

IN-STORE APPLICATIONS



Tuning Up Signage

In-store **printing** gives Sam Ash Music Stores immediacy and flexibility

BY M.V. GREENE

Good impressions count mightily on a first date, a job interview – and in retail, where the initial passing fancy with the customer often comes from signage in the store highlighting discounted prices, specials or weekly promotions.

“All retailers need signs,” says David Ash, COO of Sam Ash Music Stores. “When a customer comes into the store, he needs to know what everything is, what it is priced at, what its features are and what sales are going on.”

His family-owned chain of 45 stores takes a do-it-yourself approach to signage by pushing this vital task down to the store level. As the nation’s second largest music store chain, Sam Ash, whose moniker says it is “The World’s Favorite Music Store,” has 45 retail locations in 15 states, spread out from New York and New Jersey to North Carolina, Florida, Ohio, Illinois, Texas and California.

To survive in the retail music-store market, the company sticks to its legacy of professional service, selection and competitive pricing. That legacy emanates from Sam Ash, an immigrant violinist and bandleader who established the chain 82 years ago in Brooklyn, N.Y., with the proceeds from his wife’s pawned wedding ring.

“[In-house-produced signage] alerts the customer what to look for in the store. It alerts the salespeople what to sell.”

— David Ash

Sam Ash’s primary competition is market leader Guitar Center, a \$1.8 billion public company with nearly 200 stores following the acquisition of what had been the No. 3 company in the market, Music & Arts Center.



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In chasing that kind of market strength, Sam Ash's approach has been to remain true to its humble roots through integrity, innovation, operational efficiency and plain nimbleness.

The company serves musicians across the proficiency spectrum, from the novice to the pro. Besides instruments, its inventory includes accessories, sound and recording equipment, sheet music and videos, computers and music software. The company also runs a pro service and parts division and an educational division servicing schools. Synthesizers, electronic pianos, disc jockey gear and packaged sound systems are all products made popular at Sam Ash stores over the decades.

Retail signage, David Ash says, is hardly a corporate duty to be overlooked. In July, for instance, Sam Ash announced that it would begin offering a new line of merchandise, MusicPad Pro, from digital music company FreeHand Systems. For such new product lines, signage foretells the rollout.

"When a piece of merchandise comes in that we don't have stock on the day before, the signs alert the salespeople in the department," Ash says. "Sometimes the receiving department is not aware merchandise hasn't been there before. This way we have a check to make sure that the latest merchandise is out and ready for the customer."

Print-on-demand function

Sam Ash is employing the C7350n color printing system from Mount Laurel, N.J.-based Oki Data Americas for print-on-demand capability at its stores. The system is configured with software from Seattle-based AccessVia, which provides the templates and other services for sign design.

Ash says the solution assures that Sam Ash stores' signage requirements are consistent and designed in a manner that directs the customers to the merchandise. Sign templates and themes are designed at headquarters, allowing managers to make adjustments based on their stores' particular merchandising requirements.

The C7350n color printing system, with its tie to the central office, ensures that all prices are current and consistent throughout the chain's stores, website and direct-mail pieces.

"It alerts the customer what to look for in the store. It alerts the salespeople what to sell," he says. "Something that's of a particu-

lar value will get a sign that tells [customers] it is of particular value."

Terry Cruikshank, Oki Data Americas' industry marketing consultant for retail, says store-level, on-demand printing represents a departure from the way many retailers traditionally handle their signage requirements. Driving the change has been falling costs for color printing and increased bandwidth through broadband Internet connections that allow for the rapid transmission of large data files.



Creating and managing the signage process typically has rested with the chain's headquarters design staff or independent agencies, which would send the files out for printing and shipping to the individual stores.

"One of the disadvantages of doing that is the wait," Cruikshank says. "Typically, you can have up to 60 percent of frequent signage wasted at a location. It may not arrive on time, people can't find it, it's not the right product or maybe it's not [for] a product they sell in their store."

New printing technologies also are driving printing to the store level. The C7350n color system, for instance, uses multiple toner cartridges in much the same fashion as a printing press (compared with laser printing, in which colors are rendered individually). Users do not have to replace the image drum

each time they replace toner cartridges, which adds to savings, Cruikshank says.

Retailers can save more than \$1 per piece for a basic 8.5x11-inch sign by creating it at the store level, she says, estimating that store-level color printing costs 30 to 35 cents per sign.

"When you're doing thousands of signs, there's no doubt that printing off-site makes sense," Cruikshank says. "But when you want to do local-level signs to highlight local promotions . . . printing at the local level makes the most sense," Cruikshank says.

Calculating ROI

Ash calculates ROI through reduced costs and improved customer service. "Right off the bat we don't have to have someone outside print them, and we don't have to have someone outside ship them," he says. "We don't have to have a receiving department receive them. There's a big expense that comes right out of it."

In the service area, a consistent signage program lets customers "see the store as being more competent and well run with the merchandise and information displayed in a proper way so they make a good buying decision," Ash says.

Training store managers to use the system has also proved beneficial, Ash says, as did the ease with which it connected to the corporate IT infrastructure, including the marketing database.

Ann Priede, an analyst who covers the digital printing industry for market-research firm Lyra Research, expects that retailers will expand their use of store-level printing going forward. "Technology is enabling them to do all that printing locally and be able to make those changes more immediately," she says. "It's much easier and ultimately less expensive to do that right there in house."

Ash says localized printing "ensures that our prices in our computers and our prices on our signs are always up to date. It also assists our salespeople because they have at their fingertips a lot of information they would have to look up sometimes or memorize."

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