

Goals Remain the Same AS BATTLEFIELD CHANGES



Atherton

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— AAFES Senior Tactical Buyer Paul Atherton

In a category that is highly sensitive to troop movements and deployments, it comes as no surprise that the military drawdown in Iraq, and the overlapping 2010 buildup in Afghanistan, affected overall tactical category sales in Army & Air Force Exchange Service (AAFES) stores during that period. Economic factors, however, may have had an even greater impact. But no matter the trend of the time, AAFES’s tactical and uniform departments are on a mission to continually improve the way they deliver vital products to troops inside and outside the theater of combat.

As part of this overall picture, the exchange service recognizes that its tactical assortment — and its way of doing business in the tactical area — must change with the times. And with big changes coming to the way planograms are replenished in tactical and uniform areas, AAFES held a major seminar and expo in 2011, where Military Clothing (MC) store managers were brought up to date on changes taking place in the department.

SALES ACTIVITY

According to Paul Atherton, senior tactical buyer in the exchange service’s Sales Directorate (SD), the drawdown from Iraq had “a great impact” on tactical activity, with sales seeing a decline of approximately \$10 million in the last two years.

“Sales for Afghanistan have increased, but since they do not have the same number of servicemembers that were in Iraq at the height of the war, their sales will never equal those of Iraq,” he stated.

Atherton reported, however, that tactical gear sales are up in the rest of the world, allowing AAFES to remain relatively flat — down 1 percent — with sales of \$36.06 million through June of fiscal

2011, versus \$36.44 million for the same period the prior year.

“The economy has had more of an impact on this category than any other factor,” Atherton not-

ed. “Tactical gear is something that many of the Army personnel have at some level or another. If they have deployed several times, they may have come in during earlier deployments to upgrade

The rapidly changing tactical needs of servicemembers is being addressed in AAFES stores as planograms and display modules evolve and auto-replenishment comes on line. Fort Bliss, Texas.



their tactical gear to ensure that it would last for several deployments. This initial investment is allowing them to reuse the tactical gear for several deployments and not have to continually update or repurchase their gear.”

The buyer noted that servicemembers generally keep up with the updates to technology within this category, “and will update their equipment to ensure they have the newest item that will help them perform their duty more efficiently. New holsters, new ammo pouches, new lights, eyewear and knives are always shopped by the servicemembers.”

NEW ITEMS

New items being offered by AAFES stores help servicemembers stay current with the latest technological upgrades in equipment.

“We are adding several new items to include a new ammo pouch that fits on the Molle gear at a 45-degree angle allowing better access to the clips,” Atherton said. “We are also adding a new hydration bladder that has a built-in air bladder so that the soldier can pump up the air bladder and pressurize the water bladder so the water will squirt out through the bite valve instead of the soldier having to suck the liquid into their mouth. This will also allow them to clean items, clean their hands and anything else they need a stream of water to clean.”

AAFES is also adding a new assortment of items called “gear ties,” which the senior buyer described as “rubber-coated wires similar to a bread twist ties that are reusable, and which come in five different lengths, from three inches to 32 inches. Servicemembers can use these to secure a wide variety of items from ear buds to ropes, to securing items on their packs,” he explained.

PROMOTIONS

Although promotions are not as plentiful in tactical as they are in other exchange areas, new and even slightly tongue-in-cheek promotions are being developed to excite servicemembers.

Atherton said AAFES has been working with a supplier this year — Otis Technology — to provide a “Trip of Lifetime” that will be held at the end of this year, and with another supplier — McNett, which among its products manufactures compact microfiber towels — to support a Facebook contest on “showing the company how dirty servicemembers can get their towels.”

TACTICAL SEMINAR

With the shifting of troops from one world hot spot to another, changes are being made to the tactical assortment and AAFES’s tactical business, all to better serve the troops. Many of these changes were discussed during AAFES’s 2011 Worldwide Military Clothing Seminar and Expo, which was held from June 6-10 at the Sheraton Bloomington Hotel, Minneapolis, Minn.

With its mission to promote knowledge in all pertinent product subcategories and to provide quality training to all attendees, Atherton told *E and C News* that the experience was a hit.

“The participation from the stores exceeded our expectations,” he said. “Store associates asked a lot of questions regarding the merchandise, policies and programs to clarify their concerns and make sure that we were also aware of their local, regional or worldwide issues. The interaction during the meetings and discussions was very informative and free flowing with ideas and questions.”

PLANOGRAM COMPLIANCE

Atherton characterized planogram compliance as “the main lesson” taught during the event — a lesson that is important in all exchange categories.

“We explained that the planograms are developed based upon the assortment, and as the planogram size gets smaller, we determine the assortment based on the best-selling items,” he explained. “This allows stores to concentrate on higher sales volume items and reduce their inventory investment by removing the slow sellers from their store assortment.”

Atherton said that the event highlighted an area of concern that stores have been working on during the last year “and will continue to work on as we get nearer to the Retek Merchandising System (RMS) auto-replenishment conversion for the military clothing categories.”

In a significant change for the stores, Atherton said the ordering of merchandise is being moved from their end to the headquarters-based Planning, Allocation and Replenishment (PAR) teams. “Planogram compliance is going to allow the allocators to properly order the merchandise for that particular store, to keep the merchandise flowing through the pipeline and out onto the sales floor to be sold through the registers,” Atherton noted.

— E and C NEWS

AAFES Fiscal 2010 Top Selling Eyewear In Tactical Stores

Item	Fiscal 2010 \$ Sales/Unit Sales
1) Revision APEL 2-Lens Ballistic Glasses*	\$451,431/6,972
2) Wiley X APEL 2-Lens System Glasses	\$407,712/7,174
3) Oakley APEL Ballistic M-Frame Eyewear*	\$405,531/3,264
4) ESS Crossbow 2X-Military Specifications Glasses	\$403,179/6,178
5) Wiley X SG-1 APEL Goggle	\$383,241/5,496
6) Oakley APEL Ballistic M-Frame Eyewear**	\$317,424/3,393
7) Revision APEL 2-Lens Ballistic Glasses*	\$286,192/4,425
8) Sperian APEL XC Combo Pack	\$148,210/6,202
9) Revision APEL Clear Lens Replacement	\$114,098/7,639
10) Oakley APEL Ballistic M-Frame Eyewear**	\$85,056/928

*/** Different SKU.

Sales are rounded off to the nearest dollar.

Source: AAFES

AAFES Fiscal 2010 Top Selling Flashlights* In Tactical Stores

Item	Fiscal 2010 \$ Sales/Unit Sales
1) SureFire Batteries (12-pack, clamshell case)	\$730,676/34,954
2) SureFire Battery (6-pack, 123A)	\$403,956/31,269
3) Nite Ize White Microlight	\$356,563/56,924
4) Alpec Sotonic Green Laser	\$332,642/3,951
5) Nite Ize Blue Microlight	\$231,808/36,070
6) SureFire Flashlight (black)	\$204,728/6,095
7) SureFire Tactical Light (6 volts, black)	\$204,591/3,685
8) Nite Ize Red Microlight	\$202,541/32,285
9) Coast Tactical Torchlight Tape Switch	\$166,004/4,163
10) SureFire Lithium (3 volts, 2-pack)	\$164,735/41,773

* Includes flashlight batteries.

Sales are rounded off to the nearest dollar.

Source: AAFES