

The Music Trades

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A Completely Different Way To **SELL PIANOS**

Instead of endless sales and steep discounts, Capital Music Center of Austin relies on a unique group lesson plan to attract customers and move instruments. In addition to expanding the market, the strategy is the best recession hedge yet.

Why does Capital Music Center prominently display a 1930s-era Royal typewriter in its showroom? It's a visual metaphor for a quaint, antiquated tool that has been replaced by something infinitely more valuable to 21st century civilization. Now observing the Austin, Texas, store's 20th anniversary, owners Ron Edelman and Cherrie Drutz and Store Manager Britt Cawthon have transformed some very pointed theories about teaching piano into an innovative approach to *selling* pianos and expanding the store's consumer base for today and years to come.

Many music retailers know, or are now discovering, that store education programs can be a powerful key to increased traffic and sales. Capital Music Center built its business on this precept, but over the years its teaching program has evolved into a bold and perhaps unique model for success.

The exclusive authorized Roland Contemporary Keyboards Dealer for the Austin-Metro area, Capital's focus is

on Roland digital pianos and keyboards, Roland Music Tutor educational modules, and music software. The few pre-owned acoustic pianos are displayed primarily to be compared with the digitals. Edelman and his team are the strongest possible advocates for the educational capabilities of digital pianos in general, and Roland's Music Tutor in particular.

"Nobody would take up the clarinet or trumpet and practice it for three years before they decided to join a band. *The fun is when people play together!*"

Edelman explains, "Playing an acoustic piano isn't interactive; playing Roland's pianos with Music Tutor is. It's almost like the difference between typewriters and computers: A typewriter doesn't teach you how to do anything; it doesn't even teach you how to type. But a computer is a tool that can teach you all kinds of things. Roland's Music Tutor

teaches you how to play piano, and it teaches you a lot about music."

Capital teaches about 460 students per week in its five in-store lesson studios and at three after-school programs. Roughly 80 students are age four to six, and about 40 are 60 and older. Most adults take lessons during the day, while children pack the place immediately after school lets out. All students are required to have a piano at home with fully weighted hammer action, preferably a digital, and the store's teachers specifically recommend a Roland digital piano.

Like Capital's in-store teachers are all employees (versus independent contractors) and are paid salary and benefits. All are trained to use the same basic approach, and all use Music Tutor.

Among Music Tutor's most attractive features is its accommodation of fun, engaging accompaniment tracks such as *Indiana Jones*, *Star Wars*, and *Harry Potter*. "Yes, it's at a very beginning level," Edelman admits, "but the students get to hear their part in context with the other instruments. It's like a beginning band student being accompa-



Sale in process. 460 students per week provide Capital Music Center in Austin a predictable combination of cash flow and instrument sales.

Photo by Britt Cawthon

nied by the Austin Symphony. It's very inspiring." Capital Music has also been writing its own MIDI accompaniment tracks using Roland Music Tutor for nearly 20 years.

Edelman concedes that some customers do comment on the store's emphasis of Roland brand and absence of cheap entry-level instruments. "Our entry-level product isn't a cheap piano," he says, "it's a lesson. There are a number of very nice entry-level pianos on the market, but Roland's pianos with Music Tutor help you learn to play any brand of piano—a Yamaha, a Kawai, a Steinway—not just one with easy-play features."

Cawthon notes that a digital piano's option of playing through headphones helps preserve peace in the student's home by allowing other family members to do homework, watch television, etc. It also gives shy, self-conscious students the space they need to improve

without having others hear their mistakes.

Another controversial aspect of Capital Music's modus operandi is its emphasis on group lessons. Edelman and his team have seen from years of experience that learning with friends is more fun, kids gain confidence playing in front of people, and kids feel they have to practice to keep up with the group.

Edelman believes that the fundamental flaw in conventional piano education is that the student doesn't get a musical experience from the very beginning. Playing along with Music Tutor's MIDI tracks of everything from a symphony orchestra to a rock band provides some of that experience, making practicing much more enjoyable and instilling an appreciation for music in general and playing piano in particular. But the social aspect of learning to play an instrument, which Capital's staff holds to be essential especially for young stu-

dents, has less to do with the instrument than with teaching methodology. "Nobody would take up the clarinet—or trumpet, or French horn—and practice it for three years before they decided to join a band," declares Edelman, who says he was an All State trumpet player but hated taking piano lessons "the old way."

"To someone trained in music, beginning band sounds terrible," he continues. "But to the band students it sounds great, and it's fun because there are a bunch of people playing together."

Capital's youngest students begin with parent-child classes. "Those kids become the best music students we could hope for," says Edelman. Group lessons are offered to students between four and six years old. Beyond that age they join class lessons, where they're all playing at the same time, "just like in a band."

Edelman backs up Capital Music's

RETAILER PROFILE



Capital Music Center staff (l-r) Ron Edelman, president; Jessie England; Todd Becker; Valerie Kremer; Britt Cawthon, manager; Catherine Davis, director of education; and Giuseppe Ponti.

focus on class lessons with a simple observation: “There are many more trumpet players and clarinetists in the state of Texas—and probably in every state—than there are piano players. And many of those horn players didn’t take private lessons.” He also points out that many college music ed majors get piano proficiency by attending piano class, 16 to 20 students at a time.

Capital Music Center’s summer piano camps help students taking lessons in after-school programs remain engaged and retain what they’ve learned over the summer. Accommodating four to eight students, each camp meets for two hours, three days per week for the student’s choice of one or two weeks. The music taught at each camp follows a theme. 2008 camp themes included *High School Musical*, the Beatles, videogames such as *Guitar Hero* and *Super Mario Brothers*, classical composers, and “Down With Disney.” “We have to make playing piano as much fun as Scouts, soccer, karate, and all the

other activities that occupy kids lives,” says Cawthon. “If we can keep them from losing interest and quitting, we’re creating our future customers.”

Capital Music Center teachers all have music degrees, but in accordance with the store’s unique education program

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they are atypical for their background. Instead of private piano teachers Edelman hires former choir directors, band directors, and elementary school teachers for their aptitude in working

with groups. Edelman insists he has nothing but respect for traditional private piano teachers, but suggests that their calling is different from the one Capital Music is pursuing. “Our goal isn’t to turn our students into little pianists. In terms of increasing the number of people playing the instrument, to a large degree that approach has failed for years. Our goal is to teach our students music—and to appreciate playing music—on a piano. If we want to sell more pianos, we have to change the way we teach piano.”

Citing *Music Trades* statistics off the tops of their heads, Edelman and Cawthon suggest that this change is the responsibility, and clearly in the best interest, of piano retailers. “In 1978 there were 270,000 acoustic vertical pianos sold in the U.S.,” notes Edelman. “In 2007 that number was down to 31,000. If we keep using the same approach to piano education, those figures are not going to get any better. Even if you add in the digitals, the totals



A 1930s-era Royal typewriter displayed with a standalone version of Roland's Music Tutor symbolizes tools of the past and future.

are still going down.”

“But there were 1.5 million electronic keyboards selling for less than \$200,” Cawthon continues. “Whether we want to admit it or not, piano retailers are losing out to cheap electronic keyboards. Are even 10% of those [\$200 keyboard] consumers getting lessons on that keyboard? Are they learning to play by osmosis? Chances are, it’s getting stuffed into a closet or the basement, and that really has to be hurting our industry.”

Capital’s management has responded with a highly effective rent-to-own program, and its salespeople present a very compelling argument to parents tempted to buy these cheap instruments, typically from a mass merchant, for their children. “For parents attracted to the \$199 electric piano ‘deal,’” says Cawthon, “we point out that if their child quits in six months, they’ll actually be out more than \$400. That’s the real total counting the stand, bench, and power supply that some of Roland’s

major competitors don’t include. If their child is successful and wants to keep playing, they’re still out \$400 because the instrument won’t be worth anything on trade. We compare those scenarios with our rent-to-own program. At \$39 per month for four months, if the child quits they’re only out \$160. If the child continues, they can apply the \$160 to any instrument we sell.”

About 80% of the students taking lessons in the store purchase a piano at the end of the four-month rental period. Edelman attributes that high success rate, in part, to having regular contact with the students’ parents, who come into the store, have a cup of coffee, read or work on their laptops while waiting for their child. Many of them “fiddle around with the pianos with headphones,” which sometimes leads to their becoming students. Capital Music also has a Music Tutor rental program for outside piano teachers. Because these situations don’t provide regular contact with the students’ parents, the purchase

rate is “only” about 60%.

Edelman, Drutz, and Cawthon are deeply committed to Capital Music’s digital piano/class piano strategy. In addition to being very rewarding to the store’s thousands of students, in recent years it has been key to the store’s financial viability. And like the computer versus the old manual typewriter displayed side-by-side with a Roland Music Tutor in Capital’s showroom, Edelman sees this approach as the future of piano retailing. “The percentage of people who play piano in this country is really kind of pathetic,” he says. “Just making more pianos doesn’t expand the market. It’s time for piano dealers to start creating the need for making music on the piano. Look at the guitar industry; it’s exploding. We need to stop teaching piano like we want every student to become a professional pianist. If piano dealers want to increase their business, they have to take control of their education programs. We think we’ve found a great way to do that.”