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funiture Walker

141 YEARS OF SERVICE TO THE FURNITURE INDUSTRY

Herd Mentality & Sales Floor Sabolage Gender Awareness- Part 2 Marketing Tips For Independent Stores Retailers Share Their Stories - Part 5 e-Tail Inventory Management Transportation Update 2011 Use The "Why" Factor In Ads

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FURNITURE WORLD MAGAZINE

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The Business Solutions Magazine For Furniture Retailers FOUNDED 1870 - Visit www.furninfo.com The Industry's Most Extensive Furniture Site

Cover: Featured on this month's cover is the Danbury Heights dining collection by Signature Design from Ashley Furniture. The Collection features a warm natural aged finish on the plank-match veneer table top. Add the tool chest styled server to create a relaxing furniture collection that fits perfectly with any dining experience. Read more about Ashley Furniture on Cover 2 and page 1 of this issue, or visit www.ashleyfurniture.com.

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PRODUCT MATTERS. PRODUCT SELECTION THAT IS SECOND TO NONE.

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Multiply Your Ad Effectiveness With THE WHY FACTOR Part 4 of the "Sell Lots More" Series.

Marketing Techniques by Larry Mullins

he final article of the "Sell Lots More" series will divulge the game-changing link that ties everything together, the Why? Factor. Previous articles in this series can be found in the marketing management article archives on the furninfo.com website. If you read carefully, you will perceive a grand strategy emerge that is guaranteed to make you more sales and profit.

WHY? - THE SIXTH FACTOR

There are six factors that have been presented in this series. Each plays an important role in making your advertising media more effective. Yet, none of the other five do much without the Why? Factor. When you talk exclusively about Who? What? When? Where? and How?-they are almost meaningless, because each can be brushed off by your prospect with "So what?"

The prospect wants to know what's in it for her. Why should she care who you are or what you are selling? This seems obvious once it is pointed out. Yet, you may be surprised to know that, with a few notable exceptions, most furniture marketers leave the Why? Factor almost entirely out of their advertising messages! The Why? Factor is the forgotten factor.

tinue to appeal for more business in expensive advertising media with messages that leave out the reason a prospect should be interested in what they are communicating. They fill costly white space with label headlines and weak copy that is bereft of benefits. They fail to greet quests with their USP (Unique Selling Proposition). They abdicate the responsibility of producing very expensive advertising flyers to technicians who







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"Why are you having a sale? Why reduce prices? Why are you overstocked? Slow sales? New merchandise on the way? "

never read a book on advertising. And the truth is, if they introduced the Why? Factor into their advertising it would instantly double or triple its effectiveness! That's because the Why? Factor addresses the "What's in it for me?" element that is ever-present in the prospect's mind.

The Why? Factor informs the prospect of the benefits your product will provide. And, on another level, there is even more to the Why? Factor. This embraces your STORY. Why are you having a sale? Why reduce prices? Why are you overstocked? Slow sales? New merchandise on the way? An honest reason will resonate much better with your sales staff than either a concocted one or none at all. Be sure to provide your staff with a short script so that they all tell the same story. Make the mantra of your sales consultants: "Always mention style, beauty, quality and fashion whenever you mention price or value." And finally, provide them with a simple handout to break the ice when they greet their quests.

This article will provide information to

help you stand out from a fragmented universe of look- and sound-alike messages, and quickly increase your market share. While competitors are yelling price and trying to hawk sofas, chairs, and room packages, your messages will be dramatically different. You will offer a precious relationship to prospects, one based upon your Unique Selling Proposition. You will be dazzling prospects with your expertise. While competitors are selling price, price, price you will be selling new comfort and beauty for their homes, relationship, and a pleasant, risk-free shopping experience. You will be telling prospects your story and also WHY it is important for them to pay attention to your message. In short, you will inspire trust.

Keep in mind Clyde Bedell's ultimate premise for good advertising:

"There is only one language of advertising. It is the universal language of the prospect.

"Why should I listen to you? Why should I believe you? What's in it for me? What will I get out of it?"

THE WHY? FACTOR IS YOUR PROMISE

Make no mistake, this is dynamite. Under-promise and over-deliver. Most of all, Don't promise what you can't deliver. My first job in furniture was with Curtis Bros. Furniture in Washington, D.C. Back when this great store dominated retail furniture in America, Charles Curtis hammered a single theme into the minds each associate: A promise is a of promise. This single unit store was located in Southeast Washington, D.C. Thirtyfive salespeople worked full time and out-produced every other store in America. Each salesperson had his or her own small desk and personal phone. There was a level of professionalism in that store I have never seen surpassed in the last thirty-plus years of serving furniture entrepreneurs. Every associate at Curtis was trained and retrained, and each knew the key USP: A promise is a promise.

To repeat the maxim of Jay Abraham:

"The clearer and more powerful you are at expressing, articulating, demon-

All label headlines. No benefits.

Pictured are two pages from a four-page, full color, very expensive advertising piece. The motto of this great store is "Furniture Built for Life," yet there is nothing to explain or justify this statement. The entire flyer features only six items. Other than a brief reference to the website, there is nothing to inform a prospect that there are any other items for sale. There are brief references to other services in the store, but it is in 6 point type, in spite of an ample amount of space to make it larger. It is all label headlines, no benefits, and no support for a woman's dream of a more beautiful, comfortable home.





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Link product features, benefits and dreams.



Salesperson points out a product feature: "This mattress has nearly 900 individually pocketed coils." Prospect's implied response ... "So What?"

Salesperson links product feature to a benefit: "So, you will sleep more soundly with fewer pressure points and motion."

Prospect's implied response ... "So What?"



Salesperson links a benefit to a dream (better health): "So, you will greet the dawn energized, refreshed, and ready for anything."

Prospect's implied response ... "Hmmmm."

strating and comparing how you will render your USP (unique selling proposition) better than anyone else ... the more business you will get."

NOT ALL BIG BOX LOCATIONS ARE EQUAL

Let's face it, some Big Box franchises grossly underperform. In some cases, Big Boxes do about half the business they should. Yet they manage to pay their franchise fees and eek out a small profit, so they are tolerated. On the other hand, there are a few Big Box stores that have a remarkable entrepreneur in charge and dramatically out-perform the pack. One such store is located in a small Midwest rural market of about 20,000 people and regularly does over \$400,000 of very profitable business a month. What is its secret? For one thing, the owner does something I have never seen any other store owner do. He personally calls every customer who makes a purchase in his store.

I discovered this by accident when I walked into his office following store closing. He was on the phone, and gestured me to come into his office. He was just ending the conversation. Then he said, "Larry, I only have two more brief calls to make. Do you mind if I finish up?" His next telephone conversation went something like this: "Hello Mr. Jones, my name is (withheld) and I am the owner of (store name) furniture. I am calling about the recent purchase you made in our store. How did we do? In your opinion, is there anything we can do

better?" He listened for a bit and then said: "That's great, I'm glad you were pleased. Just one more question. On a scale of one to ten, how likely would you be to recommend (store name) to a friend?" After he finished his calls I questioned him about what I had just observed and heard. He informed me that he calls every customer. "Every customer?" I asked. "Yes," he responded, and he added that if he runs into a problem he solves it pronto. How likely do you think these customers are to return to his store?

TOTAL SELLING MARKETING IS THE ONLY WAY TO EXCEL

This gentleman's store reflects his unique retail philosophy. It is a model of neatness and efficiency. His store manager works with equal passion. He freely gives out his business card to customers with his home phone number and email address on it. He tells each customer he closes: "Please call me at anytime if you encounter a problem with delivery or service." The entire sales staff models this professional Total Selling attitude.

Most stores spend almost all of their marketing time and resources striving to bring in new business. They go from promotion to promotion in a frenzy to keep sales figures up. But bringing in new customers is only one of three ways to maximize and leverage business. And, promoting for new customers is the least cost-effective way to increase sales and profits, even though most stores use it almost exclusively. There are Only Three Ways to Increase Sales & Profits:

- Promote, bring in, and sell new customers.
- Sell more stuff to each customer who visits your store.
- Promote to, allure, and sell existing customers more often.

We've already discussed the first bullet point above. Selling more stuff to each customer by using incentives and spiffs will be covered in another article. More important for this article is the third method of increasing sales; leveraging existing customers.

Obviously, if you can establish a good relationship with a customer she will be inspired to visit you more often. You do this by exceeding her expectations. Most people are moderately pleased by a post

"For one thing, the owner does something I have never seen any other store owner do. He personally calls every customer who makes a purchase in his store."

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SELL LOTS MORE SERIES - PART 4

card from a salesperson thanking them for their business. They are more pleased when the salesperson calls them personally to see if the delivery and set up went successfully. Customers are delighted and inspired when the owner of the store calls to check on their sales experience. This is, potentially, the beginning of a precious relationship. These relationships are known as "People Media", and can be nourished and cultivated through continuous additional contacts using direct mail and email. People media are virtually free, and, statistically, an old customer is eight times as likely to respond to an appeal and buy than a customer who does not know you. The take home message here is to spend more time leveraging existing customers than trying to bring in new customers. When you understand the value of a customer for life and act on that understanding, you will reach new levels of success.

There is yet another immensely important benefit from acquiring a customer for life and activating new streams of People Media contacts. People talk. On the average, each person knows 200 or so other people. Absolutely nothing equals People Media for generating more sales and profits. Yet People Media are a third person influence, the least understood and appreciated of any advertising media.

EMPHASIZE BENEFITS, AND SPIN DREAMS

There is a magic formula for persuading customers. At least, it works like magic. Customers are not interested in sofas, chairs, mattress sets, washers, or new carpet. These things are means to an end. Most women dream of a more beautiful, comfortable, efficient home, better health, more luxurious floors, etc.

"People do not like sales pitches, but they love stories. Be honest, frank, and be sure all your personnel are aware of your story and ready to repeat it at strategic moments."











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Visit us at www.facebook.com/SuryaExperience for a special limited time offer! To become a Surya dealer please call 1.877.275.7847 or email us at info@surya.com www.surya.com "The Why? Factor is nothing more nor less than establishing high expectations. Total Selling helps you to exceed them."



There is a sales approach you can use that takes into account these important dreams. Nearly every salesperson knows that you should never point out a product feature without relating it to a benefit. If you say, "This mattress has 870 tempered springs in it," the customer will think, "So what?" The benefit is that ."It will cradle your body in perfect comfort." If you add that ,"This mattress is also lavished with layers of foam and padding," your customer will think, "So what?" The benefit is that "there are fewer pressure points to interfere with maximum comfort and you will sleep better." The trick is to link product features with benefits before the prospect says (or thinks) "So what?"

So far, so good. Supporting benefits with product features make them credible. But we need to take the Why? Factor to another level by addressing "The Dream". As product features support benefits, benefits support dreams. You might address the dream by pointing out that, "Experts tell us that when you sleep better you feel better, you have fewer aches and pains, you have more energy, you areet the dawn energized, refreshed, and ready for anything." The power of the Why? Factor cannot be over-emphasized. Only one salesperson in ten has mastered this higher level of psychological appeal. Teach it and you will increase your close ratio.

PUTTING IT ALL TOGETHER

Let's take a final look at the formula for creating powerful, cost-effective advertising. To recap, the formula is designed for the information age. People want information, they ignore hype. And they want information fast. The "WHO? WHAT? WHEN? WHERE? HOW? and WHY?" method is very much like journalism 101.

1 WHO? More than just a sig or .logo, your identity includes your

years in business, your expertise, your USP, your website, your photo, your story, anything you can think of to help your customer appreciate why they should give you a chance for their business.

2. WHAT? You need to do more than nishings, or that you sell home furnishings, or that you have a special event going on. What is the story behind the event? How big are the discounts you are offering? Can you give examples samples of the values? What brands do you carry? What does your store look like? What does your showroom look like? What can you show that your competitors cannot?

3. WHEN? Time durations for the .event are important, of course, Provide days, dates and hours.

 $\begin{array}{c} 4 \quad \text{WHERE? Give your address of} \\ \bullet \text{ course. A map is important, as is a locator phrase.} \end{array}$

5.100% Relating credit information is important.

6. WHY? This is the important ingredient that makes all the others work. Check the exhibits in this article, and note how Many Big Boxes fail to link product points with benefits. They also fail to address the dreams of the female consumers who buy home furnishings. Corporate flyers and direct mail pieces rarely make as effective a personal connection with the reader as you can.

PEOPLE MEDIA THAT WILL MAKE YOU RICH

Promise reasonably but with passion, and over-deliver. Follow-up relentlessly. When you follow up you will be creating relationships, customers for life. The Why? Factor is nothing more nor less than establishing high expectations. Total Selling helps you to exceed them. As the CEO of a retail furniture company, the quality of the messages you communicate to your prospects through media and personal encounters are critical. Likewise, so are the messages you communicate to your associates, executives, managers, and vendors. And also the messages that your staff communicate to each other-and the messages that your company, as a whole, communicates to your quests. These messages reflect not simply your promises, but how well you kept them. Some intellectual giant once came up with a saying: The medium IS the message. In the case of PEOPLE, this is a truth. People communicating with other people ... telling others how good you fulfilled your promises, and WHY they should buy from you.

Larry Mullins is a contributing editor for Furniture World and has 30+ years experience on the front lines of furniture marketing. Larry's mainstream executive experience, his creative work with promotion specialists, and mastery of advertising principles have established him as one of the foremost experts in furniture marketing. His turnkey High-Impact programs produce legendary results for everything from cash raising events to profitable exit strategies.

His newest books, THE METAVALUES BREAKTHROUGH and IMMATURE PEO-PLE WITH POWER ... How to Handle Them have recently been released by Morgan James Publishing. Joe Girard, "The World's Greatest Salesman" said of this book: "If I had read Larry Mullins' book when I started out, I would have reached the top much sooner than I did."

Larry is founder and CEO of UltraSales, Inc. and can be reached directly at 904.794.9212. See more articles by Larry at www.furninfo.com or www.ultrasales.com.



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Extraordinary American-Made Handcrafted Furniture...

here are more than eighty great reasons to attend the 12th annual Northern Indiana Woodcrafters Association (NIWA) Expo *February 28th through March 2nd 2011*. Make your plans now to experience not just a showcase of extraordinary, artisan-crafted furniture, but also the heritage behind it. The Northern Indiana Woodcrafters Association is comprised of over eighty talented, creative and innovative custom-furniture builders, each of whom brings his own unique style to the Expo. The NIWA Expo is distinctive in that it features exclusively American-made, solid, domestic hardwood furniture and accessories, all created by builders whose families have been honing their craft for generations, and all built from hardwoods that come from within a 250-mile radius of the builder himself, using sustainable methods whenever possible. This level of quality cannot be found in container-loaded furniture being copied, mass-produced and imported from the foreign markets. Housed entirely under one roof, the Expo covers 75,000 square feet of display area and is Indiana's largest wholesale furniture show.

A truly "Custom" approach to design and build...

Dealers and designers alike are drawn to the NIWA Expo because of the personal attention and exceptional service they receive from the builders. Since they are buying directly from the man who builds the furniture, they know they won't be subjected to mysterious "production and shipping delays." Proximity to their customer base and control over manufacturing allows NIWA builders to assure speed to market and unmatched quality. And, while these builders already offer a vast selection of styles ranging from Mission to Contemporary, wood species ranging from cherry to quarter-sawn domestic white oak, and any finish imaginable, many designers relish the idea of being able to sit down with a builder and custom-design a piece for a client. It's even possible to tailor the dimensions of specific pieces to customer specifications. The woodworkers like to say that their customers are "limited only by their own imaginations." Guests return to the Expo year after year because they appreciate the opportunity to shake the hand of the man who actually builds the furniture, not just a sales representative from the company. Attendees who are interested in where the furniture came from or the building technique behind it can also visit the shops of any of the builders... they're all within a fifty-mile radius! They also enjoy the comraderie of the family-style dinner, which will be served on Monday night.

Experience Northern Indiana...

And as if the variety of the Expo itself isn't enough to draw you in, another lure is Northern Indiana itself. Those who haven't experienced everything that Indiana's Lagrange County, also known as "Amish Country," has to offer should plan to bring the family and stay an extra day or two! The heart and soul of Lagrange County is Shipshewana, a sprawling town featuring hundreds of shops and restaurants, a large waterpark, buggy rides, and the Menno-Hof Museum, which tells the history of the Amish and Mennonite faith.

Make your plans now to attend...

So call 260-463-3300 or send your information to: info@indianawoodcrafters.com for an invitation and plan now to attend the NIWA Expo *February 28th through March 2nd at 7605 North State Road 9, Howe, IN 46746.* Visit www.shipshewana.org or www.backroads.org for more information about everything that Northern Indiana has to offer, and to find out more about this "don't miss" event!

NIWA

Northern Indiana Woodcrafters Association



Cedar Gliders with Ottoman



with Storage



Cascade Collection



Mission Pie Safe with Glass Insert



Airplane Rocker







J-Mission Glider Rocker with Footrest



Log Gun Cabinet

See These and Other Designs at the 12th annual 2011 Furniture Expo.



Castlebury Crib and Changer



Signature Mission Game Table Set





Classic Deluxe Rolltop



Grandview Dresser



LaCourt Bed



Leather Recliner





Modesto Dining Set

February 28th-March 2nd

www.indianawoodcrafters.com

"Herd Mentality" & Reversing SALES SABOTAGE

Is there a disconnect between what you want your customer experience to be and what is being served up, every day, by salespeople?

am disappointed and dismayed. For nearly 18 years I've been spreading a message of the importance of turning around the focus of retail furniture salespeople from being one of self-interest to one of customer-interest. It is obvious to me that this message hasn't been completely effective, and I think I know why: on the floor, salespeople are often in complete control of both how customers are served, and the systems and processes employed to engage them.

In December 2003 FURNITURE WORLD Magazine published an article titled "Herd Mentality on the Selling Floor". The article pointed out that unless sales managers and owners provide leadership to ensure that the their vision for how customers will be

Don't do any training unless you have a 100% expectation that the things you train will be done on the floor.

Sales Management by Joe Capillo

engaged and treated – someone else will provide it. Most likely that person will be the strongest-minded person on the sales staff, who will advance a vision and strategy quite different from that of the owners and managers of the business. I provide this link to the article for your consideration, posted to the furninfo.com website at http://bit.ly/eLdo59

I can assure you that a sub rosa leadership cabal is in control in your stores if you have:

No defined customer engagement . strategy.

"When the system holds people down by not supporting success for those who break out. The stars simply leave or, worse, give up and hide their real potential to retain a job." **3.** Managers who are afraid to confront the powerful elements on the sales force.

4 No sanctions for non-compliance . with established store policies.

5. Frequent and continued interpersonal conflicts among your salespeople that managers don't attempt to resolve.

THE TROUBLE BEGINS

Here's how it starts: The owner attends a seminar or reads an article that advises putting customers' interests first in all sales policies, procedures, and processes. He or she comes to believe that this customer-first thinking is the right way to build strong relationships within the communities served by the furniture store in question to ensure longterm customer loyalty. So, the owner or manager installs an "ups" system which has, in theory, only one purpose: To ensure that each and every shopper (customer) that enters the store receives the highest level of defined service regardless of the level of their needs. The system ensures that no customer is ever subject to an interrogation regarding whether they've shopped in the store before, or asked who helped them. Neither will they become involved in, or witness any conflict among salespeople as to who "owns" them - as in "You stole MY customer!" In other words, "ups" systems are aimed at welcoming every customer, and making it all about them right

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SALES SABOTAGE

from "Hello."

Having a customer focused "ups" system is a great idea, but often, the system breaks down in the following way.

The ownership/management team develops a policy regarding the "ups" system. Each member of the sales team is given a copy, and a meeting is held. No one argues or speaks out against the policy because there is a tacit understanding that management won't enforce it anyway. This understanding is based on a belief that management won't enforce any rules except those that take money away from salespeople.

Following the meeting, a core group of alpha-females and males meet privately. They reach a secret agreement regarding how the "ups" system will be implemented in a way that directs customers to the salesperson that served a customer on a previous occasion. This becomes the way the system works, even if a customer does not ask for a specific salesperson, doesn't want to be served by a particular salesperson, feels no relationship with that salesperson, or simply can't remember who that salesperson is.

CREATING COMPLICATIONS

When new people join the sales force they are presented by management with the company policy regarding the "ups" system. However, they are often not told how the system really works. Soon they fall victim to one of the booby-traps, and run afoul of the core alpha-group of leaders on the floor. When, in their own defense, they recite the rule as they were taught, the response is: "That's not how we do it. That policy is wrong. We do it this way...." Then they tell the newcomer: "This will work best for us all because the owners don't have our interest at heart – ever." RAGE Now you have new employees who are put in the position of quietly accepting a hidden agenda by violating a stated company policy. Their other

option is to speak to a manager about the situation and become traitors to the team. Either way, new hires will feel afloat in a leaderless ship. And let's face it, that is a fairly accurate assessment.

PRODUCING DAMAGE

When this scenario plays out, your selling strategy and training programs that aim at having salespeople establish strong relationships with customers is sabotaged. Salespeople no longer need to provide excellent service so that customers are so impressed and so wellserved that they will always ask for them, unprompted, by name. You've managed to short-circuit that training. Why should salespeople do extraordinary things when no matter what they do the customer will belong to them on their next store visit? The "shadow ups" system will make sure of that, regardless of what the customer actually wants.

BREEDING MEDIOCRITY

There's a principle that argues against the sales-floor wisdom that circumvents store policy, and here it is: Salespeople cannot own a customer, but a customer can own them. Getting people to "own" their salesperson as an advisor and friend in the business is a powerful way to build a strong customer following so as to become less dependent on door traffic, and more focused on creating satisfied customers and referrals over the long term.

But there is another evil outcome of

these kinds of i n w a r d focused systems: they breed mediocrity.

No one has to excel. No one has to do those extra things that please and surprise customers. No one has to serve customers at a high level to earn permission to follow up with non-buyers, or learn to serve at such a high level that they can work by appointment. Worst of all, this kind of broken "ups" system serves as a disincentive for individual members with high potential to step out and shine by outperforming the others. The system won't allow it. "We're not competitive" is what I hear from these groups and individuals. "She's too competitive" is a typical response when a newly arrived star performer joins the company – but doesn't join the herd.

All of these bad outcomes are completely due to weak leadership by management and owners. There's a fear that upsetting the alphas in the herd might cause sales to decline, when exactly the opposite is happening. When the system holds people down by not supporting success for those who break out, the stars simply leave – or, worse, give up and hide their real potential to retain a job. That's today's reality, and in my old age I have this advice: If this shoe fits, change shoes.

A plan for taking control of your businesses relationships with your customers requires some micro-monitoring and demands a lot of on-the-floor observation and intervention by sales managers. In one-to-one selling, as practiced by most furniture store salespeople, coaching in the game should be the primary sales management activity. If you think about all professional sports, whether individual or team sports, coaches always watch the team or player play the game. In fact, in sports like football or basketball there are many different observers both on and off the field watching the action to make adjustments to the tactical applications of the team's game plan.

One big difference in our "game" is that our coaches can actually get out on the sales floor and play. They can be directly involved in many salespersoncustomer engagements, offering support, suggestions and advice. This can help to ensure that your company's selling strategy (game plan) is being properly executed by the "players" – your salespeople.

Probably the biggest difference between our "selling" game and organized sports is that most retail furniture companies have no written strategic selling system, and no true customer-centered approach that must be followed by everyone. Generally, the "way to sell" is entirely up to individual salespeople resulting in a self-centered approach to their jobs, and as many different opinions regarding what's right as there are

"When this scenario plays out, your selling strategy and training programs that aim at having salespeople establish strong relationships with customers is sabotaged."

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SALES SABOTAGE

salespeople on the staff.

One result is that each individual is in business for him or herself, and ownership has no real connection to the level of service being provided to the people in their communities who shop at their stores. This means there is no management or control of the customer experience, and no way to set your businesses apart from all the others vying for consumer dollars in the new retail reality. I think this is a point of failure for bricksand-mortar retailers as consumers opt more and more to shop and buy online and the old model slowly, but surely, disappears.

Here are some solutions I see as being necessary and critical to competitive success:

- Account for every consumer transaction in detail. Make salespeople report on what happened to the manager and/or owners. There are electronic systems that do it, or you can use good old paper systems.
- Manage the "next step" for each non-buyer. Our business lives largely on be-backs, shoppers returning again on the same project. First-time close rates are under 15% while second time visits result in sales over 70% of the time. Manage this dynamic of your business.
- Work by appointment. Set up a store

Set up a store appointment book for salespeople. Make as many beback appointments as possible.

appointment book for salespeople. Act like professionals and you'll be treated like professionals. Train people on how to do it. If you believe it can't be done, then it can't. If you can move from a no-appointment strategy to having 2 or 3 a week, you've made great strides. Make as many be-back appointments as possible. You'll never get every customer to commit, but your work with those customers who do will be rewarded.

 Track everything to determine your store's performance baseline. Use this to improve in a measurable way. Don't just say "Let's get better." It doesn't work. Have a plan and a way that you, the owner or manager decides is the way to work.



Training without on-the-floor management is a waste of time and money.

- Do NOT train without a supporting management system to see to it that the things you teach are actually executed on the selling floor. Training without on-the-floor management is a waste of time and money. Training without a goal for achievement coupled with supportive measuring and feedback systems is useless and does not work. Don't do any training unless you have a 100% expectation that the things you train will be done on the floor. Let individual personality be shown only within your selling strategy, not in place of it.
- Make your customer experience expectations clear. This means write them down and gain complete, personal, and one-on-one agreement from each individual who engages your valuable customers.

Joe Capillo is a furniture industry veteran with 35 years combined experience as a retail consultant and retail industry executive. He is a contributing editor to FURNITURE WORLD and a frequent speaker at industry functions. Joe makes himself available for private consultations on any aspect of retail sales management and sales education.

His recently published book, "Living On The Top Line", available on Amazon.com, helps furniture retailers create and implement customer-centric selling systems. Joe can be reached at joecapillo@furninfo.com. See all of his sales management articles on the information packed FURNITURE WORLD website www.furninfo.com in the sales management article archives section. See Us In Las Vegas Resource Center Bldg.C 4th Floor

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Retail Furniture Stories - Part 5

by Janet Holt-Johnstone

eddy Roosevelt once said, "The man who really counts in this world is the doer." Perhaps he was inspired by the five Stickley brothers, Gustav, Leopold, Albert, John George and Charles. All pioneers of the Arts and Crafts Movement and the conservation ethic, visionary Gustav also ventured into publishing when he founded the periodical, "The Craftsman", in November, 1902. He and allies like Theodore Roosevelt helped usher in new practices that transformed the use of natural resources in the United States.

STICKLEY

In the late 1800s, when the first Stickley workshops were advocating the creation of the furniture style "that would integrate furnishings, architecture, handicrafts and the principles of harmonious living", the concept, that well designed furnishings could help "make life better and truer by its perfect simplicity", began to gain recognition.

Aminy Audi, now Stickley's President and CEO, and wife and partner of Alfred Audi for 43 years until his death a little more than three years ago, told us the story.

"Leopold Stickley and his younger brother, John George Stickley, began manufacturing furniture in Fayetteville, New York. Alfred's father, E. J. Audi, eventually became L. and J. G. Stickley's largest distributor. He admired what Stickley furniture represented in quality construction, finish and enduring value.

"That passion was shared with all Stickley dealers annually at Leopold's birthday parties in Fayetteville, New York. Alfred, who grew up sleeping in a Stickley bed, accompanied his father to one of these birthdays. He witnessed the incomparable construction of Stickley; and, more importantly, the respect and admiration his father had for Leopold Stickley and his contributions to the American home furnishings scene.

"After graduating from Colgate University in 1960, Alfred joined his family's furniture business in New York City. He witnessed the loyalty of Stickley customers as they sought to furnish their homes beautifully and provide a haven for



Pictured are: Alfred and Aminy Audi; an early photo of the Stickley factory in Fayetteville; and a catalogue photo featuring Stickley pieces from Marshal Fields. "The policy that stands out among all others is, 'Als Ik Kan' which, loosely translated from the Flemish, means 'to the best of my ability'." Stickley now operates 14 retail locations and has 150 dealers nationwide.

-Aminy Audi, Stickley

their families. So, naturally, when Mrs. Stickley called in 1974 and said, 'Alfred, you are the only one who loves Stickley enough to keep its quality, would you buy it?' the response was almost immediate. Thus began our journey, blending the manufacturing and retailing of Stickley products."



store in Englewood, Colorado

She continued, "The most defining moment was reissuing Mission oak in April of 1989, and following it with Mission cherry in 1991. While Mission, or Arts and Crafts, is very popular today, it was a huge

leap of faith on our part, and one that gave us a competitive edge.

"Every chapter in the history of our company is both interesting and challenging. Our consistent growth is partly due to purchasing



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Retail Furniture Stories - Part 5

five other manufacturing companies which enabled us to diversify our product offering. These include: John Widdicomb, Madison Square, Nichols and Stone, Cibola Leather and Heirloom Upholstery."

We asked Mrs. Audi, "What one issue, cause or policy stands out among all others that ensures the success of your business, benefits your customers and your community?"

Her answer, "Remaining true to our credo, 'Als Ik Kan" which, loosely translated from the Flemish, means 'to the best of my ability'. This applies to manufacturing a quality product, creating value, exceeding our customer's expectations, selecting and nurturing the finest dealer network, and providing a safe and secure work environment for our employees."

In 1963, Alfred had met and married Aminy Inati in Beirut, Lebanon. When he purchased Stickley in 1974, the company employed 22 people and operated out of a small out-dated factory. Alfred and Aminy nurtured the company back to health, working on Stickley's infrastructure at the facility in Fayetteville, now home of the Stickley Museum. In 1985, they built a new state-of-the-art home for Stickley in Manilius, New York. After several expansions, it now exceeds 450,000 square feet.

Today, Stickley employs over 1,600 dedicated employees whom Mrs. Audi considers extended family. Their combined inspiration, dedication and hard work blossomed into a national enterprise with now 14 retail locations in Arizona, New York, Colorado, North Carolina, Connecticut, Massachusetts and Western Pennsylvania, and 150 dealers nationwide.

Stickley retailers are strategically positioned in New York State at Albany, Fayetteville, Victor and White Plains as well, of course, New York City. In Western Pennsylvania, at Greensburg and Pittsburgh. In North Carolina, at Charlotte and High Point, in Massachusetts at Nattick. in Connecticut at Enfield, in Colorado at Broomfield and Englewood and in Scottsdale, Arizona. Stickley's website invites those interested to use their store locator to find authorized independent dealers in their own area.

Their target customers are described as "highly educated, upper middle class" and "there is a wide range of price points from entry level to luxury brands and price points". They are not franchised stores and do carry other lines on their showroom floors. Marketing includes use of direct mail, print, television and radio and is particularly well done on the Internet through Stickley's official website. (www.stickleyaudi.com)

Aminy Audi has been recognized over the years by many prestigious organizations. In 2008, she was honoured with the 2008 Humanitarian Services Award from Catholic Charities of Onondaga County. It acknowledges "individuals who have the consistent desire to improve the human condition through a life of service to others, both personally and professionally. Their spirit of concern for others coupled with their substantial and long-standing commitment to meeting human service needs is recognized with this award." She is a founding member of the Women's Fund of Central New York which supports programmes that enable women to achieve their full potential as members of society. She has been a member of the Women in Communications National Chapter and the National organization of Arab-American Women. She served as a non-governmental delegate to the United Nations World



Gorman's (see page 28) has played a vital role in the Detroit

community for 70 years, working with the American Cancer Society, Special Olympics, a local furniture bank and more. Shown are photos from a benefit evening for Children's Hospital of Michigan in 1986 and a Toys for Tots event hosted at Gorman's in 1982.

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Gorman's Contemporary Gallery in Southfield, Michigan.



Conference on Women in Beijing, China in 1995.

Mrs. Audi also serves on the State University of New York's Board of Trustees. As co-chair of SUNY's International Studies Division, she has represented SUNY in Turkey, Poland, Mexico and Russia. She has served on the Board of the United Nations Association of Central New York and was a delegate to the United Nations Conference on Human Rights in Vienna, Austria in 1993. Before joining Stickley, this remarkable woman was a reporter for the Voice of America.

Interestingly, there are a number of early Stickley pieces at present shown at The Metropolitan Museum of Art in New York under the theme "The Arts

and Crafts Movement in America". And back in 2006, the University of Buffalo commissioned Stickley to craft a custom version of its Eastwood Chair for His Holiness the Dalai Lama, 1989 Nobel Peace Prize Laureate. The Dalai Lama delivered a series of lectures at the University, and the chair's design was modified to accommodate His Holiness sitting cross-legged.

Teddy Roosevelt would have been proud of Stickley's continuing environmental consciousness. The North American hard woods crafted at Stickley's come from Appalachian and Adirondack forests that are growing considerably faster than they are being har-







vested. The premium white oak that Stickley is most famous for

is now thought of as a renewable crop. "Stickley has been living in harmony with nature for more than a century. We intend to do even better over the next 100 years."

GORMAN'S

A leap in time, the year 1940 was one of uncertainty. To most observers it appeared that the world economy had begun its climb from deep depression. But, on the other hand, war had already been declared in Europe, Germany had invaded Poland, and the Battle of Britain was underway. That same year Japan signed the Tripartite Pact with Germany and Italy, forming the military alliance known as "the Axis". And while Ben Gorman was involved in the founding of his new company, the U.S. imposed economic sanctions on Japan, closing in on "the day of infamy" that was to come.

Happily, it was also the fortieth season since the Detroit Tigers had entered the American League in 1901, cause for fans to celebrate! The always innovative Goebel Brewing Company was blazing bold

Nearly 50 designers use Gorman's unique resource area and textiles library. Clients range from new homeowners to entertainers, sports celebrities and captains of industry. Shown are (at left) designers Fern Badu, Leon Pawlowski and Mary McFarlane checking catalogues for concept development at the Novi store, and (at right) designer Dina Kakos at the Southfield store.



Bernie Moray, CEO, pictured right, leads Gorman's with his business partners Tom Lias (left), Jeff Roberts and John Moray.

Retail Histories -Part 5

new trails in marketing savvy. And already nearly half (47.2 per cent) of the city's labour force was gaining its livelihood from the burgeoning automotive industry, and the multiple allied branches of manufacturing. More foreboding, the U.S. government built an arsenal just 17 miles northeast of Detroit to support the allied war effort.

But for perceptive Ben Gorman, the time was right. His entrepreneurial idea, to take damaged freight goods from the many railroads that converged upon metropolitan Detroit and resell to the highly diverse community. At first he salvaged primarily canned goods and then, soon after, furniture in need of repair began to arrive in the freight yards. This he repaired and resold. Post-Depression savvy citizens quickly caught on, and Gorman's became Michigan's place to go for home furnishings!

In 1965, he sold the company to Bernie Moray. Now the CEO, Moray still leads Gorman's with his business partners Tom Lias, Jeff Roberts and John Moray.

Bernie Moray opened the Contemporary Gallery located in

"In short, we assure you that everything must be right, or we will make it right.That is more than our promise. It is our policy." Southfield, Michigan in 1966. Eleven years later, Moray and his partner Jeff Roberts, expanded the company with their traditional furnishings showroom in Troy. There were two more additions, the third location in Novi in 1995, and Gorman's Lakeside store in the year 2000.

"In the 45 years since I purchased Gorman's, I am truly amazed at what we have accomplished as a company," said Bernie Moray. "We make sure that we never forget where we came from and what Ben Gorman did to start this company. We strive to embody his ideals and commitment to quality and customer service every day."

Recognized as the original Michigan style-leader in home fur-



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Decorium's customized Facebook account features coupons/sale items, photos and a "Wall" that includes posts from Decorium's staff and "fans". Also, a current magazine ad (left).



nishings, they pride themselves on their staff of nearly 50 designers with an amazing combined 1,000 years of residential and office design experience, utilizing Gorman's unique resource area and textiles library. Their clients range from new homeowners to entertainers, sports celebrities and captains of industry.

Said Bernie Moray, "Our eureka moment occurred when we made the decision to go from one brand, Drexel Heritage, to featuring 100 brands, a different way of doing business."

Gorman's also offers 13 specialty shops, "to ensure customers find exactly what they want". The shops include Casual Dining, Health, Home Accessories, Furniture as Art, Leather, World Collections, Home Entertainment, Motion and Comfort, Gorman's Kids, Home Office, Small Office, Sleep, and Window Fashions.

"Gorman's 100" are some of the industry's most celebrated brands, Henredon, Natuzzi, Hancock and Moore, Sligh, Lexington, Century, Stanley, Hooker, Bernhardt, still Drexel Heritage and a host of others.

All four stores use Gorman's "Must Be Right" policy to the max. As outlined on their excellent website (www.gormans.com) "Must Be Right" is regarded as and adhered to as their signature. "Before you arrive, we assure you that Gorman's is prepared to make presentations that meet your expectations. Whether your interests lie in classical motifs and traditional ambience, or in the latest contemporary trends, our objective is to help you visualize all the choices you have to achieve your unique design goals.

"While you work with us, we assure you that the professional staff members who assist you are experienced, informed and, above all, sensitive to your needs, that you and your specific requirements come first and foremost.

"After your purchase, we assure you that everything meets our standards for quality, specifications and service. If there is a problem, Gorman's will correct it.

"In short, we assure you that everything must be right, or we will make it right.

"That is more than our promise. It is our policy."

The website under "News" suggests you "Find Your Inspiration at Gorman's", and no less than six well written, informative features are available, Lighten Up, 10 Tips for Using Colours, Tips 'n Tidbits: The Wing Chair, Awesome Area Rugs, Flat Screen TV's Now Have a Home and Today's Dining: Dazzle or Casual? all designed, of course, to help the consumer plan their ultimate décor. The company has declared its commitment to environmental matters, using several different waste saving techniques, installing energy reducing equipment and analyzing the recycling of foam products.

Gorman's has played a vital role in the Detroit community for 70 years now, working with the American Cancer Society, Special Olympics, Haven, local children's hospitals and more. And they fully support the Furniture Bank and Furniture Resource Centre with products to continue their good work.

DECORIUM

Across the friendliest border in the world, the city of Toronto has long been a destination of choice for entrepreneurs. Fourth generation Steve Forberg told us about his grandfather who, fresh from Poland, made his start in manufacturing home furnishings when he founded Starchrome Furniture, the largest metal furniture company in Canada in the '40s, '50s and '60s.

Steve's father, Joe, established his own business, Furniture Plaza, in the "70s. By the early '80s, they had changed the name to Grand Design. Soon Forberg energy generated seven stores, "all over the GTA (Greater Toronto Area), the city of Toronto, Mississauga, Markham, two in North York, and

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Decorium's Leather Gallery located on the lower level of its 100,000 square foot store.



west to London and Kitchener". The then distribution centre at Supertest Road off Dufferin Street in near-north Toronto is the site of the present day Forberg enterprise, Decorium.

Most of us remember the recession of the late '80s and early '90s. "Our company had gone through some tough times in the early '90s. By this time we had eight Grand Design stores. Once the GST/PST (Goods and Services Tax and Provincial Sales Tax) hit as well as the recession, we closed the eight stores and opened one 5,000 square foot store which today has evolved into a 60,000 square foot showroom that generates more business from one than the eight ever did! This moment and the change in direction was what has made us the success story we are today.

"I came into the business in 1996, just as things started to change. I had spent a couple of years as marketing director for Sports Authority, before pursuing our family business. Since 2007, my father, Joe, brother Howard, and me have run Decorium. Howard's in charge of sales, amongst other areas of the business. Dad comes into the store three or four days a week when he's at home and his input is invaluable."

Steve has a degree in Business Administration as well as a huge imagination and he "does all the buying, all the advertising and oversees the operations end of things.

"The main policy and/or success we have is that we are 'small enough to care and LARGE enough to bring our clients great value'. We will bend over backwards for our clients and do many things that most traditional stores cannot. We will have made a special sized ottoman or chair for our clients if they need them. We will do whatever it takes to provide our clients with the beautiful home they so desire. As well, we have an ever-changing assortment and, in this fashion business, colours, styles and trends change rapidly. We keep the merchandise fresh and new for both our staff and our clients. We have clients who come here weekly to see what is new and what has changed. Each week we put anywhere from 30 to 100 new items on our floor. This has made our business different, and allowed our clients an opportunity to explore more than just a furniture store, but a home fashion store."

In the last few years, the forward-thinking Forberg's have structured an innovative corporate division, recognizing

Signage at Decorium greets customers inside and out.







and applauding the enormous surge in Toronto's condominium development. They have created furniture packages for developers, "furnishing units completely down to lamps and accessories, absolutely turn key. If the purchasers are local they receive from the builder a Decorium discount card, excellent exposure for us, of course. Our corporate designer. Debbie Fernandez, devotes herself to this fascinating challenge; she is a super talent.

"And we have our own design centre within the store; this helps to get the consumer engaged in colour coordinating. Our Internet room planner is a great feature, too, both in the store and on the web. Consumers measure their space at home, then spend time on their computers moving furniture about. Then they e-mail the result to our designers to pre-pick possible pieces. Or they bring the plans in with them when they visit.

"Decorium is a destination store

"So many retailers now are price driven and we made the decision not to play in that game."

-Steve Forberg, Decorium

and, because of our location, we don't entertain many browsers. People come to us because we give them what they really want. Today's consumers are different, and we must all flex to change. They're a lot more educated and confident, and before they come to us they know, in many cases from our website, from shelter magazines and television design programmes, what they are looking for, the style, the trends and where the product is manufactured, the construction components of the pieces, and they have a pretty good idea of pricing. They are much farther ahead in the buying process, stage four, not stage one. We have to adapt to each, individual consumer. A degree in psychology would help!

"We collect information from the consumer both from our website and from our kiosk at the front door. They are asked to register with us, to give us their name, email address and so forth, helping us to build our database. Once they're registered, we offer them a broad spectrum of opportunities, including our very popular \$1,000 shopping spree, no purchase necessary, they can enter in the store or online.

"Every month I broadcast an email newsletter which incorporates four day promotional incentives, news about trends, what's happing in décor, an e-blast! The special incentives are not offered to the public at large. We do a lot online with banner advertising and word scan and Google search words.

"We're a very service oriented company, both pre and post-sale. If, for instance, a customer decides they really don't like a fabric, we will work with them, find a fabric they do like and send the piece out to our upholsterer. They made the decision to come to you for their needs; we believe in giving the customer what they really want. Customization.

"Our best customers are those that have had service. We take care of anything, major or minor, large or small. We handle problems

"Decorium is a destination store and, because of our location, we don't entertain many browsers. People come to us because we give them what they really want."

-Steve Forberg, Decorium


GYM CLASS

would it be chosen last for the team?

Winning in the retail arena takes more than just the right product at the right price. In this fiercely competitive world, if a business does not change and evolve to meet new needs and demands, they will be chosen last in the most important game of all – the consumer game. Winning businesses are winners because they do things differently. They have fabulous customer service and follow up, and their business processes are designed to get things done efficiently. They just make it easier to shop at their store.

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"PROFIT systems completely understands your business. They're so in tune with the home furnishings industry that they are able to help us with issues we're having on a dayto-day basis. We're on target and focused. I wish we would have done it sooner."

> Dianne Ray Garden City Furniture Garden City Beach, South Carolina

Retail Histories - Part 5

after the manufacturers' warranties have expired. Business is all about relationships and customer service." (Check out Decorium's website testimonials, www.decorium.com)

"There are more channels for the consumer to purchase furniture than ever before. The big box stores, the super centres, even grocerv stores. Consumers can become confused. We have to be first, we have to be different, our merchandise, our service and our display. So many retailers now are price driven and we made the decision not to play in that game. Instead we operate in the upper middle market with style, value, selection and service.

"We are very active in the community and for several years now we've worked with Toronto's Princess Margaret Hospital. Annually, they run a huge, fundraising lottery, giving away large Tridel and Greenpark homes and condos. We furnish the model homes for them."

Sometime ago, the team developed a new section within Decorium they called "Surroundings", a 10,000 square foot gallery showing "very functional furniture, completely contemporary". They promoted it with a colourful insert in Canada's national newspaper, The Globe and Mail. The insert announced a fourday event, "Save up to 50% OFF storewide", and it was a very successful promotion.

For additional exposure, Steve uses publications such as House and Home, Style at Home, Post City Magazine and Home and Décor, plus Cineplex advertising and radio.

In December, 2010, Decorium launched a new 10,000 square foot Leather Gallery, located on the lower level of its 100,000 square foot store. Said Steve, "We're very excited to have this new, unique concept within our store. The look and feel of this Gallery provides our clients with just what they are looking for in a leather store. We have been very selective about the price range, and the suppliers we partnered with." The new line-up includes items from Futura. Bernhardt, Lind, Palliser, Décor-Rest and Sunpan, with a product selection covering every style.

The Gallery has its own dedicated and well-trained leather experts, to help optimize the shopping experience. And, of course, there's a new website that displays the full range of products; simply click on "Leather Gallery".

"Knowledge is key," said Steve, "and we can always learn something from someone else at any age and at any point in life." In 1999, Steve attended a U.S. based performance and friendship group that opened his consciousness to a well spring of information. The meeting served as his introduction to the concept of open intellectual exchange amongst industry peers. Still an enthusiastic member and the only Canadian retailer in this exclusive furniture sector gathering, Steve asserts, "We all have the same issues, the same likes and dis-We share information on likes. everything, advertising, marketing, product lines, even our financials. It's well worth the investment in time and money."

Steve is convinced that, "The industry must share information, not necessarily in their own trading area, but in general; we could all learn so much more."

ART VAN

Art Van Elslander is a bit of a legend, especially in those cities where he has established a firm footprint. Art Van Furniture is a family owned company that first

Art Van's first store, a compact 4,000 square feet.



"The Van Elslanders' philosophy has been to provide their 'guests' with quality furniture at prices lower than competing discount stores and, at the same time, offer a full range of services that can only be found at speciality or department stores."



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Pictured is parade sponsor Art Van Elslander, plus the AVF Tech Plaza store in Warren, Michigan.



"Today, Art Van Furniture operates 34 stores in 33 cities throughout Michigan, and employs approximately 2,500 associates."

saw the light of day in 1959 in Detroit, Michigan, almost a decade after Ben Gorman initiated his entrepreneurial adventure.



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The original store was a compact 4,000 square feet. From the beginning, the Van Elslanders' philosophy has been to provide their "guests" with quality furniture at prices lower than competing discount stores and, at the same time, offer a full range of services that could only be found at specialty or department stores.

Today, Art Van Furniture operates 34 stores in 33 cities throughout Michigan, and employs approximately 2,500 associates. They have received many accolades from various organizations recognizing their commitment to quality and the community. The National Home Furnishings Association named Art Van Elslander, Founder and Chairman, the 1998 Retailer of the Year, while the Michigan Retailers' Association named the company 2000 Retailer of the Year. In 2001, Van Elslander was inducted into the American Furniture Hall of Fame, and Detroit News readers have voted Art Van Furniture Michigan's Best Home Furnishings Store since 2003.

Recently, Art Van formed an alliance with Paul's TV, the "King of Big Screen", based in California, to open a "store within a store" inside all Art Van locations beginning last March in five Metro Detroit stores. Locations include Warren, Lakeside, Westland, Royal Oak and

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An Art Van truck pulling up to the original warehouse.

Taylor, with the remaining 26 stores completed by September of 2010. The alliance has made Art Van Furniture a one-stop shop for complete home entertainment, from recliners and theatre seating to a full selection of the largest and latest TV technology. In keeping with Art Van's next day delivery, Paul's TV offers same day or next day delivery, in-home set up and recycle old TVs, a very useful service.

Said Art Van Elslander, "We are responding to the overwhelming demand from our guests who enjoyed our recent furniture and television package promotions. We scoured the country to find the experts in home theatre entertainment who also share our commitment to the customer."

ARE YOU A RETAILER *with an interesting story?*



BE PART OF OUR 140th YEAR CELEBRATION

Our editors are looking for more furniture retail histories to feature in future issues. Call 914-235-3095 or email russ@furninfo.com for more information. In response, "We are thrilled to be working with a company that is as committed to serving the customer as we are," said Babak Ghaznavi, President of Paul's TV. "All of us are looking forward to many years serving the people of Michigan."

Vital to Michigan's economy, this new relationship will also create new jobs in the state. Paul's TV will hire 150 salespeople to staff their stores within all Art Van locations.

In acknowledgment of Art Van's green efforts, the Michigan Retailers Association named Art Van Furniture a "2007 Green Tailer". This inaugural honour is given to retailers who are protecting the environment by adopting energy conservation and earthfriendly practices. Here are a few of the steps Art Van is taking to help leave a smaller environmental footprint:

- Installed energy management systems in their stores that decrease yearly utility usage by 15 per cent.
- Recycle 400 tons of cardboard, 35 tons of plastic, 15 tons of steel/metal and three tons of office waste on a monthly basis.
- Built an automated warehouse that created a much smaller footprint than a traditional warehouse and operates using 75 per cent less lighting, heating and cooling.
- Formulated care kits for leather, wood and hard surfaces that are water based, biodegradable,

non-hazardous and non-toxic.

- Donates a portion of the proceeds from the sales of their exclusive Grand Shores Collection to the Water Quality Protection Fund of Michigan's Department of Environmental Quality.
- Partnered with NextEnergy to test B20 (biodiesel) in two of their trucks under different conditions. The results will be used to help set national standards for this alternative fuel, which is made from renewable resources.
- Disposes of used mattresses by using a specially designed shredder that helps reduce the volume of material sent to landfills.
- Donated 7,600 trees in 2007 and 2008 for Arbor Day initiatives.

Now in the company's fifty-second year, Chairman Van Eslander continues to regard the consumers visiting his outlets as "guests", and surely his corporate family's warm welcome to all who cross Art Van thresholds is key to their enviable growth.

NEXT ISSUE

Next month we will continue this series that commemorates the 140th anniversary year of FURNI-TURE WORLD Magazine.

These are your stories, the tales you told us, the dreams that became realities.



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funiture Best Selling Design



MAC Motion Chairs

Hardwood frames combined with 11-16 gauge tubular and plate steel are used in the structural portions of this unit's frame. Leathers are double sewn inside and out. Available in a variety of wood finishes to match any decor. **Contact information on index page 80.**

Decor-rest

The Cobistyle furniture line includes ottomans, benches accent chairs, sofas and headboards. Each are upholstered in richly colored fabrics such as velvets, florals and stripes. **Contact information on index page 80.**

Durham

The new Bayview Collection is an updated take on traditional cottage style for today's casual living. Piece include a door chest, utility cabinet and secretary chest, two beds, a panel and a cottage style, which has unique detailing on both the headboard and footboard. **Contact information on index page 80.**

Ameriwood

The White Guest Room is made of laminated particle board and features white wood and crystal interchangeable knobs. All products have attractive profiled edges, fluted molding, and decorative feet.

Contact information on index page 80.

Human Touch

Provider of high-quality, massage chairs, that deliver life-changing benefits to an ever-growing number of consumers. These state-ofthe-art massage products contain patented massage systems that replicate techniques used by massage professionals. **Contact information on index page 80.**

Boca Brands

The Antiqua line is hand crafted to take it's rightful place in Florida rooms and casual areas all over North America. Versatile colour, comfortable accent pieces, and custom upholstery turn any room into a favorite place to relax.

Contact information on index page 80.

funiture best selling design



Starbay

Manufacturers of fine nauticallyinspired furniture and accessories made of premium rosewood, grown and harvested under the most stringent environmental controls. Features include solid brass handles, screws, locks, corners, nails and hinges and hand-carved pure natural bone logos and knobs. The glossy seven-layer hand applied varnish, turns the exquisite work of carpentry into a masterpiece.

Contact information on index page 80.

F&N Woodworking

The Breckenridge style dining chair is made of solid hardwoods and mortise and tenon construction. This heirloom-quality solid hardwood chair is made in the heartland of America, not overseas. Available in side or arm chair designs, in solid Oak, Cherry, Maple, Brown Maple or Quartersawn White Oak in a wide array of finishes. Optional leather or fabric seats are available. Stationary or swivel bar stools are also

available. Contact information on index

Contact information on index page 80.



Whittier

These coordinating bookcases are available in four widths, six heights and three finishes and are constructed from solid American Alderand Red Birch hardwoods. The Corner Connector allows for maximum storage and display area. **Contact information on index page 80.**



Perri

Contemporary styled sofa with showood legs. Available in a variety of fabrics and leathers, also custom sizes and com fabric and leather. **Contact information on index page 80.**

Keystone

Contemporary styled table features precision rock maple table slides, generously proportioned legs with industrial strength lag bolts fastened to heavy duty table skirting and super strong mortise and tenon joinery. Made in America.

Contact information on index page 80.

A.A. Laun

Rewind combines various shapes, sizes, and function into a clean contemporary collection. Features include solid maple English dovetailed drawers accented by brushed nickel pulls. The new Brown Walnut finish completes the picture. **Contact information on index page 80.**



Dutailier

New innovative chair that glides, swivels, and reclines, with a flip up footrest. Available in more than 225 fabrics and over 20 leather colors.

Contact information on index page 80.



funiture best selling design

Nourison Industries

Modo is a collection of hand tufted area rugs with ultra modern designs in rich color geometrics and contemporary abstracts. Made of extra dense, premium quality wool pile with luminescent viscos yarns. Contact information on index page 80.

Safavieh

Autumn Woods is a richly textured hand-tufted rug, colored in warm autumnal tones and crafted in India with artisan quality. Its softly shimmerina viscose cut-pile motif contrasts with a ground of long wearing New Zealand wool loop pile. Contact information on index page 80.



Mat Rugs

"Cuadro" is Hand tufted and made of 100% Indian wool. Cut and loop, high and low pile, is hand carved for added textural interest. Made in India and available in 5'x7' and 7'6"x9'6". Contact information on index page 80.

Capel Rugs Ombre is

Ombre is composed of a blend of natural and synthetic fibers. These braided rugs are reversible and made in the USA. A 5'x8' rug may retail for \$499. **Contact information on**

index page 80.



Feizy Rugs

The Namche Collection is hand knotted in premium hand-spun wool. Mahal, Samarkand and Kazak patterns are revitalized with a palette of colors so rich and varied, they work easily with today's home furnishings. **Contact information on index page 80.**



Rizzy Home

This hand tufted rug is made with New Zeland Wool blended yarn. Suggested retail for a 5'x8 is \$499.

Contact information on index page 80.

Surya

This hand tufted rug is made with New Zeland Wool blended yarn.

Suggested Retail for a 5'x8' is \$499.

Contact information on index page 80.

The Rug Market

Suzani, from the Avignon Collection of bold patterns, bright colors and soft wool are woven into rugs that bring it all together, perfect for the summer season. It is handmade tufted wool fibers made in India. Contact information on index page 80



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Your Golden Sales Opportunity

Part 2: Adjust your sales presentation. Men and women shop differently.

Sales & Management Skills by Margarett DeGange, M.Ed.

n the November/December 2010 issue of FURNITURE WORLD Magazine we discussed how your business will vault 10 steps ahead if you take gender differences seriously and adjust your approach to attempt to meet the requirements, needs and wants of male and female customers. Part 1 looked at differences in the way men and women research purchases and what they expect, in general, from their shopping experiences. Part 2 continues to shed light on how women buy, and presents tips furniture retailers can use to sell more by creating sales initiatives that integrate well with this organic process.

WHY WOMEN VISIT YOUR SHOWROOM

Frequently, women shop almost as a form of entertainment. That's how many men see it, but there is actually something else at work. A woman may go into a store just to look around, to see what is there, to gather possibilities, and to "dream". This "dreaming" is usually in line with a deep desire she has about her home or her life that is probably unvoiced. It is a desire to add something meaningful, to create a richer reality, to build better home experiences. This desire has very little to do with buying "stuff".

Women visit showrooms initially to prepare both mentally and emotionally for later purchases. This is especially true for big ticket items. A woman may come into your showroom just to browse. As she meanders, she will begin to visualize what her home could look like, feel like, and be like with new furnishings. This mental picture will factor in the many relationships she has with close friends, family, business associates, and the people she entertains.

She may formulate her thoughts and

search for ideas for weeks, or in some cases even months. With your help and skill, those thoughts can easily turn into a sale.

Women are powerful participants in the economy, and it is incredibly ironic how often they have been dismissed and even disrespected. A woman will run out the door and never come back if you look down on her, correct her disrespectfully, tell her what she needs instead of hearing what she needs, treat her like she is not intelligent, or trivialize her knowledge.

Tip #1: When a woman comes into your store, the last thing you should do is pressure her into giving you a definitive reason why she is there when she is not sure herself. Although it is alright to ask, "what brings you into the store today", it is never O.K. to try to pin her down for a specific reason if she does not have one.



"When a woman comes into your store, the last thing you should do is pressure her into giving you a definitive reason why she is there when she is not sure herself"

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"If you were at a place to begin refurnishing your space, which style do you think you would likely lean towards."



"Are you browsing to peek at some of the new designs and get some new thoughts and ideas?"



Again, she may be just fantasizing right now, deciding if this new furniture route is even the path she wants to go on. Your response to her at this time will either support or hinder that decision and ultimately, the sale.

If she has been shopping around, acknowledge and even compliment her efforts, instead of putting them down, even if you are afraid that she may buy somewhere else. Listen carefully to what she is saying and you will learn what her truest needs are.

Don't try to sell. Instead, try to connect. When you are in the midst of making the connection and building the relationship, don't jump the gun simply because you gave your version of a sales pitch and the woman nodded or gave a gesture of "acceptance". This only means she is listening and taking in what you are saying (good or bad). She may

"Women today also do not shop the way they used to years ago because their lives have changed. Embrace this, and your sales can dramatically increase." be miles away from making a decision. She needs more interaction, ideas, and information, and she needs to be heard.

Communicate to her that you understand her desire to just "get a feel for things". Slowly and steadily, and most importantly, conversationally, build on a dialog that starts with something like...

Salesperson: "Are you browsing to peek at some of the new designs and get some new thoughts and ideas?"

Later in the sales process you might say something like this...

Salesperson: "If you were at a place to begin refurnishing your space, which style do you think you would likely lean towards."

These questions will help you to collect valuable information in order to continue to guide and educate your customer while preserving the sense of freedom she requires to talk freely. In other words, you have prevented her from putting up a wall that will cause her to leave and not come back.

This is a very soft sell that conflicts with the mindsets and selling environments found in many high volume, promotionally oriented stores. If your store competes with stores that rely on high traffic volume and can live with low closing percentages, then working to be a friend and not a pushy salesperson will be an important point of differentiation for you. At the same time you will be building the most valuable component of all, trust.

When dialoguing, don't just focus on

the benefits such as "this is a real-time saver", or, this bed saves space", instead, create a visual of the benefit through your words, in such a way so she can see it playing out in her life. For example, say something like...

Salesperson: "We both know how much kids prize their own space. When your children have their friends over to read or do homework, they'll be so proud of how much spare room they have with this bedding set. They'll have more room for hobbies and playtime, too. This is a kid's dream!"

Just because you are selling home interior products, it's not enough to say, "this sofa is beautiful"—that's way too flat and won't create an emotional connection. You've got to re-frame it for her life. Instead, try something along the lines of, "This is such an attractive sofa in many ways. For one it's beautiful, and more importantly, it's so roomy that mom, dad, and all the kids can snuggle up on it very comfortably and read or watch movies. The kids will love that."

Tip #2: To be successful, male and some female salespeople working with female customers must allow the social interaction and the communication process to play out. The male salesperson may have to go against his nature a bit, and interact "social-emotionally" and really listen to get a glimpse of that big picture that is so vitally important to women. Women will be loyal customers if they feel they are truly seen and heard, and they will even pay more for products and services if these fundamentals are in place.





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"It's not enough to say, "this sofa is beautiful"—that's way too flat and won't create an emotional connection."

OLD DOGS MAY DISAGREE

I know that a lot of old dogs will disagree with me on this. But let's face it, most, if not all, of the sales processes used today were created by men who sold to women, not by women who sold to women. Furthermore, they were created in a day when many products were new, novel and choices for shopping were more limited. Just because a tactic works sometimes does not mean it is the best strategy... or as Joe Capillo says, "Nothing fails like success." Women do not think like men, and therefore they do not make decisions like men. Women today also do not shop the way they used to years ago because their lives have changed. Embrace this, and your sales can dramatically increase.

Tip #3: Make a definite connection, and don't push too hard to make a sale before your prospect is ready. A furniture showroom is not necessarily the place to make a sale the first time on the spot. Work to establish a meaningful relationship with your client. In a conversational and friendly, no-pressure manner, let her know you would love to keep her posted on any information, style ideas, or new pieces that you may come across in the very near future. If you have a regular newsletter filled with home and décor tips and not filled with ads, invite her to receive it, which means you will need her name and email address. Be very lowpressure but very engaged, caring, and friendly in your manner. Let her know you are watching out for her and you will be there when she decides to look again and when she decides to buy.

You must be patient, a concept most sales people don't want to accept. However, if you are really making a connection, and sending out "vibes" and words that communicate, "I'm on your side", and "I really want to help you as you make this journey" as opposed to "I really want to sell you something", you do not have to fear that the prospect won't return. When she does, you'll know her name and you will continue your conversation and make the sale.

In between visits you can communicate through regular one-on-one email if you have something you think she will be interested in, or if you just want to touch base. Remember to always keep it no-pressure, just an "I'm totally here to help my friend" attitude.

GET CUSTOMERS TO KNOW, LIKE & TRUST YOU

With all of the options and outlets available for individual shopping, people are more likely to do business with those they are fully comfortable with. That does not happen when you pounce on someone as soon as they hit the door, and it doesn't happen through a larger than life canned sales process. This isn't the 50s, 60s or 70s. The old selling model is trash. Hey peeps, it's 2011 and beyond!

People are smart, really smart. Did I mention to you that people are incredibly smart? The world has changed, business has changed, and the way that your customers think about shopping has changed. They know that they are the ones in control now.

Tip #4: Be someone that people want to get to know, someone people like, and someone people know they can trust. You cannot do this if you have a selfish agenda. You have to be fully there for your customers. If they know you, like you, and trust you, they will be pleased to give you their business. You cannot take it, no matter how clever you think your sales process is.

Tip #5: Sell consultation style which requires that you make a friend, like that friend, and build trust with that friend. Create a dialog throughout the process to get to your friend's true needs and concerns, so that you can solve all of their problems and meet all of their wishes as you close up the sale. You'll be happy to know that consultation selling is a very natural and easy way to sell.

Tip #6: When selling to women, don't overly-focus on the item being purchased, especially at first. Focus instead on the big picture; on the emotional benefits that will come because of the purchase. Later on in the sales process you can focus a little more on the products themselves, once she feels you have a nuanced understanding of her situation.

Tip #7: Help the customer to visualize a better way of living, and greater connection with family or friends. Remember, people don't buy things, they buy the way the things make them feel, and with women, these feelings are almost always tied to the people they love and the deeper and richer life connections that the "things" can help to achieve. Help them to produce a visual image of the way that their interior spaces will be used with the new furnishings. Dialog with the client so she can "see" the interactions that will take place in the home around these new purchases, and how people will FEEL and INTERACT within the newly furnished and redesigned spaces.

Tip #8: Offer her assistance, but give her room. She can tell a mile away if you are insincere. Seek first to genuinely help her, and the sales WILL follow. Women are loyal to people whom they trust. Your dialog should help her to verbalize her thoughts and wishes for a better home so you can meet those needs.



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"Dialog with the client so she can "see" the interactions that will take place in the home, and how people will FEEL and INTERACT within the newly furnished and redesigned spaces."

THE MALE SHOPPER

Approach all customers in a friendly, conversational tone, and try to find out what they want, rather than seeking to impose your sales agenda on them. If you miss this step you will lose most sales.

The way you sell to a man is the same way you should sell to a woman, with a few adjustments made along the way, since men tend to dream less and decide guicker. Men will tend to let you know when it is time to cut to the chase. The important point here is that if you give all of the support to a male shopper that you give to a woman shopper, in his eyes you will be going above and beyond the call of duty. He may not want to "ao all the way there" in terms of social or emotional dialog, and he may redirect things, but you still have to let him know that you are more interested in him and how the purchase will help him create a better life than in just getting the sale. Everyone, be they male or female, appreciates that.

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Tip #9: Female, and some male salespeople working with a male customer have to be careful not to be overly social. Of course friendliness and making the connection are absolutely essential no matter what the gender of the customer is, but many men want to get right to the punch and will become impatient with too much trivial talk. When dealing with most men, focus a little more on the result, and stress the benefits in a way that relate to his goal. Be prepared to discuss manufacturing and warranty information in a bit more detail than usual when the customer shows that this is very important to him.

MEN AND SPORTS

Men love sports (I know, women do too), and more men than women watch the mainstream sports like basketball and football. Men take Monday Night Football and the Super Bowl pretty seriously. Guys want their football environment to be very comfortable, roomy, and guy-buddy friendly. They want the T.V. or media room to help set the sports and camaraderie mood. As a salesperson, this gives you great motivation when selling to a couple who visits your showroom just before or just during the start of football season.

Tip #10: Be their cheerleader in getting ready for sports season and for that great life that TV sports and entertaining bring. Help them to see and to want that fabulous new sofa or sectional, and that sturdy, stylish coffee table to hold all of the snacks and drinks. Help them to visualize how it will all look, and more importantly, how it will feel.

Don't focus on product features, and don't overly stress benefits in a sterile way as if reading from a list. You have to bring benefits into the scene they are dreaming of. Let's say a leather sofa and chairs they are considering clean up easily. Don't say, "This sofa is so easy to clean, and it will stay beautiful for years to come". Instead say something like, "You know, when all of your friends are gathered in the media room, sitting on this fabulous sofa and these large comfy chairs, one of your buddies might get excited over a play and spill a drink. No worries, this sofa cleans up so easily, it won't even interrupt the game!"

NEXT ISSUE

In the March/April issue of FURNI-TURE WORLD Magazine, this three-part series will continue to look at the differences between the way men and women shop. Margo will also present ways to deal with shoppers who bring children into your stores and conclude with a sample script for opening up a meaningful dialogue with your customers.

Margarett (Margo) DeGange, M.Ed. is a Business and Design Coach in the

"When purchasing large ticket items, both men and women want companies to stand behind the products and services they sell, and they don't want to pay extra for this." Home Fashions Industry. She creates and delivers custom training programs for managed businesses and their sales consultants to help them communicate better with customers and increase sales and profits. Margarett is a Writer and Professional Speaker, and the President of The DeGangi Group and The DeGangi School of Interior Decoration, with both on sight and on-line courses in Interior Decorating, Marketing, and Redesign. For almost 20 years she has

helped individuals and managed business owners in the interior fashions and decorating industries to earn more while fully enjoying the process.

Two of Margo's popular products for furniture store owners and their sales professionals are The Decorating School Crash Course Power-Ed Pack (9 design lessons on video/audio with 12 hours of content), and the matching Decorating School Crash Course Learner Files to measure learning, provide added interactivity, and motivate sales consultants to own their opportunities for growth.

Visit Margo DeGange's website at www.DecoratingForProfits.com for more information. Send email and questions to her at Margarett@furninfo.com.

"So far my sales have increased by 40%, and it goes up every month."

GENDER AW

Gary Hubble, sales associate with Olindes Furniture

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Furniture Marketing Tips For INDEPENDENT STORES Don's Home Furniture specializes to stand apart.

by Blaine Neupert, Don's Home Furniture

n late 2008 as the economy turned gloomy, and into 2009 as waves of people lost their jobs, many furniture retailers panicked. A common belief was, "we need to cut prices since people have less money to spend." It seemed logical on the surface, but look around. How many of those stores are now boarded up?

For many, this fixation on cutting prices turned into a race to the bottom in quality as well as price. Consumers who'd lost their jobs didn't buy regardless of the price tag, and customers who still had money to spend, were turned off by inferior offerings. Fewer people came in, leading to subsequent futile rounds of price reductions.

Our company took a different tack, which has made all the difference through the recession. We looked back at our roots and decided to stick to the core values that had served us well over the previous 20 plus years – provide the best quality and value furniture we could find, at reasonable prices and with unique offerings. And, rather than hunkering down with the same products we'd been selling, we pursued a new furniture line that has helped maintain customer loyalty and increase sales despite the dismal economy. From this experience, we've been able to distill some important points for furniture marketing and sales success.

AN ALL-WOOD SPECIALIST

Since its founding, our store has focused on the niche market of all-wood furniture, starting with oak. All-wood is a narrow segment, accounting for less than 1% of furniture stores nationwide. Our first store was barely big enough to turn around in, but over time we grew and moved several times. By the mid 1990s, we had further specialized into Amish handcrafted furniture. We found that customers liked the quality and fact that it's American-made – something increasingly rare in our industry. I now regularly travel throughout Indiana and Ohio, searching out Amish craftsmen to build designs we create in our store.

When most people think of Amish furniture, a word that frequently comes to mind is "traditional," but you can find Amish-made furniture in all styles, from antique reproductions to contemporary, and their craftsmen are skilled at producing designs from simple to complex. And, while they usually build furniture in conventional hardwoods such as oak, hickory and maple, some shops are expanding with new materials – sometimes in surprising ways.

About a year ago, one of the small



"In our store, we expect everyone to know the details of all the wood species we carry, and to know the features and benefits of wood furniture better than any of our competitors.

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"Creating a specific niche isn't sufficient by itself, and can be retail suicide if you don't back it up with strong business values."



Although such green factors are important, aesthetics are still the deciding factor for customers. Lyptus has an especially warm look and feel with a rich grain. The Amish craftsmen like it because it sands and finishes beautifully. One of them told us that it's the only wood he's seen that finishes equally well as or better than North American Cherry, the typical standard-bearer for fine finishes. He had a folksy way of describing the wood: "With it, we can make some of the most beautiful future antiques."

During the first two months of bringing

Lyptus Amish furniture into our store, it captured people's attention and boosted business. All told, this one species accounted for 10% of total sales in 2010, and is projected to grow to 25 – 35% or more of our business within the next 12 to 18 months.

LESSONS LEARNED

While the particular pairing of Amish craftsmanship with an exotic hardwood has brought us business success, there are several key take-aways from this experience that can be applied more broadly within furniture retailing.

Specialize To Stand Apart: If you visit the showrooms in most stores along the typical "furniture row," one pretty much looks like another. It's all the same selection of bedding, dining sets, bedroom pieces and entertainment centers. Even among many brand name retailers, the offerings appear largely the same to customers.

Research shows that furniture shoppers visit an average of 3.5 stores before making a purchasing decision. If you ask them after they've been to several stores to remember what they saw in the first one, most will have no clue. You don't want to be that store. Find something that will make your outlet memorable. For us, it was specializing in a narrow niche – all-wood furniture – then specializing even more with Amish handcrafted furniture.

Being specialized doesn't necessarily mean having to stay small. The typical all-wood furniture store is 8,000 – 10,000 square feet, yet we've grown our store to 20,000 square feet of showroom and 13,000 square feet of warehouse with annual sales of over \$5 million.

Try Something New: The introduction of Lyptus helped keep our offerings fresh and to respond to our customers' interests in being green without sacrificing beauty and durability. At the same time, the change wasn't a radical departure from what we already knew about selling Amish furniture.

In addition to new designs, product features and product types, think creatively about what tweaks you can make to existing furnishings that will capture your customers' attention. You can always start small and expand if it catches on instead of doing a wholesale change.

Leverage Your Specialty: The core of our business has long been home furniture, but we recognized the specific offerings we'd focused on could also do well in the commercial building segment. This was especially important during the





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30th LONG BEACH, CA

Furniture & Accessory Market May 18 & 19 Long Beach Convention Center, Long Beach, CA

20th ORLANDO, FL

Furniture & Accessory Market August 14 & 15 Orange County Convention Center, Orlando, FL

59th EDISON, NJ Furniture & Accessory Market

August 21-22-23 New Jersey Convention Center, Edison, NY

31st LONG BEACH, CA Furniture & Accessory Market T-B-A

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economic downturn as it provided an additional set of customers. And, it helped to set a foundation for future overall growth as the economy rebounds.

Beyond finding a new class of customers, other options for expanding the market base for your specialized offerings include opening outlets in new cities, offering sales over the Internet or coordinating with other specialized furniture retailers to create a closely grouped cluster of unique stores.

Know What Your Store Stands For: Creating a specific niche isn't sufficient by itself, and can be retail suicide if you don't back it up with strong business values. If you're specialized and provide lousy service or poor product value, the customer won't care that you have the only store in town that carries a certain line.

A key to our success during the recession has been recognizing that the customer still cares about quality. Price is always important, but people who come into our store want to purchase furniture that they can enjoy for years. I'm extremely picky. Even among Amish furniture, I've found there are good shops and poor ones. I'm only willing to display furniture in our showroom that I'd be willing to have in my own home. Find what's important to you and drive that point home to yourself and your team every day.

Sell Without Selling: The selling profession has a bad reputation because so many people do it poorly. In some customers' experience, furniture sales representatives aren't far behind used car sellers in being pushy. Storeowners often create this situation themselves by not setting up their businesses appropriately to provide the sales team with something worth selling. Absent having products with clearly defined features, benefits and value, salespeople have to fall back on high-pressure tactics and other dubious methods.

One way to address this issue is to define your store's specialty and make sure everyone on the sales team is an expert in your products. In our store, we expect everyone to know the details of all the wood species we carry, and to know the features and benefits of wood furniture better than any of our competitors. This allows us to be a true resource for the customer and better speak to their individual needs versus "selling" them. To provide customers with added confidence that we have their interests in mind, we make it clear that none of our people work on commission.

Benefit From Competitors: There's a reason fast food restaurants and car dealerships tend to cluster in the same part of town

"Creating a specific niche isn't sufficient by itself, and can be retail suicide if you don't back it up with strong business values."

MARKETING TIPS FOR INDEPENDENT STORES

- ready access to customers. Likewise, many cities have multiple furniture stores in close proximity. Locating near competitors can be a powerful business strateav, especially if you have a well-defined niche. Our store is located on Madison's furniture row across the street from the state's two largest furniture retailers. Moving there was a conscious choice. Their advertising helps bring customers to the area, and when people leave those stores, they see our sign across the street and recognize that we offer something different. I love seeing my close competitors' ads in the paper and on TV!

Get Your Hands Dirty: The single biggest driver of success I've found is to take a hands-on approach. We've deliberately chosen not to be a chain in order for all of our team members to have a direct hand in the business. All too often, owners stay in the back office doing "management" things instead of being on the show floor. There's no better way to know what's important to customers than actively reaching out to them and listening to what they have to say. Also, working side-by-side with employees throughout the operation is a great way to build morale.

A FINAL WORD

The Amish have a saying, "such as the tree is, such is the fruit." It pretty much sums up what I've learned about the furniture business: healthy, customerfocused, differentiated stores yield healthy sales and profits.

What will your niche be? What unique product feature and design pairings can you make within your specialty? What can you do better than anyone else? Taking time to think through such questions can make the difference between growing your business versus a slow slide into mediocrity.

Blaine Neupert is a 25-year veteran of the retail furniture business and is President and CEO of Don's Home Furniture in Madison, Wisconsin. His hands-on approach and fierce commitment to independence and quality have built the store into one of the largest allwood furniture outlets in the Midwest, with annual sales of more than \$5 million and offerings from more than 140 Amish vendors. A companion business, Amish Commercial Interiors, supplies furniture for hotels, offices and other commercial uses. Questions can be directed to him via www.amishcommercialinteriors.com, or call him direct at (608) 222-3545.



5 Smart Steps Of Inventory e-tai MANAGEMENT

It's a path to success!

Operations Management by David McMahon

bout a year ago, my wife decided that she wanted to redo our kitchen. The first stage was dreaming and visualization. To get help, she googled "kitchen planning". She chose to use Ikea's Home Planner as it seemed the best for her needs. As her design progressed, she started to source specific items. These included appliances, cabinets, flooring, lighting, wall tile, furniture, countertops, and trades people. She googled many hours into the night.

Her product search worked basically like this, she started general and then got specific. At first she browsed broad categories of merchandise (online and then in-store). Then she narrowed it down to specific vendors and exact models or styles. Once she found her favorite items, she googled vendor model numbers. Local lists of retailers that carried these items appeared on Google. She visited these sites and signed up to receive their e-newsletters. She then checked each piece to determine the best price and availability of merchandise. When she needed more information, she either used live chat or called the retailer's customer service number.

Now she was ready to buy. She bought from several different retailers. In some cases, she visited their physical stores to make some purchases. In other cases, she bought directly from the web site for convenience. The majority of her purchases came from local retailers where both their merchandise and prices were listed on their web site. However, two appliance purchases were made from a retailer based in New York. All items shipped directly to our home in San Diego for a total of \$59 in delivery charges.

This example is typical of the shopping behaviors of 30-something home goods consumers. It illustrates why your web inventory strategy should be the most important part of your overall advertising program because it will determine your future traffic and sales success.

- Google should be your most important advertising network.
- Getting your product listed on

Google quickly is vital. It increases the chance that consumers will visit you when they are ready to buy, increasing your traffic.

- Consumers know how to use room planners. You need one and you need to learn how to use it.
- Consumers do shop online before they visit a store.
- Consumers search for specific vendors, models, features, and styles. An up-to-date catalog of the merchandise you carry needs to be on your e-tail site. Your customers may get lost on your site (and disappointed) if you display merchandise that you no longer carry.
- Your customer will be comparing you to your competitors who carry the same models.
- Consumers will buy online and offline. However, in many cases, they will find you first online.
- There is little loyalty to brands or retailers. Top customer service, availability of product on your site, fast delivery, and great prices are all expected. If you do not deliver that, consumers will use Google to find

"Today's consumers want real-time information on your merchandise. They don't like to wait." someone that does.

So, how can you take advantage of these lessons, beat your competition, and capitalize on higher traffic that leads to better sales? By executing the 5 SMART steps.

The June/July, August/September and October/ November 2010 issues of Furniture World Magazine, included instructions on how to use the 5 SMART steps of retail inventory management to increase GMROI (Gross Margin Return on Inventory Investment). These articles are archived on the furninfo.com website. To request links to these articles, just email editor@furninfo.com. Now, to help you attract today's consumers using their preferred media, the internet, here are the 5 SMART steps of e-tail inventory management...

- 1. Show in-stock inventory on your e-tail site.
- 2. Make communicating and buying convenient.
- 3. Automate and integrate.
- 4. Rework and innovate.
- 5. Touch your audience.

SMART STEP 1

Show your in-stock inventory on your e-tail site.

If the consumer does not find you on the first page of Google, you don't exist to them. Take this test: while in your physical store, google your top 10 in-stock best sellers using the model number only. Does your store come up on the first page? If it does, congratulations, you are probably working hard to catalog inventory on your website. If your store is not coming up when you google your model numbers, you are losing traffic because consumers are visiting your competitors rather than you when they search for these models.

Google matches search terms with relevant web site content and takes into account the proximity of the store and consumer. Those with sites that display the inventory infor-

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to Sam Fishbein, Owner of



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Serving the United States, Canada, and the United Kingdom Copyright 2010 Linch Brothers Licensing Corporation Google search for Ashley #W371-25 yields the information at right. The first two results link to www.ashley furniture.com, followed by many pages of furniture retailer listings. Clicking on the third entry brings up San Antonio, TX retailer American Home Express.

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"Take this test: while in your physical store, google your top 10 in stock best sellers using the model number only. Does your store come up on the first page?"

mation that consumers want now have a better chance of getting their business. What information do consumers want? Price, in-stock status, color options, warranty information, size, shipping, related items, purchasing, delivery options, and more.

SMART STEP 2 Make communicating and buying convenient.

Today's consumers want real-time information on your merchandise. They don't like to wait. However, they will often need your assistance while shopping online. Here are some essential online inventory components that consumers use.

Telephone inquiries. There should be a telephone number on your website that connects consumers to someone in customer service. In this case "customer service" refers to someone in sales. Offline retail has a bad habit of equating customer service with problem resolution. Customer service, to a customer, means help with anything. Your website should have an 800 number that routes consumers directly to your sales professionals. This way they can assist the online shopper properly. You can also easily track, manage, and review calls that come from this number on your website.

Email or text inquiries. Your customer should be able to easily see your email address or text number. A salesperson should respond in less than 12 hours to any email inquiry. Text responses should be immediate during business hours.

Live chat. Live chat allows your customers to speak with you via keyboard while they are looking at your e-tail site. In an age of multi-taskers, consumers often prefer this over email or the telephone. It's similar to online texting.

E-newsletter sign-up. This allows consumers to get information sent to them about your latest specials and ideas. People will often sign up in the dreaming stages of the purchase cycle.

Room planners. Consumers in the market for room projects will spend more time on e-tail sites that have room planners. As a result, there is a greater chance that they will purchase from those stores.

Related products. Consumers want to see the matching ottoman with the chair and the correct rails that go with the bed. This is a key component when helping them shop and will increase your average sales.

Wish lists. When people are going through the final selection process, they routinely add and change products. Allow customers to do this themselves on your site. Wish lists are quotes. Quotes lead to sales.

Buy now. The purchasing decision will often come at a time when the consumer is not in your store. A husband and wife may just say one evening over a glass of wine, "Let's just buy this before someone else does and save ourselves the hassle of going down to the store again."

SMART STEP 3 Automate and integrate.

There are two ways to move your merchandise and pictures from your offline database to your online e-tail store. Your goal should be to maintain a mirror-like image of your in-stock inventory on the internet.

You can hire people to update your site daily. They would need to review and compare your offline and online inventory constantly and change information as needed.

The second option is to automate and integrate your inventory. Basically the way to accomplish this is to create a communication system that allows your software to talk with your online shopping cart. The data and pictures are extracted and uploaded from your data server to your web server. Newly stocked items are added. Changes are made. Out of stock items are removed from your e-tail store – automatically. Customers get up-to-date information and the content is made available for Google to advertise your product.

SMART STEP 4 Rework & innovate.

I'm sure that many of you would agree that the return on traditional advertising such as TV, radio and newspaper, has been declining. Countless furniture businesses still spend money on the same old advertising media while their traffic and sales have declined. I've also seen some businesses innovate themselves and get a higher ROI on their advertising. This is

e-tail MANAGEMENT

due to the fact that consumers' focus has shifted - to internet media. Retail and etail are merging together as one.

Retailers that have grown the most over that past 10 years are those that have innovated on the web. A prime example of an inventory carrying retailer that has succeeded is Zappos. It has grown to over a billion dollars in sales while others have shrunk. There are two critical transitions that led to Zappo's success. One is that they reworked their business model and web site to display only in-stock inventory. Initially, this decreased the amount of products and vendors shown. However, it assisted their customers by focusing them on what was available for immediate sale. Zappo's sales tripled after they started carrying and showing the right inventory on their e -tail site. The second transition was that Zappo's changed their core business values, establishing an out of this world customer service model. The words "WOW" and "delivering happiness" are infused throughout their entire organization.

Great retailers like Zappos continually rework themselves and innovate. This is why they grow and prosper. If you haven't made a similar change to your business and advertising models, now is the time to do so.

SMART STEP 5 Touch your audience.

The more often you "touch" your customers with value, the higher your sales will be. This makes happy customers. Communicating with value means: helping them to navigate the various steps of their shopping experience. You make their buying decision easier by helping, rather than selling. If you do this, your





Michigan retailer Art Van's room planner at www.artvan.com.

"Mrs. Smith discusses the room with her husband. They are not sure how the items will look or fit. So, they go back to your online store. They use your room planner to get a better idea."

customers will become your friends. Your friends will advertise for you for FREE. They use the best media ever: word-of-mouth advertising.

There are some really fantastic ways that you can use your web based inventory system to help you accomplish this. To demonstrate how you can touch your audience with value, follow this scenario:

- Mrs. Smith is sitting in her home office. She thinks that she would like a more stylish look. Like that one she saw on her favorite TV show. She starts to look around – at friend's houses, at various stores, and through general web browsing.
- Mrs. Smith googles the specific brands, models, styles of desks that she likes.
- She finds one exact desk displayed on your e-tail site listed on the first page of Google. (value touch 1)
- She clicks the link. She is taken directly to that desk's individual landing page in your e-tail store. (value touch 2)
- Mrs. Smith sees the related items (bookshelf, chair, and lamp) that go with the desk. **(value touch 3)**
- She then has a question about the type of wood that the desk is made of. She clicks on your live chat button. She is connected instantly to a customer service representative at your store. In another minute she has her question answered – solid wood mahogany. (value touch 4)
- She is not ready to buy yet. She

wants to get a list of pricing for all the pieces (the desk, bookshelf, lamp, and chair) so that she can discuss it with her husband. She adds all the items to your online wish list. Then she prints out her "quote". (value touch 5)

- Mrs. Smith discusses the room with her husband. They are not sure how the items will look or fit. So, they go back to your online store. They use your room planner to get a better idea. They then print the diagram out. (value touch 6)
- Mrs. Smith signs up to your VIP email list on your site in case you have any upcoming sales. She would also like to check out your e-newsletter.
- Mr. and Mrs. Smith have some final questions on the delivery or pick up service. They easily find your telephone number and email listed on every page of your site. They call your customer service number and talk to a designer, Lynne. Lynne helps them with the final information that they need. Lynne offers to email them the info, as well, so she gets their contact info while on the telephone. (value touch 7)
- Lynne sends a thank you email to Mrs. Smith, recaps the telephone call, and gives the hours that she is working. She invites them to drop by or call again. (value touch 8)
- Mr. and Mrs. Smith go on vacation and forget all about their home office and your store for a couple of weeks.
- You send out a monthly follow-up

email to Lynne's customers with open quotes/wish lists. Mrs. Smith gets this reminder. It contains a 5% off offer valid for one month. Mrs. Smith prints out that email. (value touch 9)

- The Smiths get all their paperwork together and visit your physical store. They ask for Lynne, by name. (value touch 10)
- Lynne and the Smiths discuss the room. They review the room plan (online at your store if needed). They look at the actual product. The sale is completed. **(value touch 11)**
- After the merchandise is delivered you email your daily customer satisfaction surveys. Mr. and Mrs. Smith receive theirs. The Smith's are happy. (value touch 12)

Today, consumers initiate their shopping experience. They start with Google. If they find you, you have a chance of getting their business. If they do not find you on Google, you are invisible. If you give them information and "WOW" them, your word-of-mouth advertising will sky rocket.

Use these 5 SMART Steps of e-tail Inventory Management to help you achieve higher traffic and a better return on your inventory and advertising investment.

David McMahon is a management consultant for PROFITconsulting, a division of PROFITsystems, Inc. For a complimentary discussion and demonstration of how you can become a better retailer and e-tailer, contact David at davidm@profitsystems.com.

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Outlook For Furniture Industry **TRANSPORTATION 2011**

There will be significant challenges for furniture transportation in 2011 and beyond.

Delivery, Warehousing, Logistics by Dan Bolger

Significant changes have taken place in furniture transportation during recent years and there are plenty of challenges ahead for furniture retailers in 2011 and beyond. These have manifested in the areas of ocean freight for imports, inbound domestic transportation from manufacturers/distributors, and outbound delivery to retail customers. It will be no surprise to most retailers that transportation will be more expensive; yet concerted efforts on your part, combined with working with your suppliers can effectively minimize the impact.

Before getting into specific steps you can take to make your transportation activities more efficient in 2011, it will be useful to give some definitions.

The USA trucking industry is composed of for-hire carriers and private fleets.

Private Fleets: Private fleets continue to represent the largest sector of the trucking industry. About 200,000 companies (not including farmers) have private fleets as part of their primary business. Approximately 150,000 private fleets have fewer than ten power units. Many of these fleets now also back haul freight for others to reduce empty miles and overall costs.

For Hire Truckload Carriers: For-hire truckload carriers have total revenues of 250-300 billion dollars annually. The industry is highly fragmented and includes companies such as J.B. Hunt, Schneider National, Werner Enterprises, Landstar, Heartland Express, Knight Transportation, Covenant Transport, US Xpress, USA Truck, Celadon. Less than 10% are publicly held companies. Most operate less than 100 trucks and 96% of the for-hire carriers operate less than 20 trucks.

LTL Carriers: The Less-Than-Truckload (LTL) segment is dominated by approximately 25 carriers sharing more than 90% of the market. Major names include: FedEx Freight, YRC National/ Regional, Con-Way Freight, UPS Freight, ABF Freight System, Old Dominion Freight Line, Estes Express and Saia. More than 60% of the capacity is with publicly held carriers whose hub and spoke operations result in significant fixed costs. Together they handle a relatively small portion of furniture shipments, but handle a significant portion of the accessories and skidded freight that doesn't come by parcel companies such as UPS and FedEx ground.

Intermodal Transport: The transfer of products involving multiple modes of transportation is a mix of railroad suppli-

"Deferred maintenance must be done, equipment must be replaced and driver recruits must be found and trained. Everything from tires to road tolls will be higher."

Weekly U.S. On-Highway Diesel Prices

June 2008- December 2010



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\$3.248
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\$3.205
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"The national trend for larger furniture retailers is clearly to outsource deliveries."

ers, consolidators and for hire motor carriers such as JB Hunt and Schneider. Intermodal involves both domestic freight and the imported products coming to North America from offshore. The ultimate consumer does not care whether their furniture is delivered by intermodal transport or by any other means, but a better understanding on your part will help you to manage your business more profitability.

Diminished capacity: For several years the USA transportation industry has been reducing capacity. Commercial and private fleets have scrapped older trucks and many vintage trucks have been exported. Until the middle of 2010's 4th guarter, orders for new trucks and trailers have been very low. In fact, the nation has less overall capacity than two years ago and there were spot shortages throughout 2010 that will continue into 2011. The for-hire carriers are wary of expanding their fleets out of fear of another business downtown. Another fear is recent new government regulations will reduce the driver pool by the equivalent of 400,000 drivers.

Sticker Shock: If you have not purchased or leased new trucks for a while, be prepared for sticker shock. There have been three EPA regulatory updates since 2004. These changes and related costs associated with compliance have boosted the typical straight 24-26 ft. medium duty delivery truck price from \$65,000 to the mid \$80,000 range. Generic linehaul tractors to pull your trailers that cost \$95,000 in 2004 are now approaching \$117,000. And those costs don't include the 12% federal excise tax. There are lots of bells and whistles on the new trucks that are all very good but they also require more sophisticated maintenance. Leasing: You may be at the point where you must replace or expand your fleet. Many retailers providing their own deliveries are turning to truck leasing for several reasons. The large leasing companies' bulk buying leverage is a major advantage. In addition, leasing allows retailers some freedom from handling maintenance and repair problems. A pleasant surprise to some recent buyers is the amount of prior year new unlicensed trucks still on dealer lots.

Outsourcing Trends: Outsourcing your delivery is also an option. This topic is beyond the scope of this update but has been actively reviewed by many retailers. The national trend among larger home furnishings retailers is clearly to outsource deliveries. Some have opted to use a hybrid system, contracting for line-haul between major markets from a central distribution center to regional delivery centers.

Ocean Freight: During the economic downturn the ocean carriers removed many ships from service and slowed the speed of operating vessels to cut costs. Some capacity has been restored but all indications are that the ocean carriers will keep a tight rein on capacity throughout 2011. Significant changes are expected with the Panama Canal expansion opening in 2014. This will allow larger ships to deliver Asian cargo to deep East Coast ports.

Domestic intermodal volume is running well ahead of last year with high demand for 53 ft. containers and chassis. The Union Pacific recently announced their purchase of 9,000 plus units for this demand. Consolidators are also adding units to handle expected volume increases, potential driver shortages and higher fuel costs.

PRICING TRENDS FOR 2011

In 2011, regardless of mode, fleet operators will face extreme cost pressures. Deferred maintenance must be done, equipment must be replaced and driver recruits must be found and trained. Everything from tires to road tolls will be higher.

Carriers that serve furniture clients are tracking their costs better than ever before. If you delay loading and unloading, demand that they hire lumpers, don't package to minimize damage or don't palletize when possible, the added costs will be incorporated into the operating ratio. Ultimately you will have to pay.

LTL carriers have published General Rate Increases (GRI) in the 5 to 7% range. Particular emphasis has been placed to increase minimum charges. Charges in the \$40-50 range are increasingly rare.

FedEx and UPS published new rates effective January 4th. Their announcements indicate an average increase of 4.9% but analysts believe it is in the 7.5% range for most shippers due to increased minimum charges, new residential delivery charges and changing the dim weight formula.

Daniel Bolger P.E. provides operations consulting services to clients throughout North America. FURNITURE WORLD Magazine readers can contact him at bolger@furninfo.com or phone 740-503-8875. For more information on transportation, logistics and furniture warehousing topics, go to FURNITURE WORLD Magazine's website www.furninfo.com to read all of Dan's articles.

Dan will be speaking at Las Vegas and is available for consultations during Market by appointment.



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Nine Lessons On Proper Use Of **RETAIL AUTHORITY**

Here's how to use your authority in a way that produces true leadership. by David Lively

our men stand chatting causally in a golf club locker room after their round of 18 holes when a ringing phone interrupts their conversation.

"Sure, I can talk," says the man who answers the call. "You're out shopping? That's nice."

His eavesdropping friends smile knowingly at each other.

"You want to buy that new living room and dining room group? Okay... and they'll include the custom rug for an extra five thousand? Sure, why not?"

The grins grow wider among the listeners.

"You want to book a week-long vacation in Hilton Head? What's that, they're holding the price at ten thousand? Sounds like a bargain to me! Let's go for two weeks instead!"

Slowly, the smiles fade to expressions of envy.

"And you want to give the builder the go-ahead for the new outdoor kitchen and pool? Fifty-five thousand if we say yes today? Sounds fair... sure, that's fine."

The listeners exchange glances of amazement.

"Okay, honey, see you later. I love you, too," says the man as he ends the call.

He looks slyly at his friends and asks, "Whose phone is this, anyhow?"

WHO'S IN CHARGE HERE?

Perhaps you can recall a time when, like the man in the story above, someone claimed authority and made decisions outside his or her jurisdiction. Stepping outside the bounds of principled leadership can cause costly mistakes and injure relationships. This occurs all the time in furniture stores between parents and their children, and between bosses and The boss is the guy who signs their employees. Abuse of authority can be blatant as in the story at the beginthe checks follow me or find ning of this article, or so subtle that the person in authority may be totally unaware of any abuse. Yet when abuse occurs, it almost always leads to a crisis of leadership. That's why it is important for furniture store owners and top managers to think about the lessons covered in this article.

While there is a need for authority whenever a group of people come together to achieve something together, authority should not be used to manipulate or control. Nor should it relegate people to drones.

Each of the nine lessons that follow point to two basic truths. The first is that principled leadership must be used to serve the people who are being led. The second truth is that in order to gain the authority to lead, an effective leader must first submit to a greater set of principles.

Only to the degree that we submit to some principled rules of authority can we truely lead. For example, a policeman must first submit to the law before he can gain authority. For a military officer to gain authority, he or she must first submit

"Author John Maxwell says that a leader without followers is simply a man taking a walk."

"It's evident that those who attempt to operate in authority without coming under the authority of others are both illegitimate and dangerous."



to those of greater rank. Finally, we've seen that business leaders must submit authority to their boards, boards must represent the stock holders, and companies must serve their customers and the greater good. Failure to do so resulted in the Great Recession we've witnessed for the last two plus years. It's evident that those who attempt to operate in authority without coming under the authority of others are both illegitimate and dangerous. Lesson #1: Balance Responsibility and Authority: The measure of a person's authority is in direct proportion to his or her responsibility. For instance, little responsibility means little authority and a lot of responsibility equals a lot of authority. Authority without responsibility is frightening because someone has authority to take action without responsibility for the consequences. Responsibility without authority is frustrating. It is frustrating when a person has responsibility to perform a task without being given the necessary authority to complete their assignment. There should be a balance of both in your organization.

Lesson #2: Submission must be voluntarily: Author John Maxwell says that a leader without followers is simply a man taking a walk. Wise leaders remain careful not to demand submission from their followers. They understand that





obedience works best when it is a voluntary act. Once people recognize the trustworthiness of the leader due to his or her wisdom, caring nature, authenticity and competency, they will more than likely follow. People search for such leaders! Leaders should not force, coerce or manipulate a person to follow them; which leads to the next point...

Lesson #3: Authority is received, not taken: Like the golfer who grabbed the wrong phone, taking authority is to assume a position with or without recognition from others. Instead, a better way to step into a place of authority is to receive it. But where does authority come from? It comes from those in front of you and/or from those behind you. Those in front of you are your leaders who can delegate authority to you. Authority can also be granted from those following you. You need this bi-directional confirmation from leaders and followers if you expect to move things ahead with legitimate authority.

Lesson #4: Authority is to protect and to serve: Like it says on the side of many police vehicles, authority is 'To Protect and to Serve.' Authority should only be used to protect and to serve the people who are following the leader. Any other use of authority to control and manipulate people or to sing the praises of the leader is unethical. Too many ego-centric leaders in our industry use their positions to gain influence and prestige for themselves. When this happens, people become stepping stones to fulfill the leader's vision for his or her career while the people are left out in the cold with no vision that serves them.

Lesson #5: Those in authority will be judged with a greater judgment: If authority means responsibility, then responsibility means judgment. Those who accept authority to lead people should not be surprised when criticism is hurled at them. Nor should they forget that those in authority are held to a higher standard.

Lesson #6: Authority has limits: Just because a person has authority doesn't mean that it is unlimited. Leaders must locate the boundaries of their responsibility and operate within that sphere. Many problems have been created in furniture organizations where boundaries were either not clearly stated or were violated. It is also true that store owners and managers, out of fear or timidity, abdicate their responsibility to exercise adequate authority. This can result in employees who are not arounded in these nine lessons, stepping in to fill a leadership vacuum, with negative consequences.

Lesson #7: The position can be more important than perfection: An executive position carries the weight of authority even when the person filling that position is flawed. This is a tough idea for many people in our society to understand. By honoring and respecting the position regardless of who fills it, employees can benefit themselves and

Principled Authority Is...

- A delivery manager who tells the salesperson about problems with an order.
- A company president who cares about the goals and desires of individual employees.
- A CEO who submits to his Board of Directors.
- A sales manager who doesn't play favorites.
- A salesperson who turns over a customer when they ask for someone else.
- An office manager who shares recognition for a successful new idea.
- A store manager who makes sure every department is treated fairly.
- A president who casts a vision for a new store opening.
- A sales manager who accepts criticism from a salesperson.

Unprincipled Authority is...

- A sales manager who tries to throw her weight around on the dock.
- A salesperson who manipulates a store's ups system for her own benefit.
- A delivery manager who lies about why the truck is late.
- A driver who doesn't take care of the truck.
- A CEO who makes employees afraid that they will lose their jobs
- A salesperson who posts uncomplimentary information about management on industry websites.
- An office manager who doesn't train people on new systems.
- A president who takes off every afternoon to go golfing.

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RETAIL AUTHORITY

their organizations. This concept cuts both ways. Just as people in authority should strive to earn the right to lead, so should people whose job it is to submit to authority, recognize their responsibility to, within limits, respect and honor the position a person in authority represents.



Lesson #8: Authority should always follow the good parenting model: Being a good parent can teach us more about the proper exercise of authority than any other experience. Parents who truly love their children use their authority to protect and to serve them. They would give their lives to protect their children and exhaust themselves in serving them, hoping that their children will accomplish more than they did.

Lesson #9: Follow the Road to Magnificence: I recently visited Mudd Advertising in Cedar Falls, Iowa, one of the nation's largest family owned advertising agencies and audio-visual production houses. The company employs more than 150 talented, dedicated and passionate individuals who love it when their customers succeed.

The three-story atrium in the lobby at Mudd Advertising is dominated by a quote painted on the wall behind the receptionist. It is signed by Ken Blanchard, author of business bestsellers The One Minute Manager, Leading At A Higher Level, and his newest book, "Who Killed Change?" Blanchard wrote:

"I think people want to be magnificent. It is the job of the leader to bring out that magnificence in people and to create an environment where they feel safe and supported and ready to do the best job possible in accomplishing key goals. This responsibility is a sacred trust that should not be violated. The opportunity to guide others to their fullest potential should not be taken lightly. As leaders, we hold the lives of others in our hands. These hands need to be gentle and caring and always available for support."

This is the true role of authority in an organization, whether it is a family or a family business.

David Lively, partner at The Lively Merchant, has over 20 years hands-on experience in the home furnishings industry, from the warehouse to the sales floor to the boardroom. He has walked the walk and talked the talk from the family-owned, single-site store to the multi-state, multi-million dollar operation; from sales training to computer programming; from warehouse construction and operations to financial management; from new store construction to complete renovation. Twice named to the "Beyond the Top 100" list of independent retailers and 1997 "Ohio Retailer of the Year,"

David's wisdom was won on the front lines of a furniture store and his battle scars have given him compassion for counseling today's retail warrior. David's experience has led him to address the issues of the transfer of authority, responsibility and wealth from one furniture store generation to the next. The surviv-



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Read more of David Lively's articles posted to the furninfo.com website. You can reach him by calling 740.415.3192 or email him at davidL@furninfo.com. David has offered free phone consultations to any FURNITURE WORLD readers who would like to talk about topics related to family business transition.



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Mark Collard on his Larry Mullins Promotion: "1 out of 3 sales went to someone who had never bought from us before."



"After much research and fact checking I decided to run a Larry Mullins event. Being a retailer with a 62 year history of integrity to protect, the event had to be honest and professional. I was impressed with the support from Larry and his office staff. The event calendar made it easy to follow and understand, and everything went off without a hitch. Needless to say it was a great sale. Most importantly, Larry's advertising methods brought new customers into the store. One out of three sales went to someone who had never bought from us before.

Thanks Larry, great work!!!" Mark Collard, Owner and CEO Blackfoot Appliance & Furniture, Blackfoot, Idaho



"Dear Larry and Staff,

Thank you for providing us with a very successful sales event. It exceeded our expectations greatly. Larry we are so appreciative that in this day of seventy, eighty, ninety and one hundred twenty percent off sales, you respected the integrity of our organization and provided a very legitimate savings event. You proved to us that your company is a very reputable and honest one. We appreciate that. You can be assured Larry, we will be contacting you with next year's advertising schedule to work with you on another program. Our sincere thanks."

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