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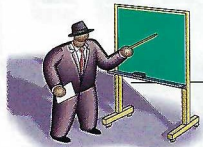
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TO THE WALL!

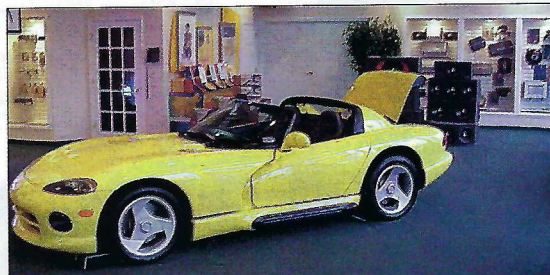
12-VOLT RETAILERS USE ACCESSORIES TO TURN WALL SPACE INTO PROFIT BY MICAH SHEVELOFF

Commercial property in just about every community across the United States has become quite costly. Rent for retail businesses like the average car stereo shop can run into many thousands of dollars per month. Once the layout of a new store has been completed, including installation bays, a woodworking area, and a stockroom, it is up to the retailer to maximize the excitement within the space allotted for sales presentation. After the soundroom and sales counters have been stocked with head units, amplifiers, speakers, and woofer boxes, there is one remaining resource — a vast, unused space begging to become a part of the merchandising decor: The walls.

Brian Dorsey of Custom Sounds in St. Louis has strong feelings about the efficient use of wall space to enhance accessory sales. "The use of slatwall to hang accessories behind the counter has increased our sales in the category 20% over our prior system of using glass display cases," Dorsey reported. "We can show a much greater selection of accessory items on the walls, and the perceived value to the consumer is increased because you can take the product down and place it in the customer's hands. They can feel the weight and the quality of the component as you are explaining what it can do for their system," said Dorsey. Custom Sounds has been so thrilled with the use of slatwall to merchandise its accessories in St. Louis that it has converted all 10 of its stores in Texas to similar displays, and seen a matching increase in sales volume for its efforts.

Dorsey and Custom Sounds have had tremendous success with the accessory lineup from Lightning Audio. "They package their products

in a good-better-best scheme, and make excellent use of bright colors. It helps our sales staff become comfortable with the different levels that they offer, and it makes sense to the customer as well," added Dorsey. Another clever strategy employed by Lightning Audio is the use of wattage ratings printed on the outside of its amplifier installation kits. "Consumers feel more comfortable buying an installation kit with a wattage rating that matches the amplifier they have just selected. It is a great idea," said Dorsey. Mark Bruno, regional sales manager for Lightning Audio, emphasized the critical importance of using every square inch of retail space to make money. "I can't count how many times I have walked into a store, and seen a dusty, tattered poster hanging on the wall, taking up space that could be used to generate sales," Bruno pointed out. "That wasted space is a lost opportunity!" Bruno also reminds retailers how important it is to go out to the customer's car during the sales process. "Show them that anemic, little ground wire that lives under the hood of so many of today's import cars. They need to upgrade in order to allow their charging system to operate properly, especially once they have upgraded their stereo system," added Bruno. Lightning Audio does organize their accessories in a good-better-best array, with an emphasis on the better-best. "Real money is made bumping up those entry-level customers. The difference between selling a \$20 interconnect cable and a \$30 interconnect cable is substantial, once it is all added up at the end of the year," Bruno reminded. Lightning Audio does design its accessory packaging to draw attention toward the step-up products, in sup-



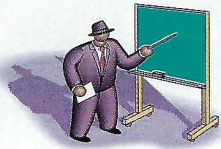
At Custom Sounds, floorspace clutter is kept to a minimum with canny use of slatwalls

port of its retailers' efforts to bring consumers, and their audio systems, to a higher level.

Custom Sounds also uses wall space to merchandise its window tint and wireless-phone point-of-purchase materials. In order to be sure that everything looks its best, the stores are outfitted with directional "eyeball" spotlights, aimed at the accessories. "There is a fine balance between getting the products out there and creating an overcrowded, cluttered look. You do not want your customers to ignore the other key products in the store," cautioned Dorsey.

PRODUCT VISIBILITY IS KEY

Ian Bentley of AAMP of America (makers of the Stinger brand) thinks product visibility is the key. "Stinger may offer the best accessory solution, but if the packaging does not attract attention, the consumer will not be drawn to it. Additionally, because of the competitive nature of the accessories industry, modern, exciting packaging is often helpful to the retailer in presenting and justifying the cost of a better quality item," surmised Bentley. Bentley further explained that the use of reflective foil in the new Stinger packaging helps draw the consumer's attention toward its products. The various different categories of Stinger accessories are denoted by the color of the packaging, so that the retailer can use the color-coding to quickly recognize when the supply is getting



low, making restocking and inventory management a simpler task. Larry Pagelsdorf, president of Kartunes in south Milwaukee, agrees: "The Stinger slatwall system makes it very easy to monitor inventory levels, and even though we keep a back-stock, we know exactly when it is time to reorder. Additionally, having all of the items visible helps prevent our salespeople and our customers from forgetting what is necessary to complete an installation. The Stinger program helps us sell a better-quality product to the consumer." Kartunes also uses wall displays in its 1,400-square-foot sales area to merchandise cellular accessories and Dynamat-brand sound-deadening material. "I have used every wall we have to display some type of accessory," added Pagelsdorf. With the increasingly competitive pricing of CD head units and security systems, margin-rich accessories are a valuable commodity to the 12-volt retailer. "The items on my slatwall have added 2% to my yearly bottom line," added Pagelsdorf. "Stinger should be commended for the job they have done with their slatwall program."

"With many of the smaller retail shops, the accessory products are located on slatwall behind the sales counter," expressed Kevin Tsung, project manager for Monster Cable, an innovator in the cable and accessories category. "It is important to strategically place your best items at eye level, causing the consumer to wonder, 'What could this product do for me?'" added Tsung. With the limited wall space available in many stores, Monster Cable has created a device called a Tommy Tower, which is a small island with two sides designed to display Monster Cable 12-volt products. "One big advantage of the Tommy Tower is that the retailer can locate it next to a specific product in the store," explained Tsung. "The amplifier



Larry Pagelsdorf, Kartunes (l.), has 1,001 uses for wall space



An AAMP slatwall

installation kits can be placed near an active amplifier display, and the speaker wire located near some woofers boxes or loudspeaker systems." It has been proven that the close proximity of the accessories to the actual products allows the displays to serve as a reminder for both the salesperson and the consumer, not to forget the Monster Cable. "Monster Cable is an attachable sale, meaning that we offer some product that can be added to almost every purchase made by a customer in a 12-volt store," Tsung added. "With many larger retailers offering free installation these days, Monster Cable provides the 12-volt specialist a legitimate way to recover some of that valuable lost revenue," said Tsung.

When providing sales training to authorized retailers, Monster Cable will try to get the installers involved as well. "Consumers seem more likely to be open to a suggestion from the guy out back who will be working on their car, rather than another pitch from the salesperson," Tsung explained. Another Monster Cable merchandising strategy is to encourage retailers to display their "jewelry items" (battery connectors, distribution blocks, fuse holders, and anything else that looks like gold jewelry) in a progressive order, the way they would flow from the battery in an actual installation. This logical presentation helps consumers understand the function of each item, and allows the do-it-yourself installer to realize the potential value of better quality wiring accessories.

Innovative Audio, located in Bellevue, WA is a 12-volt-only specialist operation with four internal divisions and seven full-time sales people. The operation includes retail sales, wholesale, corporate sales (business to business), and private clients (catering to business executives, athletes, celebri-

ties, etc.). "Monster Cable provides sales training to our entire staff, within each division of Innovative Audio," reported vice president of operations Brian Ellis. "Every audio or video installation that leaves our facility, from the most entry-level to the highest-end system, has Monster Cable in it," added Ellis. In order to be certain that the proper accessories are on display for Innovative Audio's mix of clientele, Monster Cable sends a merchandising planner to see that product mix and display are executed efficiently. "They make the process very easy for us," explained Ellis. "Innovative Audio has sold exclusively Monster Cable products for over five years because it is the most widely recognized full-line solution for 12-volt wiring and accessories," added Ellis.

Retailers are reminded every month (as they drop the rent check in the U.S. Mail) how valuable space is, and how important it has become to merchandise efficiently. Many manufacturers have recognized the magnitude of these challenges and begun to offer various forms of support to their retail partners, such as sales training, display solutions, intuitive packaging and aggressive profit margins. Although 12-volt retailers have demonstrated that there are a variety of ways to utilize showroom wall space, it has become evident that any area of the store capable of generating revenue should be exploited to the fullest. Such an opportunity certainly represents more than just another brick in the wall!

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