



Home Furnishings

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Retailer

**Make
every
dollar
count!**





Are you really getting your **money's worth** from newspaper?

by Bill Napier and Ed Schneider, Napier Marketing Group

In the continuation of the “Why is it?” series, we want to extrapolate *Home Furnishings Retailer's* theme this month that explores how to make every dollar count in today's tough selling environment.

Again, our goal is to challenge the thinking as to how you go to market, addressing the available resources and the costs associated with promoting your store brand. This article will focus on one medium, newspapers, because that seems to be the primary means by which most home furnishings retailers promote their products and their brand.

In last month's article, we attempted to address the creative messaging that many retailers are getting “stuck in” — low prices and no payments until whenever — directed to a long-term, potentially unprofitable audience. Our objective was to challenge this current paradigm with the goal being that you may start to think about your business differently, especially your message, your merchandising and the target audience. Additionally, our goal was not to tell you how to run your business, because what plays in Paducah may not play in Miami or Dallas.

Ed Schneider, NMG's senior retail consultant, shared with me a story about a very successful retailer and his “Ah Ha” moment of advertising his business.

Ed was in a meeting with him when the phone

rang. There was a knock on the office door. The door opened slightly and a voice whispered, “Sorry to bother you, but you really must take this call.”

The retailer stopped the meeting and took the call. It was the local newspaper and the deadline was upon him for his next ad. With one meeting in progress, and more meetings scheduled, he sat back, thought hard and said into the phone, “Take my last ad, and put EXTENDED across the top. Run that.” Disaster now averted, the situation masterfully handled, it was back to “business as usual.”

Driving home that night, he began thinking about what he had done. He was spending thousands of dollars to promote virtually nothing new. There would be nothing new to talk about during the next sales meeting; no excitement to bring to the floor. But what really hit hard was the idea that he could actually visualize the axiom, “Half of all advertising is wasted.” His haste and distraction were costing him money. When he thought back on how many times he had done this, his anger gave in to frustration. He had learned an expensive lesson, and an epiphany ensued.

My follow-up question is: Why did he only use newspaper as his medium to create a “touch point” to the consumer to drive traffic to his store when the research shows this is not a primary medium, but a

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reinforcement of his primary message?

To pose the question more concisely, why is it that the accepted medium for newspaper advertising is the Sunday circular? Many of the people targeted for this Sunday medium do one or more of the following: go to church, watch football, spend time with their family, do yard work, etc. The average cost for this four-page item runs around \$65 to \$77 per thousand pieces distributed, if you figure in the cost of creative, print and distribution. This huge investment is essentially targeted to approximately four hours on the weekend, or what's left of it: Sunday afternoon. This is assuming your targeted audience even has time on this day to shop for furniture, much less anything else.

Additionally, the newspapers know you're going to be in the Sunday supplement and they anticipate you as such with much higher prices than other days. Remember, one of the largest staffs at these papers is the sales staff. They need advertising to sustain. Exploit this by thinking differently and take calculated risks.

We all know that more than 82 percent of household decisions are made by women. Yes, all of us men out there have been relegated to lawn work and vehicle maintenance. In the 1980s, and especially in the early 1990s, newspapers saw the erosion of their subscription base coming.

Newspapers realized that women were becoming a superpower in business and finances, as well as being the key decision maker in the home. (Are you aware that more than 50 percent of MBA's go to women today, and that women control or influence more than \$50 or \$55 trillion of this country's personal wealth?) Accordingly, they started to create and/or enhance special sections within their newspapers. Some of these were: "Best Food Days," "Home & Garden" sections,

"Health and Lifestyle" and more. These special sections weren't targeted to men, but to the ever-present influence of women and their continued stature as the financial power to be reckoned with.

So why is it then we haven't exploited this positioning, especially since it's been out there for decades? Why is it that I don't see an insert or an ad in the "Best Food Day" section where women are looking for promotional deals on food, recipes and more?

Why is it that I don't see an insert or an ad in the "Home & Garden" section, especially since this section speaks to the home? Why is it that we spend more for the Sunday insert than these highly targeted sections? If this is your primary communications platform, don't expect sales to increase with the continued downward trend of this medium — start thinking differently!

When every dollar counts, why is it that we don't try and change the sales curve from two days a week to seven?

Think about this: we load our advertising for the weekend, overcrowd our stores, and then under-serve and alienate our customers over and over. There are seven days in a week and all of them can be selling days. After all, you're paying the same costs for lights, heat and rent Monday through Friday as you are on Saturday and Sunday, right? Consider what could happen to your bottom line if you could move the sales curve — even a little bit — during those weekdays with meaningful events and promotions. Check it out and see what your costs would be to insert your promotion during the week, do a direct response promotion, private letter sale or whatever. Maybe Wednesdays are certain "specials" day. You get the point.

Consider trying one of these special sections to drive traffic during the week with the dual purpose

continued on page 24

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that people may get this item and come in on one of these week days or “plan” a trip to your store. Remember, unlike years ago when people shopped five-plus stores before they purchased, they only make 2.3 stops before they purchase furniture today. In today’s fragmented environment, the prospect that your store is on the radar for one of those stops isn’t that great, “unless you make a statement, frequently, consistently and reach out to the right audience.”

Furniture is still a “high touch” purchase. The consumer wants more than just price and a little information; they want some kind of direct connection with the product before purchase. The depth and completeness of the experience is critical. Marketing and advertising have got to be systematic in your business. Everyone needs to know “what’s on sale.” That’s a given.

The advertising is going to create a “promise” that something will/should happen when the consumer responds to the offer. The entire message must reinforce the promise completely, with an experience that exceeds the expectation of the consumer, but not just in the newspaper!

So, why is it we rely so heavily on this print medium when, in reality, consumers spend most of their time with other media? Consider how you get your information. Do you scour the web, see it on TV, and hear it on the radio?

In today’s market, the consumer is a moving target, and if you’re standing still waiting for something to happen, need I state the result?

Here are some interesting statistics from the Media Comparison Study by the Television Bureau of Advertising, Inc.:

- **Adults get 52 percent of their product information from television**, versus 15 percent from the newspapers, and spend, on average per day, 264.8 minutes with television versus 29 minutes with newspapers.
- **Adults learn more about products from television:** 52.2 percent versus 11.1 percent for newspapers
- **Women believe that television, on average, is “most authoritative**, most influential, most exciting and most persuasive” more than 67 percent of the time versus 12 percent for newspapers
- **Did you know that 80 percent of U.S. households are connected to the Internet?** Consider your habits or those of your household. Do you/they surf the Internet for product information and price, store locations, hours of operation and more? I bet your customers do, too. (More on this in the next issue.)

I’m not suggesting you stop the newspaper inserts and move your media to only television or the Internet. The insert is very important in your marketing and promotional mix, because it delivers a reinforcement of a visual image and value proposition to one or more elements of your target audience.

What I am suggesting is to research your market — who lives there, where they live, what they watch on TV, what magazines they read, where they get their local news and information, and what engages them. Without doing this, long-term survival for your busi-

ness is questionable. This is not the '70s anymore, with one local newspaper and three television audiences. This takes a lot of work, a lot of trial and constant tracking of the results.

If I were a retailer, I would go back to the basics, and I'd do this several times a year. I'd ask myself and my staff what are our goals on any specific day, week or month, for example:

- **Need increased store traffic:**
 - Overall
 - Days
 - Time periods
- **Need increased sales of specific products**
- **Need increased marketplace awareness of the "brand"**
- **Need to increase awareness of special offers — promotions**
- **Need to promote grand opening**
- **Other goals not mentioned here**

Then I'd thoroughly research my market and determine what multiple of distribution methods — tactics — I need to reach my audience, consistently and frequently. Because of the fragmentation of media outlets and the way in which different demographics get their information from all of these various sources, I'd try to develop an integrated advertising and marketing plan. A plan that addresses different demographics and the mediums by which they get their information — and, of course, the right/different messages that will engage them.

Some of these tactical solutions are:

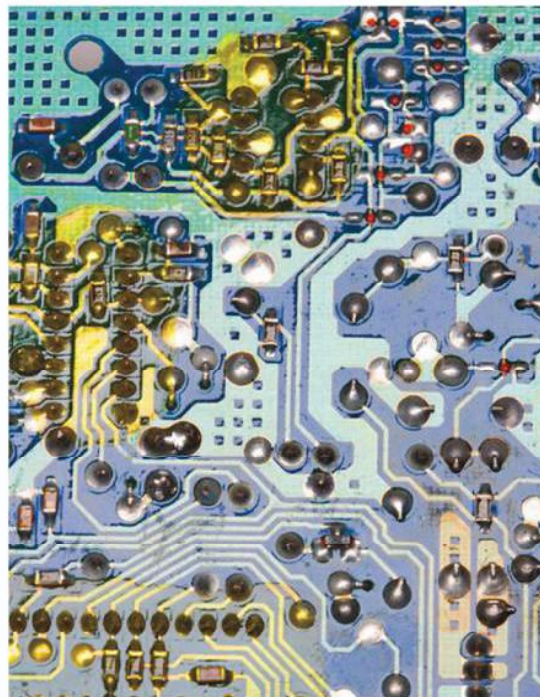
Broadcast
Television
Radio
Cable

Electronic
Website
Events/Sponsors
Local/Regional Promotional Partners

Manufacturers
Collateral and Advertising Tools

Print
Trade
Promotion
Public Relations

So if times are so tough, and you're counting every dollar, why is it that people are not being more dili-




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gent with their precious advertising budgets?

Advertising proclaims your promise. Marketing, merchandising, display, training, and service must all work together and support one another to deliver the promise you made. It cannot be done in a single medium (newspapers).

Frequency, consistency and reach are the primary necessities you must have to be successful in today's environment, and newspapers only "reach" a small segment of your potential. A former mentor of mine drilled into me that the message must be received at least five times before it gets heard. Newspapers are one of the platforms, but again, there are so many other alternative ways to communicate and reach your audience. It's hard work, but you'll save lots of dollars and sell more.

Remember, "He who aims at nothing is sure to hit it." 

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