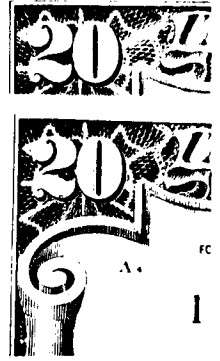


The Christmas Apple Report
By Charles Eicher

Well, I hope you're ready for the biggest Apple//c sales campaign ever. We sell for less than any other dealer in town, and we own the market! Nobody will sell the volume we do. There's a lot of money coming in to the store and to YOU. You probably have enough sales now to get some of these great things:



There are 3 main spiff programs, Mac, //c, and Scribe. Apple never expected we would sell at this volume, so the awards are within easy reach! I have myself already won an apple //c. Here are the actual prizes:

- 5 Scribes sold.....\$100
- 10 Apple//c sold.....A calculator
- 20.....An Apple//c
- 30.....\$500
- 40.....\$500 & an Apple Monitor
- 50.....Start again with a calculator

- 10 Macintosh sold.....A key chain
 - 20.....\$300 and gloves
 - 30.....\$500 and sunglasses
- There are chances to win a Porsche for a year for each 10 Macs sold but the odds are impossible to calculate.

There is a different form for each spiff, use ONLY the forms from this report, some invalid spiff forms are circulating. You will have to collect the Dealer Copy of the Warranty Form for each Apple//c you sell. If you don't have all of them, xerox a warranty form, fill it in and mark it DUPLICATE. All spiffs require legible copies of the receipt, with serial numbers. Scribe and Macintosh spiffs do not require warranty forms. When the forms are complete, you will need signatures from your manager, Tina (our Apple Rep), and then mail them to Apple.

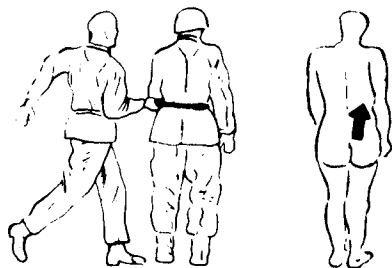
If you don't pull the warranty forms out of the box before the sale, it will cost you time and slow down the sale.

When your apples arrive, immediately open them and remove the warranty cards. Open the printed side of the cardboard box, then you won't have to rip everything open. The styrofoam box has the warranty card under the manuals.

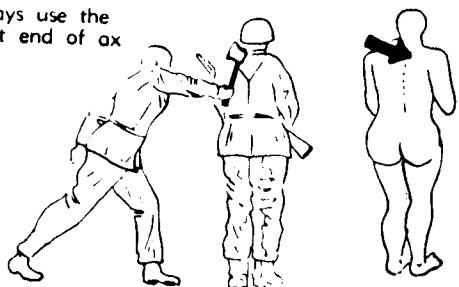
Put everything back together and write up receipts for the apple and monitor, WITH SERIAL NUMBERS. Leave the receipt open so you can add peripherals.

During the day you will be inundated with questions about the //c. Phone calls about the ads will waste your time. Try to keep it short; answer a few basic questions and then try to get them in the store. You won't make a buck answering the phones! I answered a technical support phone call for 10 minutes, and when I was done, Richard had just finished writing up his 3rd apple. KEEP ON THE FLOOR!

How to Close



Always use the blunt end of ax



Prospect through those customers. Keep out there on the floor and hunt for that money. The customer will usually 'land' at the apple after browsing. Sometimes you can trial close immediately. If you get a positive response, close the deal. I figure about 10-20% of all my sales were there for price only, some drove quite a distance to buy. Apple promised that the selling cycle would be very short. You can often sell an apple in under 5 minutes this way.

I hope you have Apple's point-of-sale displays. The boxes are a valuable prop, you can show most features of the Apple from the box. The red counter-cards are useful, especially the one showing what's in the Apple box. You can point out the training disks, the RF

modulator, and other junk. Use the christmas brochures and make sure you have lots of the large red //c brochures

Try keeping several customers stacked up. One can be using the automatic demos, another can be looking at his coupons for peripherals and software, while you're writing up another. We have 2 apples on our floor for this, one with a color monitor and one bundle with a printer.

As you write up the sale (remember you filled out the system and the serial numbers earlier), you should have time for add on sales. Give the customer the coupon book. The coupons make it easy to talk up sales (especially the Scribe). Try to show add-ons together, the mouse and the printer are good for this. There is a nice bundle of a mouse, Bank street Writer, and Dollars and Sense. All these packages use the mouse. For the cost of the 2 programs, the mouse is included free.

The Sales Cycle

Make the customer do all your spiffs for you! Have the customer fill out the warranty form. Take their name right off the form onto the receipt. Keep the yellow copy for your spiffs and give the rest back. Push the customer out by taking his system to his car. Other customers are seeing YOU moving apples!

By now, there are other customers you have stacked that are ready for attention. Some are readier to close than others, start prospecting again.

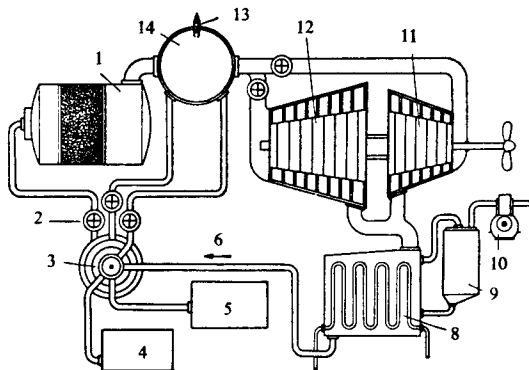
Be prepared to meet a lot of comparison shoppers, or people with lists of every store in town's prices. Just remember, we pay over \$100 less on each apple system than the nearest competition. The lowest you need to go is \$100 under their deal. You CAN'T LOSE any deal on price!

There are also a few deals you will have to sell against. Many people will ask about Commodore, Atari, Adam, or other toy computers. Most of these people thought the //c was totally out of reach, even current Apple national advertising shows only a //c with monitor for "Under \$1800." You can probably convert about half these people once they understand how much better the //c is

You will have to learn to demonstrate and sell Apples and the accessories quickly. You will have to manage the demonstration area and keep the disks available. This may be difficult with thousands of demos but it pays off.

Make sure you have these materials:

The *Apple at Work* disk and *Introducing Apple* disk, Mouse and Mousepaint, Scribe Printer. These disks are in every Apple//c and mouse.



How the Apple //c works

The *Apple at Work* is good for people asking questions about programs like word processing. People are usually impressed with this program and how much they learn in a short time.

You must be able to show the Scribe printer quickly. Turn on the printer holding down the LINE FEED button to self test the Scribe. For better results, try holding down both the LF and the LETTER buttons. This gives letter quality self testing. To make the print a much better looking, find some slightly glossy paper, like the paper from Ink Jet printers. Avoid rough paper.

Demonstrate *Mousepaint* with the printer. Get the customer involved drawing with the mouse. Use the pull-down menus to print the picture. Its in the menu under FILE. When it asks you for the slot number, type 1. There is a secret picture in the *Mousepaint* disk. Under the FILE menu you can load a picture named MOUSE.PIC. Print this on the Scribe with glossy paper and you'll sell lots of scribes.

I also like the CBS educational software with the plastic keyboard overlays. These get all the senses involved. its a fun game. the plastic keyboard is fun. and it even smells like a new car! Show this on a color monitor and you will have a crowd!

You should leave the *Introducing Apple* disk in the machine most of the time. It is especially good at attracting browsers. Show this program to kids, novices, or people who are afraid to touch the computer. There is a secret "dealer mode" to this program. When you see the picture of the keyboard coming down the screen, type Control-D. You can now put the store name into the demo.

The Competition:

It is rumored that Computique is matching our //c prices, if the customer will buy lots of peripherals. They have low advertised prices on modems, printers, etc. If you have a customer mention these prices, match them. Try keeping your points up by meeting the price in part with the rebate coupons.

Other apple dealers are apparently not moving ANY APPLES! Remember that it costs CompuSlime Discount Cheapware \$855 for each apple they sell. It costs us \$750. They'd lose a buck on every apple sold at that price. Some stores were claiming they were out of stock, probably hoping for stability after the "week long" sale was over. Most advertisements have totally stopped quoting prices. The lowest price I have seen lately was \$950.

Remember: Keep the sales cycle short! You don't have time for lengthy demos or questions.

Remember: An Apple//c bundle at \$854 is 12 points. A bundle and a scribe is 23 points! An Apple//c bundle is \$8 commission. A bundle and a scribe is \$20 commission and \$20 cash.

Remember: Sell add-ons! It should be easy to get sales up to \$2000 on an apple with peripherals.

Remember: be prepared with your own bundles. Try selling the mouse with the scribe. Sell Appleworks and the Brother HR-15. Practice some quick demos for these packages.

Remember: Stress education, not games for families. Often mom and dad think the kids will waste time with games.

Remember: Apple demos should do two major things: They should be quick or automatic. They should get the customer involved, using the machine.

Special thanks to the IBM sales award program for their generous gift of an IBM PCjr. Without their help this Apple report would not have been possible.

The Golden Age of Computer Sales surely must have been Christmas 1984. The Macintosh had just been released, Compaq and IBM offered powerful new CPUs, but the real action was a massive Christmas sales battle between the Apple//c and the IBM PCjr. I remember it well, I was working at ComputerLand in Los Angeles, and I was at the very center of the battle.

The '84 christmas season would be an inversion of our usual high-end sales efforts. Professional computers from IBM and Compaq were too expensive for the seasonal retail market, and the Macintosh was too new and little software was available. ComputerLand was always intensely busy in December, handling christmas shoppers as well as large corporate customers who had to spend their budgets before December 31. Amidst all this flurry of year-end sales activity, Apple and IBM decided to fight it out in the low end consumer market.

The Apple//c was a pretty darn good computer. It was inexpensive, with nice peripherals including a mouse, which had just made its debut on the Macintosh. The //c and the Mac casings were produced by Frog Design, so consumers got some of the cachet of the Mac even if they could only afford a //c.

IBM's competition was a notorious flop, the PCjr. It had just been revamped, the "chiclet" keyboard was replaced with a better model, an inexpensive (but blurry) color monitor was standard. Microsoft produced a "sidecar" with extra memory and a Mouse, and bundled it with primitive apps like PCPaint and PFS:Write. Some of the PCjr's programs came on ROM cartridges since there was only 1 floppy disk drive, with no room for both programs *and* data. Naturally, the Apple//c outsold the PCjr. about 10 to 1. Despite IBM's renewed sales push, the PCjr was dying. It was made specifically with the intention of eroding Apple's lucrative consumer market. IBM desperately wanted to damage Apple by killing their lucrative Apple II cash cow, at a time when investment in the new Macintosh was a heavy drain on Apple's financial resources (and let's not even mention the Lisa debacle).

Apple did one really brilliant thing, they worked with Frog Design and their ad agency Chiat Day to produce a most excellent point-of-sale retail experience, foreshadowing today's Apple Stores. And my store in Studio City was a showpiece. Apple produced glossy 4-color packaging for the //c, it had all the sales information written right on the box. We received dozens of empty boxes and we folded them all up and it looked like we had hundreds of computers on display, it reminded me of Andy Warhol's Brillo box sculptures. Apple claimed that all you had to do to sell the //c was put one of the dummy boxes in the customer's hand, get them to a demo station, or do anything to get them to touch the product, and they'd fall all over themselves to hand you money. It worked.

Even better for us salesmen, ComputerLand pulled a trick unheard of in the LA computer market: we negotiated a mass purchase deal so our cost for the //c was \$100 lower than any other store in town. We sold the //c at a price \$1 less than other dealers' wholesale cost, we had a lock on the //c market because our competitors had to sell at a loss to match our prices. But the ComputerLand salesmen wouldn't go for it, they thought the //c was a huge waste of time. The profit on a //c was only \$99 and the sales commission was \$8, and nobody wanted to waste time with a sale that would net you \$8 when the phone was also ringing off the hook with year-end corporate customers making hundreds of thousands of dollars of year-end purchases. But our store figured out a way to juggle things, and Apple sweetened the deal for the salesmen with "spiffs."

Spiffs are Sales Person Incentive FForms (or something like that). For every Apple you sold, you fill out a form and get a bonus. Suddenly everyone got interested in the //c. Apple had no idea we could sell so many computers. The top prize was a //c computer plus a cash bonus, Apple expected a few salesmen would reach the goal by late December, but I had already won the top prize twice over by the end of the first week of December. During the busiest store hours, sometimes a dozen customers would be stacked up at the register, listening to us explain the features of the computer as we wrote up the sales receipts as fast as our pens would write. And Apple forced a time-consuming duty on us, we had to get the customers to fill out the warranty forms and give us a copy for our spiffs. Customers were hesitant to fill out the forms if the machines were purchased as gifts, it was a real problem to get them to do it. But we persisted because that was how we got paid.

Throughout Los Angeles, ComputerLand had a complete stranglehold on Apple//c sales. Some of the other chains switched to pushing the PCjr, and we started to get some inquiries, and even I sold a few despite my best efforts to push the //c. IBM had a spiff program too, and I won a PCjr of my own. My boss knew I had both a //c and a PCjr, so I was designated as the chain's expert on these units. My phone started ringing off the hook with sales inquiries from employees at the 5 other stores. I was working 70 or 80 hours a week with corporate customers and retail sales, and now I got stuck handling //c sales questions for other salesmen in our chain. This was supposed to be a computer that took very little time or effort to sell, so I decided to write a few memos on how to sell the machines, just to get these constant questions off my back. I've scanned one report and produced a downloadable Adobe Acrobat PDF file. This is a fun old document full of bad attitude, I wrote it on my PCjr, and printed it on a daisy wheel printer. I could only find final copies of the first two pages, so I've substituted an incomplete draft copy of the last 3 pages, along with an illustration.

This document is interesting for a variety of historical reasons, it shows an early attempt at desktop publishing. The draft pages were printed on my Epson dot matrix printer, it had a bad pin in the print head so the text is barely legible, and it printed so faintly that I always used boldface. Illustrations were xeroxed from books, then glued in place on the printed page, and the final copies were xeroxed like a 'zine. It is rather amusing to see what was considered a complex word processing document in 1984. It had italics and indented columns and everything!

IBM heard about our massive Apple//c sales and called up our store's owners to find out how we did it. They wanted to know why the PCjr wasn't selling as well, and how to get a piece of the action. My boss asked me to work with IBM and I said absolutely no way was I going to help IBM, I was selling dozens of Apples and I didn't see how competition from the PCjr was going to make me any more money. My boss made it an order, if I wanted to continue to sell *anything* in their store, I better help them out. It was already the end of the first week of December, there was nothing IBM could do to catch up in the two remaining weeks before christmas, so I agreed. The owners said they'd come with a guest right at closing time on Friday evening.

The owners arrived at my locked-up empty store at the end of a long work week, and I was introduced to the VP of the IBM Personal Computer Division. There was no doubt I was dealing with the highest levels of IBM, and they took this problem quite seriously. I could only think of one thing to do, I asked the VP to walk in to the store and browse as if he were a customer, and I'd greet him and treat him the way we handled customers, then we'd compare the //c and PCjr sales experiences. I'd just spent all week delivering this sales pitch to hundreds of customers, and now I had a solo command performance in front of the IBM VP in an empty store.

The VP walked in and came up to the first sales kiosk, the PCjr. It was on and operational, but there was nothing on the screen. He stopped and looked at the unit, then moved on to the second, less favorably placed kiosk and looked at the //c, which was running a demo disk. He poked a few buttons, moved the mouse when prompted, as I watched him from a distance. Then I came up and said, "hello, may I help you?" and treated him like a customer. He said he was interested in comparing the two machines, so I gave him my best demos on both the machines. And I do absolutely killer demos, we did a simple word processing document and printed it in mere seconds, using Appleworks vs.

PFS:Write. At the end of the demos, the VP was baffled. The demos were relatively equivalent, demonstrating the same functions, the computers were fairly evenly matched in cost and features, why wasn't the PCjr selling? I told the VP that he'd failed to observe one thing. Notice that the PCjr was inactive and had a blank screen when he first approached it, but the //c had a nice demo disk that attracted him to interact with the machine. I explained that we could not leave the PCjr in an operating condition, customers would shoplift the expensive ROM cartridges, so we had to keep them locked up and only demo the machine on demand. But if someone swiped the Apple demo disk, I had an extra disk in the back and I could just make a new copy. I explained how this was the crucial difference, the Apple attracted customers all by itself, but PCjr was an inactive lump of plastic unless we actively demoed it. Apple had a carefully planned retail experience, IBM basically had none.

So the question was posed to me, how does IBM fix this? I told the VP there was absolutely no way to catch Apple, their campaign had been building for months. I said they desperately needed an interactive demo disk like Apple's, but there was no way they'd be able to write and distribute anything like that before christmas so they were pretty much screwed. I was completely blunt in my opinion. IBM has huge marketing forces, but they are notoriously slow to get into action. The IBM VP seemed to agree that any new sales effort was too little, too late, but he asked for a copy of Apple's demo disk, so the owner quickly popped it out of the //c and handed it right to him. We wrapped things up, and the VP thanked me for my help and we all went home. It was a Friday night, and time for some rest before the big sales weekend was upon us.

On monday morning, a courier arrived with a package from IBM, containing new demo disks for the PCjr. I looked at the dates of the files, they were all created from scratch on saturday or sunday. It was obvious what happened, the IBM VP had cracked the whip, and a huge group of programmers had labored continuously through the weekend to produce this disk, and shipped copies out to every IBM dealer in the US overnight at huge expense. We ran the demo disk and it was absolutely fantastic. From that moment forward, the PCjr matched the //c in sales. I had given IBM exactly the information they needed, I didn't think they could respond in time, but they did the impossible. IBM put a huge dent in //c christmas sales, and that was the only reason the PCjr existed. It had no function except to kill Apple II sales. Still, it was a Pyrrhic victory for IBM, they lost money on the PCjr, but they gladly flushed money down the toilet as long as it kept people from buying Apple computers.

In the end, it was a very successful sales season for everyone, money was moving and we couldn't grab it fast enough, and everyone went home believing they had achieved their goals. It was peak of the 8 bit computer era, and the dawn of mass-market computing. But it was also the end of the 8-bit microcomputer era, and a harbinger of Apple vs. PC battles of the future.

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December 23, 2002

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