

Small Business is Our Business...
 Small Business Advancement National Center
 University of Central Arkansas
<http://www.sbaer.uca.edu>
 SBANC Newsletter, November 24, 1998

 UPCOMING EVENTS!!!

Y2K CONFERENCE

A conference concerning the looming Year 2000 computer crisis will be held in Chicago on January 11, 1998. This conference, sponsored by Women Business Development Center, Chicago Computer Society, and Small Business Administration, will begin with registration at 8:30a.m. and will cost \$20. It is to be held at 500 W. Madison -Suite 1250, Chicago, Illinois 60661. For more information, contact WBDC at (312)853-3477, ext. 22 or SBA at (312)353-4528.

USASBE CONFERENCE

The United States Association for Small Business and Entrepreneurship will hold its 13th Annual National Conference on January 14-17, 1999, in San Diego, California. The theme of this year's Conference is "Sailing the Entrepreneurial Wave Into the 21st Century". Topics will focus on issues of significant importance during the late 90's and beyond:

- * Challenges and Opportunities for Small Business in Foreign Markets
- * Entrepreneurship in the Corporate World
- * Passing the Torch: Succession Strategies in the 21st Century
- * Applying New Technologies in Entrepreneurial Firms
- * Non-Traditional entrepreneurs: A New Force for the Future
- * Starting a New Business 21st Century Style: Has it Changed?

For further information, please contact the 1999 USASBE Program Chair:

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 THE MYTH OF T.V. ADVERTISING

In a recent paper entitled, "Small Business Advertising: Is T.V. Overrated?" Phil Harmeson and Dennis Elbert, University of North Dakota, say that advertising on television rather than radio or newspaper may be overrated. They state that though T.V. advertising rates may initially appear attractive when compared to other media (i.e. radio, newspaper), their study casts doubt about the value of those rates when calculated on a cost per unit basis.

While the authors do not deny that television may be a good media

source, they do want to caution small businesses to not be overly optimistic about using T.V. as a sole or primary medium. The authors further state, "The small business should be prepared to look closely and carefully at overall value when using television as an advertising source."

To view this paper, which includes "benchmark" survey results along with an in-depth study of the role of television in advertising, check out our web site at <http://www.sbaer.uca.edu/docs/proceedingsII/97sbi200.txt>

TIP OF THE WEEK

(Taken from "Effective Small Business Management" by Richard M. Hodgetts and Donald F. Kuratko. See full credit below.)

"Retail Store Layout"

Retail store layout should be designed with three things in mind: customer satisfaction as attained through convenience, service, and attractiveness; maximum sales, which can be accomplished with the proper selection of fixtures and arrangement of the merchandise; and economy of operation.

Many ways of attaining these objectives exist, and some general guidelines are obvious. Most stores can profit from what are almost universal suggestions.

One of the basic rules of layout is that goods that generate the greatest profit volume should be given preference over those that sell slowly. The retailer needs to place the goods that generate the most profit in the best selling areas and the others in the poorer selling areas. Which area of the store is the "best" one? Most people in a typical retail store are browsers; when they enter a store, they are most likely to move toward objects that catch their eye. Although these customers think they are walking in a random manner, they are actually much more likely to turn to the right than to the left. Therefore, goods with high gross margins and low replacement costs should be located to the right of the entrance.

The first activity for designing a store layout is to make a drawing of the floor space to scale and to divide it into areas... Then the goods should be strategically placed in the store. A second factor is the location of impulse goods. These are goods that people buy on the spur of the moment, in contrast to demand items, specific items customers come to the store to purchase. A third important factor is employee convenience. The worker must be able to serve the customer quickly and efficiently. Part of this problem can be solved through careful layout. Finally, the layout should be arranged so that it does not cause large crowds of people to gather in one area. In order to avoid these problems, some stores place cash registers throughout the store... Another way to prevent crowds from gathering in some areas of the store is to break them up by placing obstacles in their path. Product layouts, displays, or sizable showcases require customers to walk around them. Because of the human tendency to choose the path of least resistance, people are going to walk in the direction that seems to have the clearest path. Using this logic, the owner can lay out the store

so that people will walk in one direction rather than the other.

"Effective Small Business Management," Second Edition, Hodgetts, Richard M., Kuratko Donald F., The Dryden Press, 1998.

If you have any comments about our newsletter or if you know of an upcoming small business event in your area, please contact Dr. Don B. Bradley III by e-mail at: Donb@mail.uca.edu

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