

# HOW DO YOU STACK UP?

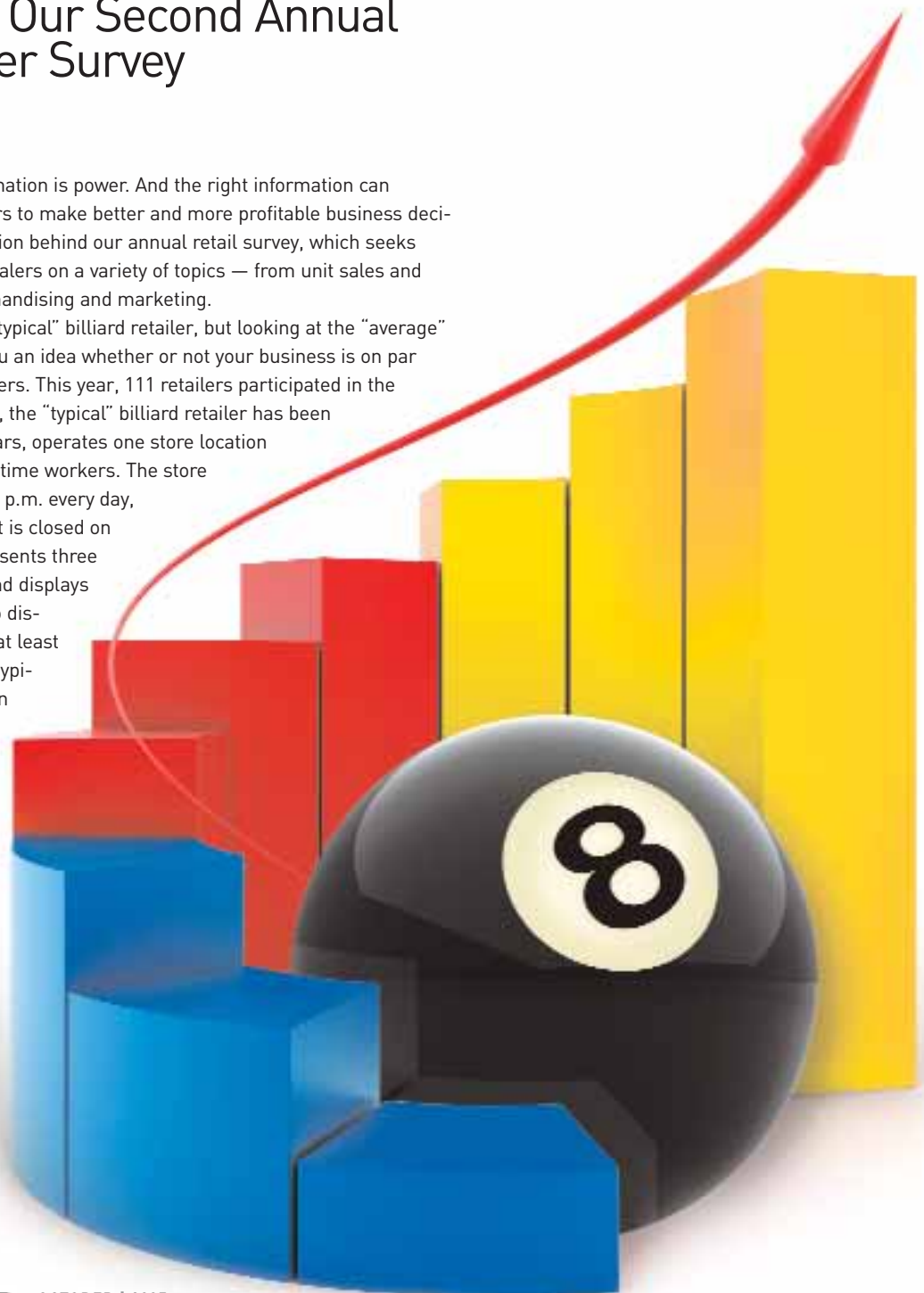
## Results From Our Second Annual Billiard Retailer Survey

BY ALAN E. SANDERFOOT

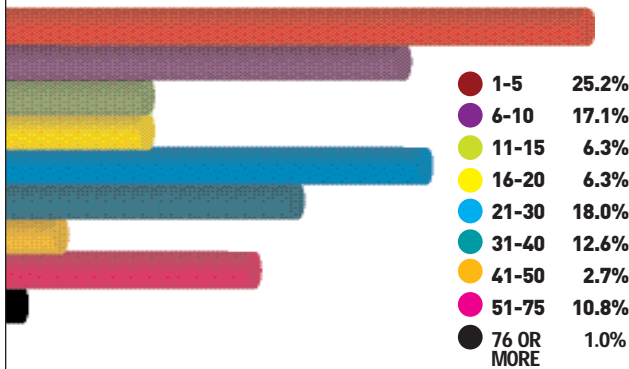
It is often said that information is power. And the right information can empower billiard retailers to make better and more profitable business decisions. That's the motivation behind our annual retail survey, which seeks answers from billiard dealers on a variety of topics — from unit sales and gross revenues to merchandising and marketing.

There is no such thing as a "typical" billiard retailer, but looking at the "average" or "median" dealer does give you an idea whether or not your business is on par with the rest of your industry peers. This year, 111 retailers participated in the study. Based on their responses, the "typical" billiard retailer has been in business for more than 15 years, operates one store location and employs fewer than six full-time workers. The store opens at 10 a.m. and closes at 6 p.m. every day, although there's a 46% chance it is closed on Sunday. The typical dealer represents three different table manufacturers and displays at least 15 tables. The store also displays more than 100 cues from at least six manufacturers. Overall, the typical dealer generated \$1.1 million in revenue last year.

Of course, a lot has happened in 2007 that continues to affect billiard sales, including the uncertainty of the war in Iraq, the drop in new home sales and the rise in foreclosures. That said, it's important to note that the numbers and statistics presented here reflect business in 2006. Current market conditions won't be reflected until we gather 2007 figures next year.

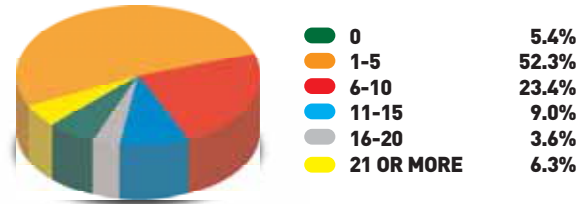


### HOW MANY YEARS HAVE YOU BEEN IN BUSINESS?



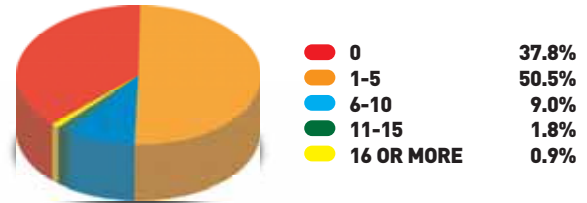
While one-fourth of retailers have been in business for 5 years or less, another fourth have been in business for 30 years or more.

### HOW MANY FULL-TIME EMPLOYEES DO YOU HAVE?



Almost 6 out of 10 billiard retailers employ five or fewer full-time workers.

### HOW MANY PART-TIME EMPLOYEES DO YOU HAVE?



Almost 9 out of 10 billiard retailers employ five or fewer full-time workers.

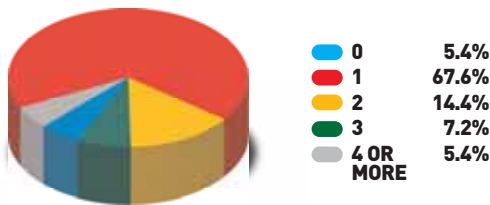
### WHAT ARE YOUR STORE HOURS? (PERCENT OF RESPONDENTS)

About 4 out of 10 billiard retailers close on Sunday. Monday is the next most popular day to be closed, with just over 8% of respondents locking their doors on that day. The most prevalent times to open and close during the week are 10 a.m. and 6 p.m., respectively.

STORE HOURS	MON. OPEN	MON. CLOSED	TUES. OPEN	TUES. CLOSED	WED. OPEN	WED. CLOSED	THUR. OPEN	THUR. CLOSED	FRI. OPEN	FRI. CLOSED	SAT. OPEN	SAT. CLOSED	SUN. OPEN	SUN. CLOSED
Closed	8.1	8.1	4.5	4.5	4.5	4.5	3.6	3.6	2.7	2.7	7.2	7.2	45.9	45.9
8:00 a.m.	4.5		4.5		4.5		4.5		4.5		0.9		1.8	
8:30 a.m.	1.8		1.8		1.8		1.8		1.8					
9:00 a.m.	24.3		25.2		26.1		25.2		25.2		18.0		1.8	
9:30 a.m.	3.6		3.6		3.6		2.7		3.6		2.7			
10:00 a.m.	47.7		47.7		48.6		49.5		50.5		55.9		9.0	
10:30 a.m.											1.8			
11:00 a.m.	6.3		9.0		7.2		9.0		8.1		7.2		10.8	
12:00 p.m.	1.8		1.8		1.8		1.8		1.8		4.5		24.3	0.9
1:00 p.m.	1.8		1.8		1.8		1.8		1.8		0.9		6.3	0.9
2:00 p.m.		0.9				0.9				0.9				1.8
3:00 p.m.												0.9		0.9
4:00 p.m.												6.3		13.5
4:30 p.m.		0.9		0.9		0.9		0.9		0.9		0.9		
5:00 p.m.		9.0		9.9		9.0		9.0		9.9		29.7		23.4
5:30 p.m.		3.6		7.2		6.3		4.5		6.3		3.6		
6:00 p.m.		40.5		44.1		42.3		36.0		38.7		30.6		6.3
6:30 p.m.								0.9						0.9
7:00 p.m.		17.1		18.0		18.9		20.7		19.8		6.3		1.8
7:30 p.m.								0.9						
8:00 p.m.		10.8		6.3		8.1		12.6		9.9		4.5		0.9
8:30 p.m.		0.9		0.9		0.9		0.9		0.9		0.9		
9:00 p.m.		1.8		1.8		1.8		3.6		2.7		3.6		
10:00 p.m.		1.8		1.8		1.8		1.8		1.8		0.9		0.9
11:00 p.m.		4.5		4.5		4.5		4.5		5.4		5.4		4.5



## HOW MANY STORES DO YOU OPERATE?



The majority of respondents (67.6 percent) operate only one store location. Meanwhile, 5.4 percent of respondents don't operate any retail locations, opting to sell via the Internet only.

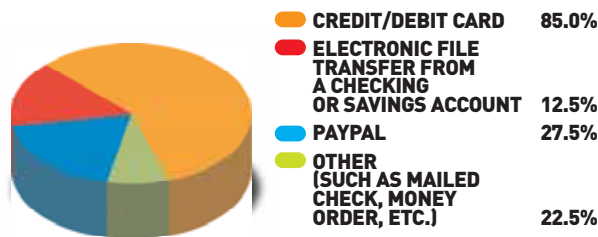
## DO YOU HAVE A WEB SITE?

82% YES  
18% NO

## IF YOU HAVE A WEB SITE, DO YOU TAKE ON-LINE ORDERS?

30.4% YES  
69.6% NO

## IF YOU TAKE ORDERS VIA YOUR WEB SITE, WHICH OF THE FOLLOWING PAYMENT OPTIONS DO YOU ACCEPT?



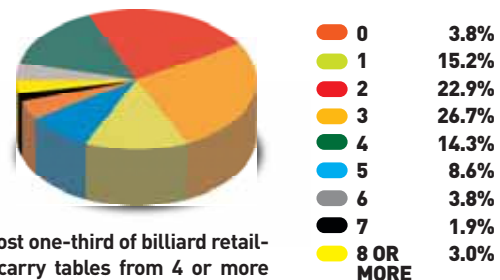
An Internet presence is increasingly important for retailers as consumers do their research and pre-shopping on-line before coming into stores. Although 82 percent of dealers surveyed have a Web site for their store, less than one-third are set up to take actual orders on-line. Those who do take on-line orders typically accept credit card payments, though more than a quarter of these on-line retailers also accept PayPal or some other payment processing service.

## WHAT PRODUCTS DO YOU SELL?

PRODUCT	PERCENT SELLING
Billiard Tables	95.2%
Billiard Cues	95.2%
Billiard Accessories	95.2%
Gameroom Lighting	92.4%
Gameroom Furniture	85.7%
Game Tables	84.8%
Foosball	81.0%
Darts	74.3%
Air Hockey	64.8%
Shuffleboard	64.8%
Pinball	31.4%
Casual Furniture	22.9%
Spas	14.3%
Chemicals	13.3%
Saunas	10.5%
Above Ground Pools	7.6%
Christmas Items	7.6%
Barbecue Grills	5.7%
Fireplaces	3.8%
In Ground Pools	1.9%

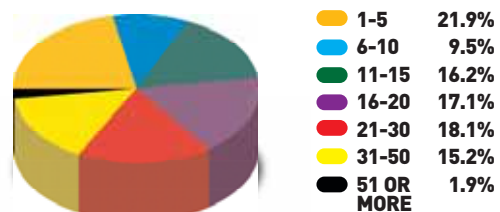
Dealers surveyed sell much more than billiard and gameroom merchandise. About 23% sell casual furniture and 14% sell spas.

## HOW MANY BILLIARD TABLE MANUFACTURERS DO YOU CARRY?



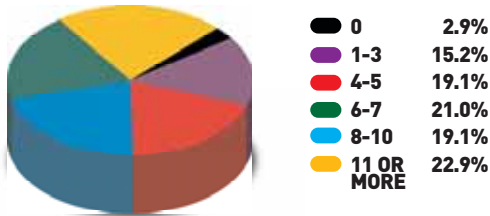
Almost one-third of billiard retailers carry tables from 4 or more manufacturers.

## HOW MANY TABLES DO YOU DISPLAY?



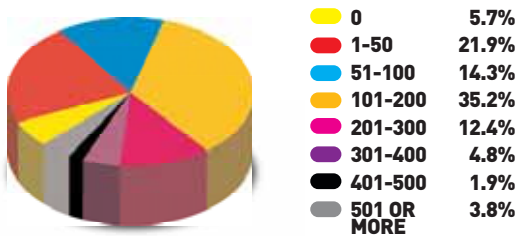
More than a third of billiard retailers surveyed display more than 20 tables in their showrooms.

## HOW MANY CUE MANUFACTURERS DO YOU CARRY?



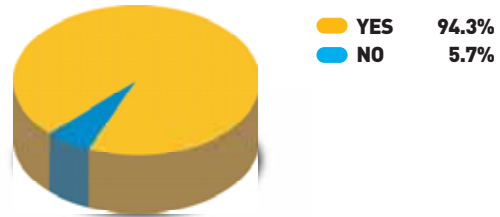
At least one-fifth of dealers surveyed carry cues from more than 10 manufacturers.

## HOW MANY CUES DO YOU DISPLAY?

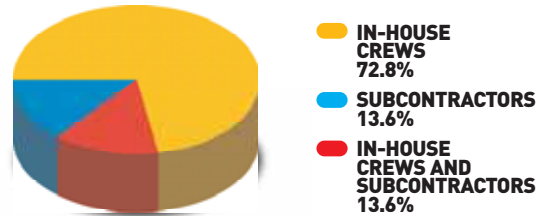


Most retailers surveyed display more than 100 cues.

## DO YOU PROVIDE BILLIARD TABLE DELIVERY AND INSTALLATION?



## WHO DELIVERS AND INSTALLS THE TABLES YOU SELL?



With a few retailers selling only via the Internet, not everyone is offering installations services. Those who do, however, overwhelming use in-house crews to perform the work. About one in four dealers use subcontractors at least part of the time.

## HOW MUCH DO YOU CHARGE TO DELIVER AND INSTALL A BILLIARD TABLE?

HIGH	\$550
LOW	\$100
MEDIAN	\$260
AVERAGE	\$258

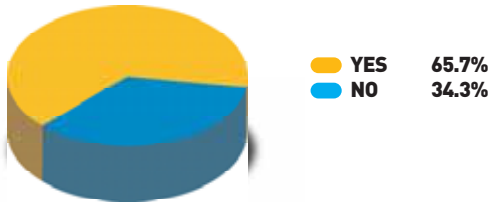
A lot of billiard retailers include the cost of delivery in the price of the tables they sell. Of those who charge separately for the service, the range is \$150 to \$500, with the average being \$258.

## HOW MUCH DO YOU CHARGE TO RE-CLOTH A BILLIARD TABLE?

HIGH	\$500
LOW	\$100
MEDIAN	\$300
AVERAGE	\$304

The fee for re-clothing a billiard table ranges from \$100 to \$500 among dealers surveyed, with the average charge being \$304. The wide disparity is partly the result of some retailers using more costly materials than others.

## DO YOU OFFER CUE REPAIR IN YOUR STORE?



An increasing number of dealers — almost two-thirds — are offering in-store cue repair.

## HOW MANY BILLIARD TABLES DID YOU SELL IN 2006?

HIGH	3,000
LOW	2
MEDIAN	131
AVERAGE	291

About 4 out of 10 survey respondents sold fewer billiard tables in 2006 than in 2005. Among those reporting a decrease in unit sales, the median decrease was 20%. Among the 59% of dealers reporting an increase in tables sold, the median increase was 20%. The range for all respondents went from a 300 percent increase to a 40 percent decrease.



## HOW MANY CUES DID YOU SELL IN 2006?

HIGH	15,000
LOW	12
MEDIAN	293
AVERAGE	879

About 4 out of 10 survey respondents experienced a decrease in cue sales for 2006. Among those reporting a decrease in unit sales, the median decrease was 18.3%. Among the 59.6% of dealers reporting an increase in cues sold, the median increase was 14.5%. The range for all respondents went from a 325 percent increase to a 50 percent decrease.

## WHAT IS YOUR AVERAGE RETAIL PRICE FOR A BILLIARD TABLE?

HIGH	\$7,000
LOW	\$1,200
MEDIAN	\$2,500
AVERAGE	\$2,616

## WHAT IS YOUR AVERAGE RETAIL PRICE FOR A CUE?

HIGH	\$300
LOW	\$25
MEDIAN	\$100
AVERAGE	\$109

Among dealers surveyed, the average retail price is \$2,616 for a billiard table and \$109 for a cue.

## WHAT PERCENTAGE OF SALES DO YOU SPEND ON ADVERTISING?

HIGH	30%
LOW	0%
MEDIAN	7.75%
AVERAGE	8.3%

On average, survey respondents spend 8.3% of sales on advertising.



## WHAT WAS YOUR GROSS REVENUE IN 2006?\*

HIGH	\$14,000,000
LOW	\$25,000
MEDIAN	\$1,100,000
AVERAGE	\$1,700,274

\* Based on the 53 retailers that provided figures for both years.

## WHAT WAS YOUR GROSS REVENUE IN 2005?\*

HIGH	\$12,000,000
LOW	\$10,000
MEDIAN	\$1,000,000
AVERAGE	\$1,440,819

\* Based on the 53 retailers that provided figures for both years.

About 4 out of 10 survey respondents sold fewer billiard tables in 2006 than in 2005. Among those reporting a decrease in unit sales, the median decrease was 20%. Among the 59% of dealers reporting an increase in tables sold, the median increase was 20%. The range for all respondents went from a 300 percent increase to a 40 percent decrease.

## WHICH ADVERTISING MEDIA DO YOU USE?

Medium	Percent
Newspapers	73.1%
Direct Mail	57.7%
Radio	53.9%
City/Regional Magazine	42.3%
Home Shows	41.0%
Internet	37.2%
Cable TV	28.2%
E-mail Marketing	23.1%
Broadcast TV	21.1%
Newsletter (printed/mailed)	15.4%
Billboards	12.8%
Newsletter (digital/E-mailed)	7.7%
Blogs	1.3%
Other	23.1%

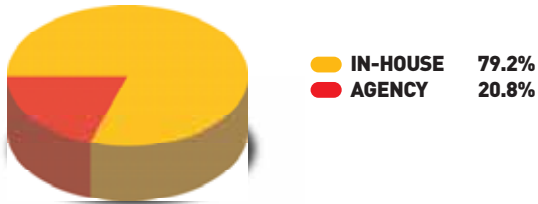
Newspapers are the most popular form of advertising, followed by direct mail and radio.

## BEST ADVERTISING MEDIA

1. Newspapers
  2. Radio
  3. Direct Mail
  4. Cable TV
  5. Broadcast TV
  6. City/Regional Magazine
  7. Internet
  8. Home Shows
  9. E-mail Marketing
  10. Billboards
  11. Newsletter (printed/mailed)
  12. Blogs
  13. Newsletter (digital/E-mailed)
- Ranked by how often they appear in respondents' top three picks.**

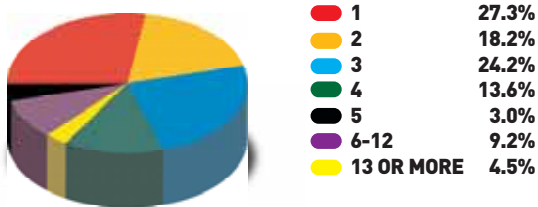
Despite declining readership, newspapers remain the most effective medium for advertising, according to two-thirds of survey respondents. Along with newspapers, radio ranked high with 51% of respondents, direct mail with 40% and cable TV with 29%.

## DO YOU DO YOUR OWN ADVERTISING IN-HOUSE OR DO YOU HIRE AN AGENCY?



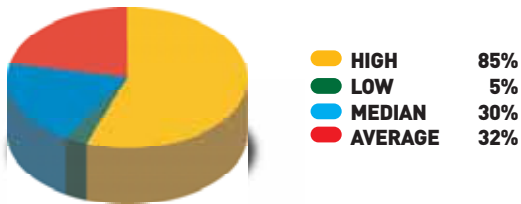
About 4 out of 5 of dealers surveyed handle their own advertising in-house, while the remaining dealers hire an outside ad agency.

## HOW MANY SALES EVENTS DO YOU HOLD EACH YEAR?



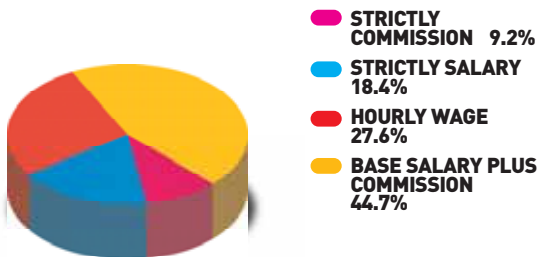
Most survey respondents hold three or fewer sales events each year.

## WHAT PERCENTAGE OF SALES ARE ATTRIBUTED TO THE CHRISTMAS SELLING SEASON?



On average, billiard retailers report getting 32 percent of their annual sales revenue from the Christmas selling season.

## HOW DO YOU COMPENSATE YOUR SALESPEOPLE?



More than 4 out of 10 billiard retailers surveyed pay their salespeople a base salary plus commission.

## HOW MUCH DO YOU PAY ENTRY-LEVEL, PART-TIME WORKERS PER HOUR?

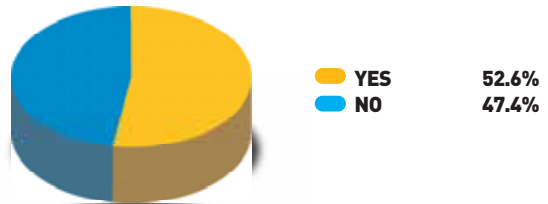
HIGH	\$12.00
LOW	\$6.50
MEDIAN	\$9.00
AVERAGE	\$9.47

## WHAT IS THE MOST YOU PAY PER HOUR FOR PART-TIME WORKERS?

HIGH	\$36.00
LOW	\$6.50
MEDIAN	\$10.00
AVERAGE	\$11.68

On average, survey respondents are paying \$9.47 per hour for entry-level employees and \$11.68 for experienced workers. The highest starting wage for entry-level employees is \$12, though one dealer pays his experienced employees as much as \$36 per hour.

## DO YOU OFFER EMPLOYEE HEALTH INSURANCE?



Just over half of dealers surveyed offer some form of health insurance for their employees, though the cost varies widely depending on the type of insurance and the amount employees are asked to contribute. Nearly one-fourth (23.7%) of retailers who do offer health-care benefits anticipate asking their employees to shoulder more of the cost this year. However, fewer than 1 out of 13 retailers (7.9%) make part-time workers eligible for healthcare benefits.

## METHODOLOGY

From April to August 2007, ads ran in *Billiard Retailer* encouraging dealers to take part in the on-line survey. As an incentive for participating, respondents were sent the findings prior to publication. Of the surveys submitted, 111 were deemed usable.

Information about participating in next year's survey can be found at [www.billiardretailer.com](http://www.billiardretailer.com) or by calling Alan Sanderfoot at 608-246-9001.

