

INDEPENDENT RETAIL | BY TED ESCHLIMAN

Surviving in Retail

Our local Sunday morning paper recently ran an article — no, make that *lament* — chronicling attempts to convince local grocers to open corner stores downtown for the emerging population of “urban lifestyle” residents. Any number-crunching business owner could see why the grocers were reluctant.



One resident dreamed of “something like a Wal-Mart Express that’s cheaper but less corporate and more local.” Another wanted a downtown pharmacy that offered milk and eggs but at convenience store prices. The reality is these residents valued price over convenience and remained committed to driving out of their neighborhood for cheap groceries.

Pondering the extinction of the corner grocery store begs a question: What’s in music retail that makes a business viable? The three main requisites are: price, convenience and soul. And any two out of the three are crucial to survival.

Price. Contrary to popular belief, no one wins at retail by offering the cheapest price. Selling your goods at cost or lower is a recipe for chronic failure. Profit is a necessity for viability, but there are other ways to offer price besides simply selling everything cheaper. You can “guerilla price” random visible items, and you can move products at a reduced margin faster and smarter — given an appropriate population and healthy traffic.

With Google search and Internet shopping, our customers are more aware of market pricing than ever before. They know what they can pay, and if you aren’t at least within the game, you don’t stand a chance of getting their return business.

Convenience. We usually think “location” when it comes to convenience, but there’s so much more to it. Are your store hours open when customers are shopping? The Internet is, and it’s open 24/7. Is your showroom uncluttered? Is product easy to find, labeled and priced? Are your employees helpful or condescending? Are they responsive and accessible? How quickly can customers check out but still leave the store with everything they need to make their musical activities enjoyable?

Soul. This third element is more circumstantial, but we know it when we see it. The store that supports every arts organization; has a staff of earnest, overt music appreciators; and carries a vibe of always going to the nth degree to satisfy customers has soul. Reputation, honest community investment, demonstrable integrity and a consistent fairness are the hard-earned elements that inspire your customer to belong to your club.

So, here’s the rub. You need two out of the three requisites just to keep the doors open. You can have price and convenience — box stores excel at this — but no soul. Still, they survive.

To really win requires all three. You need a plan for strategic pricing, one that instills profitability but demonstrates a viable competitiveness on the items people shop the most. You need a storefront that’s easy to get to and makes the lives of your customers easier.

The hardest to attain is soul. This is something that’s earned over a long period of time. It requires integrity, not just attention to the customer’s wallet, and a commitment to nurturing and developing music making skills and enjoyment. **MI**

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The three main requisites for being a viable retail business