

Michael Knell's

HomeGoodsOnline.ca

HGO merchandiser

WINTER 2016

Volume Five, Issue 4

ADVERTISING SUPPLEMENT

*Jaymar's
60th Anniversary
Catalogue*

Spotlight: Phoenix AMD

Working with Designers

High Point Highlights

Stubbe's new appliance centre

Dennis Novosel Retires?

LEON'S FINALLY GOES
coast to coast

Designers can be hired to hold design sessions and curate your furniture groupings for customers.

(THIS ROOM IS CENTRED ON THE BONIKOWSKY GROUP FROM JANE BY JANE LOCKHART.)



DESIGNERS:

retail's secret weapon



**BY JANE
LOCKHART**

Finding new business is everyone's top priority. This well-known television personality, author and furniture maker believes there's one resource many independent retailers

many have overlooked – the local interior design community. Here she offers a few suggestions about why and how retailers should build bridges to reach them.

FOR THOSE OF US WHO RETAIL HOME furnishings there's no question it's a tough business. With the increasing cost of land, labour and utilities the task is to stay competitive while turning a profit. The increasing viability of the internet as a way to reach consumers makes the challenge for brick and mortar stores an even greater.

There are a lot of changes – local, national and international – that will affect how business is conducted in the coming years. Understanding these changes and how they will impact retail is important as every local business is ultimately connected to the international marketplace. Canadian retailers need to search everywhere for creative solutions that will make them more competitive.

One solution is recognising the asset interior designers can become in broadening a retailer's reach while enhancing customer value and brand differentiation. For many retailers this is not a partnership they have traditionally sought out. Many saw designers as competitors rather than as partners. But as the market shifts, so too must ▶

Design is a client-based business and practitioners soon discover no budget is so unlimited that prices don't have to be reviewed or questioned.

Designers are on the frontlines of the trends. They know what your customers are looking for.

(THE GROUP FEATURED HERE IS COPPERHEAD FROM JANE BY JANE LOCKHART.)

attitudes. Retailers and designers need to work together to embrace new, creative ways to address both the changing marketplace and evolving consumer spending habits.

It's important to look at these changes and where they came from. Although a retailer may be successful locally, the sheer workload of running a store – marketing, advertising, managing the business – leaves little time to explore the meaning of statistics provided by sources such as the federal government, universities, think tanks or researchers. Understanding this information can help a retailer implement new market strategies or test new ideas.

Understanding this picture can frame the future marketing your business. For instance, looking at current population trends can help the store owner learn more about the consumer. In 2017, Canada is still expected to have a negative birthrate. This means population growth depends on immigration. Canadians produce fewer children than required to support the current economy. European countries such as Germany and Britain share this issue. Both are dependent on immigration to fuel growth. In fact, there soon will be more people over the age of 65 living in Canada than under 65.

How does this translate into retail sales of furniture and home furnishings? The baby boomer generation (who are now young seniors) is most likely to spend both on themselves and younger family members. They are also likely to update their furnishings and residences often because they don't want to feel "old". This suggests their wealth will not only be inherited at a later date, at least some of it may be spent now. Downsizing was once the favoured buzz word for this group but it has since been changed to "rightsizing". Surprisingly, some boomers move

to larger residences as their dream home has lots of space for younger generations to visit.

At the opposite side of the spectrum are the millennials. Born between 1980 and 2000, this new and dominant generation is just finishing school, entering the work force and searching for their first home. It is estimated to be as big as the baby boom generation – if not bigger – which bodes well for growth in the "home" market.

Millennials are also the most educated generation in history, and regardless of where they live, share traits such as a love of technology, a desire for public transit and environmentally sustainable products as well as a need to do things differently. This generation wants to change the world.

What does their emergence mean to the retailer? Traditional methods of reaching consumers are unlikely to make a lasting impression on them as they have already experienced more than their parents did in areas from travel to design. Connecting with this new generation of shoppers depends on embracing unique ideas, unexplored avenues and a new diverse set of partners.

This is perhaps where designers fit into the new retail world. In the past, designers were perceived to be elitist and were often not seen as hardworking, detail oriented and loyal. But thanks to the growth of home and garden television programming on specialty channels such as HGTV as well as the emergence of web sites such as Houzz and Pinterest, design and designers have become part of the mainstream. Today, they work with all sorts of consumers, not just those with unlimited budgets. In fact, the entire design profession has had to re-invent itself to compete in a changing marketplace.

These days, interior design is taught at a community colleges and universities, usually in a four-year curriculum. Graduates must then practice for another three or four years before they can apply to write a series of examinations to be recognised as registered interior designers.

Design is a client-based business and practitioners soon discover no budget is so unlimited that prices don't have to be reviewed or questioned. Often designers are hired not just to complete one room but all principle spaces in a home. A successful design business requires tremendous detail co-ordination, great contacts, superior management skills, promotional abilities and a great sense of style. No longer are residential designers singularly focused on one skill set. They are multi-disciplinary professionals who understand all the channels needed to maintain a profitable business.





The days of designers waving their hands about in a flurry of pretention, pointing at items here and there are long gone. Nowadays, they possess an educated understanding of everything from construction basics to forecasting market trends in style, form and colour. As ‘early adopters’ – people who intuitively understand what’s next and know how to incorporate new trends into their life or business – designers were quick to adopt social media as a form of communication as well as a method to promote their business practices and style choices. A designer firm’s web site is often “content rich” as they are often a great source of information because of their ability to absorb and understand trends.

There are many ways retailers can benefit from partnering with designers. First, they can act as outside sales representatives. Designers are often working on numerous projects at the same – often at various stages of completion. Second, design firms often employ a team of professionals, all able to sell a retailer to multiple customers. Third, designers drive project completion, as their pay-off is in a finished space. Retailers can likely expect that if a client has hired a designer, they are a motivated buyer when they walk through the door.

What is a designer looking for when he or she comes into a retail establishment? Product! The best way a retailer can help a designer is to display more product. Make the store a one-stop resource for busy designers and their clients. Consumers alone may not need a lot of choice but designers do. Have multiple fabric

samples and finishes for review. If items aren’t on the floor be sure to offer catalogues or easy access to online samples.

Store owners need to teach their sales associates that designers shopping with their clients are, generally, an easy sale. Designers are not a threat and don’t take clients away as most wouldn’t be there if the designer hadn’t recommended the visit. Ensure they assist and support the designer so everyone gets the sale. In the end that’s what everyone wants.

Where possible, create designer discount programs that are protected from the public. Protect this discount, as hard as it may be, and don’t give it to customers shopping without a designer. Designers are loyal and will continue to support a store that recognises their importance by preserving this discount for them. The choice to pass it on should be the designer’s, not the retailer’s.

Establish specific staff relationships with each designer so trust can be built between the designer and the sales associate. Once the associate knows the designer is competent and helpful, retailers will be better positioned to support the sale – and vice versa.

Also: make returns easy. Make cashing out fast. Make pick-ups easy.

There are many ways to partner with designers to increase your store’s brand awareness and speak to the online community. The market place is changing. The population is more international, younger, diverse and technologically savvy. Consumers research online before they purchase and seek clear, simple answers. ▶

Boomers aren’t just down-sizing, they’re rightsizing. This can mean purchasing larger homes with new furnishings for when the grandchildren come to stay.

(PEYTON FROM JANE BY JANE LOCKHART WAS CREATED TO THIS ROLE IN THE HOME.)



Create a shopping environment that attracts designers who will bring the customers to you.

(PICKETT'S FROM JANE BY JANE LOCKHART IS FEATURED HERE.)

How does a retailer deliver all of this? As the home décor cycle of purchase is a long one, how does a retailer stay top of mind? And, how do local retailers compete against growing chain and online stores who have huge marketing and promotional budgets?

Creating a business and shopping environment that attracts designers can have long-lasting rewards. Here are a few ways to integrate designers into your business.

Hire a designer to write timely blogs for your web site about design and style. Consumers are searching for content and not just product. By being a content provider, a retailer can slowly move their brand out of the transactional category and into expert territory. Knowing this, consumers with deeper knowledge and bigger budgets will seek you out. Again, designers are content-rich partners who regularly see emerging styles and have multiple experiences to share.

Create in-store events and hire local designers to offer free advice or show

If a designer brings a customer through your doors, they are already motivated to purchase.

(ROYAL TROON FROM JANE BY JANE LOCKHART CREATES SUCH AN IMPACT IN THIS ROOM SETTING.)

consumers newly arrived product. Creating an event is noteworthy as it keeps your name in the consumer's mind in a different way than advertising. Event marketing avoids the clutter ads often create and makes a retailer stand out as a trendsetter. Social media can also assist in your marketing efforts when customers often use it to let others know they are at your event – this creates “buzz”.

For a small monthly retainer, many designers will create regular design content for social media platforms, aimed to distinguish your retail voice from your competitor's. By talking about your product as an authoritative third party, a designer adds credibility to your store. Their ability to provide insightful content may create more interest in unusual places. For example, think about ottomans. How do you make them interesting? A good designer knows how – this is right up her alley!

Even though the store has terrific products on the floor, often consumers don't know how to put them together. Hire a design professional to curate exclusive looks using what you have available. Photograph the results, post them to your web site and other promotional material as a way to connect with consumers. Show them how to use what you are selling. Better yet, hire a few fearless designers and film them pulling a room together with your items and post this on all social media platforms.

Working with designers is a smart retail decision. Designers can bring in new, younger buyers as well as those “young” seniors you might not have been able to reach previously. By using experts, a furniture, mattress and major appliance retailer can develop a credible brand because third party endorsements (whether explicit or implied) moves him from mere product seller to trusted supplier of not just goods, but ideas, creativity and content. This allows retailers to set and influence trends – which is where we all want to be when it comes to business.

Seek out your local community of designers. Retailers can find them by contacting organisations such as the Interior Designers of Canada (findinteriordesigner.org) or its provincial associates (idcanada.org). **HGO**



JANE LOCKHART is the principle of Jane Lockhart Interior Design, a Toronto-based firm specialising in interior design and renovation for retail, hospitality, home building and residential clients. She is also the creator of the Jane by Jane Lockhart line of upholstery and accent furniture. She also hosted the television series, *Colour Confidential*.