

## The save \$\$\$, free tune-up myth, and other retail frustrations that make life interesting

This probably isn't the best place to vent my frustrations as a retailer; the books and consultants tell you that you only want your customers to believe that everything is wonderful and there's nothing you'd rather do than open the doors at 11am and happily count the drawer when you close. And over 31 years of doing this, more often than not, that's been true. But-

What got me going on this was a call from a "Yelp" salesperson, trying to convince me to spend a lot of \$\$\$ to promote our shop on their site. Basically, if you typed in "bicycles" and "Redwood City" you'd get the relevant shops with reviews, but at the top of the listings would be one that someone paid to put there, and it would just happen to feature a 5\* "review". So while she's on the phone I start checking things out, and it quickly becomes clear that Chain Reaction isn't playing the game. We're not submitting bogus reviews or telling customers who like us to say nice things about us.

The first part, writing bogus reviews, is simply wrong. We had a former employee post one about us, a ridiculously-glowing 5\* testimonial that just reeked, and it didn't take long to figure out who did it. He, as they say, is no longer with the company, and the post was removed immediately.

But the second part, asking customers to say nice things about us... well, I'm sheepish about doing such things, but that really doesn't cross over an ethical line. Well, for me, it does, but in the new world order, it's apparent that my ethical line, the line that must be drawn here, this far, no farther, is in need of repositioning.

Another area that may test my ethical boundary lines involves pricing. I've visited a number of shops and the general practice is to artificially inflate the asking price and either claim it's on sale for what you would normally sell it for, or allow the customer to bargain down the price to the "normal" level. We get seriously stung by this one, because we have a price on the bike and that's the price it goes for, no ifs ands or buts. It's a fair price, it's considerably lower than what the manufacturer (Trek, in our case) lists on their website, and it's the final price. We see it as our first responsibility to make sure we earn that price (meaning that we help the customer choose the appropriate style of bike, fit him or her correctly, and take care of it down the road... it's not just them handing us their credit card and we hand them a bike)! We could sell a lot more bikes if we had them listed for a higher price and made deals. And then what about the people like me, who don't want to haggle, they just want an assurance they're not being taken advantage of? In many cases, our best customers. They trust us. So we should charge them, our best customers, more for the bike because they don't haggle?

The latest wrinkle involves "free tune-ups", a popular near-scam being promoted by various shops. Buy a \$400 bike and get free "tune-ups" forever. What's happening is that people have seriously distorted the meaning of "tune-up" such that it usually doesn't cover what the bike actually needs, and there are extra charges for things like wheel truing. And if there aren't, you leave the bike and get it back in pretty much the same condition. We hear these stories; we get the customer's next bike sale, but we lose that first one because they thought they were getting something valuable for free. What we have always offered with our bikes are free minor adjustments forever. We do these on the spot, tweaking brakes or derailleurs or possibly even minor wheel truing, and get them back on their bike. Fast. Done well. And what I can do in 5 minutes is probably better than mechanics at some shops do in half an hour. It's not just spending time on the bike, it's figuring out what needs attention. So do we solve this issue by re-naming our free minor adjustments "tune ups"? I don't want to, but my hesitation to change costs us business.

We've got a very good staff, we aren't perfect but if something isn't quite right we are the place that will bend over backward to fix things. We own up to our mistakes and avoid hyperbole. But these days, that's not enough, and I owe it to our employees and customers and potential customers to learn to play the game and not let our business erode, business that would be picked up by shops that wouldn't take care of their customers as well as we do. But please don't read into this that we're the only decent shop around. Far from it. We are fortunate to live in an area with a number of very good bike shops, shops I'm even willing to name. Bicycle Outfitter. Palo Alto Bicycles. Calmar. Talbots. Good people running those shops, extremely ethical, people who understand the importance of advocacy and each even offered to help out when we were having some serious issues with my son's kidneys and I had to be away from the shop for a while. But there's no question that the good shops, those who will be there for you through thick

& thin, are fighting some of the same challenges we are. Ten years from now, I hope we can look back and say things worked out well for us.

This post is a perfect example of my biggest problem. You need to give people something cheap or free and do it in 15 seconds or less. If you have to take the time to explain to someone why they should buy here instead of there, you've already lost them. Look at how long this post is. If you managed to hang on this long, then maybe there's hope. Not for you. For me. :-)

--Mike Jacoubowsky,  
Partner, Chain Reaction Bicycles