

BUYER BEWARE!

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I trust you've heard the sayings:

"You can't get something for nothing", or "There's no such thing as a free lunch."

I know, my father told me all of the one thousand or more stories / sayings like that and yet still, as consumers, we continue to look for that deal that's "too good to be true." We must have been told "it's just a saying. Don't worry about it."

Wrong!

They are sayings, for a reason! And I know you're going to kill me for this, but "if it' sounds too good to be true, it probably is!"

This year some big name retailers will be dropping bombs again. We hear the same thing almost every year. "Experts predict a slower than normal holiday selling season for retailers!" This news flash drives skepticism, even pessimism and in order to stop the bleeding before it begins, Door-Buster specials begin to rear their ugly heads.

What's Wrong with these cheap TVs

It's usually a combination of poorer Performance, Reliability, Ease Of Use or Industrial Design.

Understand that every machine requires three parts to work, the 1) input or source, the 2) chassis or engine and the 3) display or result. All three of these will determine the final result.

In the cheaper flat panels, the first thing we must examine is the source. High Definition, in its best accepted standard has a pixel count of 1920 X 1080. This means it can produce a 1080p picture with 2,073,000 pixels on the screen. This is Optimal. Chances are you won't find anything too cheap here.

A 720p picture means that your overall pixel resolution is limited to approximately 1366 X 768 or 1,000,000 pixels. This is better than XGA quality, but only 8% of all HD programming comes across in this format. These will be available in the lower price sets because they want to get rid of these older inferior panel resolutions.

1080i can have the same pixel count 1080p (1920 X 1080), but it still only shows half of the 1080 scan lines at a time, to create 30 pictures per second. With 1080p, you get 2,000,000 plus pixels flashing 60 times per second, more than twice the number of images as compared to interlace. While 1080i is the dominant broadcast standard, it still doesn't offer the same fluid motion, nor the total resolution of a 1080p television.

Chances are good you'll hear things like HD1080 or 1080 capable on the cheaper sets, but it will be rare to find one that is native 1080p

A second reason for the reduced pricing is usually because the retailer and manufacturer have forecasted how many will be sold and if the number of sets produced and the number of sets sold are vastly different, you have a glut. This will then force a price drop in order to get rid of excess inventory.

An example would be the glass in a plasma panel not being dark enough (aka. The transmission level is too high). The darker the glass the better the black level and contrast of the TV. Darker glass is usually not found on cheaper sets, but if it is, you can usually bank on the fact that their engine cannot drive the picture very well or some other trade-off / sacrifice has been made to reach that price.

The last topic I'll address in relation to product is that of 120Hz. This is one of the newer technologies and is another one that probably won't be found on the door-buster deals. This effectively doubles the refresh rate or number of images you will see every second. With 120Hz you have even more fluid motion because of increasing frame rate to double that of the original.

Let's take a few moments to look at why a cheap flat panel is not such a good idea.

First a few questions:

Do you believe that a manufacturer wants to make a product cheaper?

The answer here is mixed. Yes, they do because it means more will be sold and therefore demand for more to be produced will go up.

No, because lower prices means we make less money on each one, so we must manufacture more to earn the same profits. Additionally, in order to make more, we have to hire more people and spend more money on Healthcare and related services; as well as raw materials to produce more. Economy of scale is not such an easy thing to get a grip on.

Do you believe that a retailer wants to sell cheaper products?

Again the answer is mixed. Yes they do, because it will bring more customers in to shop.

No, because lower price means lower profits and the retailer has to focus on selling other things you might not expect like cables, power, warranty and other related accessories, in order to add enough profit back to the sale to keep them operating.

The final point I will make here is: Have you ever noticed that Bentley NEVER has a BIG BLOWOUT SALE! WHY?

The good products are good because they are built well, they last longer, they perform better, sometimes they are even easier to use, but alas, THEY COST MORE! They don't need to be discounted because people will buy them at the price they ask for!

That perceived sense of value needs to be applied this holiday season and you may avoid the pitfalls of having to purchase several cheap ones before you finally step up and get a good one.

Back to the Sales Process...

The problem stems from the fact, that our industry has become less and less able to differentiate the value and technology between the cheapest and most expensive products. First, because technology outpaced many of the people employed at the retail level or in customer service positions. This meant that when customers had questions, the sales professional couldn't give an adequate answer. This broke the bond of trust and forced the customer to choose on their own, without all the facts. Soon, that act of choice became a habit and slowly sales professionals developed a reputation as thieves who would say anything just to get as much money from the customer as possible!

There are certain rules that many often forget Rules like, If you don't sell more, you don't have extra money to advertise. Prices don't drop because a product gets cheaper to manufacture, they use cheaper parts and you get a cheaper product - PERIOD!

If price drops still paid the same profit per product to a retailer as the original prices did, then I would understand how people could believe they need to wait for these great deals, or that a cheap product truly is a great deal, but that's just NOT true!

This dynamic of people believing products get less expensive creates the single biggest problem in our business and it will continue to propagate unless more people begin to speak out.

What is it? "Quality Costs Money" The more you spend, the better the product or service you are buying will be!

The job of a good sales professional is to help you navigate through all the choices and decide what is the best VALUE(d) product needed based on how you will use it along with many other specific factors.

Once you find that person, and I urge you to shop with an HTSA member as they still cultivate these types of sales professionals, now you must find the right products at the right price that represent the best value. I will attempt to help you do that with flat panel.

A Lesson Learned:

I guess the moral to the story is, "we should have listened to our fathers." Maybe we could have spent the right money the first time and gotten something we would have been happy with for years. Instead we tend to buy what we think are good deals without enough foundational knowledge to make the best determination. Let an expert take you to a good value. It'll be worth it!