going way to fast, doing too many different things and the days seem to get shorter and shorter. The **Salon's Retail Center should reflect the Convenience Factor** consumers are looking for. In their Escape from the daily reality, the Salon client can easily get their services taken care of, and leave with all the necessary products to support the **Salon Experience** and a **Healthy Lifestyle**.

For More Info Call your representative @

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