



The sell-in and the take-out

December 15, 2011

At the beginning of this week we asked a range of leading suppliers if the pre-Christmas sell-in to retailers had been to their expectations, and invited them provide a brief message of encouragement and advice to retailers and their staff.

While 'brief' proved impossible for some (colon, close brackets), we were delighted and grateful that the executives we approached took the time to respond in what is a busy period for everyone.

This is what they said:

John Swainston, Maxwell International

'...the first two weeks of the calendar year are always the strongest for accessories.'



The sell-in: Christmas took off slowly, but in December demand for Maxwell's accessory lines has been sharply up on same time last year. Strong product offerings from the award-winning Tamron 18-270mm, together with a very attractive POS campaign with a trip to South Africa are pulling in very good traffic, and will do through to February when the campaign ends. Lowepro has brought to market some great new products in multiple categories, so they as ever are going briskly and confirm the dominant number one ranking for this great brand of accessory bag.

The take-out: With traffic brisk, and shoppers leaving things later and later, the most important task for any retailer is to put an offer in with every sales of hardware that gives customers a reason to come back in in January.

In fact the first two weeks of the calendar year are always the strongest for accessories. Every year we get a rush of requests on Jan 23 (*late correction - December 23 - but see John's comment*); 'We are running out of X. can you ship it before Christmas or we won't have enough for the Boxing Day sale.' - So this year, just order a few days earlier. While Maxwell is one of the few wholesalers which IS open between Christmas and New Year, and able to ship replenishment accessory supplies, you can't sell it in-store if you don't have it when they want it.

Remember: That accessory after sale, or print deal for people's Christmas snaps, may add as much margin as the primary hardware sale did before Christmas.

Stuart Holmes, IPS

'...photo specialty is seeking to differentiate...from the ubiquitous and stale mass merchant offerings.'

The sell-in: Independent Photo (IPS) has seen a huge surge in requests for Dakis online printing, photobooking, and in-store gifting

Rain? No worries,
Dirt? Not a problem



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websites, as well as many sign-ups to Dakis e-Commerce webstores. Clearly, photo specialty is seeking to differentiate their kiosk and online presence from the ubiquitous and stale mass merchant offerings.



Since this year's PMA Show in June, a number of photo specialty retailers and pro labs have signed up to the IPI International Marketing Group to access the superb Marketing Solutions Package (MSP) to give their business the promotional edge needed to succeed in tough times.

As well as the exclusive IPI members' website there is a plethora of professional image templates for custom collages, calendars, cards and borders for all photo occasions through the year as well as photo gifting solutions, along with expert 'How to' guides.

The competitively-priced IPS silver halide 'Fighting Paper' has ratcheted up sales volumes, in keeping with holiday season sales, while the IPS wide-format photo paper, canvas, and YouFrame canvas stretch bars, have also jumped in sales volume.

There's obviously more to life than just 6 x 4 inch prints, and Independents are capitalising on the Christmas demand for stretch canvas, poster prints and even B2B print services to neighbouring businesses like wide-format POS posters.

The take-out: If you want to survive and succeed in tough times, you have to do something different to set yourself apart from the (mass merchant) pack, market your business and sell creative higher margin products to your customers. To this end, Independent Photo (IPS) says 'When the Going Gets Tough, the Tough Getting Creative'.

Seek to differentiate your offering to the market and also hunt down print and associated opportunities outside the 'traditional' business.

Kevin Johnson, Tasco Sales

'The important issue is to have stock, and don't panic and discount out.'



The sell-in: Sales have been steady for Tasco leading into Christmas within most of our business channels, although our photo portfolio is softer compared to previous years. However we budgeted for that, and as a result we are on track to meet our budget forecast and slightly ahead on our profit forecast.

The take-out: Consumer confidence today is better than what it was a couple of months ago, but this confidence will not hit the retail sector until a week out from Christmas and early January, in my opinion.

The important issue is to have stock, and don't panic and discount out. Be sensible and don't let a sale walk out the door; offer add-on value items to sweeten the deal. Retain profit wherever possible.

Finally, don't become paranoid on grey market. Be mindful, certainly; work around it and use it to your advantage.

Jason McLean, Canon

'...our industry has weathered the storm and is working toward a better future.'

The sell-in: The consumer trend to quality cameras that we've seen over the past couple of years is continuing to

play out, and the passion for imaging remains very strong. As expected, DSLR is proving popular this Christmas with retailers telling us that sell-through for key DSLR lines doubled in this last week.

Similarly, high-end compacts such as the PowerShot G12 are selling well and the new PowerShot S100 and IXUS 230 HS are also attracting plenty of interest. In the mid-range, the IXUS 115 HS and IXUS 220 HS are selling particularly well, offering both great value and TruCapture technology for quality results.



The take-out: With the end of 2011 in sight, we are keenly aware that this has been the most challenging year for us all in living memory. While this year has thrown up an enormous amount of turmoil and change, there needs to be a shared sense of achievement, as our industry has weathered the storm and is working toward a better future.

At Canon, we have definitely had our bumps and bruises, but we are buoyed by what 2012 will bring, both in terms of the broader economic tide change and the strength of what we will bring to stimulate the local market.

We thank our partners for their support and wish everyone a busy, prosperous and safe Christmas and New Year, and let's look to 2012 with enthusiasm and optimism.

Steuart Meers, Photo Direct

['There is a bright and vibrant industry out there – it's just different.'](#)



The sell-in: Each year we see an uplift in creative products – canvas, photobooks, calendars, etc. This year is following the same trend as previous years, but the volumes are substantially higher.

I think this comes about for two reasons: firstly, consumer awareness of these products has dramatically improved; secondly, there's a larger installed base.

The average per store seems substantially higher, so this vindicates the risk/investment retailers have taken installing creative capability. With 10 retail days left to run it seems there's a lot more production to be done yet, so it feels like a bumper year for creative (high margin) products. So I think business is beyond my expectations. Also, my old hobby horse, Lifepics on-line, is just booming with calendars and photobooks.

The take-out: There is a bright and vibrant industry out there – it's just different. Consumers still like printed images in whatever form that may take. I think the key for all retailers is good communication of their capabilities to the consumers. They don't know what they don't know. Talk to them, show them, engage with them, put the product in their hands and let them see what they can do.

There are plenty of dollars in consumers' wallets this year, we just need to show them why they should open those wallets to us and not some other retailer.

To all, have a fantastic Christmas and make 2012 what you'd like it to be.

...And finally, a more global perspective from New Zealand (congratulations on the cricket, btw!) courtesy of Chris Wilkinson, First Retail:

['For many it's only this week when sales have lifted close to expectation.'](#)

Over the past week or so we've been in touch with a lot of

the retailers, manufacturers and wholesalers we work with here, in Australian, the UK and the US.

Here's our global perspective;

- Most retailers are feeling fairly 'brow beaten' after a challenging year. The market's not showing them too much love – and that's been reflected in their enthusiasm;
- Those that have enjoyed good camera sales in past Christmases are struggling this year;
- Consumers are being very decisive in their purchasing. Add-on sales are fewer;
- As in the past, the rush continues to get later. For many it's only this week when sales have lifted close to expectation;
- There's been a big shift in photofinishing to the web, much more than in past years due to consumer awareness;
- The shift continues from silver halide products to print-based photo goods such as books, cards etc. Some stores doing significant volumes;
- Retailers loathe to stock up as they are concerned about sell-through.



2 THOUGHTS ON "THE SELL-IN AND THE TAKE-OUT"



[John Swainston](#) on [December 15, 2011 at 10:58 pm](#) said:

In re-reading my contribution, of course the calls come on December 23rd, rather than January 23rd! By then the panic is – "we don't have enough for back to school or the Australia Day holiday weekend." And late breaking reports suggest that around the Country, it's building to a good strong photo finish for the calendar year. Merry Christmas and a Happy New Year, to all from Maxwell. I echo Jason's call for the need for enthusiasm – it goes a long, long way to build confidence. Go well.

Reply ↓



[Chris Wilkinson](#) on [December 16, 2011 at 4:37 am](#) said:

I do hope our quick bites from industry feedback didn't sound to negative. Indeed most stores have had a solid year and yes, there is a huge amount of opportunity within our industry. The rush has now started and its always amazing just how many sales can be crammed into these days leading up to Christmas. The best is still ahead! Our parting suggestion is that retailers should recognise the resources available to help them in 2012. Contribute, share and most of all, let's enjoy the imaging business.

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