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3 Ways to Beat the Post-Holiday Sales Slump

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NEW YORK ([MainStreet](#)) -- January is typically when customers tie their purse strings to pay off the damage they did during the holidays. So how do businesses get through the slow month?

Consumer spending trends were strong during the holiday season, a breath of fresh air in an otherwise troubling economy. The National Retail Federation revised its holiday spending estimates upward by a percentage point and, as of Dec. 15 (the latest figures available), the trade association expected to see that holiday sales rose 3.8% to a record \$469.1 billion.

But does that mean January, a typically slow month for many retailers and restaurants, will be even slower this year? The jury is out on spending during the six weeks before Valentine's Day - traditionally the next big holiday, along with the Super Bowl (a goldmine for electronics retailers).

Yet not all small businesses feel a down cycle in January, and even some that do have ways to deal with the post-holiday hangover. From a gourmet sandwich shop that uses January to introduce menu items to a card store cleaning out old inventory with sales, the month is far from slow for all businesses.

1. Launch products.

January is typically a good month to introduce product lines, whether to experiment or launch a full rollout of new merchandise, according to some small-business owners.

In the food industry, for instance, the month is typically associated with healthy eating as many consumers look to take part in new year's resolutions to lose weight. That leaves open an opportunity to introduce fresh, unique products catering to this consumer.

"We try to use January to launch our new products. Every six months we're introducing new menu items to customers," says Dave Smith, COO for [Rising Roll Gourmet](#). The company has 15 locations in Atlanta, Houston, San Antonio and Denver.

Rising Roll is also using the colder months to add comfort foods to the menu, including a line of gourmet macaroni and cheese options.

"A new year means new menu items. Consumers don't want to come into their favorite restaurant and see the same old things. It gives them something new to get excited about," Smith says.

Another reason Rising Roll loves January: business catering. About 40% of the company's annual business comes from this sector. Smith says that in December the business tends to slow as many take vacation, but picks up in January when the regular workweek comes back into play. "It has gotten the company through the tough economy and allows typically slow months to be really good months," he says.

"We actually look forward to January."

It's essential for the company to start the year aggressively with new items as well as new promotional plans because competitors are thinking the same way as they look start off the year with strong sales, he says.

2. Offer promotions and sales

Deborah Sweeney, CEO of [MyCorporation](#), an online document filing and research assistance service for small [businesses](#), also takes advantage of the new year. Her business helps start-ups and small firms form limited liability companies or corporations as well as offers a host of business services, such as online document filing and research for business licenses, trademarks and copyrighting licenses.

"January tends to be busy for our industry" as people look to start new or change the structure of their business to coincide with the calendar year, Sweeney says.

Sweeney is looking to do a promotion this month to further boost business by waiving her fees of incorporation, which start at \$99. (Customers still have to pay state and regulatory fees.)

"It builds credibility for our business," Sweeney says, adding that if customers have a positive experience upfront with her, they are more likely to stick with her for other services throughout the life of the business.

3. Prepare for the next busy season.

Sweeney's slow season tends to be in the summer. Last year, she used the time to prepare for her busy season and to carefully create the fee-waiver promotion.

Sweeney's well-planned promotion is a good example of how to take advantage of a slow time to prepare for the next busy season. It's not always about getting a new customer, she says, but preparing for when customers are ready to act, ensuring they become long-term customers.

Other businesses look to order fresh inventory and [stock](#) up for the next busy season.

Dana Norman and her partner, co-owners of [CardSmart](#) in Plainview, N.Y., are fairly new to the card business. They bought the store this past summer, so they have yet to go through a full 12-month business cycle.

Norman is using the January downtime to organize and value leftover inventory for tax purposes. She's also dividing leftover Christmas stock into categories -- merchandise left over from the prior owner from lines the partners don't want to keep selling will have a "50% off" sign above it; merchandise they could bring out for future use is selling for 25% off.

"After the rush of Christmas our inventory was pretty much wiped out," she says. "What we've been doing is re-ordering merchandise that we're going to continue to carry, ordering for Valentine's day and packing up all our Christmas cards."

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