



The Fashion Merchandiser's Guide to Sale Season

From seasoned retail expert, Christine Reed

Introduction

Ready for your best sale season yet? I'm **Christine Reed, Chief Operating Officer at Style Arcade**, and I want to share with you my master playbook for planning and managing sale season.

I've spent over 20 years in fashion retail buying and trading across different business models, including at Harrods in the UK and as Group GM of True Alliance in Australia (working across brands like Lacoste, The North Face, Wrangler, and Speedo).

This is my cheat sheet of essential steps and practical tips for planning and managing sale season, where you'll learn:

- 1. How to set Sale goals and get team alignment**
- 2. How to build and price an assortment for a successful Sale season**
- 3. How to react when Sale doesn't go according to plan**

“
With so many moving parts and stakeholders, it's helpful to go into Sale periods with the mindset that they need to be run like a project. Planning and trading the Sale period can actually be an enjoyable experience when you approach it with this framework!

In this guide, you'll discover the Sale traps to be aware of and what your merchandising team can do to set your brand up for a successful Sale period.

It's all about controlling the controllables.

Let's get started!



How to avoid common Sale season traps

Let's start with the most common traps for Sale periods, and my top takeaways:

Trap #1: The Sale drug

It can be very tempting to go after the volume spike that Sale delivers, especially when there's a top-down push to comp last year's revenue. To drive sustainable growth, I suggest planning growth targets and shape based on last year's margin dollar value, rather than revenue.

How Tibi beat the discounting trap

Karolina Kozłowska, Planning Director at Tibi, suggests ensuring full team alignment on a well-budgeted pricing strategy, with management and finance teams understanding the long-term goal of reducing discount dependency.

- **Reduce buy quantities to phase out promotions:** Slowly reduce stock levels planned for markdowns over a 2-year period.
- **Focus on long-term financial health:** Shift focus from short-term net sales growth to sustainable full-price sales.
- **Reduce operational costs with fewer promotions:** Lower costs related to overproduction, warehousing, shipping, and returns by reducing markdown reliance.
- **Never plan buys based on markdown expectations:** Plan inventory for full-price sales rather than relying on clearance discounts.

Pursue sustainable growth over rapid expansion: Avoid aggressive scaling that leads to overstocking and promotional cycles.



IMAGE: TIBI

Trap #2: Ignoring brand value

The opportunity to deliver a brand message is compromised when you have frequent aggressive discounts and Sale periods that drag on. And this does impact customers' perception of your brand.

To balance achieving your goals on both sales and brand position, be clear on what the criteria is for marked-down products. Just because it's Black Friday doesn't mean you need to discount recently-launched or high-performing products.

Note though that complicated exclusions can be a real turn-off for customers and can also create a headache for your customer service team. Make sure if you do have exclusions that these are listed really clearly on banners and marketing content in your terms and conditions.

Trap #3: Surrendering to FOMO

There can be pressure to fall in line with majors or competitors for a share of the consumer wallet early on, especially if your brand has a wholesale channel. It's definitely important not to have blinders on, as you do need to be aware of what's going on in the market.

However, what I typically saw when pulling Sale forward was that we were actually just giving margin away early on because the traffic wasn't there to get that uplift. If you've built up a well-informed strategy using analytics and team collaboration, have confidence in this approach and hold the line.

A compromise can be to make sure you are 'fishing where the fish are'. Launch a short preview or VIP sale for existing customers, and stick to launching for the general public on the main Sale date.

How **ALIGNÉ** commits to bi-annual sales

To maintain brand integrity, **ALIGNÉ CEO Ginny Seymour** and her team only run winter and summer sales. *"We don't do bank holidays, Easter promotions, and we don't do Black Friday or cyber sales. The exception is end-of-season sale, where we're cleaning up old season products,"* Ginny said.

Promoting product value: *"We're not a sustainable brand, but we try to make the best choices we can in every kind of element."* For **ALIGNÉ**, that means not using price as a lever to increase demand. *"We want consistent demand, and we want to have a really transparent conversation with our customers that it's the best value the item can be."*

Remaining consistent: In order to retain the trust of shoppers, brands must maintain consistency around the messaging and actions regarding their values. **ALIGNÉ** does this by not surrendering to quick promotions in the event of poor sales.



Trap #4: Not all ranges are created equal

A brand I worked with had a record-breaking Sale period one year, because we had decided to include our core product at 20% off, taking it to a price point it had never been at. Sales spiked so dramatically that the headline product alone made up the majority of the brand's entire sales over the sale period.

The following year, we had growth budgets to hit, but we really didn't want to discount our core product again. The alternative light offer we decided on for seasonal products just didn't get traction, and the 'take a further' discount didn't have the desired impact, as we'd missed the opportunity to convert that initial spike in traffic.

The lessons from this that I took into future sales were two-fold:

1. If you don't want to devalue your core product, do not be tempted to include it in your Sale, unless you feel it genuinely needs to be repriced permanently.
2. If seasonal product is not performing, be sharper with your red pen upfront to spike sell-through and capitalize on that traffic.

Trap #5: Misaligned goals and focus

In the lead up to Black Friday one year, a brand I was working with decided they wanted to pull out of participating in the event with a discount. We came together and worked to deliver a full-price brand-building message instead. With a short turnaround to plan, it was an interesting experiment: while the perceived brand value and GP% achieved was high, we fell way short on all other metric targets for customer acquisition, conversion rate, aged inventory clearance targets and margin \$ budgets.

The following year, we aligned on the vision for the event with a much longer lead time to plan, and you can read on to see how this translated to a very different commercial outcome.



IMAGE: AXEL ARIGATO

5 steps to a successful Sale period

Let's discuss the key steps that you should take into account in your Sale project plan. These are the key ingredients I've found that have ensured a successful sales campaign:

Step #1: Set Sale goals

Defining clear objectives for the Sale is so important. Discuss as a wider team what you're after: is it revenue, margin, stock targets, customer acquisition, or retention?

When I was a GM, the one thing that I realized very early on was that each department needed to be aligned on the ultimate end goal in order to set the right targets.

Remember the story of the last-minute change to the Black Friday strategy? The following year, we again decided we wanted to focus on a full-price message, to attract new customers and give existing customers a reason to shop. But we also wanted to clear aged product.

When planning the buy, we made sure we had newness to drop at this time, and after doing a post-mortem on season-to-date, we were then able to plan:

- **A primary marketing campaign with a focus on a compelling brand story on key heritage styles and newness**
- **A sub-campaign offering keen price points on aged and overstocked styles**

The result was night and day to the prior year, and with the right product and campaign focus we met our both brand and commercial goals.

Sales are great for correcting overstocks or aged stock, and are essential for your brand's health. However, when planned collaboratively and in advance, these peak traffic periods can also be utilized for brand-building opportunities.

How LSKD uses key sale events to drive acquisition

Premium activewear brand LSKD embraces Black Friday as a celebration for the brand. Having a higher value and quality product, the team and their community get to express themselves, have fun, and showcase their product to a wider audience at a lower price point.

"We also see it as an incredible opportunity for new people to discover our brand in huge numbers. And it gives us an opportunity to create lifelong community members," said **former LSKD Senior Womenswear Buyer & Planner, Eloise Weightman.**

Though Black Friday is a special event, the team remains laser-focused on making the best product at the best price, year-round. *"Pricing inventory right is key to avoid marking down the product. Listening to our community and our team to get feedback and being reactive in-season when we haven't priced the stock at the right level is incredibly important,"* Eloise said.



IMAGE: LSKD

Step #2: Create an ideal product mix

To optimise conversion on Sale, you’ll need to leverage metrics and historical data to achieve the ideal product mix and pricing.

1. Understand past performance and current state

Once goals are set, the next step is ensuring the product offer can deliver. Start by putting your current stock position in context with your ideal.

It’s easy to slip into analysis paralysis, so agree on the key metrics and drivers. That way, the data informs strategy and execution, rather than drowning you in spreadsheets.

Start by reviewing past sales performance:

- **Define your ideal category mix based on true rate of sale (accounting for stockouts). If you use Style Arcade, this is the True Rate of Sale metric.**
- **Analyze return rates, reasons, and reviews, and exclude products with high returns or poor reviews from sale campaigns or ads. And remember, there are also some great lessons in return reasons and customer reviews for next season’s buys.**

With this context, you can then review your current product position so you have clarity on what you have available for Sale.

2. Decisions to make for product selection

Next, define your Sale inclusions. To apply a clear framework, create a markdown matrix using a combination of season codes, cover, and sell-through performance as rules.

Align your matrix on what not to include (e.g., Core, Pinnacle, or newly launched products). Then review inclusions against historical sales to confirm commercial viability, and fill gaps in category, price, or product by widening the selections where necessary.

3. Forecast realistically

You can set up your inclusion list with product images in Style Arcade, either on the products page or rollups, and set this up as a ‘Saved View’. Then, pull in all product performance metrics, including size availability, returns, and reviews, to ensure you understand the potential of your sale proposition and can forecast accordingly.

Step #3: Markdown optimization and strategies

This relies on having one agreed-upon source of truth for trading KPIs and reporting.

1. Markdown matrix

Use your markdown matrix and assign discount bands to each of those rules. For example, a rule set that would trigger one of the higher discount bands could consist of: over 2 seasons old, low size availability, and zero sales in the last month. Create the rules that make sense for your business or brand, and the way you trade product.

Populate your markdown list with your sale prices and forecast. And importantly, check if you have adequate representation across discount bands, especially if you’re advertising an ‘up to X%’ as your headline offer.

	Season	Product / Drop	Sell Through	Size Availability / Reviews / Returns	Discount Applied
Inclusions	Last Season	Accessories	<3 units per store	Add extra layers: Size Availability e.g. >80%, >50%, <20% Reviews e.g. low star bands Returns e.g. anything >X%	50% Disc
		Drop 1	ST <20%		50% Disc
			ST < 30%		40% Disc
			ST > 30%		30% Disc
		Drop 2	ST < 15%		40% Disc
			ST > 15%		30% Disc
		Drop 3	ST < 12%		40% Disc
			ST > 12%		30% Disc
	Aged Seasons	All Drops	ST <40%		50% Disc
			ST < 50%		40% Disc
ST > 50%			30% Disc		
Exclusions	Future				
	Core / Heritage / Pinnacle				

Markdown matrix sample

Markdown matrix sample

2. Volume price mix velocity

Getting this right is magic. Ideally, we’re setting the right market price right from the start; however, if a product qualifies for sale, it’s an opportunity to correct this balance.

For sale, if this mix is out of balance, it can go one of two ways: 1) you go too heavy on discount and you can spike units but degrade margin, or 2) the discount is not heavy enough and you don’t spike volume enough and are left with dead stock.

While there’s no neat formula to give us the answer for the perfect price, we can look to our historical sales to get clues on where to find this balance. I found I was able to hone my pricing intuition by reviewing product sales velocity change by week in line with the historical pricing changes.

3. In-season Clear-As-You-Go (CAYG)

CAYG is a markdown strategy that identifies slow-moving products and discounts them early to increase sales velocity and sell through outside of scheduled sale periods. In-season CAYG should be actioned as soon as you’ve identified a product as deadstock – the sooner you turn it into cash, the better. You don’t have to wait for Sale. This allows you to reinvest your open-to-buy in newness.

4. Align on Plan B (and C)

When things don’t go to plan, the key is to avoid last-minute scrambling. Have clear contingency plans in place, and agree across the business — including leadership — on the exact thresholds that trigger them. This approach saved me during critical Sale periods because everyone knew upfront what result would activate Plan B.

For example: after two weeks, if cumulative top-line margin dollars were more than X% behind target, we would move to Plan B — either taking a further discount or applying a second tier of more aggressive markdown rules.

In longer sale periods, also agree on a Plan C with its own thresholds, so the next step is just as clear.

Step #4: Sync teams and reporting

Now, we’ve come to team alignment and one source of truth. This is how we make sure we’re all staying friends during the Sale period. It can be so easy during Sale periods for different teams to become misaligned. Setting common goals is just one of the essential steps to cover when planning your Sale season, as well as aligning on what you’re doing when things don't go to plan.

Ask yourself the following questions:

1. Who is doing what and when?

First, align on which teams are responsible for what tasks, e.g. determine how the digital marketing team is being kept informed of fragmentation to inform site merchandising and paid ads.

2. What is the agreed-upon reporting pack?

What are the metrics we’re all looking at, and do we have a pack that’s saved down that everyone can access?

3. Team collaboration on commentary

Is everyone aligned on telling the same story around the “why”? I’ve seen Sale performance get muddled when planning, digital, and retail share conflicting commentary. Each perspective is valuable, but coming together on a single view makes it easier to surface the real themes and carry those learnings into future Sale periods.

Step #5: Timing and project planning

Getting your timing right, and having Sale exit strategies as well as building in a Plan B (and Plan C) into your strategy is key. I’ve definitely experienced lackluster campaigns coming out of Sale because of poor project planning around changeover.

As much as everyone loves a discount, your loyal customers are craving newness so make sure you have your transition planned with complete drops and coordinated campaigns so this launches with impact.

Key Takeaways

Sale season doesn't have to be chaotic. With the right framework, it can be one of the most rewarding periods of the year.

1. Lead with clear goals and alignment

Define what success looks like — revenue, margin, stock health, or acquisition — and make sure every team is aligned. Shared targets keep execution sharp and prevent missteps.

2. Protect brand value

Discounting is a lever, not a strategy. Be deliberate about what goes into markdowns and what stays out. Only mark down Core or Pinnacle if you're willing to reprice permanently.

3. Build the right mix and price with discipline

Use past sales, returns, and reviews to shape an assortment that balances price, category, and product. Focus on key metrics, apply markdown rules logically, and forecast realistically to avoid both dead stock and eroded margins.

4. Plan for pivots and run Sale like a project

Set clear thresholds that trigger Plan B (and C) and communicate them across the business. Treat Sale like a project with defined ownership, timing, and one source of truth for reporting to stay aligned even when plans shift.

5. Think long term

Sale isn't just about clearing stock, it's a chance to attract customers, reinforce brand values, and build loyalty. The strongest brands use peak traffic to tell a consistent story and set up sustainable growth.

Control the controllables, and Sale becomes not just profitable, but strategic.



IMAGE: CHIMI EYEWEAR