

Looking For Those 10% Ideas

Let's face the painful truth. When it comes to marketing, the music products industry is not exactly on the cutting edge. As a small, fragmented business, the best we can do is selectively borrow from larger firms that have the benefit of massive marketing budgets and staffs. Wal-Mart has created the largest retail business in the world around the concept of "every day low prices." Guess what? A growing number of music retailers have found that adopting a similar pricing policy has helped enhance customer confidence.

The hottest new trend among big-time marketers goes under the buzzword "micro marketing." The Procter & Gambles, Johnson & Johnsons, and Nabiscos of the world have realized that with a population base that is increasingly fragmented along ethnic, racial, geographic, economic, and lifestyle lines, one monolithic promotional effort no longer generates the desired results. To put this in perspective, 25 years ago Coca-Cola aired its now-famous ad with a chorus on a hill top singing, "I'd like to teach the world to sing." A significant portion of the company's ad budget that year went towards blanketing network television with that ad. By contrast, today Coke has replaced the one massive unified ad campaign with literally hundreds of smaller, sharply directed efforts, ranging from sports and concert sponsorship to billboards aimed at specific ethnic groups.

What does selling Coke have to do with the music products industry? Well, the industry recently concluded a global summit meeting (coverage begins on page 98 of this issue) where manufacturers and retailers pondered how the industry might attract more customers. Lots of ideas were floated during the three-day sessions, including bolstering support for music education in the public schools and ad campaigns modeled after the milk and beef industry. Each of these ideas has some degree of merit. However, we came away from the session with the feeling that a number of the participants were looking for *the* answer, the single "home-run campaign" that would lift the industry to a higher level.

If a company with a simple-to-understand and universally recognized product like Coke can't mount a home-run campaign, what hope is there for a fractious business like the music products industry? A program

that helps get more kids to participate in band and orchestra programs will do little for the piano business, just as an effort to sell guitars will not necessarily help school music programs.

Retailers got this message long ago. Successful dealers know that the needs and desires of school music, home keyboard, and rock-and-roll customers are different, and that if you want to serve all three market categories, you have to segment your store to keep the different customers apart. What full-line dealer hasn't had to cope with the Spandex-clad heavy metal player who feels his hipness is compromised by the presence of mom and dad buying a piano for their daughter? Not to mention mom and dad concerned that their child is being exposed to a degenerate element of society. But some suppliers, as evidenced by the dialogue at the Summit, apparently are not tuned in to this reality.

If manufacturers are groping for some big-bang promotional idea to jump-start the industry, smart retailers shouldn't hold their breath waiting for the positive results. Instead, we suggest that they launch their own market expansion campaigns. After all, retailers have the largest stake in any improvement in music participation. The question, then, is where to start. The first place is to discard notions of any huge single effort and focus instead on the little things. As one sage observed, there is no single thing you can do to increase your business by 10%, but there are at least ten things you can do that will each net a 10% gain.

In our monthly Retailer Update section, we regularly highlight successful dealer promotional efforts. Aggressive retailers across the country have used artist clinics, product expos, in-school promotions, teaching programs, and a host of other programs to bring people into their stores and sell more product. Market expansion programs are being run every day of the year in most of the markets, but since they tend to be small and focused on a particular market segment, they can easily be overlooked. Collectively, though, they unquestionably make an impact on the market. So, instead of wasting time waiting for someone to invent the program that will make the market bigger, why not try coming up with a few of those 10% promotional ideas yourself. If you think small, the results might surprise you.

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