

# HMAVIEWPOINT

## Yesterday and today ... What will tomorrow bring?



**Bill Jeric**  
Vice President  
HRP Distributing Inc.

**T**here is little doubt that the model/hobby industry has experienced a seismic shift in value chain, business practices and competitive threats. Let's review some of these:

**Yesterday:** Most successful retailers purchased the majority of their inventory from local, regional or national wholesale distributors. Only mega-stores could hope to buy direct from a manufacturer.

**Today:** Retailers are empowered (or in some cases encouraged) to purchase directly from manufacturers without the need for a "wholesaler." Many savvy retailers purchase goods directly from Chinese outlets such as Alibaba, Banggood and others.

**Yesterday:** Retailers depended on their distributors and print media outlets for news about new product releases.

**Today:** Websites and social media are used to launch most new products or introduce new trends. In many cases, consumers are better informed than retailers.

**Yesterday:** Trade shows were an important marketing tool utilized by manufacturers to introduce new products to the public or perform market research on existing products.

**Today:** With some notable exceptions, consumer trade shows are struggling to maintain relevance in the new "instant information is king" society.

**Yesterday:** The main competitive threat to bricks and mortar hobby shops was "mail order."

**Today:** Online retailers can ship product anywhere in the world in a few days.

**Yesterday:** Consumers visited brick and mortar stores to purchase products.

**Today:** Consumers visit retailers for the "experience" and consult their devices for the lowest online selling price, often by simply scanning the bar code or entering the part number in an online search engine.

What do you identify as the primary competitive threats to your business? Wouldn't it be helpful to have productive conversations with others in your industry space to discuss items of mutual interest?

Watching the ways that members of other industries network and collaborate for the greater good makes me wonder why it's so difficult for our industry to move forward as a cohesive force. Is it the fact that the hobby industry is primarily comprised of small, entrepreneurial, independent businesses?

I don't know the answer but I do know for sure that it's a problem. But it's someone else's problem, right? We all are so busy trying to survive, how can there be any time left to attempt to make things better for all of us?

One thing is evident: If we all sit around waiting for someone else to grab the ball and run we will end up as spectators instead of participants. Get out of your comfort zone. Visit other stores for some fresh ideas. Network with other store owners or NRHSA members. Consider serving your fellow manufacturers (HMA) or retailers (NRHSA). Take some of that survival instinct energy and put it to use for everyone's benefit and, in the long term, the entire industry will benefit. **HM**



### Hobby Manufacturers Association

1410 East Erie Avenue, Philadelphia, PA 19124 • Phone: 267-341-1604  
E-mail: [heather.stoltzfus@hmahobby.org](mailto:heather.stoltzfus@hmahobby.org) • Web: [www.hmahobby.org](http://www.hmahobby.org)