

Open to buy (R/C) for each month

Formula	FEB	MARCH	APRIL	MAY	JUNE	JULY
PLAN SALES	300,000	200,000	300,000	200,000	400,000	250,000
+ PLAN REDUCTION	20,000	26,000	31,000	17,000	46,000	50,000
+PLAN EOM STOCK	200,000	80,000	110,000	90,000	210,000	70,000
= TOTAL MONTHLY NEEDS	520,000	306,000	441,000	307,000	656,000	370,000
- BOM STOCK	160,000	200,000	80,000	110,000	90,000	210,000
=PLANED PURCHASES	360,000	106,000	361,000	197,000	566,000	160,000
-MERCH.ON ORDER	125,000	15,000	145,000	35,000	170,000	24,000
= OPEN TO BUY (AT RETAIL	235,000	91,000	216,000	162,000	396,000	136,000

= OPEN TO BUY (AT COST	117,500	45,500	108,000	81,000	198,000	68,000
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Average Monthly sales: Add all monthly planned sales and divide by 6

275,000 Final Answer

Average monthly on order: Add all on orders and divide by 6

85,666.66 Final Answer

Markdown % for each month: divide Markdown \$ by planned sales of that month x 100

Feb	march	April	MAY	JUNE	JULY
2.67%	6%	1.33%	1.5%	4.5%	10%

C1. $1,650,000 \times 6.2 = 102,300$

$102,300 + 1,650,000 = 1,752,300$ Final Answer

C2. 47% Final Answer

$1,820,000 - 1,236,000 = 584,000 / 1,226,000 = 47$

Final Paper- Why retail increases in sales

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As we all know retail is everywhere. One shops and works at retail etc. In many aspects of business, especially in retail they may have their constant ups and downs. That is just how business works especially in different seasons year round. In this case, why/ how are retail sales increasing. Luckily many business become successful because of how the teams are constantly working together to achieve more. Reasons as to why there is an increase in retail sales include, reaching out to your desired target market, an external factor including using competition. You become aware of what they are doing and find out how to do it better. Lastly, a price decrease in products, who does not love a good discount.

It is important to have a target market in retail in order to bring in customers. For a business in order to sell their products they must know who they want their customers to be. Without a precise target market they will have no clue as to who walks into the store and who is going to actually purchase an item. “Target marketing helps you hit specific customers with ad messages and promotional offers that align with their buying patterns and preferences”, (*Kokemuller,2022*). With a direct audience you reach their attentij making them want to come in and shop, therefore increasing sales.

Many people will see competition as a bad thing. However, competition can be used as a great way to bring in customers. Instead of seeing competition as a threat one can gain knowledge from the other retail and see what to do and what not to do. “If you have this knowledge, you will be better prepared to defend your market position, react to changes, and find new markets”, (*increase sales, 2022*). This increases sales because now you are the one who is better informed and will have a plan to become better.

When someone sees a sale going on in their favorite retail shop, their first instinct is to go in and spend. Reason being that they enjoy shopping at the retail and because the customer is saving money on products they will adore. “ A company may introduce new products, promote them through enticing marketing campaigns, offer discounts”, (*Hamilton, E, 2022*). The more the customers come in to shop during a sale, the sales within the retail increase because at times the customer spends more than they have planned to.

Reference

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