

WHAT IS IT?

Retail is the process of selling product to the end consumer. In the recorded music industry, retailers range from small record shops and specialist stores, to multiple chains such as Virgin, HMV, Woolworth, Asda, Tesco, Sainsbury.

There are also digital retailers such as Napster and itunes.

WHY DO I NEED TO KNOW ABOUT THIS?

As a musician or DJ, you may hope to sell your recordings and other products in the future. Apart from selling to your friends and your fans at gigs, you might need the higher profile of selling them via a retailer. Most deals made with retailers involve a distributor, however, it is possible for you to organise this yourself by taking stock directly to stores.

To help you understand how product is sold (retailed) this chapter covers most of the industry 'jargon' which is used in the process of retailing music product.

PROJECT : See Project in Chapter 5 (Distribution)

NOTES AND GUIDANCE

GLOSSARY OF RETAIL TERMS

Buyer

This is the person who is charged with buying in stock (product/records/merchandise) to sell it for a retailer, for profit. A good buyer will understand immediate and current trends and will buy and sell based on experience.

‘ Point of sale’

Larger retail outlets have the ability to offer prominent space to house a poster or other visual display system. This space comes with a charge dependent on the size of the outlet and number of stores taking part.

Barcode

To ensure the correct tracking of each sale of your product, you are able to subscribe and be allocated a unique bar code numbering system. It will carry an initial Country of origin prefix (50 for the UK) this identifies the territory of manufacture, you will then receive a registration number, followed by a number of digits from which you will devise your bar code catalogue numbers for each product sold. An example is set out below.

Product	Bar Code	Catalogue number
CD single	50 – 879789 – 000001	RF CDS 001
CD single remixes	50 – 879789 – 000002	RF CDSR 001
DVD	50 – 879789 – 000003	RF DVD 001

Returns

A natural right for retailers to return unsold stock (records or merchandise). Distributors accept the fact that after the period of sales expires, they can return unsold stock to the company.

PDP

This is the published dealer price which is set by governing chart bodies to ensure that fair trade exists between the buyer (retailer) and the Distributor (seller).

Bonus discs

Some record releases include a bonus (remix or video enhanced CD) along with the actual product. This may also include a DVD release.

Chart Return

This chart is officially a weekly report which is broadcast in a mixed media profile. It includes the BBC, TOTP, Sunday countdown, independent radio countdown, the download charts and so on. This chart is made up from returns made by retailers to the chart compilers, the returns are actual sales which are scanned at a record store and which are sampled each week across the UK. This happens Mid Week (to give industry a prediction of that record's chart position that week) and then once again on a Sunday afternoon following the weekends sales.

Official UK Singles Chart

Since April 2005, download formats count in the Official UK singles charts alongside physical product. The chart is collated from physical sales and registered retail downloads. They only count when a combination of both are available at the same time. It does not affect the download only from entering the download chart.

Budget price

This is a reduced price which is designed to sell new recordings or ones that have been available for a long time. They may have an appeal in superstores, general outlets and may be available via compilations and re-released product.

Full price

Major artists, big releases, and major labels rarely need or want to discount a PDP. Full price will be a single or album sold at the premium full price from day one.

Sale or Return

You can deliver stock to a store /retailer and agree a price with the buyer. It is your job to check the progress of the sales and invoice that outlet based on the sales they actually make. Any unsold stock is returned to you after a period of time (and at no further cost to the dealer).

Press on demand

A deal done with the distributor to look at the demand from outlets when a product is released. It involves an agreement between label and distributors.