



# PROFITsystems E-COMMUNICATOR

## Calendar

**January 9th-13th**  
Class Week

**January 11th - 12th**  
PROFITgroups - Countrywide Group  
Toronto, Ontario

**January 17th - 19th**  
PROFITgroups - Over 10 Group  
Melbourne, FL

**January 30th - February 3rd**  
Las Vegas Market  
WMC Booth: 210-16,210-17

**February 3rd - 4th**  
PROFITgroups - Group 4  
Las Vegas, NV

**February 6th - 10th**  
Class Week

**February 27th - March 1st**  
PROFITgroups - Visionaries  
Key West, FL

**March 6th - 10th**  
Class Week

**March 6th - 10th**  
PROFITgroups - Thomasville Group  
Palm Springs, CA

**March 28th - 30th**  
PROFITgroups - Kaizen Group  
Memphis, TN

**April 3rd - 7th**  
Class Week

**May 8th - 12th**  
Class Week

## Classroom Training

For more information about our classroom training and to make your reservation, please call 800.888.5564 or email [karim@profitsystems.net](mailto:karim@profitsystems.net).

## PROFITgroups

We are looking forward to seeing our PROFITgroups members at the next meeting. If you are considering becoming a PROFITgroups member and would like more information or references, please call 800.325.2018.

## Attention Bar Code Users

*Frank Lanza, Systems Support*

We now have an update available for the Antares 2420 scanner. If you have been experiencing the following errors on your scanner, we would like for you to update the scanner software:

- Com1 Transmit Error 621

## PROFITuniversity 2006

*Renee Thornton, Communications Manager*



PROFITsystems announces its 20th client conference to be held June 13-16, 2006 at the Rio All-Suite Casino Resort in Las Vegas, Nevada. The conference takes place over three days with three separate tracks each day allowing retailers to select the concepts and information most beneficial to their particular needs. The newly added third track is a round table format which includes dozens of topics in a small group setting. The round table discussions will cover the financial structure, forecasting methods, systems practices, merchandising, and selling strategies necessary for stores to improve profits.

Keynote speakers this year will be: **Cary Mullen**, "The Champion Within", an Olympian and World Cup Champion who currently holds the World Downhill Speed Record for skiing, 97 mph, down the world's most famous ski course in Kitzbuhel, Austria. He was a non-prodigy, an underdog, who placed last in his first World Cup race. Following his own Process for Success™, he moved from 'worst to first'.

Also speaking is **Rob "Waldo" Waldman**, "Proud to be Your Wingman", a professional speaker, leadership and sales consultant, author, and a decorated Air Force fighter pilot. In his inspirational keynote presentation, Waldo demonstrates how business people, like fighter pilots, can achieve success and win in highly competitive environments through disciplined training, dedicated teamwork, and passionate leadership.

Other topics for the conference include planning a successful future, super sizing your productivity, home design, warehousing, customer care, and much more.

The PROFITuniversity conferences have been extremely successful over the past 20 years by providing educational and networking events to all PROFITsystems' clients at all professional levels.

One of the most exciting things about the conference will not only be the outstanding educational content, but also the unique opportunities for hundreds of furniture retailers to converge, gather information, and share ideas.

In addition to the conference, PROFITsystems will be hosting a cocktail party and a night out in Las Vegas for all guests and speakers attending the conference.

Call 800.888.5565 or email [conference@profitsystems.net](mailto:conference@profitsystems.net) for information on early bird sign up prices.

## Customer Satisfaction: Is yours what you think it is?

*Phyllis Zaepfel, Director of PROFITgroups*

When was the last time you logged into the Better Business Bureau's (BBB) website to look at your company's report? You may or may not be aware of what your customers are saying about you. If this is true, you are missing the boat. Many company owners or primaries have assigned one person to handle communications from this and other consumer agencies as well as letters from customers. Like many busy owners who rely on their staff, they assume they are handling matters of this nature on their behalf and in a timely and satisfactory manner. I also would imagine that each complaint that reaches the designated contact is dealt with to a resolution. My real concern is how many complaints have escalated to this level?



What do you feel is an acceptable number of customer complaints to be referred to the Better Business Bureau? I would argue that one is too many. It is true you can't please all the people all the time, but the objective should be to try. In doing the research for this article, I took a random sampling of six furniture stores that are members of our PROFITgroups and I looked up their reports. Of the six companies, the numbers of complaints processed by the BBB in last 36 months were: 0, 0, 3, 5, 15, and 33. These are companies that have volumes of \$8 million or more and the volume of business is not indicative of the highest level of complaints received.

So, what does this tell us? First, while I have not yet confronted the companies with these findings, I would assume that one, the owners whose stores had more than one complaint have no idea of the number of accumulated complaints they have received. Two, all of

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these stores proclaim to be committed to offering the highest level of customer service to their customers.

Customer complaints are opportunities to improve the customer service that your store provides. Complaints should be looked at as lessons learned and should be the motivation to promote better customer service within the organization. Customer service issues are just one of the topics that we deal with through our PROFIT*groups* program. We discuss and assist in developing systems for our group members to deal with real issues that they face in their desire to better their operations and thus increase profitability.

If you are interested in learning more about customer service processes and procedures, call PROFIT*groups* at 800.325.2018.

## Get in Line

*Joe Capillo, Director of Sales and Organizational Consulting*

Controlling the front-end has always been an elusive goal for furniture retailers. One reason has been that the real issues of sales management have been difficult to measure and analyze. Now with PROFIT*professional* version 11.1, you can finally begin to get a handle on what's really going on where your business begins – with salespeople and customers.

There are three factors in the selling equation: UPs (customer opportunities), close ratio, and average sale. Every day, you and your employees on the sales side need to be doing things that improve each of these factors, but you cannot improve what you do not measure. This is the principle underlying our development of the Customer Care Center (CCC) and CHARISMA*selling*.

The Customer Care Center provides a fully integrated system for recording all customer activity, gathering critical sales performance metrics, and ensuring that follow up is accomplished to bring unsold customers back to your store to complete their purchase. Best of all, this new technology is included in PROFIT*professional* version 11.1.

Connecting to customer projects and providing valuable help is the central theme of CHARISMA*selling*, and getting unsold customers back to the store is its goal. Returning customers buy at a rate three times greater than first-time customers, so the more return customers you have, the higher your close ratio will be, and the more revenue will be generated. Not only that, but CHARISMA*selling* also shows salespeople and sales managers how to work with customers in ways that will cause them to buy more furniture, and in many cases, a *lot* more.

Combining the CCC features with the methods of the CHARISMA*selling* system will be the best thing you do for your business in 2006. The two elements of the selling equation that salespeople have the most control over, close ratio and average sale can finally be within your control, too.

Additionally, we have gathered a lot of information regarding total store traffic and sales department staffing over the past three years. Electronic monitoring of customer traffic shows that salespeople generally account for no more than 70% of this traffic. What happens to the remaining 30% is more important to your store's success and growth than you can imagine. Being understaffed is the number one reason for store underperformance in our industry, so we're offering an electronic door traffic counter as an optional feature to the Customer Care Center to help you fully understand your most important asset – your customer traffic. The counter will provide you with daily and hourly traffic counts which show trends over time. You will know how many salespeople to have and when to have them and you will be able to make informed decisions regarding this critical issue for the first time.

Send an email to [conversions@profitsystems.net](mailto:conversions@profitsystems.net) to get in line for your free upgrade to PROFIT*professional* version 11.1, and get ready to take control of **all** aspects of your business.

## Productivity Tools Now Available

*Wayne McMahon, VP of Operations, PROFITconsulting*

Over the last year, PROFIT*consulting* has developed and put in to use several custom programs with a large number of our clients. They have been able to achieve many efficiencies and benefits, which we are now making available to all PROFIT*professional* clients. Some of these programs are:

### 12 Month Financial Statements

- Easy setup and installation of Microsoft Access/Excel reporting system.
- 12 months of comparative data.
- Complete with P&L, balance sheet, summary and detail, multiple profit centers.

### AP/Inventory Pending Analysis Report

- Reconcile your AP/Inventory pending account (1005) with a Microsoft Excel report.
- Analyze AP pending general ledger entries for the selected period.
- Sorts and accumulates by PO number.
- Identifies non-PO transactions.
- Matches General Ledger transaction by PO number to AP posted transactions by PO number.
- Lists non-matched transactions by PO, transaction discrepancies by PO, and non-PO transactions, as of the requested date.

### Markdown Level Report

- Simplifies and enhances your markdown system with Microsoft Access reporting capabilities.
- Filter and sort by markdown level, vendor, category, building, and markdown code.

## Discontinued Items Report

- Simplifies and enhances your Inventory Management System with Microsoft Access reporting capabilities.
- Filter and sort by discontinued type, vendor, category, and building.

For further information, please e-mail: [info@profitconsulting.net](mailto:info@profitconsulting.net)

The PROFITsystems E-Communicator is your best source for news and information on PROFITsystems, technology, and the retail furniture industry. If you need to know about our conferences, software, or just what is new around the halls of PSI, this is the place to find it. In conjunction with our website [www.profitsystems.net](http://www.profitsystems.net), we are working to provide you the most information in the most timely manner possible. If you have not registered for access to our online PROFITresource Center, please sign up at our home page today!

Michelle Michaels, Editor

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