

# Nevada News

Serving the Retail Community Since 1969

November 2004

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## Placing RAN for 2005 Session

**By Mary Lau**  
Executive Director, RAN

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**B**y now every member of the Retail Association of Nevada knows the outcome of the federal and state elections and regardless of what is termed a “divided country,” there is a unanimous sign of relief that it is over. I think that everyone has had it with commercials, mail pieces, polls, sound bites and extensive news coverage.

In reflecting about the election, the politics and campaigns, it is appropriate, as Craig Fuller, CEO of the National Association of Chain Drug Stores (NACDS) did, to congratulate and acknowledge all those who worked so hard on the campaigns, the candidates and the issues that they supported. The President and Senator Kerry have already talked about a more cooperative atmosphere, and at the state level, Speaker of the Assembly Richard Perkins (D-Clark) has expressed the same sentiment. It will happen if leadership on both sides of the aisle makes it a priority.

Members of the Retail Association of Nevada have long been knowledgeable followers of Nevada politics. As this Association grows, our members become part of the retail team. The 2003 Legislative Session and its aftermath showed us how important it is for businesses throughout this state and the various business associations to remain active and support those candidates who support business.

RAN's mission is to strengthen the business environment for Nevada retailers and associates by providing

a government relations program that supports retail industry needs through effective lobbying at federal, state, and local levels. This is a good mission statement, one that served our members well for over 35 years; however, times have changed and your board plans to update this statement to reflect the active role that your Association now takes during the election cycles.

Since our incorporation, we have supported candidates and issues; however, following the 2003 Legislative Session it was determined that this support needed to be based on a strong business criteria. We also did not want to have the “tax fight” and all the inherent emotions connected with it to be the dominating issue. Yes, it was and is a critical issue. Without a good taxing environment, both the state and businesses will suffer, but large as it is, it is not the only issue.

How do we pick our candidates? In the past, candidates were supported based somewhat upon their votes, but more depended on “relationships.” To put it another way, we kept doing the same thing over and over again, while expecting different results. Remember Einstein's definition of insanity? So, in order to break away from this hit-and-miss technique, RAN created a fair and impartial way to judge a legislator's support of business and used a matrix that included 22 bills in the Assembly and 16 bills in the Senate. These bills

# Seen & Noted

## Retail Christmas Looking Bright

If the National Retail Federation's (NRF) 2004 Holiday Consumer Intentions and Actions Survey is right, retailers are going to be happy about profits for this holiday season. According to the survey, the average consumer plans to spend \$702.03 on the holidays, up 4.5 percent from last year. It's estimated that consumers will spend about \$219.9 billion this year.

Shoppers say they'll spend most of their holiday money on buying gifts for family members, at \$406.52, and friends, at \$71.29. Many will spend some of their holiday money on gifts for co-workers, babysitters, teachers and others, and will also buy decorations, greeting cards, candy, food and flowers.

Consumers are also adding their own names to the Christmas list, and about half surveyed said they'll take advantage of holiday sales to buy non-gift items for themselves and/or their families.

What do shoppers want to receive? Gift cards, say a record 50.2 percent of those surveyed, a 10 percent jump from two years ago. An estimated 53.1 percent said they would like to get books, CDs, DVDs, videos and video games. Another 50.6 percent said they would like to find clothing and accessories under their Christmas tree. Many consumers also put their bid in for electronics, jewelry and home décor items.

At least 77.1 percent of shoppers said they'll do their holiday shopping at discount stores, while 53.1 percent said they'll shop at department stores, 46.7 percent from grocery stores, 39.3 percent from specialty stores and 38.3 percent from online retailers.

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## Report Telemarketers If Your Number is on the Registry

You may still be getting telemarketing calls even if you are on the federal Do Not Call Registry. A recent Harris Interactive poll reports that 92 percent of those who placed their names on the do-not-call list say they are getting fewer calls, but the calls haven't stopped completely as expected. Some consumers may not understand that the legislation that created the registry did not outlaw telemarketing calls in general.

The Federal Trade Commission (FTC) says that if you are still getting calls, first check to make sure that your number is actually on the Registry. Consumers can verify that a phone number is on the list by going online at [donotcall.gov](http://donotcall.gov) and clicking on the "Verify a Registration" link, or by calling 888-382-1222 (or TTY 866-290-4236) from the phone number you wish to verify and following the prompts.

If you haven't listed your number and wish to do so, go to the do-not-call website and register or call the numbers already listed here and request to be put on the list.

Even if you are on the Registry, telemarketers for political organizations, charities and telephone surveyors are still allowed to call. Other groups that can still call you are companies with whom you have an existing business relationship, such as a credit card company, and companies that you've given express permission to call you.

If you are on the Registry and you're still receiving telemarketing calls from groups not in the exempted groups, file a complaint with the FTC, again at the website or phone numbers listed in this article.

## Making History in Nevada

By Elizabeth MacMenamin  
Director of Government Affairs

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Today, Nov. 10, 2004, impeachment proceedings against state Controller Kathy Augustine have begun. This will be a first for any public official in this state. This session was ordered after Augustine rejected requests from officials to step down from her position and not put the state through these proceedings. Perhaps Ms. Augustine will be happy to pay the cost of these proceedings rather than penalize the innocent victims of this crime, the Nevada taxpayers. It is estimated that the costs for these proceedings could be as high as \$250,000.

Under Nevada law, the Assembly heard evidence before considering articles of impeachment. On Fri., Nov 12, 2004, the Assembly voted unanimously to impeach Ms. Augustine. The Senate accepted all three articles of impeachment and set the hearing for November 29. Ms. Augustine was suspended from office with pay until the conclusion of the proceedings. In the case of the Controller, the Constitution does not designate who will reside over the senate trial. The Senate adopted rules for the proceedings, which calls for the entire Senate to sit as a committee to hear the prosecution and defense.

To convict it would take a two-thirds vote of the Senators.

Augustine is confident that she will not be impeached. She is depending solely on the expertise of Attorneys Dominic Gentile and John Arrascada of Reno. At the time of this article, Ms. Augustine is very upbeat and feels the violations she admitted are not impeachable offenses.

Gentile is asserting a conflict with the Attorney General prosecuting this case and says that the Legislature must hire a special prosecutor to impeach the Controller. Today, at the beginning

of the special session, Speaker Richard Perkins suggested that perhaps Mayor Oscar Goodman of Las Vegas might be a wise choice as the special prosecutor for this case. But as Jon Ralston pointed out, this is not the decision of Mr. Perkins but the choice of the Senate.

The Assembly will be hearing the case to determine malfeasance charges against Augustine. They will hear from witnesses and determine if there is substantial evidence to move forward with the impeachment.

After being brought before the Ethics Commission, Augustine signed a statement admitting she used state

employees to work on her campaign in 2002. The total of about one quarter of her assistant's time was delegated to campaign work for the Controller. This equates to about \$10,000 of her annual salary.

Augustine was fined a total of \$15,000 for three violations of the state ethics law. There have been no criminal charges filed at this time, but because she admitted to willful violations of the state laws, the Governor stated that the law requires him to call this session to consider impeachment.

We will be watching with interest this historical event.

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## Ready for 2005 Legislative Session

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were very important to our members and represented a cross section of our related businesses. Then to make sure that we included a fairness factor, we created an accessibility rating. Since this was our first time, we knew that we had to still balance the fact that most legislators were willing to meet with us and try to make their bills better for business. The next step was to determine a threshold. For this election cycle, we decided 50 percent would be a realistic number, not too demanding but still corrected our earlier tendencies to reward bad behavior toward business.

We were amazed at the results. Actually, we were appalled. When you approach a project from a new angle, you consider history; however, you also better forget any preconceived ideas and start from scratch. What we were looking at was a pattern of votes against our issues. So, we supported the incumbents who support retail and supported new candidates where incumbents weren't running or hadn't backed retail issues.

This is the approach under which RAN will operate in future elections. We are redesigning our website so that our members will be able to track in a user-friendly manner all of the issues that concern us. We will be sending regular updates during session and asking you, as members, to contact legislators in your district asking them for support.

We will also be facilitating employer/employee communication through our affiliation with BIPAC (more on this later). Look for updates on a regular basis – we plan to publish votes, comments and concerns.

What can you do as an employer? Stress the importance of voting to all of your employees, clearly communicate how issues affect your ability to provide

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## SANS Releases Top 20 Internet Security Problems

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The Federal Trade Commission (FTC) identified over one million IP addresses that provide open proxies or open relays, which leaves business computer systems that use email vulnerable to use from outside sources for sending spam and passing on computer viruses. And there's more bad news.

The System Administration, Networking and Security (SANS) Institute recently released its Top 20 list of Internet security vulnerabilities. This is the fifth annual announcement and is published in conjunction with the U.S. Department of Homeland Security and Canadian and U.K. cyber security agencies.

Alan Paller, director of research of the SANS Institute in Bethesda, MA, says this gives businesses and government agencies a baseline or starting point for fixing system problems. SANS notes that the Top 20 actually consists of two top 10 lists, one for vulnerable services in Windows and one for exploited elements in UNIX and Linux environments.

Windows has five new entries this year, including the Outlook/Outlook Express email application and peer-to-peer software. Vulnerabilities were also identified in instant messaging applications.

According to SANS, "The easy and destructive spread of worms, such as Blaster, Slammer and Code Red, can be traced directly to exploitation of unpatched vulnerabilities."

The Top 20 is a consensus list of vulnerabilities that require immediate remediation. The list is prepared from the results of dozens of leading security experts from the "most security-conscious" government agencies in the UK, U.S. and Singapore; leading software security

vendors and consulting firms; top university-based security programs; the SANS Institute and other organizations.

The SANS Institute has a website, [www.sans.org/top20](http://www.sans.org/top20), that has the complete list of problems identified with links for each for step-by-step instructions and pointers for correcting security flaws. This list is updated as threats and more current or convenient methods of protection are identified.

## Federal Government Says "Secure Your Server"

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How secure is your server? In January of this year, the U.S. Federal Trade Commission (FTC) joined countries around the world to warn businesses to take action to close their in-house Internet systems' vulnerabilities that facilitate the growing attack of spam, or unsolicited commercial email.

The FTC joined 36 agencies in 26 countries in the "Operation Secure your Server" program. The international group wants your business, organization, agency, etc., to close open relays and open proxies, and identified thousands of owners and operators that may have a problem.

Did you receive an email warning that "Various public databases suggest that the IP addresses, [your number here], may be an open relay mail server or an open proxy server. We understand that you have a server using this IP address."

The email message goes on to detail the project and how the proliferation of unsolicited commercial email has prompted the international movement.

It's how the settings on your

Paller extends this warning, though, regarding a company's IT staff. He says the list is a place to start "your remediation each year," but not to expect all identified problems to be addressed at once. "When you tell your systems people to test for thousands of vulnerabilities, your enterprise comes to a stop." He suggests you start with a small list and that you give your IT people "at least 90 days" to make progress before requiring results.

network server are set up that opens the door to your email being used as a conduit for spam and other attacks from insidious infections such as the Code Red worm that blasted its way through the cyber highway destroying computer systems. A secure server uses software that verifies approved incoming and outgoing email. However, if your settings allow your system to stay open, often called open relays, insecure relays or third-party relays, then your transmission can be configured to accept and deliver email on behalf of any user anywhere, including third parties with no relation to you or your organization. Not only is your email reception and delivery system interrupted, your server becomes the unwitting partner in spam, or worse. Spammers use this method to disguise their identity—and possibly destroy yours.

According to the FTC, securing your server isn't that difficult and it has some do-it-yourself advice. The FTC says you can figure out if you have an

[Stopping Internet Breaches](#)  
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## Balancing Gathering the Customers' Private Information While Gaining Their Trust

**H**ow do you identify a customer? How do you gather and use customer information?

Not only are there numerous privacy laws regarding the relationship between you and your customers, there is a factor of trust that every business must aspire to keep their customer relations healthy and growing.

The Better Business Bureau (BBB) has made helping businesses with their customer privacy issues a focal point for a campaign that they are offering online, Privacy Made Simple. The downloadable documents take you and your privacy personnel through the necessary steps that can help you create a trusting relationship between you and your customers.

The first thing they suggest a business owner do is determine how the business treats a customer's questions about privacy. Are you considering the customer's anxiety quotient when you have a clerk ask for a zip code or you ask for a credit card number online? If the customer trusts the business she's dealing with, she'll give these numbers willingly. The job of the business is to be sure that the customer can trust you. So how do you rate when it comes to how you care for a customer's private information? Here's your chance to rate how well you take your customers' privacy into consideration.

The BBB gives a list of 10 questions that you can use to rate your "privacy quotient." Do you have privacy

## Stopping Internet Breaches

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open relay on your system by evaluating the mail transfer agent software (MTA) you use to manage your email. You can determine if your proxy server is vulnerable by considering these questions:

- Does your proxy allow connections from unknown networks?
- Are you using the most current version of your proxy server software and hardware?
- Have you applied the latest patches or upgrades available?
- Are you using proper access controls for your server?
- Is someone regularly checking for unauthorized uses of your proxy server?
- Do you have and monitor an [abuse@\[YourDomainname\]](mailto:abuse@[YourDomainname]) email account where people can report abuses of your proxy server?

The FTC maintains a help site for securing your server at [www.ftc.gov/secureyourserver](http://www.ftc.gov/secureyourserver). Or you can call upon your IT staff to help you make sure you're secure and not contributing to cyber highway wrecks and fatalities caused by having open relays and open proxies.

policies for your internal operation and for your website if you have one? Do all your privacy policies meet or exceed industry and regulatory standards? Yes, consumer privacy is well protected by state and federal law. Not checking your policies against what's required can leave you

The BBB says that a big step towards easing consumers' fears is to not only create a good, strong privacy policy, but make sure that it is clear and easy to understand and that it is communicated with everyone in your business from your employees to your business partners and customers. You have to define for all of these groups exactly what personal information you will collect and exactly how you will protect and use it.

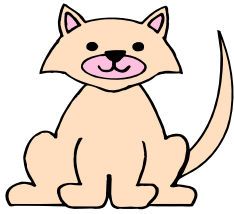
There are privacy laws and court decisions that set regulations for everything from bank records to video tape rental companies. How is your business regulated? That's what each business needs to determine before starting or reviewing the privacy policies of the company.

Are you protecting your customers' privacy? A good step in finding out how you rate is to visit the BBC privacy website at [www.bbbonline.org/understandingprivacy](http://www.bbbonline.org/understandingprivacy).

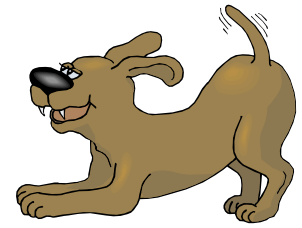
*Every business should know exactly what privacy regulations affect them.*

open to lawsuits and possibly worse, lost customers.

The world of identity theft and the tangle of trouble it causes for consumers is a growing crime. Consumers cite the fear of having a credit card number stolen as one of the main reasons they won't shop online. They're also tired of being targeted by junk mail and most have made the connection between the intrusive nature of a business asking for a customer's zip code.



## D.O.C.S. Veterinary –

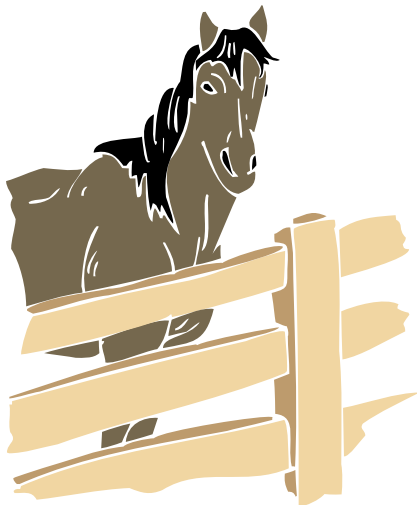


# Caring for Our Animals

D.O.C.S. Veterinary Hospital in Carson City is under new ownership, but clients don't need to worry about the care their pets will receive. Dr. Dave Haebler and Dr. Jeanine Chaney-Haebler are not only ready to see your pets, they've made some changes that both old and new customers may be pretty happy about.

Dr. Dave Haebler said one of the first things he and his wife, Dr. Chaney-Haebler, decided to do was reduce their pricing so the cost of health care for pets would be "a lot more affordable for the average family." Whether it's the new pricing or just the fact that the doctors really care about the pets, business is booming.

The Doctors Haebler took ownership of D.O.C.S. in August



2004, and in just a few short months, have seen their in-house patient numbers grow. And even though they didn't buy the mobile unit that was associated with the business, their

house call numbers have also grown.

When they bought the vet hospital from former owner Dr. Amy Mason, she had decided to return to Colorado with her mobile unit. But the Haeblers take care of large animals, horses, camels and the like, as well as the easily transportable ones such as dogs and cats. So, yes, the doctors are in and the doctors make house calls.

Dr. Dave says that Dr. Jeanine is the expert horse person. She was raised with horses, loves horses and knows how to take care of them. They both take care of other barnyard animals, like the goats and sheep in the surrounding area, and are able to provide owners with the health certificates necessary if they breed or take their animals to shows and across state lines. And, yes, if you happen to have a camel on the place, they can take care of that animal, too.

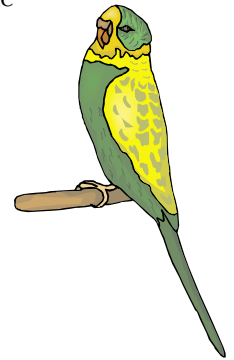
Dave says that Amy was the regular vet for a nearby camel farm, the one that provides camels for events like the Virginia City Camel Races, and Jeanine happily took over their care. Just like other pets, camels need regular checkups and preventative care.

Making house calls is a service they think is necessary to take care of a diverse clientele. Both doctors will visit clients who, for whatever reason, are not able to bring their pets to the hospital. They even offer the compassionate service of visiting the home to put to sleep a person's loved pet.

Dave says he loves being a vet because, "You never know what's going to happen day in, day out. You never know what to expect."

He says whether it's an emergency, which he says they see a lot of, or a routine office visit, the work is always exciting. The diversity comes not only in the make up of the day, but the animals that come for care.

Both doctors care for the pets that most of us own, like dogs and cats, and each specializes in the numerous exotics that come through the doors. Dave says Jeanine is very good with the "pocket" pets, which can range from guinea pigs, rabbits, rats and gerbils, to geckos.



Dave says that these pets bring with them an entirely different set of treatment protocol as compared to dogs and cats. They have "whole different diseases," and a doctor must know the drugs that can and can't be used. The antibiotic that is fine for a dog will kill the pocket pet. Jeanine has a way with sick birds, too, and can approach them and keep them calm when examining them, while he tends to the snakes and other reptiles.

Dave says that buying their own practice was a great move for them. They had wanted to become partners at the vet hospital they were working at in Reno. That didn't pan out, and when their friend Amy decided to sell, it was their perfect opportunity. Plans now are to continue the best personal service they can, like getting pets in

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## Seminars

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### D.O.C.S. in Carson City

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as quickly as possible and making those follow-up calls to make sure everything is all right with the pet, and to add to their facility.

They like the open family look of the reception area but want to expand on that and add more equipment so they can offer their clients more

services. "The more we can add, the more we can offer," Dave says.

In the meantime, they'll continue to do what they do best—offering compassionate and great care to their clientele. Give them a call, 884-4362, and visit them at D.O.C.S., 4630 Highway 50 East.

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### Ready for 2005 Session

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a good working environment, and continue to grow and provide jobs. Make a voter registration card part of your employment package. Communicate, communicate, communicate, with your employees, with us and with your elected officials.

When you look at the astounding number of people in Clark County alone, 35,403 who early voted just on the Fri., Oct. 29, which brought the total to 315,977, it is easy to recognize that you must educate your employees to look beyond sound-bites and printed campaign material and give them the information to make informed decisions. The real definition of a business-friendly legislator is one who supports business by his or her votes.

Do you win every issue or race? Heavens no! Do you compromise? Absolutely yes, when needed and appropriate. Do you, as a tax-paying businessperson responsible for the income of both your family and your employees' families, have the right to honest representation that balances the needs of all? Of course you do. And it is our job to look out for business on your behalf.

Looking out for your businesses is our most important job.

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### 2005 Nevada Legislature Bill Draft Request

By Paul Enos

Manager of Government Affairs

As of mid November, 795 bill draft requests, or BDRs, have been submitted to the Legislative Counsel Bureau to be written for introduction at the 2005 Session of the Nevada Legislature. The BDRs address a wide array of issues ranging from taxes to education to the Open Meeting Law. Incumbent Assembly members are allowed to introduce a total of 10 BDRs while incumbent Senators are allowed a total of 20 BDRs. Newly elected Assembly members are allowed only five BDRs and newly elected Senators are allowed 10 BDRs.

You can view this year's BDR list at <http://www.leg.state.nv.us/73rd/BDRList/>. Please be aware that the actual language for each measure is not available until the bill is formally introduced during the Legislative Session.

## • Seminars •

### January 2005

#### **NRF 2005 – Retail's BIG SHOW**

January 16 - 19, 2005

New York, NY

Contact: 800-673-4692 or

202-626-8194

#### **NACDS Regional Chain Conference**

January 27 - 30, 2005

Naples, FL

Contact: 703-549-3001

#### **Convenience Retailing Show 2005**

January 30 - February 2, 2005

Scottsdale, AZ

Contact: Tracy West @ [tracy.west2@btopenworld.com](mailto:tracy.west2@btopenworld.com)

[west2@btopenworld.com](mailto:west2@btopenworld.com)

### February 2005

#### **FMI Markettechnics® 2005**

February 13 - 15, 2005

Washington, DC

Contact: 202-452-8444

#### **FMI 2005 Loss Prevention Conference**

February 20 - 23, 2005

Kiawah Island, SC

Contact: 202-452-8444

### March 2005

#### **IHA International Home & Housewares Show**

March 20 - 22, 2005

Chicago, IL

Contact: [http://](http://www.housewares.org/ihshow)

[www.housewares.org/ihshow](http://www.housewares.org/ihshow)

### April 2005

#### **NACS State of the Industry Summit**

April 11 - 13, 2005

Chicago, IL

Contact: [http://](http://www.housewares.org/ihshow)

[www.housewares.org/ihshow](http://www.housewares.org/ihshow)

### Abbreviations

FMI • Food Marketing Institute

IHA • International Housewares Assn.

NACDS • National Association of Chain Drug Stores

NACS • Nat'l Assn. of Convenience Stores

NRF • National Retail Federation

## Retail Business is Show Business!

By Anne M. Obarski

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I never realized how much “theater” there is in retailing. It’s all about staging and casting the right people to create a show that brings back customers. Even after you’ve created the ideal stage, or shopping environment, you have to have employees who can deliver the play that will satisfy customers. So, if this is the future of retailing, here are some tips to help you “break a leg.”

Retail sales people are turning into task employees. With tight payrolls, employees are expected to do more than just wait on customers. Employees are expected to run the show.

### **The Actors:**

The hardest job for any director must be casting. They have to deal with egos, personalities and demands. So does any good store or human resource manager. Not only is it important to hire the best, it’s also important to train, train, train.

I am finding that more companies are abandoning their training departments and placing that responsibility on either a store or regional manager. But who trains the manager? You can’t be in a play unless you know the script. The same should be true in any business. All employees should know the following:

- The company mission and vision statement. What do you stand for?
- All company procedures and policies.
- The company non-negotiable rules. These are the things that all employees should be able to do, like specific ways to greet the customer, answer the phone, transfer a call or handle complaints. Employees should know when to call for a manager, when they can make their own decisions and when to improvise.
- Whatever your employees are trained to do, they should be able to pass a test on it and be held accountable for it.

I don’t know a person who goes to the theater and doesn’t come out saying to someone else, “Did you like it?” Most of the time, that question really refers to what the audience thought about the performance of the actors.

Were they able to draw you in, develop a relationship with you and make you feel like you truly knew them by

Broadway shows are mesmerizing. The props, the costumes, the orchestra, the set design all create the excitement that you go to the theater for. Retail stores are not much different. Fixtures, flooring, lighting and floor layout all contribute to the ambiance of the store. Customers expect that.

### **The Stage:**

the end of the play? Sometimes that means watching them change roles. That is what a good retail employee should be able to do.

In a recent sales management meeting, one of the store managers said when he is working with a customer, he makes sure that he never turns his back to the front of the store because he might miss a customer coming through the door. He added that when scheduling is tight, facing the entrance also helps him watch over the whole store and be more observant of possible shoplifters.

He was so right. This reflects a basic “staging” technique—whenever you’re on stage, your body should be facing the audience as much as possible at all times. The audience needs to have eye contact with you as well as hear you. True communication begins here.

Employees often have to greet customers while doing other tasks. They follow up with a customer while on the way to another duty. They polish mirrors, fold clothes, check fitting rooms, put out inventory, train new associates and yes, ring up sales. What is their performance like? Can you evaluate it?

All in all, did the employee make the audience feel special? The challenge for employees who have to multi-task is to make customers feel welcome, not like an interruption in the day.

The days of having a large staff in any business are gone, so it’s important to never turn your back on a customer, no matter how busy you are. Your audience is watching.

When was the last time you looked at your store as a stage? How is the lighting? Is it old and inadequate? What about the fixtures? Do they feature your merchandise or have they just become another place to store your stuff? Is there

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## Staging Your Business

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music playing in the store or is there dead silence? Have you really looked at who your customers are and then decided what music you should play in your store to attract them?

Look at everything in your store from the glass on the front door to the smell in the store to the staging within the store. Would you pay for front row seats or does it look like an afternoon matinee?

### **The Script:**

I have always wondered how actors can do the same play night after night and still make it look like it's opening night. I know they must be tired of saying the same lines over and over. But I bet if you talked to an actor, he or she would say that it's not the lines but the audience that makes it fresh every time.

So it is with people in any sales position. It's exciting the first day on the job. But each day has to be like opening night even when you don't feel like it. I am sure you can relate to the following story.

The other day I walked into a golf shop to look for a pair of shorts and was greeted by a man standing at the cash wrap with his arms folded in front of him. He looked like a statue. He said, "Hi how are you?" with about as much enthusiasm as someone who had just had a root canal.

I walked around the store, picked out a pair of shorts, tried them on and walked to the wrap desk. He never moved. It was amazing. He looked like a store prop. Luckily, a woman from the lady's area, Annette, saw me and suggested a top to go with the shorts I was buying. She then said, "Did you get a chance to see the new fall groups we got in? Well, you just HAVE to see them." And I followed her all around the clothing section like a puppy.

This entire time the other associate stayed planted in that one spot as other customers came and went. Annette

recognized another customer and caught his attention as he was walking out the door.

"Tell your wife we have two new Tahama groups that just came in," she said with a big smile. He said, "Thanks for letting me know. I'll send her in."

You see, Annette didn't have a script or canned questions to ask customers. She was able to build relationships and carry on conversations that made you want to spend time and eventually money with her. She also did something else. Through her sincere personality, she built trust.

I didn't spend very much money that day, but I have just shared this story with millions of readers who have had the same experience. There are sales associates who are merely on stage ready for the day to be over. Then there are the true "actors" who love their job and want to perform at their best, everyday, in front of every audience. You can bet I'll be back in Annette's "audience" many more times, and I'll be sure to tell everyone I know, "You have to go see Annette!"

What does your stage look like? Who are your actors? Are their scripts more than just memorized? Curtain going up! It's show time!

*Anne M. Obarski is Executive Director of Merchandise Concepts, a retail consulting service that works with organizations that want to measure their customer service with leaders who want more repeat business. She also heads "retail snoops," a secret shopper program that helps retailers discover the clues to improve their businesses through their customers' eyes. Reach her at [anne@merchandisecomcepts.com](mailto:anne@merchandisecomcepts.com).*

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***Meet with yourself for important work***—If you often run short of time for important work, the solution may lie in your daily planner. Time management specialists suggest scheduling a meeting—with yourself. Prepare as you would for any other meeting: Gather the information you need, tell people where you'll be, and ensure that you won't be interrupted except for an actual emergency. This approach will help you focus better and show people that you take your time seriously.

*Adapted from InnoVision Communication website*

***Knowledge builds more trust than listening skills***—Listening skills are your most important tool in gaining a prospect's trust, right? Not necessarily. According to new research, buyers say that the more a salesperson knows about his or her product, the more they tend to trust that person. So put your efforts into educating the sales force about your company's products and offerings, and customers will feel secure dealing with your salespeople.

*Adapted From "You just don't get it," by Emily Barker, in Inc. magazine*

*Source: Sales Management Report, 800-878-5331, [www.ragan.com](http://www.ragan.com)*

## Global Payments 1/4 page ad

### Important information for SIG members

The NRS governing self insured groups requires notifying members of all new members to the Group. New members for NRNSIG from October 27, 2004 to November 16, 2004, are listed below. For a complete member list, please call RAN at 775-882-1700. Please Note: Due to the many new members added each month to NRNSIG, we are unable to list all members on this page.

#### NRNSIG

|  |   |
|--|---|
| A-1 Rubber Stamp & Engraving, Inc.       | Park Avenue                                       |
| Berlyn Miller & Associates               | SK Properties LLC                                 |
| Big Brothers Big Sisters of Nevada, Inc. | Swifts Children's Critical Care Network of Nevada |
| Children's Emergency Medicine Network    | Swifts Medical Management Network                 |
| Gyford Productions LLC                   | Tahiti RV LLC                                     |
| J & S Security Doors Etc.                | The Magnolia Companies                            |
| KHMP LP CH 62                            |   |
| Knuckleheads Bar & Grill                 |   |
| M & M Rock                               |   |
| Medical Management & Billing Network     |   |
| National Auto Repair                     |   |

**NRNSIG** members who wish to register a negative vote on a new group member, please write NRNSIG at 810 E. Fifth Street, Suite A, Carson City, NV 89701, indicating which member and the reason(s) for the negative vote.

#### Membership Information

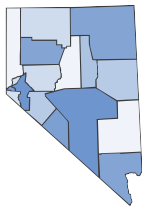
Find out more about RAN's self insured group.  
Call Willie Kerschner, 775-720-8125,  
or the RAN office at 775-882-1700  
(Toll-free in Nevada – 800-690-5959).  
Don't forget to check out our website, [www.RANNV.org](http://www.RANNV.org).

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## Negative Customers

*Research Demonstrates the Impact of Negative Customers on Service Delivery*

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If customer service is important in your business, then you'll be interested to know the findings of research conducted by Hwee Hoon Tan, from National University of Singapore. A good introduction to this work is to imagine two customer service settings.

The first is an ice cream store where people buy ice cream and related items. They come after a meal for a dessert treat or midday to reward a modest accomplishment. They come to socialize with friends. They come with positive moods expecting to enjoy a favorite food item in a comfortable setting.

The second is an airline ticket check-in counter. Long lines and long waits precede these customer service encounters. Just a glimpse of the line stirs panic. Couples begin to argue about the proper time they should have left for the airport. Feet and legs begin to ache and people glance at their watches and sound alerts to their families on cell phones. Maybe they'll complete their travel today, and maybe they won't. These customer are far different from the customers ordering ice cream.

In an effort to control service quality, managers often decide exactly what they want their people to say and do. They write scripts that include greetings, making eye contact, smiling, being attentive and pleasant, and thanking customers. Usually, these scripts are one size fits all—the basic script doesn't change as customers change. The cheerful, ice cream type of customer would hear the same speech as the snarly airline ticket customer.

Professor Tan doubted that widely varying customers would react positively to the same speech, and he doubted that customer service personnel would be able to consistently follow their scripts and be unaffected by the customers they encountered.

Tan sent trained observers into fast food restaurants. They carefully watched customer service clerks and recorded both verbal and non-verbal aspects of their behavior. Other researchers waiting outside caught customers as they emerged and asked them to complete surveys that would reveal their mood and their satisfaction with customer service. Then

they matched the two sets of data—their observations of the service provider, and the results of their survey, revealing qualities of the customer and the customer's satisfaction with service.

Tan found that the behavior of the clerks varied widely and was strongly influenced by the mood of the customer. If the customer was in a good mood, then the counter clerk often gave friendly, prompt service. But the satisfaction of these good-mood customers didn't depend upon it. Even if a clerk failed to give good service, these customers were still happy with the service they received.

The situation was very different with negative customers. Without realizing it, clerks generally gave much poorer service to customers who were negative, and their service ratings reflected it. But when customer service clerks displayed positive behaviors, smiling, greeting, making eye contact, being attentive and pleasant, and thanking people, then these customers rated service much higher. Customers' service ratings were entirely dependent upon the friendly, positive quality of service they received.

Tan has these recommendations: develop three kinds of scripts that match customer moods: happy, neutral, and negative; train service personnel to recognize customer moods and to match prepared scripts with these moods; and train customer service clerks to recognize the impact of customer emotions and to control themselves so that they are not "infected" by customers' negative moods.

Tan's findings also suggest the value of preparing customers before they interact with our employees.

Managers could identify places where customers wait and install bulletin boards that display jokes. Imagine a long partition at an airport with the comic panels from an entire Calvin and Hobbes book posted along the length of the line. People progressing through the line could read the collection and be smiling when they reached the clerk. Businesses could also include jokes on their telephone systems to amuse customers as they wait on hold.

Reference: Tan, Hwee Hoon, Maw Der Foo, and Min Hui Kwek (2004) "The Effects of Customer Personality Traits on the Display of Positive Emotions." *Academy of Management Journal*, 47 (2), 287-296.  
C 2004 Management Resources

# Capitol Watch



**Fed pushes anti-drug plan**—The federal government would like the states to help them fight the illegal drug trafficking of over-the-counter (OTC) drugs used to produce methamphetamine by creating stronger laws that would remove OTCs from store shelves. Federal officials are pushing states to adopt laws similar to the Oklahoma law that prohibits all but licensed pharmacists or pharmacy technicians from selling products containing non-prescription pseudoephedrine, an ingredient used in common cold medications that is used to make meth.

Other proposals include establishing programs to monitor prescription drug sales that would aid in catching

people who use multiple prescriptions to get narcotic painkillers, like Oxycontin, and asking for local police and federal law enforcement officers to target operators and promoters of “raves,” the underground electronic music parties that have been linked to use of Ecstasy, a powerful neurotoxin that can result in brain damage with continued use.

The federal plan also calls for legislation that would make selling imitation controlled substances a federal crime and for federal authority to pursue laws that would give them power to regulate the sale and import of bulk chemicals that can be turned into drugs sold illegally.

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# Nevada News

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## Retail Association of Nevada

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