Manufacturers, Too, Have Problems In Judging Demand

By JOSEPH DiFINI

Whether or not it is because they have a captive market, I don’t know, but some pros seem to be rather complacent about their merchandise stock picture. At least that is the impression that we in the manufacturing and distributing field sometimes get. It comes down to the fact that some pros don’t anticipate their stock needs far enough in advance with the result that they often are faced with either shortages or snags in mid-season delivery.

I feel that you have to take a calculated risk in ordering merchandise. Spring and summer are the best seasons at a majority of clubs and where hard-to-get merchandise is involved, it is wise to try to anticipate at least 50 per cent of your needs some weeks in advance of these seasons. You can’t deny that if you end up short of stock in spring or summer it is going to hurt your profit picture.

Two-Sided Problem

Don’t forget that manufacturers, too, are faced with the same problems in anticipating demand that you are, but on a much larger scale. They have to plan as much as a full year in advance on how much material they are going to need. After the material is received, there is another element that can trip them up — the length of time it is going to take them to convert it to the finished product. Keep in mind that manufacturers not only have to produce to fill orders already received, but they have to gear their production to anticipated orders.

No manufacturer will cut or partly process 100 per cent of his material and then warehouse it in anticipation of selling all of it. He can’t speculate to that extent. Some years he may wish he had, but there are the lean years when he might bankrupt himself if he did.

The question often arises among pros and other retailers — why can’t we hold off to June or July in re-ordering? In that way we could see how the market or the demand is shaping up.

It would be fine if it could be done! But this is what you have to keep in mind: manufacturers have to have a cut-off date to switch their machines, in fact their entire operation, to the new styles and fabrics for the next season. The deadline for starting new production is simply one that they can’t ignore.

That is when you start getting those cards — “Sorry, sold out!” You’re not the only fellow who gets them. But that doesn’t mean you have to sigh, throw up your hands and say, “It’s no use.” You have other styles, other colors on your shelves that have to be sold. Why not try to sell them? If you can’t persuade the customer to occasionally accept a second choice, you aren’t a salesman. And in your business, you have to be a salesman!

Get Customer to Switch

Here is another thing to keep in mind. At the height of the season, when you are re-ordering, you increase your chances of delivery by 50 per cent if you specify a second choice. This is especially true where color is concerned. You’ll have a very good chance, too, of selling all the substitute or second choice merchandise you may receive if you use discretion in deciding what the second choice is going to be. By that I mean if tan is your first choice, then brown should be your second choice. You can sell the brown nine times out of ten by suggesting it to your customer as a substitute for the tan he may have originally ordered. You’ve probably done that often enough to know that it isn’t too difficult.

Four $50,000 Events on PGA Winter Tour

According to the PGA, the 1962 winter tour will be the richest in history. For the first time there will be four $50,000 PGA co-sponsored events and three of them will be played consecutively. These lucrative tournaments include the Crosby, Lucky International, Palm Springs and Doral CC Open, to be played in Miami. In addition, the $50,000 hole-in-one bonus still is being offered in the Palm Springs Desert Classic.

According to the PGA, several sponsors are increasing prize money for the winter tour and all stateside events offer a total of $20,000 or more. Five invitation affairs are listed on the Caribbean circuit with their prize total running to $55,000.