



Symbol of Tokyu Hands' handicraft tradition

enthusiasm of each individual staff person plays a vital role in the success of a Tokyo Hands Store, and also ensures that no two outlets will be the same. This purchasing system is very unique to Tokyu Hands; in conventional stores purchasing and selling are carried out by different people. But the Hands system is not the result of a system well thought out by distribution experts, it is the result of amateurism. Since Tokyu Hands was originally set up by a real estate company, distribution know-how was lacking when they started the store. With no assistance from existing department stores, they came up with this system and it turned out to be a great success. In this way, sales staff feel responsible for their products and it is also easier to fulfill the wants of customers and provide feedback on changing consumer trends to makers. Also, those staff already holding abundant knowledge of products will become more professional in the field and their pride in their work is an essential ingredient in the very successful Hands formula. It is a more expensive way to run a business but Hands does not try to undersell other stores. They attract customers by selection and service and the sometimes higher prices that result from this very labor-intensive way of operating are compensated for with loads of happy customers.

Despite the burdens of small orders and frequent deliveries required by Hands, suppliers are usually happy for the market information they receive and the exposure for their products in a store favored by the trendsetters of Tokyo. Exceptions to the Hands purchasing system are the 10 to 20 percent of the store's stock that is purchased overseas by a small group of personnel within the store. Imports are difficult within their purchasing system so Hands set up a direct importing team to increase imports in 1986.

As a kind of a DIY shop, the Hands management originally thought that their largest clientele would be middle-aged people, but they have not found this to be the case. Young people in their teens and 20's turned out to be the largest group after the opening of the Shibuya store. Less surprising is the popularity of the shop amongst graphic designers, photographers and those in the film and television industries such as set designers. In the initial plan, Hands was to be directed more at men than women on the basis that the large number of conventional department stores and boutiques found in the area would probably already have the attention of the female population and that males would be therefore more available as a market. This turned out to be only partially true with not so much difference in the attraction the store has on men and women as originally expected.

Hands has become well-known throughout Tokyo and all of Japan with limited advertising, largely on the basis of its uniqueness and word-of-mouth promotion by satisfied customers. Their sole means of advertising is through twice weekly newspaper inserts featuring products available in the store. A new idea for Hands is an open competition they are running for handmade things with six winners from among the 1,800 entries to be featured in an exhibition in the Spiral Hall in Tokyo.

Careful Expansion

Success at the Shibuya branch has also led to the opening of new branches in different parts of Tokyo and other cities. Shops were opened in the Tokyo suburb of Machida and Osaka in 1983 and in Ikebukuro, Tokyo in 1984. These were directly owned but in 1988 the decision was made to permit the opening of an outlet in Nagoya as a franchise owned by Sanko Creative Life, part of another real estate firm. The companies went through an extensive process of transferring the management know-how needed to run a Tokyu Hands store. For the future there are plans to open directly-owned shops in Kobe and Yokohama.

Though expansion has proceeded steadily on the enormous success of Hands - January to September sales in 1986 were 37.8 billion yen - Tokyu Hands is being very careful to proceed slowly enough to ensure the preservation of the basic concepts of the store. Since the staff are vital to the success of any Hands outlet, finding qualified people is essential. Each store is different, simply because the staff purchasing and section management system determines that no two could be alike. And that the Tokyu Hands stores are like no other anywhere else. ■