

Software Needs a Roof

Written by Bob Snyder
13 April 2011



"**All Your Software Needs Under One Roof**," promised the *Fry's* ad. But whose roof? Generally retailers hate selling software. It's more than what you'd call "a problem category:" it's a "forget-it, let's-not-talk-about it" category.

If retailers are rather notorious about lacking interest in software, then they also never advertise software. So I clicked on the Fry's ad in *SiliconValley.com* **hoping to learn what Fry's has discovered** that the rest of us don't yet know

...

That click led me to an ad which is the typical message you expect from retail... it was a wall of deals on PCs, drives, memory, digital cameras-- even blank DVDs and refrigerators..but NO software. It's an interesting page to see where American price levels are these days, but definitely not the answer to the question: "How does retail sell more software?"

Then I used that clickable ad to enter *Fry's* website and found at least one category tab for software on their web site (one, of course, among the other **21 categories of merchandise**).



No surprise here either: it's the basic retail approach to PC Software...you get your internet security, your Microsoft, your photo editing suite, your DVD burning software and (in USA) your Do-Your-Taxes software. Those impulse or urgent buys that afflict all computer users at some point in computer ownership.

Software Needs a Roof

Written by Bob Snyder
13 April 2011

It's the same old, same old approach. We can rack-mount walls and walls of humble cases for mobile phones in case a customer comes in and wants one for a lesser-known model at 24 euros...but **we never could provide more than a handful of niche software.**

After my attempt to find a novel approach from *Fry's* failed, this exhausted any possibility of the story I really had wanted to write...the story about how finally one retailer figured it out, how one retailer finally got up enough nerve and decided to tackle software.

"Are you crazy?" I can hear my retail friends ask. **"Everybody knows you can't make money off retailing software."**

But I think I'll stick to my guns on this: **That was "then."** This is now.

Nobody thought you could make money on music, but Apple found a way. Nobody thought you could make money on phone apps...but Apple did. No one thought you could make money on selling game software but GameStop has done well. And I thought Target in USA was on the right track with conceptualizing iTunes pre-pay cards for Apple.

Clearly software functions best when delivered by internet. But that's no reason to intellectually walk away from how to bring lucrative software sales to the very targeted and very extensive customer base of computer and electronics retailers.

Think about it: we own the customers. We own or should own the customer experience. And we should be able to figure out a system to tap into software sales because we are not longer just bricks. It's more than a fact that most of us now have clicks. **We are moving rapidly into the integration of mobile-enabled consumers into retail.**

Somewhere in that combination may be the formula that we really need.

What we need is a high tech way to bring the customer's software experience in-store. Think of this as Software Genius Bar with Minority Report technology. I keep seeing falshbacks to hifi

Software Needs a Roof

Written by Bob Snyder
13 April 2011

dealers who once lined up rows of headphones above records so consumers could "demo" an album before buying. This is not Mission Impossible....we just stopped trying. And we have all sorts of new technology that could allow us to re-invent the customer experience.

We've been talking only about software but I think it is urgent to think our way through this problem (of how retail sells digital products like software, apps, content etc) before the roof will come crashing down upon us. **More and more of the IT business is moving to the cloud and soon our storage section will be as depleted as our software section.**

And storage isn't the only category that cloud will impact. **If we could solve the software problem, that probably also solves the question of how to get our retail mitts on the coming cloud opportunities.**

The question remains for all challengers and all architects of consumer IT retail business: how do we get software under our roof?

+++