



Increase Conversion Rates with Facility Design and Layout

Let's look at some of the things that you can use to improve your customer's experience and drive your sales and profits up once they are in your business location! As long as you have customers who are physically coming into your business, you can do more to increase conversion rates and sales to these customers by considering some of the following.

- Location
- Your Customer's Experience
- Layout for Better Sales
- Pick Your Colors Carefully
- Eye Level, Buy Level
- Stack Them High and Watch Them Fly
- More Facings = More Sales
- Big Sells More

Location

Whether you own a showroom, retail space, hair salon, amusement park, lumber yard, or even a website, how you lay out your business can play a big part in how many people buy from you and how often. Location! Location! Location! Even though the Internet has made location somewhat less important for some businesses, for a business based in a physical building, location is everything. For many businesses, geographic location can mean the difference between success and failure. From firsthand experience, I can tell you that one of my retail businesses started with a great idea in a wrong location and failed. If you have a restaurant or a business with retail space, geography is critical to success. Sometimes locating a business properly in a busy area can be all the difference between success and failure. I have experienced businesses that are successful, despite their poor service and quality of product, simply because they have a great location. Other businesses have wasted away because of the owner's failure to situate their business in a high-traffic area in their target market.

There is a science to location. When businesses grow to a certain



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size, they often start using scientific data for foot traffic, customer counts, and demographics to choose the proper location. If you are considering moving your business to increase traffic flow, you might want to use some sophisticated tools for looking at the demographics of your target market. One choice of some businesses is to be located as near as possible to their most successful competitor. This strategy should be considered carefully (your competitor might out-compete you!), but it can make the difference for some business owners. Alternatively, you may wish to use a blue ocean strategy and consider opening where there is little or no competition. In this case, you need to think about the reasons that there is no competition and add that to your decision-making process.

Your Customers Experience

Once you attract customers, you need to ensure that they enjoy their experience at your business. This can mean the difference between success and failure for you. We have talked about the need for a sales system and adequate training for your staff to ensure that your customers are greeted and welcomed into your establishment. But, as business owners, we sometimes forget to consider how our establishment looks. We often enter through back doors, or rush in to turn alarms off, and never consider things through the eyes of our customers. When your customers come into your business, they need time to adjust. This is typically called a decompression zone. This is an area where they are able to take notice of what is happening: colors and smells. Finding ways of making prospects and customers feel more comfortable in the decompression zone will increase the number that buy from you and your average sale.

Layout for Better Sales



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Grocery stores and websites are laid out in a certain way to ensure that you, the customer, spend as much as possible. For example, have you noticed that dairy and meat are usually always at the back of the grocery store while produce and flowers are at the front? There are reasons for all this. Certain areas of your business are going to be able to generate more sales because your customers are more likely to stop and then buy. Research shows that customers tend to move in certain directions when they come in your door. Mapping out where your customers naturally travel and looking when they are in the business can help you increase sales. In North America, most customers naturally turn right when they come into a business. Laying out your product accordingly can draw customers to your displays and make all the difference for your business.

Pick Your Colors Carefully

Certain colors can make your customers buy or walk away. There is research to show that some colors are calming, while others are exciting. Depending on your business, you want to use calming primary colors in many areas of your business and other colors to cause excitement in areas where you want to drive attention. You will also want to use different colors depending on the client base, age, and culture.

Eye Level, Buy Level

Your customers will buy what they can see. If you want them to buy certain products because you make more margin or profits, put these items at eye level. Also, be considerate of who your customers are. There is a reason why grocery stores put cereals for kids on lower shelves - so kids can see them!

Stack Them High and Watch Them Fly



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I learned this technique from Danny Wells at a seminar 20 years ago and, as a result, was able to boost sales by incredible amounts in retail locations. By buying product on sale from your supplier or asking for product at a reduced price with a “guaranteed sale,” you can stack product up and increase demand with your signage. There has been plenty of research to show that customers who see case stacks are more likely to pick product from them. The mentality is: if there is a huge stack, there must be huge demand and a great price and, therefore, I need to buy it. These promotional sales can sell 4 to 5 times more than regular sales for this product or service over a similar period (Chevalier, 2012)!

More Facings = More Sales

Research shows that by doubling the facing of product in your establishment, you can increase your sales by 30% on the same product. Many products get missed when they are only single faced. Increasing the chance that customers will view the product increases the amount of sales (Chevalier, 2012).

Big Sells More

Research shows that if you are manufacturing, retailing, or selling online, BIG sells! Bigger pictures, bigger product, and bigger displays will sell you more product!

There are countless ways of encouraging and increasing sales once prospective customers are in your location. If you need help, find out what others in your industry are doing. By asking what works at trade shows, conventions, or from your others in your trade association, you can go a long way to increasing profitability. Don't be afraid to ask the experts or those who have been successful in your industry for advice. Chances are, they would be more than happy to



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share their tips and secrets!

List specific ways you could increase your customer conversion rates.

1.

2.

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