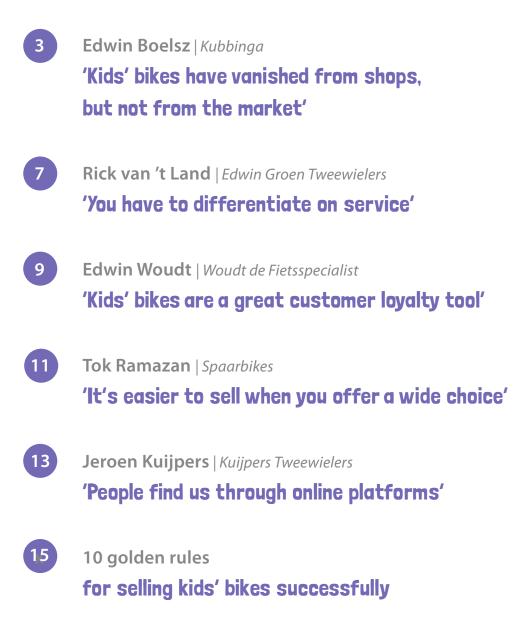
How to sell children's bikes!



10 golden rules for selling kids' bikes successfully

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Edwin Boelsz | Volare

'Kids' bikes have vanished from shops, but not from the market'

Young people are the consumers of our future, yet many bicycle retailers are paying too little – if any – attention to the kids' bike segment. They are doing themselves a disservice, because the sale of children's bicycles can be a very lucrative business, according to Edwin Boelsz. And he should know, since he is managing director and owner of Kubbinga BV in the Dutch town of Purmerend and manufacturer of Volare kids' bikes. Although he doesn't reveal the actual sales figures, he explains that the company is one of the major players in this segment.

oelsz sells exclusively through dealers, but not all of them are necessarily in the bicycle sector. The company's bikes are also purchased for resale by toy retailers and department stores who see them as a good line of business – and not only in the Netherlands, because the roughly 250 different models in his range of kids' bikes are exported to a total of 27 countries. The sale of children's bicycles is clearly big business, but it is also an area of the bicycle trade that certain industry partners appear to be neglecting or have even abandoned – and that presents interesting opportunities for Boelsz. "Over the past few years, many big bike brands have continuously reduced the size of their kids collections, which has made it pretty easy for us to gain market share. We take the children's bike segment very seriously and make a conscious effort to offer a wide assortment in every size. For example, we have something like 20 different models in the 14-inch category. That's a key strength for us, because we have them all in stock and can offer just-in-time delive-

ry; if you place your order before 3 p.m., the bikes are delivered to your door the next day." Boelsz believes that not only bike manufacturers but also many dealers are missing out on potential profit. "They're letting it fade away, which is such a shame. The sale of kids' bikes has vanished from the bicycle trade, but not from the market. Bike shops that work with us sometimes order up to €10,000 worth of kids' bikes at a time. Halfords places an order with us every week, and sometimes even every day. And it sells our bikes on for a good price, so you can't tell me that there's no money to be made in children's bicycles."

Display a wide assortment

Boelsz is firmly convinced that kids' bikes offer revenue opportunities for specialist retailers, provided that they take the right approach. Consumers are definitely willing to buy a children's bike from a bike shop, says the supplier: "In fact, they actually expect reputable bike retailers to sell kids' bikes too; it's only logical from a Dutch consumer's perspective. But they also want some degree of choice, plus high-quality products that are attractively priced – an Audi for the price of a Fiat, as it were. That's why it is so important to display a wide assortment in your store so that consumers actually feel like they have a choice."

"In the past you used to have to spend around half an hour assembling the bike after taking it out of the box, but that now takes less than ten minutes because we supply our bikes virtually 'ready to ride'."

> Kubbinga presents its complete range of children's bikes on its digital platform, where consumers can select their favourite and then locate the nearest dealer where they can pick up their fully assembled bike. "The website

attracts a huge amount of interest. People don't mind driving some distance to collect a bike as long as it's at least 95% ready to ride when they get there. And that's how we supply our bikes to the dealers," says Boelsz. "In the past you used to have to spend around half an hour assembling the bike after taking it out of the box, but that now takes less than ten minutes because we supply our bikes virtually fully assembled."

Bicycle trade is fairly traditional

Just like many other people, Boelsz regards the bike retail trade as fairly traditional. Pressure from internet-based competitors is increasing. "The competition now comes from two sides, both offline and online, so you have to be smart in how you react. It's not necessary to display everything in your store," claims Boelsz. "Present your products effectively and



attractively, but restrict yourself to just a few popular models. Then put an iPad at the checkout desk so customers can see the rest of your range. If a customer chooses a bike from the rest of the collection, it will be ready for pickup from your store – and ready to ride – shortly afterwards thanks to our fast delivery times. That's how you should approach it. As I said, you need to offer some degree of choice, but you don't necessarily have to carry everything in your shop; you can also present products online. Dealers are sometimes afraid of the internet. Well-known retailers such as Blokker have felt the same, and look what's happened to them. If you don't embrace the internet, you'll end up losing out."

Kids' bikes are just a niche market for many A-brand manufacturers, but not for Kubbinga. "We only make children's bikes and that's what our aftersales is geared up for. We deal with all the questions we receive within 24 hours. We've got almost everything in stock, and otherwise we always look for a satisfactory solution."

Strength in specialism

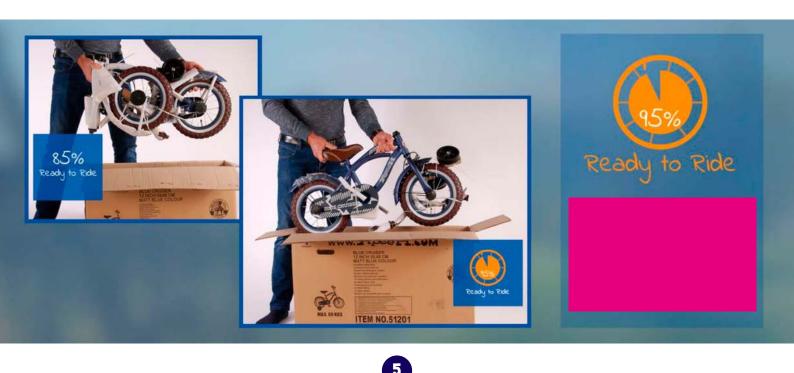
The Kubbinga showroom in Volendam contains

a huge assortment of kids' bikes. The sheer size of the showroom underlines the company's unquestionable leadership position in this

"Nowadays you have to explain things to customers more because they no longer know what children are riding. Brand names have become less important."

market segment, because it is the largest collection of children's bicycles in the country. "People are amazed when they step inside. They've never seen anything like it, and they never leave empty-handed," comments Boelsz. "Dealers visit our showroom to gain new ideas and often rearrange their display of kids' bikes as soon as they get back to their shop. They also see the power of a wide variety of choice. You won't break into the market by offering just two kids' bikes, that's never going to work."

Children's bikes are not the biggest moneymakers, as Boelsz himself readily admits: "A consumer who buys a children's bike isn't going to generate hundreds of euros for you, that's true, but they will leave as a satisfied



customer – and they are likely to keep coming back as they move towards adult bikes. An average child gets through four bikes, because they keep growing out of them. Not all customers can afford kids' bikes. In the past customers always used to choose expensive options because 'expensive' automatically equalled 'good'. Nowadays you have to explain

"A children's bike isn't all that price sensitive; only 10% of consumers focus purely on the price. Most people also want to buy based on trust, which is why it's so important to provide good advice."

> things to customers more because they no longer know what children are riding. Brand names have become less important." The market for kids' bikes is also changing rapidly, which is why the company is continuously working to update its collection in terms of colours, designs, frames and accessories. "Our specialism is an important strength; it's definitely an advantage that we can offer so much variety. We listen to our dealers and try to respond to their needs if they – like us – believe in selling children's bikes."

Mature business

One thing consumers struggle with is determining the right size of bike for their child – and that's an excellent reason for them to visit a bike shop. "If you have a couple of bikes on display in each size, you'll soon strike it lucky," states Boelsz. That is also why Kubbinga prefers to sell its kids' bikes through the dealer channel. Although lots of people are initially triggered by the low prices they see on the internet, Boelsz claims that the price incentive usually only lasts for a couple of days. "A children's bike isn't all that price sensitive; only 10% of consumers focus purely on the price. Most people also want to buy based on trust, which is why it's so important to provide good advice. Once you've got people into your store, colours play a big role and brand licences are very important too. Bikes with a Disney theme (Cars or Frozen), for example, and Paw Patrol are always a big hit. We have complete licences, so not just for bikes but also for accessories. To be honest, I think it's fair to say that selling children's bikes is a mature business," concludes Boelsz.

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Rick van 't Land | Edwin Groen Tweewielers

'You have to differentiate on service'

The Edwin Groen Tweewielers bike shop has been based at the same premises in Heerhugowaard for over 30 years. The massive store sells every conceivable kind of bicycle, and part of the shop is also dedicated to the kids' bike segment.

s you walk around Groen's shop, you soon realise that if you can't find what you're looking for here, you won't find it anywhere. There is plenty of choice on offer in the 'kids' corner' too; in that respect, this section is no different from the rest of the store. The shop was reopened two years ago following a refit and an extension at the front, and Groen is now able to display lots more bikes in each segment. The kids' bike department features brands from various suppliers, including the Volare collection. "We don't have the entire range on show here, but most of it. That's really important from a customer perspective. A large and varied product offering encourages consumers to visit your store. People who come here looking for a



kids' bike also want to take the bike home with them straight away, so you have to have a wide assortment," says Van 't Land. "Another good

"People living in towns and cities tend to do more research on the internet whereas people from rural locations are more likely to come and take a look in the shop. We've noticed that people are increasingly coming from further afield."

thing is the price positioning; it's always more affordable than the major A brands."

Customers from further afield

According to Van 't Land, a large inventory is crucial to selling children's bikes successfully. "In that respect Kubbinga is a fine supplier to work with because if we need new models they can be delivered quickly."

Groen not only sells kids' bikes in the shop, but also online through its web store. Van 't Land says that roughly the same amount of kids' bikes are sold online as in the shop: "People living in towns and cities tend to do more

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research on the internet whereas people from rural locations are more likely to come and take a look in the shop. We've noticed that people are increasingly coming from further afield, and they bring their children with them 90% of the time so that they can try the bikes out for size, see the colour and look at accessories such as baskets."

Facebook deals

The sales level of kids' bikes remains reasonably stable all year round, and Van 't Land doesn't notice any particular in-store peaks around special occasions. "No, we never see a peak around the St. Nicholas holiday, and things like the first communion have largely fallen out of fashion. We do see a boost around school holidays, so that kids can ride their bikes during the holidays or to get them ready for going back to school." In terms of promotions, the kids' bikes are included in Edwin Groen's marketing activities for all the other bikes. "Advertising is pretty expensive, of course, so we don't tend to do it just for kids' bikes, but we regularly include them in our more general adverts or promotional campaigns," explains Van 't Land. "We promote Facebook deals quite regularly, such as special offers or a giveaway. But the most important thing of all is to provide good service; it has to be outstanding. People who come to a specialist shop to buy a children's bike expect something extra. The internet has made prices very transparent, so you have to differentiate on service. If a bike has been dropped, if the crank is bent or if they turn up with a flat tyre, you need to sort it out for them."



Edwin Woudt | Woudt de Fietsspecialist

'Kids' bikes are a great customer loyalty tool'

Kids' bikes are mainly sold through specialist stores and toy shops. In that sense, Edwin Woudt from the Dutch town of Koog aan de Zaan kills two birds with one stone, because his bike shop, called Woudt de Fietsspecialist, is combined with a branch of Intertoys.

t's a terrific combination and the perfect fit in terms of seasonal cycles. Just as the bicycle season is winding down, the festive period is in sight, so we complement one another well. A wall in the Intertoys shop has been knocked through to lead straight into the bike store, because we sell kids' bikes too. Customers can actually immediately see our display of children's bikes through the opening," explains Edwin Woudt. "We also sell the occasional kids' bike as Intertoys, but in that case it's still in its box."

Different kind of focus

Selling children's bicycles in his specialist bike shop goes much further than that. Children can try out the bikes for themselves, and



customers receive professional advice. "Plus the bikes are supplied almost fully assembled. That's how we add value," continues Woudt.

The bike expert believes it is important to sell children's bikes with conviction. "You should either do it wholeheartedly or not at all. Many people can't be bothered, because it requires a different kind of focus. That's why not many bike shops stock them. But we really enjoy selling kids' bikes, and of course we have an affinity with children, otherwise we wouldn't run a branch of Intertoys."

Intensive users

Woudt claims that selling kids' bikes can also be lucrative. "Adults only buy a new bike a couple of times in their lives, whereas children need a new one every two years. They need different types of bikes as they grow, and hopefully when they're older they'll come back and buy a bike themselves. Children and young people are intensive bike users which makes them an interesting target group. And kids' bikes can be a great customer loyalty tool because it's the adults who pay for them. If you can build up a good relationship with the parents, they'll come back to you when they need a bike themselves too."

Shop or web store

Woudt believes that it is best to specialise in either store-based selling or online retailing; he finds it hard to do both. "We're concentrating on selling through our shop. Our repair shop means that we're also more focused on service, and that's difficult to get across on the internet. Just like skiing and ice skating are two completely different things. On the internet you often find yourself competing with companies that earn money by selling bikes but are only interested in winning market share. We present our kids' bikes on the internet, of course, but we don't sell them online. Our website has got a web store, but there are no kids' bikes in it."

Good category management

To sell kids' bikes successfully, it helps if you also have a knack for dealing with children. "Children are very rewarding customers. They are really happy when they get a new bike; it's a big day for them. We provide professional advice and let the children ride around on the bikes to make sure the size is right. You want to be certain they'll be happy," says Woudt. Last but not least, he recommends good

"Children are very rewarding customers. They are really happy when they get a new bike; It's a big day for them."

category management and presenting a wide choice. "Our shop isn't very big so we have to make smart use of the available space. We work in size groups and have at least four models for boys and girls in each size. You have to make decisions about your collections depending on where you're located. Here in the Zaan region customers don't tend to pay top dollar, so Volare is ideal with its range of kids' bikes that really appeal to children. 'Normal' is good enough."



Tok Ramazan | Spaarbikes

'It's easier to sell when you offer a big choice'

Tok Ramazan has been selling bikes in The Hague for almost ten years. Ramazan's shop is in a working-class neighbourhood with lots of young families, and he prices his kids' bikes affordably for them.

uying a bike from Ramazan helps you to save money, which is why when he opened the shop in 2008 he decided to call it Spaarbikes (literally 'savings bikes'). Although he focuses heavily on low prices, Ramazan also regards service as very important. "I have to keep plenty of stock in all sizes because so many children live in the neighbourhood. Having a lot of bikes on display creates a bigger choice and makes it easier to sell. I've got around 1,500 bikes here altogether - they're not all kids' bikes, but a lot of them are. People like to be able to compare and contrast: brands, colours, models, frames, you name it. Here, they can look first and then buy. That's important, because otherwise



they'll go somewhere else afterwards. They usually have a rough idea of what they want."

Shop sells more than online

In the peak season Spaarbikes is open seven days a week and is continuously available

"If people have problems trying to assemble a bike themselves they'll often bring it back, which is why we prefer to do it ourselves, then it's right first time."

online. "On the internet, it's all about the price. The people who look online usually focus on price only, and if they can get the same product elsewhere for ten euros less they will. Our prices are the same whether you buy in the shop or online. But if you buy in the shop we make the bikes ready to ride for free. You can't do that on the internet, of course," says Ramazan. "If people have problems trying to assemble a bike themselves they'll often bring it back, which is why we prefer to do it ourselves, then it's right first time." Ramazan says that he sells a lot more in the shop than he does online: "Because people like to see and try the bikes out for themselves first. A lot of web stores don't have a showroom or a workshop. Sometimes people don't even know what they're buying. I recently spoke to someone who had bought a 24" bike and thought it was for adults."

Drop shipping

To stimulate the sale of children's bikes, Ramazan sometimes runs promotions. "Suppliers often run special offers if they have a lot of stock, and we usually take advantage of them. Kids' bikes usually last for around two years and then the children grow out of them, which is why parents aren't usually willing to spend too much money on them. That's why I like selling Volare. The price/quality ratio is good. A-brand manufacturers offer the same quality but are much more expensive. Besides that, you can rely on Kubbinga if there are any problems. They offer good service, and that's particularly important if you want satisfied customers. The company also helps in terms of drop shipping and can arrange home deliveries if necessary. So you can make your customers happy and that's what matters, because my customers expect me to solve any problems quickly."



Jeroen Kuijpers | Kuijpers Tweewielers

'People find us through online platforms'

Together with his brother Leon, Jeroen Kuijpers runs the Kuijpers Tweewielers bike shop that was founded by their father in Helmond in 1979. The whole of the first floor of the shop is devoted to children's bikes so that they can be optimally presented. It is a completely separate department, including colourful paintings on the walls, just for kids.

ccording to Jeroen they stock between 100 and 150 kids' bikes, scooters and run bikes. They sell at least a couple of kids' bikes every week, thanks in part to the fact that the Kuijpers shop is located in a neighbourhood of young families, with a couple of schools nearby. "So if you put a nice kids' bike in the window, plenty of people will see it while they are on their way to and from school with their children," says Kuijpers. "We've always sold lots of kids' bikes. The A-brand manufacturers aren't always able to supply, so we started to look at other brands and that's how we discovered Kubbinga. Customers also come to us through our website, social media and the Dutch online platform called Marktplaats. We advertise on



there too because lots of Dutch people search on the internet nowadays and they often start with Marktplaats. We've got more than 10,000 followers on Facebook. If a new Disney-themed bike is launched, we put it on social media – and it works, because a lot of people still use it. We occasionally organise an offer or a giveaway, and that always generates lots of positive feedback in the shop."

14" not to be ignored

For Kuijpers, the most important thing is to be able to offer customers sufficient variety: "We carry stock of each size and in different colours too. You have to give your customers enough choice. A lot of businesses say 'no thanks' when it comes to children's bikes, but not us. We've clearly built up a good reputation in the region because our customers come from all over the place."

According to Kuijpers, the Volare collection often includes some interesting items, not least thanks to the Disney licences. "It's very important to have a good range, especially in the 12", 14" and 16" categories, but many manufacturers neglect those sizes. We sell quite a lot of 14" bikes. Another thing I like about Volare is the large collection of kids' bike helmets and Disney items. The accessories (bells, baskets, decorations, etc.) are really easy to cross-sell, it's almost effortless. People nearly always bring their child along with them if they're planning to buy a bike so that they can choose it themselves. Right now Frozen is popular with girls, and for boys it's Spider-Man. Once you've let your child have a go on such a lovely bike, it's almost impossible to get them off it again!"

Ready to ride now, not later

Besides healthy sales in the shop, Kuijpers makes sure he doesn't miss out on online revenue opportunities. "It takes a bit more effort to sell online, but it pays off in the end. On the internet, customers are mainly focused on price so you have to give them something extra. For customers within a 10km radius we offer free home delivery of ready-to-ride bikes." In Kuijpers' opinion, it is important to display

"Right now Frozen is popular with girls, and for boys it's Spider-Man. Once you've let your child have a go on such a lovely bike, it's almost impossible to get them off it again!"

the bikes almost fully assembled in the physical store too. "Once they've decided which one they want and the size is right, we give the bike a quick clean, pump up the tyres and then let the customer take it home immediately. You can't tell a three-year-old child to come back later when we've got the bike ready to ride, can you?"



Selling kids' bikes successfully **10 Golden Rules**

- Present a wide choice in the store.
- Display multiple models in all sizes.
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Present the most popular models in the store and the rest online.



Create the right experience around the bikes (colourful, famous characters. etc.)



Ensure customer satisfaction, provide good advice and professional service.



Interact with the children who come into the store, ask them questions and take an interest in their preferences.



Think up appealing offers and capitalise on seasonal peaks.



Do lots of promotion on social media, especially Facebook and Instagram.



Advertise on online platforms such as Marktplaats, because consumers often look there first.



10 Turn the purchase of a new bike into a special occasion and generate good PR by word of mouth.



If you have any questions about selling kids' bikes, feel free to contact us without any obligation.

This information is brought to you free of charge by



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