

Retailers Play Let's Make a Deal

By JOCELYN ANDERSON

NEW YORK — Everyone loves a bargain, and the tough economy seems to be yielding a buyer's market at retail.

"Right now, you've got consumers who are not shopping as much, so when a retailer gets them in the store, they are going to do whatever they can to [make] the sale," said Britt Beemer, founder and chairman of America's Research Group, a consumer behavior research company. "They can't afford to let anybody walk out these days."

According to America's Research Group, normally about a third of Americans haggle when shopping, but in the last four months, about 67 percent have done so successfully.

For their part, many footwear retailers said they have noticed an increase in hagglers, with some encountering more than one on a daily basis.

Marc Pinansky, manager and buyer for Berk's Shoes and Clothing in Cambridge, Mass., and Providence, R.I., said if a customer buys more than one pair of full-price shoes, which can cost anywhere from \$10 to \$500, he might consider giving them a discount.

"That's not to say I encourage it, but I see how it can be a good business move at times," Pinansky said. "It's very easy to tell when someone is looking for a good deal, or they're just cheap, or even angry. That's how I'll know



In a down economy, some footwear retailers are offering discounts to keep consumers loyal to their stores.

whether to spend any time on the situation. And nine times out of 10, people appreciate [even] the smallest discount."

According to Pinansky, 10 percent off is an acceptable discount, or sometimes he will throw in a few shoe-care products.

Karyn Beard, co-owner of Kham'ryn B Shoes & Accessories in Chicago, agrees that the more someone buys, the more open she becomes to negotiation. "I realize everyone's cash flow is low, and a shoe is not really a necessity," she said. "So when they are spending their money, you want to go ahead and finish the sale."

At Kham'ryn B, where prices range from \$89 to \$200 for brands such as Jessica Simpson and Betsey Johnson, Beard may give 15 to 20 percent off for multiple purchases, and 10 percent off on pairs that are already on sale.

Also, Beard said, the situation may depend on what shoes the customer is looking to buy. "There are certain shoes, if you've had them for a while, you don't mind [discounting] because you're ready to get rid of them," she said. "If it's something new, you have to be really careful because it can eat up your profits."

Other stores are more specific on policy. Plaza Too, a New York- and Connecticut-based designer shoe boutique, will not take part in haggling, but the store will match other stores' prices.

"If a customer says she saw that [same

shoe] at Bergdorf Goodman for \$170, and we have it for \$172, we'll match [it]," said Tom Mendes, owner of Plaza Too. "We match regular price to regular price and sale price to sale price. We'll never match a regular shoe to a sale."

Such issues provide food for thought for new storeowners, such as Kami Smith, who, with partner Shirl Parker, opened Hi Heels Boutique in Atlanta last October. Smith reported that haggling has not yet been a problem in her shop, as shoes have been priced between \$60 and \$200, but she said she might consider being more open

in the future.

"That hasn't crossed over here, and I hope it doesn't," Smith said. "If it does, maybe certain sale prices we'd be willing to negotiate on. Everything is still up for discussion."

Nevertheless, there are just as many retailers who find that giving in to hagglers can be a slippery slope — once you change a price for one person, more might

“Nine times out of 10, people appreciate [even] the smallest discount.”

— Marc Pinansky,
Berk's Shoes and Clothing

expect the same treatment. And that can impact profits.

"If you charge one customer one price and another customer another price, it's just like telling a lie," said Phil Wright, chairman of Vernon Powell Shoes in Salisbury, Md. "Our price is our price. We're delivering too much customer service to haggle."

Beth Whiffen, owner of the high-end women's boutique Il Primo Passo in Santa Monica, Calif., said, "Whether the shoes are on sale or full price, I find haggling to be rather obnoxious. It makes me feel like I'm operating a flea market rather than a luxury boutique."