

By Melanie Moul, mmoul@nrha.org

The Young and the Curious

Appealing to Kids With a Destination Niche

On Saturday mornings at HouseMart Ace Hardware, the customers are slightly younger than average, as children ages 5 to 15 gather to watch a Science Saturday demonstration.

In this demonstration, the attendees take turns poking sharpened pencils through a plastic bag filled with water. To their surprise, no water leaks out! With this experiment, the children learn about the chemical properties of polymers that make it possible for no water to spray out of the bag. For step-by-step instructions on recreating this experiment in your store, visit TheRedT.com/science-demo.

Through Science Saturday demonstrations, HouseMart Ace has built a reputation as a local place for children to learn something new and to find the supplies to build their own experiments. Appealing to the next generation of shoppers is an important component of the independent sector. Creating opportunities for kids in your business is a way to position it for future success. Developing a destination category will encourage parents to shop other areas of your store for their own needs. And as the children grow into adulthood, they will remember the positive impression of your business and may return with their own children.

Providing the tools children need for science projects and experiments is just one way retailers are engaging children. Read on to learn how to appeal to kids of all ages, and visit TheRedT.com/in-store-play for more.

Finding the Right Niche

Wayne Kamitaki is the third-generation owner of HM Stores, the parent company of more than 30 HouseMart Ace Hardware stores and Ben Franklin Crafts stores in four states, including Hawaii, where Science Saturdays originated.

Inspiration for developing a niche that is exclusive to your business can come from anywhere. For Kamitaki, it was his son's love of science that drove him to create a space for other children to develop their passions.

"My son was involved in the Hawaii State Science & Engineering Fair, and he was selected to participate in a national competition," Kamitaki says. "He won the competition, and in the process, we crossed paths with Steven Jacobs, who was the head judge."

Jacobs is a scientist, teacher, author and media personality who has spent much of his career introducing children to science through the classroom and the television. Kamitaki and Jacobs worked together over the course of the next several years to develop Science Saturdays into a complete program



called Hardware Science, which includes product mix recommendations, merchandising ideas and marketing tips for retailers to implement in their stores. The program is now nationally recognized and supported by the Ace Hardware co-op.

“We believe all kids have inquisitiveness, and with the Hardware Science program, we’re trying to encourage kids to fool around with things with their hands and get more engaged in real life,” Kamitaki says.

While Kamitaki was inspired to develop a niche by someone else’s passion, other retailers look internally to fill a need.

Meghan Thomas, who is the manager of Pahrump Hardware & Rental in Pahrump, Nevada, wanted to create opportunities for her customers that she wished she’d had growing up in town. In 2016, Thomas opened art supplies store Do it Best Paint & Hobby as a sister business connected to the hardware store in a strip mall.

“Part of the idea came from customers’ requests for art supplies, but I also wanted my own local resource,” she says. “We didn’t have an area for those products here, and since we had the opportunity, we decided to go for it.”

Pahrump is about 60 miles from Las Vegas, which was previously the closest place for residents to find art supplies. The distance presented a challenge for people who were seeking supplies, especially high-end charcoals and paints,

but it also prevented younger residents from exploring their artistic sides.

Thomas says expanding into the niche brought an entire new generation of customers to the business.

“Our community is mostly retired people, so young people coming into the store isn’t as common as it might be in other places,” she says. “Getting young people’s attention can be difficult, but adding the hobby business definitely helped.”

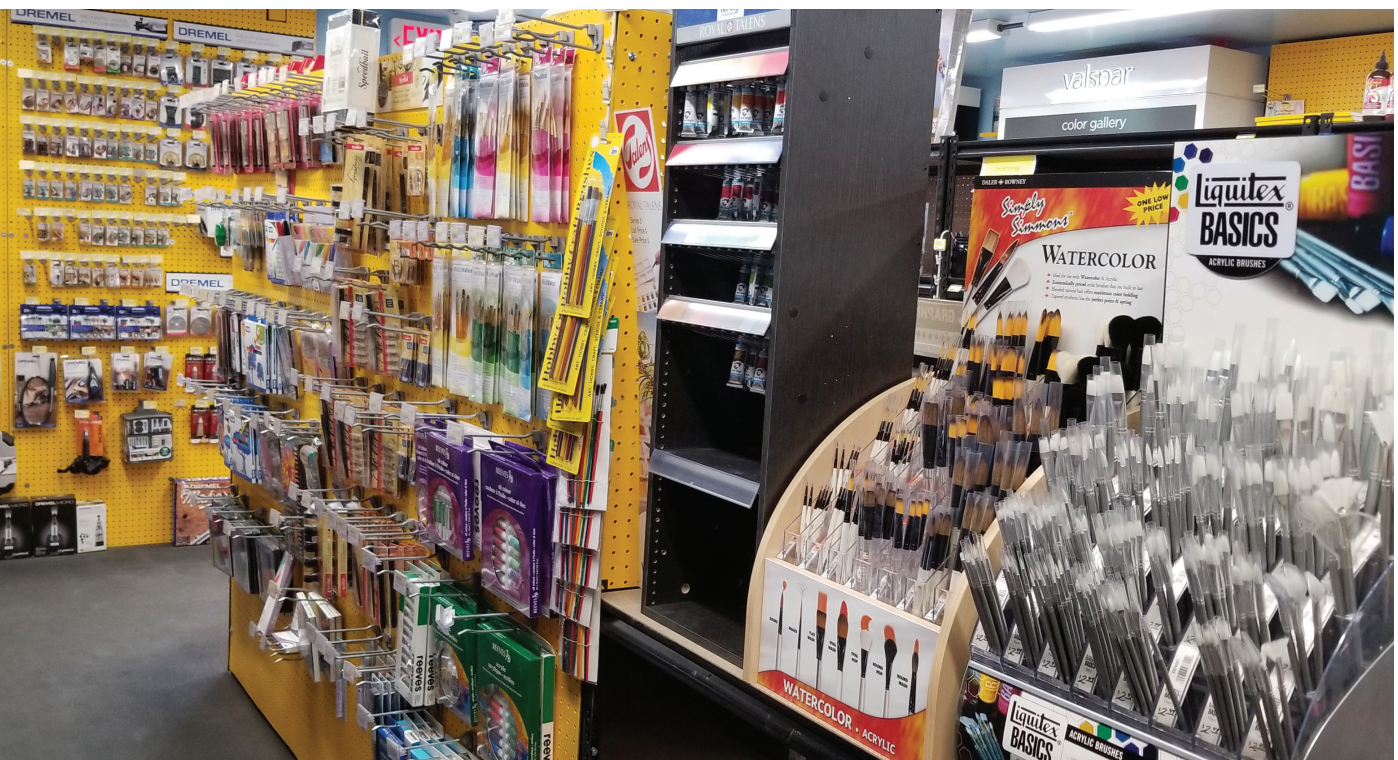
As children and their parents come to recognize your business as the place to find the resources they need, their loyalty grows. That loyalty can lead to repeat business into adulthood for the kids.

Keeping the Momentum

At HouseMart Ace, Science Saturdays were the brainchild of a manager at one location, where eventually the program blossomed into a seven-day program. However, when the manager was transferred to a new location, the passion at the original store diminished, and Science Saturdays were held less frequently.

Kamitaki says the program transitioned to the corporate level of HM Stores, and many stores now host demonstrations once a month. The business has also branched out into local schools where teachers are leading their own demonstrations or HouseMart Ace employees visit for an event.

“The schools know about the program and what we’re trying to achieve,” he says.



Meghan Thomas opened **Do it Best Paint & Hobby** in 2016 to serve the Pahrump, Nevada, community’s needs for a variety of art supplies. The business has brought in a steady base of teenage customers who previously didn’t have a local art supplies store.



Thomas (left) relies on teenage employee **Gina Staggie** to be her second in command at **Do it Best Paint & Hobby**. Thomas says employing teenagers has helped the business appeal to a young customer base.

To maintain a program or help grow a niche in your operation, it's vital to ensure your entire staff is on board with a new plan. Thomas at Do it Best Paint & Hobby says the best way to make sure the passion continues after the initial excitement is to staff the area with people who care.

"I have a second-in-command of sorts in the area. She's picked up the slack, and when I'm not around, she keeps everything in control," she says. "You've got to have someone who is passionate about it or it doesn't work. She keeps customers enthusiastic about the store."

Another benefit that Thomas says keeps teenagers coming back to the store is having their peers on staff.

"There is no quicker way to get teenage loyalty for your business than to hire a teenager," she says. "The hobby store really started to expand when we started hiring young people. They give us a chance because we gave them a chance."

Do it Best Paint & Hobby currently has two teenagers on staff: Thomas' second in command, who is the daughter of an employee on the hardware side, and another who Thomas connected with through the county's youth mentorship program.

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—*Meghan Thomas,*
Do it Best Paint & Hobby

"The program helps teenagers get jobs at businesses that suit their interests," Thomas says. "This employee is interested in art, so she makes a great addition to the business."

Apart from helping foster interest in the business with their peers, Thomas says employing teenagers also helps bridge the gap between different generations' communication styles, which also makes the business more appealing to young people.

"It's really important for independent retailers to find ways to embrace the way young people communicate and to change our customer service model to be more organic to appeal to younger generations," she says. "Having kids on staff helps, and it's helping us learn a new means of communication, whether it's through technology or in-person encounters. It has really changed the marketplace for us."

Building Relevant Relationships

Appealing to younger consumers as early as possible is critical to keeping them coming through your doors as adults. In order to create that bond, Kamitaki says independent retailers need to focus on being relevant to consumers and unique in their communities.

"For us, Hardware Science was one of those differentiators," he says. "We got involved with schools and scouting groups. Teachers or parents would come into the store during a demonstration, which helped develop those relationships."

Kamitaki says creating these relationships takes patience, but in the end, the store benefits because it gains families as customers.

"Having a student and family shop our store from a very different set of eyes, for example, looking for hardware items to do a science project, can be very enlightening," he says. "If you appeal to the kids, you will have a very different customer.

That kid will eventually become an adult looking to do home repairs, and they'll remember your business."

Hardware Science recently sponsored a one-day science-focused Boy Scouts event that attracted 10,000 participants, and Kamitaki says that helped the program gain traction. Hardware Science is also a sponsor of Science Olympiad, a science competition geared toward older students.

"Parents are coming into the store looking for these materials," he says. "If you reach out to local science organizations, like a science center, you can become recognized as the place to find those products."

Do it Best Paint & Hobby stays connected to art teachers in the local school districts. The business also supports the local 4-H club with supplies and fundraising to help the art branch of the organization.

Thomas says another important way to connect with the community and call attention to anything new is to put it online.

"Anything that goes outside the ordinary, if you want it to get attention, you need to get it online," she says. "Facebook is popular in our community, so that was our first stop. We had to experiment to find out what worked."

Thomas says photos that showed the progress of the new store and new product highlights helped build excitement in the community.

"People weren't very familiar with some of the products we were bringing in, so we posted demonstrations and what the final outcomes look like," she says. "If you have a visual example of a product's capabilities, people go wild about it."

Using What You Have

In addition to making connections within your community to develop the niches they want, it's important to look to the business relationships you have already established to get started.

Vendors are a great place to turn for creating destinations, Kamitaki says. When it comes to science projects, there are very specific items students will typically need, such as craft glue and poster board.

"If you're trying to appeal to this group of customers, bring these types of products into your store," Kamitaki says. "Parents will come in for other household products and will see that you stock items their children will need for future projects. You might save them a trip to a different store."

Kamitaki says he's also reached out to vendors to coordinate some of the Science Saturday presentations with specific products to help support the program and increase brand awareness.

"If a student wants to recreate a demonstration they see in our store, we're going to have everything they need," he says. "Present an endcap with all the products they will need to complete these projects."

Thomas started the art supplies store from scratch, and initially, she wasn't sure where to turn because the category is so different from hardware. Through diligent research, she found 12 potential suppliers and eventually narrowed that down to three. Once she connected with her suppliers, she had their support to help decide what products to carry.



Steve Jacobs (left) helped **HM Stores** owner **Wayne Kamitaki** develop the curriculum that would become Hardware Science. The program is supported by Ace Hardware Corp. and includes an online show that features science experiments.

"I wanted to have a spectrum of affordable products for people new to art, but I also wanted quality supplies that are harder to find in chain stores," she says. "It was important to me that the supplies were affordable for students, but were high quality for those looking to improve their skills. Our suppliers were critical in helping us get the right product mix for our community."

Science and Art as a Service

Developing your business into a destination store or simply expanding a niche or category to address your community's specific needs can help differentiate your operation.

The Pahrump community has rallied around Do it Best Paint & Hobby since it opened, and the business has seen cross-over customers between the hardware and rental operation and the art side. Thomas says it helps that they are the only business in the area that specializes in high-end art supplies.

"A party supply store got heavy into art supplies not long after we opened, but we haven't seen much competition from them," she says. "We have a reputation for knowledge that not a lot of other stores can match, so we benefit from that as well."

Thomas says the store has built that reputation by providing a personal touch and investing in customers, which the company has shown through Thomas' careful consideration of the types of products she brought into the business.

"We've always been considered our town's best kept secret," she says. "Adding the art supplies has helped it grow."

While he developed the Hardware Science program as a way to promote his business, Kamitaki also says the process of choosing and developing a niche should be fun, and retailers should be willing to be different.

"In spite of everyone's worry about the competition from big boxes and online retailers, there is still a place for an independent hardware store in any community," he says. "An advantage that independent retailers have is the ability to reach out and serve the community with a personal touch. It is in that personal touch, whether it is Hardware Science or working with formalized community organizations, that will make the difference." ➡

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—Wayne Kamitaki, HM Stores



Science Saturday demonstrations at **HouseMart Ace Hardware** attract dozens of children who are eager to learn more about science. As a result, the store has built a reputation for being the place to find the products needed to recreate science experiments at home.