

THE VALUE OF GOOD INVENTORY

Maintaining a good inventory is the first step towards building a strong customer service business. Just as you depend on your florist to carry fresh flowers, your clients depend on you to offer the same professional service. A good inventory will also motivate you to reach higher sales goals, increase customer satisfaction, and reduce business costs.

Some new recruits and potential recruits do not understand the total value of their initial order for their inventory. This is very understandable because it is new and let's face it, borrowing money can be a little overwhelming. However, you are borrowing money to make money. In addition, you're making 50% on your money. That's a good investment.

We must remember from the beginning that starting our own business with inventory is one of the keys to success. Can you imagine the difficulty of a retail store opening for business with a couple of items versus the same store with complete inventory? What the eye sees, the eye will buy. Customers will purchase more when they can feel, touch, and smell it. Some refer to it as impulse buying. Think of how many times we go to the grocery store for a gallon of milk, do we ever leave with just a gallon of milk? Of course not, we pick up dog food, bread, chips, etc.

• OUR FIRST FEAR – BORROWING

Many bankers are more willing to make a loan to a stable woman, regardless of age, than a man, as they have a better repayment record. That usually means if we try to do something, we usually do it. Isn't that the first thing we learn in Mary Kay from our Recruiter and Director, "You can do if U" Remember, the Company offers the 90% buyback guarantee. Don't just try one source when you borrow. - Donald Trump wouldn't have given up after visiting only one bank.

• OUR SECOND FEAR - INTEREST RATES

Is money too high? Should I wait? Should I only order a minimum amount? Do not let these things bother you. You are not borrowing that much and it's only short term. Do you realize there is only a \$35.00 difference between borrowing \$3,600 for six months at 18% versus 14%? Did you realize that if you borrow \$600.00 at 18% for six months versus borrowing 3,600 that is only about \$95 more?

Would you rather go to a clothing store and see what you need and buy it, or would you rather wait until they ordered it? Would you rather make one trip to one appointment and sell product to 3 people at one time or would you rather take orders and make 3 additional deliveries? If you don't have product at your appointment, how many customers will say "No, or I guess you can call me when you get it"? In other words, HOW MANY SALES ARE YOU GOING TO LOOSE and how many additional hours will you work delivering, reselling, collecting, and revisiting to finally collect your profit? Time is precious to everyone and we are all given the same amount of hours in a day. By starting your business at profit level of \$3600, your business will run much smoother. Remember, you can't sell out of an empty wagon.

• OUR THIRD FEAR - CAN I PAY IT OFF?

The average conservative sale is \$200. That means you will make \$100 profit at that appointment. Depending on how much time you take. Also, after 30 days your reorder business will kick in, and that's another 50% profit. What does that mean? It adds up to this. If you only hold 3 appointments per week, you can pay your loan and have a profit too. More importantly, you have \$3600 worth of product that you own, and it worth \$7200.

Planning a good inventory is vital to building a strong, growing business. Without products, you can't sell them and without sales, you are out of business. Keep your product inventory up to date and plan for your future needs.

P.S. As you begin to build your team, your new consultants will always ask, "Where did you start?" They follow in your footsteps. You don't want to say, "Well, if I could do it over again..."