

Retail Killed The Retail Star

Sunday, 14 June 2009

By: Erik Hauser

I'm sitting here in my hotel mentally prepping for another trek back to the states, but I felt this overwhelming urge to get this one out of my system at this very moment. Let me first say that I know that there are a myriad of factors that play into retail. There are several things that are out of the retailers' control, but we have big boxers and small boxers that have simply killed themselves by not controlling their eco-system properly.

Let me clearly state that I visit retail outlets often. They are part of my routine, and I enjoy the experience that they offer. However, none of that matters if my experience doesn't end with me dragging my feet to the register. This, of course, begs the question why don't the majority of my retail visits end at the register and usually end with me simply discarding my overpriced coffee on the way out?

It's simple. Besides the fact that their pricing models are ridiculous, they are so so so very far from cracking the C3 model.

That's right. I'm back to beating that drum. C3 — Convenience, Control and Choice — dominate the marketplace! If you offer your customers this you will win the game, dominate the market and put the competition out of business.

This rant, for wanting to come in under 20,000 words, is simply going to be relegated to my recent music purchases. Yes, people are paying for music. For me, it's about properly compensating an artist for the work that they perform, but for some others it's because the RIAA and labels finally raised the pain threshold so high that the thought of even having to try to find a place to steal the music seems daunting.

So, for argument's sake — let's say that we have people that are wanting to purchase music — who is going to get the consumer that's in play?

I walked into a nameless book store to buy some books and peruse the album selection as I went to hunt down my mom and stepfather. I saw the new Matt Kearney that I really wanted to buy. If you can imagine, it was \$18.99. I almost burst into laughter. The retailer just made me go away. I was astonished. It was \$18.99 take it or leave it, monologue pricing. There has to be a better way to sell music in these outlets. Let's think, shall we.

I went home and logged on and went to Apple's iTunes and bought the entire disc for \$11.99. And heck, if I only wanted to buy a few songs then I could have simply done that too. However, in this particular instance I did want the entire album as his music is epic. While i was online I also tracked down some live Shawn Mullins and bought a couple of tracks off his albums and then I proceeded to do the same for about another \$40. Huh. Go figure. I was unwilling to take the retail monologue offer of \$18.99 for one album so I went home and did it the way that I wanted to and spent \$40.

Retailers, lend me your ears! Do you see what happened? You got out-aced, out-maneuvered, out-everythinged (not a word, I know) . This particular channel dominates the C3 model.

Retail needs a radical change. I would have done the same thing while I was waiting for my group in the store, but there were no options. And there never are…that's my point.

End of the days of monologue retailing and start giving the consumers what they want. Give them C3 and, heck, even give your shareholders a higher stock price!

And don't even get me started on plasma TV's. That's for another day, my friends……