

# ◀ A Successful Store ▶

RESPONSIBILITIES  
GRAVITATE TO  
THE PERSON WHO  
CAN "SHOULDER  
THEM" ◆ POWER  
FLOWS TO THE  
MAN WHO . . .  
KNOWS HOW.

ELBERT HUBBARD

●  
PROPERTY OF  
S. S. KRESGE COMPANY

# A Successful Store



**S. S. KRESGE COMPANY**

General Offices: Detroit, Michigan

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CO-OPERATION

*"Say it with action"*



## Preface



WE have revised, and in many places have rewritten this little book, and have brought it up to date.

It is our sincere wish and hope that it will be carefully read and earnestly studied. We believe that it contains the best ideas and teachings of years of experience of many managers.

We are sincerely anxious to assist every manager in reaching his goal, "A Successful Store," and we offer this booklet, confident that its proper and thorough use will prove to be of great assistance.

C. E. HOLZWORTH

Detroit Office  
January 1935

Introduction—

A SUCCESSFUL STORE GETS THE BUSINESS

<i>Letter Number</i>	<i>Page</i>
1—The Value of a High Merchandise Check.....	7
2—Pushing New Merchandise.....	8
3—What Is an Attractive Counter?.....	9
4—Stop, Look and <i>Want it</i> Windows.....	10
5—Working the Feature Corners.....	11
6—Courteous, Efficient Service.....	12
7—Building Up the Sales.....	13
8—Keeping a Neat, Clean, Well-Lighted Show Room....	14
9—Attractive Signs and Trims.....	15

A SUCCESSFUL STORE CONTROLS SHRINKAGE

10—Shrinkage—Why Bother About It?.....	16
11—Reducing Visible Shrinkage.....	17
12—Frequent, Accurate Inventories, Followed Up.....	18
13—Rigid Stock Control.....	19
14—Watching Weights, Measures and Counts.....	20
15—Eliminating Undercharges and Overcharges.....	21
16—Preventing Pilfering.....	22

A SUCCESSFUL STORE SELLS RED STARS

17—To Raise Its Gross.....	23
18—Training the Salesladies.....	24
19—Displaying Red Stars.....	25
20—Suggesting Red Stars.....	26
21—Buying Red Stars.....	27
22—Reducing Freight and Cartage.....	28

A SUCCESSFUL STORE CONTROLS EXPENSE

23—Watching the Fuel and Light Bills.....	29
24—Being Careful with Supplies.....	30
25—Watching Repairs and Replacements.....	31
26—Getting "Value Received" from Salaries.....	32

A SUCCESSFUL STORE COOPERATES

27—With Its Superintendent.....	33
28—With Its District and General Office.....	34
29—With the Sales Director.....	35

A SUCCESSFUL STORE IS A REAL KRESGE STORE

30—Conclusion.....	36
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## A Successful Store

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IN discussing a successful store, we are on the common ground of a common interest. You wish to rate as a successful manager by running a successful store. We wish your store to be a successful one, doing its share to promote the success of your District and our Company.

We feel that we can cooperate on this important task of securing a successful year for you and by so doing also secure a successful year for our Company. Individual successes mean one collective success and a prosperous year for the Kresge Company.

With that thought in mind, we have outlined as best we can the more important attributes of a successful year:

1. Getting the business.
2. Controlling expense.
3. Fighting shrinkage.
4. Securing a good gross.
5. Working in harmony with others.

Now we shall endeavor to analyze each of these big elements of our business and take up each of its phases in turn.

## A Successful Store Gets the Business

### *By Maintaining a High Merchandise Check*

#### Letter Number 1

**G**ETTING right down to fundamentals, our business is to sell *merchandise at a profit*. We are in existence for that purpose alone. We are retail merchants.

Every year we are given a list of items that sold well in the different stores throughout the country and we are told how fast these items have sold. Every month we receive an additional list of new items or seasonable items and here, too, we are told how fast they will sell. These lists, or checking sheets, carry the combined experience of all managers, superintendents, and buyers. They are loaded with the best available information.

The alert manager will try at all times to reach the highest possible degree of perfection in keeping these goods flowing to his counters as fast as his customers will take them away. He knows that these goods are sure business-getters and that being out of them is a sure way to lose sales. He knows that the customers want these goods and that he must have them to secure their business.

The checking sheets are the backbone of our business and low checks always mean lost business. You can't sell goods that are not in stock.

We want the business. You need it. What percentage of the business represented by our checking sheets are you getting?

## A Successful Store Gets the Business

*By Pushing New Merchandise*

Letter Number 2

HOW many times have you heard one of your customers say, "Let's look around and see what's new."

Do you realize that by an actual count in one of our stores, 85% of your customers are regular visitors? These customers get to know your merchandise and your displays and they can pick out your new items nearly as well as you can. Don't forget, too, that these customers visit other stores including your competitors'. They see the new merchandise somewhere. Some store has the reputation for being the first to show the new items.

Do your customers say, "Let's go down to Kresge's, they always have the new items first?"

Since Mr. D. C. Fisher and Mr. Eckwall have been sending us their Weekly Sales Bulletins we know what items are good just as soon as they have been tried. Most of the risk is eliminated. They never recommend until they are sure. Their weekly letters are being cut up into yellow gold certificates by the aggressive managers.

The difference between an increase and a decrease, or the difference between an increase and a wonderful increase, is only a few dollars a week. You can get this business by hitting these new items hard when they are new. Beat your competitor to it. Get the reputation for being the *live* store of your city.





## A Successful Store Gets the Business

### *What Is an Attractive Counter?*

#### Letter Number 3

THE true test of an attractive counter is its power to sell the goods which it displays. A counter may be laid out with painstaking exactness, each item given its proper space and position close to its relatives and friends, and still a large part of this counter's selling power can be frittered away by soiled goods, dirty counter boxes, improper filling, scattered bags and papers or boxes, broken false bottoms, crooked and dirty signs, cracked and chipped glass.

Your counters should display their goods in such a way that each item says to the customer, "I am clean, fresh, and a good value for your money. I am just what you have been looking for."

To secure this appeal requires care and study and work. Here your well trained girls are indispensable. Give them the counter plan, teach them to associate related merchandise on the counter and to give each item the space it deserves. Teach them to cut a display that is constantly getting shopworn, and to enlarge a display that is forever empty. Insist upon a clean counter from the floor up—understock, false bottom, bag racks, counter boxes. See that displays are well filled and kept well filled. Have no damaged or soiled merchandise on the counter to arouse the suspicions or fears of your customers. Watch the skyline of your counter. Make the ensemble attractive by avoiding both a choppy and a monotonous horizon, and very important: have each sign holder erect and firm, proud of the message it carries to your customers.

Now sprinkle the top of these displays with Red Stars and watch the merchandise go!

## A Successful Store Gets the Business

### *Stop, Look, and WANT IT Windows*

#### Letter Number 4

YOU are looking out of a second story window, down at the sidewalk. People are hurrying along in either direction. Do many of them stop? Your windows, to be a success, must stop these people and make them come up to the glass for a better look.

Many devices are in use in successful windows: novelty, beauty, moving figures, attractive signs, unusual displays. All unsuccessful windows *look alike*; all successful windows *look different*. They draw the passer-by like a magnet.

Now the interest changes from the windows as a whole to the particular item featured. The merchandise being examined must sell itself. Quality, quantity, low price, usefulness, should strike the looker's eye. His desire to own, his willingness to exchange his money for the item must be aroused. The display must either bring him in immediately or so impress itself on his mind that whenever he thinks of that item or assortment he will remember that window and come into your store.

"I was going by Kresge's and they had the most interesting notion window I ever saw. I went right in and bought these needles and this thread. There were a lot of other things I wanted, too, and I am going to get them."

Watch the passers-by from a second story window. Do they hurry by with a glance, or do they stop, look, and want it?

Your cash register will sing the answer.



## A Successful Store Gets the Business

### *By Working the Feature Corners*

#### Letter Number 5

GLANCE at any object designed or patterned of rectangular shape; glance at your own desk-top and see what catches your eyes instantly. The corners, every time. Whenever you look at a counter, you see the corners first. Whenever you approach a counter, you reach a corner first.

Your corners give the key-note of your counters. Attractive and inviting, they unlock the mind of the approaching customer and urge her to investigate. Uninviting, they prejudice the customer against the entire department. If you question this statement, step into your competitor's store and test it out.

Our corners are our best selling space. Every one should be considered the show place of the counter and unusual care should be given to the merchandise selected and the method of display. Here is the place to advertise and sell new items, unusual values, or "hot" features. It is not necessary to feature foreign merchandise although often that is a good plan. The customer will soon learn to watch your corners every time she enters your store. Pick the best selling and greatest satisfaction producing items you have and offer them. Change the corners often. Insist that they be attractive and well filled. Back up the display with a snappy sign, tally the results, and watch your business increase.

A successful store gets the business by *having a good assortment of merchandise, by pushing new items, by having attractive counters, by having "Come in and get it" windows, and by working feature corners.*



## A Successful Store Gets the Business

*By Giving Courteous, Efficient Service*

### Letter Number 6

NOW please don't get the idea because we have delayed, until our sixth letter, taking up and emphasizing the sales producing value of a fine, courteous, girl organization that we consider it one of the less important elements in getting the business. We do not. Courteous and smiling service will always be, as it is today, one of the most important of all selling features.

We may have the merchandise, we may display it in a most attractive manner, our counters may be most appealing, and all of this may be ruined by indifferent, discourteous, inattentive sales girls. Customers flock in where they like to shop and customers like to shop where they feel they are welcome and appreciated.

Are your sales girls naturally pleasant and good natured? Are your men eager to satisfy and adjust complaints? Are refunds given or exchanges made in such a way that the customer feels you are happy to have had a chance to satisfy her? Do your sales girls smile as they say, "May I wait on you, please?" Do they help the customer to buy? Are they alert and peppy, waiting on several customers at once, keeping the whole group patient and good natured? Do they show their eagerness to satisfy and please? Are they proud of their merchandise, their department and their store? Do they help each other and enjoy being rushed?

These and a hundred other questions must be answered with an emphatic "Yes." The whole organization takes its cue from the manager. You and your assistant can make hundreds of customers go away happy by being cheerful and friendly.

"I'll go a block farther to trade at Kresge's. The girls there are just wonderful."

## A Successful Store Gets the Business

### *By Building Up the Sales*

#### Letter Number 7

**H**ERE is a rich vein in our gold mine, scarcely worked in many stores.

By suggestive selling we mean two things: suggestion through the eye, and suggestion through the ear.

Suggestion through the eye means organizing the counters so that each display includes the next one. Hinges, screws—tooth paste, tooth brushes—door springs, door catch—ferns, fern food—wire, fuse plugs. An ideal counter offers the customer everything she wants without making her move. Each item suggests another until, before she leaves, she has bought a complete outfit.

But this is not enough. Customers are near-sighted and impatient. Your well-trained girls will instantly associate other items with the one offered. She will suggest wash cloths when given a towel. She will mention Kleenex while accepting the cold cream. To her a baseball means a bat and a glove; a pencil means an eraser; a pair of hose forces her to smile and say "*Two* pair will wear three times as long," and she will not forget that while you get a small can of paint for a dime, for a quarter you get more in proportion.

Sales girls are seldom too busy to make a suggestion and the customers are glad to be reminded. Just today one was heard to say: "Thank you. Yes, I would have had to come back if you hadn't mentioned those needles."

Every customer likes attention and appreciates these suggestions. Try one with every sale and, as you read this letter, notice again that every suggestion has been a Red Star. Here is the place to do a double service: promote your sales and at the same time advance your showing.

It is up to YOU. Have the merchandise, display it, greet the customer pleasantly, help her, and tactfully build up your sales by suggestion.

## A Successful Store Gets the Business

*By Keeping a Neat, Clean, Well Lighted Show Room*

Letter Number 8

PROBABLY 80% of your customers are women whose every-day work at home teaches them to keep their homes neat, clean and attractive. What can be more distasteful to them than dusty counter fronts, messy floors, unswept aisles, and dirty corners? They would not tolerate such a condition in their homes and they will not tolerate it in our stores. Your customers demand neatness and cleanliness in your store—bright, polished counter fronts, clean walls, unspotted glass and well swept floors. Their reaction is instantaneous. Either they like your store or they want to get out. Their confidence in your merchandise is developed by their impression of your store.

Who can deny the sales-producing value of light? Lights bring out the value as nothing else will. Lights brighten up the entire store. Lights give your store a cheerful, prosperous appearance, and lights make it necessary for you to keep your store clean. A customer wants to be comfortable as she shops. She wants to feel herself to be in clean surroundings, breathing fresh, pure air, comfortably warm or cool as the case may be, with plenty of light to aid her in seeing your goods.

In getting the business you cannot afford to overlook these very important elements.



## A Successful Store Gets the Business

### *Through Attractive Signs and Trims*

#### Letter Number 9

IF we agree that signs and trims have but one purpose—to sell merchandise—then this letter is easily written.

An over-head sign or trim should be bright, attractive and inviting. You are featuring some department or some particular line of merchandise and to draw the customer to this department you hang a special sign or make a special trim. Your purpose is to sell goods through attracting customers to your enlarged display. If your sign or trim does not do this, the effect is lost.

Seasonable merchandise, such as curtain rods, auto accessories, paint and brushes, Easter toys, house cleaning supplies, soft drinks, at certain times will be in the minds of most of your customers. Here is your chance to say to everyone entering your door, "Come over here and get it." A bright attractive sign brings them directly to your enlarged display.

Every special sign or trim carries upon its shoulders an extra responsibility because it is placed there to promote a line which is now selling at top speed.

The customer has been drawn into your store by your feature windows and, as she glances around, there, in plain view is an attractive sign telling her where to go to make her purchases.

Your sign has guided her to the counter and the sale is made.

A few stores have too many signs or trims. Most stores have too few. Aim to make your store different, attractive, easy to shop in, restful to the eye but businesslike and compelling.

## A Successful Store Controls Shrinkage

### *Shrinkage—Why Bother About It?*

#### Letter Number 10

What is shrinkage? Shrinkage is *waste*.

What causes shrinkage? *Carelessness*.

Why fight shrinkage? Because shrinkage eats into the life blood of your store—net profits.

Who is to blame for shrinkage? You are.

Strong statements, and intended to be strong. Successful managers know that shrinkage can be controlled and kept low. Unsuccessful managers still are content with 3% and 4% and 5% shrinkage. Successful managers fight shrinkage every day in the year, doggedly, persistently, skillfully *fight* it. They keep it *low*. Unsuccessful managers scoff at these reports and whisper, "Profiteering."

Lesson No. 1, to be mastered so thoroughly that it becomes part of the manager's religion:

#### *Shrinkage Can Be Kept Low*

Until you thoroughly and honestly believe this, you haven't begun to fight. Lesson No. 2:

#### *The Higher Standard You Set for Yourself, the Better Results You Will Get*

Be content with 3%—you will get 4% or 5%. Set your organization to *work* for 1% and you will get it.

You know the disappointments and heart-aches that you have felt when you have seen an otherwise wonderful year ruined by a high shrinkage. Better twelve months of intensive drive than one night of wondering how it could have happened.

A successful year is impossible with a high shrinkage. A low shrinkage almost insures a successful year. Set your mark at 1%. Dig in your toes and *fight*.

The next series of letters will encourage and strengthen the fighters.



## A Successful Store Controls Shrinkage

### By Reducing Visible Shrinkage

#### Letter Number 11

WE all know the distinction drawn between "visible" and "invisible" shrinkage but because visible shrinkage is evident and accountable, too little attention is usually paid to it.

We forget that our monthly inventories cover from 12% to 27% of our store's business and a high shrinkage here will strike a terrific blow at the year's showing. Here is the place to set up high standards and lay the foundation for a good record. A good showing here each month will also carry great weight in the year's showing. Set your standards high and you will be amazed at the way your organization will struggle to reach them. 3% shrinkage in Candy is wasteful and 5% in Jewelry is due only to carelessness. One-third of those figures is plenty high enough in a well run store.

The shrinkage record cards in all departments should be accurately kept. Insist upon a record of every broken toy or soiled towel. Count and record every price reduction and enter the loss on the department's card. These records bring the meaning of shrinkage home to your girls and their importance is beyond estimating.

Nothing will so stimulate your girls to sell out old merchandise as will the steadily mounting record of the shrinkage in her department. She does not want you to think she is not working to fight shrinkage and to keep her record she will try to keep her visible shrinkage low. She will, if she sees how vitally interested *you* are.

But more important, she thinks shrinkage, she talks shrinkage, she watches for shrinkage, and out of her work to reduce visible shrinkage comes a steady pressure that also reduces her invisible shrinkage. You are training your girls to *fight shrinkage*. Visible shrinkage is your barometer. It will tell you what weather to expect about January 1.

## A Successful Store Controls Shrinkage

*By Frequent, Accurate Inventories Followed Up*

Letter Number 12

FREQUENT inventories covering *all* departments, carefully taken, actively followed up, removes the only doubtful element in the year's business. You know your sales, your gross, your expense, your estimated net. You do not know your actual net until after you know what your shrinkage is.

Alert managers now refuse to let things drift along until December 31. These men are taking frequent inventories and know also what shrinkage they must expect. Their inventories, carefully taken, point out the shrinkage centers, and their follow-up work eliminates these danger spots as soon as they are pointed out. Their shrinkage is low because they find out what it is from month to month and then *force it down* and *keep it down* and *know it is kept down*. They refuse to "kid themselves or to be kidded." *They know.*

A careless inventory is worse than useless. It tells nothing and teaches bad habits. Insist upon painstaking accuracy and follow up the results. Investigate surrounding counters, refuse to be misled by careless tallying. Take entire squares of counters together. Follow up the inventories and get to the bottom. Then follow up the inventories with other inventories.

The shrinkage in your store must equal the sum of the shrinkage in each department. By keeping each part small, your total must be small. There is no satisfactory excuse for a high shrinkage in any department. *Don't accept any.* Demand results and you will get them. Prove your results with your inventories.

Frequent, accurate inventories followed up will insure an accurate inventory January 1 and a satisfactory showing for the year.



## A Successful Store Controls Shrinkage

*By Rigid Stock Control*

Letter Number 13

A LOW shrinkage goes hand in hand with good merchandising. A high shrinkage almost always follows a high inventory and an overstocked condition. The reason for this is obvious. A store is never overstocked with fast-selling merchandise. When an overstocked condition prevails the stockroom and counters are loaded with slow-selling merchandise.

We are in a period of increasing values. The goods in our stores are worth less each week, goods bought a few months ago are forced into the background by better values. Selling the older goods brings price reductions and loss. Heavily stocked stores are hit hard by price reductions and improved values.

It must also be remembered that merchandise deteriorates with age, loses its freshness, its newness, its salability and counter shrinkage increases. The girls become discouraged with their old merchandise and careless in their treatment of it. There is loss and shrinkage all along the line.

We must not forget the final inventory. The stockrooms are crowded with rewrapped, reboxed and relabeled goods. The work is slow and cumbersome. Goods are miscounted, understocks are cluttered and the counters are loaded with old merchandise. The wonder is not that there is a high shrinkage, but that it is as low as it is.

Thinking managers are convinced that keeping the stocks low, buying carefully according to turnover, with *instant elimination of slow sellers, unsalable merchandise, and "lemons"* are most important factors in a low shrinkage.

## A Successful Store Controls Shrinkage

*By Watching Weights, Measures and Counts*

Letter Number 14

DO you get the merchandise you pay for? Do you frequently remeasure yard goods, reweigh your candy, recount your boxed goods, deduct your small breakage claims from the invoice, watch your overs and shorts? Our buyers in the Detroit Office are on the alert to protect you but you alone handle the original packages. Test after test in progressive stores has showed the necessity for all managers to protect themselves against carelessness on the part of the shipper. Just the other day a recount of boxed clothespins showed an average shortage of 5%. 5% shrinkage on that item! Some of our managers are catching these losses and passing the information on to the buyers.

Do you get paid for what you sell? Half an ounce of overweight on each sale of candy means from 3% to 20% shrinkage on the sale. An inch of overmeasure to the yard is 3% shrinkage. Short ends are usually a loss. A baker's dozen costs you 8%.

Are your scales accurate? Do they start exactly at zero? The width of the line means dollars in shrinkage at the end of the month.

Your girls are naturally friendly and generous. They must be taught to realize the vital importance of strictest accuracy. You should go over this carefully with them again and again, show them the tremendous total loss that just a little carelessness, multiplied by thousands of sales, will cause you.

*Shrinkage is carelessness—or worse!*



## A Successful Store Controls Shrinkage

*By Eliminating Under-Charges and Over-Charges*

Letter Number 15

WE come now to a source of shrinkage which is much more serious and *costly* than most of us imagine. To understand what is meant, recall the situation on any busy Saturday. The customers are standing around the counter with hands full of assorted merchandise. The saleslady comes, glances over the goods, and calls out the total of the sale. She depends upon memory for prices. She adds, multiplies and divides in her head. Is her total right?

The customer, too, has kept a running total of her purchases as she has selected her goods, and if the sales girl's total is higher than hers, she immediately protests and the sale is carefully refigured. But if the amount asked for is less than the customer's total, what is said?

If you doubt that this is a source of serious loss, have some person come into your store and buy miscellaneous assortments of merchandise during the busy hour. Have them test your extra girls and your older girls. You will get a surprise. It is impossible for the average girl to add, subtract, multiply, divide and know prices in a way to compute these assorted sales accurately in the time that is usually taken.

The remedy lies in instructing the girls. Teach them to figure the sales carefully and slowly. Teach them to check up prices with the signs. Teach them to use pencil and scratch paper (placed conveniently near the cash registers) in computing totals. Teach them to recheck their sales. A careful campaign along this line pays big dividends.

As for over-charges, there aren't any.

## A Successful Store Controls Shrinkage

### *By Preventing Pilfering*

#### Letter Number 16

A CONTENTED, loyal, enthusiastic girl will touch neither our merchandise nor our money. *Loyalty* here is the battle-cry. A loyal girl will not allow another employe to touch our merchandise or our money. She will realize her guardianship and will refuse to be an accessory to stealing by either condoning it or protecting it. If she knows you have a dishonest employe she will tell you *at once*. This is not "snitching" but is a matter involving her *Honor* and an obligation she assumes when she joins your organization. This point should be very carefully, tactfully, and forcefully brought home to your organization. Persistent cash register errors are a red flag of warning. Look out for them.

Pilfering on the part of the customer can be almost entirely eliminated by watchfulness on the part of the girls. Make it impossible for one of them to steal. Teach the girls to watch their entire counters, to face always in opposite directions, to glance around before working in the understocks and to look up frequently. Well filled displays are a help here, and your girls should be trained to replace immediately any article sold. Merchandise easily stolen should always be displayed in a conspicuous place on the counter where it can be watched.

Teach your girls to approach suspicious characters with a "May I wait on you, please?" and then to *stay with them* until they purchase or leave.

Teach your girls to protect you by never under any condition accusing anyone of stealing, but teach them to make stealing impossible by being always on the alert.

## A Successful Store Sells Red Stars

### To Raise Its Gross

#### Letter Number 17

BY way of introduction, we should like to offer a little equation which tells the whole story:

$$\begin{array}{r} \text{INCREASED SALES} + \text{HIGHER GROSS} - \text{EXPENSES} \\ \text{(By Suggestion)} \quad \quad \quad \text{(Sell Red Stars)} \quad \quad \quad \text{(Controlled)} \\ - \text{SHRINKAGE} = \text{A BETTER NET} \\ \text{(Fight it!)} \end{array}$$

This equation answers all questions as to why we should push Gross by selling more Red Stars. A high gross is an insurance policy which will guarantee a good showing even if expenses slip. In the successful store where expenses and shrinkage are rigidly controlled, every dollar added to the gross comes back directly in the net. Raising your gross 1% is equivalent of a 7% increase in sales where a store nets 13%.

A successful manager boosts his sales, of course. Our first section of letters dealt with that. A successful manager boosts his gross *at the same time* as he is increasing his volume and at the end of the year the effect upon his net is doubled.

We must get away from the idea that a campaign to increase sales cannot work hand in hand with a campaign to raise gross. Either is good. Together they make a team that pulls the scoop down deep into the pay dirt and piles up the net at the end of the year.



## A Successful Store Sells Red Stars

*By Training the Salesladies*

Letter Number 18

**T**EACH your salesladies to *know* Red Stars, to *display* Red Stars, to *suggest* Red Stars.

A true Red Star is a *fast selling, value giving* article, which contributes more than its share to the net profit of the store. Every department and every classification in a department has its Red Stars. A Red Star campaign to be successful must be definite. Give your salesladies lists which tell them exactly which items to push in each classification—which pencil, which tooth brush, which wash cloth, which comb. If you can raise the average gross of a 30% classification to 32% your work is as successful and as effective as if you raise a 38% classification to 40%.

Work to raise your gross all along the line, in underwear as well as jewelry, in enamelware the same as in notions. Never forget that it is the average gross of your store that counts and any work in any department raises the average.

Each girl must know just what items are Red Stars in any display. First she must have lists. Then she must memorize these lists until her information becomes automatic. When she is thoroughly grounded in her information then she is ready to go to work to **SELL** Red Stars.





## A Successful Store Sells Red Stars

### *By Displaying Them*

#### Letter Number 19

**B**EAR in mind that a large percentage of our sales is made without the assistance of a saleslady. The customer approaches the counter, selects her merchandise and hands it to the saleslady when she comes up with her pleasant greeting, "May I wait on you, please?"

To sell Red Stars to this customer is most important. The most effective way is to have plenty of Red Stars in the display where the customer will naturally pick them up and examine them. Good selling Red Stars should have the best and largest displays in the best location.

Display your Red Stars in the front of each counter and in such a way that customers must pass them by to reach the more costly goods.

Arrange your counter so that a Red Star will accompany the low gross paying items. Plenty of needles around the thread, screws close by the tools, percolator tops and brushes with the percolators. And don't be afraid to display them big enough.

*KNOW YOUR RED STARS, THEN DISPLAY THEM.*

## A Successful Store Sells Red Stars

*By Suggestion*

Letter Number 20

HERE is the test of our training. Assume we have memorized our lists, we know our Red Stars, we have gone over our counters bin by bin and have displayed Red Stars to the limit of their possibilities. We shall still fall far short of our possibilities unless we use our knowledge and suggest Red Stars.

The sales girls should be required to suggest with every sale. We mean just that. It should be part of each purchase, as much as the "Thank you." There is no valid objection and the results are too important to be trifled with. Certain suggestions are worthy of special attention—screws with hinges, razor blades with shaving soap, tooth paste with tooth brushes. In these and other suggested Red Stars of equal importance the manager should insist upon suggestions with every sale. How many other such combinations of Red Stars with high cost merchandise can your salesladies suggest?

The salesladies owe it to you to assist the undecided customer to buy a Red Star. If we are sincere in our definition of a Red Star, there is no reason ethical or practical why this should not be done.

Enthusiasm is the key. Arrange contests for selling Red Stars. Announce the salesladies who increase their gross from month to month. Inspire your girls and work with them.

RED STARS—KNOW THEM, DISPLAY THEM, SUGGEST THEM.

## A Successful Store Sells Red Stars

*By Buying Them*

Letter Number 21

**M**ANY of you may think that this letter should precede the others in this chapter but there are reasons why it should not.

Too many managers have filled their stockrooms with Red Stars only to inventory them at the end of the year. Along all lines, *BUY AS YOU SELL*. Red Stars are worthless until sold, so keep your emphasis on the selling. But what a shame it is to be out of screws. It is safe to say that half of our stores are out of screws four times a year. It is equally true that carpet tacks and doilies are often missing.

Few men know the selling merit of these and similar items because they have never bought enough to really find out. Tintex is a wonder, but how many are pushing it to the limit?

Go through your list books and find 25 similar Red Stars that have been good for years that you are frequently out of, and give them a *real* trial. Study your Red Star turnover. Get your salesladies enthused. Ask them to try to sell six dozen next month instead of four and watch the results.

How many times in the last year have you been out of 5c white envelopes? Why?

RED STARS—KNOW THEM, DISPLAY THEM, SUGGEST THEM, BUY THEM (THEN *SELL* THEM).



## A Successful Store Sells Red Stars

### *By Reducing Freight and Cartage*

#### Letter Number 22

**C**ERTAIN items by their nature must come by parcel post. We will pass them.

Certain items from the east in small quantities are cheaper by parcel post, in larger quantities by express. Do you know where to draw the line?

Certain items, if bought on a three-months' turnover, can come by freight. Do you know which ones they are?

Many items come in cases weighing about fifty pounds. Do you order one case by express or two cases by freight?

Saving on freight and cartage results only from intensive study of weight, package quantities, rates, and turnover.

We believe in turning a stock rapidly but not so rapidly that express and parcel post charges mount rapidly.

Is it cheaper for you to buy from Kalamazoo or Midwest? Brooks or Economy? Chicago or St. Louis? Are you placing all of your orders with a firm in the same week?

All freight and cartage comes out of your gross profit and every tenth of a per cent saved goes directly into your *Net*.

Are you using the Jobbing Department plan enthusiastically and intelligently?

**REMEMBER**—Every dollar you save on transportation is *NET PROFIT*.

## A Successful Store Controls Expense

### *By Watching the Fuel and Light Bills*

#### Letter Number 23

**W**E must begin with a word of caution. We don't want cold stores or dark stores. Both of these conditions will drive out customers and lose trade.

You can keep your store at a comfortable temperature and still save money. Just as you study your heating and your furnace at home, study it in your store. Appoint one man fireman. Give him no assistants because assistants are expensive in coal. Hold him responsible. Give him facts and figures. Tell him you want a comfortable store and you want the furnace run economically. Hold him to results. He will surprise you.

As for light, a dark, gloomy store is not saving you money. It is wasting your business, but you can study your window lights and see that they are only on when they should be. Watch your stockroom lights. Are your men constantly checking up the girls? Glance at your meter when the master switch is pulled. Is it still? The secret of a low lighting bill is to burn all the lights needed but not a single one that is not needed. By that combination you will get light and a reasonable light bill.



## A Successful Store Controls Expense

*By Being Careful with Supplies*

Letter Number 24

“SUPPLIES” embraces a great many different items and each item has its own problem. Each one has its own uses, necessary and economical. Each one has its abuses, expensive and wasteful.

Too much cannot be said about using bags, paper and string properly. Each size bag or paper is more expensive than the one smaller. Only one size fits. Use it. Use just enough string to secure the package. Our customers are entitled to a neat package. Care in choosing the bag or tying the package will give it.

Office supplies should be strictly limited to their proper function. Use of printed forms for memo pads is expensive and wasteful. There should be enough of each form on hand at all times but too much invites waste just as do over-stocks in anything else.

To keep the expenses for supplies within creditable limits, constant watchfulness and care are essential.

Allow no waste.



## A Successful Store Controls Expense

### *By Watching Repairs and Replacements*

#### Letter Number 25

THERE are three groups into which managers classify themselves on the question of repairs and replacements. The first, and least important group—because, fortunately, they don't get far—is composed of managers who will milk their stores dry. They absolutely refuse to make any repairs or replacements no matter how badly needed. They hope in that way to make such a fine showing in reducing expenses that they will be on their way before the true condition is discovered. The managers who succeed them have to spend the money.

A second class is careless of repairs and replacements. They spend either too much or too little without judgment or discretion. The plants of these managers are usually spotty or run-down.

The third class includes the *successful* managers who watch their plants as if they were their own, making every necessary repair and replacement, making them early before big expenses are caused. These men keep everything in A-1 condition, because they know that this is the cheapest in the end. They spend dollars and save much more. These men get dollars in dividends on every dollar they spend but they are not afraid to *spend* money to *make* money for themselves and the Company.



## A Successful Store Controls Expense

*By Getting "Value Received" from Salaries*

Letter Number 26

A SUCCESSFUL organization is a *busy* organization. Every member of it is working at top speed at some task which he knows is important and essential. Nothing is more harmful to discipline and morale than useless effort or poorly directed work. Each person should feel that he is being definitely supervised and his work is being judged.

This kind of organization accomplishes more with less effort or friction than one where direction is more or less "hit or miss." Each person has his own important duties to perform and his own responsibilities and he knows he will be checked up. The result is the product of individual good work, multiplied by the number of members.

But what has all this to do with salary expense? *It is the whole secret of control.* Better work, higher wages, fewer employes. Customers served faster and more efficiently. Stockroom always in shape. Counters neat and orderly. A smaller number of capable, alert, eager salesladies, always on the job, happy in their work, proud of their jobs, will run a better store, give better service to the customers and save you money.



## A Successful Store Cooperates

### *With It's Superintendent*

#### Letter Number 27

EVERY superintendent on the road appreciates a friendly reception, a careful consideration of his suggestions, and a sincere trial of his recommendations. Each store and its manager is more or less isolated from the others and the big value of a superintendent to the Company lies in his ability to pick the best ideas out of each store and to carry them on to the other stores. In this way all stores are kept moving forward and all gain from each other's experience.

The successful manager is eager for this help and these suggestions. He knows that what has worked successfully in other stores is worthy of a trial in his store. He trains his organization to make suggested changes at once and to show the superintendent that they are all keen to improve their counters. He listens carefully to criticism and earnestly tries to correct the weaknesses which the check has uncovered. He will not permit a bit of hostility or antagonism because he knows that the superintendent is there to help him run a successful store.

And the superintendent, on leaving, pays this manager the compliment of saying, "I like to come to your store. Your organization is so friendly and eager to cooperate, it is a pleasure to give suggestions. They carry out my recommendations so quickly that I scarcely leave the counter before it is as I think our customers would like to see it."

This kind of spirit will guarantee you a successful year.

## A Successful Store Cooperates

### *With It's District and General Offices*

#### Letter Number 28

IT would be hard to find better cooperation than has been shown toward offices this year. Reports have come in promptly. Questionnaires are returned the next day. Suggestions are acted upon at once and the results noted and sent back. The splendid spirit shown by the managers in our Districts makes a letter on this subject almost unnecessary, but to complete our outline we should again emphasize cooperation with the Offices as one element of a successful store.

Successful managers prove themselves to be not only individual stars but also good team-mates, anxious and eager to advance the work of the other managers, as well as their own. This is accomplished best through cooperation with the Superintendent and the Offices. Suggestions from these sources are worthy of a serious trial and requests for information should be answered at once. Accuracy in orders and requisitions is worthy of emphasis so that over-stocks may be avoided.

The District and General Offices can help you and you can help them. You can have a successful year together.

## A Successful Store Cooperates

### *With the Sales Director*

#### Letter Number 29

THE Sales Director and his assistants carefully edit the Sales Bulletin each week. The information contained therein is a summary of experience in all the stores. The new items listed are recommended by the Buyers and have been tried in the key stores. Every manager knows how many outstanding features have developed out of the Sales Bulletins during the last year. Every item recommended should be tried, and tried in such a way that its real value may be brought out.

The Sales Bulletin is not a place for free advertising or press-agenting, and managers who attempt to use it for that purpose are soon "blue penciled." The Sales Directors want and ask for new ideas of merchandise or displays, new methods of operation or training. They are passed on to all of the stores.

The Feature Display Chart is to be used every week, not just when you are expecting your superintendent. If every manager will insist that these feature displays are carefully and attractively put out each week, he will be amazed at the way it compels his whole organization to improve in its merchandising.

The proper use of the lists of feature items has been one of the greatest single contributions to the running of successful stores which has been made in recent years.



## Conclusion

### *A Successful Store Is a Real Kresge Store*

#### Letter Number 30

SINCE its organization, the Kresge Company has held and cherished the highest possible rating for courtesy, fair dealing and business integrity. Its highest officials and executives are constantly striving to raise this standard if possible and to keep the Company far out in front of its competitors.

Each manager has in his hands the reputation of the Kresge Company in his community. By his own work as store manager, by his conduct in the community, by his influence upon his own organization and upon local groups of men, he gives the Kresge Company its standing in his city.

The successful manager seriously and earnestly studies this question and at all times is found hard at work building up the standing of the Kresge Company. He established a local reputation for honesty, truthfulness, uprightness, and places himself squarely among those who believe in high ideals for business.

He is courteous and fair at all times, open to suggestions, and enjoys the name of being a "real Kresge man" running a "successful Kresge store."



INCREASED SALES

"BY  
SUGGESTION"

• PLUS  
HIGHER GROSS

"SELL RED STARS"

• MINUS  
EXPENSES

"CONTROLLED"

• MINUS  
SHRINKAGE

"FIGHT IT"

EQUALS

● **A BETTER NET**

"YOUR RECORD"

**Last year is history . . .**  
**this year is *opportunity***

