



Robin Brush, ABOC  
Safilo Training and Education

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Robin Brush has received honorarium from Safilo Group.

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- Safilo Training and Education
- Specialty: Optical
- ABO Certified Optician - over 26 years
- Ophthalmology/Optomety
- Manager/Buyer
- ABO certified speaker



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	<ul style="list-style-type: none"><li>• Product Flops</li><li>• What is frame return rate?</li><li>• How do you buy frames?</li><li>• Adding New Brands</li><li>• Great Opportunities.</li></ul>
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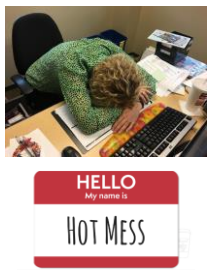
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	<ul style="list-style-type: none"><li>• 34% (66%)</li><li>• Lost all vendor discounts</li><li>• No rebates</li><li>• Overstocked wrong styles</li><li>• 18 frame vendors &amp; 32 brands.</li></ul>
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Product Flops

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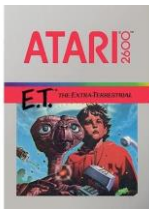
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www.atari.com

### 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?

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### 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?

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www.coca-cola.com

### 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?

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**TOP 2021 RETAILERS:**

**YOU BUY IT, YOU SELL IT**

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**DID YOU KNOW?**

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

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What is...?

**Return**      **R A T E**

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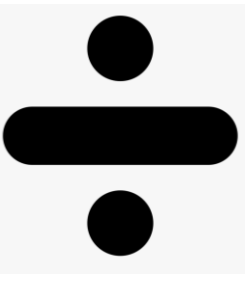
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**Return Rate:**

**Number of frames returned  
(company)**



**Number of frames ordered  
(company)**

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

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**Too High:**

- lose vendor discounts
  - 3<sup>rd</sup> party cushion NEEDED
- lose vendor and group rebates
  - quarterly/yearly
- no inventory control
  - can't re-order best sellers because you're overstocked on the wrong frames
  - your time is spent with too many frame vendors
- lose money!
  - order, return, order, return
  - optician checking in boxes instead of selling on the floor.

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**How to keep a low return rate:**

- one person does the buying
  - buy by the numbers
- best sellers stay on display
  - supplier drop-ship to lab
- only return:
  - warranties
  - retired styles.

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**Return Rate Example:**

- 32% return rate
  - \$40,000 sales with one vendor
  - no discounts
  - no rebates
  - overstocked on wrong styles
- 7% return rate
  - \$89,000 sales with one vendor
  - max discounts
  - \$10,000 rebate
    - \$10K x 3 = \$30K revenue!
  - not overstocked
  - inventory cost relevant to sales.

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**SALES REP**



**SUPPLIER DROP SHIPS TO LAB**

**TWO WAYS TO RE-ORDER FRAMES**

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1. Sales Rep




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**FRAME FLIPPING:**

1. Buy by the numbers  
OR..
2. Buy by personal taste

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**BUY BY THE NUMBERS:**

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

**Why it works:**

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

**Opportunity:**

- requires the most consistent buyer.

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**Buy by the Numbers Returns:**

- warranties
- retired .. that's it!

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	<p><b>Buy by Personal Taste:</b></p> <ul style="list-style-type: none"><li>• buy what you love</li><li>• shopping for the staff</li></ul> <p><b>Why it works:</b></p> <ul style="list-style-type: none"><li>• it doesn't if you want to maintain a low return rate</li></ul> <p><b>Opportunity:</b></p> <ul style="list-style-type: none"><li>• magic ball?</li></ul>
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<p>Robin's Car Dealership</p>			
			
<p>Audi</p>	<p>Mercedes</p>	<p>Range Rover</p>	<p>BMW</p>

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	<p><small>SALES REP</small></p> <p><b>Buy by Personal Taste Returns:</b></p> <ul style="list-style-type: none"><li>• not selling so send back</li><li>• we're tired of it</li><li>• duplicates</li><li>• warranties</li><li>• retired.</li></ul>
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**Safety Net of Returning:**

- buy like you can't return it
- would you buy differently if this was your money?
  - order, return, order, return.

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## 2. Supplier Drop-Ships to Lab



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**Do you know these online retailers?**

- Warby Parker
- Zenni Optical
- Zeelool
- Eye Buy Direct

**Do they remove a best-selling frame from their site when they sell it?**

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SALES REP



Best Seller

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**(SUPPLIER DROP-SHIP)  
BOARD MANAGEMENT:**

- leave top sellers on display
- refresh every quarter

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**Point of Purchase:**

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

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**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.

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**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)

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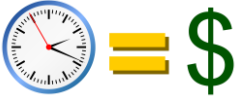
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**BENEFIT: REDUCE Time...Save Money!**

**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

**OR REDUCE VENDORS AND ....**

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

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How do you choose new frame lines?



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	<p><b>Potatoes to Potatoes:</b></p> <ul style="list-style-type: none"> <li>• 4,000 varieties</li> <li>• they look similar – are they all the same?</li> <li>• how do you choose the potato you need?.</li> </ul>
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<p>Russet/Idaho: bake</p>	<p>Yukon Gold: soups</p>	<p>White: scalloped</p>
<p>Red: roast</p>		<p>Blue/Purple: boil</p>

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**Frames to Frames:**

- 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](#)

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CHOOSING NEW BRANDS



**Know your numbers:**

- by retail price point, what is needed?(retail price point category analysis)
  - \$300+ men's
  - \$500+ women's
  - \$99 package.

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**Frames = Needs**

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

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	<p><b>Doctors and Practice Managers:</b></p> <ul style="list-style-type: none"> <li>• How is your optical buyer purchasing frames?</li> <li>• What is your return rate?</li> <li>• How many frame vendors and brands do you have?</li> <li>• Are you earning rebates?.</li> </ul>
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	<p><b>Motivate Your Manager:</b></p> <ul style="list-style-type: none"> <li>• Quarterly Bonus:             <ul style="list-style-type: none"> <li>• return rate %</li> <li>• Frame Inventory Number</li> <li>• C.O.G. (cost of goods)</li> <li>• Sales.</li> </ul> </li> </ul>
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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

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Thank you!



Return Rate Rescue

Course attendees may send any comments about courses and/or speakers to [mail@aboc-ecle.org](mailto:mail@aboc-ecle.org)

Robin Brush, ABOC  
Safilo Training and Education

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