

Retail Salespeople... The Hope of The Industry

Following the introduction of the American Music Conference's industry-wide marketing plan, there has been much discussion about the problems facing the music industry. The recurring theme of these discussions is, "Interest in musical participation is waning; thus the industry should mobilize to sell the general public on the benefits of music."

Selling the many benefits of music should be the cornerstone of any promotional plan. However, we are not so sure that the problems of the industry have anything to do with a decline in the public's desire to make music. On the contrary, there exists some hard data that indicates that the desire to make music is as much a part of the social fabric as ever.

For the past seven years, *The Instrumentalist* magazine has surveyed 20,000 band directors to determine the state of school music. While not totally conclusive, the findings point to a steady increase in the number of children participating in school music programs. Furthermore, the survey reveals that, while 9% of the total school population was involved in instrumental programs in 1976-77, 15% were involved in 1982-83, a significant jump.

Another indication of strong interest in music is the fact that 1983 saw a record number of individuals purchase some type of keyboard instrument. When portable units and synthesizer sales are included with traditional instruments, total keyboard sales for the year come to a staggering 670,000 units.

While certainly not conclusive, these cursory findings would indicate that the problems plaguing the industry are not caused by a lack of interest in making music.

Speaking broadly, industry problems can be traced to a number of factors. School bands on tighter budgets are refurbishing more old horns and buying fewer new ones. Many music dealers have yet to develop profitable formulas for selling portable keyboards. Manufacturers are experiencing stiff competition from a glut of used, yet still serviceable, instruments on the market. Most significantly, however, due to the recession, financial compensation for retail sales personnel has declined in real dollars, making it difficult to attract and hold qualified personnel.

To date, the retail sales person remains the single most important individual in the music industry sales chain. With a few exceptions, musical products are sold face to face, one at a time. Thus, qualified salespeople are essential. As one dealer quipped "If they figured out a way to sell this stuff by postcards, we would have been out of work long ago."

Rather than worrying about people losing interest in

music, perhaps industry problems should be addressed by cultivating better sales personnel. This is a process that cannot be achieved on a national basis; nevertheless, every retailer and manufacturer can make a contribution.

For starters, retailers should measure the effectiveness of their sales people. One good method is by calculating a sales close ratio; in other words, how many sales are closed for every sales presentation. With this information in hand, a retailer has a base for gauging any improvement.

Over 200 years ago, Francis Bacon aptly said, "Knowledge is power." For a salesperson, there is no substitute for solid product knowledge. Retailers can do a great deal to create knowledgeable salespeople. Start by establishing a reading program. Whether it's trade publications or manufacturer publications, salespeople should take advantage of the wealth of information on product trends, sales techniques, etc., that is readily available.

To augment an active reading program, consider sending salespeople to the various manufacturer-sponsored training programs and clinics. In addition to creating enthusiasm, these seminars also are helpful in honing sales skills. If not manufacturer seminars, consider local community college courses as a means of training.

Finally, offer sufficient compensation to make it worthwhile for an individual to devote his or her energies to selling musical products. When calculating compensation costs, consider the cost of a high turnover rate. Paying more to keep someone on a long-term basis is invariably less expensive than continually trying to keep a position filled.

Out of sheer self interest, manufacturers should also probe whatever means possible to improve the effectiveness of the salesperson on the floor. A manufacturer who helps a retailer in this fashion will unquestionably be rewarded with increased loyalty and business.

Influencing social mores is a huge task beyond the capabilities of even the most sophisticated marketers. Thus, rather than focus on creating more music makers, the industry would do well to improve its selling effectiveness. A mere 5% increase in close ratios could yield immense industry-wide sales gains.

There is probably no single action that can increase a business 100%. However, there are usually ten things you can do that will create a 10% increase. A few 10% improvements would go a long way to curing any industry woes.

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