Teacher Background Information

SALES! SALES! AND MORE SALES!

"Sale! Sale! Sale!" How many times have you seen those words in a store window or advertisement? When is a sale <u>really</u> a sale? The different types of sales and the meaning of each type are defined below.

Promotional Sales

Clothing retailers are always looking for ways to attract customers into their stores. One of the more common ways of increasing more traffic is to "promote" certain items through advertising, publicity, and sale prices. Promotional sales are offered on regularly stocked clothing items at reduced prices for limited periods of time. For example, a store might advertise a regularly priced \$20 blouse for \$16. After the promotional sale, the blouse returns to the original \$20 price. Promotional sales are frequently offered on well-known brands and merchandise and are sometimes held at the beginning of a season.

Promotional sales offer the customer an unusual value. The store may absorb the cost of selling the clothing at the reduced price or ask the manufacturer to assist in absorbing some of the costs. Some promotional sales are held at the same time each year. Therefore, it is smart to take note of promotional sales and plan your shopping accordingly. (See sales chart in Unit VI Topic A of the <u>Dynamics of Clothing I</u> curriculum.)

Special Purchase Sales

Sometimes you will see an advertisement that says "special purchase" or "special buy." These sales represent special offers by manufacturers to clothing stores. Usually, the store has bought the merchandise at a lower price because the manufacturer has excess inventory. Unlike promotional sales, these "special purchases" will remain at the sale price until all are sold. Buy "special purchase" merchandise carefully. Such items may be good buys, but they may represent lesser quality merchandise that the manufacturer has sold to the store at low prices just to get rid of.

Clearance Sales

Clearance sales are designed to move merchandise that is fast becoming out of season or out of style. For women's clothing, there are five major selling seasons. These seasons are early fall, fall, resort, spring, and summer. For men's clothing there are two major selling seasons: winter and summer. As the selling seasons change, stores frequently put already stocked items on sale to make room for incoming merchandise.

Because retailers must buy and stock their merchandise far in advance, clearance sales may actually occur during peak wearing times for the customer. For example, it is not uncommon to find clearance sales on swimsuits in June. The customer can still wear the swimsuit in July and August, which are frequently the hottest months of the year.

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The two major clearance sale months are January and July. Many clothing stores take inventory of their stock at the end of those months. To make the inventory process easier, they want to reduce their stock to the lowest possible levels. Frequently, you will hear or see these sales described as "inventory clearance sales." Some stores evaluate their inventory situations at the end of each month. These sales are referred to as "end of the month" sales or simply "E.O.M." sales.

When you purchase clearance sale merchandise, select styles that will not go out of fashion quickly. A winter coat purchased for half price in January can be a wise choice if it can also be worn the following winter.

Percent-Off Sales

Many stores will offer percent-off sales to generate store traffic. These can be storewide sales (everything in the store 20 percent off), department sales, or individual item or brand sales (30 percent off all Levi's or Wrangler jeans). Frequently, these sales are for only a limited period of time. Many stores hold storewide percent-off sales on a regular basis once or twice a year for one day. If a store where you like to shop does this, you can postpone purchasing an item until the day of the percent-off sale. This is a good way to save money on your clothing purchases, provided you are able to wait until the sale to get what you need.

Many percent-off sales will offer 10, 20, 30, or 40 percent off original prices. As you look through the clothes, figure out how much you can save on an item. To calculate 10 percent off a \$20 blouse, simply move the decimal point one place to the left. If the savings are 20 percent off, multiply that amount by 2; if they are 30 percent off, multiply that amount by 3, etc.

Sometimes percent-off sales will involve merchandise that has previously been reduced or marked down. You can see that the old price was crossed out on the price tag and a new price written in. Always ask if the percent-off is calculated on the crossed-out price or the written-in price.

Source: Cooperative Extension Service, University of Illinois at Urbana-Champaign, College of Agriculture