

LESSONS LEARNED | BY GERSON ROSENBLUM

Don't Collect Lines

In last month's column, I urged caution when assessing manufacturers' dealer agreements. In the interest of fairness and equal space, this month I will address dealer obligations in their relationships with suppliers.

It's an age-old line drawn in the sand: Manufacturers expect music retailers to represent the breadth of their product lines, and dealers, in the interest of cash flow and available floor space, often attempt to cherry-pick the lines they carry. And why not? Why invest in Model 85 when Model 58 sells 10-times faster? The answer goes far beyond a simple inventory-turns equation.

YOU CAN'T BE EVERYTHING TO EVERYONE

To understand, look at the landscape as it exists today, particularly on the combo end of the music products industry. Music store buyers hate the idea of not having something that a customer requests. In buyers' attempts to be all things to all shoppers, they tend to carry more lines than they can possibly support. And as a consequence, they tend to focus on the best movers in each line.

So how has that been working out for you? Have you noticed that no matter what you have in stock and no matter how carefully you've analyzed typical buying patterns that somehow your customer is *not* typical and wants something you don't stock? Worse, he can find exactly what he wants on the Internet tonight and have it tomorrow — with free shipping and no tax.

While you're trying to be everything to everybody, don't you often feel like you are no one to anyone? Have you experienced the frustration of having a fortune in inventory and still not satisfying your customers? I know I did.

In our attempts to have whatever our customers want, we tend to spread ourselves so thin that we often miss the mark on customer demand. The bottom line is

that it's not working, which begs the question: Why do we keep doing it?

BECOME THE SPECIALIST

Instead of continuing to represent many lines poorly, I submit that this may be the perfect time to experiment by initially picking one brand to support extremely well. Pick a category and a manufacturer with whom you can work best. Then, focus your efforts on that line.

Show the range of products they make, learn them better than you've

ever learned any other product and sell them the way they deserve to be sold. Make your store a destination where customers can find gems that your competitors don't carry. With enough of a commitment from you, I think it's reasonable to ask for a return commitment from the manufacturer. This may take the form of dating, samples, displays, clinics or any number of other creative possibilities.

Imagine how this would play out. Can you envision a local market where each dealer is unique and defined by the lines it supports? Instead of everyone selling the same stuff and the customers being frustrated into having to look online for real selection, what if local dealers became true specialists on a limited number of lines? I think that the dealers would be better served, as would the manufacturers and, ultimately, the end users.

There's nothing revolutionary about this concept. In fact, most old-time dealers got their start doing business this way. The only thing maverick about my suggestion is that it's always harder to drop lines than add them. But sometimes, less is more, and I believe everyone would win on this one. **MI**

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