



For the floorcovering dealer, all marketing is local. ■ By Paul Friederichsen

If I were to sit down with any independent floorcovering dealer and do a SWOT (strengths, weaknesses, opportunities, threats) assessment, I would start a list of sales channel threats that any dealer would likely agree with. Among those are the usual suspects: big box chains, category killers, shop-at-home marketers and e-commerce outlets. For example, a recent infographic by HowMuch.net shows that the amount Amazon spends each year on R&D is roughly equal to the total annual wholesale value of the U.S. flooring market!

National retailers and e-commerce brands may spend millions to vie for consumer attention and drive demand, but it's the local floorcovering dealer that can still win as the ultimate go-to solution for most homeowners. The important thing for the local flooring dealer is to remember that, as in politics, all marketing is local. That means the smaller, local flooring dealer can compete by employing the same marketing disciplines as the retail giants, but in a way that builds on their unique advantages for their customers.

What are those advantages? Broadly speaking, while the big national retail chain may have enormous ad budgets, showrooms and selection, the small local dealer often has the edge on community relationships, professional expertise and personal trust. However, simply relying on those advantages isn't enough, since media dominance and slick ad production by big competitors can be very persuasive. That's why an effective local marketing strategy is needed to magnify and consistently communicate the advantages of the local dealer to the target market.

What are the best ways to do that? Of course, dealers should take full advantage of everything digital communications technology and manufacturer partners have to offer. In today's hyper-connected world, having an inconsistent or poorly executed online presence would be, well, unthinkable. Yet, even the best tactics can't salvage a poorly executed local

marketing strategy if it isn't built on a solid customer-centric foundation.

LOCAL MARKETING STRATEGY SHOULD BE EXPERIENCED

It's not just about targeting the right people with your message, it's about having your own brand ambassadors, representing that message to your customers on the showroom floor, on the phone or on the job site. For the local dealer, this perception of employees is crucial. Pamela Danziger summed it up this way in *Why People Buy Things They Don't Need*, "Retail sales people need to participate in the shopping experience with their customers ... they have to have authentic enthusiasm ... they need to like their customers." Quality of customer service can be traced to many factors: leadership, training and benefits, among others. Howard Schultz, former chairman and CEO of Starbucks, once boasted to Forbes that Starbucks spends more on employee benefits like healthcare than it does on coffee beans. Why? Because happy, motivated employees create a premium customer experience—the kind of experience the local flooring dealer needs to embody.

As online shopping continues to grow exponentially, the appeal and differentiation possible in the brick-and-mortar environment becomes paramount. All too often, the local

dealer's store can disappoint the customer with a cluttered or disorganized showroom, uneven lighting or an unkept restroom. As Paco Underhill observed in his book, *Why We Buy: The Science of Shopping*, people will avoid product displays when they are placed uncomfortably close to one another or too close to an entrance or pathway. Instead, it's all about a positive experience. Dr. Americus Reed II, marketing professor at the Wharton School of Business, recently observed, "Retailers in the physical space are going to have to provide something that is more experiential, that is going to draw people in to hang out and do stuff." As Millennials continue to take over the shopping reins from Boomers, this becomes even more important.

LOCAL MARKETING STRATEGY SHOULD BE IN POSITION

Positioning is everything, whether you're a global brand or a local dealer. In his "Insider Talk" at Domotex USA, Chris Ramey of The Home Trust International, makes this point with his topic "The Middle is Murder." As Ramey observes, "Floorcovering retailers are being pushed to the middle in an attempt to earn all the business they can. Bad idea. Bigger money will flow to those who own niches and compete above the fray." Essentially, Ramey reminds us that you can't be all things to all people. As a local dealer, your store brand needs to own a unique position as the cornerstone to an effective local marketing strategy. That could take the form of occupying one end of the pricing spectrum or the other, specializing in a category of flooring or installation, or even how a retailer interacts and services its clientele.

In her book *Marketing to Women*, Marti Barletta cites a word-of-mouth conversion-to-sales study by *People* magazine. The report found that retailers were the third-highest category at 49% among a variety of things or places recommended most often by women, and the resulting conversion-to-sales was a staggering 82%. The study observes that recommendations by women also produce "a lifelong string of referrals." Women are not only the primary marketing target of floorcovering dealers, they are a "word-of-mouth media multiplier," according to Barletta. In the 15 years since this study, Facebook and online reviews on Yelp and Google have essentially taken word-of-mouth to a whole new level.

Cultivating his brand's reputation is the marketing focus for Seth Hunt at Dalton Wholesale Floors—even in acquisitions. "Two and a half years ago, we purchased an existing store in a neighboring market," says Hunt. "It had a good reputation, so we still operate it as its current brand. You can't beat a good reputation." According to Hunt, reputation is worth more than any amount of advertising you can buy. "We always try to do the right thing," he adds. "We honor claims. We donate to local charities. We support local football, which is big in the South." For 2019, Hunt has challenged his 95 employees to concentrate on "white glove service" or as he puts it, to be more like Chick-fil-A. "A better level of service will be how we differentiate ourselves. We want our customers to recommend us to their neighbors," says Hunt.

To support that, Dalton Wholesale Floors relies on social media, namely Facebook and Instagram, by posting photos taken by their social media director of actual customer installations. "Customers are very proud of their new floors and are complimented when we ask to feature them," says Hunt.

While sales and promotions are important in retail, they are also easily preemptable by the competition. In his blog article "11 Smart Retail Marketing Tips for 2018," Kris Hiiemaa outlines several key tactics that work. Here are six highlighted strategies that floorcovering dealers can put to good use to strengthen their brand in their market, regardless of periodic sales or specials:

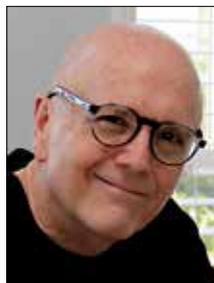
- Make shopping with you an experience
- Become a hub for information
- Sponsor an event or award
- Create a loyalty program
- Be consistent with your message
- Partner with a non-competitor

LOCAL MARKETING STRATEGY CAN KEEP YOU RELEVANT

The local flooring dealer, along with the designer and installer, have a real opportunity when it comes to marketing and delivering on the needs of their customers. Do that consistently and you'll become the go-to business in your market. Scott D. Perron, the owner of Floors4Pros in Sarasota, Florida, explains that the success of a local marketing strategy is one that achieves the coveted "I know a guy" status. His secret: building relationships. Whether it's with the local real estate broker, the property manager at a nearby development or by participating in the local chapter of Business Network International (BNI), relationship marketing is as key to the local dealer as having a business plan, according to Perron.

As we know, home décor is personal. Decisions based on color, style and performance are grounded in preferences and choices that need the care and guidance of the local flooring dealer expert to sort out. Marketing is all about increasing those opportunities for dealers to help their customers with the right solutions. For it all to work, it must constantly reinforce the dealer's relevance in the role of "problem-solver" for all the customer's floorcovering decisions.

"All branding is local," says John Gilbert, Carpet One's new president. And he's right. ■



● THE AUTHOR

Paul Friederichsen is a marketing and branding expert with a career spent in ad agencies as a creative director and strategist and with numerous clients over the years in the floorcovering industry. He is a partner in the international brand consultancy The Blake Project, is a contributor to *Branding Strategy Insider*, and is the director of education for Domotex USA 2019.