

Flouting Nature's Laws

One of the basic rules of nature is that the more scarce a commodity is, the more precious it becomes. This axiom is reflected in the hefty premiums commanded by perfect gem stones, old master paintings, Stradivarius violins, and fine French Burgundies. For some inexplicable reason, however, the music industry tends to run counter to natural law. Consider prevailing manufacturer attitudes towards music retailers.

Music dealers are perhaps the industry's scarcest resource. This fact is potently illustrated by the Top 100 dealer ranking that begins on page 68 of this issue. According to the U.S. Census, furniture manufacturers can offer their wares to some 120,000 retail outlets. Television sellers have 82,000 retailers to choose from. There are even 17,000 pet stores. Yet, the \$3.4 billion music industry is dependent on less than 6,000 skilled and dedicated retailers. Furthermore, some 300 music dealers generate half the industry's total sales. Given this severely limited universe of retailers, you would think that the industry's suppliers would view them all as precious assets to be revered and cultivated.

Somewhere along the line, however, a distressingly large number of suppliers lost sight of the critical importance of the music retailer. While they all pay lip-

service to the importance of the retailer, few put their money where their mouth is. For example: How many manufacturers have scrupulously limited their distribution to enable retailers to avoid debilitating price wars and earn a decent profit? How many manufacturers have attempted to manage product close-outs to keep their dealers from taking large inventory write-downs? And on a smaller level, how many sales reps take the time to sincerely thank a dealer for his business?

In any given market, there are more product lines available than there are retailers to adequately represent them. Furthermore, quality and value are so uniformly high in most product categories today that a competent dealer can be successful with just about any of the major product lines. Given these market realities, treating dealers properly is not merely a matter of etiquette, but rather one of survival. It goes without saying that manufacturers with the best dealer networks will prevail in the coming decade. Thus, we would urge the industry's suppliers to observe the laws of nature and recognize the value inherent in scarce commodities.

Brian T. Majeski
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An Inspired Industry Promotion

Over the years, most industry efforts to promote musical participation have been long on good intentions but short on substance. In the overwhelming majority of cases, messages have been nebulous and unconvincing, coordination between manufacturers and retailers has been non-existent, and expectations have been unrealistic. Thus, the Piano Manufacturer Association International's sharply focused effort to stimulate piano participation represents an exciting departure from past precedent. Combining a strong advertising message with a carefully choreographed manufacturer/dealer follow-up, the PMAI program represents the best industry promotional effort in memory.

Details of this campaign are fully outlined on page 133 of this issue. In brief, however, the program consists of heavy television advertising tests in Green Bay, Wisconsin; Des Moines, Iowa; and Salt Lake City, Utah, along with a concerted retail promotional effort. The advertising message, which is aimed at young mothers, stresses that piano lessons instill coordination,

confidence, and concentration, and enhance the educational experience of any child.

Testimony to the potential of the program is the fact that it is being jointly underwritten by piano manufacturers and the local dealers in each market. The association hopes that if the program proves successful, it can be instituted in other markets around the country.

We would strongly urge NAMM to lend financial support to this undertaking. Few, if any, other promotional efforts have comparable merit. The PMAI and the retailers of Des Moines, Green Bay, and Salt Lake City are deserving of praise for their efforts to stem the decline in the number of amateur music makers. We hope that NAMM augments the industry's moral support with much needed financial assistance.

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