## 15 ways stores trick you into spending

Don't succumb to retailers' simple ploys. Here's how they get you to buy.

Ever notice how you can go to a store to pick up just one thing and then, by the time you get to the check stand, you have five or six things in your cart and a bigger bill than you had anticipated?

This happens over and over because department stores use an array of techniques (grocery stores use many of the same tactics) to get you to pick up these items. By itself, each technique isn't very strong — it's the use of them in combination that is powerful.

Here's a list of 15 of the best tricks. After the list, watch for 10 ways to combat these techniques so you can get in and out of stores with your finances intact.

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**1. Shopping carts.** Most department-store customers enter the store intending to buy only an item or two, but the shopping carts are right there by the entrance and, oh, wouldn't it be convenient to have it so I can lean on it a bit while walking around and to put my stuff in it?

The cart has a huge bin compared with the size of most items for sale in the store, making it psychologically easy to toss in an item you don't need -- after all, there's room for plenty more, right?

2. <u>Desirable departments are far away from the entrance</u>. Most of the items I go to a department store to buy, such as light bulbs and laundry detergent, are located many, many aisles from the entrance. This means I spend my time walking by a lot of consumer goods on my way to find the item I want.

Because these consumer goods are effectively marketed to me, there's a good likelihood that I'll spy something that I don't necessarily need and toss it in the cart.

**3.** The toy section is far, far, far away from the entrance. Naturally, if I take my son to the store, he wants to visit the toy section. He gets excited and starts shouting "Ball! Ball!" to me when we go in because he remembers the enormous plastic balls in the toy section.

I tell him that if he's good, we'll go look at the balls, and at the end of the trip, we usually make our way over there. What do we see? Lots of children in that area, which means that there are parents that follow their children.

**4.** <u>Impulse-oriented items are near the checkouts.</u> Stores stock the latest DVD releases and "froth" magazines there, along with overpriced beverages and candy.

Why? Because people leaving the store are thirsty, and they're going to be standing in line for a bit, which is the perfect place to hook them with some entertainment options.

- **5.** The most expensive versions of a product are at eye level. Take a look sometime at the arrangement of different choices for a particular product, such as laundry detergent. Almost every time, the most expensive options per unit are placed at eye level, so you see them first when you enter an aisle. The bulk options and better deals are usually on the bottom shelves.
- **6.** Items that aren't on sale are sometimes placed as though they are on sale, without using the word "sale." I noticed this over and over with diapers; the department store would display a rack of them with a huge sign above them displaying the price, but it would be the same price I paid for them a week ago. Unsurprisingly, the diapers displayed like that were always the most expensive kind.
- 7. Commodity items, such as socks, are surrounded by noncommodity items, such as shirts and jeans. If I'm looking to buy some socks, I have to traverse through a number of racks full of different types of clothing in the clothing section just to reach them.

Why? If my mind is already open to the idea of buying clothes, I would be more likely to look at other clothing items.

**8.** <u>Slickly packaged items alternate with less slickly packaged items.</u> Look carefully at an aisle of, say, potato chips. The ones with the bright and slick packaging are generally more expensive, which isn't surprising.

But notice that there usually isn't a section of just inexpensive chips — in most stores, they're sandwiched between more-expensive items. If there is a section of just inexpensive items, they're down by your feet (think about the inexpensive bagged cereals at your local supermarket).

- **9. Stop, stop.** You add items to your cart only if you stop, right? So stores are designed to maximize the number of stops you have to make: aisles in which only two carts can fit, colorful and attractive layouts, escalators and, my favorite of all, sample vendors. Even if it's not conscious to you, every time you stop moving in a store, you increase your chances of putting something into your cart.
- 10. Staple items are placed in the middle of aisles, nonessential and overpriced items near the end. Why? If you enter an aisle to get a "staple" item (i.e., a high-traffic item), you have to go by the other items twice -- once on the way in and once on the way out. That gives these items two chances to make their pitch at you.
- 11. Prices are chosen to make comparison math difficult. Instead of selling the 100-ounce detergent for \$6 and the 200-ounce detergent for \$11 (making it easier to figure out the better deal), they sell the 100-ounce for \$5.99 and the 200-ounce for \$10.89.

  Hey, look, they're basically the same, right, because five is half of 10? Uh, no.
- 12. <u>Stuff in bins isn't always a bargain</u>. Higher-end stores will sometimes put items in "bins" to emulate the bargains found at cheaper stores, but the prices are still quite high. They just use the visual cue of a "bargain store" to make you think it is a bargain.
- **13.** <u>High-markup items are made to look prestigious.</u> If you see something in a glass case that has lots of space around it, your gut reaction is to believe that it is valuable and prestigious to own, and for many people it can be as attractive as a light to a moth. The truth is that these items typically have tremendous markup you're literally just buying an idea, not a product.
- **14.** The most profitable department is usually the first one you run into. Ever noticed that at Younkers, JC Penney, Kohl's and such stores, the cosmetic department is front and center? That's because it's very profitable, and by putting it in a place where people walk by time and time again, customers are more prone to making a purchase on an item with a very big markup.
- 15. Restrooms and customer services are usually right by the exit or as far from the exit as possible. Why? If you need to use either one in the middle of a shopping journey, you have to walk by a lot of merchandise to reach the needed service, thus increasing your chances for an impulse buy.

Is there any wonder why people end up buying more than they need or buying sizes that are poor deals? With an array of techniques at their disposal, retailers can make a mint.

How can you fight back?

## **ASSIGNMENT:**

On a separate sheet of paper, make a list of 10 things one can do to counteract these techniques.

This article was written by Trent Hamm, the founder of The Simple Dollar, a blog offering a peek at his recovery from near bankruptcy.

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