

# Retailer**NOW**

INSPIRATION+EDUCATION

APRIL 2016

## APRIL 2016

TAKEAWAYS



Articles By  
Bill Napier

Napier Marketing Group, Inc  
[billnapier@napiermkt.com](mailto:billnapier@napiermkt.com)

612-217-1297

44. Technology for Your Business

52. Convert Shoppers into Customers



# TECHNOLOGIES

## to Break Out Your Business

By Bill Napier

**W**hy is it that technology runs virtually everything in our daily lives, but so many companies ignore its impact when it comes to selling furniture? Think about that sentence. We get up, read the news online, check our email, use GPS when we drive, read reviews and buy stuff online, spy on our kids with social media, post most of our daily life on Facebook, Tweet or Pin the rest, but when it comes to our business of running a home furnishings store, we don't use new technology to attract, engage, inspire and sell our products to the 210 million consumers who use technology the way they do to "buy stuff."

I know many in our industry are scared to death of technology, simply because they either don't understand it or they refuse to learn about it. That needs to change. There are many tech companies (not as many as I'd like) that actually innovate for our industry, helping retailers show, tell, and sell more product.

Here are three readily available technologies that have proven successful in increasing engagement and growing sales.

### CIMAGINE

This technology is all about augmented reality that lets shoppers place furniture/product anywhere in their homes so they can see how it looks before they buy. Consumers can rotate it, see the sides, back, front, top, underside—every angle. Cimagine lets shoppers look at fabrics up close and shows dimensions so they know exactly how the sofa or table will look in the space where they want to place it. With this technology, the consumer's home is now your showroom.

And it's a free app. (It should be noted that it works on the newer Android platforms; I tried it on my Samsung Galaxy 5 Android phone and it works amazingly.) Imagine if your salespeople were equipped with this tool. Shoppers come in with pictures of their rooms saved on the app. They scan the label or QR code of the furniture they're interested in and the app superimposes a 3D image of the item onto the photo of their room. They can then move the piece of furniture around in the room, anywhere they want. They can also switch between available fabrics or finishes to get just the look they want. Once the shopper is happy with the placement of the furniture, a still photo—Cimagine calls them "scenes"—can be taken and quickly shared with friends via email or social media.

**3D VISION** Cimagine allows retailers and consumers to use their mobile devices to visualize a place of furniture in their home. This can be done at the store or from the shopper's kitchen table.



Cimagine has clients like Coca Cola using this technology to show retailers how their vending machines would look if placed in their stores. Coke officials say they are getting a 20-percent boost in sales of coolers and equipment, with a 92-percent success rate when using the technology to engage a customer. Vending machines are no different than furniture, if you think about it.

### VIDEOENGAGER



**MAKING CONNECTIONS** VideoEngager is an easy software to add to your website that allows you to chat with consumers and show them products from your store.





Change how you interact with your customers with video chat. With VideoEngager, consumers can click a button on your website, connect with a salesperson in your store (not India), and ask questions about specific products and more.

We are all familiar with video calls using tools like Skype, FaceTime, or Hangouts. Those tools are great for video calls with your friends and associates, but they make it very difficult to talk live to potential customers who are looking at merchandise on your website right now.

That's where VideoEngager comes in.

With VideoEngager, a customer who is browsing merchandise on your site can instantly launch a live video call with your in-store sales staff. The salesperson receives the video call on their Smartphone or tablet. They can then answer all of the customer's questions, build a face-to-face relationship, use their Smartphone camera to show the customer actual merchandise in the store, and also screen share with the customer to show them other options and even a store/showroom tour. The consumer can do all this right from their browser session without having to register, log-in, or install an app.

What I really like about VideoEngager's video chat is that it helps you monopolize the consumer's time and attention. A consumer browsing your site is usually planning to visit your site and three competitors. When you engage that consumer in an

immediate video visit, they end up spending more time talking to your staff and looking at your furniture. That's less time for browsing elsewhere. Your competitor's staff is still waiting for that customer to come into their store, but you've already sold them.

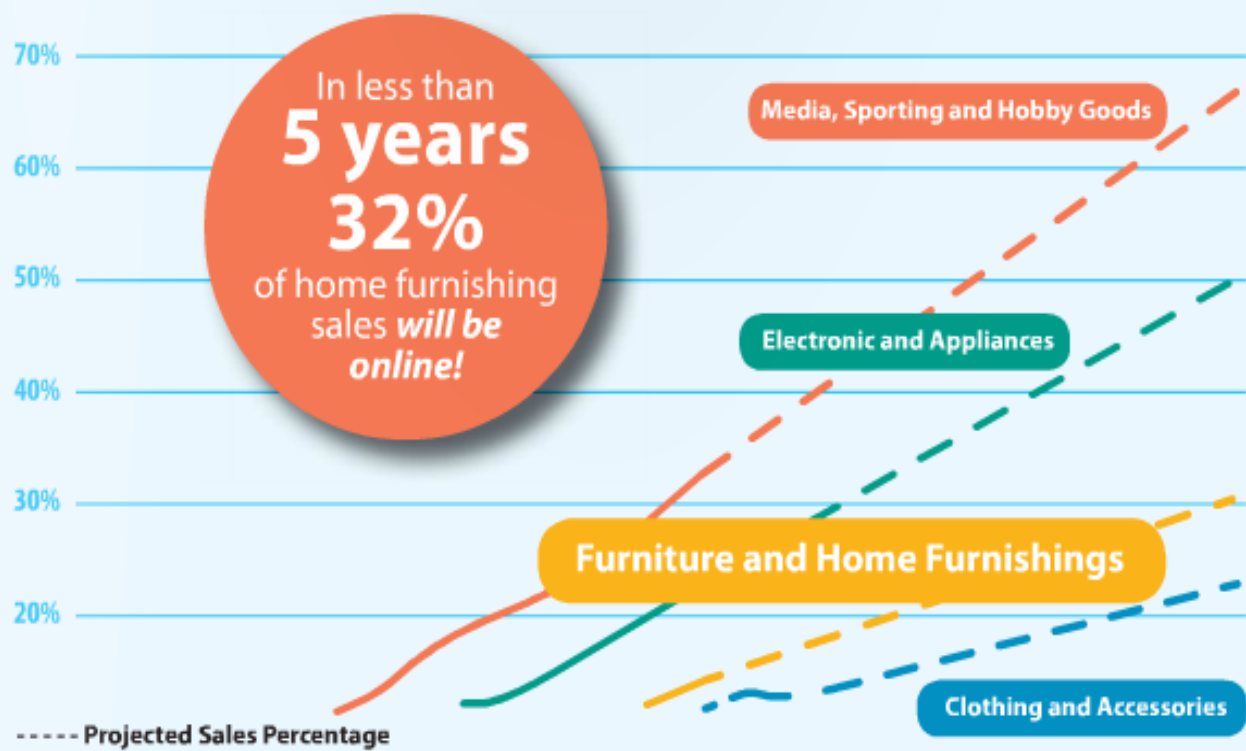
Imagine a consumer sitting at home getting a complete tour of your showroom and the products in it, a virtual, customized tour. It's also another great way to up sell those tables, lamps and more to increase your sales ticket. And for manufacturers, think how your sales reps can do a showroom walk through with customers who couldn't make it to market.

Best of all, it's simple. No technology upgrades, just a simple line of code placed on your website that shows a floating icon on every page of your website: "Live Video Chat Now With A Salesperson."

A recent study conducted by Forrester Research stated that 44 percent of online consumers say having questions answered by a live person while in the middle of an online search or purchase is one of the most important features a website can offer. You're there for the customer in the store—why wouldn't you be there for them on your website?

Forrester Research goes on to state 62 percent reported being more likely to purchase from the site again. Another 38 percent of respondents said they had made their purchase due to the chat session itself.

## PERCENT OF RETAIL SALES ATTRIBUTABLE TO ONLINE IN SELECTED MERCHANDISE CATEGORIES (U.S.)



Source: Business Insider



- Large product selection
- Next-day delivery, seven days a week
- Incentive program for employees receiving superior customer service reviews. This is a motivator, people!

These are stores that are doing it right. They're eliminating the consumers' needs or wants for taking their business online rather than shopping locally.

Also, don't forget your website needs a live chat. Make sure you promote your technology to you customers and that you want them to use it because you have nothing to hide.

Don't forget Everlane, which bends over backwards to give its customers all the information they need to purchase from them. If you don't think this will happen to furniture, you're wrong—it will. It's not a question of if. I believe it's a question of when. There are a lot of furniture factories around the world that won't go down without a fight. **NOW**



*Bill Napier is managing partner of Napier Marketing Group. He was the CMO of Ashley Furniture Industries. He can be reached at [billnapier@napiermkt.com](mailto:billnapier@napiermkt.com).*

# Retailer **NOW**

INSPIRATION + EDUCATION

APRIL 2016

## Next Article

### 52. Convert Shoppers into Customers

Bill can be contacted at:  
[billnapier@napiermkt.com](mailto:billnapier@napiermkt.com)

612-217-1297

[www.napiermkt.com](http://www.napiermkt.com)



# Give 'em What They Want!



**Retailers who give their shoppers every tool to make a decision will build a relationship that might convert shoppers into customers.**

**By Bill Napier**

I was inspired to write this article after reading a column recently on *Business Insider* by Mallory Schlossberg. In her column she wrote about the transformation happening to retailers everywhere, but one reference caused me to step back and think, "WOW!"

It was about a company called Everlane, a new ecommerce retailer that boasts: "Know your factories. Know your costs. Always ask, 'Why?'" This ecommerce start-up promotes total transparency and here's how.

It breaks down production costs, including labor, materials, transportation, taxes—just about everything a consumer needs to know to make an informed purchase. An example the company uses is a dress that would typically cost \$190 on most retail websites can be bought through Everlane for \$90. Same material, same production processes, same factories as name brand items that are made in Asia and other countries around the world. In other words, Everlane gives the consumer all the information needed to make an educated decision.

OK, you're saying it's not furniture so why should I care? I'll tell you a quick story. Back in the 90s I had a fairly successful marketing company with offices in Minneapolis and Chicago. My partner started buying all her clothes and shoes online, which I thought was nuts. I would always challenge her: "Don't you have to touch the fabrics, try it on, and see if the product is the same as the picture?" Does this sound familiar, furniture retailers?

Yep, no one will buy furniture online, that's why Amazon has more than five million indexed pages of furniture, Wayfair more than seven million indexed pages and Houzz more 11.5 million. Are you starting to get my drift? If not, consider these

numbers from the 2015 holiday season.

According to MasterCard SpendingPulse, ecommerce sales between Black Friday and Christmas Eve rose roughly 20 percent this year compared to 2014, with furniture experiencing one of the biggest jumps in growth. I'll bet more than 85 percent of these orders consisted of "special orders" as we call them. Most likely they were never touched, sat in, or shopped locally.

That's right, special orders. At least that's what we call it when we only show on our websites what we have on the floor or in-stock—INSTEAD of showing everything we have open to buy—like Wayfair, Houzz, Amazon, and the other online furniture retailers do. If you have it available or can order it and you're not showing it, why would you let those guys steal your business?

If consumers search for a product and you don't have it on your website, they assume it's not available locally—where studies have shown they want to shop—so they go where they can find it. With this said, here are a few takeaways from the above:

You need a website that is ecommerce ready—that includes pricing, too. More about the fear of showing prices online in a minute. Show every product of every brand you have open to buy. With a good website, you should be able to tag on the website every item that's in your store, available or can be special ordered. Remember the special order analogy above, don't be afraid to promote special orders. This addresses the huge variety of styles today's consumers are looking for.

But a website isn't enough. It has to be mobile responsive because consumers have I-want moments. I want to: know, go, do, and buy moments.



### I-want-to-know moments

65%

of online consumers look up more information online now versus a few years ago.<sup>2</sup>

66%

of smartphone users turn to their phones to look up something they saw in a TV commercial.<sup>1</sup>



### I-want-to-go moments

2X

increase in "near me" search interest in the past year.<sup>1</sup>

82%

of smartphone users use a search engine when looking for a local business.<sup>1</sup>



### I-want-to-do moments

91%

of smartphone users turn to their phones for ideas while doing a task.<sup>6</sup>

100M+

hours of "how-to" content have been watched on YouTube so far this year.<sup>7</sup>



### I-want-to-buy moments

82%

of smartphone users consult their phones while in a store deciding what to buy.<sup>8</sup>

29%

increase in mobile conversion rates in the past year.<sup>9</sup>

Source: Google

Remember a few facts: Eighty-two percent of shoppers will never know you exist without a robust website, and 71 percent of all shoppers expect to view your in-store available products and what you have online, while they shop in your store.

The facts don't lie. On Thanksgiving, 40 percent of all sales were completed on mobile devices, another rise compared to last year, when one-third of sales were made on smartphones and tablets. Black Friday saw 35.3 percent of sales on mobile, according to IBM.

Don't forget to post your products, prices, promotions, and more everywhere, especially to local search sites like Google Business, YP.com, Yelp, and more. Consider a geo-marketing subscription that will post your information to more than 50 local search engines, every time you make a change.

It's not just about getting your product out in front of consumers. You need to get your message front and center, too. Do you remember a few years ago everyone was talking how Best Buy was toast, irrelevant, and failing? How showrooming was driving people to Amazon and other online retailers? I even used showrooming to negotiate the cost of my plasma TV down \$300.

That's not the case anymore. Why? Simple, they brought in a new CEO and he instantly focused on winning over indifferent consumers by touting the chain's expert service, price-match guarantee, and free shipping on orders over \$35.

The results: Best Buy has been able to improve the revenue generated per square foot of its retail space from \$780 in 2012 to \$870 in 2014. So, what about the new strategies employed by Best Buy would make you not want to visit their retail store—even after you've shopped everywhere online for stuff they sell?

HFA member Sherry Sheely of Sheely's Furniture & Appliance in Ohio gets where Best Buy is coming from.

Take a look at Sheely's Furniture and how it promotes its retail brand online. Sherry has three videos you need to watch. The "About Us" video and, more importantly, the "We Service What We Sell" and the "Quality Service" videos. People don't read as much anymore. They do watch videos, and a lot of them.

#### Here's what you learn about Sheely's:

- Owner's promise speaking directly to prospective consumers
- Large product selection—lots of in-stock items to shop and special order if you don't find what you're looking for
- Everyday low pricing
- Free local delivery
- Pre-inspects everything (You think Wayfair, Houzz, and Amazon do that? That's a big reason to buy locally.)
- Assembles product as needed
- Services what they sell
- 60 years of service experience

Next is Sherman's Furniture & Appliance, with three stores in Illinois. There's a video on its website that not only speaks to the retailer's business values, but to the values consumers look for everyday when they're looking to buy from a retailer.

#### Here's what you learn about Sherman's:

- Owner's message to consumers
- Personal service
- 30-day guarantee. That's right—send it back, no questions asked.
- Price guarantee—against local and online ecommerce.



## THREE TREE COMMERCE



**CGI INTERIORS** Three Tree Commerce takes home furnishings products and creates inexpensive computer-generated interiors for retailers doing ecommerce business



Now let's take your product photography to a new level. No more expensive room shots or scenes that don't look real or, worse, look unprofessional. Three Tree Commerce has more than 5,000 designers and architects "in the cloud" who take your single product and place it in room scenes that are on file. The cost is \$250 per room scene. That means for your typical \$1,200 room shot, you can now have five versions of that product, stylized in traditional, modern, contemporary, apartment living, or other designs you desire. Now consumers can see it their way. All you need is a product shot, with the background knocked out (or shot against a white background) plus some discussions on the type of audience you want to engage and how your designer wants it to look. In a couple of weeks, you'll have a beautiful high-res room scene.

Think of the cost savings, the shortened time from market introductions to the field, the versatility, and more. Why do it as it's always been done, when this type of technology is proven to work in other aspects of today's retail industry?

Technology doesn't have to be intimidating—just the opposite: It can make your life (and business) easier. I hope one or more of these examples does just that for you. **NOW**



*Bill Napier is managing partner of Napier Marketing Group. He has been the CMO of Ashley Furniture Industries and other companies. He can be reached at [billnapier@napiermkt.com](mailto:billnapier@napiermkt.com).*

## ABOUT BILL NAPIER

Bill is Managing Partner of Napier Marketing Group.

He has been the chief marketing officer of several small, medium and large companies throughout his career, most notably Ashley Furniture Industries Inc., from 2000-2005.

Bill is also a featured writer and speaker in the retail industry. His vast understanding of the issues retailers and brands face to compete in the digital arena, coupled with his humorous interpretation of his knowledge of trends, facts and solutions for helping companies compete, makes for an engaging and informative session for every brand or retailer that attends his sessions.

His passion is to help retail brands & brick mortar retailers grow their business by creating, guiding and deploying successful marketing B2B/B2C solutions integrating traditional marketing with the web/social media.