

STOCK MANAGEMENT GUIDE

Does your stock move or just look good?

Stock management is an important part of your business, if your stock is not managed correctly it can cause cash flow issues for your clinic/salon/spa business.

Understand where you are at with your stock.

Have processes in place to keep track of your stock. This is important so that you know exactly how much money is sitting on your shelves and to know what you need to do to improve your stock management. A weekly stock take is essential to understand your inventory and recognise what stock moves and which product does not and implement strategies to manage this.

Regular stock takes.

Stock taking is the process of assessing and recording the amount of stock held by a business to assess the business's stock levels. Most salon software systems can track your stock levels as well as the ability to run reports on your stock, to give an insight on stock levels, stock that has been sold, slow moving stock, and re-order reports.

Know what stock you need.

Run reports so that you know what you need. If your salon/spa highlights products weekly or monthly, you will need to ensure that you have enough of that product available to sell to your clients. Look at your professional stock, delete slow products and increase those you

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often find you are short of. Commit to the amount of stock you want to consistently hold, and each month check you are on track.

Who is in charge?

To improve stock management process, it is vital that the salon owner/manager oversee the stock levels and stock management. Often the ordering of stock is left to the receptionist or salon coordinator. These team members do not usually have access to budgets or sales targets. To manage stock effectively in your salon, the person doing the ordering needs to understand the numbers of your business.

Keep your team looking great.

Your team will be less likely to steal products if you allow them to have services and treatments and purchase products at salon prices. Treatments and use of the products will keep your therapists and staff looking great and educated on your services and products. This also allows the therapists to tell clients that they have used or use the product. It is easier to sell a product or service that you have used than one that you have never used.

How to sell stock that is not moving.

- Provide training for your staff on stock inventory and the importance of moving stock. Making your team aware of the importance of stock management is crucial as your stock is the second biggest expense after wages.
- Provide consistent and up to date product training for your staff so that they know all the products available to retail to clients.

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Focus on Forgotten Products

Every salon/spa/clinic carries a range of products to recommend to their clients and the reality is that some products are more popular than others. A good management strategy is every quarter to review what is selling well and what is not. Your salon software will allow you to create a report that will clearly show your sales over this period. Look at your top sellers but also look at what are your forgotten products. These are products your clients would benefit from using if they understood the benefits and your team did not forget to talk about them. Mostly they don't even know they exist.

This is a great team meeting subject to remind your team that they should be using these products in salon and sharing with their clients what they need and how best to use the recommended product to help them to look great between salon visits.

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