

Putting Sales on Layaway

Once, very popular in the 70's and 80's, layaway has become popular again by consumers in 2009. Poor economic conditions have lead people to manage the purchase of goods by using layaway instead of credit. Businesses have also been using this as their sales strategy.

What is layaway? For those of you that are not familiar to layaway – it is when you want to purchase – a new coat – and you do not have the money for it. You put down a deposit and pay a small fee – maybe \$5. Then you make payments on it each month until the coat is paid off. Now if this is a winter coat – and you need to make payments on it – you may need to start in the summer – to make sure that you have the coat when you need it.

How do you put sales on layaway? Quite a few business sectors have not been achieving their sales goals. Without hitting their sales goals – they are spending less on sales and marketing. They want to get the sales – and then they will have money to spend on getting more by using different forms of marketing. Companies are finding hard to gain sales without investing in marketing and sales. Essentially, they are putting their sales on layaway. They are not getting them now – but when they have the money – they will be investing to get them.

Does this work? Layaway is a form of budgeting when you don't have the money now – or you may never have it all at once. Yes – you might get your coat before the winter – but if economy changes – you might have to make smaller payments and get your coat after winter in the spring. Companies may do the same thing – delaying when they are going to invest on sales and marketing – leaving the company stagnant in the mean time.

What can you do to avoid waiting? Evaluate sources that can bring the best outcome for marketing and sales. Look at:

- Outsourcing your cold-calling and appointment setting
- Direct Mail Campaign
- Email Campaign
- Print Advertising

Advertising, direct mail and email campaigns are most effective when they are followed by a personal call. Plan – that if you spend X you should get Y in return. Y should be higher than X . If you spend nothing – you have the chance of getting nothing in return. Which one could you hold accountable? The greater the accountability – the larger ROI (return on investment).

Before you put your sales on layaway – consider other options on how to spend marketing and sales dollars to increase your sales. Evaluate which opportunity will give you the greatest ROI. Fill your sales pipeline and don't leave your company at a standstill.