

Music Trades' Poll Proves Two NAMM Shows \$\$ Effective

NAMM shows have become such industry fixtures that most people plan their calendar around them. Through a 24-member board of directors, retailers are in a position to express their views on the management of the trade shows and all other facets of NAMM's operations. The industry suppliers contribute the bulk of NAMM's finances; however, they have only a limited opportunity to make the sentiments known to the association's management.

In an effort to address this situation, *Music Trades* recently conducted a survey of 500 companies that exhibited at the last two NAMM shows. The survey, which probed opinions on NAMM's trade shows, finances, and industry programs, drew a whopping 228 responses.

Much of the feedback should be gratifying to the management of NAMM. Over 60% of all exhibitors rate the trade shows cost-effective, and a majority of exhibitors favor two shows.

On the matter of association finances, however, there is considerable discord. Over 90% of all exhibitors feel strongly that NAMM's \$5.5 million equity

and \$1.3 million operating profit (as of 1985) are excessive, given the level of services the association provides to the industry. Respondents to the poll stated that the association should either cut exhibit space fees or develop some effective promotional vehicles to reduce the surplus.

While suppliers generally feel that NAMM's current profit structure is excessive, they place a high value on the association's services and express a strong desire to maintain its solvency. On average, exhibitors felt that NAMM was entitled to a 12% return on trade show sales. Twelve percent net on sales would make NAMM one of the industry's standout financial performers.

The complete survey results are published elsewhere in this issue. We hope that in some small way, this compilation of data serves to further constructive debate within the industry.

Paul A. Majeski
Publisher

AMC Poll Targets Opportunity

For decades, we have published editorials urging retailers to adopt some type of in-store teaching program. A recent market survey, conducted by the American Music Conference and funded by NAMM, has uncovered the most compelling reason yet for in-store teaching. According to survey findings, a full 50% of parents cite a lack of qualified music teachers as the primary barrier to their children's learning to play an instrument. Other barriers frequently mentioned include the difficulty of making a child practice regularly and the fact that children often lose interest.

A time-tested selling strategy is to discover a consumer's objections, overcome the objections, and close the sale. AMC's important research identifies a major "objection" towards music that the industry should attempt to overcome.

Given the current state of affairs, it's not surprising that such a large percentage of parents cite a lack of qualified music teachers. While statistics do not exist, anecdotal evidence leads us to believe that active teaching operations exist only in a minority of

retail music stores. A regular review of retail newspaper advertising confirms this suspicion. Amidst the headlines proclaiming "Best Prices," "Inventory Blow-Out," and "Sale," retail music advertising rarely makes any mention of music education.

There is little we as an industry can do to stretch children's attention spans or enhance their practicing habits. However, we are in a position to cultivate qualified music teachers and widely publicize their availability. If the industry can make music education more readily accessible, it stands to reason that a sizeable percentage of that 50% of all parents might become customers.

Fortunes are generally made by those individuals who can identify and satisfy a need in the market. AMC's research has identified a glaring need for stepped-up music teaching programs. We suspect that those retailers who aggressively attempt to satisfy this market need will be handsomely rewarded.

Brian T. Majeski
Editor