



# The Raphael Report

**Observations on marketing,  
advertising, sales and  
promotions  
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## **The Wisdom of Stanley Marcus**

*“When a business devotes more time and attention to customers and products, the customers come back and the goods don’t.” - Stanley Marcus*

We met Stanley Marcus in Dallas, Texas on June 27, 1995.

We had long admired his writings and his promotions for Neiman-Marcus and were anxious to talk with him on his ideas for business success.

At the time, he was 90 years old and Emeritus Chairman of the Neiman- Marcus specialty stores and had turned over the day-to-day management to his son Richard. He continued an active life speaking to business conventions and consulting for major companies with interest and enthusiasm until his death on January 23, 2002. His son Richard said, “Just last week he and I were talking about taking on a new client.”

We discussed his ideas on business and I reminded him of his prophecy of the future of retailing when he spoke at the dedication for the College of Business at Indiana University in 1966. He said, “In the future the customer will be able to call their favorite local or out of town store on the phone and see the articles over a monitor that will interest them right in the comfort of their own living rooms. Stores will provide shopping guides to enable the shopper to make buying decisions with the same assurance two miles or 2,000 miles away from the selling floor.” -- A prophecy of the growth of e-retailing today.

He gave us his insights on business that we share with you today from that meeting and selections from a book of his weekly columns he wrote for the Dallas Morning News. Here they are for your guidance for your future decision making for your business.

### **On Creating Your Own Image**

“Most of today's stores are dull, unattractive, out of date and not fun. They need to be reinvented. There's too much standardization. You can blindfold a woman, drop her by parachute into a shopping center, take off her blindfold and she couldn't tell you if she's in Indianapolis or Minneapolis. The merchandise on display will apt to be the same. I once said in a speech that I was fully expecting to read a newspaper headline saying, ‘Prominent Socialite Found Dead In Shopping Center. Authorities Claim She Was Bored To Death.’”

### **Definition of a Good Merchant**

“The best summation of the job of a merchant I've ever come across I read in a trade publication, ‘The Housewares Review’ in December 1954. It said, ‘The business of merchandising is a subtle thing. A merchant need not only be a salesman but he must also be a psychologist, sociologist, diplomat, politician as well as a designer and artist. He has the knack for creating excitement around the most prosaic merchandise. He knows the meaning and, above all, practices the art of good fellowship both in his business and his

community. Most important, he knows his business reflects the desires of his customers. So he makes sure they get what they want.”

## **The Importance of Humor In Business**

“Eighty chief executive officers were asked, ‘Have you found younger executives with MBA degrees have a greater or lesser sense of humor?’ The vast majority said ‘lesser.’

Part of the blame lies with business schools. Although MBA's see themselves as the best and brightest, a growing number of corporate managers look on them as arrogant amateurs trained only in figures and lacking experience in the handling of people. Success in any field depends on influencing others and wit is still one of the best tools around to do that

## **On Creative Thinking**

“I know a man who has a job that requires creative thinking but who has a tiny office. In a space no longer or wider than a tall man, he crowds a desk, swivel chair, bookcases, two file cabinets and a fifty gallon aquarium. Every time I see him, everything in the tiny room is completely rearranged. In over a year, I have yet to see him duplicate a pattern.

Finally my curiosity got the better of me and I asked him why he kept changing things. “It helps my thinking,” he explained. “When I look at the same old things, I think the same old thoughts, but when the furniture is changed, my thinking changes.”

In the retail business the habit to rearrange merchandise stimulates the sales staff and customers. Merchandise that was old suddenly takes on a new look when placed in a fresh location.”

## **What's In A Name**

“The trend is back to the use of the owner's name. A friend made a sound decision by naming the business after herself. In this day of impersonalized conglomerates, it's a good way for the smaller business to signal to its potential customers that is has an owner who is willing to provide them with a maximum of personal service, before and after the sale.”

## **The Art Of Selling.**

“If what a salesperson does is hand the customer the exact article requested, that is not selling, that is order filling. It can be done by a vending machine more efficiently and vending machines do not chew gum or have bad breath.

“The art of selling requires imagination to visualize the customer's needs and requirements, to exhibit a knowledge of the goods available for sale and enthusiasm for products being sold. A professional salesperson has an understanding of the prospective buyer and how the quality of happiness can be projected by a smile, by body language, by a tone of the voice.”