

General Instructions:

The answers to the survey questions are either on your financial statement or your merchandising reports, or are general information on your store(s) and your employees. In a few cases, you may have to look up an answer—but if you have a question about **how** to answer, call one of our Hotlines:

Marcy Dolnicek, Industry Insights, phone: 614-802-2310, ext. 102, email: m.dolnicek@industryinsights.com
 Madelyn Rygg, NSRA, phone: 800-673-8446, ext. 303, email: madelyn@nsra.org.
 OR check NSRA's website, www.nsra.org, Business Performance Report Frequently Asked Questions (FAQs).

The survey is divided into three easy parts: Sales & Inventory (Part A) , Operational Information (Part B) and Financial (Part C). Please be sure to:

- Report** information from the year 2007
- Canadians:** Report dollars in Canadian dollars.
- Answer** as many questions as possible. If you don't have an exact number, estimate. If you can't estimate, leave it blank.
- Return the survey** to Industry Insights, 355 E. Campus View Blvd., Suite 180, Columbus, OH 43220 in the enclosed envelope (or fax to 614-802-2309).

Confidentiality Guaranteed: The numbers you provide are strictly confidential and only Industry Insights will see them. Thank you for helping provide independent footwear retailers the numbers key they need to improve their performance.

What is the location of your store/headquarters? **U.S.A.** **Canada** 200

1	What was your AVERAGE total company inventory in cost and/or retail dollars during 2007?	Cost	\$	76
2		or Retail	\$	77
3	Actual or estimated average initial mark-up percent for 2007:		%	78
4	What were your total markdowns for 2007 as EITHER:	Total retail markdowns	\$	79
5		Or Total retail markdown dollars as a percentage of sales	%	80
6	Total number of employees in your company (including yourself, as well as sales associates, bookkeeper(s), admin personnel, buyers)	Full-time: (more than 30hrs/week)	#	71
7		Part-time:	#	72
8	What employee benefits do you offer? (Check all that apply)			
	<input type="checkbox"/> Fully paid health care <small>378</small>	<input type="checkbox"/> Retirement/pension plan <small>379</small>	<input type="checkbox"/> Free Shoes <small>380</small>	<input type="checkbox"/> Paid vacation <small>381</small>
	<input type="checkbox"/> Education assistance <small>382</small>	<input type="checkbox"/> Partially paid health <small>383</small>	<input type="checkbox"/> Parking <small>384</small>	<input type="checkbox"/> Bonuses <small>385</small>
		<input type="checkbox"/> Paid sick leave <small>386</small>	<input type="checkbox"/> Other <small>387</small>	

6 Please provide the following information regarding your store (s). Please list additional stores on a separate sheet of paper.

Store	Location					Type			Genders					Sq. Footage	Annual Sales	
	Street Front	Enclosed Mall	Strip or Life Style Center	Freestanding	Internet	Single Brand/Concept Store	Multi-brand	Other	Men's, Women's, Children's	Men's only	Women's only	Children's only	Men's and Women's only	Other	include total store, stockroom, and selling floor	
1.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	sf <small>351</small>	\$ <small>357</small>
2.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	sf <small>352</small>	\$ <small>358</small>
3.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	sf <small>353</small>	\$ <small>359</small>
4.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	sf <small>354</small>	\$ <small>360</small>
5.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	sf <small>355</small>	\$ <small>361</small>
6.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	sf <small>356</small>	\$ <small>362</small>

Total Number of Stores _____

Inventory and Sales Information					
1	Breakdown of total company sales among store, Internet, etc. Total should add to 100%.	Store Sales	% 305		
		Leased Department Operations	% 306		
		Catalog Sales	% 307		
		Internet Sales	% 308		
		Combined Catalog & Internet Sales (if unable to separate above)	% 309		
		Other _____	% 310		
		Total	100%		
2	Percentage change in same-store sales realized in 2007 compared to 2006:	% Change (+ or -)	% 74		
3	Percentage change in same-store sales expected in 2008 compared to 2007:	% Change (+ or -)	% 75		
4	Breakdown of total company sales by payment type:	Cash	% 102		
		Credit Card	% 103		
		Check	% 104		
		Debit /Check Card	% 171		
		Gift Card	% 105		
		Total	100%		
		5	Breakdown of total company sales by department:	Women's	% 60
Men's	% 61				
Children's	% 62				
Accessories (includes bags, socks, etc.)	% 63				
Apparel	% 64				
Footcare Items (OTC orthotics, lotions, etc.)	% 65				
Total	100%				
6	What percentage of your sales (if any) is from Pedorthics?		% 312		
7	Actual or estimated percentage of sales by category in each gender:		Women's	Men's	Children's
		Dress (Career, tailored, dress sandals, evening)	% 88	% 173	% 179
		Closed Casual	% 89	% 174	% 180
		Sandal Casual	% 328	% 329	% 330
		Clogs	% 90	% 175	% 181
		Boots (work/western/winter/hiking/dress)	% 172	% 176	% 182
		Athletic	% 99	% 301	% 101
		Accessories (bags/shoe care)	% 91	% 177	% 183
		Other	% 136	% 178	% 184
		Total	100%	100%	100%
8	What was your annual inventory shrinkage in 2007? You can provide the number either as a % or in dollars. Shrinkage includes theft (employee and shoplifting) and clerical errors, etc.	Cost	% 313		
		\$	314		
		\$ or Retail	315		
9	Approximate percent of sales from sale-priced or marked-down merchandise:		% 81		
10	What are your refunds (not exchanges), as a percentage of sales? (Estimate if not tracked)		% 143		
11	What is the average selling price of a pair of shoes in your inventory?	\$	317		

Technology

12	Do you plan to make a major upgrade or change your computer system in the next two years?	<input type="radio"/> Yes <input type="radio"/> No	84
13	How do you mark your inventory? <input type="radio"/> UPC codes/Vendor barcode ¹³⁸ <input type="radio"/> Numerical codes ¹⁴⁰ <input type="radio"/> Your own bar codes ¹³⁹ <input type="radio"/> Other _____ ¹⁴¹		
14	Do you now have, or do you plan to have in 2008, a Web site?	<input type="radio"/> Yes <input type="radio"/> No	142
15	If "Yes," how is or will your Website be used? (Check all that apply) <input type="radio"/> Showing product ¹⁸⁶ <input type="radio"/> Email to/from my customers ¹⁸⁸ <input type="radio"/> Giving store locations & hours ³⁸⁹ <input type="radio"/> Sales direct to consumer ¹⁸⁷ <input type="radio"/> Listing promotions ³⁸⁸ <input type="radio"/> Other _____ ¹⁸⁹		
16	How do you use vendor websites? (Check all that apply) <input type="radio"/> Do not use ¹¹⁹ <input type="radio"/> Marketing/co-op/images ¹²⁰ <input type="radio"/> Check stock availability ¹²¹ <input type="radio"/> Status of shipments ¹²² <input type="radio"/> Place/check orders ¹²³ <input type="radio"/> Other _____ ¹²⁴ <input type="radio"/> Pay on line ³⁹⁰		

Buying Information

17	What percentage of your open-to-buy dollars do you allocate to:	Initial/advance	%	111
		In-season/fill-ins/replacements	%	112
		Total	100%	
18	What percentage of your <u>initial orders</u> are placed in advance of delivery by:	1-2 months	%	320
		3-4 months	%	321
		More than four months	%	322
		Total	100%	
19	What percentage of your <i>at-once</i> or <i>fill-in orders</i> do you place via:	Fax	%	323
		Phone	%	324
		EDI	%	325
		Vendor website	%	326
		Other _____	%	327
Total	100%			
20	In 2007, did vendor in-stock positions. . . <input type="radio"/> Improve ¹⁴⁴⁻¹ <input type="radio"/> Remain the same ⁻² <input type="radio"/> Worsen ⁻³			
21	In 2007, did your relationships with your vendors. . . <input type="radio"/> Improve ¹¹⁴⁻¹ <input type="radio"/> Remain the same ⁻² <input type="radio"/> Worsen ⁻³			
22	What percentage of your vendors allows credit card payments without charge?	%	400	
23	What percentage of your employee compensation for <i>Sales Staff Only</i> is:	Salary	%	401
		Commission	%	402
		Incentives	%	403
		Alternative forms of payment (product discounts, discounts to family members)	%	404
		Bonuses	%	405
		Other _____	%	406
Total	100%			

If you aren't sure how to answer a question, get the FAQs at www.nusra.org, or call our helplines at Industry Insights (614) 802-2310, ext. 102 or NSRA (800) 673-8446, ext.303.

Individual responses are CONFIDENTIAL. No one connected with the footwear industry will see them.

Marketing Information		
26	What forms of advertising/marketing do you use? (indicated in terms of % of total advertising/marketing dollars spent)	Newspaper/Magazine (includes inserts) % 151
		Radio % 152
		Television % 153
		Direct Mail % 154
		Yellow Pages % 155
		Internet (marketing your store on sites other than your own) % 150
		Your own website % 162
		Other _____ % 156
Total		100%
27	In 2007 did funds from your vendor for advertising/marketing. . .	
	<input type="radio"/> Increase <small>117-1</small> <input type="radio"/> Remain the same <small>-2</small> <input type="radio"/> Decrease <small>-3</small>	
a.	What percentage of your advertising/marketing expense is provided by vendors?	% 391
b.	You used vendor funds for (check all that apply)	
	<input type="radio"/> Fixtures <small>392</small> <input type="radio"/> Shop within a shop <small>393</small> <input type="radio"/> POP <small>394</small> <input type="radio"/> GWP <small>395</small> <input type="radio"/> Contests <small>396</small> <input type="radio"/> Other <small>397</small>	
28	Customer service has many aspects. Rank for four most important aspects of your customer service:	
	<input type="checkbox"/> Easy-to-find location(s) <small>163</small> <input type="checkbox"/> Great parking and access to store(s) <small>164</small> <input type="checkbox"/> Large selection/assortment of product <small>165</small> <input type="checkbox"/> Knowledgeable, courteous staff <small>166</small> <input type="checkbox"/> Special sizes and widths <small>167</small> <input type="checkbox"/> Pedorthic services available <small>168</small> <input type="checkbox"/> Store hours that match customer's needs <small>169</small>	<input type="checkbox"/> Liberal return/exchange policy <small>170</small> <input type="checkbox"/> Free delivery <small>116</small> <input type="checkbox"/> Website that provides product and store information <small>398</small> <input type="checkbox"/> Customer buying options: in store, online, via phone and email <small>399</small>

General Information		
29	Please rank the top three priorities you have for 2008.	
	<input type="checkbox"/> Improve vendor relations <small>106</small> <input type="checkbox"/> Improve customer service <small>109</small> <input type="checkbox"/> Improve inventory control/turn <small>157</small> <input type="checkbox"/> Improve margin (initial & maintained) <small>160</small> <input type="checkbox"/> Increase sales volume <small>147</small> <input type="checkbox"/> Establish and/or improve website <small>107</small> <input type="checkbox"/> Upgrade store design <small>125</small> <input type="checkbox"/> Improve store focus <small>115</small>	<input type="checkbox"/> Install or upgrade computer system <small>148</small> <input type="checkbox"/> Reduce expenses <small>158</small> <input type="checkbox"/> Improve collection of customer data <small>108</small> <input type="checkbox"/> Improve usage of customer database <small>126</small> <input type="checkbox"/> Improve advertising/marketing <small>127</small> <input type="checkbox"/> Train sales associates <small>135</small> <input type="checkbox"/> Improve cash flow <small>149</small> <input type="checkbox"/> Other _____ <small>159</small>

Want the FAQs on NSRA's Business Performance Report? Visit NSRA's website, www.nsra.org.

PLEASE RETURN SURVEY BY MAY 1, 2008

Staple you business card HERE and return by April 25 for these REWARDS:

- Free copy of survey results
- Free personalized confidential report
- Chance to win MacBook Air
- \$50 gift card of choice: gas, restaurant, equipment

Profit and Loss Statement for 2007 (or most recent fiscal year)

PLEASE NOTE: To save time and effort, just attach a copy of your P&L statement from your accountant or your federal tax return. Industry Insights, Inc. will then fill in the tables for you.

SALES/GROSS PROFIT

1.	Net sales less returns	1	\$
2.	Beginning inventory (at cost) at start of year	2	\$
3.	Cost of merchandise purchased during year	3	\$
4.	Ending inventory(at cost) at end of year	4	\$
5.	Cost of goods sold (Line 2 plus Line 3 minus Line 4)	28	\$
6.	Gross Profit (Line 1 minus Line 5)	5	\$

OCCUPANCY EXPENSES

7.	Rent (base rent)	6	\$
8.	All other charges by mall/building owner (e.g., HVAC, common area charges, property taxes, merchant assoc. dues)	8	\$
9.	Utilities (heat, light, water & other occupancy expenses)	7	\$

DEPRECIATION EXPENSES

10.	Buildings owned and/or leasehold improvements	9	\$
11.	All furniture, fixtures, equipment, and vehicles	10	\$

TAX EXPENSES

12.	All taxes including payroll taxes but excluding property and income taxes	11	\$
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INSURANCE AND BENEFITS EXPENSE

13.	Insurance including business liability, workers' compensation, property and casualty insurance, and other	12	\$
14.	Employee benefits, medical, life, disability, insurance, profit sharing, pension, or 401K	13	\$

WAGES AND SALARIES

15.	Owner/principal salaries and withdrawals	14	\$
16.	Manager/buyer compensation	15	\$
17.	Selling compensation	16	\$
18.	All other employees (office, warehouse, etc.)	17	\$

ADVERTISING AND SALES PROMOTION

19.	All advertising/sales promotion expenses (total minus co-op , etc. equals net)	18	\$
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GENERAL AND ADMINISTRATIVE EXPENSES

20.	General expenses including office supplies, staff training, membership dues and donations, professional services (legal/accounting), packaging, computer expenses including license fees, maintenance agreements, and all other	19	\$
21.	Credit card processing	29	\$
22a.	Telephone	87	\$
22b.	Internet/Website (ISDN and ISP costs, hosting and development, etc.)	73	\$
23a.	Freight	20	\$
23b.	My incoming freight expense is <input type="radio"/> 100% in Line 23a ⁵⁵⁷ <input type="radio"/> 100% in Cost of Goods ⁵⁵⁸ <input type="radio"/> Some in each ⁵⁵⁹		
24.	Interest payments	21	\$
25.	Extraordinary expenses (lawsuits, fire, theft, etc.)	22	\$

26.	TOTAL EXPENSES (Sum of Lines 7 through 25)	23	\$
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27.	OPERATING PROFIT (loss) (Line 6 minus Line 26)	24	\$
28.	Purchase discounts	25	\$
29.	Other income (or expense)	26	\$

NET PROFIT

30.	Net Profit (loss) before taxes (Line 27 plus Line 28 plus or minus Line 29)	27	\$
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**PLEASE RETURN
SURVEY BY
MAY 1
TO GET YOUR
REWARDS FOR
PARTICIPATING!**

Business Performance | SURVEY

Compare your own numbers to the national norms, and find out where you need to focus to increase your profits.

NOTE: This survey can be downloaded from www.nsra.org

