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Shaping Cultural Tastes at Big Retail Chains

By DAVID D. KIRKPATRICK

Until five years ago, few people other than devoted evangelical Christians had heard of VeggieTales, a small company's series of cartoon videos about talking cucumbers and tomatoes learning biblical lessons. That, however, was before the VeggieTales went to [Wal-Mart](#).

"We found out that many of the buyers at the big box chains were already fans of the shows," said Dan Merrell, senior vice president for marketing at Big Idea Productions, which makes VeggieTales. "They had seen it, they had experienced it at church."

The latest VeggieTales cartoon, "Jonah," has been one of the best-selling videos in the country since its release in March. About half the 2.7 million copies sold have gone to mass merchandise stores, and about 25 percent to Wal-Mart alone, Mr. Merrell said.

"VeggieTales" is not the only best seller to receive a mighty push from discount chains like Wal-Mart, Target and Kmart, and price clubs like Costco and Wal-Mart's Sam's Club. Tyndale House, publisher of the Left Behind series, credits Wal-Mart with a pivotal role in turning the evangelical thriller "Armageddon" into the best-selling novel in the country.

Music executives say the chains have helped turn country performers like the Dixie Chicks, Toby Keith and Faith Hill into superstars. And major book publishers say the growth of the mass merchandisers has helped produce a string of best sellers by conservative authors like Bernard Goldberg, Ann Coulter, Michael Savage and Bill O'Reilly.

The growing clout of Wal-Mart and the other big discount chains — they now often account for more than 50 percent of the sales of a best-selling album, more than 40 percent for a best-selling book, and more than 60 percent for a best-selling DVD — has bent American popular culture toward the tastes of their relatively traditionalist customers.

"They have obviously reached the Bush-red audience in a big way," said Laurence J. Kirshbaum, chairman of [AOL Time Warner's](#) books unit, referring to the color coding used on television news reports to denote states voting for President George W. Bush during the last election. "It has been a seismic shift in the business, and to some of us in publishing it has been a revelation."

But with the chains' power has come criticism from authors, musicians and civil liberties groups who argue that the stores are in effect censoring and homogenizing popular culture. The discounters and price clubs typically carry an assortment of fewer than 2,000 books, videos and albums, and they are far more ruthless than specialized stores about returning goods if they fail to meet a minimum threshold of weekly sales.

What is more, the chains' buyers — especially at Wal-Mart — carefully screen content to avoid selling material likely to offend their conservative customers. Wal-Mart has banned everything from the rapper Eminem's albums to the best-selling diaries of the rock star Kurt Cobain. This month, in its latest bow to its customers' morals, Wal-Mart stopped selling the racy men's magazines Maxim and Stuff.

Critics say the stores' policies make it harder for excluded works to reach the spotlight of best-sellerdom. "It is going to hurt sales of anything that is at all controversial, and if the stores are not going to put the CD's on the shelves, then the record companies are not going to make them," said Jay Rosenthal, a lawyer who represents the Recording Artists Coalition, a lobbying organization whose founders included the performers Don Henley and Sheryl Crow. (Wal-Mart banned one of Ms. Crow's albums because it criticized the chain for selling guns.)

In another worrisome trend for the entertainment business, the discount chains' narrow selection is increasing the industry's dependence on hit books, albums and videos, making it harder to call attention to new work and sell older work. "Once a book gets on the best-seller list, it becomes entrenched at the big discounters," Paul Aiken, executive director of the Authors Guild, said. And other bookstores offer discounts on books from the best-seller list, so in that way the chains "help determine what gets sold at traditional bookstores as well," he said.

But conservative groups praise the stores' selectiveness. Dr. A. William Merrell, a vice president of the Southern Baptist Convention,

said the stores were performing a public service in that "they have said, 'Don't send us smut.'" Glenn Stanton, director of social research at the evangelical group Focus on the Family, said Wal-Mart's policies had hit the entertainment companies "like a brick in the head."

Representatives of Wal-Mart, its Sam's Club price clubs and other general merchandise chains say that they worry only about their customers, not their impact on the culture. Publishers and music executives say that other chains like Target or the Costco price clubs, aim for a more affluent clientele and are not as restrictive as Wal-Mart.

But media industry and store executives say all the stores still try to maintain "a family-friendly atmosphere," including keeping violence and obscenity off the shelves.

Entertainment industry executives are often reluctant to speak publicly about the power of the chains, especially Wal-Mart, for fear of angering crucial buyers. In the last decade, as the discount chains have expanded exponentially from their roots in suburbs and small towns, they have increased their share of book sales by nearly 30 percent, improved their share of music sales by about 50 percent, and have come to dominate DVD sales.

Wal-Mart and the other chains have moved aggressively into sales of media products, in part because a constantly changing selection of discounted books, music and videos gives shoppers a reason to return. The stores have pushed best-sellers' sales to new heights by putting deeply discounted blockbusters into the hands of millions of customers. One hundred million people visit a Wal-Mart store each week.

The mass merchandisers now account for 34 percent of all music sales, according to Nielsen SoundScan, and music executives say Wal-Mart, the largest, accounts for about 20 percent of a hit's sales on its own. That allows the chains to set the rules.

Wal-Mart refuses to sell any albums with parental warning stickers, including most hip-hop releases. Eminem's albums, for example, are not sold at Wal-Mart. Many artists and labels, however, re-record special, cleaned-up editions of their albums for Wal-Mart's shelves, deleting obscenities or changing lyrics.

The major record labels have satellite offices near Wal-Mart's headquarters in Bentonville, Ark., to cater to its buyers. Several major music companies, including Warner Brothers, BMG and EMI, have invested in Christian labels after Christian sales soared, helped partly by Wal-Mart and other discounters.

The mass merchandisers' ability to sell vast quantities of deeply discounted albums has disproportionately benefited performers more likely to appeal to a rural, small-town or suburban audience, generally benefiting country and hurting rap, several music executives said.

For example, mass merchandisers accounted for about 60 percent of the 5.4 million sales of the Dixie Chicks' most recent album and about 72 percent of the 2.5 million sales of Toby Keith's last album, according to Nielsen SoundScan.

In contrast, mass merchants sold just 35 percent of the 5.8 million copies of Norah Jones' most recent album, which dominated the Grammys, and just 26 percent of the sales of the most recent album by the rapper 50 Cent, according to Nielsen SoundScan. (Wal-Mart sells edited editions of 50 Cent albums in some of its stores, typically near urban areas.)

In the book business, the total share of the market for mass merchandisers and price clubs has risen from 9.1 percent in 1992 to 12.6 percent in 2002, despite recent declines in Kmart's sales after its bankruptcy filing, according to the research company Ipsos-NPD. The percentage of books sold at Wal-Mart roughly doubled to 4 percent.

The low proportion of total book sales belies the discounters' growing dominance in sales of best sellers. A typical Wal-Mart sells about 500 titles, many of them rack-size paperbacks, and a typical Costco or Sam's Club sells even fewer titles, mostly in hardcover.

Several publishers said they had learned not to show books with explicit content or racy covers to the buyers for the mass merchandise chains, especially Wal-Mart. "Our reps who handle that channel might say, 'Well, that cover won't get into Wal-Mart,' and then we have to decide whether we are going to change it, if that is going to be a big channel for this book," Jane Friedman, chief executive of the HarperCollins division of the [News Corporation](#), said. "They have not dictated to us, but we are very smart about servicing that channel the way they would like to be serviced."

Mr. Kirshbaum of AOL Time Warner's books unit said he decided to start a religious imprint because a book buyer for Wal-Mart told him that more than half its sales were Christian books. In the last two months, Crown, part of the Random House division of Bertelsmann, and Penguin, part of the British media company Pearson, both started new lines aimed at tapping the booming market for conservative books.

Ms. Friedman said she had created a special sales force to sell rack-size paperbacks to the discounters, increasing sales 30 percent in two years. Michael Jacobs, senior vice president of Scholastic, said his company was investing more in books about licensed characters like its Clifford the Big Red Dog, in part because they sell well at mass merchandisers, which can also sell related toys and apparel.

Film studio executives credit Wal-Mart's aggressive promotion and low prices with playing a major role in the recent shift toward DVD buying. Warren Lieberfarb, a former Warner Brothers executive who is considered the father of the DVD, said, "Wal-Mart now comes close to spending as much on purchasing DVD's and videos as the major studios earn from all the theaters in America."

Theatrical runs largely determine consumers' appetite for most videos and DVD's, but Wal-Mart is still important enough that studios occasionally edit special editions of their videos to meet its standards. Wal-Mart stocks some R-rated films, although a spokeswoman for the company said it carefully screens them for content and demands proof that buyers are over 17.

Wal-Mart sells an edited, R-rated version of the racy film, "Y Tu Mamá También," not the full, unrated theatrical release. Although it does not sell Eminem's music, it does sell the DVD of his movie "8 Mile," but with a cleaned-up version of an extra music video included.

At what point does the discounters' selling prowess combine with their restrictive standards to influence new work from record labels, book publishers and film studios? Their executives all call that possibility remote.

But the chains already help determine which new works receive the most attention, with a broad effect on popular culture. "That is our goal, to impact the culture of this country," said Mr. Merrell of the evangelical Big Idea Productions, maker of the VeggieTales cartoons.