

INDEPENDENT RETAIL | BY TED ESCHLIMAN

Chapters We Turn

Humans are prone to settle. We get comfortable and ignore — often to a fault — the world that is changing around us, whether through passive resistance, or in outright rebellion. The new year is great for ringing in the new, but I'd suggest we also think “out with the old.” Sometimes we have to close chapters before we can move on.

Two years ago, I documented our store's move in *Music Inc.*'s January 2014 issue. In the article, I lamented our poor real estate decision to dig in to a storefront rich with tradition and nostalgia, but poor in traffic. Escaping irreversible decline, the opportunity to leave proved triumphant. The biggest takeaway from that experience was how we'd placed too much emotional stock in sentimentality over physical foot counts and traffic, let alone comparative gross sales. The move was a complete success. Gross sales in most departments proved better, expenses significantly reduced and customers liked the convenience of our other stores.



Make a resolution to cut costs by cutting extraneous expenses

TRIMMING THE BUSINESS 'FAT'

Beyond geography, there are other smaller scale doors we should regularly consider shutting. Inventory can be a tough one when it comes to purging instruments we grow nostalgic over. We fall in love with precious stock on the hooks, but romance doesn't pay the lighting bill. We have to exercise diligence in aging reports and routinely cull items we like, but aren't producing a return on investment.

Vendor relationships also require periodic review. If a line is not moving because it has grown out of vogue or technology has passed it by, we can't let the warm fuzzies of our rep relationships cut into our bottom line.

At minimum, these brand and product type performances should be evaluated yearly.

Exponential technological changes require us to be on our toes with obsolete equipment. Do you still send and receive faxes? Fax software opportunities make a dedicated phone line an insane investment. Social media, Google, Yelp and online search resources make

the huge payments to Yellow Pages wasteful. If you haven't already closed the chapter on the dinosaur phone book, you're squandering thousands that could be going into more current options.

Are your employees bringing home the bacon? If your store's specialties have changed over the years, are you matching the expertise of your personnel with the current needs of your customers? If you hired folks years ago who are experts on print music, accordions, organs or pro wind instruments, ask yourself: do sales of these products still justify the investment of their salaries and benefits?

Times change for store policies as well. Rising government mandate over minimum wage ultimately demands more out of our employees. We'll continue to have to trim the fat, especially as employers are legislated to take responsibility in health care.

Changes can be cultural, too. Salesfloor dress code policy needs to be tweaked to assure we are matching societal shifts. Certainly, our people should look nice, but what we would have considered completely unacceptable in tattoos and piercings even a decade ago have become accepted. No more white shirts and ties of the 1950s. Auld lang syne. **MI**

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