

Features

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Raise Your Rebate IQ

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Manufacturer rebates can be a valuable tool in the independent retailer's arsenal, and too often, an underutilized one. When suppliers and sales teams distribute rebate pads to their retailers, they often don't take the time to emphasize the rebate's importance in driving consumer purchases. The result is missed opportunity!

In many instances, manufacturers provide rebate programs to independent garden centers to help them compete with the box stores. "Leave no stone unturned toward growing sales," they say. Some manufacturers, such as Espoma and Sun Gro, provide rebate pads only to independents.

Armed with the cost savings of a consumer rebate, for example, IGCs can offer a better net price on many products. The result is a clear competitive edge over the box stores. The sad reality, though, is that many retailers don't communicate these savings clearly to consumers, nor do they fully understand how to leverage rebates to promote more sales.

Consumers in today's marketplace shop faster than ever. Most won't take the time to read the fine print or, in many cases, ask questions while shopping. So it's up to us to be proactive. We need to provide noticeable, clear and legible signage, showing the netted sale price after manufacturer rebates. Only then can a "compare-and-save" message be received.

In all cases, do the math for your customer. Percentage discounts without the netted price won't get the job done here: The customer may be confused by the message or calculate the discount incorrectly. Or the message may simply leave the customer with more dots than she or he is willing to connect. Consumers know a good thing when, and if, they actually see it.

Of course, the rate of return is directly proportional to the value of the rebate. The higher the rebate value, the higher the redemption rate. Rebates of \$4.00 to \$5.00 are much more likely to be submitted for reimbursement than a \$1.00 rebate. Rebates of \$50 or more, not surprisingly, receive the highest reimbursement rates nationwide.

In advertising promotions, rebates are frequently used, especially by American auto manufacturers, with the goal of increasing market share. One reason might be to increase awareness and market potential against competitors.

For a rebate to entice a consumer, he or she has to be willing to commit to the redemption process. Those who choose to redeem rebates must be convinced that it's easy to do. Simplicity includes having rebate pads available at the point of purchase or with the promotional signage.

For retailers that want to maximize exposure and opportunity, promoting rebate programs can incur some cost. One popular strategy is to leverage social media like Facebook and Instagram, which for many independent retailers, is much less expensive than traditional print advertising.

The manufacturer provides rebates to increase their volume of products sold, while the retailer promotes rebates to increase traffic and sales opportunities. Bonide offers consumer rebates that are redeemed for gift certificates to be used only at the retailer's store where the original purchase was made. These certificates drive return traffic to the independent's store, and increase sales opportunities on plants and peripheral products.

Many studies have shown that rebates aren't a guarantee to increase sales and profits, but they can persuade market penetration versus non-rebated promotions. The manufacturer knows that they won't reimburse every rebate when creating these promotions, however, many savvy consumers recognize value when they see it benefiting them.

Reach out to your supplier for help with your manufacturer rebates! They can bring you up to speed on all of the rebates available to you and the details of how each program works. They've got the products, service and rebate pads for your store. Many suppliers stock these products, so they're available for immediate shipment to meet your needs. There's still time to take advantage of rebate programs for 2017, so act now!

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