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# NEW SOLUTION NEEDED

Retailers can find big opportunity with the right digital storage

**B**acking Up 500 Billion Digital Files in 2008: Hot Opportunity for Photo Retailers. With the growing proliferation of higher megapixel digital cameras and the resulting larger file sizes, compounded with the number of digital photos and video that consumers create each day, storage is one hot sales opportunity for retailers.

Americans are still not backing up their digital photos, music, documents or other types of files. Results of a recent CEA report, *Amassing Digital Fortunes: A Digital Storage Study*, show that nearly one in three consumers don't see the need to back up their files, while nearly a quarter (22 percent) say they aren't backing up files because it's too time-consuming. The study claims the average U.S. adult has 1,800 digital files, totaling 310 billion digital files nationwide. With an additional 1,060 being added per user in 2008, the total number is expected to hit just under 500 billion by the end of the year."

Retailers are unaware of this large storage opportunity or if they are aware, they don't take into account the importance of vendor selection. There are quite a few differences that retailers need to be aware of and they really have to be very careful when selecting a brand to offer photo customers.

For instance, brand R advertises a triple interface drive. You'd expect that to include three separate interfaces, such as USB 2.0, Firewire 800 and Firewire 400. But on close examination the drive has one USB 2.0 port and two Firewire 400 ports,

which is actually a dual interface.

What is scary to think, though, is a less knowledgeable customer may be told by a salesperson to buy a "triple interface" drive. A retailer's reputation is at risk when sales people don't know the product they're selling.

Below are some questions retailers should ask when choosing which storage drive to sell:

## 1. How long is the warranty?

A one-year warranty is the industry norm. A two-year warranty is what you and your customers want for peace of mind.

## 2. What brand drive is used and what is the warranty on that drive?

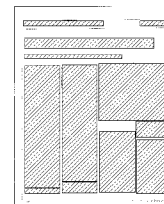
It's not a good sign if the hard drive information isn't featured prominently or given freely, as that means the manufacturer is not using the highest quality drives. The drive used in the enclosure should come with an additional warranty from the manufacturer, ranging from three to five years.

## 3. What chipset is provided?

Next to the hard drive, the other crucial component is the chipset. It's the gatekeeper to making sure the built-in interfaces work properly with the drive. Again, not a good sign if this information isn't featured prominently.

## 4. Is it a complete plug-and-play solution?

Your customers should not have to buy anything more to get the product up and running straight from the retail box. All interface connection cables and a high-quality external power supply should be included. There should also be



a value-added component included, like software.

**5. What kinds of interfaces and how many?**

To offer a wide range of flexibility, connectivity and value, there should be at least two different types of ports: USB 2.0 and Firewire. More advanced situations call for up to four different interfaces, including eSATA.

**6. What OS does the external drive work with?**

Will the drive work with Macintosh, Windows, Linux and other operating systems? External drives should be multi-platform compatible and this feature should be prominently mentioned on the packaging.

**7. Will they sell directly to your customer?**

Will the manufacturer sell to YOUR customer once they get the warranty registration or after a customer-service interaction? "No" is

The days of the photo shoebox are gone. Consumers need new storage solutions for their digital files.

the only answer you should accept to this question.

**8. Is tech support offered?**

You should seek a supplier that offers free, U.S.-based tech support, so when you or your customer need it the most, the support is readily available..

**9. How has the external drive been rated or reviewed?**

Perhaps the most overlooked feature, the storage drive and the manufacturer should have a solid review history from technology press.

**10. What are the ordering terms?**

If all you need is one or two storage drives, you should not have to deal with any minimum order or quota requirements.

## IMAGING

