

relatively inefficient dealer is generally ignorant of the fact, or at least unwilling to admit it to an outsider.

Efficiency is relative in business as elsewhere. The dealer who carries a better assortment of merchandise, who offers better values and who employs better salesmanship will win trade from the dealer who carries a poorer assortment of goods, who charges higher prices, and who employs poorer salesmanship. The more efficient dealer may win trade from the less efficient dealers in the same town or other towns. There is nothing new in this statement. Efficiency always has been relative and always will be. The automobile and the paved road have merely added two additional factors to the equation. They have made trade more mobile than it was before their advent. Thus competition between dealers in different towns is more important than it was when travel was by horse and railroad. The opportunity of the efficient dealer is thus increased and the plight of the inefficient dealer aggravated. A perusal of the reports of the interviews given in the Appendix will show that in many villages competing merchants reported directly opposite movements in their sales; for example, one dealer reports an increase in sales while another in the same trade area reports a decrease in sales.

In the earlier part of the study the attempt was made to ascertain the general trend of business conditions in various villages by interviewing a few of the merchants. This was very difficult. The first two, three, or four merchants interviewed in a given village might report sales as declining. The interviewer might therefore conclude that the total business done in the village was declining. Interviews with additional merchants, however, frequently produced reports of increasing sales. For example, in a village of 400 population, the bulk of the business is done by four stores. The first two interviewed reported that sales have decreased by large percentages and that the total sales of the village have been only a fraction of what they were 25 years ago. The third dealer reported his volume of sales to be as large as ever, while the fourth reported rapidly increasing sales. The banker reported that the volume of business transacted in the village has been as large as in pre-automobile days. In another village the first investigator interviewed one merchant who told him that sales were declining and the village was doomed. Later two investigators visited the village and interviewed 11 merchants of whom 9 reported sales as steady or increasing. In a great many instances, regardless of the total volume of business transacted in the village, it is evident that some stores are gaining sales at the expense of their competitors in the same village.