Growth of Mail-Order Marketing in Illinois

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Mail-order marketing evolved into a successful business, growing rapidly from 1890 to 1910. Aaron Montgomery Ward, Richard Sears and Alvah Roebuck were three of the most influential men concerning the mail order marketing system of Illinois. Based out of Chicago their companies thrived under the robust industrial economy and fueled more unified goods being sold to both rural and urban communities. Mail order marketing was not a new business venture for the American people, but once it became centralized through advertising, clever innovators and technology, the improvements on the system boosted Illinois economy as a whole. According to Cecil Hoge department stores sold reasonably priced goods because of their ability to buy in large quantities and sell at low prices, giving the consumer of the city "unprecedented value." After the Civil war, new technologies and attitudes enhanced the growing market economy in Illinois.

Mail-order marketing grew with the market economy in the years following the Civil War. Rapid changes in population growth, technology, transportation, distribution systems, communications² drove the expansion of the economy in general and the mail-order business in particular, with unifying effects on Illinois' rural and urban populations: as "city goods" became available to "country people," consumer culture's divide between urban and communities narrowed significantly. The United Postal Service played a large role in the expansion of the mail-order system and the new policy of "rural free delivery" began nationally in 1896.3 With the new regulation in place those living in the "countryside" were able to have mail delivered to their homes directly instead of a local post office.4 Ward, Sears and Roebuck took full advantage of this and began to send advertisements and catalogues to those in Chicago as well as rural communities.

The new postal system allowed mail-order marketing to reach a variety of consumers throughout Illinois. Catalogues created a high

¹ Cecil Hoge, Jr., The First Hundred Years are the Toughest: What we can learn from the century of competition between Sears and Ward, (Berkley: The Robert L. May Company, 1988), 8.

³ United States Postal Service website, Postal History, 22 March 2011, available from www.usps.com; Internet, accessed 22 March 2011.

⁴ Dr. Charles Titus, HIS 3810 class notes.

demand for goods and offered everything from household wares, items of clothing, and even ready to assemble homes. Montgomery Ward created the original catalogue for his department store and his main idea was to cut out the "middle men" of trading.⁵ By giving the customers access to both catalogues and a central store in the city, Ward was able to sell brands never originally available to those in rural districts. His idea was to "sell direct to country people by mail. With a mail order store...It would be in a big city where the storekeeper could easily get in touch with manufacturers...suppliers would be willing to cut their prices on large order and the mail orders store could pass on the savings to its customers." Low prices, customer service, and reliability launched Ward and later Sears and Roebuck into a profitable business that drove the expansion of the economy.

Illinois saw an enormous amount of change because a population expansion in the mid nineteenth century. As Cecil Hoge explains, "Chicago's population had grown from 30,000 in 1850 to over 104,000 in 1860 and then over 200,000 in 1865."7 Farming in Illinois was a main source of revenue for the economy, but as popularity and job opportunities increased within the city, rural communities began to suffer. To prevent imbalance when it came to farmer's rights, a corporation named "The National Grange"s was established. The National Grange was a third party corporation that focused on the needs of famers and acted as their eyes and ears in the government. As interest swayed away from the countryside, Montgomery Ward actually saw it as a profitable starting point for his business. Ward began small when he ran "the tiniest test possible...to a mailing list of 40 Grange members he sent out a one-page price list."9 According to Hoge, the Grange supported Ward from the beginning and allowed him to use their name when he started his first company, calling it the "Original Grange Supply House."10 Even as his company grew, Ward realized the benefits of keeping goods and supplies readily available for the farmers of Illinois. In later years, Richard Sears and Alvah Roebuck followed Aaron Ward's example by incorporating farming materials into their basic purchases.

Richard Sears did not originally begin his career as a mail-order businessman. He started by selling watches and after much success

⁵ Frank B. Lantham, 1872-1972 A Centruy of Serving Consumers: The Story of Montgomery Ward, (Library of Congress, 1972), 3.

⁶ Ibid, 3-4

⁷ Cecil Hoge, Jr., *The First Hundred Years are the Toughest: What we can learn from the century of competition between Sears and Ward*, (Berkley: The Robert L. May Company, 1988), 5.

⁸ Ibid, 8.

⁹ Ibid, 12.

¹⁰ Ibid, 13.

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hired Indiana watchmaker Alvah Roebuck to create a new niche in repairs. By placing ads within the local papers, Sears realized the benefits of mail orders and quickly began selling and repairing watches for a large consumer base. After a few years Sears joined forces with Roebuck to create the Sears, Roebuck Company in 1893. They relocated to Chicago where Sears began to follow in Montgomery Ward's footsteps by placing advertisements aimed towards both farm and city populations in catalogues and newspapers. In the following years Sears, Roebuck and Company grew exponentially and eventually became a rival of Montgomery Ward.

Both companies became well known after the 1890s because of their timely deliveries and reasonable prices. This tradition continued in the 20th century as profits continued to rise because Ward and Sears they had "built up an immense business throughout the country, and enjoy[ed] a very enviable reputation for fair dealing." Techniques for selling became increasingly important to these two marketers. Chicago's growing population supported the advancement of the railway system with their many connections located in the city it became easier to transport wares and catalogs to the people throughout Illinois and eventually the United States. It became cheaper and easier for the customer to communicate with the company and receive their purchased goods more quickly.

Department stores in Illinois became a hot bed for competition between Aaron Montgomery Ward and Richard Sears. Because of their innovations and dedication to the mail-order business, they revolutionized the way people lived. Low prices, fair trade, and use of improved transportation, Sears and Ward helped to push mail order marketing into the new industrial age of buying. The gap was narrowed between rural and urban consumers when products were created to appeal to a larger audience. Mail order marketing connected Illinois as never before and boosted the economy, which helped support the industrial movements within the cities.

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¹¹ Gordon L. Weil, Sears, Roebuck, U.S.A.: The Great American Catalog Store and How it Grew, (New York: Stein and Day, 1977), 7.

 $^{^{12}}$ Cecil Hoge, Jr., The First Hundred Years are the Toughest: What we can learn from the century of competition between Sears and Ward, (Berkley: The Robert L. May Company, 1988), 27.

¹³ Gordon L. Weil, Sears, Roebuck, U.S.A, 11.

¹⁴ Christian Observer, American Periodicals Series Online, 1904, accessed 15 October 2010, p. 14.