



## **DIMACast #83 - McCurry Marketing Idea Exchange Monday – January 7, 2008**



### **Haunani Kekuna**

(Interviewed at the IPI Convention – Las Vegas, Nevada)

### **Moto Photo**

**279 E Swedesford Rd  
Wayne, PA 19087  
www.MotoPhoto.com**

1 **Bill McCurry:** In the suburbs of Philadelphia is Wayne, Pennsylvania. There's a  
2 Moto Photo there. Haunani Kekuna, tell us what you just did.

3 **Haunani Kekuna:** Well, in February, we remodeled our store. We've only got 2-  
4 1/2 years left on our lease and I actually have another 5-year renewable, but the  
5 decision to remodel was actually based on the 2-1/2-year lease. And the reason why we  
6 remodeled is we took over, over 8-1/2 years ago. The store was old then, and it  
7 certainly didn't get any younger, and I didn't get any younger. It's a 1600-square-foot



# Dear Customer

Thank you for choosing Bergen County Camera for your recent purchase. The trust you place in us is greatly appreciated. Please take a moment to help us better serve your needs. Your responses will be held in confidence and information used in aggregate form only. If you desire a return call please indicate this on the survey and I will respond personally.

Next January we will do a random drawing from all respondents. Please include your email address on the reverse side of this page. The lucky winner will receive a pair of compact binoculars.

Please rate your responses on the scale below and use the blank lines for any comments or suggestions you have relative to the specific question.

*Jon*

Circle the best suitable answer using the key below

5=excellent    4=good    3=satisfactory    2=poor    1=unacceptable    0=no opinion

1. On your most recent purchase, how responsive was our Salesperson to your needs?

5 4 3 2 1 0

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. Is there anything we could do differently to better serve you?

Yes    No    *If yes please explain:*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Overall, how would you rate the quality of the service that we provide?

5 4 3 2 1 0

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. If you had occasion to phone us, was your call promptly and courteously handled?

Yes    No    N/A    *Please explain:*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. How would you rate the variety of products available for purchase at BCC?

5 4 3 2 1 0

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

9. Is there any other merchandise you would like to see us stock?

Yes    No    *If yes please explain:*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. How is our pricing relative to the value of the products/services we provide?

5 4 3 2 1 0

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

10. In which of the following ways have you seen or heard BCC mentioned? Circle all that apply:

- Cable TV
- Yellow Pages
- Newsletter
- Newspaper
- Personal Referral
- Web/Internet
- Storefront (drive/walk-by)
- WFUV-FM
- BCC Mailings
- BCC e-mailings
- Other (please specify) \_\_\_\_\_

5. BCC lives by and appreciates your recommendations. Is there anything that would prevent you from recommending BCC to family and friends?

Yes    No    *If yes, please explain.*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Other comments or suggestions:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. How do you rate and enjoy our electronic e-mail newsletters?

5 4 3 2 1 0

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



TOM GRAMEGNA  
BERGEN COUNTY CAMERA  
270 WESTWOOD AVENUE  
WESTWOOD NJ 07675-9970

*Return Service Requested*

*Please provide your email address for prize drawing notification and BCC Email News and Events.  
BCC DOES NOT RENT OR SHARE EMAIL ADDRESSES WITH ANYONE.*

\_\_\_\_\_ @ \_\_\_\_\_

Please send me the following BCC email newsletters and special offers.

- Email News and Events – electronic “*In Focus*”
- Weekly Used Equipment List
- Leica News
- Digital News and Events
- Nikon News
- Gallery 270 Events

*I would like a personal response, email or phone me at*

\_\_\_\_\_

*Thanks in advance for your help,*

*Tom Gramegna, President*

*We suggest adding sales@BergenCountyCamera.com  
to your address book to ensure email delivery.*

*Please fold in half twice so that the business reply mail  
panel faces out, tape top edge, and mail.*



NO POSTAGE  
NECESSARY IF  
MAILED IN THE  
UNITED STATES

**BUSINESS REPLY MAIL**  
FIRST-CLASS MAIL PERMIT NO. 61 WESTWOOD, NJ

POSTAGE WILL BE PAID BY ADDRESSEE

TOM GRAMEGNA  
BERGEN COUNTY CAMERA  
270 WESTWOOD AVENUE  
WESTWOOD NJ 07675-9970



8 lab. It was designed to have two printers and a processor. When people, customers  
9 would come in and lineup, if you had more than three customers, they'd be out the door.  
10 So our front counter was way up in the front, and so often; we also have a portrait  
11 studio, and we sold, when we would sell our club membership, we would say, "And you  
12 get a sitting, a free session in the studio plus a free 8 by 10 portrait." Inveritably, they  
13 would say, "Oh, you have a studio?" and they'd look around the corner, because our  
14 studio was down a long hallway, way the back. Well, at that time we only had 3% in  
15 studio sales, so it really wasn't an issue. Well in today's marketplace, our business has  
16 changed so dramatically. Last year we had a 51% increase in our portraits, and  
17 currently we are trending a 28% increase in portraits. So do I attribute some of that to  
18 the remodel? Absolutely, because part of what we accomplished with the remodel was  
19 to repurpose the square footage we had. It was for the old business model, the two  
20 printers and a processor. We actually reduced the lab by 50%. So we get up real close  
21 and personal now in the lab because we have to move closer to one another, and we  
22 have to take what we did before and condense it in half the space. So what did we do  
23 with the other space? We gave it to the customers. I can actually have 10 or 12 people  
24 in line in the store, because what I did not do was I did not use up all that free space for  
25 merchandise, for gondolas and etcetera. I opened it up for the customers, so the baby  
26 carriages could come in, people could browse. They didn't feel close. And so now when  
27 people come in, they like the new look. They feel better there. It's always, "Wow, look at  
28 what you've done." So a nice side effect is they think we're doing really well, because  
29 why else would you invest? So it's actually more of an incentive for them to come to us.  
30 They also linger longer, especially at the kiosks, because part of the remodel was to

31 have well-defined functional areas. So now, the kiosks aren't just on a counter here and  
32 there. They're actually collected together, with a kid area adjacent to it. We also, when  
33 we remodeled, we defined the studio area. So we moved walls. We tore down walls. We  
34 rebuilt walls. We re-carpeted. We defined the portrait area and the kid play area with  
35 wood oak floors. It's not the real stuff, of course, but functional. And so now people  
36 come in, the kids are playing, and when mom makes a buying decision for the portraits,  
37 it's so much easier because the kids are relaxed. They're playing and mom can do her  
38 job of making the buying decisions.

39 **Bill McCurry:** Where did you get the vision to do this store?

40 **Haunani Kekuna:** I don't know if it's a vision per se. And you know if I'd sat down with  
41 my accountant, I'm sure I know what the answer would've been – just no way. So it  
42 really is the belief in the business, and in the industry, and myself and my staff, because  
43 if you don't believe in yourselves to make it happen, it just can't happen. No matter what  
44 the industry is doing, it just can't happen. I love this business. I love what I do. And I'm  
45 loving it even more as the portrait side of the business continues to grow because you  
46 really have a closer connection one on one with the customers. I'm part of the Moto  
47 Photo system And I believe in what Harry Loyle is doing for the Moto Photo system in  
48 directing it towards the education and experiential experience. You've got to believe in  
49 what you're doing, and if you don't, you can't make it happen. So the nice side effect for  
50 us is the associates really like the new digs. It's not that they're hopping around and, but  
51 they feel better about being in the store. We also remodeled the bathroom. We used to  
52 store chemistry in the bathroom because it was a place that was available. Well now we  
53 have a changing table and we put in a pedestal sink, so just little things. We have

54 accents. We put Candace art up on the walls. But now, even if moms don't have an  
55 appointment with us in the studio, it's not unusual for them to stop by and ask if they can  
56 use the bathroom.

57 **Bill McCurry:** Are you saying that a retailer who's catering to the population  
58 should be offering free restrooms?

59 **Haunani Kekuna:** You know, I don't really care if they come to me for the free  
60 restrooms because they're coming to me. And along the way, since the bathroom's in  
61 the back, they have to go by my merchandise, through my studio, and, you know, by the  
62 kiosks, by the other customers that are having a good time in the store. So if that's their  
63 first visit with me, I'm okay about that because it won't be their last.

64 **Bill McCurry:** You had less than 3 years left on the lease. You invested some  
65 significant money. That's a gutsy move. If I was thinking of making a gutsy move like  
66 that, where would you send me for information or ideas?

67 **Haunani Kekuna:** That's a tough one. I mean join Moto Photo. So this was not a light  
68 decision, and certainly by being a part of the Moto Photo system, I had some ideas from  
69 other franchisees of what it was that they did or did not do. But, you know, being an IPI  
70 member as well, there is, you have such a resource of people. I try to keep up on trade  
71 magazines. I try to keep up on the IPI forums. So I knew I was going to do this, or  
72 thought I wanted to do it, but I needed to have information. So I started researching,  
73 started looking at what to do, what not to do. With the older store that we acquired and  
74 then the 8-1/2 years that we've been there, we knew, even before we had heard the  
75 term "Jennifer", we knew we needed to do something. But as time went on and it  
76 became very apparent the business model had changed so drastically, and as we got to

77 know more about who Jennifer was and we started seeing some Jennifers, we also  
78 understood more and more the need to do that. So at PMA, in fact the one year that I  
79 went to PMA was specifically to take a look at the picture store. I debated whether I  
80 should go or not. You know, could I get this information after the fact, etcetera? But I  
81 made the decision to go, to take a look at the picture store. So while I couldn't embrace  
82 it entirely with the resource constraints and the location, etcetera, I tried to incorporate  
83 as many things as I could, which is why it was not cluttered, which is why I had well-  
84 defined areas, and we're still a work in progress. I still need to get nice chairs for the  
85 kiosks, and still need our purple couch, our purple sofa. There is a story behind this  
86 purple sofa. So my portrait photographer, who is so incredibly creative, gave me this  
87 book called "The Purple Cow." And when you read it, it really makes you think twice  
88 about taking chances, you know, thinking outside of the box. So it's kind of been a  
89 mantra between Kristin is her name and myself. Whenever we are forced to think of  
90 something in a different way, remember the purple cow. So as a symbolism to that,  
91 we've, we want to get a purple sofa at the beginning of our portrait studio waiting area,

92 **Bill McCurry:** Did you close the store while the construction was going on?

93 **Haunani Kekuna:** Yes. So initially, I was not planning on closing the store, but  
94 the reality was there was no way to do it effectively without doing that, because we did  
95 move walls and they were lab walls, because when you reduce; and so you're talking  
96 dust. I mean there were some practical logistics to do this. But we did reopen before it  
97 was completely done because the cash flow simply was not there. You know, it wasn't  
98 just the cost of the construction. It was also the period of time that you were down. And  
99 what's interesting is people would knock on the door, the front door, even though we

100 had signage, and they were concerned, “Are you closing?” And so even though we just  
101 said, “We’re remodeling,” for some reason they thought we were closing. Some were so  
102 concerned that they even went around to the back door, so the contractors and we were  
103 coming in and out of the back door, just to make sure we were going to be there. So  
104 that helped to reinforce the decision to do it. They think there would be a void if we  
105 weren’t there and they were letting us know.

106 **Bill McCurry:** Did you do a Grand Re-Opening or anything like that?

107 **Haunani Kekuna:** Yes, we did, and I wish I had maybe talked to Gaby or someone  
108 else that could’ve given us a better direction on how to do it. We sent out invitations. We  
109 had special pastries made and we invited people to come for our Grand Re-Opening.  
110 This was in early March. We had a decent turnout. Gave away goodie bags, so they  
111 had an incentive to come back and see us. So it did accomplish a couple of things. One,  
112 “Wow. Oh, my God, this is great.” So we got all of those kinds of comments, which we  
113 were hoping for. And then secondly, people did come back afterwards. I would’ve liked  
114 to have had a bigger party, and I just didn’t know how to go about doing that, so we did  
115 what we thought would give us a big party, but it was modest.

116 **Bill McCurry:** If I’m sitting here with a few years left on my lease and I’m going to  
117 do it, what one single advice could you give me?

118 **Haunani Kekuna:** if you’d decided you’re going to do it, make sure in your  
119 heart of hearts it’s the thing to do, because you’re going to go through money, and that  
120 always causes angst, and you don’t want to make the wrong decisions when you’re  
121 spending that money. I had an incredible contractor. Obviously I had a contract with  
122 him, but I read it wrong. By that I mean he gave me a total cost and then, but it was in

123 two parts, and then at the bottom it said, "Total cost." Well, right above that total cost  
124 was the cost per square foot to lay the floor laminate, the oak laminate, and I thought  
125 since he knew what the square footage was that the total cost truly was the total cost. It  
126 was not. It was plus the per square foot to install the laminate. So the morning that the  
127 contractor started, I asked him for clarification, and much to my horror, he said, "No, it's  
128 in addition." So the next morning, because the contractor came on site every day to  
129 start the project and then left, I said, "We need to go back outside." I like to be upfront  
130 and honest with everyone that I deal with, so I said, "We need to make payment  
131 arrangements. This is what I can come up with, and for the rest we're going to have to  
132 make payment arrangements." He had no problem with that. What ended up happening  
133 is the amount I said I could pay upfront is the amount that I got invoiced for. Now he did  
134 not make any money on it, because we had him do extra things that he did not charge  
135 us for. And when I confronted him, which is a great thing to have to confront about, he  
136 acknowledged. He says, "No, I did not make money on this project, but you don't make  
137 money on every project." It gave his guys a relief from some of the more major, harder  
138 core type construction. He said it was a pleasure to work with us and he said he's  
139 happy. He was fine. Part of it is they try to get more projects within the shopping center,  
140 so every satisfied tenant helps him to get other jobs. So it wasn't just us that he liked. It  
141 did serve a greater purpose, but he was such a pleasure to work with.

142 **Bill McCurry:** Now normally you hear different kind of war stories about  
143 contractors, and what I'm sensing here is your guy may have responded to the fact you  
144 didn't come after him and say, "This is misleading. You're a jerk. I'm going to sue you."

145 You said, "I will pay you. I just need to pay you over time." Is it possible that he treated  
146 you because of the way you treated him?

147 **Haunani Kekuna:** Yes. He did comment on that. He said, "You have to  
148 understand. We have hundreds of thousands of dollars out there that people are not  
149 paying us. You've come to me. You didn't come to me with a problem or an attitude.  
150 You came to me with a positive solution."

151 **Bill McCurry:** What else should I know if I'm going to do a remodel?

152 **Haunani Kekuna:** Plan your Grand Re-Opening in great style. You will be so ecstatic.  
153 Your staff will be so ecstatic that you did this. Now you start thinking about all the other  
154 things you can be doing. I think if I could do it all over again, I might want to have  
155 planned some of that before we went into the remodel, because when you go through  
156 the remodel, all you can think of is all the work, the long hours that you're going through,  
157 the dust, the, you know, now where are we going to put this, because we don't have  
158 room for whatever. So putting the store back together is a lot of work. I mean it's not fun  
159 work either. But once everything is done, then you're really excited, but you're so tired.  
160 So I think I would plan the Grand Re-Opening even before I would shut down, and I  
161 might've tried to prepare my customers for the fact that we were going to do that, so that  
162 we would've had a better attendance at our Grand Re-Opening, and we would've built  
163 the expectation or anticipation of – What is it? What are they doing?

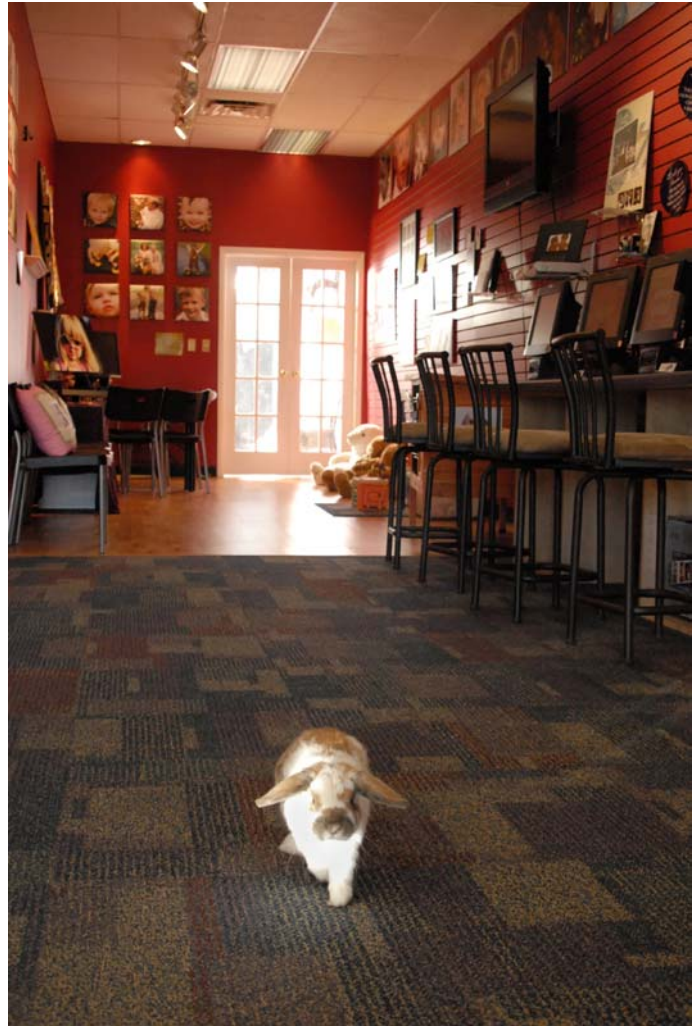
164 **Bill McCurry:** Haunani, thank you very much for sharing with us.

165 **Haunani Kekuna:** You're more than welcome.

166 END OF INTERVIEW – Store Picture Follows

167

169 **Notes for Photo of Wayne Moto**  
171 **Photo:** Yes, that is a bunny in the  
173 foreground. His name is Flash. He lives  
175 at the store. Short story---every year we  
177 purchase a baby bunny for Easter  
179 portraits and adopt it out from a list of  
181 families who want to adopt. This year,  
183 we kept the bunny. He's better than a  
185 clean bathroom. We get kids dragging  
187 moms in just to visit or he's a great  
189 positive distraction when a portrait  
191 session isn't going well. If kids protest  
193 when it's time to leave, they get Flash's  
195 business card to take with them so they  
197 have his picture and it diffuses the  
199 protests. GROWN women come in to  
201 pet him saying it's great for their blood  
203 pressure. We let him roam the store  
205 (he's litter trained) for exercise so he  
207 visits with customers at the kiosks or on  
209 the sales floor. He's got quite a fan club!  
211 He happened to be charging (running  
213 towards) Kristen when she took this  
215 picture which is why his ears are winged  
217 out. He's all of 3-1/2 pounds and lives in  
219 a wooden "bunny condo" in the store.



220 The front sales counter (not visible) is to the immediate left. The lab is on the  
221 other side of the red wall on the left. The actual studio is behind the white French doors  
222 and the waiting/previewing area is defined by the wooden floor. The children's play area  
223 is used by both studio and kiosk customers. The widescreen TV is from HP, won at the  
224 IPI convention. Customers can view their personalized DVD slide shows, a kid's DVD or  
225 our ever changing marketing DVDs.

226 To the right and left of Flash are wall merchandisers of frames and albums and  
227 in front of Flash is the front door. The middle of the store is purposely left open. I'm  
228 thinking about putting in 1 or 2, 24" round tables for people to "pause" at to view what  
229 they picked up or to organize what they want to do.

230 Before the renovation, we had old frayed carpeting and checkered off white &  
231 maroon tiles. The new carpeting and wood floor really warmed and dressed up the store  
232 and the studio. The studio waiting/viewing area was half as wide causing people to ask  
233 if we had a studio because they couldn't see it. The french doors are new too. We  
234 narrowed the lab to widen that area. We also shortened the lab so the new front counter  
235 is now where the front of the lab used to be, thus gaining valuable floor space in the  
236 front of the store. We made the studio longer and wider too so we could accommodate  
237 larger groups.

238 Since the renovations were done, many of our customers were amazed at the  
239 transformation and glad we were still around. It looks like we are doing well.



## Ted Nichols

**New Hope Photo**  
**358 West Bridge Street**  
**New Hope, PA 18938**  
**[www.newhopephoto.com](http://www.newhopephoto.com)**

1 **Bill McCurry:** Thirty years ago Ted Nichols attended his first PMA, where was  
2 that Ted?

3 **Ted Nichols:** In the city of Chicago.

4 **Bill McCurry:** All right. And from New Hope Photo in New Hope, Pennsylvania,  
5 Ted you're going to PMA '08?

6 **Ted Nichols:** I sure am.

7 **Bill McCurry:** What advice would you give to somebody who's never been to a  
8 PMA before or to somebody who wants to get more out of it?

9 **Ted Nichols:** Take advantage of the full show and all the educational sessions,  
10 the trade exhibits, the social events. Hop between the DIMA and the framing and the  
11 PMA. Take advantage of everything that's out there. There's always ideas, and you  
12 know, ways to get new ideas for your business or improve what you've already got.

13 **Bill McCurry:** Now you say hop between DIMA and Framers. You're buying the  
14 DIMA tickets so you can go to DIMA sessions but also go to the professional picture  
15 framer sessions?

16 **Ted Nichols:** That's right.

17 **Bill McCurry:** You've just moved into or morphed into picture framing?

18 **Ted Nichols:** Right, we just got the Wizard computerized mat cutter and so that'll  
19 let us do custom mat cutting and our initial emphasis will be on cutting, you know,  
20 custom mats that fits standard sized frames but we'll be moving into custom framing in  
21 more options and matting and laminating, and so on.

22 **Bill McCurry:** So you see Las Vegas as a source to pick up ideas and  
23 equipment?

24 **Ted Nichols:** Right. The next thing as far as framing I want to add is a laminator,  
25 or mounter, so that's my main thing looking for there as well as other ideas and sources  
26 for, you know, for the framing supplies and all.

27 **Bill McCurry:** You also work a pretty long day when you're out in PMA.

28 **Ted Nichols:** I start with the breakfast sessions first thing in the morning. And I  
29 go right through the night school at night and I take advantage of everything. It's  
30 definitely worthwhile. Sometimes it's hard to make decisions. There's so many choices  
31 you wish you could be cloned and be at two at once, but that's where you have to buy  
32 some CDs off the site, ones you're missing, or sometimes you start talking with  
33 someone you meet and they're talking about a session they were in that you didn't go to  
34 and so then you go and get that CD as well and so you have that additional information  
35 to digest.

36 **Bill McCurry:** So you go to the morning sessions and the night schools?

37 **Ted Nichols:** Yup. That's, that's what we go for. The educational exhibits are just  
38 as important as the trade exhibits. I, you know, I, I wouldn't do one without the other.

39 **Bill McCurry:** When do you listen to the CDs?

40 **Ted Nichols:** Going back and forth to work is, that's the best time. I don't get a lot  
41 of other time to do that.

42 **Bill McCurry:** But you just make your car into a rolling university so to speak?

43 **Ted Nichols:** Sure.

44 **Bill McCurry:** You also have a trick about literature at the show. You've had a  
45 frustration getting consumer literature in your store and you solved that by going to  
46 PMA?

47 **Ted Nichols:** Yes, I did. I, the first day at PMA I'll go to Office Max, you know,  
48 nearby, and get a few boxes and some shipping tape. And then during the duration of  
49 the show I'll pick up literature from different vendors, you know, handfuls at a time, on  
50 different products and bring it back and fill the boxes, tape them up, and then the last  
51 day of the show, seal them up, got to Office Max and ship them back via UPS so a few  
52 days later I have my literature which will cover all the new products and have me ready  
53 for, for the next six months or so anyway.

54 **Bill McCurry:** So you find there's a lot of sessions you wish you could attend that  
55 conflict with others.

56 **Ted Nichols:** Sure. There's always, there's always a lot of good speakers

57 **Ted Nichols:** During the course of the show you meet people and you know,  
58 people like, you know, Frank Tona (Crown Camera, Redding, CA) and Brian Noble  
59 (Noble's, Hingham, MA) and others I'll meet, and, and we'll talk about sessions we went  
60 to and compare notes and sometimes as a result of that I might order a CD of a session  
61 one of them went to that, that they recommended or maybe they do the same with one I

62 went to, and just kind of catch up a little bit on what we've been doing the last year and  
63 just get some, you know, ideas and try and find ways to grow the business.

64 **Bill McCurry:** Ted Nichols, thank you.

65 **Ted Nichols:** Thanks Bill, we'll see you at DIMA.

66 - END OF INTERVIEW -



**John Tworsky & Tom Gramegna Talk To Bill McCurry**  
(Interviewed at the PRO Convention – Portland, Oregon)

Bergen County Camera  
270 Westwood Avenue  
Westwood, New Jersey  
[www.bergencountycamera.com](http://www.bergencountycamera.com)

- 1 **Bill McCurry:** Westwood, New Jersey, is the home of Bergen County Camera.
- 2 Tom Gramegna, tell me where do you get all the ideas to drive Bergen County Camera?
- 3 **Tom Gramegna:** I have some pretty amazing people who help me with those ideas,
- 4 one of them being John Tworsky, my general manager.
- 5 **Bill McCurry:** What are some of the ideas that John brought to you?
- 6 **Tom Gramegna:** For example, we have these amazing customer surveys that are
- 7 sent to the customer a couple of months after they make a major purchase in our store.
- 8 **Bill McCurry:** John, what provoked you to get into the survey business?

9 **John Tworsky:** Well, it started as a project for an MBA project at school. Had to do  
10 a statistics project and I said what better way but let's look at our customers? Big  
11 companies do it. Why not go out and look at what our customers are feeling about us  
12 three months or so after the purchase?

13 **Bill McCurry:** So are you still in school?

14 **John Tworsky:** No. That was about 2000 I graduated and we're still doing. We're  
15 on survey number 33, been doing it all along, and the value is just amazing, getting  
16 feedback directly from your customer. Inexpensive, costs a postage stamp to mail it out  
17 and maybe 50 or 60 cents for each one that comes back.

18 **Bill McCurry:** Tom, you basically supported John's college program. Is that what  
19 happened here?

20 **Tom Gramegna:** Well, it was a project that John suggested. It made a whole lot of  
21 sense to me. I said, "Why don't we do it? We should use Bergen County Camera as the  
22 place to test this school project," and it's given us probably more valuable information  
23 than almost anything we've ever done.

24 **Bill McCurry:** Do you guys have an employee tuition assistance kind of program  
25 or anything like that?

26 **Tom Gramegna:** Well, we do not have any employee tuition assistance, but any  
27 employee who comes to me with a valid proposition we certainly would be open to.

28 **Bill McCurry:** Tom, you were a serious student in the school of business?

29 **Tom Gramegna:** I avoided the business school like the plague. I even avoided  
30 classes that were in the business building. I was an art history-fine arts major.

31 **Bill McCurry:** But you're embracing surveys, which is, you know, one of the  
32 cornerstones of today's marketing.

33 **Tom Gramegna:** Surveys, yes, but it tells me how people feel, so we're back to the,  
34 back to the people element of the business.

35 **Bill McCurry:** But you've certainly made an environment where John, who's a  
36 serious MBA graduate, can, if you will, practice the trade of scientific management.

37 **Tom Gramegna:** Well I think the job of an owner and a leader is to recognize the  
38 skills that he does not possess and to make sure that he surrounds himself with people  
39 who embody those skills that he does not have.

40 **Bill McCurry:** How do you deal with John's role as, if you will, an expert in  
41 business? And doesn't that threaten you?

42 **Tom Gramegna:** Not in the least, because I look at it as a complementary skill that I  
43 don't possess.

44 **Bill McCurry:** So you're not insecure in that?

45 **Tom Gramegna:** Why should I be insecure? He works; we work together. This is; it's  
46 a perfect complementary relationship.

47 **Bill McCurry:** Tom, how big is Bergen County Camera?

48 **Tom Gramegna:** It's about 3,000 square feet, with a full basement that's the same.  
50 We have probably about 30,000 customers on our database.

52 **Bill McCurry:** How many employees?

54 **Tom Gramegna:** We have 21 employees.

56 **Bill McCurry:** So you're running a pretty  
58 good size organization. Do you really have time to

A sample of the  
survey follows  
this transcript –  
see last two  
pages.

59 go through all these surveys?

60 **Tom Gramegna:** I make sure that I do have time. I read each one individually  
61 because I can't make every sale and it's my report card on my employees.

62 **Bill McCurry:** So what do you do with that information?

63 **Tom Gramegna:** What do we do with the information? Well, we collate all the  
64 information and it lets us have a perfect matrix for how well we're doing in our  
65 customers' eyes. It's our report card.

66 **Bill McCurry:** John, what are the kinds of things that people put on that survey?

67 **John Tworsky:** Oh, they put new product suggestions, ideas that they have for  
68 trips, classes. Maybe they had a problem with one of the employees. Maybe they were  
69 treated, in their eyes, like they didn't want to be treated. They'll put that down. That  
70 gives us advance warning. No one wants to find out they have a problem when their  
71 sales start decreasing and their profits go. We get advance warning. We can take  
72 corrective action right away, have a meeting with the employee, get right back on track.  
73 And we look at these survey numbers from quarter to quarter, and that's one of our  
74 metrics in how we reward our people.

75 **Bill McCurry:** Whoa. Give me a little more on that. You reward your people based  
76 on surveys?

77 **John Tworsky:** Well, the survey, the overall customer satisfaction number is an  
78 important indication how we're doing. So we look at gross profits, we look at survey  
79 scores, we look at new customer generation, how many customers we lost, and we get  
80 a general feel for where we're going. And if everything is good, you get a green light, the  
81 employees are rewarded for that.

82 **Bill McCurry:** I'm an employee of Bergen County Camera and you're telling me  
83 that my paycheck is a function of how customers grade me?

84 **John Tworsky:** That is correct, among about eight other things that we look at.  
85 Profitability, of course, if we're not making profit and we're not up over the previous  
86 year, then there's nothing for everybody. But this is a team-based thing, so we get  
87 people working together, coordinating and that's one of our main drivers for the  
88 employees.

89 **Tom Gramegna:** Basically, if there's a customer that has other than an exemplary  
90 experience with Bergen County Camera, it also gives us an opportunity to fix the wrong  
91 that was done in the customer's mind and to hopefully win that customer for life  
92 because we solved their problem.

93 **John Tworsky:** You also have a customer who's unhappy. More than likely that  
94 customer is not going to call you and tell you that they're not happy. You give them the  
95 opportunity to tell you, you have an opportunity for a service recovery that you very  
96 rarely get anywhere else. That customer, if they remain unhappy, are going to tell the  
97 people they work with. What do they say? It's 16 people that every dissatisfied customer  
98 tells? So then when Tom calls on the phone, does the service recovery, and we'll do  
99 almost anything to make a customer happy, within reason, and how many people are  
100 they going to tell after that. And that's that word of mouth advertising that really costs  
101 nothing. And what did it cost you? One stamp going out and a business reply coming  
102 back.

103 **Bill McCurry:** Now wait a minute. Tom, you're running a pretty good-sized  
104 company. You can't call all these people.

105 **Tom Gramegna:** Well, we have very few problems, so I can certainly call whoever  
106 does have a problem. Our customer service marks are in the high 90s, so it's very rare  
107 we have a problem, so I don't need to call very many people back to recover a problem.

108 **Bill McCurry:** Tom, you're bribing your customers to fill these surveys out?

109 **Tom Gramegna:** Yes. We bribe our customers by offering them a pair of Leica  
110 binoculars to one of the respondents of our survey. It's done on an annual basis and  
111 one lucky customer walks away with a pair of Leica binoculars.

112 **Bill McCurry:** Why would you give customers Leica binoculars? You could find a  
113 cheaper pair of binoculars if you looked hard, couldn't you?

114 **Tom Gramegna:** I sure could, but I want to make sure the customers know that I'm  
115 absolutely serious about wanting to know their reaction to our shopping experience.

116 **Bill McCurry:** That wasn't the answer I thought you'd give. I thought you'd say  
117 you were trying to position Leica.

118 **Tom Gramegna:** Well, it also positions Leica in the best possible light as well.

119 **Bill McCurry:** But you're really committed to this survey?

120 **Tom Gramegna:** Absolutely. It's our report card. I can't make every sale, but I want  
121 to know that my customers are being treated in the manner that I tell my employees to  
122 treat them.

123 **Bill McCurry:** What do you do if you see the scores starting to trend down?

124 **Tom Gramegna:** Well, we take remedial action right away. We'll get the employee  
125 that has the complaints, and if they are not going to make right by their actions, they are  
126 fired.

127 **Bill McCurry:** They're fired, John?

128 **John Tworsky:** Well, on occasion we have had to let a few people go. You know,  
129 you'll have that great salesperson that's really profitable, but, you know, they do  
130 everything. They're passive-aggressive. They're mean and they're ornery. And if the  
131 customers start pointing this out, then it confirms what you're thinking and sometimes  
132 gives you the extra push to make a decision a lot quicker than usual. And in general, if  
133 we have an overall problem that's going on, that the surveys are uncovering, it becomes  
134 education at our Saturday meetings. Maybe it's a run through on how to answer the  
135 phone. Maybe it's a run through on acknowledging customers when they come in the  
136 store. It's all these little tiny things that don't cost you anything really, but they really help  
137 your business if you're doing them right.

138 **Bill McCurry:** Tom, give me an example of one of the questions on the survey.

139 **Tom Gramegna:** One of the; one of the questions I think that is most telling about our  
140 store is the question asks how is our pricing compared to the service that we offer?

141 **Bill McCurry:** It's interesting you ask; you set the customer up for pricing versus  
142 the service we offer, not just what the pricing was.

143 **Tom Gramegna:** Correct, and we get a million variations on we know that you're not  
144 the cheapest place, but you're well worth any difference in price between you and  
145 anybody else that's out there. And so we've got millions and millions of variations on  
146 that theme. You know, we know you're not the cheapest, but you're the best. Keep  
147 doing what you do.

148 **Bill McCurry:** Now is your survey open-ended questions or is it check 1 through  
149 10?

150 **John Tworsky:** Pretty much we have approximately eight questions on there. The  
151 questions remain the same, so that we have validity from survey to survey, so we can  
152 look over time and see how we're doing. It also asks where people come from? Where  
153 did you; have you seen us in any of the following media in the last six months – cable  
154 TV, yellow pages, referral, walk-by, all that, internet, internet mailings? And it actually  
155 helped us cut out costs when, for instance, yellow pages was number six or seven on  
156 the list. Hey, you know, Tom, we don't need to spend \$6,000 every six months on  
157 yellow pages anymore. We can cut this back, if our free internet advertising is getting  
158 checked more than that. So that helps us in that respect as well. Another one of the  
159 questions we ask is on your last telephone call to the store, how was your call handled?  
160 And we get a lot of helpful information there. Maybe one of the employees is not so  
161 courteous on the phone. It gives us the opportunity to make corrective action. If it seems  
162 like an overall thing, like people are rushed or hurried, that's something we can talk  
163 about at the Saturday meeting and give people the extra training to get us back on  
164 track. Again, all this helps us make sure that we're not suffering sales losses down the  
165 road. We can correct it before it impacts things like that.

166 **Bill McCurry:** Now this sounds like a pretty complicated thing to track, all these  
167 surveys?

168 **John Tworsky:** We spend probably about two hours coordinating everything, after  
169 they get mailed out. The process is pretty simple. You get a list of everyone out of the  
170 computer system who's made a purchase in the last three months. If it's close to the  
171 holiday, of course, you never send it out before a major holiday. You wait 'til January.  
172 You don't want to ruin anyone's surprises and you always give a two-week lead time.

173 That way you don't ruin anybody's gift for the most part. You don't want to be the bearer  
174 of the gift news before the gift arrives. So we send out usually say 1,500 surveys. We  
175 wind up getting about 30% of the surveys back. We crunch the numbers, and what we  
176 mean by crunching the numbers is nothing complicated. We drop them into a  
177 spreadsheet, and average each one up and just compare them from period to period to  
178 see how we're doing. That's how we get our customer satisfaction index and that's how  
179 we get all the great information.

180 **Tom Gramegna:** I would say, just to put it very simply, this is a real strong diagnostic  
181 on the health of your customer service. This is like going to the doctor and getting a  
182 complete checkup, and you get to do it as often as you want to send the surveys out. So  
183 it's a very vital tool in assessing that your customer service level is where you want it to  
184 be.

185 **Bill McCurry:** John Tworsky, thank you.

186 **John Tworsky:** You're welcome, Bill.

187 **Bill McCurry:** Mr. Tom Gramegna, thank you.

188 **Tom Gramegna:** It's been my pleasure, Bill.

- END OF INTERVIEW

## **A copy of Bergen County's Survey Follows This Interview**

We would love to hear from you with your ideas, suggestions and comments . . .

Brian Mundy  
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# Dear Customer

Thank you for choosing Bergen County Camera for your recent purchase. The trust you place in us is greatly appreciated. Please take a moment to help us better serve your needs. Your responses will be held in confidence and information used in aggregate form only. If you desire a return call please indicate this on the survey and I will respond personally.

Next January we will do a random drawing from all respondents. Please include your email address on the reverse side of this page. The lucky winner will receive a pair of compact binoculars.

Please rate your responses on the scale below and use the blank lines for any comments or suggestions you have relative to the specific question.

*Jon*

Circle the best suitable answer using the key below

5=excellent    4=good    3=satisfactory    2=poor    1=unacceptable    0=no opinion

1. On your most recent purchase, how responsive was our Salesperson to your needs?

5 4 3 2 1 0

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. Is there anything we could do differently to better serve you?

Yes    No    *If yes please explain:*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Overall, how would you rate the quality of the service that we provide?

5 4 3 2 1 0

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. If you had occasion to phone us, was your call promptly and courteously handled?

Yes    No    N/A    *Please explain:*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. How would you rate the variety of products available for purchase at BCC?

5 4 3 2 1 0

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

9. Is there any other merchandise you would like to see us stock?

Yes    No    *If yes please explain:*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. How is our pricing relative to the value of the products/services we provide?

5 4 3 2 1 0

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

10. In which of the following ways have you seen or heard BCC mentioned? Circle all that apply:

- Cable TV
- Yellow Pages
- Newsletter
- Newspaper
- Personal Referral
- Web/Internet
- Storefront (drive/walk-by)
- WFUV-FM
- BCC Mailings
- BCC e-mailings
- Other (please specify) \_\_\_\_\_

5. BCC lives by and appreciates your recommendations. Is there anything that would prevent you from recommending BCC to family and friends?

Yes    No    *If yes, please explain.*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Other comments or suggestions:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. How do you rate and enjoy our electronic e-mail newsletters?

5 4 3 2 1 0

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



TOM GRAMEGNA  
 BERGEN COUNTY CAMERA  
 270 WESTWOOD AVENUE  
 WESTWOOD NJ 07675-9970

*Return Service Requested*

*Please provide your email address for prize drawing notification and BCC Email News and Events.  
 BCC DOES NOT RENT OR SHARE EMAIL ADDRESSES WITH ANYONE.*

\_\_\_\_\_ @ \_\_\_\_\_

Please send me the following BCC email newsletters and special offers.

- Email News and Events – electronic “*In Focus*”
- Weekly Used Equipment List
- Leica News
- Digital News and Events
- Nikon News
- Gallery 270 Events

*I would like a personal response, email or phone me at*

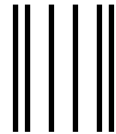
\_\_\_\_\_

*Thanks in advance for your help,*

*Tom Gramegna, President*

*We suggest adding sales@BergenCountyCamera.com to your address book to ensure email delivery.*

*Please fold in half twice so that the business reply mail panel faces out, tape top edge, and mail.*



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