

Dear James,

I am shocked at how few mail order businesses don't analyse their catalogue properly. Many use sales per page or spread, or sales by product. However analysis of product profit **by space and marketing spend** is rare. Known as square inch, or squinch analysis, this is the essential analysis that underpins successful catalogue merchandising. It's easy to learn and simple to do, providing a shopping list and blueprint for your next book, as well as informing forecasting and stock management.

Here are 10 profitable ways that Squinch will help your business bloom:

1. **Winners and Losers** - rank your products by their profitability to get an index telling you which products to carry forward and which to drop or rest.
2. **Forecasting** - a squinch pagination report and sales flow profile provides accurate stock and purchase forecasting to help you manage "just in time" stock control.
3. **Catalogue Design** - analysing a product's performance by space gives you a guide to increasing or decreasing its space for next time.
4. **Buying Guide** - A marked up book will give your buying and merchandising team an "at a glance" steer on what works and what doesn't – drilling down will provide an accurate guide on your future product mix.
5. **Margin** - margin shortfalls are highlighted. Buyers are given all the information they need to renegotiate margins - or to resource or reject.
6. **Space Management** - a product that doesn't pay for its space should be dropped or its space reduced appropriately – think about missed opportunity, not the marginal loss.
7. **Impact of refunds, returns and replacements** – a good pagination report will take account of the true costs of refund, returns and replacements at product level, identifying problem products requiring improved Quality Control or alternative supply.
8. **Hot Spots & Heroes** - top performers delivering a multiple of the average profit are quickly identified qualifying for hot spots, hero spaces, back cover or order form page.
9. **Identifying Potential OTP products** - Because the analysis takes space into account, gem products that may have gone under the radar on pure sales analysis can be easily identified – and if your margin is good and the price point ideal, these may qualify as Off The Page (OTP) candidates.
10. **Product Churn** - Squinch analysis invariably brings a few surprises first time out. It's almost impossible to ignore and forces a dispassionate product evaluation with the result that more product is rejected. This creates a fresher look as exciting new products are introduced.

Once implemented, I promise you will wonder how you managed without it. To put Squinch to work for you and to learn the trade secrets of multi channel strategy, marketing, merchandising, modelling and metrics, feel free to get in touch. We can get you up and running in record time.

Visit [www.directconsult.co.uk](http://www.directconsult.co.uk) and [www.directmetrics.co.uk](http://www.directmetrics.co.uk) or email me personally at [maura@directconsult.co.uk](mailto:maura@directconsult.co.uk)

Best wishes,

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