

Garden Centre Benchmarking

BENCHMARK WORKSHEETS

Gross Profit	<input type="text"/>	%
Expenses	<input type="text"/>	%
Net Profit	<input type="text"/>	%
Advertising budget	<input type="text"/>	%
Sales per "black top" parking space	<input type="text"/>	\$
Sales per square metre	<input type="text"/>	\$
Average sale per customer	<input type="text"/>	\$
Sales per full-time team member	<input type="text"/>	\$
Labour cost as a % of sales	<input type="text"/>	%
Sales returns as a % of sales	<input type="text"/>	%
Markdowns as a % of sales	<input type="text"/>	%
Shrinkage as a % of sales	<input type="text"/>	%
Stockturn during the year	<input type="text"/>	

Note: See formulae sheet in accompanying notes

CATEGORY PERFORMANCE

Department (eg. Product Group)	%
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Note: See formulae sheet in accompanying notes

CHECKLIST TO IMPROVE YOUR BENCHMARK FIGURES

Increase your average sales per customer

- Are the team using open questions?
- Are the team add-on selling?
- Is your signage strategy working?
- Are the team aware of the best sellers?
- Do the team know the average sale and have a target to work towards?
- Have you got large enough baskets and trolleys?

Increase Your Gross Profit

- Purchase products at a lower price
- Change your product mix
- Reduce the number of markdowns
- Charge higher retail prices
- Price your services higher
- Stock more seasonal items
- Offer fewer Stock Keeping Units
- Stock more non-known value products

Factors that Effect a Decrease in Gross Profit

- Competition pressure
- Too many retailers in the catchment area
- Change in product mix
- Excessive shrinkage
- A lot of lower priced merchandise in stock giving low gross profits

Increase Your Labour to Sales

If it is low:

- Is your service to the customer effective?
- Are you providing a self service system and is this what the customer wants?
- Have you developed a USP (Unique Selling Proposition)?

Reduce Your Labour to Sales

If it is high:

- Is all the team trained in product knowledge?
- Have they been trained in selling skills?
- Do they have the right personality?
- Is your induction program for new employees effective?
- Are team members doing too many "cost" jobs instead of "value" jobs?
- Is the merchandise mix correct?
- Does the customer flow encourage full browse shopping?
- Does your signage strategy work effectively?

CALCULATION FORMULAS

<p>Product Gross Profit</p> $\text{Sell Price \$} - \text{Cost Price \$}$	<p>Gross Profit %</p> $\frac{\text{Total gross profit \$}}{\text{Total dollar sales}} \times 100$	<p>Product Gross Profit %</p> $\frac{\text{Sell Price} - \text{Cost Price}}{\text{Sell Price}} \times 100$
<p>Net Profit</p> $\text{Total gross profit \$} - \text{Total Expenses \$}$	<p>Net Profit %</p> $\frac{\text{Net Profit \$}}{\text{Total dollar sales}} \times 100$	<p>Average Sale per Customer</p> $\frac{\text{Total dollar sales}}{\text{Number of customer transactions}}$
<p>Sales per Selling Square Metre</p> $\frac{\text{Total dollar sales}}{\text{Number of square feet of selling space}}$	<p>Sales per Full-time Team Member</p> $\frac{\text{Total dollar sales}}{\text{Number of full-time members equivalent}}$	<p>Expenses %</p> $\frac{\text{Total Expenses \$}}{\text{Total Sales \$}} \times 100$
<p>Dept. Sales Cont.</p> $\frac{\text{Dept. sales cont. in dollar terms}}{\text{Total dollar sales}} \times 100$	<p>Dept. Gross Profit Cont.</p> $\frac{\text{Dept. sales cont.} \times \text{Dept. gross profit}}{100}$	<p>Sales Returns as % of Net Sales</p> $\frac{\text{Total number of returns}}{\text{Total number of transactions}} \times 100$
<p>Shrinkage as % of Sales</p> $\frac{\text{Total dollar inventory shrinkage}}{\text{Total dollar sales}} \times 100$	<p>Stockturn during the Year</p> $\frac{\text{Total Dollar Sales per Year}}{\text{Retail Value on Invent at any one Time}}$	<p>Markdowns as % of Sales</p> $\frac{\text{Total number of markdowns}}{\text{Total number of sales}} \times 100$
<p>Labor as % of Sales</p> $\frac{\text{Total labor expenses \$}}{\text{Total dollar sales}} \times 100$	<p>Advertising as % of Sales</p> $\frac{\text{Total Advertising \$}}{\text{Total dollar sales}} \times 100$	<p>Sales per "black top" Parking Space</p> $\frac{\text{Total dollar sales}}{\text{Total number of parking spaces}}$