

Reader Profile

Years in Operation

0-9	31.0%	30-39	11.1%
10-19	24.0%	40-49	5.2%
20-29	21.1%	50+	7.6%

Average = 20.7 years

Compared to last year, this year showed an increase of 5 percent in the "In business less than 10 years" category, and a 6 percent decrease in the "In business 10-20 years" category compared to the previous year. Four readers responded that their store had been in business more than 100 years. One respondent said they had been in operation 168 years, opening in 1838.

2005 Annual Gross Sales

Less than \$40,000	13.2%
\$40,000-\$99,999	14.6%
\$100,000-\$199,999	14.8%
\$200,000-\$499,999	20.6%
\$500,000-\$999,999	15.3%
\$1,000,000-\$1,999,999	11.7%
\$2,000,000+	9.8%

Average=\$886,752

Sales figures reported were mostly level compared to last year, except for the \$2 million+ category, where there was a 4 percent increase. This also upped the average annual gross sales by 38 percent, up from just over a half a million in 2004 to nearly \$900,000 in 2005. While respondents told us some sales were stagnant in 2005, 70 percent felt they would see an increase in 2006. Of those, nearly one fourth are planning for at least a \$100,000 increase in gross sales.

Number of Employees



4.5 full-time employees



3.8 part-time employees

Readers who responded to the survey had an average of 4.5 full-time employees and 3.8 part-time employees. That's up one full body in both categories over 2004. On the low end, the majority of respondents (149 or a little less than a third) indicated they had only one full-time employee. The highest number of employees reported was 120, with two retailers indicating that they had that large of a staff.

Internet Presence

42 percent of respondents indicated they had launched a Web site for their store in the past five years. How did they do it?

Hired a professional to do the job.....	39%
Did part of it themselves but hired a pro to implement it.....	25%
Did the entire project on their own	36%

A full two-thirds of respondents said they plan to expand their Web site in the coming five years.

Newsletters Increase

14 percent of respondents indicated they send customers a newsletter, compared to 10 percent in 2004. Sending newsletters via email may be the reason for most of the increase, as 43 percent of those who send newsletters do so through email, with the remaining 57 percent printing and mailing their store newsletter.

Getting the Word Out

What is the most effective method of advertising for your store? (respondents could choose more than one answer).

Word of Mouth.....	62.7%
Newspaper	22.4%
Radio	18.2%
Direct Mail.....	17.6%
Horse Shows	17.2%
Store Web Site.....	9.4%
Magazines.....	7.1%
Billboards	4.8%
Email.....	4.6%
Television	4.0%

Keeping Track

The number of readers surveyed who are using an automated inventory control system is up a full 10 percent since the last time we asked the question two years ago. Nearly a third, (32%), now say they use an automated system, compared to the 22 percent reported in the 2003 State of the Market Report. These are the top 10 systems that retailers surveyed are using:

1. Quickbooks
2. Retail Pro
3. Activant
4. The General Store
5. Quicksell POS
6. Quicken
7. Cam Data
8. Keystroke
9. Retail Solutions
10. Microbiz Retailer