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1




Speaker Financial Disclosure Statement:
Robin Brush has received honorarium from Safilo, USA. She is the Training and Education Manager for this company.
"All relevant relationships have been mitigated."

2



- Safilo Training and Education
- Specialty: Optical
- ABO Certified Optician - over 29 years
- Ophthalmology/Optomety
- Manager/Buyer
- ABO certified speaker


3



Intention: provide insight on different ways to purchase and replace your inventory.

- Product Flops
- What is frame return rate?
- How do you buy frames?
- Adding New Brands
- Inventory Reduction
- Great Opportunities.

4



Robin, are you qualified to talk about ordering frames and return rate?

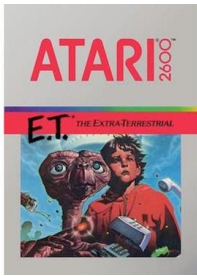
- 34% (66%)
- Lost all vendor discounts
- No rebates
- Overstocked wrong styles
- 18 frame vendors & 32 brands.

5



Product Flops

6



E.T. the Extra-Terrestrial

- According to usatoday.com, this video game was the BIGGEST failure in video game history
- Developed in conjunction with Steven Spielberg's movie E.T.
- Spent only 5 weeks in development when a typical video game takes months, if not years to develop
- The video game proved to be "too difficult and sold miserably"
- Atari spent \$21M to purchase the rights to the franchise and \$5M on promotions
- Company made 4 million copies but only sold 1.5 million
- Atari burned the leftovers in a land fill
- What happened to the games still in the stores?


7



Cheetos Lip Balm

- 2005 Frito-Lay developed Cheetos lip balm based on their snack Cheetos, which had been very popular for more than six decades.
- Cheetos lip balm failed miserably
- What happened to the Cheetos Lip Balm that remained in retail stores?

8



NEW! Coke

- 1995, due to losing market share to Pepsi Cola, Coca-Cola changed its formula that had been in place for 99 years
- Noted by many as the greatest flop of all times
- New Coke was met by public outrage and was discontinued after only a few months
- What happened to the New Coke still in grocery stores?

9

TOP 2023 RETAILERS:

Walmart Save money. Live better.

amazon

YOU BUY IT, YOU SELL IT

ALDI

COSTCO WHOLESALE

THE HOME DEPOT

10

DID YOU KNOW?

- Opticals are the only retail stores that can return merchandise to the manufacturers for an even exchange of new merchandise.
- What if this wasn't an option? Would your buying behavior be different?

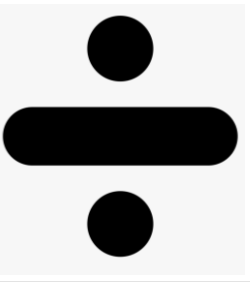
11

What is...?

Return


R A T E

12



Return Rate:

**Number of frames returned
(company)**



**Number of frames ordered
(company)**

Example: returned 20 frames and purchased 100. Return rate is 20%.

13



Too High:

- lose vendor discounts
 - 3rd party cushion NEEDED
- lose vendor and group rebates
 - quarterly/yearly
- no inventory control
 - "buying freeze"
 - your time is spent with too many sales reps
- lose money by order, return, order, return
 - optician checking in boxes instead of selling on the floor.

14



How to keep a low return rate:

1. one person does the buying
2. rep appointment replace best-sellers first
3. best-sellers stay on display
4. only return:
 - warranties
 - retired styles.

15

THREE WAYS TO ORDER FRAMES:

- 1. Sales Rep
- 2. Supplier Drop Ship to the Lab
- 3. B2B website



16



1. Sales Rep

17



At your rep appointment, you either:

- 1. Buy by the numbers
- OR..
- 2. Buy by personal taste (frame flipping)

18



Rep Appointment:

- private one-on-one appointment
- rep takes counts
 - we BOTH know the number of frames per brand
- first question, "What best-sellers am I missing?"

Buy By the Numbers:

- fill with best sellers first
- if space allows, then add new

Why it works:

- numbers don't lie
 - keeps best sellers selling
- opticians still get new

Opportunity:

- requires the most consistent buyer.

19



Buy by the Numbers Returns:

- warranties
- retired .. that's it!

20



Buy by Personal Taste:

- buy what you love
- shopping for the staff

Why it works:

- it doesn't if you want to maintain a low return rate

Opportunity:


- magic ball?

21


Robin's Car Dealership

			
Audi	Mercedes	Range Rover	BMW

22

	<p>Buy by Personal Taste Returns:</p> <ul style="list-style-type: none">• not selling so send back• we're tired of it• duplicates• warranties• retired.
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23

	<p>Safety Net of Returning:</p> <ul style="list-style-type: none">• buy like you can't return it<ul style="list-style-type: none">• the Real Real• would you buy differently if this was your money?
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24




25

	<p>Do you know these online retailers?</p> <ul style="list-style-type: none">• Warby Parker• Zenni Optical• Zeelool• Eye Buy Direct <p>Do they remove a best-selling frame from their site when they sell it?</p>
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26

	
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27



Supplier Drop-Ship to Lab:

- leave best-sellers on display
- refresh every quarter


28



Point of Purchase:

- customer buys the frame
- new frame is ordered for them
- sample is cleaned and put back
- sells over and over again
 - not waiting 8 to 12 weeks for the sales rep
 - T.L.A. (think like Amazon).

29



Optician:

- your computer order
 - choices for frame:
 - doctor supply
 - patient supply (P.O.F.)
 - **lab supply**
- lab will use your account number and order
 - same discounts, BGSA, shipping agreement


30



Save Time and Money:

- best way to keep inventory costs relevant to sales
- opticians are patient and sales focused not checking in boxes
- Sales Reps:
 - brand training
 - merchandising
 - NOT leaving you
- free shipping due to increased sales (check with your vendors)

31



BENEFIT: REDUCE Time...Save Money!

For example: Estimated cost of staff time with 20 frame vendors: \$7500


- \$25/hour x 10 hours month purchasing frames = \$250/month or \$3000 year
- \$25/hour x 10 hours month checking in, putting into inventory, pricing = \$250/month or \$3000 year
- \$25/hour x 5 hours month credits, warranties = \$125/month or \$1500 year

Imagine this...


- Sell ONE EXTRA pair of glasses day @ \$325/pair, avg. 25 days/month = \$97,500 in additional revenue each year!

32

How do you choose new frame lines?




33




Potatoes to Potatoes:

- 4,000 varieties
- they look similar – are they all the same?
- how do you choose the potato you need?
 - based on recipe (what it's needed for)


34




Russet/Idaho: bake




White: scalloped



Red: roast




Yukon Gold: soups



Blue/Purple: boil

35



How do you decide which new brands to add?

- they're all the same
- personal taste
- if I like the sales rep
- price
- niché
- by inventory need

36

Buy by Inventory Need

- know your numbers
 - by retail price point, what is needed?(retail price point category analysis)
 - \$300+ men's
 - \$500+ women's
 - \$69 package.

37


Buy by Inventory Need

- every frame line fills a specific need
 - larger men's sizes
 - petite sizes
 - universal/global/far east fitting
 - sport
 - teens
- What have you been asked for lately that you couldn't provide?.

38

Inventory Reduction

39




Reduce not Return

- apartment building
- right side of your optical
- mark down- artform
- spiff
- package pricing
- past vintage, donate them.

40




41



Doctors and Practice Managers:

- How is your optical buyer purchasing frames?
- What is your return rate?
- How many frame vendors and brands do you have?
- Are you earning rebates?.

42



Motivate Your Manager:

- Quarterly Bonus:
 - return rate %
 - Frame Inventory Number
 - C.O.G. (cost of goods)
 - Sales.

43

Remember...

Return rate is:
of frame returned
divided by
of frames ordered

Successful opticals
buy-by-the-numbers
or keep their best-
sellers in inventory

Having a high return
rate costs money!
Loss of discounts,
rebates and payroll


When you order
frames for your
office, order like
there is no safety net

44

On behalf of Vision Expo, we sincerely thank you for being with us this year.

Vision Expo Has Gone Green!

We have eliminated all paper session evaluation forms. Please be sure to complete your electronic session evaluations online when you login to request your CE Letter for each course you attended! Your feedback is important to us as our Education Planning Committee considers content and speakers for future meetings to provide you with the best education possible.



45

Scan Me

Breaking Bad habits!

Thank you!

Robin Brush
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Safilo
GROUP
