

## *Buyer Performance Appraisal*

When is the last time you considered how your category buyer was evaluated? Buyers definitely maintain a strict set of KPIs from their bosses. How is your new product pitch “Good for the Buyer?”

Buyer Assessment Criteria	Objective
Category Sales	Increase category sales at higher rate than retailer growth: 3-5%?
Category Sales per Square Foot	Increase category sales per square foot to higher level than store average.
Category Profit	Increase category profits at higher rate than overall retailer profit growth: 5-10%?
Category Profit Margin	Increase category margin to a level higher than total department profit margin.
Category Share vs. Competitors	Higher share of total market category sales than retailer’s share of overall market.
Service Level to Stores	98% minimum service level. Out of stock level: 1% or less.
Inventory Turns	Exceed industry average of 18.5 turns per year.
Retail Prices	Maintain competitive retail prices, in line with chain’s overall pricing position.
Private Label Sales	Increase private label percentage of category sales. Increase private label sales at a higher level than overall category sales.
Listing Fee Funding	Achieve assigned budget for incremental supplier payments including listing fees or equivalent.
Trade Promotion Funding	Increase total category margin dollars through back margin, rebates etc.
Retailer Marketing Programs	Supplier support behind retailer sponsored marketing programs.
Performance of Ad/Display Features	Sales results of buyer allocated ad flier and display space.
Assortment and Innovation	Offer variety versus duplication, while optimizing category sales.
Terms Improvement	Improve terms and conditions: annual negotiations.
Cost of Goods: Price Increases	Obtain best cost of goods. Fight price increases.
Industry Leadership	Participate (or lead) external committees on industry development.
Supplier Relations	Maintain positive relations with suppliers, particularly top 10.
Community Relations	Build positive impressions for retailer through community support.
Category Expert	Understand trends, product attributes, performance, and innovation for the category