

Wholesale case study

GROSS PROFIT over 18%

Returns under 10%

COD over NET15 over NET30                      current or not

Top 3

VANAMAAX – highest sales, highest GP, manageable returns, COD

M&B – high sales, high GP, low returns, COD

Import Specialist – good GP, Growing sales, really low returns, current terms

Bottom 3

J&D – sales dropped off, not current on small balance

M&D – losing \$, need to change discount level

M&M – Losing \$, need to change discount level

Customers who are not producing over 10% GP needs a discount restructure(10% is phase 1 and would move as our overall GP raises)

-possible return incentives for good customers, under 5% returns to maintain max discount, discount decreases as returns increase. Possible "Return Allowance" system(earn x% from each purchase to be able to use for returns.