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Marketing of giftwares in the United States.

Caines, Elinor A.

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THE
MARKETING OF GIFTWARES
IN THE UNITED STATES

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Elinor A. Caines,
B.S. in P.A.L.

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A. Definition of the Field

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The giving of gifts is at least as old as civilization. The urge to offer presents probably antedates even tribal life and finds its origin in the basic impulses of humanity to gratify a mate or child or to propitiate a powerful neighbor. Nevertheless, it is important at the outset to realize that the term giftwares as used in the twentieth century business concept and in this study must be sharply distinguished from gifts in the customary use of language. Anything offered or presented to another is a gift, but not all presents are giftwares and conversely many giftwares articles are purchased for the use of the buyer without intention of giving.

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The modern giftwares trade has grown up in recent decades with little evidence of planning or direction. It is evolving gradually out of diverse product backgrounds. Its claim to the name giftwares lies solely in the fact that all the products classified under this term, numbering currently several hundred, are considered suitable for gifts. At the same time, each separate item can be claimed for some other
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industry or art. This duality of origin is one facet of the problem of defining the field. The opposite facet is found on the retail level. Here the gift shop is naturally the epitome of the retailing of giftwares but it is fairly easy to show that the major part of giftwares is sold through other retail outlets than the gift shop. Department stores, china and glassware stores, jewelry stores, housefurnishings stores, and gift sections in many other kinds of stores comprise an aggregate market far outweighing the gift shop in volume. On both the manufacturing and the retailing levels, therefore, the classes of merchandise comprising giftwares impinge on and overlap a very great number of other trades.

C. Types of Merchandise Included in the Giftwares Trade

Giftwares are coming to be summarized briefly under two broad classifications: gifts for the home, and personal gifts. Perfume and costume jewelry and typical examples of the personal gifts, and table lamps and glassware of gifts for the home. Even these classifications are not sharply discrete or all-inclusive. Some entertaining accessories, for instance, approach the borderline between personal and home gifts. Greeting cards, an important category in almost all gift shops, can with difficulty be classified as gifts.

Classified by materials or origin, the major merchandise groups in giftwares are ceramics, glassware, metalwares, jewelry, woodenware, toys and games, paper products, pictures and graphic arts, leather goods, textile products,
perfume products, plastic products, and miscellaneous, including candles, novelties and souvenirs, fancy foods, and various handicrafts and accessories not otherwise classified.

In origin, giftwares include both domestic and imported products. Some are made, usually as a side line, by large industrial firms. A volume difficult to estimate is produced by solitary craftsmen or artists in their own studios or home shops. The typical producer, however, is a small manufacturing plant with regional or national distribution.

D. The Relation to Allied Industries

The endeavor to clarify the boundaries of the giftwares field may be helped by examining the classes of merchandise where overlapping takes place.

The first great industry thus involved is that of ceramics. Strictly speaking, the term applies to materials fundamentally of clay, as pottery, earthenware, bisques, stoneware, porcelain, and china. Today the giant ceramic industry is engaged in a huge volume of industrial ceramics production far removed from the fancy pottery or fine china associated with giftwares. Even in tableware few gift shops have space to carry complete dinner sets and yet they commonly display starter sets, tea sets, and individual pieces for table or decorative use. The china and glass shops and departments of department stores usually carry the full dinner sets and open stock for the whole range of pieces in a variety of styles and patterns.
Glassware follows a close parallel to the ceramics industry. Only a small fraction of the glass industry produces table or decorative glassware. All well-rounded gift shops and giftwares retailers feature both ceramics and glassware, but most often in a selection of pattern glass or decorative pieces rather than in large sets or full lines.

Some kinds of tableware, whether of glass or clay, are sometimes assigned to another contiguous trade grouping, housewares. Originally, housewares consisted essentially of pots and pans and kitchen utensils. Other cooking and serving articles have been drawn in. Owing to the increase in small novelty kitchen items and the informality of modern living, the distinction between housewares and giftwares has become blurred. Briefly, if items are plain and strictly utilitarian, they are housewares only and have no appeal for a giftware retailer. Today the use of color, decalcomanias, fancy packaging, and similar merchandising dress-ups have made many housewares items acceptable also in the giftwares field.

Decorative articles of copper, aluminum, pewter, wrought iron, and other metalwares claim their place in giftwares under similar conditions. Small pictures, plaques, prints, and various specialties of the graphic arts belong to the home decoration field along with figures, figurines, and other so-called decorative accessories.

All of these articles for the home, together with electric appliances and home furniture, make up a large group
known as housefurnishings. That part of the giftwares industry comprising home gifts and decorative accessories, in fact all except the strictly personal giftwares, belongs to this industry group. Of course, very little furniture or appliances fall within the province of giftwares. Small "occasional" pieces of furniture, magazine racks, whatnot shelves, and small tables are suitable. Most lamps are included, especially table and wall styles which are in themselves decorative as well as utilitarian. Draperies, tapestries, table runners, fancy linens may all be found among giftwares, especially when of a novelty character or fancily packaged.

The second major classification of giftwares, the personal gifts, include costume jewelry, dress accessories, perfume novelties, fancy soaps and cosmetics, small leather accessories, small gifts for men, toys, games, infants' wear, some handicrafts, souvenirs, and novelties. All these, too, represent in most cases small segments of other large industrial groups, such as the jewelry and toy trades. Even the food industries are represented by fancy packaged gift foods and candies.

A middle ground between the personal and the home-decorating types of gifts is occupied by hostess gifts and entertaining accessories, some kinds of gift books, smokers' articles and similar things.

E. General Purposes and Scope of the Study

It can be seen that the giftwares business is still
and probably always will remain heterogeneous rather than a single, sharply defined industry in the usual sense. To get a true picture of the problems a student must approach them both from the point of view of manufacture or origin and of retailing or assembly for the ultimate consumer. Because of the nature of the merchandise and its market, it is apparent that a generally high and widespread standard of living is essential to growth. As an industry it must be responsive to changes in the social and economic pattern of the country. It cannot easily separate itself from the older and larger industries from which it has sprung and the bonds of its infancy have made it slow to organize itself.

All of these factors have undoubtedly hampered the emergence of the concept of a giftwares industry. Little or nothing has appeared in print about the new industry as an entity, or its problems, except in the trade publications. This study, therefore, is for the most part a pioneering effort to discern the factors which have brought the industry to its present situation and to describe that situation; to analyze the particular problems involved in the marketing of giftwares at all stages; and to endeavor to draw from these studies a picture of trends, possibilities, and future prospects for the marketing of giftwares in the United States.
II. History and Background of the Industry

A. Giftwares Prior to 1900

While it is generally recognized that the classes of merchandise grouped today under the term giftwares are sold through many different types of retail outlets, the rise of the giftwares industry is closely allied to that of the specialized store known as the gift shop. The originator of the term is unknown, but so far as a study of the trade journals and other sources of information indicate, the first shops to use the name were established early in the twentieth century. Before 1900 the merchandise now falling within the category of this study was offered in stationery stores, china and glass shops, jewelry stores, and in the resort areas' souvenir stores, curio shops, bazaars, and similar outlets.

The earliest giftwares in this country were undoubtedly imported. The first "trade goods," colored glass beads and other fancy articles from Europe, brought by the settlers for trading with the Indians, became a medium of exchange for furs, fish, and other needed products especially for export to the mother country.*

Native industries of the handcraft variety, which may be thought of as the progenitors of the modern giftwares industry, were early established.** The Jamestown colonists

* 2, pp. 112, 286, 312.
** 4, pp. 55, 56, 70, 198.
set up the first glass works in the new country in 1608.* No doubt the products of this glass house were utilitarian rather than artistic but it is probable that some tableware and household glassware were made for the young colony. Troubles beset this ambitious venture and it operated only for a short time. For the ensuing two hundred years the colonies were dependent mainly on European imports for manufactured household goods and artwares of all types, except those which could be made by each household for its own use. During the colonial period manufactures generally were discouraged by the mother countries, who looked on their American colonies as a source of their raw materials and a market for their own manufactures.

In the earliest days and under frontier conditions each family or group of families had to be self-sufficient. As communities became more settled, towns were established and trading centers developed. When the community passed beyond the subsistence level, demand began to arise for the embellishments of civilization. Most of these articles, of course, were brought from abroad often on special order for the well-to-do. But native craftsmen and artisans soon began to produce their wares for sale to their neighbors. Paul Revere is Boston was one of the most famous of the colonial craftsmen and examples of his handicraft in silver are treasured pieces today and widely reproduced in modern times.

* 6, pp. 6 ff.
Revere was later founder of the copper industry in this country. In October 1801 he set up the first successful copper rolling mill in the United States. Most of his production went to the United States Government for sheathing naval vessels, but eventually the Revere Copper & Brass Company, in the twentieth century, became an outstanding producer of copper giftwares and still makes copper-clad pans for the housewares trade.*

The growing industrialization of the United States led to the establishment during the nineteenth century of many domestic manufacturing plants which were in time to become involved in the giftwares industry. Paralleling the appearance of firms making glassware, pottery, leather goods, jewelry, dolls and toys, stationery, novelties, and other things now partially or wholly embraced in the giftware field, the mercantile trade of the United States developed enormously. This era saw the start and growth of the department stores. Shops specializing in such things as jewelry, bric-a-brac, and various types of luxury goods arose, reflecting the rising standard of living and the trend to home ornamentation typical of the Victorian age. The prestige of imported wares continued high throughout this period. Many firms still engaged in importing china, glass, and artwares from Europe were founded in the latter half of the nineteenth

* 25, pp. 2, 3, 8, 9.
century.* In contrast to the best china, bric-a-brac, and artwares from abroad, imports also accounted for a great deal of the low-priced merchandise brought to this country, including souvenirs, novelties, and toys. The cultural ascendancy of the older European countries and their earlier technical achievements gave such public favor to imported wares that the effects have lasted well into this century and still exert an influence in certain lines, as in English bone china.

B. Development of the Modern Concept of Giftwares and Rise of the Gift Shop

The giftwares industry as it exists today has essentially come into being in the last fifty years. The anomaly of the industry is that, unlike most modern industries, it has not grown out of any recent discoveries or inventions or even new applications. Most of the basic types of merchandise found in this category, and in the modern gift shop, have been marketed for generations or even for centuries. Ceramics, glassware, jewelry, woodenware, perfumes, pictures, and handcrafts of sundry kinds have been made and sold or traded, probably since before recorded history.

What, then, brought about the synthesis that comprises giftwares? No historian attended the birth pangs of the infant industry. Even some of those assisting were not aware of what

* 16, pp. 59-122.
was going on, since the evolution of this new kind of business was hard to discern at first. There are men still living who, quite unknowingly, helped pioneer this new industrial group. For the most part they were engaged in marketing glassware, china, stationery specialties, leather goods, novelties, and souvenirs. But for many years these pioneers were too busy exploiting increasing numbers of outlets for their products to realize that a new retailing pattern was emerging, much less to write a historical record. There is, accordingly, little documentation for these early years. It is necessary, therefore, to look into the social and economic situation of the nation to find the basic causes for the emergence of the new merchandising concept.

The first decade of the twentieth century brought to the United States a growing sense of maturity and destiny. The frontier days were beginning to pass into history; the last of the continental territories stood on the threshold of statehood. The country was beginning to look on itself as a great national entity, stretching from coast to coast. Tremendous strides in industrialization, transportation, and communication of the preceding half century were being integrated and consolidated. National markets were becoming more important for increasing numbers of products. The pressures of ever greater volume and variety of the output of industry seeking distribution created the need for new selling techniques and more outlets. A trend to specialization was setting in;
in retailing the functions of the old-time general store were beginning to break down. At the same time the gradually rising standard of living, soon to expand beyond any modern precedents and to spread to nearly all economic levels, brought many new consumers into the market for low-priced luxuries. Increasing interest in art and culture naturally followed the rise in personal incomes. The all-pervading industrialization may well have revived interest in handcrafts of all types as a revulsion against the rigid standardization of factory production. Above all, the prejudice against women in business was beginning to dissolve. A gift shop could be considered "respectable" for a woman to run, and the natural bent of such women was toward personal gifts and home decoration which still constitute the two main classes of giftwares.

It can be seen, therefore, that many factors came to exist or were developing in the early years of this century which were favorable to the emergence of the gift shop and of the kinds of merchandise typical of its operation. Some unknown person with a flair for merchandising, or perhaps several persons independently, adopted the title "gift shop" as a means of dramatizing and glamorizing a selection of wares suitable for gifts, regardless of the purchasing motives of the customer. Wherever the first gift shops were located, and the claims are conflicting, there is some evidence that they first became prominent in the New England resort
areas.* These shops are supposed to be the natural outgrowth of the souvenir shops which flourished, and still flourish, in the tourist and vacation sections. A reminiscence of one of the pioneer salesmen in these resort areas, published many years later in a trade journal,** mentions that the souvenir stores' stock of merchandise in the early 1900's consisted mostly of "imported fancy china, bric-a-brac, shell novelties, souvenir china, view cards, burnt leather, Indian basketry, and flashy jewelry." The arrangement was exactly like that of a country store; artistic display of merchandise was not given much thought. These stores were relatively few in number but placed very substantial import orders.

The gradual appearance of a new form of retail store, the gift shop, undoubtedly attracted the attention of wholesalers, importers, and manufacturers of glassware, china, jewelry, stationery specialties, and novelties of all sorts, who saw an additional outlet for their wares. It seems logical, therefore, that the industry grew mutually out of the concurrent existence of a special market for "gift" merchandise and the need of suppliers for expansion of their sales.

By 1910 shops were springing up in various localities, not all using the title of gift shop in their name, to be sure, but starting to break away from the traditional stores of the past in the combinations of merchandise and in

* 20, p. 23.
** 20, pp. 95-96.
methods of display. The second decade of the century saw the gift industry come to the point of recognition. A trade journal in the stationery field had established a feature section for the increasing variety of fancy stationery goods. Finding much interest among retailers outside of the stationery business, the publisher launched a new magazine in January, 1917, "The Gift and Art Shop" (now called "The Gift and Art Buyer").* Having a publication devoted to its own particular needs gave a focus to the new industry, concentrating attention on its problems and serving to bring together the buyers and sellers. With the trade magazines in allied fields beginning to notice its existence, the gift business now became articulate and self-conscious.

At the outbreak of World War I opportunities and difficulties beset the new industry, in common with many other purely civilian parts of the economy. The heightened emotions of wartime and the enforced separation of families created an especially favorable atmosphere for gift giving. At the same time conditions of supply were in much less satisfactory condition. A breakdown in transportation led to freight embargoes and the temporary nationalization of the railroads. Imports were almost completely cut off, at least from Europe, by the war's disruptions and the submarine menace. The difficulties and handicaps of an industry of this type under war conditions were more than offset by the boom economy.

* 16, p. 51.
with surplus money in the hands of free-spending wage earners. About this time the department stores also began to exploit the new merchandising idea by setting up their own gift shop departments.*

The return to peacetime conditions in the 1920's found the industry vigorously responding to the stimulus of expansion. Imports once again began to resume their importance, despite the many new suppliers who had appeared and were being established, often primarily to cater to the gift-ware market. Other firms were developing side-lines for the trade. Of a total of 293 manufacturers, importers, and wholesalers mentioned by "The Gift and Art Buyer" in its Twenty-Fifth Anniversary Number (October, 1942)** 60 were founded during this decade and still were leading producers in 1942, constituting over 20 per cent of this group of suppliers. The significance of the group is underlined by the fact that they were the survivors of the depression of the 1930's when large numbers of firms succumbed. The increasing prosperity of the decade from 1920 to 1930 contributed to the growth and expansion of the gift trade, but no less vital to it were the concomitant enlargement of the great middle class, which is its real support, and the phenomenal rise of the automotive industry. The resort areas, in particular, owe their position to the motoring public which

* 16, pp. 26, 126.
** 16, pp. 59-122.
provides a vast transient market of vacationers and tourists.

This period also brought the establishment of organized trade shows. Individual firms, salesmen, or small groups had opened showings of their wares habitually in hotels at central points convenient to their customers, but the first record of a group in the giftwares business setting up an organization occurred at Chicago in 1922, when 61 rooms were occupied at the old Palmer House under direction of a non-profit trade association. Glassware and pottery shows were already a long tradition, and in 1917 the Greeting Card, Art Calendar and Gift Novelty Exposition had taken place in Philadelphia. In 1924 the Eastern Manufacturers and Importers Exhibit was launched at Chicago. Its present headquarters are at New York, where it manages semi-annual shows at Chicago, New York, Boston, and Philadelphia under auspices of the National Gift and Art Association, Inc.

Many others followed the paths blazed by the early gift shows, notably those at Columbus, Ohio (1928), Detroit (1934), Los Angeles (1935), San Francisco (1937), and Dallas (1935).* Various other trade associations also sprang up at this period of the 1920's, some on the retail level as well as the wholesale but only those connected with shows have survived to this time.**

The gift shops and similar retail outlets of the

* 16, pp. 38, 124, 126.
** 17, pp. 51-52.
pre-depression decade carried most of the same type of merchandise found in such shops today: glassware, china, pottery, especially the so-called novelty pieces; giftwares of metal and wood; some fancy linens and embroideries; small pictures, prints, and decorative pieces for the home; fancy stationery and papeteries; costume jewelry and accessories; greeting cards; gift books; perfume products; candles; leathercraft; and entertaining requisites such as bridge prizes and accessories.

The depression of the 1930's left a severe mark on the giftwares industry. Few of its products could be classed as necessities and, like other luxury goods, its market shrank rapidly in the early days of the hard times and was tardy in recovering. Many shops survived by concentrating on low-priced lines. The tradition of the $5.00 wedding gift was well established during this period, and enterprising retailers who located attractive articles to sell for a dollar or less could help maintain a satisfactory volume. The great indoor pastime of bridge was a lifesaver for many shops. Expensive entertainment or recreation was out of reach of most families but an afternoon or evening of cards provided inexpensive relaxation and sociability. Supplying the cards, table covers, tallies, accessories, and low-priced table prizes gave a needed boost in sales to the shops.

The picture of conditions in the 1930's was not all one of contraction. Manufacturers, casting about for
some way to combat falling sales, began to eye the gift field. The New York Gift Show in August, 1931, had a 20% increase in number of exhibitors, most of these new to giftwares in a deliberate effort to increase sales by diversification. Typical were a maker of wooden parts for automobile bodies who developed a line of toys, a large paper wrapping firm which brought out doilies and gift wrappings, and a manufacturer of plumbing supplies with a side-line of brass novelties.* Within three years, the movement had gained momentum. In August, 1934, the New York Gift Show reported twice as many exhibitors as in 1933, 40% greater buying attendance, and record-breaking orders. Some of the newcomers of 1931 had set up subsidiaries just to make giftwares; for a few the side-line had become their main line. "Business Week" commented,** "Gift making has become a highly developed business, instead of a slump expedient, and is attracting the services of famous designers." The Aluminum Company of America set up a subsidiary to make a high-styled line of polished aluminum giftwares. Revere Copper and Brass Company hired Norman Bel Geddes to design trays, bowls, and other pieces for their giftware line (subsequently abandoned in 1941 because of Government wartime controls). Competition from big companies with a fresh approach thus gave a needed stimulus to the distribution of

* 11, p. 9.
**12, p. 12.
giftwares and tended to raise standards of quality, design, and methods. A new premium was placed on styling and design as well as price. The effect was wholesome and produced lasting results in rescuing a part of the industry from the grip of the merely cheap.

The Census figures, however, give a clue to the retail picture during the 1830's. The number of establishments and sales figures for "Gift, Novelty, and Souvenir Stores" show an increase in numbers but a sales decline between 1929 and 1939, as follows: *

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Stores</th>
<th>Sales (Thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1929</td>
<td>5,136</td>
<td>$61,502</td>
</tr>
<tr>
<td>1939</td>
<td>7,429</td>
<td>53,568</td>
</tr>
</tbody>
</table>

Source: Adapted from U. S. Census of Business: 1948.

It can be seen that the average volume per store fell from about $11,800 in 1929 to $7,200 in 1939, indicating that a considerable number in the latter year were operating unprofitably.

The next crisis in the industry came with the outbreak of World War II. Priorities and embargoes caused familiar domestic and imported lines of merchandise to disappear or undergo drastic changes. Metal giftwares of all types, lamps, and oriental imports began vanishing before 1940. With United States participation and complete

* 29.
mobilization, shortages of labor and materials affected almost every source of giftwares. Many domestic manufacturers turned wholly or partly to war work. Importers, cut off from all but a minor part of their foreign sources, tried to fill out their lines by wholesaling domestic merchandise, which further strained the sources of supply. Concurrently, many retailers, from jewelers and hardware stores to automobile dealers, attempted to remain in business by entering the giftware field. Demand was increasing by leaps while supply constantly diminished. Those factories able to produce worked overtime and had orders booked ahead for months. Some put their customers on quota and placed restrictions on new prospects. The vacuum was partly filled by a flood of poorly designed, shoddy merchandise, which was eagerly absorbed by the hungry market. Reporters from "Life" magazine, visiting the Gift Show at Chicago Merchandise Mart, recorded:

"During the war the gift industry has been thriving. Everything it can make is eagerly snatched up. Unfortunately, much of what it makes is a monstrous monument to bad taste." *

A great deal of the strange assortment of products was highly expensive trash. Established manufacturers of standard merchandise were limited by Federal Office of Price Administration price ceilings but new products were given the benefit of more liberal rulings. But the vast new market

* 22, p. 79.
composed of war workers with unprecedented wages in their pockets and often little experience with luxury goods clamored for expensive gifts. Obviously the industry at the end of the war, although financially flourishing, was in unhealthy condition. The sudden termination of the fighting in 1945 caught many dealers with large stocks of unsalable junk, unbalanced inventories, and heavy advance orders which they had overlooked or neglected to cancel. A reversal quickly set in. As pre-war products started to reappear, the types of wares common during the wartime years lost favor. Imports were slow to return because of chaotic conditions in Europe and Asia but they were welcomed despite many increases in price.

The shakedown at wholesale and retail levels, however painful to many firms, cleaned house for a postwar period that brought the industry to new peaks. New housing in millions of units, new families with unfurnished quarters, babies in millions, continuing high payrolls, and even the feverish flush of inflation, all contributed to the record years following 1945. The giftwares industry, in common with the entire housefurnishings group, enjoyed great prosperity. The Census Bureau reported sales of $195,664,000 for the Gift, Novelty, and Souvenir Stores in 1948, a 265% increase over the 1939 figure. The number of establishments had risen to 12,516, an increase of 68%.* Apparently the gift business was becoming more worthwhile to both retailers and wholesalers;  

* 29.
the average volume per store had risen from $7,200 in 1939 to $15,600 in 1948. A large part of the increase may be attributed to the postwar price inflation, but an absolute rise in the general volume and in per-store sales is also indicated. It must be pointed out that the Census Bureau figures are based on arbitrary classifications of retail units. They do not specifically apply to gift shops alone nor do they supply figures for the whole giftware industry. The figures are useful in this instance as a barometer of conditions.

C. Coming of Age: The Mid-Century Situation

With over thirty years' experience as a recognized if largely unorganized industry behind it, the giftwares industry began to show stirrings, early in the 1850's, of a new attitude. Like pioneers in most fields, the early gift people were often highly individualistic, a characteristic heightened perhaps by the nature of their business, which had a foothold both in the arts and in commerce. Probably early failures in organizing the industry can be laid in part to this situation. The very diversity of products, overlapping into so many neighboring industries, has further scattered the interests and attention of members of the industry. Many people handling giftwares are primarily in the housewares, toy, furniture, jewelry, drug, and numerous other fields, where naturally their main interests lie.
Nevertheless, the profit possibilities and the volume attainable in giftwares have attracted more and more manufacturers, importers, and retailers over the years. Their numbers are now adequate to form a nucleus around which it may be possible to build an industry structure.

Has the gift industry "come of age"? Many others which started as late are now big business with strong industry consciousness, the aviation industry to name but one, which started from nothing in 1903. So maturity is not a question of years but of attitude and circumstances.

The "Gift and Art Buyer," trade magazine, in an article published in 1951 asked why there was no national trade association. Their answer, in part, was that the early problems were mostly local and the growth of the industry was so rapid that the people had no time to consider the national implications.* This answer was true, of course, mainly because of the small size of the component establishments. Other industries which have grown even more rapidly have become tightly organized. But when one man, or two, has to manage all aspects of an enterprise, as in the typical giftware establishment, he has little time to spare for industry-wide problems or the missionary chores of organization work.

Nevertheless, under the sponsorship of the trade journal, a tentative trade association was launched early in * 17, pp. 51-52.
1952. By November of that year, about 1,000 retail charter members had joined the association, some 500 on the wholesale level. The new association, named the Gift and Decorative Accessories Association of America, Inc., was national in scope, divided into regional groups (East, Mid-west, etc.), and finally into "districts," embracing whatever local areas had sufficient homogeneity and geographic contiguity to make a subordinate organization desirable. Similarly, large cities or metropolitan areas might establish "chapters" within the framework of the Association. From top to bottom the wholesalers (including manufacturers, importers, distributors, and representatives) were separately organized from retailers but coordination was provided through co-chairmen at the chapter, district, regional, and national levels. A skeleton organization of committees for the regions and national headquarters was named. A New York importer was chosen national chairman pending elections. An executive secretary was the only permanent paid official. The avowed aims of the organization were:

1) to provide a forum to improve service to the public and better the individual member;

2) social; to get members personally acquainted;

3) to promote healthy competition and discourage improper trade practices;

4) to increase business efficiency;

5) to provide publicity for the industry;

6) to provide arbitration among members;
7) to provide for exchange of trade and credit information;

8) to cooperate with trade show organizations and trade publications.

Writing in the "Gift and Buyer,"* Samuel Keepnews, the first National Chairman of GDAAA, appealed for wide support for the new Association, as a means of proving the maturity of the industry. He applied the same criteria as in judging the maturity of individuals: not merely age (over 21), or size (estimated annual retail volume of $850,000,000, estimated number of wholesale and retail firms over 15,000), but more cogently the mental attitude: the making of one's own decisions; the consciousness of obligations as well as rights in the community; taking part in the life of society; and a real effort to master the problems of one's work.

It is still too early, only two years since the association was first proposed, to judge whether the response does indeed indicate maturity in the giftwares industry. On the basis of Mr. Keepnews' figures, it seems that approximately 10% of those he counted part of the industry had joined within the first twelve months. That appears to be, without investigating his figures further at this time, to be a most encouraging beginning. The real test, however, lies in the next few years, for steadiness of purpose is certainly another test of maturity. The first five or ten years of

* 18, pp. 50-52.
such an organization are crucial, because visible performance at first is likely to seem insignificant to rank-and-file members and prospective members. Rapid growth makes much work and sacrifice for volunteer officers and committeemen who must be found if the organization is not to fall apart during this period. But a large and representative membership is essential to provide financial, political, and moral power within and beyond the industry.
III. Marketing Patterns in the Giftwares Field

A. Manufacturers

The domestic manufacturers for the giftwares trade include at least 3,000 firms well known enough to be included in the national directories. In addition, there are many small local producers, part-time hobbyists, craftsmen, and others producing individually small outputs which are marketed through local shops, by the maker in his home or on roadside stands. Occasionally such small producers may sell by mail or through magazine advertising if his output is large enough for such activities but too small for regular distribution. The total size of the market served by these small operations is difficult to gauge but it is a safe assumption that in the aggregate it is small compared with the full-time manufacturing establishments using the regular channels.

Among the manufacturers with a national market there are very few big companies or names well known outside the giftwares trade. True, there are still some large companies which set up side-lines for the gift trade in the 1930's or even earlier; a very small number of large producers have been engaged in gift production from the beginning. Nevertheless, the typical industrialist in this field is small or medium-sized. Frequently the business started as a one-man enterprise perhaps part time and has gradually increased to # See page 18.
national or semi-national distribution. This is particularly true of the decorating "studios" which buy the finished products of glass houses, metal shapers, and others and apply decorations of various kinds to them. Little capital is required to start "manufacturing" of this sort, and women have been especially successful in such ventures.*

Some firms manufacture or assemble one or more items and buy the products of others to round out a "line" of merchandise; some import a few things and manufacture or buy other products, either on an exclusive or non-exclusive basis. These combination manufacturers-importers-jobbers constitute another grouping of merchandise sources, less important in numbers and volume of business than the regular manufacturers. At least 600 in this class are listed in the national directories but no doubt considerable numbers of small firms operate along these lines on a local basis and have not been counted. Some listed as manufacturers may not actually engage in manufacturing but have articles made for them on contract.

Not all forms of manufacturing in the industry can set up business on a shoe-string. The big potteries and the hand-made and machine-made glass firms have large investments in moulds, furnaces, pots, and skilled workers. Most of the metalwares require heavy capital outlays for presses, welding

* 23, p. 58.
and stamping machines, and so on. Producers of paper goods, likewise, require larger commitments. An exception in ceramics is the craftsman potter or ceramist who can expand his hobby gradually to a production basis. It can be seen, therefore, that every type of producer can be found in this industry from the very large to the home craftsman.

Geographically, the distribution is equally wide. National producers are located in practically every state and the District of Columbia. The major producing areas commercially are located around New York City, in California, New England, and the Mid-west. Analysis of the manufacturers listed in recent trade directories by geographic location indicates over 40% were located in the New York-New Jersey-Pennsylvania area, 15% to 18% in the Mid-west, about 10% each in New England and California, and the remaining 20% or so scattered mainly through the South and Southwest. The Mountain states have the fewest.* Of course, a study based on a trade directory published in New York from information furnished voluntarily by trade members has obvious statistical limitations but it is useful nevertheless as a general guidepost to the location and density of regular manufacturing in the industry.

* 14; 15; 21.
B. **Importers**

As indicated in previous sections, imported wares represent an important segment of the giftwares industry, both in volume and in prestige. Historically, the first giftwares of consequence were from abroad, especially as native craftsmanship and industry in Colonial times was little regarded. Some importers, in spite of the difficulties and uncertainties of wars, embargoes, depressions, and tariffs, have continued in business for fifty or seventy-five years.

On the basis of directory listings, at least 500 importers are operating in the national giftwares market. In addition there are a very considerable number of part-line importers who combine some importing with jobbing or representing domestic lines.

While the largest number of importers, logically, are situated in New York, with California second, there are small numbers scattered through practically all seaboard states and the midwestern border states. Illinois, in fact, ranks third in number of listed importers. Even inland states such as Missouri and Kentucky boast a few importers.

Out of close to 600 detailed merchandise classifications, importers are more or less active in nearly all. They are, naturally, strongest in the types of merchandise with which they have longest been identified: glassware,
china, pottery, figurines, brassware, dolls, toys, pictures, souvenirs, and novelties. Importers appear to be much less active in such relatively new fields as plastics, or in stationery and paper goods, playing cards, and games. Perfume products are distributed mainly by the firms who import the essences and prepare and package the products in this country, thereby qualifying as domestic manufacturers. For this reason there are relatively few importers under these listings. In part, no doubt, the tariff structure exerts an influence on importation of some of these products; in others the difficulty of designing abroad for the American market, or as in plastics the excellence and low cost of domestic production, are deterrents.

In general, the imported wares have traditionally come from all parts of the world having a background of native craftsmanship or manufacture. In the past, non-industrial China has been an important source, as well as industrialized Japan; England and Germany as well as India. Under present world conditions, only a small amount of merchandise comes now from China or other countries under Soviet domination. The major sources at present are western Europe, particularly for china, glassware, pottery, fancy linens, brass, pewter, and other manufactured goods requiring highly skilled and artistic workers; Japan, for china, pottery, novelties, favors, and some oriental art goods; Mexico, for native handcrafts in pottery, glass, straw, and basketry.
Iran (Persia) and India still produce for the United States market, notably engraved brassware, textile prints, and such traditional exports, but much of the Orient is in too much turmoil to be an important source of artwares or crafts. Latin America (with the notable exception of Mexico) and Canada supply very little; their economy does not run in the direction of making giftwares on either the industrial or the crafts basis to any large extent.

C. Jobbers or Wholesalers

An accurate count of the regular or merchant wholesalers in this field is lacking, since the majority are local or regional and so not listed in the trade directories. Perhaps a hundred jobbers are so listed, plus some 800 semi-jobbers or others who combine jobbing with manufacturing, importing, or representing other lines. The United States Census of Business lists merchant wholesalers in china, glass, and crockery; miscellaneous homefurnishings; fine papers; and costume jewelry. Many of these wholesalers must do all or an important part of their business within the giftwares industry. These groups totalled 2600 establishments with 1948 sales in excess of a billion dollars.* Not all of this total, of course, can be safely assigned to the giftwares industry. In general, the place of the jobber is not prominent except in the novelty, low-priced giftware, jewelry, * 30.
and toy sections of the business. The jobbers also apparently play a more important role in less populated parts of the country where it is more difficult for manufacturers' salesmen or agents to travel successfully.

The geographical scattering of jobbers is borne out by inspection of the trade directories. Aside from a concentration of "national" jobbers and semi-jobbers in and around New York City and a few other trade centers, the jobbers are found through the South, the Far West, and especially the Midwest and border states.

The giftware jobbers are handicapped by the general custom in the trade of direct dealing between the factories and retailers, or through manufacturers' agents. A local New England jobber stated that his principal competitors were the factories themselves.* Most jobbers in the field, therefore, deal heavily in the related fields of novelties, toys, small appliances, jewelry, etc., where trade customs are somewhat more favorable to wholesalers.

D. Representatives or Agents

The manufacturers' agent is an important cog in the distribution of giftwares. Commonly known in the trade as "direct factory representatives" or "sales representatives," they can readily be identified as true manufacturers' agents since they are independent operators representing two or more non-competitive manufacturers in allied lines, working

* 33.
within a specified territory on a continuous basis for a stated commission on sales.*

A large part of the output of the giftwares manufacturers is sold through the agent or sales representative. Both importers and manufacturers tend to use the agents, who are usually strongly established in their territories, especially in the East, Southeast, Midwest, and West Coast. Most agents are regional, covering a definite number of states and offering a convenient and relatively inexpensive way of reaching the specified market. The larger agencies located in trading centers usually have display rooms as well as travelling salesmen or sub-agents. A few of the representatives are "national," with offices and display rooms in two or more sections of the country, as New York, Chicago, and Los Angeles, which they may operate as branches or in some cases through territorial sub-agents.

Some manufacturers, of course, use their own factory sales force in whole or in part, appointing agents in less productive areas where expenses of their own sales force would be excessive. Brokers and selling agents are unknown or uncommon in this field, where there are few very large purchasing units. A small number of the national agents design for small manufacturers and undertake to distribute their output, but this is not general practice.

* 1, p. 295.
The number of manufacturers' agents is difficult to estimate and fluctuates greatly, since practically no capital is required to set up in business. The latest issues of the trade directories indicate at least 300 or 400 agents prominent enough to be listed in the national directories. Not all of these agents maintain showrooms and many are really one-man agencies. There is probably a larger number of local travelling agents, similar in every respect to those mentioned, who are not listed. This fact is verified by checking the names of local agents against the directories.

The representatives outnumber the giftwares jobbers perhaps three or four to one in directory listings; actually no doubt by a greater proportion. Unlike the jobbers, the agents are active in virtually every segment of the giftware industry and in all parts of the country. The buildings at major marketing centers housing the wholesale showrooms are populated in great part by the representatives. The Brunswick Building in New York City and the Merchandise Mart giftware section in Chicago are two of the best known. Few of the representatives, however, are as large in number of employees as the average jobber, although their sales forces may compare fairly closely. Some agents' organizations consist of one man with or without a showroom manager; others have relatively sizable road and showroom sales forces, but
not many territorial agencies consist of over a dozen people. These establishments specialize on selling almost exclusively and even the office force are usually part-time salespeople. Very few agents in this business maintain a warehouse or engage in any other activities than those of a sales office.

Product specialization among agents is not common. An agent may not carry directly competing manufacturers' lines and so he must diversify to some extent in order to represent, perhaps, five to 25 different manufacturers. Nevertheless, he often specializes to a certain point, as in the housefurnishings type of giftwares, or in personal gifts, or else in styling, as Colonial or Contemporary. In order to function efficiently, his various lines must appeal to the same general class of buyer and yet not interfere with each other. The agent, parenthetically, is not necessarily masculine. As in retailing of giftwares, women play a very prominent role among the representatives both in managing and in selling.

E. Marketing Centers

The major marketing centers for giftwares are located in New York City, Chicago, Los Angeles, Dallas, San Francisco, Boston, and Seattle. In all of these cities there is a concentration in one or more buildings of giftwares houses. In New York City the Brunswick Building, better known throughout the United States to gift buyers as "225 Fifth Avenue," consists of twelve floors entirely
occupied by over 200 giftwares firms, in the main representatives but with salesrooms of some manufacturers and importers and a few jobbers, the displays totalling approximately 1000 different lines.* 

In Chicago, over 900 lines are listed in the gift, pottery, glassware, lamp, leather goods, and stationery displays on the fifteenth floor of the Merchandise Mart, all being manufacturers', importers', or representatives' rooms.

The Santa Fe Building and the Dallas Merchandise Mart are the two chief centers at Dallas, where together about 250 lines are shown. San Francisco's Western Merchandise Mart houses some 50 lines.**

There is less concentration of showrooms in other cities. In Boston about a dozen representatives show approximately 50 to 75 lines under one roof with others located within a few blocks of the downtown district. Seattle's "gift" building has about 20 tenants.

All these cities and other buying centers, such as Philadelphia, Baltimore, Atlanta, Albany, Buffalo, and Denver have important giftwares lines shown in different locations in their metropolitan areas, usually in or near retail or wholesale sections.

The trade shows are next in importance to the permanent showrooms as buying attractions. The number of

* 19, pp. 150-153.
** 15, pp. 311-332.
these shows has greatly increased in recent years. Currently 62 shows are staged once or twice yearly in 34 cities throughout the country. Of the Gift Shows, Chicago’s is the oldest, followed by New York, Boston, Philadelphia, Columbus, Detroit, Los Angeles, Dallas, and San Francisco. Some trade shows, like the Pittsburgh Glass and Pottery Exhibit which celebrated its seventy-fifth annual show in January, 1964, are older than the giftwares industry itself. The postwar years have seen a great springing up of shows in new locations and of "rider" shows which open in other hotels, exhibit halls, or showrooms at the same time as the older shows. Up to a point the new showings enhance the drawing power of a market but complaints are developing, especially from exhibitors, of too many shows.

In addition to cities already mentioned in this section as marketing centers, all of which have at least two shows twice a year, the following cities have exhibits: Albany, New York; Amarillo, Texas; Buffalo, New York; Charlotte, North Carolina; Cincinnati, Ohio; Cleveland, Ohio; Denver, Colorado; Des Moines, Iowa; Indianapolis, Indiana; Kansas City, Missouri; Memphis, Tennessee; Miami, Florida; Milwaukee, Wisconsin; Minneapolis, Minnesota; New Orleans, Louisiana; Omaha, Nebraska; Portland, Oregon; St. Louis, Missouri; Spokane, Washington; Syracuse, New York; Tampa, Florida; and Washington, D. C. These are all considered regional or local.
F. Channels of Distribution

The great majority of all firms engaged in the marketing of giftwares at every stage are small to moderate in size and financial strength. Judging by the conditions set down by Beckman and Engle in their textbook on Wholesaling* for direct contact between manufacturer and retailer, one would not expect to find direct sale playing much part in the giftwares industry. Of the nine conditions mentioned by Beckman and Engle, large-scale production, financial strength, routinizing of production, length of line, high unit value, perishability, large scale purchasing, small number of outlets, and use of public warehouses, almost every one is conspicuously absent in this industry. Here is an almost classic example of an industry that should theoretically profit by the use of jobbers, by their functions of assembling the merchandise of large numbers of small producers, warehousing, financing and credit, and providing convenient local service for small retailers of all types and in widely scattered locations.

The facts show, on the contrary, that most shops and giftware dealers, except the very smallest or those of the "corner variety store" type, purchase consistently from the manufacturer directly or through agents, with shipment from the factory. The use of such abbreviated channels places some financial strain on the resources of small

* 1, pp. 242-50.
manufacturers, who thus carry a large number of small accounts
some of doubtful credit responsibility.

The reasons for this state of affairs appear to be
twofold: the existence of a body of agents in the housefur-
nishings field, and the divergence between the desires of the
gift shop operators and the methods of the jobbers. The
manufacturers' agents were already operating when the gift
shops appeared. Finding much merchandise available to them
on factory shipments and terms and at factory prices, the
shop owners naturally sought to obtain lines from all manu-
facturers on this basis. The jobbers, on the other hand,
are compelled to obtain a large volume from small buyers
by selling intensively, and rather indiscriminately, to all
possible outlets. Gift shops and others selling better
classes of merchandise are inclined to guard their prestige
and individuality rather jealously. Indeed, they must if
they are to maintain a reputation for distinctiveness, which
is their aim in retailing. The net result of these marketing
forces has been to drive the jobber more into the field of
novelties and the less sophisticated types of giftwares,
leaving the nationally advertised and other "class" gift-
wares for distribution under the direct control of the manu-
facturer.

There is a tendency among such giftware manufactu-
rers toward exclusive or at least selective distribution.
Generally this means that only one gift shop, or equivalent,
in a given shopping area may handle the manufacturer's product. Sometimes other types of outlets may be sold in that locality, as a department store, a jeweler, and so on. In other instances all "suitable" retail outlets may be sold but the manufacturer or his agent is careful to keep the merchandise from places which might cause it to lose prestige in the eyes of the public, as in gasoline stations, regular hardware stores#, novelty, and "variety" stores. Since it is difficult, if not impossible, to impose such restrictions on jobbers, manufacturers of gift products of quality or prestige prefer to keep closer watch themselves on their distribution. The rapid movement of trends in home decorating and gift merchandise also compels manufacturers to keep in closer touch with their market and this they can do better through their own or their representatives' salesmen.

The jobber or merchant wholesaler does have his place. In novelties, jewelry, toys and games, and similar fields, the jobber occupies a vital position. These are important parts of giftwares, where they overlap that field. Here the attitude is different, reflecting different trade customs. The shop that buys fine glassware from the manufacturer and unusual European pottery from the importer, expecting reasonable competitive protection, will often buy children's blocks or costume jewelry from wholesalers who are selling identical merchandise in half a dozen other stores.

# Some hardware and similar stores have excellent separate gift departments.
in the vicinity. This seeming inconsistency can perhaps be explained in part by necessity: that is, to meet the demand for toys and inexpensive accessories which for practical reasons must be purchased that way; and in part by the feeling that prestige is not involved in these items.

The turnover of giftwares is low, averaging two to three times a year* and for china and glassware it is generally two or less.** The longer merchandise is likely to remain in stock, the more the dealer naturally desires to avoid having his customers see it in other stores and especially in those more standardized in appearance and with less artistic and imaginative atmosphere.

Because of relatively slow turnover and high expenses of operation, the dealer in giftwares operates on a customary markup of 50% on retail prices or 100% on cost of merchandise, F.O.T. factory. A few so-called promotional items, usually retailing at $1.00 or $2.00, carry a 40% markup on retail. On these items, increased turnover and possibly lower landing costs, breakage, or loss justify a smaller margin. Cash discounts are customarily 2% within ten days, net 30 days, with E.O.M. terms allowed department stores and other large buyers. In glassware and china the terms are 1% fifteen days, net 30. Until recently, the so-called "packing charge" was standard in the glassware and

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* 8, p. 38.
** 28, p. 5.
china business. This was originally a barrel charge, figured on cost of the barrels used plus labor, and added to the invoice. Wooden barrels are seldom used today, and the charges for cartons became a source of annoyance to the gift shops in particular, since other giftwares did not carry separate charges for packing but included them in the prices. For instance, a glass bowl costing $15.00 a dozen invoice price, plus packing and freight, retailed for $2.50 in the store, but a wooden bowl at the same invoice price, without packing, retailed also for $2.50. As retail prices have become more and more standardized in giftwares throughout the country, the dealer felt, with some justification, that his margin was cut by the application of the packing charge. The situation was brought to a head by the rulings of Government price control under the O.P.A. and O.P.S. that markup had to be figured on the invoice price. Under concerted protests of the giftware dealers, the packing charge has now (1954) been eliminated by most of the glassware manufacturers and it appears likely that it will disappear entirely as a separate charge.

G. Retail Trade

The list of kinds of retail stores involved in marketing giftwares is almost as long as the listing of main merchandise types. The typical retail outlet is, of course, the gift shop. At various times and places, however, almost every conceivable sort of retail store and even service
establishments have tried putting in a few gifts or even setting up a gift department. There is no point, therefore, in enumerating a mere list. It should be noted, however, that few retail dealers in lines far removed from giftwares are successful with gift merchandise unless they segregate it thoroughly and display it well, in effect setting up a gift shop in a separate part of their store. The main classes of stores which have done well in giftwares are: jewelry stores, florists, interior decorators' shops, china and glass stores, furniture and housefurnishings stores, and department stores (not only in the "gift shop" but to some extent in other departments, such as housewares, lamps, china and glassware, handbags and small leather goods, costume jewelry, art needlework, smokers' goods, toys and games, etc.). The retail hardware, stationery, antique dealers, and book stores which do well in giftwares usually keep this class of merchandise entirely separate, physically, from their main lines. Those who fail to do so encounter difficulty either with their suppliers or their customers. Restaurants and resorts comprise a special group. Many well-known eating places and hotels, especially but not exclusively those outside of cities, capitalize on the large number of guests by providing opportunities to buy gifts, preferably of the smaller, take-home varieties. The various resort shops, catering to transient or seasonal visitors, fall in this group and include many of the highest type shops as well as
the cheap souvenir stands.

While chain stores, including the variety chains, carry some types of giftwares, in fact have been expanding their operations in this and allied fields over the years, chain operation of gift shops has not been particular successful. Some owners have operated two or even three shops but the success of multiple units has depended on the ability and personality of the manager of each shop and the financial resources of the owner. The gift business is characteristically personalized and highly individualized.

A recent survey in a leading trade magazine of its retail subscribers, who constitute the more established and progressive dealers in the field, showed that over 70% of the retail dealers replying had fewer than five employees. The same survey indicated that 70% had been in business from three to twenty years.* Thus even long-established retailers tend to remain small, well within the span of personal control of one person.

In view of the personal relations with customers just indicated, it may seem contradictory to point to the success of many enterprisers in mail-order retailing. A study of the mail order catalogues and magazine advertising of many of these retailers, however, shows that their success is often a matter of personal approach. Their business personality is put over by mail through chatty, sometimes folksy

* 15, pp. 353-54.
descriptions, through highly individualized ways of writing and layouts, and sometimes though pictures or drawings of the retailer and his family. The technique is difficult but it gets the personal touch into cold type. Not all mail-order retailers, of course, are so informal but it is significant that so many consider it desirable. A good many of the mail-order firms have regular retail stores as well but some, especially in the housewares and "gadget" field, do all their business by mail catalogue and magazine advertising. The home or shelter magazines are especially favored. Costs of catalogues and advertising are high in this form of retailing, approaching 20% of sales.*

Other forms of retailing giftwares are limited. The club plan or house-party idea has been adopted by a few firms. Housewives are recruited to serve as hostesses for a local "dealer" who is often a neighborhood housewife herself. The dealer presents sales talks on household articles in the housewares or gift category to a group of guests invited in for an afternoon or evening gathering. The hostess is often paid off in merchandise or prizes. Door-to-door selling has never gained a strong foothold except in boxed greeting cards, probably because of the difficulties of carrying an adequate assortment of merchandise and because retail stores and shops with ample selections

* 13, pp. 58-59.
are readily available wherever the density of population would make door-to-door selling feasible.

The size of retail units marketing giftwares varies, as has been already stated, from large department stores to the small one-man or one-woman shops. Some such shops are opened in a living room or sunporch of the owner's home with a minimum stock and selection. Financial requirements are less under these circumstances but the risk lies in attracting customers. Zoning ordinances often forbid the use of an outside sign and otherwise limit the growth of such ventures. A few, in spite of handicaps, do become successful and take over a large part of the house or have to be moved to better locations. The great majority of gift shops and gift retailers generally are situated in shopping centers.*

Geographically, the section of the United States with the largest number of gift, novelty, and souvenir stores and the greatest sales volume, as indicated by the last Census of Business, was the Middle Atlantic region (New York, New Jersey, Pennsylvania), followed by East North Central (roughly, the states between the Mississippi and Ohio Rivers), and the Pacific region (Washington, Oregon, California). These three sections accounted for almost 60% of the retail establishments in this category and over 62% of the sales. Combined * 15, p. 353.
with New England and the South Atlantic states, the totals included the entire East coast, Great Lakes area (except Minnesota), and the West coast. These regions had over 80% of the dealers and the retail sales.* Further analysis of Census data for 1948 discloses some interesting differences among regions. (See Table I.) The total retail sales volume for the Middle Atlantic States ran slightly behind that for the East North Central area, but in the Gift, Novelty, and Souvenir stores, Middle Atlantic sales were far in the lead, constituting over 30% of the nation-wide sales in this kind of store. New England, which ranked seventh among the regions in total retail sales, was fifth in the Gift, Novelty, and Souvenir store sales and fourth in number of establishments of this category. The average volume per store, however, was the lowest of all regions, $13,600.

It is obvious, then, that retail units in this class do not conform to the national retailing pattern, and that the total retail sales in any locality do not necessarily provide any indication of probable sales in the giftwares field. The Gift, Novelty, and Souvenir stores appear strongest on the east and west coasts, relatively weakest in the South and the plains states. Resort business evidently adds strength in New England and in the coastal states generally, and also in the Mountain states, pulling these areas above their normal share of business.

* 29.
Varying standards of living and of taste are reflected also in the industrial as against the agricultural states. Care must be exercised in interpreting these Census figures, since the inclusion of souvenir and novelty stores with the gift shops doubtless affects the pattern. Still, a worthwhile basis of analysis and comparison is provided by them.

Who patronizes the gift retailer? Women predominantly, as in most retail trade, but more specifically women of the upper middle class, with some leisure, probably on the whole with above average education or interest in artwares and home decoration. The gift business depends not only on an economy well above the subsistence level but also on a clientele with taste and interest in articles for personal and home use that are more colorful, unusual, or decorative than the ordinary mass-produced utility products.

The retail outlets in giftwares are owned mainly by single proprietors, or in partnership. Of 12,516 retail stores listed under Gift, Novelty, and Souvenir stores in 1948, the number of proprietors was given as 13,109. With sales per store averaging only $15,600, it becomes evident that few stores could support more than one or two owners, and that the majority must be owned by one person.* Some of the larger enterprises, even in gift shop operation, are incorporated. The department stores, which in their gift departments alone do a considerable volume, and the furniture

* 29.
stores and other large retailers handling gifts are usually corporations with managers operating the gift departments. As a whole, the field is dominated by the unincorporated owner-manager. Only about 25% of the shop owners have five or more employees.*

There seems to be no simple way of arriving at a total retail volume for the giftwares industry. Both producers and retailers are so widely diversified that their sales are frequently lumped in national and local surveys under other trade classifications. The "Gift and Art Buyer"** estimates the annual retail sales of gift and art merchandise at more than $850,000,000. This estimate, published in 1953, seems very conservative in view of figures available on manufactures and imports in giftwares lines. It is high in relation to Census figures, which showed retail sales for the Gift, Novelty, and Souvenir group as $185,664,000 for 1948. Obviously, this is only a small part of giftwares sales. The china, glass and metalwares stores in 1948 produced sales of $116,916,000.*** The Federal Reserve System figures indicate that gift shop sales in department stores have run consistently about 0.4% of total department store sales since 1948.**** By applying this percentage to the department store sales in 1948, which according to the Census

* 15, p. 353
** ibid. p. 353
*** 29.
**** 27, pp. 61-65.
figures were $10,644,747,000, we get a minimum of $42,500,000 for the gift departments. The total which can be definitely assigned to giftwares for 1948 thus comes to about $855,000,000. Completely omitted, however, are the numerous dealers carrying giftwares whose entire sales are assigned by the Census Bureau to some other classification, as jewelry, stationery, hardware, drug, florists, to name only the most common. To estimate the giftware volume of these stores would be sheer guesswork. The total sales of these groups during 1948 came to over $8,500,000,000. Only a very small fraction of this business can be claimed for giftwares, of course, but to that figure must be added the totals from still other outlets, scattered through almost all major retailing classifications, which sell more or less gift merchandise.

To attack the problem from another angle, we find the Census of Manufactures providing figures on table and decorative glassware, greeting cards, candles, costume jewelry, pottery, and small leather goods, to a total value shipped in 1947 of over $750,000,000, at factory prices.* A high proportion of this merchandise found its way into the giftwares market. To it can be added the importations of fancy consumers' wares in selected classes, applicable to giftwares. A conservative estimate of these imports for the year 1952 exceeds $50,000,000.** As indicated, the

* 31.
** 32, pp. 89 ff.
Census of Manufactures figures are for the year 1947. Supplementary figures compiled by the Census Bureau show very substantial increases in the selected categories for 1952. A reappraisal of the manufacturers' shipped value as of 1952 in the selected groups would indicate shipments over one billion dollars. From these partial figures at the wholesale or manufacturers' values, it seems highly probable that the retail total for giftwares, as far back as 1952 was over a billion dollars and was increasing at a very rapid rate. (See Table II.)

H. Social and Psychological Factors in Marketing Giftwares

There are many ways in which the marketing of giftwares differs from that of more basic industries. To a far greater extent than the necessities of food, clothing, fuel, and shelter, the giftwares industry is a luxury business, whether one considers a five-cent greeting card or a hundred-dollar figurine. Few of its products, by definition, are necessities since a strictly utilitarian article belongs elsewhere than in giftwares. A demand for change and novelty in design prevails in this business to a greater extent than almost any other, and yet the variety of merchandise is so great that mere production of different, new articles does not guarantee they will be noticed, much less purchased.

A reasonable level of prosperity and an interest in improving one's way of living are primary essentials to the
growth of the giftwares industry. True, the artistic and cultural aspects of the industry itself need improvement. As early as 1926, however, a gift shop operator and writer, the late Grace P. T. Knudson, noted that the gift shop owner must be not merely a purchasing agent for the community but a cultural leader; she must have the genius to combine beauty and business, art and commerce. The merchandise, Mrs. Knudson pointed out, could be anything educational, inspirational, or constructive.*

The customer for giftwares is typically a woman somewhat above average in income, with an interest in things a little out of the ordinary. She creates a steady demand for new ideas, new uses, new merchandise of all types. She may be little if any more artistic or discriminating than the public at large but she usually feels that she is.

The seasonal character of the business, with peaks at various gift-giving holidays, especially Christmas, indicates clearly that a very large proportion of giftwares are truly bought as gifts. Other emotional factors are present, often in very mixed form, as in all human affairs. The urge to emulation, artistic snobbery, and selfish concern with material possessions are certainly primary buying motives for giftwares, as well as true sentiment for others, generosity, and love of beauty.

The giftwares industry, despite its lapses of taste on occasion, has filled a need in the social, cultural, and

* 5, p. 53.
merchandising pattern of our times. The very facts of its spontaneous and rapid growth, while remaining in the framework of a "small" industry, indicate that it meets and satisfies human needs, that it produces not merely desirable merchandise but social utility.
IV. Special Problems of Marketing Giftwares

A. Manufacturers' Problems

The marketing problems in giftwares are intensified at all levels by the relatively small size of the firms engaged in it. The manufacturer of giftwares whose total volume of sales is over $1,000,000 annually is a rather large operator. His retail customers typically operate on a volume of $15,000 to $20,000 at retail, and their orders average about $50 to $100; many are smaller. Furthermore, few shops have space for much reserve stock and must depend on the supplier, usually the manufacturer, to replenish merchandise as needed. As a result, the marketing costs of the manufacturer are likely to be high in relation to volume; at the same time the resources of the manufacturer are limited. Also the peculiar demand of the industry compel frequent changes and additions to the line. Some manufacturers bring out extensive new lines twice a year, and others content themselves with a few new items. The manufacturer must be alert to the constantly shifting trends in design in home decoration and personal accessories. Cycles in the demand for various types of products are common, even in the more staple merchandise. During the 1940's, for example, stemware was tremendously popular. After the war stemware and crystal glassware generally declined rapidly and in recent months many factories were working only part time. Informal living
and entertaining, the advent of television, "contemporary" styles in home building and furnishing, these are only some of the social changes which have affected gift merchandise, bringing great popularity to simpler decorations, "functional" shapes, and especially serving pieces for buffet meals. Casseroles and even the old-fashioned chafing dish have suddenly come into favor.

The risks of design changes are as great as ever. Not every innovation meets the public fancy, but the successful ones are quickly copied by a horde of imitators who by popularizing and often cheapening the item, shorten its life cycle in the market. Design piracy is a major problem.

With limited capital resources it is often difficult for the manufacturer to finance the designing, tooling, and marketing of the steady stream of new items which he needs to keep his customers. His selling costs are often high because of conditions imposed by marketing patterns in the industry. Credit and collections policies and administration, in view of the large number of small retailers and the distances at which some are located, require constant care and attention. Delinquent accounts can tie up a lot of the manufacturer's badly needed working capital.

Advertising is a very useful tool for the manufacturer who wants national distribution but relatively few can afford national consumer advertising. Those who can usually choose the "shelter" magazines ("Better Homes and Gardens,"
"House Beautiful," "House and Garden," etc.) as pinpointing their market better than the magazines of general readership. Others advertise only to the trade through such publications as "Gift and Art Buyer," Haire's "Giftwares," or the trade journals in china and glassware, toys, stationery, jewelry, and other selected fields.

Catalogues are difficult to maintain because of costs and the rapid obsolescence of most giftwares lines. Nevertheless, most of the larger producers issue catalogues for the trade and a few provide brochures or envelope stuffers aimed at the consumer, especially if they engage in consumer advertising. These firms will seldom if ever accept orders from consumers, but refer consumer inquiries to the nearest dealer. Failure to do so would create not merely ill-will among their dealers and lost accounts but servicing the consumers would prove too costly and time-consuming.

With the advent of countless new producers to the field, prices have become more standardized, a natural result of competition. In the early days of giftware marketing, there was often little basis for comparison and pricing could be arbitrary on many kinds of merchandise. Today the manufacturer's price and margin are limited by the knowledge that imitators will more easily undersell him if his pricing is not carefully and fairly done. Even so, the industry is not yet as price conscious as, say, the grocery or other
staple businesses, and there is more leeway even for non-patentable items. The consumer is not so likely to know what the price of a novelty lamp or fancy bracelet should be as she is for a bar of laundry soap or a pair of stockings. Yet the ultimate purchaser of a "gift gadget" or a wedding present often has a very definite price range in mind, and the wise manufacturer plans his products to fall in these popular, habitual price ranges, if he expects good volume. It is paradoxically quite possible to set a retail price too low; it is better to judge the probable value in the eyes of the consumer and to avoid the extremes of undervaluing as well as overpricing.

B. Distributive Problems

The problems involved in the processes of getting merchandise from the manufacturer into the hands of retail dealers is the subject of this section.

Costs of distribution are an important part of the situation, although not the only problem. We have seen the difficulties arising through the small size, diversification, and diffusion of the industry. Maintaining liaison between some 3,000 manufacturers, several hundred importers, and perhaps 30,000 or more retail dealers of diverse kinds over the length and breadth of the United States is a major part of the problem of distribution. Naturally it is a rather costly and probably wasteful process, since the major part of the selling function at wholesale is borne by the manufac-
turers' own sales forces or by representatives and side-line salesmen. Travelling expenses are high, probably averaging around $10 a day per salesman. Manufacturers' or agents' showrooms usually must be located in high-rent downtown areas of large cities. Participation in trade shows costs a minimum of $25 to $30 a day and most shows run for five days or longer, twice a year.

The manufacturers' agents or "direct factory representatives," who dominate the wholesale distribution of giftwares, usually work on a straight commission based on net sales (shipments). The average commission is at 15% of factory prices, with a "protected" territory; that is, the agent is paid for all business emanating from his stated territory. From his commission the agent must pay all expenses of his office and showroom, if any, advertising, his own travelling expenses, and compensate his sales and office force.

Where merchant wholesalers operate in this field they customarily receive about 25% discount from the retailers' price. Their operating expense ratio is estimated at 15% to 20% of sales by the Census Bureau and by those familiar with the field.*

The task of the salesman in this field is complicated by the necessity of serving also as a communications medium.

* 30.
1, p. 234.
28.
He is a vital link between the manufacturer and the retailer and ultimate consumer. This is also an educative task in explaining the source, properties, and uses of new or unfamiliar products to his customers, in helping new customers learn the ropes of retailing, and in otherwise providing countless unpaid services. The salesman or his principal must set up and administer franchise policies for his territory, decide what types of retail outlets to select or avoid, and satisfy the demands of both dealers and manufacturers in each shopping area of his territory.

The key man in the wholesale distribution of giftware is the salesman in contact with the dealer, whether he is a salaried employee of the manufacturer, a wholesaler's road man, an independent representative, or side-line salesman, or the sub-agent of a firm of manufacturers' agents. In all except the first case, he will be carrying a diversity of lines from several manufacturers, up to fifteen or twenty lines if a representative, perhaps 200 or more if a wholesaler's man. It can be seen that the representative's job is an exacting one if conscientiously performed, and yet he must never overlook the primacy of sales volume and adequate coverage, which is his first responsibility and ultimately the only basis on which he can retain his lines.
C. Retailers' Problems

In addition to the usual problems of operating a retail business, the gift retailer frequently is faced with special situations. Pricing is still a puzzling matter for many dealers, although there is a growing tendency for manufacturers to "suggest" retail prices, and in some cases to maintain and police them under the fair-trade laws or by other means. The retailers themselves seem to favor this price-setting since it makes their pricing job easier. There are complaints, however, that the dealers' margins are cut by establishing retail prices too low and that provision is not made for loss by breakage, spoilage, low turnover, high transportation costs, and other factors which squeeze the retailer.

The typical retailer's biggest problems today apparently center in the narrowing margins between costs and selling price. Peel* quotes figures for 1939 showing average gross margins of 42% and expenses of 36%. Dun & Bradstreet's report on the operating ratios of gift, novelty, and souvenir stores for 1951 shows a median gross margin of 39% and cost of goods sold 61% with little variation due to volume. Expense ratios varied from 33.6% for stores with $15,000 to $30,000 annual volume to 38% for those under $15,000. The median inventory turnover was 2.2.** Net

* 8, p. 9.
** 26.
profit margins, in spite of good initial markup, were obviously not large and many expenses have been on the increase since 1951. Only the high level of retail business has kept many stores profitable.

The low turnover in giftwares influences not only the net profit but also affects buying. Coupled with style obsolescence and a tendency to fragility or damage in stock, low turnover impels a buyer to purchase cautiously and in as small quantities as possible to avoid these inventory risks. The other horn of this dilemma is transportation costs. Unprofitably small shipments from the factory run into higher transportation rates and occasionally extra charges by the manufacturer. Freight from distant points is often slow, resulting in lost sales; highway trucking while often good between major shipping points, sometimes runs into delays at transfer points, and some motor carriers are unreliable in settling damage claims. Railway express and parcel post have become very expensive except for merchandise of high value or light weight. On some kinds of merchandise over long distances the landing cost may approach or exceed 10% of the invoice cost.

So much giftwares merchandise is highly fragile that breakage and claims against the carrier have become a major problem. The Gift and Decorative Accessories Association of America, industry-wide trade association, has recently negotiated a Claims Code with representatives of
leading American railroads, intended to regulate matters pertaining to packing, responsibility of the carriers, and claims procedure for retailers.* The agreement seems to be very favorable to the retailers.

Window and interior display problems of giftware dealers differ a good deal from those of other retailers. The object, of course, is the same, to arouse interest and promote selling. But because of the nature of the business mass displays and stereotyped arrangements are avoided. Display and arrangement call for all the artistic ability and imagination at the dealer's command. The merchandise must not only look attractive and desirable but so far as possible its uses and advantages must be suggested; table settings, and arrangements of pictures and figurines, vases and bowls with flowers or fruit, all suggest to the customer how things can be used at home. Imagination is a fairly rare quality among average consumers and it is necessary to visualize for them. It goes without saying that the housekeeping of a gift shop should be impeccable. Customers may not object to a jumble of merchandise but the stock must be kept clean, the windows, counters, and floors spotless.

Advertising and promotional efforts are more widespread now among retailers of giftwares than in the earlier days. Of retailers surveyed by the "Gift and Art Buyer,"** 79.6% advertised in newspapers, 28.2% by radio, 56.2% by

* 19, pp. 24, 198.
** 15, p. 354.
direct mail. Metropolitan newspapers are seldom used, unless the dealer is located in a downtown shopping district. Local or neighborhood papers are favored. Radio programs typically used are of the shoppers news variety. A few manufacturers with advertising programs provide newspaper mat service, suggested layouts, radio scripts, window display material, and other promotional aids to their dealers, and in some cases even advertising allowances. But usually the retailer or his advertising agency prepares the advertising. Little of the display or point-of-sale material is considered suitable by the dealer, who usually has his or her own definite ideas about display. The same condition applies to coordinating local displays with a manufacturer's national advertising campaign. A window display of the advertised items is as far as most shop owners are willing to go.

Numbers of retail dealers advertise in the consumer magazines themselves, especially for the Christmas season. The cost of insertion is high but that is the principal risk, and it can be the means of acquiring an excellent mailing list.

The operator of a small shop, especially a true gift shop, often suffers from a sense of conflict arising from the characteristic nature of his work, which is partly commercial and partly artistic. It is a combination essential to the business but unfortunately not all shop owners have it. Many are drawn into the business by the necessity or desire
to make money but at the same time are attracted by the artistic side of the venture. Without business training or experience, they hope to establish a successful business that will also satisfy their esthetic tastes. Fortunately, fewer people have so naive an approach nowadays and most of those who do embark learn the business fundamentals early in their career. Some, however, display a lack of understanding of certain business aspects even after many years. Probably few other businesses have so large a number of dealers unfamiliar with business practice and untrained in all aspects of retail store operation.

The seasonal character of the gift business constitutes a special problem. In department store operation for 1952, sales of the gift shops in December constituted over 25% of the year's volume, and the last two months of the year accounted for about 38% of the total. January, February, and July each accounted for about 5% of the year's total.* Similar figures would apply to smaller stores, perhaps with even greater emphasis since they are less able to stimulate business by large-scale advertising and special sales. In spite of gift occasions the year around and the discovery that weddings take place all through the year, it is probable that seasonal variations will remain a problem to giftware retailers.

The technique of selling in a gift shop requires the careful attention of the operator. Browsing is a well-
established habit of the retail customers and all appearance of high-pressure sales is diligently avoided by most shops and gift stores.* Nevertheless, sales volume can be increased by skillful handling of customers and careful suggestions, by good, suggestive displays, interesting and compelling advertising, and above all by service and good personal relations with customers, employees, and the public at large.

Competition for the retail stores consists largely in the multiplicity of stores carrying giftwares. A successful gift shop in a community may attract one or more others, but often competition may come from dealers already established in other lines, such as jewelry or hardware, who decide there must be good money in the gift business. Some retailers put in Christmas departments for two or three months only** thus skimming some of the cream from the best season, and then closing out remaining stock at low prices, thus injuring the regular dealer twice. Smaller stores may suffer somewhat from department stores and other large retailers who are able to advertise and promote more extensively. The variety five-and-ten chains are offering more and more gift-type merchandise and the sort of articles in this field sold by the chains are avoided wherever possible by the gift shops and other small retailers.

Mail-order competition, whether from other retail stores or from mail-order specialists, probably does not

* 2, pp. 83ff.
** 24, p. 60.
cause much trouble. People who buy by mail often are unwilling or unable to shop easily in local stores. Few if any wholesalers or manufacturers attempt seriously to sell direct to individual consumers. It is too expensive a way to sell products of this type and the large number of retailers provide an adequate market. To sell direct would arouse more resentment and resistance among the dealer organization than it would be worth in sales volume. The exception is a tendency to sell large industrial buyers seeking gifts for employees or customers, or to allow charitable groups to buy at wholesale for a one-time fund-raising sale or other event. Neither practice is very widespread but retail dealers oppose any such moves, and the general subject is under study by the national trade association.

*19, p. 85, 196.
V. Summary

This study has endeavored to draw the portrait of the gift industry, to delineate its boundaries, set it off against its background, and highlight its salient features. It has also looked into the history and origins, the divergent ancestry and dispersed present of this business. It has made some informed guesses of its true dimensions and examined its problems from all angles. But the industry is not static; it is in a phase of rapid development and evolution.

The gift industry has been growing for the past few years, except for the depression period, at an accelerating rate. Despite its amorphous nature and great diversity, it is beginning to take steps toward developing some cohesion and an industry-wide concept of common principles and practice. Efforts are being made to formulate codes of ethics and business procedure for the industry.

Forecasts of evolution in such an industry, situated in a rapidly changing economic and social background, are risky. It seems likely, however, that progress in creating new paths and in greater unity and cooperation will follow unless serious economic reverses affect the United States. Given a high level of income and social organization, those engaged in bringing giftwares to the American public should continue to prosper.

Control of many of the factors affecting the
industry are outside its powers; not only the general economic system, but such trend-setting factors as motion pictures, television, and the broad style movements are initiated and carried through beyond the reach of gift industry influence. It is improbable that this industry will ever be in a position to originate major social trends but must continue to adapt to them as they arise, using the same ingenuity which has brought it to its present situation to turn the changing times to its advantage. In this constant effort, the contributions of the trade publications and the national and local organizations can be invaluable to the industry and to its individual members.

Smaller retail and wholesale firms can benefit particularly from mutual aid, but normally they are slowest to take advantage of the possibilities. The task of the next few years is to attract the broadest possible industry participation in stating and solving its problems. The ideas and difficulties of the smaller units must be sought out and attempts made to increase the efficiency of all aspects of giftware marketing but at the same time raising its esthetic standards. It is to be hoped that some way can be found of obtaining and providing for industry use more exact and complete facts and figures about the business than are now available.

Better public relations on a broad scale are also needed. Too little is known about the industry both inside
its ranks and among the general public, where indifference and misapprehension are widespread. Mere promotion of "National Gift Week" is not the answer to the public relations question. The industry should recognize its responsibilities to its public, not merely the profit prospects. An industry alive to its situation can help educate and lead the people to higher appreciation of worthwhile gift merchandise in every price range, to true values, and finally to have confidence in the local retailer and his selection of merchandise. In so doing, the industry can increase its stature and acceptance far beyond its past achievements.
Table I

GIFT, NOVELTY, AND SOUVENIR STORES

Number of Establishments and Sales by Regions--1948

with Comparative Ratios

<table>
<thead>
<tr>
<th>Region</th>
<th>Rank in Total Retail Sales</th>
<th>Establishments</th>
<th>Retail Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Number</td>
<td>Freq. Distribution</td>
</tr>
<tr>
<td>Middle Atlantic</td>
<td>2</td>
<td>3,477</td>
<td>27.8</td>
</tr>
<tr>
<td>East North Central</td>
<td>1</td>
<td>2,147</td>
<td>17.2</td>
</tr>
<tr>
<td>Pacific</td>
<td>3</td>
<td>1,796</td>
<td>14.3</td>
</tr>
<tr>
<td>South Atlantic</td>
<td>4</td>
<td>1,336</td>
<td>10.7</td>
</tr>
<tr>
<td>New England</td>
<td>7</td>
<td>1,346</td>
<td>10.8</td>
</tr>
<tr>
<td>West North Central</td>
<td>5</td>
<td>849</td>
<td>6.8</td>
</tr>
<tr>
<td>Mountain</td>
<td>9</td>
<td>645</td>
<td>5.1</td>
</tr>
<tr>
<td>West South Central</td>
<td>6</td>
<td>605</td>
<td>4.8</td>
</tr>
<tr>
<td>East South Central</td>
<td>8</td>
<td>315</td>
<td>2.5</td>
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<tr>
<td>United States - Total</td>
<td>12,516</td>
<td>100.0</td>
<td>0.7</td>
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### Table II

**Supporting Figures for Estimate of Giftwares Volume**

**Part A--Retail Sales in Selected Categories**

<table>
<thead>
<tr>
<th>Kind of Stores</th>
<th>Total Sales</th>
<th>Assigned to Giftwares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gift-Novelty-Souvenir</td>
<td>(Add 000)</td>
<td>(Add 000)</td>
</tr>
<tr>
<td>China-Glass-Metalware</td>
<td>(185,664)</td>
<td>185,664</td>
</tr>
<tr>
<td>Department Stores</td>
<td>(116,916)</td>
<td>116,916</td>
</tr>
<tr>
<td><strong>[Total, Estimated]</strong></td>
<td>(10,644,747)</td>
<td>42,500</td>
</tr>
<tr>
<td>Florists</td>
<td>377,250</td>
<td>?</td>
</tr>
<tr>
<td>Hardware</td>
<td>2,493,569</td>
<td>?</td>
</tr>
<tr>
<td>Drug Group</td>
<td>4,012,931</td>
<td>?</td>
</tr>
<tr>
<td>Jewelry</td>
<td>1,224,373</td>
<td>?</td>
</tr>
<tr>
<td>Book and Stationery</td>
<td>549,124</td>
<td>?</td>
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<tr>
<td><strong>Totals</strong></td>
<td>8,657,952</td>
<td>355,080</td>
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</table>


**Part B--Value of Manufactures, Selected**

<table>
<thead>
<tr>
<th>Kind of Manufactures</th>
<th>Value Shipped (Add 000)</th>
<th>1947</th>
<th>1952 (est.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Glassware-Pressed &amp; Blown</td>
<td></td>
<td>284,795</td>
<td>302,000</td>
</tr>
<tr>
<td>Products of Purchased</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Glass (Value Added)</td>
<td>118,107</td>
<td>215,510</td>
<td></td>
</tr>
<tr>
<td>Greeting Cards</td>
<td>123,356</td>
<td>150,000</td>
<td></td>
</tr>
<tr>
<td>Costume Jewelry</td>
<td>170,294</td>
<td>400,000</td>
<td></td>
</tr>
<tr>
<td>China dec. for trade, and pottery</td>
<td>48,304</td>
<td>74,000</td>
<td></td>
</tr>
<tr>
<td>small leather goods</td>
<td>37,649</td>
<td>h.a.</td>
<td></td>
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<tr>
<td><strong>Total, Selected Manufactures</strong></td>
<td>$733,005</td>
<td>$1,141,510</td>
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</table>

Bibliography

I. Books


II. Booklets and Pamphlets


III. Newspapers and Periodicals

Business Week


IV. Publications of Government Agencies, Associations, etc.


V. Personal Sources of Information

33. Interview, Mr. George Feldman, George I. Feldman Co., Inc., Boston, Mass.

Interview, Mr. Arthur J. Peel, author of How to Run A Gift Shop.

* * *

In addition to the above-listed sources, I am grateful for the information and assistance provided by many persons in the trade, too numerous to list by name. Special mention, however, must be made of Mr. A. C. Kretschmar of The Gift and Art Buyer, Mrs. Willis of Hazel Cormier Willis Associates, various members of H. P. & H. F. Hunt Co., all of Boston, and of several retail shop owners and buyers mainly in New England.