

INDEPENDENT RETAIL | BY TED ESCHLIMAN

Innovations With Impact

PBS's "Nightly Business Report" recently published an intriguing list, "The Top 30 Innovations." It went through 30 technological developments that changed our lives and businesses since the program's 1979 premier. Since I've been in music retail for 29 of those 30 years, I wanted to offer a condensed list of the top five innovations that have affected music retail, particularly independent retail.

Toll-free telephone numbers. You might recall the days prior to 1980 when calling Grandma on her birthday cost a morning's salary. It was a considerable disincentive for interstate commerce. So when 800 numbers became widespread, calling around to price shop took on a much broader dimension. I recall being a college student and hearing discussions around campus about new places to call (for free) to get "warehouse pricing" on a professional model trombone.

FedEx and UPS shipping efficiencies. Effective shipping exploded in the '80s with the competitive energies of UPS, RPS and FedEx for relatively inexpensive, immediate goods transportation. You no longer had to wait for the Pony Express (or the U.S. Postal Service) to ship product. We used these services routinely as retailers, but their widespread use among consumers also diluted our role as middlemen. Last month, a mandolin builder in Idaho sent me an instrument from his bench on Thursday at noon. It got to my shipping room in Nebraska before 10:00 the next morning — at a nominal percentage of the mandolin's purchase price.

Specialty music print publications. We take for granted the gamut of consumer music periodicals, but I recall when *Modern Drummer* and *Guitar Player* were more niche than mainstream. The explosion of print technologies, mass distribution and specialty interest (*Celtic String Musician*, anyone?) has taken the exchange of niche information once monopolized by the local music dealer to the masses. Even prior to the cyber highway, customers had

become equipped with full-color pictures and the latest manufacturer news.

Bar coding (computerized inventory). In the retail industry, handwritten tickets are tantamount to keeping the day's cash deposits in old socks. The Stone Ages are behind us — except when the power goes out. We are now fated to keep our inventories and daily accounting computerized. Auto-replenish reports are standard and affordable. Never before has keeping inventory tight and restocking "just in time" been more effective.

The Internet. (Duh.) Consumers' opportunity to acquire information

now seems to undermine our role in the supply chain. Manufacturer Web sites, list-serves, and domestic and international access to competitive storefronts threaten to subvert our mission of bringing goods to customers. The trade off: We have new ways and methods to "reach out and touch" customers with e-blasts, cyber-advertising and video demos, all at unprecedented low advertising costs.

These developments might be misconstrued as a menace to businesses, but smarter dealers have exploited these advances rather than let themselves be victimized by them. Toll-free numbers let us market to other ends of the state, not to mention across the nation. The shipping industry has made it possible to redraw local trade boundaries. Specialty print creates an educated (and preconditioned) customer, meaning less selling and more providing. Computerized inventory offers the opportunity to be more business-like, virtually eliminating inventory holes. The Internet has freed us from exploitative *Yellow Pages* advertising and mainstream media costs. Change can be a good thing. **MI**

Got an addition to the list? E-mail tede@dietzmusic.com or the *Music Inc.* editors at editor@musicincmag.com.

Ted Eschliman is a 29-year veteran of music retail and co-owner of Dietze Music in Southeast Nebraska. Mel Bay published his book, *Getting Into Jazz Mandolin*.



The five most influential innovations to affect music retail in the last 30 years