

THE HOSPITAL Gift Shop SCENE

Physical stores have modified product sourcing and are creating online shopping platforms

BY JUNE ALLAN CORRIGAN

Contributing Writer



Vaccine Badges. Nurseology. Circle 252.



Above: El Camino Health Hospital Gift Shop offers a Flatyz display.



Right: Plantable Greeting Card. Cute Root. Circle 253.

The pandemic has proven especially challenging for hospital gift shops given their clinical setting. On the upside, it has afforded many in this retail niche an opportunity to establish a website and expand into online sales.

“People have become so used to doing everything online. It created an opening for me to approach hospital senior management and say, ‘We need to have a web presence,’” said Patty Tager, manager and buyer for the four gift shops on El Camino Health’s hospital campus in Mountain View, California. Customers calling in flower orders for patients have been surprised to learn no website exists. “We’re in Silicon Valley after all! My staff have literally taken pictures of floral arrangements and sent them on their personal phones,” Tager explained.

MORALE BOOST

As the pandemic bore down, hospital gift shop consultant Lilly Stamets began hosting monthly Zoom meetings with approximately 45 managers across the country. Gift shop closure was rampant, and many were at a loss about what to do. “I urged them to ask their leadership: Is my department considered essential or non-essential?”

Fortunately, some hospital CEOs recognized the value of gift shops and felt they would boost employee morale considerably during the crisis. It’s not uncommon for at least 75% of hospital gift shop business to be rooted in staff purchases. “Shops soon started carrying toilet paper, pasta and the like. Staff finishing shifts didn’t want to stop at a grocery store on their way home and risk more exposure,” Stamets said.

Employees have certainly kept The Shop Around the Corner at University Medical Center of El Paso in Texas open and afloat. Staff purchases account for approximately 90 % of sales inside the 450-foot store, which at press time still remained closed to the public. “Our volumes went down but expenses did not. However, by managing our inventory, margins and price points, the gift shop has not shown a loss,” Debbie Perea, supervisor and buyer, said.

A website has never been in The Shop Around the Corner’s toolkit either. Happily, that is about to change as Perea is in the process of building one. She acted on advice from Stamets who counseled store managers blindsided by COVID to work on projects they’d previously relegated to a back burner. Mounting a website topped quite a few lists. “Many hospital gift shops were finally able to get their IT department’s ear. CEOs were asking ‘Well, why doesn’t the gift shop have an online store,’” Stamets said.

Cash sales pretty much vanished at these establishments for sanitary reasons. Credit card transactions both over the phone and in person became the norm and many shops relied on Square. If they already had an

active website, many leaned into e-commerce platform Shopify to keep sales humming.

PRODUCT SOURCING

Product availability has been hit and miss. “My approach to acquiring inventory has changed, possibly forever,” said Tager. No longer willing to place orders with large importers six to eight months in advance, she found a lifeline in Faire.com. “They have great categories, really unique items and a pretty robust search engine.” Tager loves the site’s low minimums, the fact she can buy singles instead of sixes and, depending on vendor and product, fast shipping.

Fossil handbags and accessories have always driven sales at The Shop Around the Corner but lately its supply chain has suffered. “I’ve picked up another high-end resort line called Spartina 449 to fill the gap,” said Perea. In the candy department she relies on two main distributors, but one featuring specialty items is having trouble fulfilling orders so she’s been counting on the everyday sweet treats provided by the second.

“It just depends on the line. Some things arrive and some don’t,” Perea said. Pre-pandemic, she might have ordered a variety of theme-centered items from just one vendor. These days, she’s learned this frequently results in piecemeal delivery. “Let’s say I’m doing a bee theme. It’s smart to split up your vendors and order a variety of



The Shop Around the Corner at the University Medical Center of El Paso, Texas offers stunning displays of products across categories.



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things from different ones. That way you'll get enough to make your display and as things trickle in, you can supplement it."

EMERGING TRENDS

Tager sees people embracing gift items that embody kinder messaging. "They're moving away from snarky humor and towards warmer, feel-good kind

of products." As the pandemic recedes, Perea foresees shoppers wanting to indulge. "I think they're ready to spend and if you can target what your customer base wants, you'll be amazed at the numbers you'll achieve."

MORE TIPS FOR RETAILERS

- Stay connected with other hospital gift shop managers. They're an invaluable support system and a source of great ideas.
- If merchandise isn't selling, move it to a different spot or devise a fresh display. Shoppers are drawn to what they think is new.
- Keep inventory low but varied in challenging times. In order to maintain a profit margin, it's wise not to tie up funds in merchandise that is not moving. *GS*

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