

FIVE BELOW HOME FRAGRANCE

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BACKGROUND

FIVE BELOW

Five Below was founded in January 2002 by David Schlessinger and Tom Vellios and it is headquartered in Philadelphia, PA. In July of 2012 Five Below went public on the NASDAQ and is one of the fastest growing retailers in the world according to their website. There are over 750 Five Below stores in 33 states across the country along with their online shop www.fivebelow.com.

Five Below's main categories include tech, sport, room, party, style, create, candy, and seasonal. With all their merchandise priced at five dollars and under, their prices cannot be beat and everyone wins.

**five
BELOW**

BRAND VALUE PROPOSITION

FIVE BELOW

Five Below is an immense brand with a high variety of products. Unlike its competitors, the company focuses on specific age group from different social strata: pre-teens, teens and tweens. There are currently 750 stores in 33 states. Five Below focuses on 8 main categories: tech, sports, room, party, style, create, candy and seasonal items. Comparing to other companies, Five Below mainly pays attention to teens' and tweens' trends to provide its customers with best and up to date products. One of the primary goals is to deliver wants instead of needs, fulfill its customers with an amusing buying experience. The stores have a blazing, interacting fixtures (candy towers) to create a fun entourage. In addition, the stores hold demos on weekends, play music on everyday basis and frequently serve complimentary candies.

Five Below accomplishes its success, while selling all of the products for less than \$5. Its branding/marketing strategies are: ongoing key research – ability to perform quickly on contemporary trends; price is stability – by low pricing strategy, the company is able to compete with other retailers; experience – to get customers in store, not only online, Five Below maintains its interior with a joyful, and appealing look.

Five Below's room category provides clients with a broad variety of home fragrance goods: candles, diffusers, infused oils and sticks, and accessories.

HOME FRAGRANCE INDUSTRY

OVERVIEW

Market Value and Importance:

According to the New York Times, in 2016 the home fragrance industry is estimated to worth \$6.4 billion in the US at the retail level with over 73% of Americans using home fragrance products at least once in 2016.

Target Customer

Majority of the ones who use home fragrance products are younger Millennials and older Gen Z (18 to 29 years old) who care about appearance and design. Therefore, they are looking not only for the practicality of products (such as fragrance and scents) but also for design and aesthetically pleasing packaging. Two major factors determine their choice are the fragrance itself and the ability to fit with the interior design of their houses.

According to Statista, the most popular product from the home fragrance category is air freshener that is targeting undifferentiated markets. However, there are many versions of a classic a product that are meant to appeal to different or more segmented markets.

Brands and Retailers that are driving the market today

National Brands: Yankee Candles

New Indie brands: Home Sick and Boy smells

Brands for Luxury products: fashion giants are now incorporating candles and home fragrance category into their selection (Brands and designers like Gucci, Louis Vuitton, YSL)

Retailers: Bath & Body Works, Amazon, QVC, beauty retailers

HOME FRAGRANCE INDUSTRY

OVERVIEW

Product Trends

According to Harper's Bazaar, 2019 will be about self-beauty as well as mental and physical wellness. Customers will be looking for not only functionality in a product, but for the positive impacts, it might have on their wellbeing.

According to WGSN, in 19/20 seasons, customers will be looking to buy products that they can use immediately, without wasting their time. Therefore, they would not respond well to marketing strategies that prevent them from enjoying their purchase. For that reason, packaging would need to be either minimize or become a necessary part of a product.

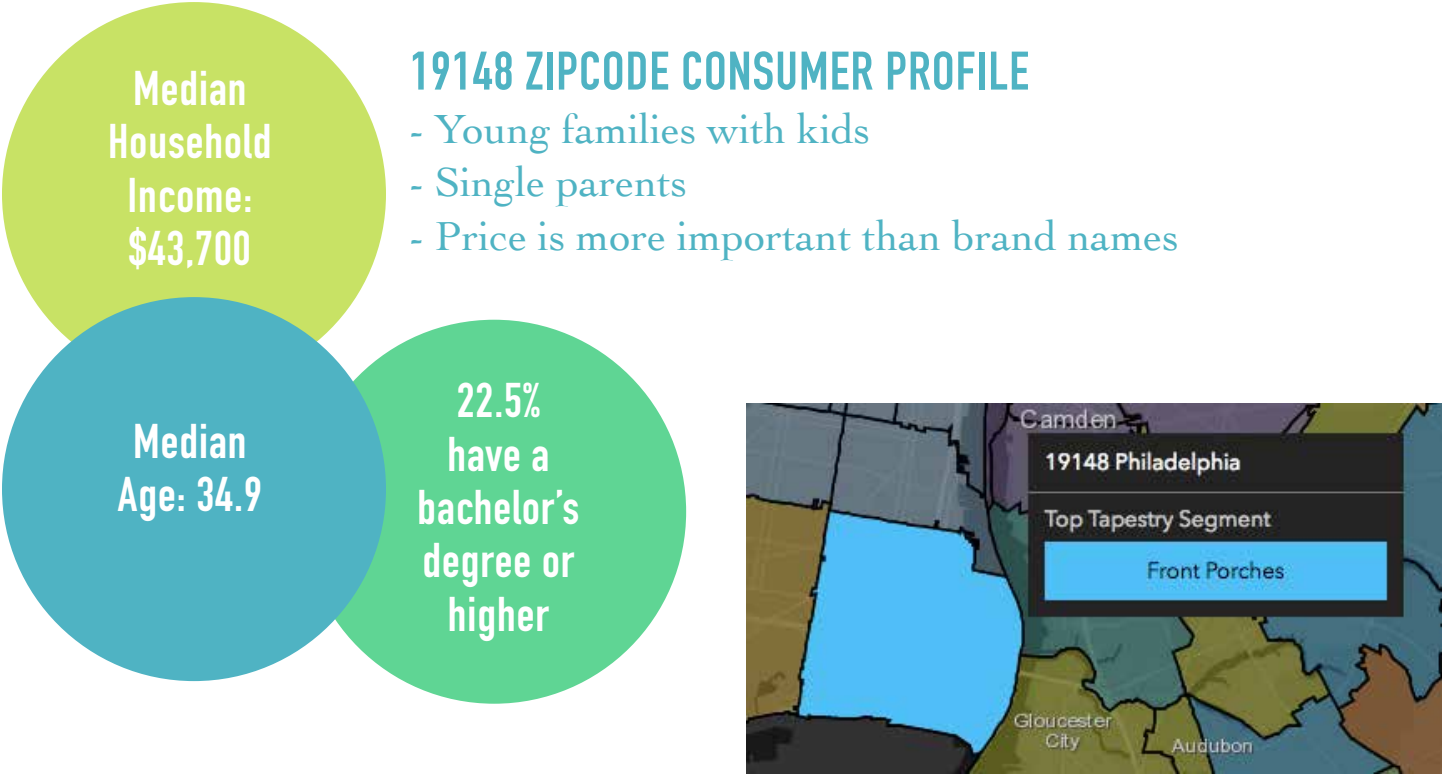
In addition, for 19/20 seasons, floral motifs will be presented on the fashion runways, therefore, retailers will use the trend to attract more attention from their potential consumers. For the home fragrance industry, it will mean that the classic floral scents may be the ones to choose from and the ones driving the revenue

According to NPD, the industry is driven by candles, which is the largest product category with a new emerging category of luxury candles doubling their sales in 2017 compared to 2016.



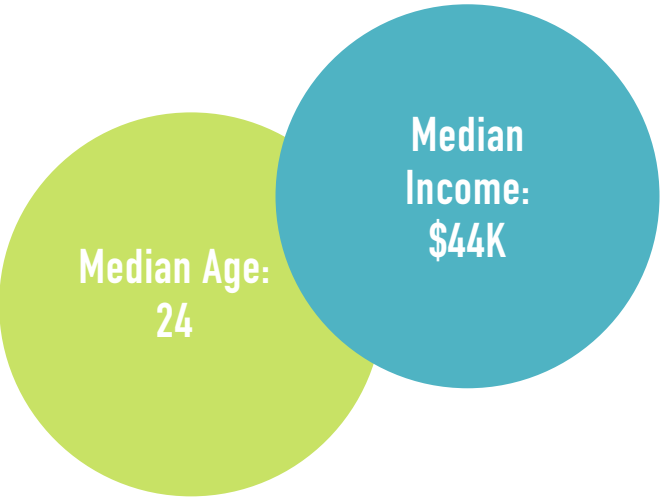
CONSUMER PROFILE

FIVE BELOW



VALS PROFILE: EXPERIENCERS

- Delayed Adulthood
 - Jobs are hard to find
 - Low starting salaries
 - Many live at home
- Busy Social Lives
 - Spend most of their income on experiences and going out
- Diverse
 - Most ethnically diverse VALS group
 - Many are bilingual



- Need Engagement
 - Newest technology is seen as a necessity not a luxury

CONSUMER PROFILE

FIVE BELOW

FIVE BELOW HOME FRAGRANCE TARGET CONSUMER

The typical target market for Five Below is the younger end of generation z– children aged 10-14 along with their parents who are typically older millennials to generation x. However, this is not the target market for Five Below’s home fragrance section.

The target consumer for home fragrance is different than the two main consumer target groups. According to Five Below assistant buyer Danielle Brief, the Five Below home fragrance consumer is between 18-25 years old and is typically a college student or young millennial. Since the typical target market of children aged 10-14 do not use home fragrance products such as candles, incense sticks, or oil diffusers, it makes sense that there is a sub target market group for this category.



FIVE BELOW INVENTORY

CHARTS

Categories:

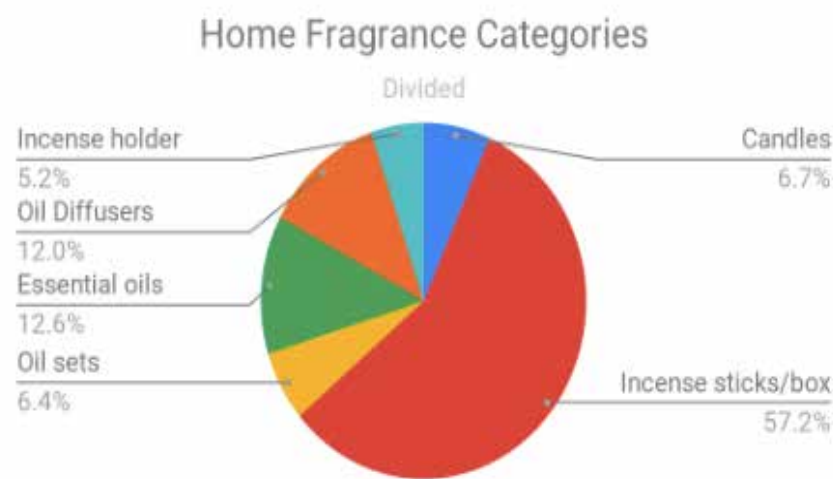
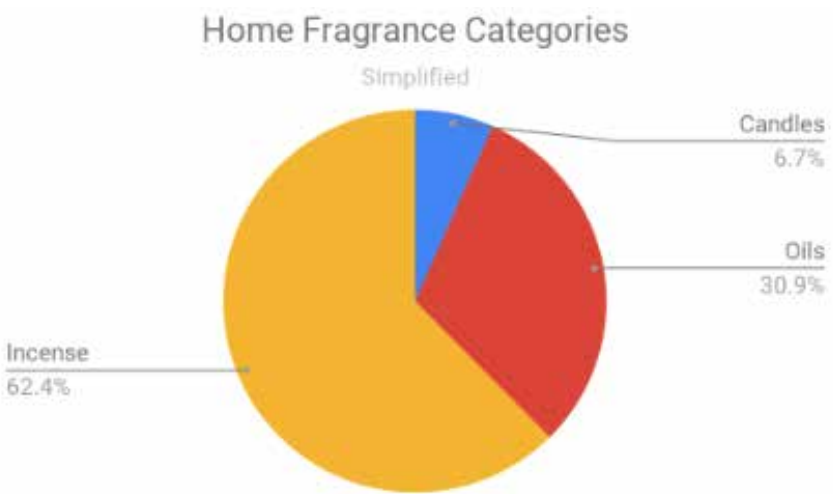
Five Below has three general categories in home fragrance: candles, incense, and oils. These categories can then be broken down to six distinct item groups: candles, incense sticks, incense holders, essential oils, oil diffusers, and oil sets. Within the whole category, the price varies from \$0.20 to \$5.00. Every item is organized on a shelf or hanging fixture. In the Columbus store, there were three distinct stands where home fragrance items were placed.



Photos taken by Lindsay Uber. Feb. 3, 2019.

FIVE BELOW INVENTORY

CHARTS



36.4% of items had double or triple exposure in store

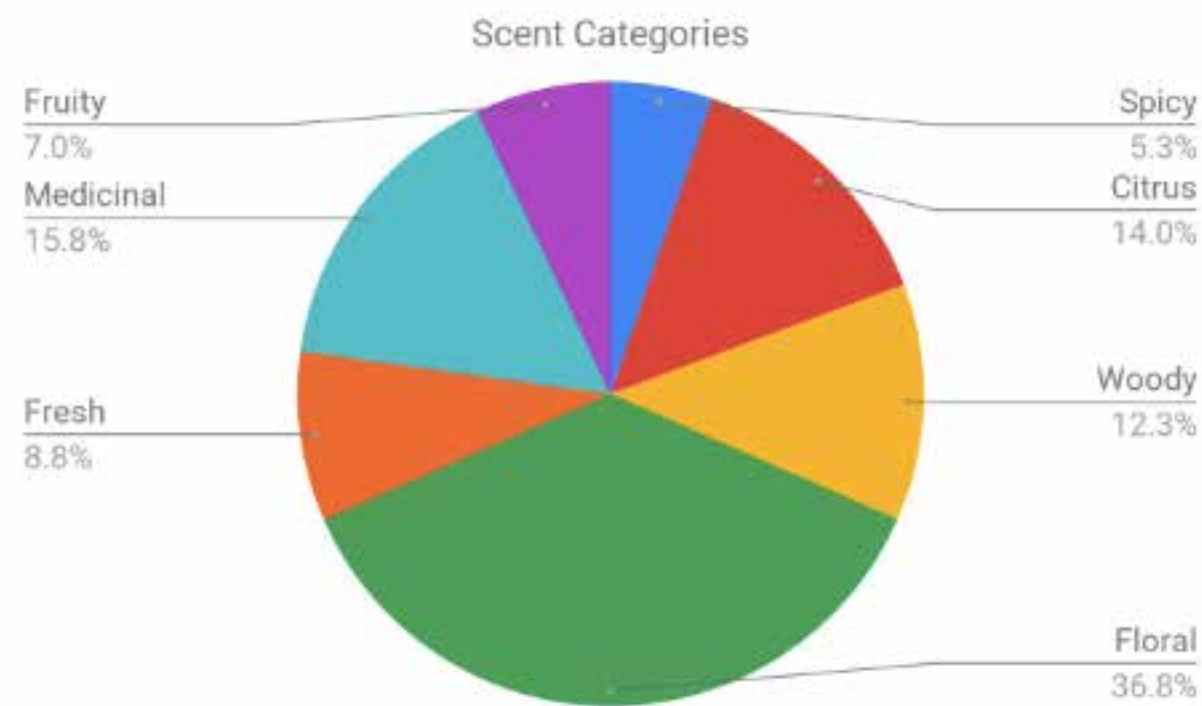
However. . .

96.5% of items are not listed online (Incense, Candles)

In analyzing the inventory, incense takes up most of the home fragrance category with 62.4%, oils following behind with about 31%, and candles with the least, having only about 7%. The total inventory amounted to \$2,410.00 in retail dollars. Thus, it divides the three basic categories with incense making up \$1,500, oils making up \$750, and candles making \$161 in retail dollars.

FIVE BELOW INVENTORY

CHARTS



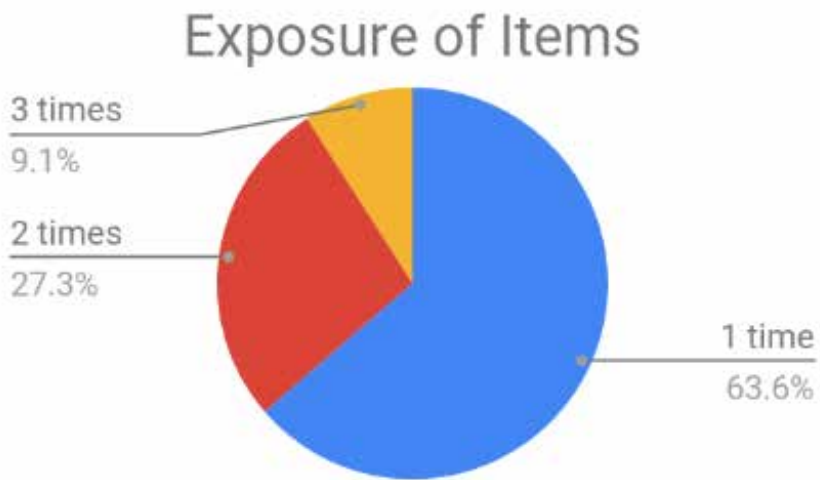
Within home fragrance, there were 32 main scents ranging across from candles, essential oils, and incense. These scents were then categorized in 7 note groups that could encompass multiple scents. The most listed scents were floral scents making up 36.8%, containing vanilla, rose, lavender, jasmine, and a few others. The second most listed were medicinal scents making up 15.8%, containing Nag Champa, frankincense, eucalyptus, and a few others. The third most listed were citrus scents making up 14%, containing bergamot, lemon, lime, and lemongrass.

FIVE BELOW INVENTORY

CHARTS



By a unit standpoint, incense takes over an overwhelming percentage of inventory with 95.4%, amounting to about 4,100 units. Oils take second with about 4%, amounting to 161 units, and candles barely making 1% with only 39 units. Here, it is clear 5 Below makes a strong stance with incense looking at their inventory.



With three different fixtures inside the Columbus store, many items were shown multiple times to the consumer in different aisles and places. In total, 36.4% of items had a triple or double exposure, ensuring more chances that the consumer may pick up a candle or incense stick while they shop for other products.

COMPETITION

TARGET

TARGET BACKGROUND

- Founded in 1902
- “Expect more. Pay Less”
- Total Sales (2017) - \$72 billion
- 19% of sales come from home furnishing and decor
- Target consumer:
 - 58%. Age: 18-44
 - 42%. Age: 44 and above



Strengths: price point, selection of national vs. less-known brands. Their price point is low, but not as low as 5 below

Weaknesses: no marketing material, layout, no accessories



Photos taken by Tatiana. Krahmaleva. Feb. 7, 2019.

COMPETITION

TARGET

HOME FRAGRANCE

Target’s Home Fragrance department primarily focuses on diffusers, candles, and essential oils. They have a limited assortment in terms of brand variety, and scents. Additionally, Target also has a limited assortment for essential oils and diffusers.

Target’s most popular scents are Lavender & Almond, Cinnamon & Crisp Apple, Fresh Water Breeze, Mandarin & Sweet Orange Air Freshener. All produced by AirWick.
Retail Price: \$5.19

Target’s most popular brands are Aura Cacia, Nature’s Truth, PureSpa, PureGuardian
Retail Price: \$10.99 - \$79.99

Target has a huge variety of candle and related products: candle holders, candles, jar candles, pillar candles, unscented candles, flameless candles, seasonal candles.

Target’s most popular candle brands are Opalhouse Candles, Project 62 Candles, Threshold Candles, Hearth & Hand with Magnolia Candles, Signature Soy Candles, Chesapeake Bay Candles
Retail Price: \$0.77 - \$40.69

COMPETITION

TARGET

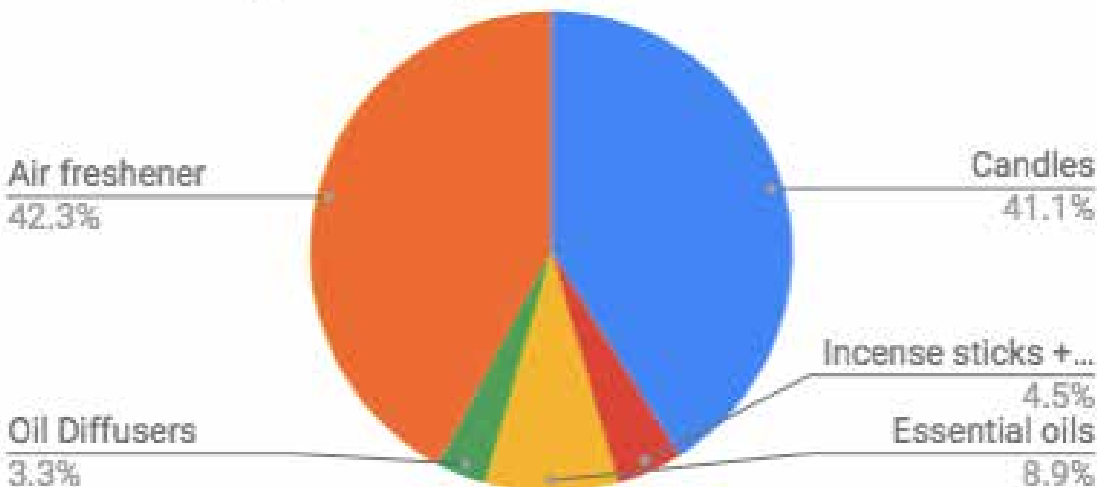


The majority of the Target’s home fragrance inventory in retail, making up more than 66%, was candles of 5 different sizes, ranging from 3.8z to 21z, and of 3 different brands (Glade, Signature Soy, Chesapeake Bay). Following this, all the air freshener products were second largest making up only 15% of the total inventory. The most popular brand for the category was Glade. The rest of the inventory consisted of Essential oil and oil diffusers (making it 15% combined), and the remaining are incense sticks and incense accessory. However, when talking about physical inventory in units, air fresheners products are the majority with candles being second largest category. The remaining 17 percent are divided between oil related products and incense sticks.

COMPETITION

TARGET

Home Fragrance (units)



Both Five Below and Target have the same major categories: candles, oils, and incense. However, Five Below’s inventory is mostly focused on incense sticks and accessories which caters to specific customers. In contrast, Target is interested in varying the section of the most well-known and everyday products such as candles and air fresheners to appeal to a wider consumer base.

Online or Store



COMPETITION

URBAN OUTFITTERS

Strengths: merchandise display, assortment
They sell an “aesthetic”; cares a lot about looks

Weaknesses: price point, lack of marketing material

HOME FRAGRANCE

Urban Outfitters has a huge variety of home fragrance products: candles, incense, diffusers and accessories.

Most popular candle brands: P.F. Candle Co, Harper Tin, UO Candles, and Float
Retail Price: \$9.99 - \$32.00

Most popular diffusers: Smoko, Gala, Serene House, UO, Helias, Boneco
Retail Price: \$40.00 - \$159.95

Most popular oil scents: Thriving, So Chill, Good Vibes, Sleep (UO); Passion, Sleep, Energy, Lavender, Vetiver (Helias)
Retail Price: \$12.00 - \$35.00

URBAN OUTFITTERS BACKGROUND

- Founded in 1970
- Total Sales (2017) - \$3.6 billion
- Target Market: 18-25 year olds



Photos taken by Leslie Yip.
Jan. 26, 2019.



URBAN OUTFITTERS

COMPETITION

PRIMARK

PRIMARK BACKGROUND

- Founded in 1969
- Total Sales (2017) - \$7.1 billion
- Target Market: 35 and above

Strengths: low prices, easy to locate a product in-store, steady increase in sales

Weaknesses: weak customer service, limited number of stores, small assortment



Photos taken by Aleksey Khvan.
Feb. 2, 2019.



PRIMARK®

HOME FRAGRANCE

Primark's Home Fragrance Department has a very limited number of products for candles, and essential oils.

Their popular candles are produced by the same company called “Scented Candle.” Their most popular scents are Sea Salt Mist, Clean Cotton, Pink Peony.
Retail Price: \$0.90 - \$3.00

There is only one scent for diffusers and it is produced by “Scented Candle” and the scent is Madagascan Vanilla
Retail Price: \$4.50

COMPETITION

BATH AND BODY WORKS



BATH AND BODY WORKS BACKGROUND

- Founded in 1990
- Total Sales (2017) - \$559 million
- Target market: 14-45 year olds (primarily females)

Strengths: promotions, sales associates, organized set up

Weaknesses: overwhelming visuals, overwhelming options



Photos taken by Leslie Yip. Jan. 26, 2019.

COMPETITION

BATH AND BODY WORKS



Photos taken by Leslie Yip. Jan. 26, 2019.



HOME FRAGRANCE

Bath and Body Works has 4 main categories: single wick candles, three wick candles, candle holders, and room sprays.

Their most popular candles are Eucalyptus Spearmint, Rose Vanilla, Vanilla Patchouli, Lavender Cedarwood, Amber, Bourbon.
Retail Price: \$14.50 - \$21.99.

Bath and Body Works has a lot of promotions happening in-store and online. E.g "All three wick candles \$10 off"

There is a huge variety of candle holders as well as seasonal candle holders. Their most popular items are Rose Gold Hearts, Vine Leaf Pedestal, Streets of Paris, Silver Coral Pedestal.
Retail Price: \$14.50 - \$29.50

Their most popular room sprays are FIJI White Sands, Ocean Driftwood, Mango Mai tai, Linen & Lavender, Georgia Peach.
Retail Price: \$7.50 - \$13.50

SALES PLAN

FINANCIALS

Five Below is a multi-million dollar company that generated over a billion dollars in sales in 2018. Every year, they open new stores to be able to respond to the growing demand created by their consumers. With a headquarters in Philadelphia, Five Below stores in the city are under more pressure to succeed. Knowing the annual net sales, it is safe to assume that the annual sales for the Columbus store in 2018 fiscal year was over 2 million dollars with the fall season driving 59% of the total number. In 2018, the home fragrance category contributed only to 0.8% of the total sales, however, the industry is growing.

According to the portal for statistics, Statista, the dollar sales of home fragrance products grew an average by 76% with the slowest being oil diffusers growing only by 25% in 2017 compared to 2016. In addition, NPD estimates that home scent sales are growing faster than any other industry of the fragrance market because 80% of U.S. consumers “scent” their homes. People need and love to use home fragrance products to feel relaxed and cozy within their own walls. Customers are looking for candles, essential oils, or incense sticks to make their house more welcoming, and Five Below is the perfect place for these customers.

Looking at the past years and current trends, it’s safe to assume that the net sales will increase in 2019. However, because the home fragrance category is a very small part of total sales, it will not have a big impact. Our assumption for 2019 is that the increase will be 4% compared to 2018 which gives \$2,181,000 in net sales. The new sales will be achieved by expanding the home fragrance sales to 1.6% of the total sales of the Columbus store which is double the sales percentage of 2017 which is \$14.3 thousand. In pushing this sales plan to all 750 doors, it would have an opportunity to drive \$10.7 million dollars in sales for the company.

SALES PLAN

MERCHANDISE ASSORTMENT

In the belief that the home fragrance category will expand, we believe Five Below must alter their merchandise assortment to fit the needs of the growing industry trend and the tastes of their customers.

CANDLES

The candle industry is still growing and has a large market to work with. For Five Below, we plan an increase of a 19% segment for candles in the home fragrance class. In Spring of 2019, the candle segment only accounted for 1% of inventory in home fragrance, but still had a 6.7% hold of the retail inventory in the store. While increasing the number of candles will mean more inventory, this problem can be offset by focusing on the most popular scents that consumers want and will prove beneficial in keeping the inventory moving. In analyzing the current scents in the store, the most popular scents were floral, medicinal, and citrus scents. With a focus on these scents, the candles will speak for themselves with their low price point and easy access.



MERCHANDISE ASSORTMENT

Incense Sticks/ Holders

The incense sticks and holders have held a 57.2% and a 5.2% of total inventory in Five Below for Spring of 2019. While the incense sticks set Five Below apart from many competitors, they must become more efficient in the quantity of sticks they handle and sell. In keeping the incense holders to a 5% total to the home fragrance section, we plan a decrease of 40% in incense sticks for Spring of 2020.

In particular, individual incense sticks of the brand “Wild Berry” accounted for 56% of the incense inventory. Each of the 17 scents offered ranged from around 150 to 280 sticks. The large quantity and assortment can be overwhelming to the consumer and turn them away in buying them. By decreasing the amount of sticks and scents offered, it will allow for better cost efficiency for Five Below and an easier shopping experience for the consumer. The quantity of sticks can easily be diminished by focusing on the most popular scents consumers want. These scents also mirror the top three scent categories with candles: floral, medicinal, and citrus.



MERCHANDISE ASSORTMENT

Oil Sets

Previously, oil sets for 5 Below accounted for 6.4% of the home fragrance category. We hope to continue the trend and established another 6% of sales for oil sets. The oil sets are a perfect low-maintenance way to bring fragrance into your home since all you need to do is place the sticks into the oil. The sets are great since the it comes with multiple oil jars so consumers can enjoy this product in various rooms of their house or apartment.

Oil Diffuser and Essential Oils

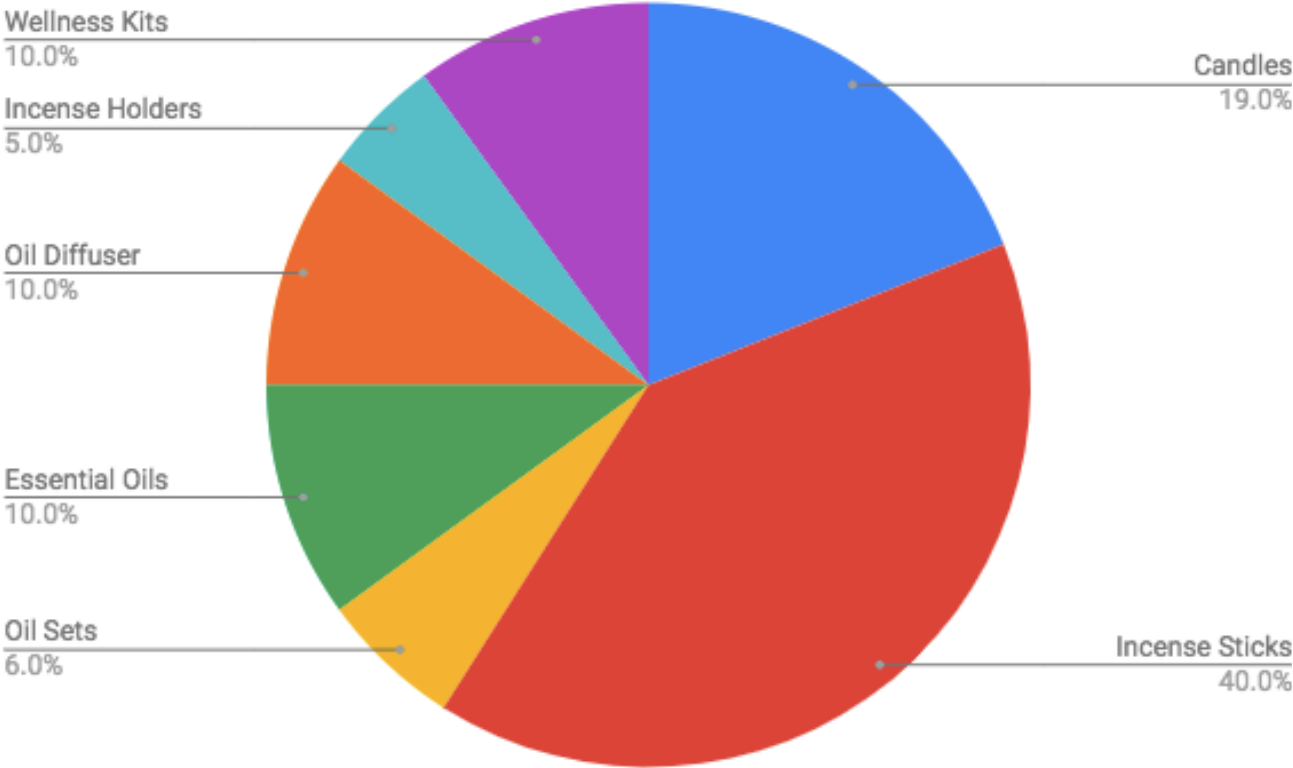
Currently, the oil diffuser and essential oils have a share of 12% and 12.6% of the home fragrance segment. With purchasing an oil diffuser, consumers will most likely buy essential oils as well. This explains the close percentage of the two items. In planning for 2020 of Spring, we plan a decrease to 10% for each item. While there is a trend in diffusers, consumers see it as an investment in having to buy two items for a certain experience, unlike a candle which is a singular item. However, with a planned increase in total sales for home fragrance, diffusers and essential oils will still thrive and bring in profit.



MERCHANDISE ASSORTMENT

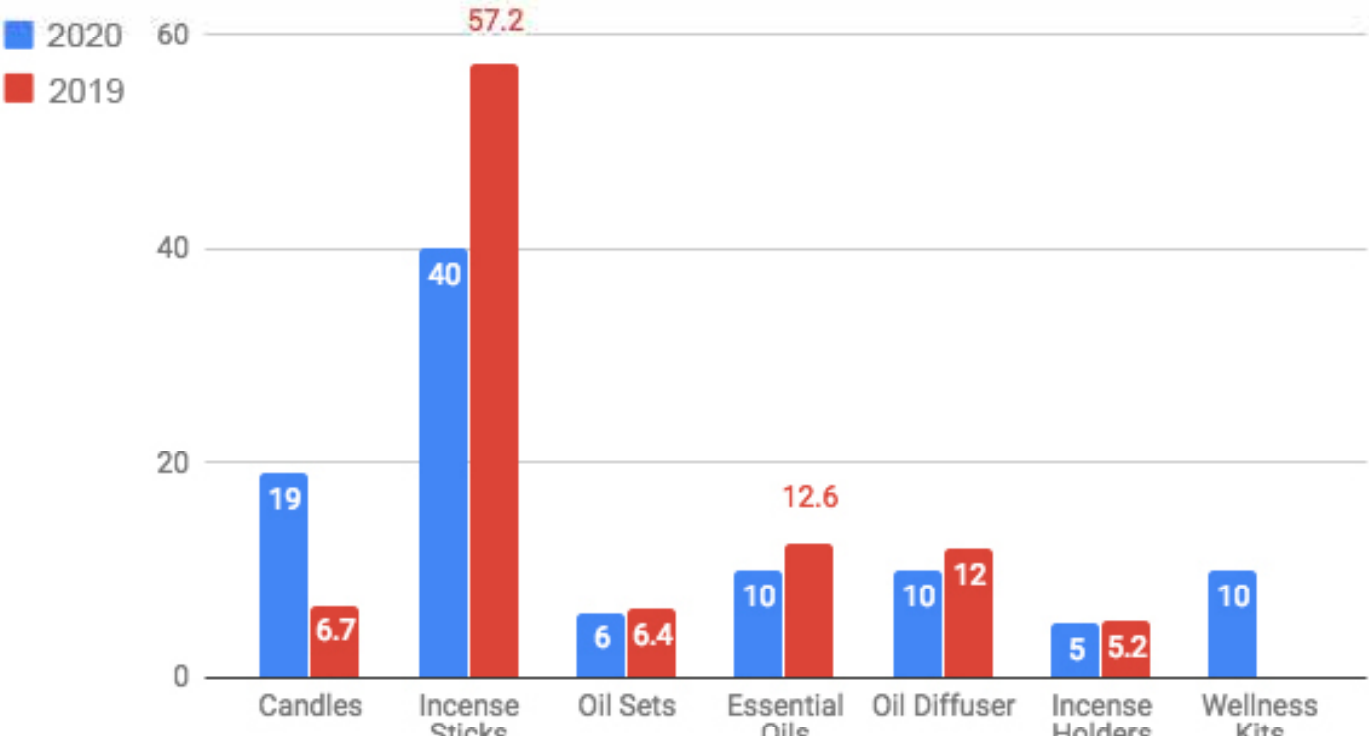
NEW ASSORTMENT

The pie chart below shows the inventory percentage breakdown for Five Below’s 2020 assortment plan. The bulk of the inventory will still be incense sticks, but the percentage of candles in inventory is greater compared to 2019.



MERCHANDISE ASSORTMENT

2019 vs 2020 Inventory Percentages



2019 VS 2020 INVENTORY ASSORTMENT

The graph above shows the difference in the 2019 and 2020 inventory assortment percentages. It is evident that incense sticks dominated the 2019 assortment while candles only accounted for a small percent of 2019 inventory. In 2020 the assortment plan is more balanced and the candle assortment has increased.

SALES PLAN

NEW PRODUCT



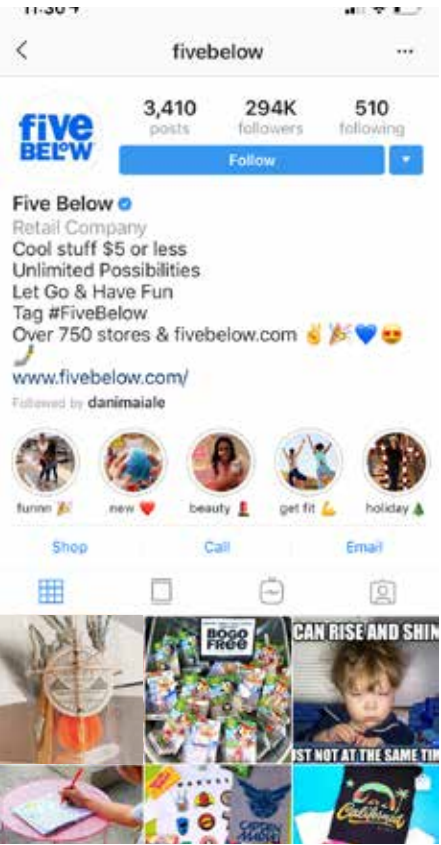
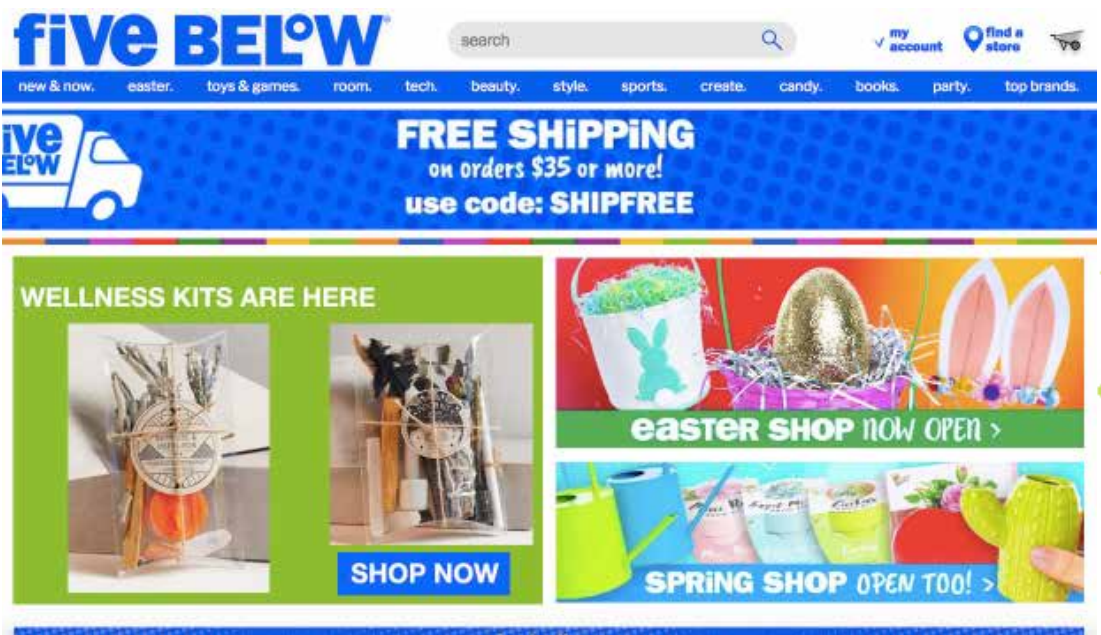
Wellness kit images from www.urbanoutfitters.com

WELLNESS KIT (NEW)

With seeing the increase in the home fragrance industry and the trends in taking special care of oneself, we believe it would be beneficial in introducing “Wellness Kits” to the Five Below consumer. This kit is modeled after a similar product from Urban Outfitters. Urban offers kits geared around spirituality and the kits include crystals, candles, and incense. For Five Below, their kit would cost \$5.00 and consist of a small candle, three incense sticks, and a small bottle of essential oil. The kit will have three different versions: Sleep, Relaxing, and Energy. Each package will be given a color, such as purple, green, or red, and be driven around a certain scent. These scents will most likely focus on the most popular scents: floral, medicinal, and citrus. In bringing three separate home fragrance items together, it will serve as a gift for the consumer to be able to treat themselves in three different ways. Likewise, the kit can be given to others, such as friends and family. The kit can also be used as a beginner item in introducing a consumer into home fragrance. With three items to try in one package, there is a high likelihood of a consumer liking at least one product in the package and coming back to Five Below to buy more of that item. To the consumer, they reap the benefits of trying three items and knowing which one they like best. To Five Below, they reap the benefit of being able to serve the consumer efficiently and bring in a future purchase to another item.

SALES PLAN

MARKETING



MARKETING MATERIAL MOCK-UPS

Above is a sample of Five Below’s website homepage advertising the addition of a wellness kit. The images feature the kit and has a link to shop the product directly.

To the right is a sample Instagram post of a kit and the caption would be “Wellness kits are here! Get your essential oils, candles, and incense all in one pack for \$5! Kits come in calming scents, energizing scents, and soothing scents!”

RECOMMENDATIONS

CONCLUSION

OVERVIEW RECOMMENDATIONS

Recommendations below are listed to provide efficiency in 5 Below’s assortment and planning to give customers a seamless and enjoyable shopping experience with the company.

ONLINE

Many home fragrance items are not listed on 5 Below’s website. In particular, candles and incense are hard to find or simply not listed despite the large assortment. By adding these items online, it helps consumers have a seamless shopping experience from the physical store to online. It also aids 5 Below in gaining more exposure on their items and seeing what products consumers may buy with home fragrance.

MARKETING

Many other categories inside the store and online have efficient advertising of their products. However, there is little to none for home fragrance. To ensure the category grows with the industry trend, marketing is essential to let consumers know of the home fragrance category and its products.

RECOMMENDATIONS

CONCLUSION

CANDLES

With the growth of the home fragrance industry, candles will grow in popularity. For 5 Below to grow their category and stay on trend, they must increase their candle production and assortment.

INCENSE

Incense takes an overwhelming majority of inventory and should be decreased to make room for other items and provide some cost efficiency for the company. In focusing on scents that consumers want, the quantity can be decreased and ensures an enjoyable and easy experience for the consumer.

WELLNESS KITS

By introducing a packaged item involving the three major items of home fragrance, a consumer can experience three different items at a low cost. The kit can also serve as a beginner’s guide to home fragrance products and lead to future purchases of candles, incense, or oils.

TARGET INVENTORY

FIVE BELOW INVENTORY

BRAND	CATEGORY	NAME	DESCRIPTION	POS	COO
Star Candle Company	Candles (DE)	Root		Sticker	USA
		Heart		Sticker	USA
		Sacpal		Sticker	USA
		Third Eye	Wisdom	Sticker	USA
		Crown	Cosmic	Sticker	USA
Star Candle Company	Reed diffuser Set	Root Chakra		Sticker	India
		Sacral Chakra		Sticker	India
		Crown Chakra		Sticker	India
		Heart Chakra		Sticker	India
		Solar Plexus		Sticker	India
		Third Eye		Sticker	India
Gonesh Sticks	Insence sticks			Sticker	USA
				Sticker	USA
				Sticker	USA
Gonesh Sticks	Incense Sticks (DE)			Sticker	USA
				Sticker	USA
				Sticker	USA
				Sticker	USA
Gonesh Sticks	Incense stick holder			Sticker	USA
Karma Scents	Aroma Oil Burner Set		A set of wellness products	Sticker	India
				Sticker	India
Karma Scents	Incense Sticks (DE)		Incense sticks with handmade Incense stick holder included	Sticker	India
				Sticker	India
				Sticker	India
				Sticker	India
				Sticker	India
				Sticker	India
				Sticker	India
				Sticker	India
Karma Scents	Incense stick holder (DE)			Sticker	India
				Sticker	India
				Sticker	India
Karma Scents	Incense box		Wooden incense box with incense sticks	Sticker	India
				Sticker	India
				Sticker	India

SCENT	COLOR/STYLE	CONTENT	SIZE	PACKAGING
Sandalwood and Rose	Red			Glass jar
Ylang Ylang and Bergamot	Green			Glass jar
Geranium and mint	Orange			Glass jar
Lavander and Chamomile	Blue			Glass jar
Frankincense and Vanilla	Purple			Glass jar
Cedar	Red	5 sticks + 50 ml		Red and white paper case
Ylang Ylang	Orange			Orange and white paper case
Lotus	Purple			Purple and white paper case
Rose	Green			Green and white paper case
Lavender	Yellow			Yellow and white paper case
Jasmine	Blue			Blue and white paper case
jasmine		20 sticks		Gold slim case
patchouli				Gold slim case
Sage				Purple slim case
Dragons Blood				
Sandalwood				
Nag champa				
Agave musk				
	Wood			Brown decorated paper
Sandalwood		1 Ceramic oil burner+ 2 candles + 1 oil bottle		
Lavander				
Vanilla		40 sticks w/ 1 incense holder		
Cinn				
Amber				
Ocean				
Musk				
Rose				
Lemongrass				
Nag champa				
	pink			
	green			
	black			
rose	Wood	10 sticks		Decorative paper surrounding box
vanilla	Wood			
nagchampa	Wood			

FLOOR	ONLINE	INVENTORY UNITS	RETAIL \$/PER UNIT	INVENTORY DOLLARS
Soul/Zen front side and Rack next to Room (Double exp)	No	1	\$3.00	\$3.00
		6	\$3.00	\$18.00
		5	\$3.00	\$15.00
		1	\$3.00	\$3.00
		4	\$3.00	\$12.00
	Total:	17		\$51.00
Rack next to room	No	2	\$5.00	\$10.00
		1	\$5.00	\$5.00
		1	\$5.00	\$5.00
		2	\$5.00	\$10.00
		1	\$5.00	\$5.00
		1	\$5.00	\$5.00
	Total:	8		\$40.00
Rack next to room and Back side lane (Double Exp)	No	23	\$2.00	\$46.00
		10	\$2.00	\$20.00
		14	\$2.00	\$28.00
	Total:	47		\$94.00
		13	\$2.00	\$26.00
		22	\$2.00	\$44.00
		2	\$2.00	\$4.00
		8	\$2.00	\$16.00
	Total:	45		\$90.00
Rack next to room	Yes	24	\$2.00	\$48.00
	Total:	24		\$48.00
Back Side lane	No	12	\$5.00	\$60.00
	No	11	\$5.00	\$55.00
	Total:	23		\$115.00
Rack next to room and Back side lane (Double Exp)	No	7	\$4.00	\$28.00
		4	\$4.00	\$16.00
		3	\$4.00	\$12.00
		2	\$4.00	\$8.00
		2	\$4.00	\$8.00
		8	\$4.00	\$32.00
		2	\$4.00	\$8.00
		2	\$4.00	\$8.00
	Total:	30		\$120.00
Sou/zen, rack, back (Triple Exp)	No	2	\$2.00	\$4.00
		3	\$2.00	\$6.00
		7	\$2.00	\$14.00
	Total:	12		\$24.00
Rack next to room and Back side lane (Double Exp)	No	3	\$4.00	\$12.00
	No	3	\$4.00	\$12.00
	No	2	\$4.00	\$8.00
	Total:	8		\$32.00

Lavander Meadow	Oil Diffuser		Buddha shaped container with incense sticks	Sticker	
Mahli	Aroma diffuser (DE)		Color changing diffuser	Sticker	China
Mahli	Essential Oils (DE)		Lemon	Sticker	China
			Peppermint	Sticker	China
			Eucalyptus	Sticker	China
			Lavander	Sticker	China
Moonbeams	Candle		Moonbeam	Sticker	USA
Room2room	Aroma diffuser		Diffuser that changes colors	Sticker	
Sarya Sai Baba	Incense Sticks			Sticker	India
Seven Chakras	Incense Sticks (DE)	Seven Chakras		Sticker	
Star Candle Company	Candles	Cancer	Candle matches to astrology sign	Sticker	USA
(No Brand)	Incense Holder		Unicorn Incense holder	Sticker	
No Brand	Candles (DE)		Jasmine and Vetiver	Sticker	India
No Brand	Candles		Vanilla Sugar	Sticker	
Divine Supplies	Sage			Sticker	USA
Wild Berry	Incense Sticks	Dragon Blood	Individual incense sticks to burn		USA
		Fizzypop			USA
		Cinnamon			USA
		Lilac			USA
		Wizard			USA
		Champaflower			USA
		Peace of mind			USA
		Vanilla			USA
		Fresh Rain			USA
		Fairy Dust			USA
		Patchouli			USA
		Cherry Vanilla			USA
		Sweet Pea			USA
		King Cake			USA
		Ocean Wind			USA
		Tranquility			USA
		Roseberry Rose			USA
		Strawberry			USA
Total types of product:	7				

essential oils				Hard plastic
	6 light colors			Teal box
Lemon		10 ml		Hard plastic cover and teal backing
Peppermint		10 ml		
Eucalyptus		10 ml		
Lavander		10 ml		
Soy			8 oz	Glass jar
	6 light colors			White box
Nagchampa		N/A		Blue box
Not told		7 sticks		White decrative box
Ocean and Sea Salt	Blue		7 oz	Blue box with the cancer astro
	Unicorn head shape at end			None
Jasmine			10.58 oz	Glass jar with bow on lid
Vanilla			10.58 oz	Glass jar with bow on lid
natural smudge		2 wands		Plastic see through bag
Sandalwood and musk				
Lemon and Orange				
Cinnamon				
Lilac				
Bergamot and yuzu				
Rose and patchouli				
Peach and black currant				
Vanilla				
Bergamot orange and rose				
Bergamot and Lavander				
Patchouli				
Cherry Vanilla				
Pear and apple				
Cinnamon sugar and vanilla				
Lime and grapefruit				
Lemon and lime				
Raseberry Rose				
Strawberry				

Soul/Zen front side	No	20	\$4.00	\$80.00
	Total:	20		\$80.00
Soul/zen and rack next to room	Yes	26	\$5.00	\$130.00
	Total:	26		\$130.00
Soul/zenand rack next to room (Double exposure)	Yes	23	\$4.00	\$92.00
		13	\$4.00	\$52.00
		22	\$4.00	\$88.00
		18	\$4.00	\$72.00
	Total:	76		\$304.00
Back Side lane	Yes	9	\$5.00	\$45.00
	Total:	9		\$45.00
Soul/zen front side	Yes	16	\$5.00	\$80.00
	Total:	16		\$80.00
Rack next to room	No	10	\$5.00	\$50.00
	Total:	10		\$50.00
(Triple Exp)	No	50	\$4.00	\$200.00
	Total:	50		\$200.00
Back Side lane	Yes	1	\$5.00	\$5.00
	Total:	1		\$5.00
Back Side lane	No	11	\$5.00	\$55.00
	Total:	11		\$55.00
Val. Day front and back side lane (Double Exp)	No	5	\$5.00	\$25.00
	Total:	5		\$25.00
	No	7	\$5.00	\$35.00
	Total:	7		\$35.00
Rack next to room	No	4	\$5.00	\$20.00
	Total:	4		\$20.00
Back Side lane	No	150	\$0.20	\$30.00
		240	\$0.20	\$48.00
		200	\$0.20	\$40.00
		180	\$0.20	\$36.00
		180	\$0.20	\$36.00
		220	\$0.20	\$44.00
		190	\$0.20	\$38.00
		200	\$0.20	\$40.00
		240	\$0.20	\$48.00
		240	\$0.20	\$48.00
		190	\$0.20	\$38.00
		200	\$0.20	\$40.00
		220	\$0.20	\$44.00
		240	\$0.20	\$48.00
		240	\$0.20	\$48.00
		240	\$0.20	\$48.00
		280	\$0.20	\$56.00
	Total:	3890		\$778.00
	Total Inventory:	4339	Total Inventory \$:	\$2,421.00

DOLLAR PLAN OPPORTUNITY

\$ PLAN/TIME PERIOD: \$2,181,000 Spring 2020 (4.0%)	
STORE:	Five Below (Columbus); Rank A
SEASON	Spring 2020
JUSTIFICATION	
1. When Shopping on Black Friday, 16 % of customers bought home improvements products when they saw a good deal. (https://www-statista-com.ezproxy2.library.drexel.edu/statistics/640201/black-friday-impulse-purchases/)	
2. Dollar sales growth for home scent products in US is an average 76% with the slowest rate of 25% for diffusers. around 55% for candles and prestige home scent products, and 165% for home ancillary products. (statista)	
3.According to NPD, numbers also show that home scent sales are growing faster than any other segment of the fragrance market because nearly 80 percent of U.S. consumers scent their homes.	
4. According to the national candle society, 70% of the households in the United States use at least one home fragrance product on a regular basis.	
5. Candles are offered as a gift during the holidays most often, with 76% of industry customers saying that they view it as an appropriate gift. That is followed by offering a candle as a housewarming gift (74%), a dinner party gift (66%), a thank you gift (61%), and a birthday gift (58%). (Medium)	

SALES BY CLASSIFICATION (PERCENT AND DOLLARS)

SALES BY CLASSIFICATION, PERCENTAGE, AND DOLLARS				
Classification	Percent	×	Season Sales	= Class Sales
Candles	19.0%		\$14,290.00	\$ 2,715.1
Incense Sticks	40.0%		\$14,290.00	\$5,716.00
Oil Sets	6.0%		\$14,290.00	\$857.40
Essential Oils	10.0%		\$14,290.00	\$1,429.00
Oil Diffuser	10.0%		\$14,290.00	\$1,429.00
Incense Holder	5.0%		\$14,290.00	\$714.50
Wellness Kits	10.0%		\$14,290.00	\$1,429.00
				-
				-
				-
				-
Total	100%			14,290.0

CLASSIFICATION OF SALES BY MONTH 2019

	FEBRUARY	MARCH	APRIL	MAY
Percent	8.00%	20.00%	18.00%	21.00%
Class				
Candles	13.0	32.4	29.2	34.1
Incense Sticks	110.8	277.0	249.3	290.8
Oil Sets	12.4	31.0	27.9	32.5
Essential Oils	24.4	61.0	54.9	64.1
Oil Diffuser	23.2	58.1	52.3	61.0
Incense Holder	10.1	25.2	22.7	26.4
Total Sales	193.7	484.2	435.8	508.4

CLASSIFICATION SALES BY MONTH (2019)				
	JUNE	JULY	TOTAL	TOTAL
.	23.00%	10.00%	100%	SALES \$
			STEP 3	STEP 4
.	37.3	16.2	6.7%	161.0
.	318.5	138.5	57.2%	1,384.0
.	35.6	15.5	6.4%	155.0
.	70.2	30.5	12.6%	304.0
.	66.8	29.1	12.0%	290.0
.	29.0	12.6	5.2%	127.0
	556.8	242.1	- 100%	2,421.0

SPRING 2020 CLASSIFICATION OF SALES BY MONTH

Classification by Month				
	JUNE	JULY	TOTAL	TOTAL
	23.0%	10%	100%	SALES \$
			STEP 3	STEP 4
.	\$624.47	\$271.51	19.0%	\$2,715.10
.	\$1,314.68	\$571.60	40.0%	\$5,716.00
.	\$197.20	\$85.74	6.0%	\$857.40
.	\$328.67	\$142.90	10.0%	\$1,429.00
.	\$328.67	\$142.90	10.0%	\$1,429.00
.	\$164.34	\$71.45	5.0%	\$714.50
.	\$328.67	\$142.90	10.0%	\$1,429.00
	3,286.7	1,429.0	-	100%
				\$14,290.00

SPRING 2020 CLASSIFICATION OF SALES BY MONTH

	FEBRUARY	MARCH	APRIL	MAY
Percent	8.0%	20.0%	18.0%	21.0%
Class				
Candles	\$217.21	\$543.02	\$488.72	\$570.17
Incense Sticks	\$457.28	\$1,143.20	\$1,028.88	\$1,200.36
Oil Sets	\$68.59	\$171.48	\$154.33	\$180.05
Essential Oils	\$114.32	\$285.80	\$257.22	\$300.09
Oil Diffuser	\$114.32	\$285.80	\$257.22	\$300.09
Incense Holder	\$57.16	\$142.90	\$128.61	\$150.05
Wellness Kits	\$114.32	\$285.80	\$257.22	\$300.09
STEP 5				
Total Sales	1,143.2	2,858.0	2,572.2	3,000.9

2020 SALES PLAN

SIX MONTH BUYING PLAN - SPRING 2020
PRODUCT CATEGORY: HOME FRAGRANCE

Weeks	4	5	4	4
SPRING	FEB	MAR	APR	MAY
Sales Distribution	8.0%	20.0%	18.0%	21.0%
Stock-Sales Ratio	3.0	1.5	1.8	1.6
Reductions Distribution	1.0%	1.0%	1.0%	1.0%
Average Stock	\$ 3,858.3	\$ 4,458.5	\$ 4,715.7	\$ 5,030.1
Turn	0.30	0.64	0.55	0.60
Average Weekly S/I	7.4%	12.8%	13.6%	14.9%

PLANNED MONTHLY BOM	\$3,429.6	\$4,287.0	\$4,630.0	\$4,801.4
PLANNED MONTHLY SALES	\$1,143.2	\$2,858.0	\$2,572.2	\$3,000.9
% Total	8.0%	20.0%	18.0%	21.0%
PLANNED MONTHLY MARKDOWNS	\$11.4	\$28.6	\$25.7	\$30.0
Markdown Rate %	1.0%	1.0%	1.0%	1.0%
PLANNED PURCHASES AT RETAIL	\$2,012.0	\$3,229.5	\$2,769.4	\$3,488.2
PLANNED RETAIL LIMU	61%	61%	61%	61%
PLANNED PURCHASES AT COST	\$764.57	\$1,227.23	\$1,052.37	\$1,325.51
% Total	12.6%	20.3%	17.4%	21.9%
PLANNED MONTHLY EOM	\$4,287.0	\$4,630.0	\$4,801.4	\$5,258.7

2020 SALES PLAN

5	4	
JUNE	JULY	TTL SPRING
23.0%	10%	100.0%
1.6	4.0	
1.0%	1.0%	6.0%
\$ 5,487.4	\$ 5,327.5	\$4,723.1
0.60	0.27	3.03
12.0%	6.7%	11.64%

\$5,258.7	\$5,716.0	
\$3,286.7	\$1,429.0	\$14,290.0
23.0%	10.0%	
\$32.9	\$14.3	\$142.9
1.0%	1.0%	1.0%
\$3,776.8	\$666.3	\$15,942.3
61%	61%	61%
\$1,435.20	\$253.19	\$6,058.1
23.7%	4.2%	
\$5,716.0	\$4,939.0	

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