

*Evan Roberts*

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## “Don’t Sell Things, Sell Effects”: Overseas Influences in New Zealand Department Stores, 1909–1956

In the years before World War II, New Zealand department stores became increasingly influenced by American ideas about salesmanship. This involved a shift away from British precepts about retailing, which discouraged initiative by salespeople and emphasized service. Stores that adopted American ideas were trying to become more competitive and began to appeal to working- and middle-class consumers. They imported the concept of “suggestion selling” and the idea of pushing complementary goods. New Zealand merchants modified American methods by relying on the use of manuals and bulletins to train salespeople and, unlike American stores, did not introduce commission payment schemes.

**I**n 1949 *Big Store News*, the staff newsletter of Farmers’ department store in Auckland, New Zealand, reported that the new manual produced by the training director had received “very high praise from overseas”—namely, the Americans. Their praise was rated higher than any local accolades, because America was “recognised as being the foremost country for stores and merchandise in the world.”<sup>1</sup> Farmers’ had been importing American advice since its establishment in 1909. The director, herself an American, had been trained at the Prince School of Retailing in Boston.<sup>2</sup>

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<sup>1</sup>“Farmers’ to the Fore—Again!” *Big Store News* (hereafter *BSN*) 4 (Oct. 1949): 11, 55/147, Box 9, Farmers’ Collection, MS1400, Auckland War Memorial Museum and Library (hereafter FC).

<sup>2</sup>On the Prince School, see Susan Porter Benson, *Counter Cultures* (Urbana, Ill., 1986), 151–3; Sarah Deutsch, *Women and the City: Gender, Space, and Power in Boston, 1870–1940* (New York, 2000), 182; Helen Rich Norton, *Department-Store Education; an Account of the Training Methods Developed at the Boston School of Salesmanship under the Direction of Lucinda Wyman Prince* (Washington, D.C., 1917). The most influential textbook on retail selling to come out of the school was Helen Rich Norton, *A Textbook on Retail Selling* (Boston, 1919).

Other New Zealand stores, including Ballantyne's in Christchurch, adhered more closely to British retailing precepts during the first half of the twentieth century, but by the late 1950s they had begun looking to the United States for ideas about sales techniques. Stores following British traditions tended to establish intimate relationships with their customers, whom they viewed according to strict class lines.<sup>3</sup> These stores tried to appeal to higher-income shoppers, discouraging their working-class salespeople from influencing customers' decisions. Shop assistants were under orders to serve and to follow the customer's direction.

In contrast, American sales advice was based on the idea that consumption was a transformative and democratic activity. Social status rested on what people bought, and department stores provided the working and middle classes with the trappings of a modern lifestyle previously available only to the wealthy. American emphasis on the skills involved in selling, rather than on the concept of service, appealed to salespeople. In introducing the new training methods, however, New Zealand stores modified them in two ways: they delivered their training through staff magazines, teaching only informally on the shop floor; and they did not introduce the commission payment schemes that American stores used to motivate their salespeople.

Histories of New Zealand business have focused on the country's links with the United Kingdom and Australia in the first half of the twentieth century.<sup>4</sup> Business connections with the United States, which were also important, have received less attention. New Zealand's influence on progressive politics and social reform in the United States has been well documented, as has the impact of American troops on New Zealand society during World War II.<sup>5</sup> The story of how new ideas about business and consumption accompanied the flows of goods and people into the nation is instructive. Historian Emily Rosenberg has argued that the American image abroad in the early twentieth century was dominated by themes of consumption and modernity. Goods were sold as well as consumed, and American theories about promoting sales were exported and modified overseas.<sup>6</sup> Ellen Furlough and Marie-Emmanuelle Chessel, writing about the importation of American sales

<sup>3</sup> Erika Rappaport, *Shopping for Pleasure: Gender and Public Life in London's West End, 1860–1914* (Princeton, 2000), 150–2, 57.

<sup>4</sup> Simon Ville, "An Historiographical Assessment of New Zealand Business History," *Business History* 34 (1992): 86–102.

<sup>5</sup> Peter J. Coleman, *Progressivism and the World of Reform: New Zealand and the Origins of the American Welfare State* (Lawrence, Kans., 1987); Jock Phillips, *Brief Encounter: American Forces and the New Zealand People, 1942–1945* (Wellington, 1992).

<sup>6</sup> Emily S. Rosenberg, "Consuming Women: Images of Americanization in the 'American Century,'" *Diplomatic History* 23 (1999): 481–2.

methods into France, show how they were altered to suit local needs. Few French salespeople studied selling formally, and American ideas about sales psychology were not “widely dispersed.”<sup>7</sup> By contrast, in New Zealand, salespeople read the training material published in staff magazines and thus were able to learn about the new methods.

### Department-Store Development

Retailing in New Zealand in the first half of the twentieth century largely took place in small stores that employed fewer than ten salespeople. In the four major cities—Auckland, Wellington, Christchurch, and Dunedin—the primary centers of retail activity were in downtown commercial districts. In Wellington and Auckland, the commercial areas were close to the ports and railway stations. In Christchurch and Dunedin, the shopping district was several miles away from the ports. All four cities had public streetcar networks that converged on their commercial districts.<sup>8</sup>

New Zealand’s department stores took approximately 5 percent of the value of overall retail trade, though they were much smaller than their counterparts in the United States.<sup>9</sup> Farmers’ was New Zealand’s largest emporium, but in 1931 it had only 1,021 employees. In comparison, R. H. Macy’s Herald Square store sometimes employed 20,000 people; more typically, the larger stores in Boston or Chicago employed staffs of around 4,000.<sup>10</sup> In the four main cities of New Zealand, the staffs of most department stores ranged from 125 to 350 people.<sup>11</sup> Although New Zealand’s retail unions were weak compared to its other unions, they were stronger than American clerks’ unions.<sup>12</sup>

In New Zealand, as elsewhere, department stores usually began by

<sup>7</sup> Marie-Emmanuelle Chessel, “Training Sales Personnel in France between the Wars,” in *Cathedrals of Consumption: The European Department Store, 1850–1939*, eds. Geoffrey Crossick and Serge Jaumain (Aldershot, 1998), 95, 284; Ellen Furlough, “Selling the American Way in Interwar France: Prix Uniques and the Salons des Arts Ménagers,” *Journal of Social History* 26 (1993): 491–519.

<sup>8</sup> Leslie J. King, “The Growth of Commercial Activities in New Zealand Cities, 1953–58,” *New Zealand Geographer* 18 (Aug. 1962): 50–71.

<sup>9</sup> J. W. Rowe, “A Note on Retail Distribution in New Zealand,” *Economic Journal* 66 (1956): 367–70.

<sup>10</sup> *The Optimist 21st Birthday Souvenir*, no. 55/137, FC; Susan Porter Benson, “Palace of Consumption and Machine for Selling: The American Department Store, 1890–1940,” *Radical History Review* 21 (1979): 204.

<sup>11</sup> Department stores of this size also existed in the United States, but they have not received much academic attention. But see Henry C. Klassen, “T. C. Power & Bro.: The Rise of a Small Western Department Store,” *Business History Review* 66 (Winter 1992): 671–722; Wayland A. Toning, “Department Stores in Down State Illinois, 1889–1943,” *Business History Review* 29 (Winter 1955): 335–49.

<sup>12</sup> Evan Roberts, “Gender in Store: Salespeople’s Working Hours and Union Organisation in New Zealand and the United States, 1930–1960,” *Labour History* 83 (2002): 107–30.

selling dry goods, specializing in material, sewing supplies, and textile products.<sup>13</sup> Most prominent stores in the main cities were established during the 1860s and 1870s, and by the 1880s they were selling a wider range of goods, including material, ready-made clothing, shoes, toiletries, furniture, and housewares. The Drapery and General Importing Company, better known as the D.I.C., and Warnocks began in the 1870s as apparel stores, selling machine-made clothing. Drayton Jones in Christchurch, which, uniquely, began as a furniture store, featured more limited lines than the main Christchurch department stores, Ballantyne's, Beath's, Miller's, and the D.I.C.<sup>14</sup> Growth for all stores was by accretion. Individual departments were added and adjoining buildings were acquired as opportunities arose; only later were stores purposefully constructed. Until the 1920s, department stores in New Zealand were privately held, and their growth was financed by reinvesting profits.

As in the United States, the single, locally owned store was the norm at this time.<sup>15</sup> During the 1920s, many New Zealand department stores sought new investors, but they were not traded publicly. Construction of new buildings during this decade demanded more cash than profits provided. By the 1950s and 1960s, several firms were trading shares publicly on the stock exchange, and downtown stores expanded into the suburbs. Discount chains—Farmers', Haywrights, and L. D. Nathans—expanded their operations by acquiring existing independent stores and constructing new suburban branches.<sup>16</sup> In its outline, this story paralleled developments in the United States, but with a lag of ten to twenty years. In the United States, the building boom in department stores began in the first decade of the twentieth century, expanded into the suburbs in the 1920s, and accelerated after World War II.<sup>17</sup>

Although the narratives were nearly parallel, the early history of New Zealand department stores reveals a predominantly British and Australian influence, as the men and women who started them had

<sup>13</sup> Paul H. Nystrom, *The Economics of Retailing* (New York, 1930), 137–9; H. Pasdermadjian, *The Department Store: Its Origins, Evolution and Economics* (London, 1954), 4–8.

<sup>14</sup> "Warnocks, 100 Years' Value & Service, 1886–1986," *Wanganui Newspapers*, May 1986; "Drayton Jones," *Retailer of N.Z.* 1 (30 May 1948): 15–16. On the development of department stores in the United States from draperies, see Nystrom, *The Economics of Retailing*, 137–9.

<sup>15</sup> Daniel M. G. Raff, "Robert Campeau and Innovation in the Internal and Industrial Organization of Department Store Retailing: Are the '80s and '90s the '20s and '30s All over Again (and Why Does It Matter)?" *Business and Economic History* 20 (1991): 54–5.

<sup>16</sup> See, for example, the annual reports of Beath's (Christchurch) at the Christchurch City Council Heritage Division (uncataloged); Annual Report, Milne & Choyce, 1951–1960 (Auckland), 0254 1/1, Fletcher Challenge Archives and Records Management, Auckland (hereafter FCL).

<sup>17</sup> James True, "Why the State Street Giants Are Establishing Suburban Stores," *Sales Management* 17, no. 1 (1929): 21–2, 48; Alfred R. Oxenfeldt, "The Retailing Revolution: Why and Whither?" *Journal of Retailing* 36 (1960): 157–62; "Young Sears, Roebuck," *Fortune*, Aug. 1948, 84–7, 129–30.

mostly worked for British or Australian draperies.<sup>18</sup> For example, the founders of the Wellington stores Kirkcaldie & Stains and James Smith’s had both worked in draperies in Scotland, as had the founder of Ballantyne’s. The sole American to found a New Zealand department store in the nineteenth century was William Henry Smith, who established Smith & Caughey in Auckland, after having worked at A. T. Stewart’s in New York.<sup>19</sup>

The first store to deliberately follow American ideas about retailing was the Auckland store Laidlaw Leeds’, later renamed Farmers’. Robert Laidlaw established it in 1909, intending to copy the methods of Chicago mail-order merchant Montgomery Ward.<sup>20</sup> Taking advantage of the completion in 1908 of the railway between Wellington and Auckland, he started his mail-order business in a warehouse near the Auckland railway station. Laidlaw Leeds’ also operated a retail business out of the warehouse for catalog subscribers only. In 1919, the general public was granted access, and the “Big Store” quickly became New Zealand’s largest department store.<sup>21</sup> Robert Laidlaw was sole owner of the company until 1918, when he sold it to the Farmers’ Union, an agricultural cooperative. After Laidlaw completed military service, he returned as general manager, serving under the board of directors.<sup>22</sup> Laidlaw visited the United States three times before 1920 to seek advice on running department stores and to make sales. In a few decades, American sales ideas eclipsed British influences on New Zealand stores.

### Imported Goods and Ideas

In the early years of department stores, immigration was the main source of knowledge about retailing practices. The founders, who had

<sup>18</sup> Angela Caughey, *Pioneer Families* (Auckland, 1994), 159–69; Louise Shaw, “Hallenstein Brothers and Company, 1876–1906: The Early Years of Mass Retailing in New Zealand” (Postgraduate Diploma in Arts Research Essay, University of Otago, 1994); Marian E. Thompson, *Beaths Centennial: Argyle House, 1860–1960* (Christchurch, 1960); K. A. Tucker, *Milne and Choyce: A One-Hundred Year Business History, 1867–1967* (Auckland, 1968); Keith Dunstan, *The Store on the Hill* (Melbourne, 1979), 53; Gordon Parry, *Retailing Century: The First 100 Years of the DIC Ltd.* (Dunedin, 1984).

<sup>19</sup> Shona Caughey, *Smith & Caughey Limited: The Times of Our Life, 1880–1980* (Auckland, 1980), 3. On A. T. Stewart, see Deborah S. Gardner, “A Paradise of Fashion: A. T. Stewart’s Department Store, 1862–1875,” in *A Needle, a Bobbin, a Strike: Women Needleworkers in America*, eds. Joan M. Jensen and Sue Davidson (Philadelphia, 1985); Harry E. Ressiguie, “Alexander Turney Stewart and the Development of the Department Store, 1823–1876,” *Business History Review* 39 (Autumn 1965): 301–22; Ressiguie, “The Decline and Fall of the Commercial Empire of A. T. Stewart,” *Business History Review* 36 (Autumn 1962): 255–86; and Ressiguie, “A. T. Stewart’s Marble Palace—The Cradle of the Department Store,” *New York Historical Society Quarterly* 47 (April 1964): 131–62.

<sup>20</sup> Malcolm Kay, *Inside Story of Farmers’: First Complete Record of the Marvellous Growth of Laidlaw Leeds and the Farmers’ Trading Co. Ltd* (Auckland, 1953), 18–19.

<sup>21</sup> Robert Laidlaw, “A Big Forward Move,” *Farmers’ Union Trading Company Optimist* (hereafter *FUTCO*) 92 (July 1919): 1–3, 55/39, FC.

<sup>22</sup> Kay, *Inside Story of Farmers’*, 111–19.

worked in Britain or Australia before migrating, remained in charge through the late nineteenth century, and they passed control of the companies to their children into the early twentieth century. As the influence of these original merchants waned, printed material supplemented travel to Australia, Britain, and North America as important sources of advice. In a small country, far from major trading partners, New Zealand stores depended on books and periodicals about retailing practices.

New Zealand proprietors and executives admired overseas stores and formed financial and organizational links, particularly with their Australian counterparts. On returning from a visit to the David Jones department store in Sydney, Richard Milne, general manager of the Auckland store Milne & Choyce, told his board that Jones's "organization is a remarkable one in all respects."<sup>23</sup> The new advertising manager, appointed to his post by Milne & Choyce in 1935, had visited Sydney for three weeks to train in Jones's Advertising and Publicity Department.<sup>24</sup> Jones had power of attorney over Milne & Choyce's London affairs and bought goods for the New Zealand firm in Europe.<sup>25</sup> George Court's in Auckland made some buying arrangements in London through Myers, a department store in Melbourne. Despite government import restrictions imposed after 1938, George Court's was still impressing on department heads the necessity of buying through Myers in 1957.<sup>26</sup> Through relations with Australian stores, New Zealand stores were thus able to take advantage of the larger Australian market to secure merchandise and gain access to financial and human capital. However, because its economy, like New Zealand's, was based on agriculture and resource extraction, Australia was not an important source of imported manufactured goods.

Before import restrictions were imposed in 1938, most New Zealand department stores, even those that bought through Australia, sent their agents on annual buying trips to London or opened offices there. Managing directors and senior executives, not departmental buyers, went to Europe, where they followed each other's progress in securing advantageously priced consignments of quality goods. The managing director of James Smith's worried that British stores would dump last year's fashions on him:

<sup>23</sup> Milne & Choyce, Minutes of Board, 23 June 1938, 0251 2/2, FCL.

<sup>24</sup> Milne & Choyce, Minutes of Board, 29 May 1935, 0251 2/2, FCL.

<sup>25</sup> Milne & Choyce, Minutes of Board, 20 Dec. 1933, 4 Nov. 1936, 1 Feb. 1938, 0251 2/2, FCL.

<sup>26</sup> General Manager's Report for month ending 19 July 1957, George Court's records, NZMS 515, Auckland Public Library (hereafter GCR).

There is no question about it, we get London 1927 designs to make our selections for NZ 1928, while other NZ houses who operate more freely in London get the right designs as they appear in London. This is more marked this season than usual. . . . We are a long way behind in novelty goods especially in the fancy dept and this must be expected when we are buying 80% of them locally. . . . Getting into the selections there is no doubt that many of the patterns submitted in NZ are 1927 patterns as far as London is concerned.

It was imperative, Alexander Smith continued, that the store “get into line with other leading NZ houses” by opening a London office, because, by doing so, “there is profit and a much happier business waiting for us.”<sup>27</sup> The London market offered volume, and, except during the two world wars, the United Kingdom was the main source of New Zealand’s imported consumer goods.

Although the United States supplied up to a quarter of all New Zealand imports before World War II, it was not a major exporter to New Zealand stores in those years (see Figure 1). Trade was small in the items mainly sold by department stores, such as apparel and linen. For example, between 1920 and 1940, the United States never supplied more than 6 percent of the value of apparel and clothing imports to New Zealand, and in most years it supplied less than 3 percent of apparel imports.<sup>28</sup> During World War II, New Zealand did buy more from the United States, but it resumed the pattern of relying on British imports once the war ended.

Americans’ influence on New Zealand stores emerged not through the value of goods supplied but rather through the growing impact of their ideas about organizing stores and making sales. New Zealand stores that wanted to attract higher-income customers, particularly Smith & Caughey, Kirkcaldie & Stains, and Ballantyne’s, followed British precepts about retailing until the 1950s and thus took longer to adopt American ideas. For example, after 1930, Kirkcaldie & Stains was run by the London-based British Overseas Stores, which disavowed any interest in the “cheap trade.”<sup>29</sup> The family-owned Ballantyne’s cultivated the image of being a purveyor of English goods and culture.<sup>30</sup>

Stores that assimilated American ideas about sales techniques before the 1940s, such as Farmers’, Beath’s, and Millers, largely tried to attract a working-class or middle-class clientele. Farmers’ owner

<sup>27</sup> Entry in Alexander Smith—Letterbook, 14 June 1928, MS-Group 93-215-5/4, Alexander Turnbull Library, Wellington (hereafter ATL).

<sup>28</sup> *New Zealand Official Yearbook* (Wellington, 1920–50).

<sup>29</sup> Julia Millen, *Kirkcaldie & Stains: A Wellington Story* (Wellington, 2000), 119.

<sup>30</sup> Stevan Eldred-Grigg, *Gardens of Fire* (Auckland, 1993): 40–2. Although a historical novel, *Gardens of Fire* is based on interviews with many former Ballantyne’s employees.

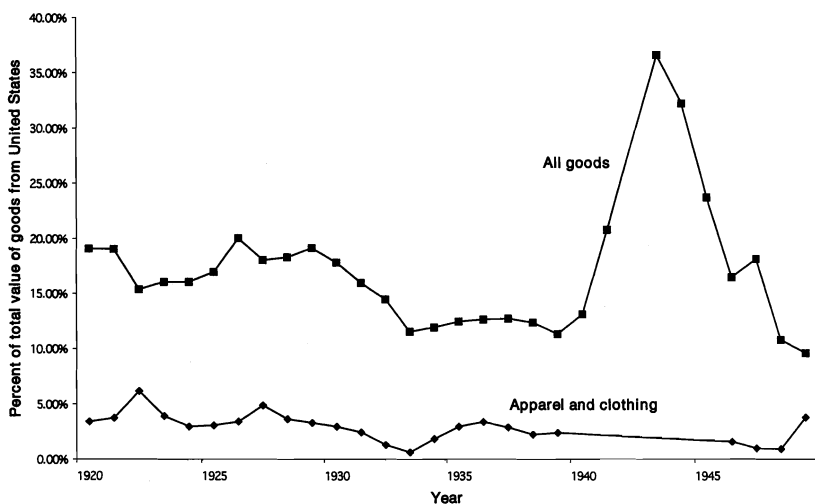


Figure 1. New Zealand Imports of United States Goods, 1920–1950.

Robert Laidlaw visited the United States for six months in 1914 and returned in 1920. To justify overseas travel during wartime, Laidlaw reported that the purpose of the trips was “securing . . . very valuable information as regards business methods.”<sup>31</sup> Laidlaw visited the United States again in 1932 and 1939, and his assistant traveled to North America in 1938, before becoming general manager in 1939.<sup>32</sup> Other stores had less extensive contact with the United States before World War II. For example, in 1924, Beath’s managing director visited the United States and “brought back from the World’s greatest shopping centres invaluable ideas and information for modernising the store.”<sup>33</sup> In 1916, the small—approximately 100 employees—Palmerston North store Collinson & Cunninghame sent its display manager to the Koester School in Chicago to learn about display and advertising.<sup>34</sup> This move suggests that even though American ideas were not pervasive before World War II, they had spread beyond the four major port cities to stores in outlying provincial towns. Farmers’ was the most enthusiastic

<sup>31</sup> Robert Laidlaw, “A City Merchant’s Duties,” *Laidlaw Leeds Optimist* (hereafter *LLO*) 77 (Mar. 1918): 2, 55/38, FC.

<sup>32</sup> “Trip Abroad,” *Farmers’ Staff and Store News* (hereafter *FSSN*) 4 (24 Feb. 1938): 2, 55/144, FC.

<sup>33</sup> Thompson, *Beaths Centennial*; “U.S. Leads in Men’s Wear,” *Retailer of N.Z.* 1 (30 Nov. 1948): 29.

<sup>34</sup> *The Koester School* (Chicago, 1928), in Collinson & Cunninghame Collection, 86/135, Manawatu Museum, Palmerston North.



follower of American ideas in the interwar period, but it was not alone. Other stores followed suit when opportunities arose. After Milne & Choyce’s managing director had completed his service with the New Zealand Supply Mission in Washington, D.C., during World War II, he remained in the United States to get “new ideas.”<sup>35</sup>

New ideas at Farmers’ led directly to changes in store operations. Within a year of Laidlaw’s first trip to North America, which included a tour of Sears Roebuck, Montgomery Ward, and Eaton’s in Toronto, the staff magazine reported, “Several sweeping changes have been made since Mr. Laidlaw’s return from America. . . .”<sup>36</sup> The connection between New Zealand merchants’ visits to American stores and subsequent overhauls of business methods could not have been more direct.

Books and periodicals were another source of ideas about salesmanship. Proprietors and executives of New Zealand department stores read books about retailing and salesmanship, which were largely published in the United States and Britain. For example, the library of Collinson & Cunninghame included books by sales and marketing experts Norris Brisco, Harry Kitson, L. M. Cross, and Herbert Casson.<sup>37</sup> Their advice was reprinted in the staff magazines of Collinson & Cunninghame and Farmers’, suggesting that the two firms owned similar books. Department stores also subscribed to the overseas trade literature. Periodicals such as the *Dry Goods Economist*, *Sales Management*, and *System* from the United States and *Efficiency* from the United Kingdom were widely read.<sup>38</sup> The *Australasian Draper and Warehousemen* and two New Zealand trade publications, *The New Zealand Draper and Allied Retailer* and *The Retailer of N.Z.*, gave local perspectives and reprinted articles from American and British periodicals. This literature was augmented by staff magazines from American department stores.

### Training Salespeople

Advice on salesmanship from books, trade journals, and staff magazines was reprinted in staff magazines.<sup>39</sup> As a low-cost method of

<sup>35</sup> Milne & Choyce, Minutes of Board, 20 Sept. 1940, FCL, 0251 3/1.

<sup>36</sup> “Efficiency Talks,” *LLO* 61 (Nov. 1916): 5, 55/36, FC.

<sup>37</sup> Collinson & Cunninghame Collection File, Manawatu Museum, lists the books owned by the store; “Staff Library,” *Farmers’ Trading Company Optimist* (hereafter *FTCO*) 188 (July 1930): 9, 55/118, FC. Examples of extracts from books published overseas are too numerous to list in their entirety. See, for example, *LLO* 64 (Feb. 1917): 4, 55/37, FC, extracting from L. M. Cross, *Successful Salesmanship* (n.d.).

<sup>38</sup> Kay, in *Inside Story of Farmers’*, states that Robert Laidlaw was an enthusiastic reader of *System* before and after founding Laidlaw Leeds/Farmers’ (p. 18).

<sup>39</sup> D. Robertson, “A Visit to Tattersfield’s Factory,” *LLO* 73 (Nov. 1917): 9, 55/37, FC;

training, salespeople were encouraged to visit store libraries to read about the products they sold and to improve their selling techniques.<sup>40</sup> In the United States, staff magazines, or “house organs,” were less commonly used to deliver sales training than to convey personal news, post recreation and welfare activities, and provide updates about the store.<sup>41</sup> In contrast, all New Zealand department-store magazines regularly featured advice on sales techniques. Farmers’ “little paper” carried sales advice in almost every issue and sometimes devoted half its pages to the subject.<sup>42</sup> Beath’s and Ballantyne’s store magazines, which originated in the 1940s and 1950s, and the magazines of Collinson & Cunningham from the 1920s, also regularly featured sales tips.

Most New Zealand stores did not have dedicated training directors. In 1935, Farmers’ became the first to employ one.<sup>43</sup> A survey of department-store training methods in the United States in 1942 shows that New Zealand stores invested roughly the same resources to training as American stores of the same size. Most American stores with fewer than 500 employees had at most one employee for training salespeople. Stores with 500 to 1,500 employees (like Farmers’) assigned one or two staff as trainers.<sup>44</sup> Thus differences in training methods between the two countries emerged as a consequence of the larger size of some U.S. stores.

Like smaller American stores, New Zealand stores distributed instruction manuals and bulletins to their staffs and expected senior salespeople to act as mentors for less experienced employees. New Zealand store rulebooks included perfunctory advice on encouraging people to buy. For example, Beath’s opened its advice to salespeople by noting that “every polite endeavour should be made to introduce lines.”<sup>45</sup> George Court’s and Smith & Caughey told salespeople how to

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“World Wide Number,” *Dry Goods Economist* (25 Sept. 1915): 39; “The Koester School Doubles Its Size,” *Dry Goods Economist* (24 Jan. 1914): 32; “Goods That Sell Themselves,” *FUTCO* 139 (June 1926): 5, 55/69, FC; “A Point on Courtesy,” *Just Among Ourselves* (June 1919), Collinson & Cunningham, 86/135; Charles Knights, “Nothing Else,” *FTCO* 189 (Aug. 1930): 16, 55/119, FC; “For Pete’s Sake, Keep Your Shirt On,” *FSSN* 4 (20 Oct. 1938): 2, 55/144, FC.

<sup>40</sup> “Increase Your Knowledge of the Goods You Sell and the Work You Do,” *FSSN* 1 (6 Sept. 1935): 3, 55/144, FC. For U.S. stores doing the same thing, see, for example, “The Emporium Library Opportunity to Learn,” *Em-Scene* 1 (16 Jan. 1957): 2; The Emporium, St. Paul (MN), Minnesota Historical Society (hereafter MNHS) microfilm 1665; J. R. Todd, “The Science of Knowing Your Merchandise,” *Store News* 6 (15 March 1919): 1; The Golden Rule, St. Paul, Minnesota Historical Society (MNHS) HF5465.U6 G65a; Miriam Scherer, “Employee Libraries,” *Journal of Retailing* 18 (Feb. 1942): 22–3.

<sup>41</sup> O. Preston Robinson, *Retail Personnel Relations* (New York, 1940), 449.

<sup>42</sup> “Everyone Must Get the Store News,” *FSSN* 1 (17 May 1935): 1, 55/144, FC.

<sup>43</sup> “Other Changes and Appointments,” *Farmers Store News* (renamed *Farmers’ Staff and Store News*) 1 (17 May 1935): 2, 55/144, FC.

<sup>44</sup> Claire J. Corbin, “Survey of Department-Store Training Methods,” *Journal of Retailing* 18 (Feb. 1942): 16–21.

<sup>45</sup> Beath’s Rule Book, Christchurch, 1930s, 6, Christchurch City Council Heritage Division.

create an atmosphere that would encourage customers to buy but would not cause them to feel any pressure.<sup>46</sup> Salespeople's initial off-the-shop-floor training emphasized procedural lessons in cash handling and wrapping parcels.<sup>47</sup> Learning to sell took place on the floor.

Mentoring was critical to sales training in New Zealand stores. Indeed, the shop assistants' union argued during 1931 contract negotiations that assistants were essentially, if not formally, trained like apprentices. This apprentice-like system operated differently around the country. In stores that followed British precepts about retailing, junior assistants were not given many opportunities to sell. For example, at Smith & Caughey, staff rules stated, "Juniors must not attend to a customer unless all assistants in the department are serving."<sup>48</sup> At Ballantyne's, juniors were "not expected to serve unless all Seniors are engaged and . . . the Senior must exert a supervisory influence and help the Junior wherever possible."<sup>49</sup> The expectation that sales techniques would be passed on was codified in these rules. Stores like Farmers', Beath's, and George Court's that followed American sales advice in the interwar period also encouraged mentoring, but they expected all staff to sell.<sup>50</sup> Everyone at George Court's was instructed to "come forward without waiting" to serve. Farmers' had no hierarchy in selling—everyone had to approach customers and make sales.<sup>51</sup> In contrast to American stores, there was little competition between individuals. Boosting sales benefited salespeople indirectly by contributing to the profitability of both their department and the store.

## Personnel Relations

New Zealand's hierarchical system of industrial relations did not allow for sales ability to be directly rewarded. American stores used commission payments to motivate and remunerate salespeople. In New Zealand, wages and conditions for salespeople were set by the state-run Arbitration Court, which negotiated the claims of unions and employers

<sup>46</sup> George Court's Rule Book, Auckland, 1940s, 12–13; Smith & Caughey Rule Book, Auckland, 1940s, 6–7, Christchurch City Council Heritage Division.

<sup>47</sup> See, for example, Staff Manager's Report for month ending 30 June 1950, GCR; New Zealand Federated Shop Assistants Executive Minutes, 25 June 1931, Retail Shop Assistants Union, Canterbury Branch (hereafter CRSAU) MB 42 4a/a; "Staff Training Miss Berry's Work," *FSSN* 1 (17 May 1935): 4, 55/144, FC; "Sixty-Six," *The House* (Ballantyne's staff magazine), no. 18 (March 1959): 8; "Differences in Salesmen," *FTCO* 169 (Dec. 1928): 3, 55/99, FC.

<sup>48</sup> Smith & Caughey Rule Book, Auckland, 1940s, 7.

<sup>49</sup> Ballantyne's Rule Book, Christchurch, 1939, 22; interview transcript, Clarice Faber, 30 May 1991, in Ballantyne's fire transcripts, Macmillan Brown Library, Christchurch, 394/1 A-F.

<sup>50</sup> "Help New Assistants," *FSSN* 3 (2 Dec. 1937): 1; "It's All New to Newcomers," *FSSN* 4 (17 Nov. 1938): 1. Both 55/144, FC.

<sup>51</sup> George Court's Rule Book, Auckland, 1940s, 13.

for whole industries, such as the “Soft Goods Trade.”<sup>52</sup> The New Zealand shop-assistants’ union was centralized and largely concerned with restricting salespeople’s working hours, not with wages or the organization of work.<sup>53</sup> Arbitration Court–mandated awards specified wage scales that rewarded experience and age. Male employees earned more than their female colleagues. Awards distinguished between “junior” and “senior” shop assistants, and in departments of more than three people they also specified wage scales for buyers and department managers. Senior positions, such as floor supervisor or manager of several related departments, were not part of the awards system, which meant store proprietors could supplement their mandated wages with bonuses and commissions. Department stores could also manage their employees with little union oversight, as the shop assistants’ union had decided that a delegate system would not work in retailing.<sup>54</sup>

The awards system of determining wages limited the department stores’ ability to link earnings to individual sales. For example, James Smith’s recorded no commissions after the first award was granted in 1912.<sup>55</sup> The Premier Drapery Company in Palmerston North deferred a proposal for commission payments until the award system was instituted and then dropped the idea.<sup>56</sup> At George Court’s, no commissions were recorded between 1930 and 1957. When recruiting senior staff became difficult in the late 1950s, the managers tried to differentiate George Court’s from other stores by introducing an “incentive bonus scheme” in order to attract experienced salespeople.<sup>57</sup> Beath’s introduced a similarly named scheme in 1955. However, it applied to departments—not individuals—and thus included nonselling staff; its aim was to motivate the staff to increase the store’s profits, not just those of individual departments. Salespeople were encouraged to suggest complementary goods that customers could purchase from other departments.<sup>58</sup> In rare cases, manufacturers introduced commission payments for certain products. A former employee of McKenzie’s, which operated several

<sup>52</sup> A similar industrial relations system operated in Australia. See Gail Reekie, “The Shop Assistants Case of 1907 and Labour Relations in Sydney’s Retail Industry,” in *Foundations of Arbitrations*, eds. Stuart Macintyre and Richard Mitchell (Melbourne, 1989), 270–90.

<sup>53</sup> Roberts, “Gender in Store,” 107–30.

<sup>54</sup> New Zealand Federated Shop Assistant Executive Minutes, 7 Mar. 1946, CRSAU, MB42 4a/b; see also CRSAU Combined Management and Group Committee Minutes, 3 July 1944, and CRSAU Executive Minutes, 1913–1957, MB42 1e, p. 84.

<sup>55</sup> Wellington Retail Soft Goods Trade Employees Award, *Awards of New Zealand* 13 (1913): 657–8; MSY-3599 Salary Book 1903–14, ATL.

<sup>56</sup> Minutes of Meeting of Directors of Premier Drapery Company, 19 Nov. 1937, 11, Co-op 11/1, Palmerston North City Library.

<sup>57</sup> Summary financial results sheets, 1926–57 and Staff Manager’s report for month ending 31 Mar. 1957 GCR.

<sup>58</sup> Beath’s, *Partners in Profits* (Christchurch, 1955).

small department stores in the North Island, remarked that of the “thousands” of lines the store carried, only four had commissions.<sup>59</sup> The disinclination of New Zealand department stores to introduce commissions was described by trade magazines, which noted that the schemes “tended to promote dissatisfaction” and concluded that bonus payments were “not proving entirely satisfactory.”<sup>60</sup> In summary, commission payments in New Zealand were infrequent, of limited size, and less competitive than in the United States.

Instead, New Zealand stores motivated their staffs by offering the prospect of moving out of the award scale to higher managerial wages. Although the country’s department stores were small by international standards, they constituted unusually large domestic workplaces. Internal labor markets were novel to many New Zealand workers. Farmers’, for example, repeatedly emphasized the opportunities for staff advancement within the firm. Robert Laidlaw told employees in 1914 that it was “our policy never to engage an outside man to fill a position if we have a man in the warehouse who has proved himself worthy of promotion.”<sup>61</sup> Three years later, he tried to inspire newly hired employees with the story of a senior staff member who had risen through the ranks: “McAneny was engaged as our first errand boy, and from then filling the humblest position in our employ has risen to a place on our Executive staff.”<sup>62</sup> Workers’ chances for promotion were linked to how closely they fulfilled their executives’ goals. The directors felt that people who did not cooperate with management could not in turn expect to establish good relationships with their staff should they themselves become executives.<sup>63</sup> The responsibility for seeking promotions was placed on the staff, who were told, “[Y]ou never cease to be the arbiter of your own destiny in Laidlaw Leeds.”<sup>64</sup> This message was also conveyed through the tale of a fictional American salesman, called Tom Chase, who diligently corrected his faults, applied himself to self-development, and was rewarded with an offer to become chairman of

<sup>59</sup> Interview with Jessie Olsen, L. D. Nathan and Co. Ltd. Oral History Project, OHA LDN 1831 ABN 207, ATL Oral History Centre.

<sup>60</sup> A. J. Yendell, “Two Drapery Firms Describe Their Staff Superannuation Schemes,” *Retailer of N.Z.* 1 (30 Sept. 1948): 9–11. Despite the title, one of the schemes discussed is a commission scheme; A. J. Yendell, “Employer-Employee Relationship,” *Retailer of N.Z.* 1 (20 Mar. 1948): 39.

<sup>61</sup> Robert Laidlaw, “Advancement,” *LLO* 38 (Dec. 1914): 2, Auckland War Memorial Museum and Library, MS 1400, Box 9, 55/24, FC.

<sup>62</sup> Robert Laidlaw, “Choosing a Firm to Work For,” *LLO* 64 (February 1917): 2–3, 55/37, FC. The managing director at Ballantyne’s told the staff a similar “parable,” in which he had begun as an office boy. “The Managing Director Speaks,” *The House* 18 (Mar. 1959): 2.

<sup>63</sup> Robert Laidlaw, “Working with the Firm We Have Chose,” *LLO* 66 (Apr. 1917): 3, 55/37, FC.

<sup>64</sup> “Efficiency Talks,” *LLO* 59 (Sept. 1916): 9, 55/36, FC.

his firm.<sup>65</sup> Although the parable could not apply to everyone, New Zealand stores nevertheless enjoyed smooth labor relations and were not troubled by excessive staff turnover.

In combination with wage scales based on age and experience, New Zealand stores' deliberate efforts to retain their employees appear to have been successful. For example, in the interwar period at James Smith's, two-thirds of employees who were not temporary sales hands stayed for more than a year. One-fifth of the employees on the payroll in 1926 remained in 1934. Despite Depression-era pressures, nearly all these employees were receiving higher or unchanged nominal wages.<sup>66</sup> Age, experience, and loyalty were rewarded, not individual productivity. Salespeople in New Zealand stores did not have a direct interest in increasing their own productivity. Pressure to adopt new sales methods came largely from managers, who faced competitive pressures. The stores that did adopt American sales methods in the interwar era were compelled to do so by competitive disadvantages. For example, Farmers', which was located several blocks from Auckland's main shopping street, offered free bus and tram rides to customers.<sup>67</sup> James Smith's, situated at the "dead end" of Wellington, also offered free tram rides to some customers.<sup>68</sup> Beath's had a central location in Christchurch, but it was directly opposite Ballantyne's. Adopting American scientific selling methods gave these companies a way to differentiate themselves from traditional, British-influenced, and more favorably located stores.

### Changes in Sales Methods

In the early twentieth century, service in New Zealand department stores apparently consisted of waiting meekly on the customer. In staff magazines and trade literature, customers were portrayed as women, except in departments such as hardware and furniture. Customers were expected to know what they wanted and to tell the "shop assistant" what they required. That, at least, was how stores portrayed older sales methods in the training material. As stores adopted new techniques, they wanted to distinguish the unsophisticated methods of the past from their new skilled, scientific, and energetic practices.<sup>69</sup> The change began at Laidlaw Leeds in 1914, where the staff was told:

<sup>65</sup> "How Tom Chase Succeeded," *LLO* 17 (May 1912): 7-13, 55/4, FC.

<sup>66</sup> Wages Book, 1929-34, MSY-3578; Salary Book, 1926-29, MSY-3583; Salary Book, 1934-38, MSY-3584; Salary Book, 1929-34, MSY-3585; Salary Book, 1924-28, MSY-3589—all in MS group 93-215, James Smith's Ltd. Records, ATL.

<sup>67</sup> "Free Trams Replace Free Buses," *FSSN* 2 (8 May 1936): 1, 55/144, FC.

<sup>68</sup> Advertisements in Scrapbook 1898-1949, MS Group 93-215-5/4, ATL.

<sup>69</sup> "Show The Best," *FSSN* 2 (19 June 1936): 1 55/144, FC; "Benefits," *The House*, no. 9 (June 1958): 9-11.

The right kind of salesmanship creates new business, it causes people to buy that which they would not buy without the influence of the salesman. Strive to be creative. The cleverest man can tell you no more than he knows. Therefore, before you attempt to tell a customer what your goods are and their value to him, inform yourself thoroughly as to your subject.<sup>70</sup>

Scientific selling ideas imported from America communicated a central message: customers were suggestible. Unconscious desires for material goods could be elicited or created by a skilled salesperson. Scientific selling in a department store was implemented in three phases: First, “shop assistants” had to be taught that actively creating sales was part of their job. Second, salespeople had to understand more about the dynamics of their encounters with consumers and alter them in ways that encouraged buying. This meant learning more about who their customers were. Finally, sales conversations were strategically modified to elicit and create desire.

The New Zealand awards system called salespeople by the British term, “shop assistants.” The difference in national approaches is suggested in these titles, but the challenge implied in renaming the job was the same in both countries, as American stores had earlier struggled to overcome resistance when they transformed “clerks” into salespeople. In a column reprinted from an American staff magazine, Farmers’ informed its employees that there was a “big difference [between] standing behind a counter and passing out the things people ask for,” which was just “clerking,” and actual “retail selling.”<sup>71</sup> The distinction was also between “selling at the counter” and “serving at the counter.”<sup>72</sup> Serving meant simply providing customers with the goods that they requested; “selling” meant suggesting the purchase of additional items that the customer did not ask for.

Stores continually reminded their staffs that customers were the first priority. As in American stores, New Zealand salespeople were instructed to stop adjusting stock and talking with colleagues and attend to the customers who appeared at their counters.<sup>73</sup> Basic courtesy made the best first impression.<sup>74</sup> Customers were not nuisances; they were

<sup>70</sup> *LLO* 28 (Feb. 1914): 4, 55/14, FC.

<sup>71</sup> “The Career Behind the Counter,” *FTCO* 161 (Apr. 1928): 1, 55/91, FC.

<sup>72</sup> “Show The Best,” 1.

<sup>73</sup> “Is This Happening in Your Department?” *FSSN* 3 (2 Dec. 1937): 2; “Snap Into It!” *FSSN* 4 (8 Sept. 1938): 3, 55/144, FC.

<sup>74</sup> Robert Laidlaw, “Our New Building,” *LLO* 30 (Apr. 1914): 1, 55/16; L. M. Cross, “How to Marry the Boss’s Daughter,” *LLO* 64 (Feb. 1917): 4, 55/37; Robert Laidlaw, “A Great Opportunity,” *FUTCO* 116 (July 1921): 1–2, 55/46; “Courtesies Bring Success,” *FTCO* 187 (June 1930): 13, 55/117; “First Impressions,” *FSSN* 4 (9 June 1938): 2, 55/144; “Good Salesmanship Means—,” *FSSN* 4 (20 Oct. 1938): 4, 55/144. All FC.

the reason for the store's existence, and making them feel welcome was "one of the first principles of salesmanship that will help like magic to build up . . . sales."<sup>75</sup>

Although Farmers' told its staff to "remember names and faces" and treat customers as individuals, its managers also tried to restrict the spontaneity of sales encounters.<sup>76</sup> The first step was understanding who customers were and developing customer typologies. Historian Susan Porter Benson has argued that taxonomies of customer types were popular in America during the 1930s but never serious or useful. This was also true in Australia and New Zealand, where market research only developed after World War II.<sup>77</sup> The interwar literature on different customer types was impressionistic and unsustainable. For example, Farmers' told its salespeople in 1925 that there were "seven kinds of customers": housewives, cheapsters, undecided shoppers, dolls or flappers, dummies, know-it-alls, and "efficiency women," who wanted to shop quickly.<sup>78</sup> Other than receiving this list of categories—all, as they were repeatedly told, applicable only to women—salespeople received no guidance about how to handle them.

The view that the typical consumer was female was a central tenet of customer-relations and sales theories in New Zealand stores.<sup>79</sup> An often repeated item in the *Dry Goods Economist*, which was taken up by American staff magazines, cited women as doing "ninety percent" of shopping. Women, they maintained, devoted extensive time to the activity: "When a woman goes home from a shopping expedition, she generally gives a full hour to telling the story of what she did and what happened to her."<sup>80</sup> Historian Gail Reekie has argued that retailers in Australia saw their customers as "impulsive women" and "predictable men."<sup>81</sup> Female customers were given a similar profile in training literature for New Zealand salespeople. Customers who were not impulsive—bargain hunters and "efficiency women," for example—were seen as more difficult. For example, it took extra effort to make a sale when the customer told the salesperson the price she wanted to pay.<sup>82</sup> The new

<sup>75</sup> "Treating a Customer as a Nuisance," *FUTCO* 149 (Apr. 1927): 14, 55/79, FC.

<sup>76</sup> M. Kay, "The Goods We Sell: Ten Commandments for Salesmen," *FUTCO* 114 (May 1921): 7, 55/45; "Tremendous Trifles," *FSSN* 4 (14 July 1938): 1, 55/144. Both FC.

<sup>77</sup> Benson, *Counter Cultures*, 156, Gail Reekie, "Market Research and Post-War Housewife," *Australian Feminist Studies* 14 (1991): 17.

<sup>78</sup> "Seven Kinds of Customers," *FTCO* 133 (Dec. 1925): 16, 55/63, FC.

<sup>79</sup> A vast international literature addresses the topic of gender and consumer culture. I have particularly benefited from work by Gail Reekie, Erika Rappaport, Susan Porter Benson, and Gary Cross.

<sup>80</sup> "What Do Your Customers Say?" *FSSN* 3 (15 Apr. 1937): 3, 55/144, FC.

<sup>81</sup> Gail Reekie, "Impulsive Women, Predictable Men: Psychological Constructions of Sexual Differences in Sales Literature to 1930," *Australian Historical Studies* 28 (1991): 359–77.

<sup>82</sup> "Wake Up and Sell!" *FSSN* 4 (30 June 1938): 4, 55/144, FC.



sales methods also required salespeople to emphasize the qualities, benefits, and psychological aspects of the goods, not the price. Male customers were thought to be less susceptible to these tactics than women. However, as in America, New Zealand retailers believed that women controlled household purchasing decisions.

The trade literature and staff magazines consistently argued that “the wife decides a sale.”<sup>83</sup> Even in men’s clothing departments, women were the customers stores really courted. It paid to cultivate boys, even if his mother paid, but when a man and his wife were shopping, if you “displease[d] the lady . . . you have probably lost a customer.”<sup>84</sup> Men were not entirely absent from the considerations of New Zealand department stores.<sup>85</sup> For example, the *Draper* reminded readers that, with Christmas approaching, men would be shopping for gifts.<sup>86</sup> On a more daily basis, men’s different shopping needs were satisfied by store designs that kept “men’s” and “women’s” departments separate, as was done in the United States. A James Smith’s advertisement from 1933 was typical in reassuring potential male customers that they would not have to see perfume counters or haberdashery on their visits to the store: “Men like to shop at James Smith’s Store for Men because it is not an after-thought to a woman’s store, but a Real Men’s Store in itself. Separate entrance Manners St.”<sup>87</sup> New Zealand stores were not designed like British stores, which closed off departments in distinct rooms.<sup>88</sup> Like American and European stores, New Zealand stores had open floors: departments were separated with temporary partitions and aisles between merchandise racks. The stores’ layout was a physical representation of the relation between different types of goods, which, though stocked in different areas, could be sold together.

“Suggestion selling” was the central theme of the scientific sales advice that some New Zealand stores delivered to their salespeople.<sup>89</sup> Its assumption was that customers were not aware of all the goods they wanted and that skilled salespeople could implant the desire for these

<sup>83</sup> “The Wife Decides a Sale,” *FUTCO* 159 (Feb. 1928): 15, 55/89, FC.

<sup>84</sup> “Psychology Can Boost Teen-Age Sales,” *N.Z. Draper and Allied Retailer* 26 (7 Aug. 1948): 57; “A Tip to Shop Assistants,” *FUTCO* 133 (Dec. 1925): 15, 55/63, FC.

<sup>85</sup> Danielle Sprecher, “Good Clothes Are Good Business: Gender, Consumption and Appearance in the Office, 1918–39,” in *The Gendered Kiwi*, eds. Caroline Daley and Deborah Montgomerie (Auckland, 1999), 149–51.

<sup>86</sup> “Seven Kinds of Customers,” *FUTCO* 133 (Dec. 1925): 16, 55/63; “Directors’ Column,” *The Wrightsonian* 1 (Nov. 1919): 6, 0284 FCL; “Study Your Customer,” *Retailer of N.Z.* 2 (10 Feb. 1949): 31.

<sup>87</sup> Advertisement in *Evening Post*, 29 July 1933, in Scrapbook, 1932, f-93-215-1, ATL. See also Collinson & Cunninghame Catalogue, 1922–23, CC Collection 86/135, Manawatu Museum.

<sup>88</sup> Louis Parnes, *Planning Stores That Pay* (New York, 1948).

<sup>89</sup> “Customers Want More Than They Ask For,” *FUTCO* 156 (Nov. 1927): 8, 55/86, FC.

goods. Paul Nystrom's influential book, *Elements of Retail Selling*, distinguished between various types of suggestion selling: offering companion goods; setting special prices for higher-volume purchases ("concentration"); alerting customers to new goods and advertised specials; and pointing out the availability of better-grade goods if the desired item was out of stock.<sup>90</sup> At Farmers' and other New Zealand stores, all these methods were outlined to the staff at some stage.<sup>91</sup> The most common recommendation was to mention "companion goods." Suggesting complementary items for purchase was a way to emphasize the sale of "benefits" and "effects," not goods and services. "We do not," Farmers' told salespeople, "not any of us, sell merchandise; we *sell To-morrow's welfare and To-morrow's pleasures.*"<sup>92</sup> In selling comfort—not just couches—stores could draw upon a much larger list of items. Each department stressed different effects:

### Don't Sell Things—Sell Effects

Don't sell clothes—sell personal appearance and attractiveness.

Don't sell shoes—sell shoe comfort and the pleasure of walking.

Don't sell candy—sell happiness and the pleasure of taste.

Don't sell furniture—sell a home that has both comfort and refinement.

Don't sell books—sell the joys and profits of knowledge.

Don't sell advertising—sell a short cut to more sales and more profits.<sup>93</sup>

Imported ideas about selling were adopted to increase sales and profits. As in the United States, New Zealand stores found that suggestion selling could be misused. The lure of commissions in America motivated salespeople to rush and to pressure customers. New Zealand salespeople with award-mandated wages were not as desperate to make sales. However, it was still necessary to impress on salespeople that they could not push people into buying but instead should "[l]et customers think they are buying even though you are quietly guiding the sale."<sup>94</sup> Again, it is evident that customers were perceived as suggestible and susceptible to the influence of a skilled salesperson.

<sup>90</sup> Paul H. Nystrom, *Elements of Retail Selling* (New York, 1936), 280–1.

<sup>91</sup> For example, "Do You Read the Advertisements?" *BSN* 4, no. 4 (June/July 1949): 19, 55/147; "A Suggestion re Friday 'Specials,'" *FUTCO* 121 (Nov. 1924): 15, 55/51; "Salesmanship:—Selling Socks," *FTCO*, no. 166 (Sept. 1928): 1–2, 55/96; "Why Let Good Money Walk Out of the Shop?" *FSSN* 1 (22 Nov. 1935): 2; "Adjust Complaints Cheerfully," *FSSN* 2 (17 Nov. 1936): 1, 55/144. All FC.

<sup>92</sup> Emphasis in original. "No Man Sells Merchandise," *FTCO* 176 (July 1929): 16, 55/106, FC.

<sup>93</sup> *FTCO* 194 (Jan. 1931): 15, 55/123, FC.

<sup>94</sup> "How You Can Please Customers," *FSSN* 2 (17 Nov. 1936): 2, 55/144, FC; on rushing, see Nystrom, *The Economics of Retailing*, 213–17.

The advice delivered to New Zealand salespeople in staff magazines emphasized the acquisition of skills and promoted the idea that salespeople could convince customers to buy something by associating it with desirable qualities. By highlighting the notion that selling was a skilled job, store managers could praise salespeople without rewarding specific results. Moreover, it was a way to suggest that salespeople controlled their work and were not entirely at the mercy of managers and customers.<sup>95</sup> Thus, the stress on skill in the training literature constituted a labor-relations strategy as well as sales advice.

New Zealand stores were more committed to some elements of scientific ideas about sales than to others. While they did not persist in constructing taxonomies of customers, they did work hard to find “a sentence that will sell almost anything a store carries if some one will take the trouble to work it out.”<sup>96</sup> If not a sentence, then a well chosen adjective. Adjectives like “cheap” and “nice” quickly became worn out.<sup>97</sup> The goal was to find adjectives and associations specific to the goods being sold. For example, dental goods could be “sanitary, refreshing, or sterilized”; gloves could be “smart, smooth, or well-stitched”; and neckwear could be “bright, vivid, stunning, distinctive or practical.”<sup>98</sup>

What these adjectives were meant to suggest was “style.” As New Zealand, like other western countries, developed a consumer culture that assigned social status according to what people bought, “style” became a more important characteristic of the goods that stores carried in interwar New Zealand.<sup>99</sup> Style required, as James Smith’s managing director Alexander Smith had noted, that stores have 1927 fashions in 1927, not in 1928.<sup>100</sup> Dresses, buttons, and shoes, for example, all performed the same functions of keeping people warm and covered, even a year later. The fashions of 1928 had the distinction of being new. The emphasis on new fashion and the focus on the future—“Tomorrow’s welfare and tomorrow’s pleasures”—is characteristic of modern societies.<sup>101</sup> New Zealand stores that adopted scientific selling ideas made the appeal to “newness” a centerpiece of their strategy. Items from departments that men were expected to frequent, however, were

<sup>95</sup> Benson, *Counter Cultures*, 258–65.

<sup>96</sup> “A Selling Sentence Will Sell Almost Anything,” *FTCO* 170 (Jan. 1929): 16, 55/100, FC. From the United States, see, for example, Elmer Wheeler, “Tested Selling Sentences,” *Journal of Retailing* 8 (1933): 122–6.

<sup>97</sup> “The Personal Capital of Sales People,” *FTCO* (Sept. 1929): 2, 55/108, FC. This article was reprinted from Abraham & Strauss of Brooklyn.

<sup>98</sup> “Make More Sales by Suggestions,” *FSSN* 3 (7 Oct. 1937): 4, 55/144, FC; compare with “Appropriate Words,” *The Ruler* 12 (Feb. 1925): 10, The Golden Rule, St. Paul. MNHS HF5465.U6 G65a.; Nystrom, *Elements of Retail Selling*, 240–9.

<sup>99</sup> “Style! Style! Style!” *FTCO*182 (Jan. 1930): 9, 55/112, FC; Sprecher, “Good Clothes are Good Business,” 143–4.

<sup>100</sup> In Alexander Smith—Letterbook 1928 (14 June), MS-Group 93-215-5/4, ATL.

an exception. For example, in a list of suggested adjectives for salespeople to use in their “selling talk,” the only goods that could not be sold on the basis of new patterns, designs, or colors were dental goods, razor blades, shaving brushes, male shirts, and gloves, all, with the exception of gloves, strictly relegated to the male domain. For the most part—neckties were a possible exception—men could not be persuaded by appeals to new styles.<sup>102</sup> Goods were sold to men by highlighting their practical functions and their technical features.

Technical points were not stressed in the sales pitch to female customers, but salespeople were still told to “know your goods.” Familiarity with the products—how they were made, what they could do, and their features relative to competitors’ products—was the basis for selling customers on the “effects” and “benefits” of their purchases.<sup>103</sup> To promote knowledge of the stock, Farmers’, in the early decades of the twentieth century, encouraged its staff to attend unpaid evening lectures about the merchandise.<sup>104</sup> This was another example of training being done on the cheap. Low attendance prompted the company to convey this information in a different way in the 1930s. Salespeople were instructed to study goods in their spare time between customers, when, for example, they were arranging stock.<sup>105</sup> To suggest complementary goods, employees had to know what was on sale in other departments. Farmers’ staff were told that they should note the items in other departments while they ran errands or returned from lunch. They were also told to familiarize themselves with store advertisements, so they could suggest the featured goods to customers.<sup>106</sup> They were advised to consult *Store News*, which had lists of complementary goods, enabling them, for example, to suggest to a woman purchasing a dress that she buy a matching scarf and gloves.<sup>107</sup> However, there were limitations to this strategy. The tactic of pushing additional items might sell more goods immediately, but it might also prevent people from returning to the store. Suggestion sales negotiated a territory between what customers knew they wanted and did not want and the

<sup>101</sup> Sprecher, “Good Clothes are Good Business,” 143.

<sup>102</sup> “Make More Sales By Suggestions,” 4; “How to Sell Neckties,” *FITCO* 159 (Feb. 1928): 16, 55/89, FC.

<sup>103</sup> “Study Your Merchandise,” *FSSN* 3 (10 June 1937): 1, 55/144; Laidlaw, “Choosing a Firm to Work For,” 2; Robert Laidlaw, “£66 Cash Competition,” *LLO* 70 (Aug. 1917): 1, 55/37; Ray Giles, “Salesman’s Fright: What Some Salesmen and Employers Have Done to Overcome It,” *FUTCO* 88 (Mar. 1919): 9–11, 55/39; “How Can We Sell Goods If We Don’t Know What They Are?” *FUTCO* 128 (July 1925): 16, 55/58. All FC.

<sup>104</sup> D. Robertson, “Get Together Talks on Merchandise,” *LLO* 45 (July 1915): 1–2, 55/30, FC.

<sup>105</sup> “Keep Your Eyes Open! Teach Yourself!” *FSSN* 4 (28 Apr. 1938): 3, 55/144, FC.

<sup>106</sup> “Be Sure To Know Your Stock,” *FSSN* 4 (6 Oct. 1938): 1, 55/144, FC.

<sup>107</sup> “Make More Sales By Suggestions,” *FSSN* 3 (7 Oct. 1937): 4, 55/144, FC.

salesperson’s ability to elicit deeper desires that could be satisfied by further purchases.

Some of the limits and possibilities of scientific selling methods, and the eclectic overseas influences on New Zealand stores, emerge in the history of corset departments. After the 1920s, corsets declined in popularity, yet department stores continued to sell them, hoping that, by stressing their benefits to appearance, customers would overlook the garment’s discomfort. Ultimately, however, salespeople could not convince women to continue buying something they did not want. In the United States, resistance to corsets meant refashioning the corset and renaming it a “girdle.”<sup>108</sup> While the word “corset” did not disappear in New Zealand or Australia, the sales approach changed.<sup>109</sup> Scientific selling methods offered a possible strategy.

Since the arrival of brassieres made corsets relatively unattractive, women no longer responded to advertisements featuring the size of these undergarments or their whalebone construction. Instead, the store ads pointed out the benefits to appearance corsets could bring. “The Dress is the outward expression, but the Corset is the hidden cause,” as Beath’s put it.<sup>110</sup> The *Dry Goods Economist* also recommended stressing “style” rather than the measurable features of size and fitting. To ease the sales encounter, corset-makers standardized women’s body types. In corset departments, however, the typology became an advertising feature.<sup>111</sup> In New Zealand, Berlei corsets from Australia were the most popular, dominating newspaper advertising. When Berlei sent over corsetières from Australia or America, New Zealand stores took out full-page advertisements in newspapers, announcing their visit. Berlei characterized women according to “five figure types.”<sup>112</sup> Despite the simplicity of these categories, customers were discouraged from fitting themselves. “When should a saleswoman tell all she knows about merchandise?” the N.Z. Draper asked rhetorically. “Never!” was the emphatic answer.<sup>113</sup> Continued sales of corsets required that customers know less than corsetières about garment-fitting. The categorization by figure types gave customers some control over

<sup>108</sup> Jill Fields, “‘Fighting the Corsetless Evil’: Shaping Corsets and Culture, 1900–1930,” *Journal of Social History* 33 (1999): 364–6.

<sup>109</sup> Hugh G. Jarman, “Hints on—Selling Foundation,” *N.Z. Draper and Allied Retailer* 26 (7 Sept. 1948): 29.

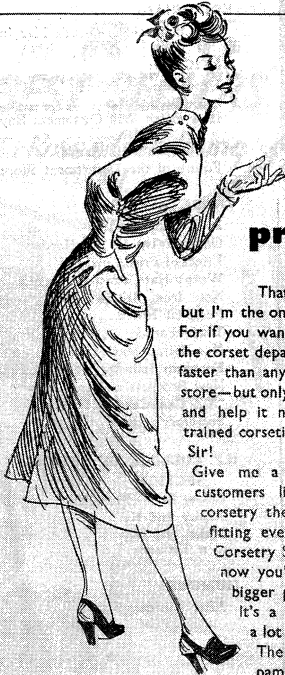
<sup>110</sup> “It All Depends on the Corset!” advertisement in *Lyttleton Times and Press*, 22 May 1915, Beath’s newspaper scrapbook, Christchurch City Council Heritage Division.

<sup>111</sup> “The New Way of Merchandising Corsets,” *Dry Goods Economist* 3711 (21 Aug. 1915): 37.

<sup>112</sup> Sue Best, “Foundations of Femininity: Berlei Corsets and the (Un)Making of the Modern Body,” *Continuum* 5 (1991): 191–214. Compare Fields, “Fighting the Corsetless Evil,” 372, on the United States.

<sup>113</sup> Jarman, “Hints on—Selling Foundation,” 29.

FROM A CORSET SALES-GIRL TO THE STORE MANAGER



**SIR, do you  
want to make  
profits *faster?***

That may be a foolish question—but I'm the one who can help you do it. For if you want to increase your profits, the corset department can pile on figures faster than any other department in the store—but only if you give it the support and help it needs by staffing it with trained corsetieres—and that means me Sir!

Give me a chance to make passing customers life-long friends by selling corsetry the right way—by personally fitting every garment. Send me to a Corsetry School—I'll promise here and now you'll see an immediate result in bigger profits and customer satisfaction. It's a case of investing a little to reap a lot!

The corset department is good without pampering Sir. But it can be even better if you give me the training in fitting—and in selling—that every corset salesgirl needs.



Enrolments are being received now for

**BERLEI CORSETRY SCHOOL.**

OCTOBER 3rd ————— OCTOBER 19th

5 FIGURE TYPES &  
THEIR 13 VARIATIONS



*Berlei*

★ TRUE-TO-TYPE FOUNDATIONS

**BERLEI (N.Z.) LTD.**

93 Wellesley Street W., Auckland

Advertisements for Corsetière Training Highlighted the Link between Salespeople's Skills and Store Profits. (Source: "Sir, do you want to make profits faster?" *Retailer of New Zealand*, September 10, 1949, p. 2. Serials Collection reference number S-L 516-2. Reprinted with permission of the Alexander Turnbull Library, Wellington, New Zealand.)

the interaction but not enough to decide their own fit. Within each figure type, there was enough variation in size and style to ensure that consumers were dependent on the corsetière. These specialists were also encouraged to suggest clothes that would complement the corsets

they fitted. Advertisements from the interwar era emphasized the personal service provided by “expertly trained corsetieres” in analyzing individual figure types.<sup>114</sup>

The limits of scientific selling ideas were also exemplified by the history of corset departments. The corsetière required more training than New Zealand stores, which tended not to invest in that activity, usually provided. After World War II, department stores confronted a shortage in this specialized labor market.<sup>115</sup> Both the *N.Z. Draper* and the *Retailer of N.Z.* carried regular advertisements for Berlei’s corsetière school. Yet even trained corsetières and a sales focus on style and appearance could not forestall the decline in corset sales. By the late 1960s, corsets were no longer found on the shelves.

### Conclusion

Following World War II, American ideas of scientific selling acquired a wider following in New Zealand department stores. In the early twentieth century and during the interwar period, American ideas were adopted by a select group of stores. The stores that did so appealed to working- and middle-class clientele and had to overcome locational disadvantages. Scientific selling ideas provided a way for them to appear distinctively modern. Stores like Smith & Caughey, Kirkaldie & Stains’, and Ballantyne’s that appealed to higher-income customers highlighted the British influence on their businesses.

In 1948 the Retailer’s Federation of New Zealand established the College of Retailing to offer courses to department stores and other New Zealand retailers. Some of the curriculum involved teaching assistants “that their job was much more than to wrap customers’ parcels efficiently”; other courses formalized personnel management training for senior staff.<sup>116</sup> The college expanded the amount of information about store management and sales methods that had previously been confined to the pages of *Draper* and *Retailer*. Senior shop assistants, department managers, and buyers attended these sessions, which were taught by retailers from around the country. The college helped to disseminate ideas about management and sales through the New Zealand department-store industry.

<sup>114</sup> James Smith’s Scrapbook, James Smith’s collection, f-93-215-1, ATL.

<sup>115</sup> “Why the Continued Shortage of Corsetieres?” *N.Z. Draper and Allied Retailer* 27 (7 Feb. 1949): 26.

<sup>116</sup> Quote from “With Retailers at New Plymouth,” *N.Z. Draper and Allied Retailer* 26 (7 Apr. 1948): 26. See also “Overcoming Retail Staff Shortages,” *Retailer of N.Z.* 1 (31 July 1948): 35.

Suburban competition to downtown retail areas grew in the 1950s and forced traditional department stores to appeal to a wider market. In 1956 Ballantyne's converted to the approach of selling effects and benefits. After a visit from advertising consultant Clyde Bedell, the staff magazine reported:

There has been a revolution. . . . [Merchandising is] no longer the dry as dust museum stuff it used to be, it is a much more human, gossiping, interesting and rewarding business at Ballantyne's now, thanks to the benefit of Mr. Bedell from America.

Bedell taught the Ballantyne's sales force the distinction between "selling points" and "benefits":

[B]enefits are the possibilities inherent in possessing them [goods]. No customer wants our goods to put in a museum. She wants them to *use*—to enjoy the benefits she gets from them—and it is desire for those benefits that we have to arouse because only when the desire for benefits is strong enough will she buy. Having aroused the desire, we then *convince* her that our goods will satisfy her desire for a particular benefit *because of* such and such a selling point.<sup>117</sup>

This explanation exemplifies the sales approach that New Zealand stores imported from the United States. Customers were viewed as impressionable, and it was believed their desires could be elicited by a skilled salesperson, who would offer goods to satisfy those desires. By 1956, scientific sales advice had reached even the stores that cultivated their connections with British culture and tradition and adhered to British styles of selling. In clinging to their image of catering to upper-class customers, stores like Ballantyne's had dissuaded assistants from pursuing sales, reiterating that customers were their cultural superiors and thus knew their own wants.

The diffusion of American ideas about scientific selling in New Zealand department stores occurred over a period of approximately forty years. American influence increased despite a persistently low level of trade between New Zealand and the United States in manufactured consumer goods. Ideas about business practices traveled separately from, and with greater impact, than flows of capital and goods. Historians Daniel Boorstin and Gary Cross, among others, have argued that consumerism was the defining cultural experience of twentieth-century America.<sup>118</sup> Exported American goods and services carried the

<sup>117</sup> Emphasis in original. "Benefits," *The House* 9 (June 1958): 9–11.

<sup>118</sup> Daniel Boorstin, *The Americans: The Democratic Experience* (New York, 1973), 101–64; Gary Cross, *An All-Consuming Century: Why Commercialism Won in Modern America* (New York, 2000).



culture of consumption with them to western Europe, Australasia, and Canada. Ideas about business practices also accelerated the integration of American consumer culture in these countries.

New Zealand stores were deliberate and selective in their importation of American scientific sales advice. They quickly adopted the idea of suggesting associated goods but gave little attention to market research. Because their stores were much smaller than the largest American stores, staffs in New Zealand did not receive intensive sales training, but instead were offered suggestions from staff magazines and bulletins and guidance from senior salespeople. This emphasis on salespeople’s skill allowed managers to praise employees and implied that the salesperson was in charge of the encounter. Scientific selling was strongly encouraged but weakly rewarded, because New Zealand’s industrial relations system limited the ability of stores to tie salespeople’s wages to their sales achievements. Correspondingly, New Zealand salespeople were less likely than their American counterparts, who were paid on commission, to pressure and rush customers. Thus, salespeople and customers in the two countries had different experiences of the same ideas about selling.

New Zealand was not unique in following American retailing practices. French retailers also looked to America for ideas about sales methods.<sup>119</sup> In the story of American influence on foreign department stores, business historians have a fertile field for examining how ideas are transmitted between companies and are adapted to local conditions.

<sup>119</sup> Chessel, “Training Sales Personnel in France between the Wars,” and Furlough, “Selling the American Way in Interwar France.”

