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## Converging to WHAT?

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The CES show was all a buzz....not about the latest Plasma Display or bigger mega pixel camera, but about the future...the future of converging all media into one form or another. Bill Gates was talking about it and all sorts of entertainers were at the show to convince you that this was the future. The big convergence for them is your interest and your money into their hardware, software and services.

What does this really mean for the custom retailer?

At present, not very much. Consumers are not looking at convergence as the be all or end all to their media needs.

What the custom retailer should be most interested in is converging more customers into their locations.

How do we make this conversion happen?

Not by talking about or trying to sell something that customers don't need or want today.

Looking at what the customer does want will allow for more customer to retail convergence.

One thing the industry should learn and is possibly starting to learn is that consumers are not buying technology for technology sake; they buy on other aspects including fashion. A prime example of this, although the CEA will might disagree, is consumers do not buy new TVs because of HD technology. The evidence is clear to me....for years consumers didn't buy HD set top boxes (and it wasn't the price) and therefore couldn't watch HD over the air. They were and are buying big screens because they are larger, neater and thinner. They are not buying HD, they are buying all the other neat aspects of Plasmas and LCDs.

Want more proof, most DVD players are not HD and consumers think the picture is great. I realize that there are some DVD players with scalers, but they are certainly not what is driving the DVD market. Customers look at DVD

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performance through a Plasma and go WOW. They are not saying....."If it was only 1080p I would really want to buy it."

Want even more evidence, iPods. Small MP3 players have been around for some time. I have one of the original Evolution players with a 64 MB memory card. It was not a very big seller. Difficult to use, and not the best in performance.

Apple comes out with iPod....Success.. Why? Neat and Easy to use. Far better than the versions by other companies.

What does all this prove, consumers buy products that are COOL.....easy to use.....and... fit into a life style. The converging of media is a technology issue for manufacturers and media providers, but not an issue today for the custom installer. Will it be five years from now? Possibly, but what about today.

How do I converge more of the consumer's money into my bank account. Try one of the following three

First of all make your retail location an exciting place to visit. Want an exciting place in Boston, to go in Boston, try Jordan's Furniture. They have an IMAX theater, Ice Cream Parlor and Trapeze training classes. Certainly far more exciting than most home theater specialists. Go beyond the cappuccino machine and have an ice cream parlor. Get trailers on new movies to show in your store. Have the biggest, baddest home theater system on display with lots of impactful bass. Make it a room that they are drawn to, not something that is hidden in the back and is treated like a bank vault where very few can enter.

Second. Go beyond what your large competitors are doing in designing their showrooms. Hire a design consultant to make your home theater systems both look and sound great. Offer this design consultant service to your customers. Have graphics available that show what a designer can do for your customers. Design consultants are available on many different levels. Interior design consultants, acoustical design consultants and integration design consultants. Many of you probably already have an integration specialist on staff, but what about the acoustical and interior design aspects of the sale? I can assure you that more customers will converge on your store if you offer expanded services (and display them) in your retail location.

Third. Have a great web site. Have a web site that has an attitude. The web site should reflect your business and not be just a product showcase for your manufactures. Let the web site be entertaining. Bob Cole, President of World Wide Stereo in Pennsylvania shared an advice look of his new site [www.wwidestereo.com](http://www.wwidestereo.com) with me a few weeks ago. It was amazing. It was clearly a reflection of his attitude towards what he sells and the totality of the fun you can have when buying products from his locations. The web site demands that you

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go to his store. If you don't have a web site, shame on you. If you do, and if you don't let it create an attitude of your business the web site is not doing its job. When you do have that website, make sure that you are putting the right "key" words on your site to have the search engines notice you. Your web designer should know what they have to do or you can hire a specialized company that can show you the tricks of the web trade.

Convergence. Make things happen with your business and the convergence of the customer's money with your wallet will take place. If you don't, Bill Gates will be glad to do it for you.

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