# Hardware JOURNAL

THE VOICE OF THE IRISH HARDWARE INDUSTRY



#### Paint — Push the Brush!

In part two of our paint series Sean Browne says "don't just stock paint ... sell colour ... sell rooms ... sell happy homes"

#### **Outdoor Living**

David Shortall, Chairman, Garden & Landscape Designers Association, tells hardware retailers how to exploit sales potential in outdoor living.

#### **HAI Show Spectacular**

Spectacular HAI Hardware/DIY Home Garden Show 2013 worthy of industry's new-found sense of confidence, and reflects optimism within the sector.

#### **View From Abroad**

Alan Hawkins, CEO, British Independent Retailers Association (BIRA) explains why the three 'Ps' are so important to hardware retailing in the UK.

#### **Better Business**

Consultant James Burke advises on simple, cost-effective, ways to drive local sales.



## CELEBRATING FOUR DECADES OF INNOVATION IN THE IRISH HARDWARE INDUSTRY

#### NEW EXCITING RANGES





Marketing & Distribution by B&G Limited, Dublin, Ireland. Phone:+ 353(0)14569300 Fax:+353(0)14569335 info@bghome.ie

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#### Think 'month behind' in seasonal sales

■hile there is no denying the challenging trading environment of the present, all is not doom and gloom. There are two significant factors currently affecting sales – the weather and the impact of the austerity programme Ireland has undertaken (or been forced to!). Either way both have had a negative effect.

However, let's take the weather first. It has certainly affected the traditional sales curve of seasonal product groups but this is best viewed in the context of delayed sales rather than lost sales. Instead, think of the seasons as being a month behind and devise a strategy to cope with that.

Some of the leading product suppliers have already done this. Rather than run planned advertising and marketing campaigns when originally intended, they have pushed them back a month – not pulled them. Retailers too need to quick-step to a revised approach, not concede. It will happen.

The same applies on the general economic front. Having embraced the austerity package so comprehensively (if not enthusiastically), the indications from the EU Central Bank and other influencing bodies is that Ireland in particular will now be cut some slack.

Hopefully, this will allow a flow of funds back into the marketplace, which in turn will ease the austerity outlook and generate sales. It could also release the pent-up sales potential from the significant savings held on deposit.

Of course it is still very challenging in the marketplace but, rather than dwell on those aspects, let's look to the positives and work together to maximise the return.

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A bulletin board for HAI members.

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Pressline Ltd t: 01 288 5001

#### Subscription

One Year - €50

#### Official journal of



#### Published by

The Hardware Journal Ltd Flmville Upper Kilmacud Road Dublin 14 t: 01 298 0969 e: jim@hardwareassociation.ie w: www.hardwareassociation.ie

ISSN 2009-5481

© All editorial contents and all advertisements prepared by the publishers, The Hardware Journal Ltd.

## News & PRODUCTS

#### HAI members pilot eLearning scheme

A group of 19 retail professionals from Hardware Association Ireland member-companies are the first students in Ireland to complete a new retail qualification by City & Guilds. This was a pilot course presented via eLearning with Minister for Training and Skills, Ciarán Cannon, TD, presiding at the award ceremony.

This event marked the formal launch of the online delivery of the City & Guilds Retail Knowledge Qualification, which was developed by the Retail Training Consultancy Ltd (RTCL) and part funded by MBE Skillnets.

The candidates were from a range of well-known Irish businesses such as the Dairygold Group, Heitons Steel, Chadwicks and Sheahans Hardware, Nenagh. They included store managers and sales assistants with a diverse educational background and varying age profile.

Funding for retail sector participants was provided by MBE Skillnet. Jim Copeland, CEO Hardware Association Ireland and MBE Skillnet Steering Committee Member said: "MBE Skillnet was pivotal in securing the funding for participants on this pilot course that will now be available to all members in 2013. In addition to the Retail Selling module, Customer Service and Visual Merchandising will be included going forward".

Also speaking at the award ceremony, Brid Healy, City & Guilds Regional Manager (Europe) stated; "A reduction in staff numbers on the ground in the retail sector has made releasing employees for off-site training virtually impossible. One of the many benefits of this qualification is that it allows staff to obtain a valuable qualification outside of working hours."



Paudie O'Brien, Sheahan's, Nenagh with Minister for Training and Skills Ciarán Cannon, TD.



Cathriona Lonergan, Co-Op SuperStores and Fiona Moore, HR Officer, Dairygold with Minister for Training and Skills Ciarán Cannon.



Back row: Brian Doherty, Chadwicks with Paul Meade and David McAvinue, Helton Steel. Front row: Tadhg Denieffe, Heiton Steel with Lina Sturyte, Chadwicks Plumb Centre; Minister for Training and Skills Ciarán Cannon, TD, and Carmel O'Flaherty, Chadwicks.

### News & PRODUCTS

#### Multi-Clean7 foaming spray cleaner from Contech

Multi-Clean7 is a new universal, all-purpose fast-acting cleaner for household and professional use from Contech Building Products. The foaming spray cleaner cleans and degreases without leaving traces, contains no abrasives, and comes in a 500ml size.

It is safe to use on a wide range of materials – mirrors, windows, doors, furniture, imitation leather, hard synthetics, stainless steel, enamel, formica tiles, carpeting etc - and will undoubtedly prove a popular seller. It is said to be particularly effective on rubber residues, dirt, grease, nicotine, pencil marks, etc.

Also new from Contech is Tec7 filler. Benefits include:

- Adhesion to all porous materials;
- Fill and finish with a single product;

Dries without shrinking or cracking;

· Lightweight and snow white;

- Quick drying;
- Flexible and will not crack;
- · Long shelflife, lasts up to 24 months even when opened.



Tel: 01 – 629 2963; email: andrew@contechbuildings.ie; ww.tec7.ie

B&G celebrates 40 years



Paddy Kelly, HAI President looks on as Adrian Carolan, Managing Director, B&G, makes a presentation to B&G founders Robert Bell and Tom Glancy to mark the company's 40th anniverary.

#### **FAKRO**



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www.fakro.com



#### Rustins new decking colours

Rustins has added Natural Pine, Natural Cedar and Natural Oak to its decking oil range. These hard-wearing, water-resistant oils not only enhance the colour of decking,

> but also leave a natural finish. They contain ultra violet light inhibitors, plus biocide that protects the oil against mould and algae growth.



It is available in 2.5ltr and 5ltr sizes, in Clear, Natural Pine, Natural Cedar and Natural Oak. Also new from Rustins is Sticky-Off, a sticky adhesive remover available in a handy pump-spray bottle. It is perfect for tackling the residue left by gum, glue, labels, tape and adhesives from surfaces such as glass, plastic, metal, wood, worktops and clothes. It comes in 60ml and 100ml pump spray bottles.

Brush Restorer is another addition to the Rustin portfolio. It removes dried-in paint, varnish and polyurethane from brushes and rollers.

Contact: Excellence Ltd. Tel: 01 – 832 3300; email: pnicholson@excellence.ie; www.excellence.ie

#### National Retail Crime Conference

The National Retail Crime Conference will hold its inaugural event on 20 June 2013 at The Red Cow Moran Hotel.

This conference will offer retailers, loss-prevention specialists and security professionals the opportunity to come together for networking and information sharing, and to gain intelligence on crime within the retail industry.

Speakers on the day will include noted professionals with first-hand experience in retail, supply chain and E crime loss and profit protection.

Contact: Karen McNevin, Conference Director. Tel: 01 – 291 0999; email: karen@nrcc.ie

#### **Fcocem Ireland** appoints O'Riain

**Ecocem Ireland has** appointed Conor O'Riain as the company's Head of New Products and Markets. This is a new role which will see Conor develop the export markets for Ecocem's product range in Europe and further afield, as well as sales and project management.



Conor will be primarily responsible for all new product development at Ecocem Ireland, which includes the new 25kg consumer-sized bag of Ecocem cement, due to be officially launched into the Irish market later this month.

Conor is based in Dublin but has also lived and worked in France, England and Spain. Conor holds a BA Honours Degree in Professional Language Studies and is fluent in French and Spanish.

#### McMahons uplift

As part of its determination to better serve its growing customer base McMahons of Limerick recently took



delivery of seven new forklift trucks. "This is a commitment in our future progression for our branch network", said Mark McMahon, Managing Director, McMahon Group. Pictured as the forklifts arrived were Pat Collins.

Operation Manager, and Mark Mc Mahon, Managing Director, McMahon Group with Wayne Uzell, National Sales Manager, Irish Lift Trucks.

#### Polyfilla spray takes top award

Polycell has been delivering high quality pre-decoration products through end-user focused innovations since 1953, allowing DIYers to take pride in a perfect finish. Polycell has now introduced a revolutionary new product - Polycell Quick Drying Polyfilla Spray

- which won overall Best DIY/Hardware Product Award at the recent Hardware/DIY Home & Garden Show (see also page 16).

This product offers a unique application method that makes repairing hairline cracks and minor surface imperfections on smooth interior walls fast and easy. The Polyfilla Spray has been specially developed to provide a less-mess formulation – simply spray it on and smooth off with no need to sand. It can be painted over within two minutes.

The ease with which this product it applied is the perfect solution for today's DIYer who often lacks the skill needed when applying traditional fillers. Speak to your local Dulux sales rep for more information about this award-winning product.

Contact: Dulux, Dublin 24. Tel: 01 - 455 6099; email: marketing@dulux.ie; Website: www.dulux.ie





MULTI-GLEAN

#### NEW

## Unique All Purpose Foaming Spray Cleaner

- Universal, all-purpose, fast-acting cleaner for household and professional use
- Cleans and degreases without leaving traces
- Contains no abrasives
- Visible action by foam format
- Safe to use on wide range of materials such as mirrors, windows, doors, furniture, imitation leather, hard synthetics, stainless steel, enamel, plastic, Formica tiles, carpeting etc.

(Always test on sensitive surfaces before use)

Very effectice on rubber residues, dirt, grease, nicotine, pencil marks etc.



Unique all purpor

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and industry









#### Fleetwood takes guesswork out of colour coordination

"Popular Colours by Fleetwood takes the guesswork out of coordinating colours and gives consumers the confidence and inspiration to show off their personal colour style," says Steven McQuillan, Marketing Manager for Fleetwood.



"Homeowners can focus on the look they want to achieve, and we'll suggest the best colour choices.

"Colours within each of the five Popular Colours collections work beautifully together, no matter how many or how few are selected. We suggest cues to pull the hues into window treatments, textiles and decorative accessories, or to update the look of furniture."

The interior acrylic paint, manufactured by Fleetwood, is available in any finish including matt, soft sheen, satin and gloss finishes. It also carries the

100% Acrylic seal that marks the company's high-quality, environmentally-preferred coatings.

The colour collections are: Neutral Nuance, Traditional Twist, Personal Imprint, Livable Luxury, and Coastal Fusion.

Personal Imprint comprises colours that reflect an upbeat passion for life. Vibrant brights and high-contrast neutrals showcase artistic flair while not so bold consumers can integrate schemes of greys and browns.

Meanwhile, Neutral Nuance is made up of understated, authentic neutrals combined with the softest hints of colour to create a quiet, understated atmosphere. For easy, harmonious arrangements, these subtle colours are hard to beat.

Contact: Steven McOuillan. Fleetwood Paints. Tel: 01 – 455 2411; email: steven@fleetwood.ie: www.fleetwood.ie



#### Multi-colour primer solutions from Lowe

Right from when Curust Industries first commenced production in Dublin in the early 1980s, the name Lowe became synonymous with rust prevention throughout Ireland. A unique feature at the time was that it could be painted straight onto rust and was lead-free.

These attributes, together with its versatility and ease of use, saw Lowe guickly gain brand-leader status in rust prevention with people using it on cars, gates, machinery, boats and anywhere that rust was a problem.

Growth over the next decade was such that the

existing manufacturing plant could no longer meet demand and so production was outsourced. Product quality was ensured by the strict adherence to the original formula.



Although "tile red" was the dominant colour at the time

and Lowe Rust Primer did not require an

over-coat, users of the product wanted to be able to over-coat to a colour of their choice. "Dove grey" was the solution offered and sales grew rapidly.

In more recent times Curust Industries has invested further in the brand and introduced seven new colours of Lowe metal and machinery paint.

Meanwhile, the original formula of Lowe Rust Primer was changed slightly to facilitate the addition of gloss resins and colour pigment. The result is a high-quality rust primer with an attractive smooth mid-gloss finish in black, white, red, yellow, green, blue and slate grey.

Contact: Richard Brocklesby, Curust Industries. Tel: 01 - 276 0800; email: info@curust.ie

#### UK trend to be wary of ...

Almost a third of UK shoppers have bought gardening equipment and DIY tools from a supermarket, according to new research conducted by Santander.

The report shows that 16% of shoppers (eight million) now use supermarkets as one-stop shops to purchase all their non-food items, as well as food products.

Nearly three-quarters (72%) of shoppers have bought clothing and accessories from a supermarket retailer, and CDs, DVDs or video games are the second most common non-food purchase, bought by 67%.

The same number have bought household electrical appliances, 42% have purchased toys, and 32% gardening equipment and DIY tools.



Because it's what's inside the tin that counts

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#### HARDWARE **ASSOCIATION** IRELAND

#### **Hardware Sector Champion**

Hardware Association Ireland (HAI) is the national sales association representing hardware, DIY, home décor, building supplies, electrical, homewares, garden and agricultural sectors. It is quite unique in that it includes all elements of the supply chain - retail, wholesale and manufacturer.

It is regularly consulted by Government, regulatory bodies, consumer groups and other industry representative associations.

#### Contact:

Jim Copeland, HAI Chief Executive Tel: 01 - 298 0969 Email: jim@hardwareassociation.ie

#### The spec is high, when the paint is...





#### Sandtex First Impressions support Saints

#### **Sandtex Exterior Paints**

has renewed its sponsorship of St Patrick's Athletic Football Club for the 2013 season. Sandtex has been supporting the club for many years and this sponsorship will see its logo on the shoulders of the Premier League team's kit



for the ninth year in a row.

On the product front Sandtex has introduced a host of new trim colours in gloss and satin finishes. There are new colours in 10-Year Exterior Gloss and 10-Year Exterior Satin which protect as well as transform; shades like Smokey Grey and Teal in a gloss finish that give a stylish and sophisticated appearance; and Gentle Blue, Soft Cream and Black in a low-sheen satin finish that will revitalise windows, doors and shutters.

Speaking about the new card, Crown Paints Marketing Controller, Kevin Whelan said: "People start to take a renewed interest in the front of their home once the



#### Sandtex Hot Mustard.

weather picks up and Sandtex always strives to bring the colours from the catwalk straight to the forefront of consumer's homes. Blue and green, along with more standard shades like cream and black, are always our most popular and these new offerings will add to the existing colour palette".

Contact: Crown Paints. Tel: 01 - 816 4400; email: infor@crownpaints.ie; www.crownpaints.ie; Crown Ireland Facebook page.

#### Fakro opens showroom and training centre

Fakro roof windows were introduced to the Irish market in early 2000 as Fakro and Tradecraft Building Products formed a partnership to market and distribute the brand throughout Ireland. Since then the portfolio has been considerably expanded and now includes a full range of loft ladders,

> breathable roof membranes, flexible and rigid sun tunnels, and solar panels.



and roofing contractors, in addition to the general public.

Fakro's commitment to the Irish market is

further exemplified by the investment policy it has pursued to acquire the Irish Agrement Board (IAB) and British Board of Agrement (BBA) accreditation across its various product ranges. This ensures that all Fakrobranded products are in full compliance with the latest Building Regulations throughout the whole of Ireland.

The partnership-driven model operated by Fakro and Tradecraft Building Products has proved extremely successful as both companies merge their sales, marketing and technical expertise for the benefit of the Fakro Brand in Ireland. That will now be brought to bear as further new products are introduced within the roof window, loft ladder, sun tunnel, roof membrane and solar panel sectors in the months ahead.

Contact: Dermot Foster, Tradecraft Building Products. Tel: 01 - 045 409 050; email: dermotfoster@tradecraft.ie: www.tradecraft.ie

#### Global DIY-Summit 2013 for Rome

The Global DIY-Summit 2013 will be held in Rome on 6/7 June 2013 with about 600 delegates from around the world expected to attend. The main theme of this year's event is Multi-Channel.

Multi-Channel is rapidly changing the face of home improvement retailing with online sales heading towards 10% of sales and with huge increases expected. Some experts predict that within a decade multi-channel sales in retailing could be as high as 30% of total sales.

Top experts on multi-channel, as well as top retailers and leading brand suppliers operating around the world, will give their views on multi-channel.

For details click: http://fekongress.cvent.com/globaldiysummit

# THE HARDWARE JOURNAL CVIRWE

#### Feargal Quinn's

#### Mind your Own Business

Having read Feargal Quinn's earlier book Crowning the Customer, and being an avid viewer of Retail Therapy, I knew a little of what to expect from Feargal's new publication Mind your Own Business. This is not just a holiday read, it is one that any retailer should keep as an ongoing reference book, writes Jim Copeland, HAI Chief Executive.

Feargal has always spoken about the importance of setting the tone. In this book setting the tone, daring to be different - and humour - come shining through. It is telling that, while he advocates allowing colleagues the space to introduce individual initiatives, it is also vitally important that overiding procedures and processes are in place.

Feargal recounts what he calls the "McDonald's Approach". Everything at the fast food operator is systemised, right down to the way customers are greeted. The company has rules to cover almost every eventuality, and all the staff have to do is carry them out.

However, Feargal goes on to expound that any business looking to truly excel should always be looking further than this. If you have the right approach to basic standards, they can be a springboard to real and lasting success, no matter the prevailing economic conditions.

One of Feargal's great strengths throughout the book is making retail concepts easy to digest and easily understood. His intriguing chapter title of TOGs, DOGs, and HOGs is a great example of how procedures and processes within a business can be accommodated simply, but have the potential to have a major impact.

#### **TOGs**

When Feargal opened his Superguinn store in Dundalk in the 1960s, he describes how he and his staff spent the first three days of the week getting the shop ready for a busy weekend and, on Thursday evening, they wouldn't go home until the shop floor was in great nick. They used a check list called the Thursday Order Guide (TOG). However, as the company began to grow and his customers expected more, they soon found that having the shop in a good state once a week was no longer good enough.

#### **DOGs**

This is where the Daily Order Guide (DOG) was introduced to ensure that certain basic standards were being met on a daily basis too. The beauty of this was that there was just six points on it and was very simple to use. As the success of these guides spread throughout the organisation, it was inevitable that the next variation arrived.

#### **HOGs**

Although the shop floor could be ready at 9am through the use of a DOG, it could be in disarray by 2pm, and this was when the DOGs "younger brother", the HOG – Hourly Order Guide – was born. Feargal accredits this as having transformed the way that Superguinn operated.

The key to TOGs, DOGs, and HOGs were that they were very simple to understand. Despite being guite detailed, they set out the things that must happen, as a matter of course - no discussion, no initiative, no creativity, the message to the staff was clear. These checklists had to be addressed, just as a pilot does before take-off!

The other key message from Feargal's new book is that retailers need their stores to become a "destination outlet" for customers. Make one or more of your products/services so appealing that even the most reluctant shopper is won over.

Creating a sense of excitement around your business, ensuring that you continue to be the best at what you do - and telling people about it – is vital. There is no use in having the best shop in the world if no one comes inside (see page 27 for ideas).

A simple equation sums up the destination logic perfectly. Word of mouth recommendation + quality and value of goods on sale = your shop as a destination shop.

Feargal's book – Mind your Own Business – is published by O'Brien and available at all good retail book outlets.

Like to tell our readers about a good book you read? Contact Editor Pat Lehane at 086 – 255 7363 or email pat@thehardwarejournal.ie to discuss

### HAII CLIPBOARD

IRELAND

#### **CE** marking of construction products

Hardware Association Ireland has held a series of briefings in recent weeks on the forthcoming Construction Product Regulations which will be enacted this coming July.

From July 2013 when the CE marking of construction products covered by harmonised European standards becomes mandatory,

manufacturers, importers and distributors (retailers) will have new obligations and responsibilities when placing a construction product on the market.

The Department of the Environment, Community and Local Government has issued a public consultation on these regulations called Public Consultation on the Draft European Union (Construction Products) Regulations 2013, the Draft Building Regulations (Part D Amendment) Regulations 2013 and Draft Technical Guidance

Document D – Materials and Workmanship (2013) – that can be accessed via www.environ.ie or using the following link http://www.environ.ie/en/DevelopmentHousing/BuildingStandards/ PublicConsultations/

The primary purpose of the draft European Union (Construction Products) Regulations 2013 is to provide for the market surveillance of construction products in the EU.

Part D of the Building Regulations is also being reviewed in order to clarify that "proper materials" may include construction products which carry a CE mark. The deadline for receipt of comments is no later than 5pm on Friday, 17 May 2013.

These changes will have a major impact on the supply of construction products covered under the Construction Products Regulations and members need to be aware of their responsibilities in this regard.

The Department of the Environment has an information sheet available on CE markings which is available through Hardware

> Association Ireland, or at http://www.environ.ie/en/Publications/

DevelopmentandHousing/BuildingStandards/ FileDownLoad, 30649, en. pdf

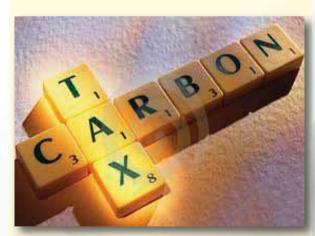
Two helpful videos on CE marking – one from a business perspective, and the other from a consumer perspective – are also available from http://ec.europa.eu/ enterprise/policies/single-marketgoods/cemarking/index\_en.htm

#### **HAI guidance note on Solid Fuel Carbon Tax (SFTC)**

Hardware Association Ireland has issued a guidance note from Revenue on Solid Fuel Carbon Tax (SFCT). Solid fuel carbon tax is an excise duty that applies to solid fuel supplied in the State on or after 1 May 2013. This note outlines broadly the main features of SFCT and how it will be applied by Revenue.

A liability to SFCT arises on the "first supply" of a quantity of solid fuel in the State by a supplier and the supplier is accountable for, and must pay, the tax to Revenue. First supply means a quantity of solid fuel supplied in the State that had not previously been supplied in the State. Any person who is VAT-registered, or a taxable person in the State and who makes a first supply of solid fuel in the State, is an accountable person for the tax and must register with the Revenue Commissioners for the purpose of SFCT.

Solid fuel carbon tax is an excise duty that applies to solid fuel supplied in the State on or after 1 May 2013



This guidance note will be followed by more detailed information that will be sent to members on matters such as revenue registration forms and data returns where applicable.

Hardware Association Ireland will work with members and Revenue to ensure that members are not adversely impacted by those operating in the shadow economy, and those not adhering to the new or existing regulations.

Jim Copeland, Chief Executive and Director, HAI

### HAII CLIPBOARD



#### Are tenders on your radar?

The all-island public sector procurement market is valued at €20 billion in goods and services every year and represents an enormous market for businesses. A recently-published best practice guide called *Are Tenders on your Radar* – promoting SME participation in

ational

public contracts – is designed to address the issues which inhibit SME procurement from the public sector. Research has shown that, given the right conditions and assistance, SMEs can

become more effective in winning and retaining supply

contracts to government and other authorities.

However, there still is a significant opportunity for authorities to stimulate growth in the SME sector through providing scaled business contracts, security through repeat business, reliability in the business relationship and promptness of payment. A more extensive view of tenders is also required, looking to the most economical advantageous tender and not simply the price.

HAI members can, and do, offer high-quality service and product flexibility; provide a simple access structure allowing procurers a direct relationship with key decision-makers; have all the benefits of local knowledge and local impact on the business

environment; and on employment generation.

We need to do more to prepare ourselves for public sector procurement through many of the training initiatives and structures available. We can become more ambitious in our targeting.

Hardware Association Ireland is working with the National Procurement Service and InterTradeIreland to promote opportunities in tendering for public sector contracts.

A series of national workshops conducted by InterTradeIreland and called "Go-2-Tender" are available during 2013. They are aimed at giving SMEs the confidence, knowledge and practical skills to tender successfully for public sector contracts, particularly on a cross-border basis. These heavily-subsidised programmes cost approximately €100 and consist

through new SEPA schemes. By that stage, all national direct debits and credit transfers must be SEPA-compliant. This will include everything from staff payroll to paying creditors or receiving a euro electronic payment from customers within SEPA.

National sort codes and account numbers will be replaced by an International Bank Account Number (IBAN) and a Bank Identifier Code (BIC).

All euro direct debits and credit transfers within the designated 32-country area will be executed under the same conditions. This will create a more efficient borderless payment area by standardising euro electronic payments. A key

of two days of workshop with half-day mentoring for each participant. Contact: www.gototender.com

The National Procurement Service (www.procurement.ie) provides valuable information through its "meet the buyer" events, where supply companies can meet public sector buyers across the island, north and south. There are two events scheduled for 2013 in September and October. These events are always extremely well attended with over 85% of attendees saying that they were satisfied, or very satisfied, with the services provided. HAI members are encouraged to attend these workshops.

Meanwhile, HAI will also look to coordinate members into groups to learn from each other, and from relevant experts, so they can better tender for public sector procurement contracts.

benefit for businesses (according to the legislators) is that faster settlement and simplified processes will improve cash-flow and potentially reduce cost.

SEPA Direct Debit will allow the collection of payments in euro from domestic and crossborder debtors throughout SEPA. It will bring with it a number of significant changes, including:

- New file submission time frames:
- · New customer file formats;
- New automated process for rejected/returned transactions;
- Increased consumer protection rights;
   Further information is available from www.readyforsepa.ie

#### Are you ready for SEPA?

The Single Euro Payments
Area (SEPA) is an EU Regulation
that it is claimed will simplify
financial trancastions and make
doing business easier. The
objective is to standardise euro
electronic payments across
Europe – there are 32 countries

in the SEPA area – and it comes into full effect on 1 February 2014.

From that date onwards existing national payment schemes will be closed down, following which euro electronic payments will be processed





## SHOW OF STRENGTH **AUGURS WELL FOR** THE FUTURE

The post-show survey of both exhibitors and visitors at the recent HAI Hardware/DIY Home Garden Show in Citywest confirmed that it was a spectacular occasion worthy of the new-found sense of confidence and optimism within the sector.

#### Visitors numbers were

up 20% on the 2011 event over the two days, while 87% of those either placed an order, or intend to place an order, as a consequence of their visit. Just over 87% have already earmarked the 2015 show as a "must visit" event.

Not surprisingly, the exhibitors were also extremely enthusiastic and upbeat with 97% rating their participation very worthwhile/worthwhile; 98% totally satisfied with the venue and 85% stating that they would be returning as exhibitors in 2015 (see Visitor and Exhibitor bar charts). Ireland's Only National Showcase

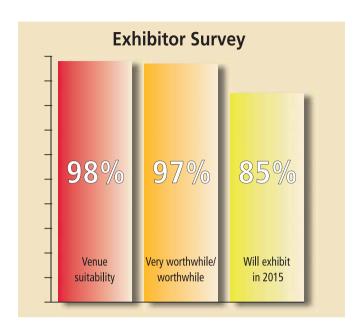
#### Seminars and workshops

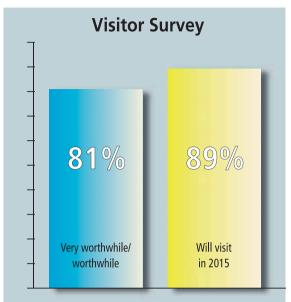
Apart from the stand exhibits, the concurrent series of seminars and workshops also proved extremely successful. All were well supported with a preference for the more dynamic sales and marketing topics. Art Freedman as always was a great attraction, especially his "WAR" presentation ... Winning at Retail.

James Burke gave several thoughtprovoking presentations on topics such as Driving Sales Through Loyalty; E-marketing and Local Sales Growth; and Growing Sales in the Hardware Sector. All attracted great levels of interest and prompted enlivened discussion.

Keith Harford's workshops on *How Small* Changes in your Business can make a Big Difference and Cash-flow is King caught the attention of many visitors who engaged very positively.

In addition, Amalgamated Hardware,





Expert Hardware, Grafton Merchanting ROI and United Hardware were all very well represented, supporting the show in big numbers over the two days.

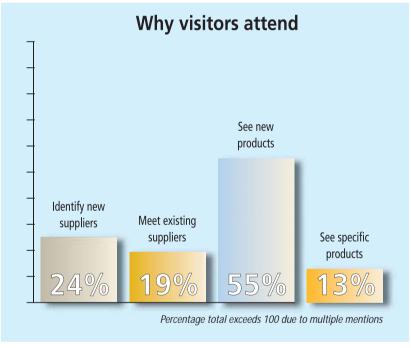
#### President's Ball

The President's Ball on the Saturday evening was the perfect launch pad for this industry extravaganza. With just on 300 attending and Paddy Kelly at the helm for his inaugural event as new President, the occasion proved enormously successful.

Paddy's address set a confident and positive tone, not just for the ball and the show, but also for the years ahead. He captured and reflected the positive mood of the night and underpinned this with his own avowed determination to reinforce the increasing influence of HAI as the hardware sector's principal representative body.

#### Networking and social occasion

While primarily a business dinner offering exceptional networking opportunities, the President's Ball is also a major social occasion where old friendships are renewed, current friendships cemented, and new friendships forged. All in all it is a genuinely unique and very successful industry occasion.



President Paddy Kelly spoke of his avowed determination to reinforce the increasing influence of HAI as the hardware sector's principal representative body

#### PRESIDENT'S BALL 2013



Nick Einhorn, Magician with Jim and Lillian Coffey, Spirit Enterprises.

with past Presidents (standing, left to right) Jimmy O'Donoghue, Granard, 1995; Jim Lenehan, Dublin, 1971; Brendan Maher, Galway, 2011; Paddy Kelly, Kildare, 2013; John Murphy, Roscommon, 2009; Pat Byrne, Kildare, 1997; Eddie Kelly, Dublin, 2001; Tom O'Connor, Cork, 2005. Seated – Mona Hughes, Dublin, 1991 and Catherine Shiels, Dublin, 2007.

Below: Anita Maher with Edel McSweeney and Cathy McGready, Tucks O'Brien.



Michael Rocks, Ronseal with Alan Mullally, Walls Construction and Aida Alonso, Expert Hardware.



#### PRESIDENT'S BALL 2013



Left: Bob Boxwell, Tucks O'Brien with Fiona and Philip Deering, and Tom Finn, from Amalgamated Hardware.

Below: Elaine Byrnes and Aisling Murphy, Ronseal.





Above: Joint President's Ball Sponsor – Irish Cement. Catherine and Jack Dalton, Irish Cement with Paddy Kelly, President, Hardware Association Ireland and Anne Kelly.

Right: Joint President's Ball Sponsor – Ames True Temper. Paddy Kelly, President, Hardware Association Ireland with Anne Kelly, Niall Nugent, Ames True Temper and Mary Nugent.





#### **Best Garden Product**

#### Winner

Company: Westland Horticulture Product: Even-Flow Lawn Spreader

Highly Commended
Company: Watergain
Product: The Golden Gark

Highly Commended
Company: CCEC Distributors
Product: CPD Bin Strap

CommendedCommendedCompany: WatergainCompany: WatergainProduct: PolanterProduct: Barrow Boy



Best Garden Product: Winner – Sinead Cotter, Westland Horticulture with Paddy Kelly, President, Hardware Association Ireland and Aisling Clancy, Westland Horticulture.



Best Garden Product: Highly-Commended – Fergus Byrne, CCEC Distributors with Maureen Ledwith, Business Exhibitons and Paddy Kelly, President, Hardware Association Ireland.



Left: Best
Garden
Product: Highly
Commended –
Tom Hickey,
Watergain with
Maureen Ledwith,
Business
Exhibitions.

# Future trends represented by Best of Show Product Awards

**New products are** the lifeblood of any industry, but especially so hardware, where the dynamic nature of the business has seen quite a number of new market segments opened up in recent years. The broad spectrum of product categories now presented by hardware retailers includes everything from hardware, DIY and garden through to workwear, tools, clothing, pet care, etc.

This presents the sector with a serious challenge but, on the evidence of the

number and diversity of products showcased at the recent Hardware/DIY Home Garden Show in Citywest, suppliers have risen to this challenge. New products featured in abundance, making it very difficult for the Product of the Show Awards judges to make their final selections. After a great deal of deliberation they eventually presented 14 awards under three categories. Full details are listed on these pages.

The broad spectrum of product categories now presented by hardware retailers includes everything from hardware, DIY and garden through to workwear, tools, clothing, pet care, etc.



Best Hardware/DIY Product: Winner – Derek Keyes and Dolores Farrell, Dulux Paints Ireland with Maureen Ledwith, Business Exhibitions and Paddy Kelly, President, Hardware Association Ireland.



Best Hardware/DIY Product: Commended – HAI President Paddy Kelly presenting Derek Doyle of DS Supplies with his award

#### Best Hardware/DIY

#### Winner

Company: Dulux Paints
Product: Polycell Polyfila Spray

#### **Highly Commended**

Company: JADD

Product: Jadd Gatekeeper

#### **Highly Commended**

Company: B&G

Product: SOS Flood Bags

#### Commended

Company: Henkel Loctite Product: Solvite liquid wallpaper paste

#### Commended

Company: DS Supplies Product: Retrogrip anti-slip decking inserts

#### Commended

Company: Arc Building Products
Product: Mouldx Mould Remover

#### Review: Product of the Show Awards 2013



#### Best Hardware/DIY

Left: Best Hardware/DIY Product: Highly Commended -John and Christina Bradley, Jadd with Maureen Ledwith, Business Exhibitions and Paddy Kelly, President, Hardware Association Ireland.



Best Hardware/DIY Product: Commended - Tom Cleary, **B&G** with Maureen Ledwith, Business Exhibitions and Paddy Kelly, President, Hardware Association Ireland.



Best Hardware/DIY Product: Commended - Paddy Kelly, President Hardware Association Ireland with Maureen Ledwith, Business Exhibitions and David Orr, Director, Arc Building Products.

Right: Best Hardware/DIY Product: Commended -Crevan Byrne, Henkel Ireland with Maureen Ledwith, Business Exhibitions and Paddy Kelly, President, Hardware Association Ireland.



#### **Best Home Product**

#### Winner

Company: Rhino Distribution

Product: Jaws

#### **Highly Commended**

Company: Ashtown Trading Product: LED Floodlight

Powermaster

#### **Highly Commended**

Company: John Murphy (Castlerea) Product: Ram Rod Multi-Tool



Best Home Product: Winner - Niall Byrne, Rhino Industrial with HAI President Paddy Kelly.



Best Home Product: Highly-Commended – Micheal Rogers, Ashtown Trading with Maureen Ledwith, Business Exhibitions and Paddy Kelly, President, Hardware Association Ireland.

Right: Best Home Product: Highly-Commended - Cillian Molloy, John Murphy (Castlerea) Ltd with Maureen Ledwith, **Business Exhibitions.** 





In the last article we talked about trends, ranging and stock control and I hope you found some of the pointers useful. In this piece we will look at tinting and colour display, among other things. Remember, if you have any comments or queries, drop us an email here at *The Hardware Journal*.

# Retailers – you've got to push the brush!

#### Colour mixing/tinting

A paint tinting system – especially when used in tandem with ready-mix – can be a hardware/paint store's best friend. It's all about customer service and colour availability. It's also all about return on investment and working capital – sales ratio.

Tinting can improve customer service and increase sales, while at the same time reducing stocks. Now, that's some trick. That's why I love tinting.

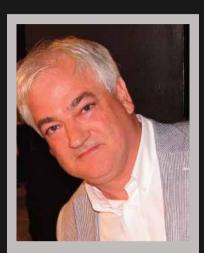
The average tinting system can do 1200 colours for the main brand collection and many many thousands of other colour collections. Add a spectrophotometer

to the system and you can spend all day counting the possibilities.

#### **Ready-mix**

Ready-mixed paints play a very important and pivotal role in any hardware or dedicated paint store. Much time, money and effort is expended by the paint companies into researching colour trends and presenting up-to-date ranges, backed by cutting-edge support brochures, visuals, etc.

The ready-mixed ranges also serve those consumers who are less colour-savvy, giving them a confidence in their purchase and an endorsement that suggests that they are right up there on the fashion front. Also, pre-mixed products save time in-store. With staffing levels under pressure that has to be a major benefit.



**Sean Browne** is an industrial engineer and holds an MBA. He is CEO of RefleX Plastics Technology and MD of Vista Management Consultants.

Sean's experience in paint and paint retailing is unparalleled, and he has worked on paint projects over a span of 27 years in over 30 different countries for the Akzo Nobel Corporation. He is also an SME mentor for DIT and Enterprise Ireland programmes. He can be contacted directly at vistamgt@gmail.com



# SHOWER PROOF INC.











# The only paint that's shower-proof in 15 minutes\*

Dulux Weathershield Advanced Durability is our toughest masonry paint yet\*\*

# Designed to protect against Ireland's Weather Conditions

- \* 15 minutes shower resistance test was carried out in Dulux Paints Ireland laboratories in an environment above 7°Celsius – one shower of 80-90 grms of water was sprayed over an area of 1 sq.m.
- \*\* Compared to 2009 Weathershield Smooth Masonry paint



It's sad to say that although most Irish paint and hardware stores have at least one tinting system (and some have three, which is a puzzle), many retailers do not know how to market the benefits of the installation, either to customers or indeed to themselves.

In a way this is the Achilles Heel of tinting systems. It is very very difficult to show the average customer how to put all those colours into combinations that will work. In our last article we spoke about electronic colour

visualisation and tinting really needs the support of these techniques to do justice to the colour ranges.

Years ago, Berger Paints Colorizer and General Paints Colortrend pioneered tinting systems here in Ireland and Fleetwood's Steve Mc Quillan, who then worked with Berger, played a huge part in commercialising colour mixing systems in Ireland. Meanwhile in the UK, tinting systems received a very lukewarm reception.

Why so? Well, tinting systems need

trained people to operate them. Untrained people are afraid of making mistakes and ruining a can of paint. In short, just as a big company like Berger needed Steve to champion the myriad benefits of tinting, the same applies in-store - staff need training. We will talk about that shortly.

Also important is the money margin (forget % ... it's the old Black in fashion terms) that tinting can bring to your paint section. Do you see your paint section as a part of your overall store, or do you see it as a sub-business unit in your operation?

If you macro-manage paint as being a part of a hardware/décor store business, there is a chance that margin-generating opportunities will be overlooked. Tinting gives you colour-power. It gives you the opportunity to please your customer and present décor opportunities.

But machines and fan decks don't sell paint colours. People and colour visuals do. This calls to mind the analogy we used in the last edition - the paint octopus. Good tinting systems can cover the eight-product model shown left.

#### Matt Mid sheen Silk Satin Undercoat Woodcare Masonry The "tinting octopus"

Changing attitude does not cost money. Tidying up does not cost money. Its not doing these things that costs money, as footfall and sales revenues decrease.

#### Training

It is vital that your paint staff are well trained on the tinting machines. Stores with a high turnover of staff really suffer in this area, and tend not to sell a lot of tinted paint. On the other hand, stores with well-trained staff who have been around tinting machines for years, tend to promote tinting and often develop a great colour eye.

#### Display and choosing colour

Most people can tell you their favourite colour ... blue, green, red, beige etc. But many will not be able to translate their colour preference into a colour choice for their homes, and that's a natural thing. The eye can discern thousands of colour nuances and shades in each one of the



#### Proud to be protecting homes

Our range has been designed to help you protect, perfect and preserve your home whilst transforming the look with an injection of colour.

Sandtex Exterior Paints have been protecting Irish homes and buildings for over 50 years. Dirt resistant, breathable and waterproof, our masonry paint offers flawless coverage and 15 years protection, keeping homes looking good for longer.

With an extensive colour palette including everything from vibrant reds to subtle creams, there is a shade to suit every style of property. Get creative and use it to update outside spaces with stand-out feature walls.







colour categories. However, the mind gets a bit bamboozled by this myriad of colours and finds it difficult to decide on colour combinations. It tends to know what it likes when it sees it ... as opposed to being able to predict the outcome of colour compatibility or colour contrast combinations.

So, very often assistance is needed to help people decide on the colours that will, when brought home and applied to walls, provide a comforting and personalised environment.

Crown Paints marketing team have a good approach to the personalisation of colour. Also, I never cease to be impressed by the marketing of colour by Colourtrend. It is class leading and genuinely consumer focussed.

Dulux pioneered and really saw through the task of assimilating colour and lifestyle. They opened the door to showing people how to use the colours as opposed to just making them available. Ground breaking stuff and well ahead of its time ... end result versus utility, happiness versus drudgery, painting as a family weekend, a piece of fun and long-term enjoyment.

Equally important is conveying that message to the consumer, and having the budget to do that. Dulux marketing ideas and the great technical ability of Akzo Nobel are now being harnessed and incorporated in the marketing mix. Retailers and consumers will benefit from this symbiosis.

The future of paint lies in marketing, not just by manufacturers but by retailers and their in-store staff. If you do nothing to capitalise on marketing initiatives by Crown, Dulux, Fleetwood, General Paints, etc you are not in the future game. Synergise, capitalise, advertise, and above all....MAXIMISE. The choice is yours.

OK, colour display needs space, but most consumers will respond much more favourably to rows of colour displays and



An example of a "decision-making table" and colour centre in the US.

combinations than to a boring old wall of paint cans. Don't forget that most stores have a vast amount of unused wall space which should be used to sell coloured product. While you are at it, don't forget about your exterior walls. They make excellent real-time colour displays.

I happen to like a BS colour called 08 C 31. It's a beige, but it goes with just about every other colour under the sun aubergine, black, wine red, navy blue, white ... you name it.

People need to see colour in context, which is why it is important to have good quality colour imagery in store. During my paint-marketing time in North America, I realised that the area afforded to colour displays was way more important than the area afforded to the product itself. I met a really switched on retailer in Salem, Massachusetts. He had quite a few paint stores in the greater Boston area.

Most of his paint stores had virtually no cans on display. They were all out the back on the most inexpensive racking you could imagine. Instead, he filled his

stores with colour displays and imagery. He told me that he didn't sell paint ... he sold "happy homes". I never forgot that, no matter how sugary and applepie it sounds. All his staff were trained either in paint applications/problem solving or in colour scheming.

Now, somewhere between that and where we are today lies a happy medium for paint retailers. Sell colour via a core of readymix/fashion colours and collections and tinting to augment and support the needs of the more adventurous customer. Paint retailing should be about inspiring people to obtain a custom-made environment for their homes, offices etc.

#### Don't just stock paint ... sell colour!

- Sell living environments ... not paint;
- Train your staff in colour;
- Display colour and colour schemes;
- Re-think your retailing space;
- · Are you a paint stockist or a paint seller?
- · Do you have all the colour



#### Colour scheming charge

communication material you need to help your customers feel colour confident?

- Is your store a passive or pro-active selling environment?
- Provide an area with a table and some chairs where colour cards and fan

decks can be examined and discussed. US retailers often refer to this spot as the "decision-making table'".

Consider offering a colour matching/ colour measurement service. This will involve buying a little gadget called a spectrophotometer, which can measure

It is vital that your paint staff are well trained on the tinting machines.
Stores with a high turnover of staff really suffer in this area, and tend not to sell a lot of tinted paint.

the colour of most materials or surfaces and which then feeds information to the tinting machine – hey presto ... colour match.

#### Know your real customer

For the last 20 years paint companies have been reminding retailers that the vast majority of coloured paint choices/decisions are made by the girls. But go into your average paint store and it's a blokes paradise.

Why? We don't seem to capitalise on the female-focussed colour marketing initiatives created by our paint suppliers at great cost. Sure there are many fantastic stores dotted around the country which are very focussed on the needs and preferences of women. But there are very many who are not.

You know, changing attitude does not cost money. Tidying up does not cost money. Its not doing these things that costs money, as footfall and sales revenues decrease as colour customers migrate to pastures greener (or pinker!).

Now is the time to re-assess your colour sales proposition. Don't forget the masonry paint colours, as they are a very serious part of your revenues between April and September. Masonry colours need and deserve reasonably-large swatches to give an idea of how they will look on a wall, and will benefit by being displayed on simulated textured boards. This is relatively inexpensive to do. Show colour combinations. Talk to your paint suppliers' sales person or marketing people about driving up colour sales.

You've got to "push the brush" but get a little help from your suppliers.

#### Selling related products

Most readers will have been to an Art Freedman seminar, or seen the online videos. Everybody claps and discusses the great relevance of Art's common sense approach to managing inventories

and selling. However, many then go home and do nothing about it.

The great thing about Art's advice is that it costs very little to implement. Is that the problem? Do we have the need to go through the operational and financial pain of getting in "consultants" to energise ourselves into taking action?

Core to some of Art's thinking is the concept of bundling sales. Why let a person buying a can of paint out of your store without a brush, sandpaper, solvent, dust sheet, etc.?

In my many store visits I see passive retailing where no one reminds the customer of the little things that will make the job easier. This represents lost opportunities and lost revenue, with zombie customers used to zombie selling environments.

OK, so fixing this takes staff and times are hard. So, let's look at cost-efficient alternatives to funding a hard-sell campaign this coming weekend.

- · Why not put up signs to remind people of the peripherals that accompany a painting job?
- Start a "don't-forget" programme in-store with appropriate signs in dedicated areas. Start in paint, because it is an octopus, and extend out to other areas;
- · Look for the octopus in all your stock, not just paint;
- Make sure you have adequate stocks for the paint octopus such as sandpaper, sanders, brushes, thinners, stripper, etc.
- · Why not create promotions around selling the painting package;
- Talk to your supplier re a major promotion on say brushes, white spirit etc;
- Get your paint and brush suppliers to lock heads together. How can we sell more stuff guys? The world loves a real bargain. Create one ... create hundreds!

- Examine the Lidl/Aldi hardware proposition. There is a logic to it that evades most retailers. It does not evade consumers. I am not a fan of this, but is there something you can learn from it? Is there some little kernel of a retailing idea that's transferrable?
- Exploit the seasons. People want warmth in their homes in winter time. Next September try an Autumn colours promotion. Here's one for you ... burgundy feature wall and 08C 31 for the rest of the walls.
- Paint standard MDF panels in the above colours and feature/position them as people walk into the store. A little bit of imagination with

accessories and away you go. Remember this – if people walk into a blue-painted room they will feel cold or refreshed. If they walk into a deep red room, they will feel warm and comfortable.

Don't just stock paint ... sell colour ... sell rooms ... sell happy homes.

#### What do you think?

The Hardware Journal welcomes comment and feedback. If you have an opinion on this article, or what you would like to see covered in a future issue, please email your view(s)/question(s) to pat@thehardwarejournal.ie



We don't seem to capitalise on the female-focussed colour marketing initiatives created by our paint suppliers at great cost.

# THE HARDWARE JOURNAL BELLES JULIUS Having spent over 20 years with

By James Burke, James Burke & Associates

## Simple, costeffective, ways to drive local sales

I am fortunate in that I work with over 150 independent and chain group retailers every year. Each one faces their own challenges, but many also have created smart ways to drive sales in the current climate. I have noticed certain changes happening in the retail environment ... and for all the right reasons. Since November, store owners and managers across all sectors have been reporting slight positive movement. That is no different in the hardware and DIY sectors, with similar feedback being received.

There are progressive store owners/managers out there and there are others who have lost their way. Now is the time to re-focus your hardware/DIY business as those who are able to move fastest over the next 24 months will be the ones that re-capture greater market share within their own regions and their own businesses.

#### Blockages to sales growth

Before we look at how sales might be grown, let me first share with you my observations of several hundred retailers over the last number of years, and the common blockages to sales which form a pattern;

Manager mentality: Owners/
managers who are "at the top of their
game" are usually found in shops which,
by no accident, have positive sales
growth and a high level of standards.
Conversely, owners/managers who have
lost their way are usually found in
businesses where standards are poor
and sales growth is absent. Most of the
managers in the under-performing stores

Having spent over 20 years with Superquinn and serving on the board of the business for four years, James Burke has amassed considerable knowledge of the food retail sector in both Ireland and internationally. He is also the leading expert in the foodservice sector. James specialises in helping producers achieve sales growth in the domestic and international markets. He is also the retail advisor for the TV series Feargal Quinn's Retail Therapy.

will blame the economy and fail to see that in fact 100% of the store's performance is related directly to the owner/manager's state of mind;

- Sales targets: The second common theme found in under-performing retailers is that there are usually no sales targets in the business, or if there are, they are not managed in an aggressive way. You simply can't run a business without being driven by sales targets. Structured weekly manager review meetings with the owner/manager, and the senior management team, are usually absent in those shops struggling for sales, and daily staff huddles are more likely not to happen. Those shops getting sales will usually excel under both of these headings;
- Local store marketing: Another nugget that has become clear to us over the last number of years is that local store marketing is vital in developing an aggressive sales process. Many

managers are fortunate enough to belong to a hardware/DIY chain and have the benefit of marketing programmes developed by head office. These campaigns need to be well executed, but the really good managers will take this a step further and supplement company activity with their local store marketing campaign;

- Time management: Time management is a struggle for everyone, but interestingly we have found a pattern where poor time managers are usually those in stores which lag behind the industry average in sales growth;
- · Social media: A growing number of owners/managers recognise the importance of being able to communicate with their customers directly and have embraced social media, text databases, etc.



single day so that you and your staff know exactly what the priorities are for the day;

- (7) Become obsessed with sales growth and margin maintenance and show everyone that it is a priority for you;
- (8) Develop a calendar of activity for local store marketing with a mandatory minimum of one event per month;
- (9) Promotion execution ... In today's price-conscious environment you really need to give a strong price message on the

customer database (trade or consumer) in the last 30 days?

- · Have your staff been trained in customer service initiatives in the last 12 months?
- · Have your staff been trained on at least one new product introduction within the last three months, e.g. new insulation products, etc?
- Have you a structured review meeting in place to review all "open quotes" once per week?
- · Have you had at least one supplier customer demonstration (cash or trade) on the shop floor within the last month?
- · Is your delivery driver, and all of your staff, reporting back to you on small building/DIY projects that they see within their own neighbourhood on a weekly basis? Is there a process for following this up?
- · Have you at least one "madness day/gigantic sale weekend" planned for 2013?

Simply add up all of the "No" scores and then compare them with the comments below.

- Less than two "No"s = strong sales process with small scope for fine tuning;
- Three to five "No"s = significant scope to improve the sales process and suggests additional sales can be added to the business easily;
- More than five "No"s = shop is missing a large amount of sales opportunities and there will be plenty of scope to grow sales quickly

#### You need to develop your own local store marketing plan and ensure that consumers don't forget who you are

#### **Developing aggressive sales** growth

Here are 10 simple tips which any owner/ manager can implement immediately and which are guaranteed to assist the sales growth programme.

- (1) Get yourself in the right frame of mind ... you can't lead and motivate a team to drive sales if you don't believe sales are there yourself;
- (2) Sort your time management issues before you tackle anything ... you need to be hugely efficient with time to run a hardware/DIY business in the current climate;
- (3) Learn to delegate to the team that is around you;
- (4) Develop targets for the business and a structured process for monitoring these daily and weekly;
- **(5)** Get your staff involved in these sales targets, display daily and weekly targets on the wall in the staff areas;
- (6) Run a five minute daily huddle every

shop floor, as well as in your promotional material. Very often promotional execution can be poor with small displays and small signage which lack impact;

(10) Merchandising standards ... with the hardware/DIY industry transitioning from a more trade-led business to one that now encompasses retail aspects, you need to ensure that merchandising, clean shelving and a "ready for business" ethos is in place within your shop.

#### Hardware/DIY sales growth test

Below are some simple questions which will help you to identify how aggressive your sales process is. Simply answer yes or no to each of the questions and see the rating model at the bottom which will highlight the sales opportunity in your business.

- · Have you (in partnership with one of your suppliers) trained at least 10 trade customers in the last three months?
- Have you sent at least one text to your

#### Social media

The face of retailing is changing considerably, and in many sectors, like books and clothing, there are significant challenges to sales from online sources.

At the same time, many hardware/DIY retailers are harnessing social media as a tool for attracting new customers.

It can be a confusing arena, and the simplest way to look at your social media strategy is to view Facebook, Twitter, blogs, LinkedIn, etc as directional signage on a road which points all who see it back to your website, or indeed straight into your shop. Once you get your mind around that, the importance of these "road signs" becomes increasingly evident. Many of these tools, like Facebook, are free and, while I meet many retailers who don't understand Facebook, the good news is that you don't need to.

However, you do need someone in your business or family to take responsibility for this. Not embracing Facebook is exactly the same as not doing any advertising or having no sign over the door of your shop. Facebook, or similar sites that will emerge in the future, are here to stay. Anyone between the ages of 15 and 45 has been "trained" to communicate via this process, and for many people, interactions with social media sites several times daily are a normal way of communicating.

Each decade that passes by, this cohort of customers will move forward with a new group of 15-year-olds taking their place at the bottom. Here are some interesting things that you might consider as part of your social media strategy:

- LinkedIn is a great business-to-business source of contact. Set up a profile for yourself/the business on it. You will be pleasantly surprised how many appropriate contacts you make within your industry, assuming that you keep your profile active at least once a week;
- Start using your Facebook profile as a source of tips and information for customers. If the sun is shining, then post up some interesting ideas for people to lay out their gardens or patios to prompt the idea in their mind;
- Use Facebook to get dialogue going with your customers. Tell your customers that you will put up a €50 voucher in three weeks time for the most interesting DIY tip you receive. Start the process off by putting up one or two yourself;

- Try setting up a Twitter account and tweet reminders of some amazing offer which you have that is running as part of a regular promotion;
- Blogs are simply an easy way for you to post information on one thing or another. Try posting a series of painting tips and see what sort of a response you get from customers.

If all of the above sounds like a foreign language, then it is probably time you gave yourself some education. The local enterprise boards in most regions run excellent social media training at very affordable prices. Go and educate yourself on the topline benefits and then find someone in your staff/family to keep things active.

While using many of these services is free, the cost is in the time it takes, and you should not attempt to get involved in this area unless you are willing to commit a resource for a number of hours a week.

#### Local marketing

Whether you are an independent hardware/DIY store owner, or part of a group chain, local store marketing is where you can really make a difference. I meet lots of smart retailers every year who do very simple things to attract consumers' attention at local level.

In the good times, many retailers forgot about the old-fashioned merchant retailing skills. None of the items I'm going to suggest to you here are radical, yet they are



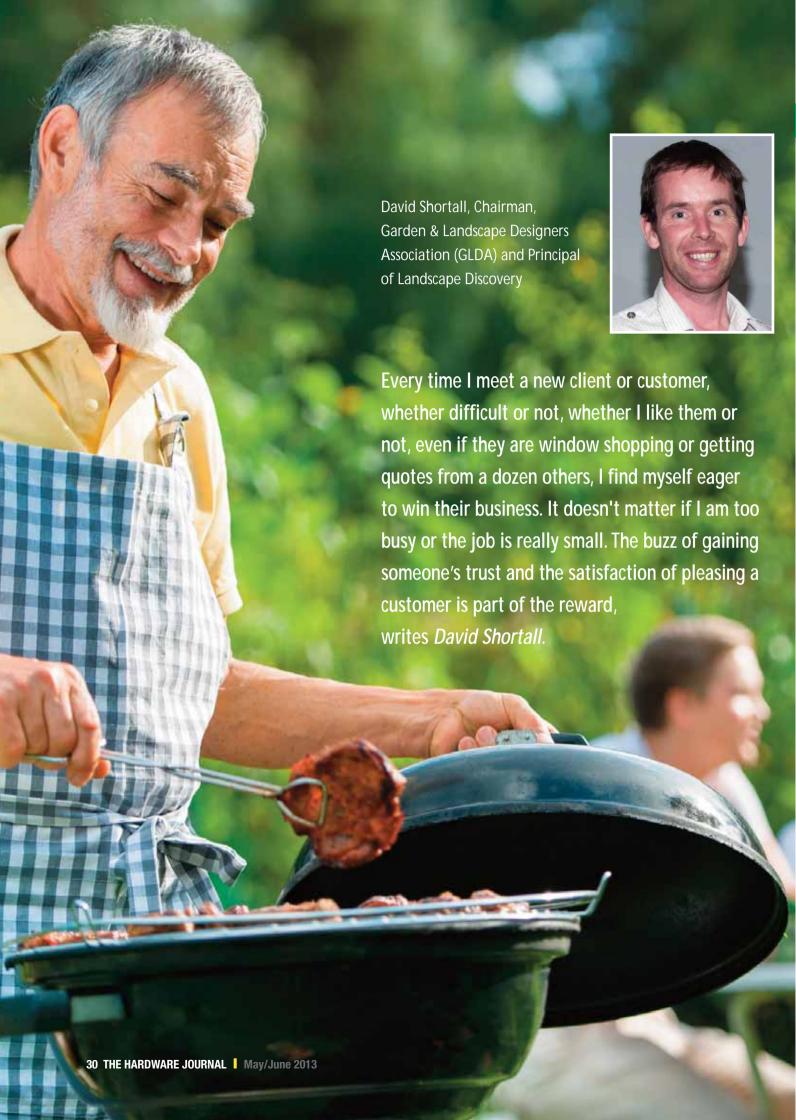
Many hardware/DIY retailers are harnessing social media as a tool for attracting new customers

sometimes forgotten by seasoned retailers.

There is a small cost to operating some, but more are free and just require some imagination.

- Run family themed days in your car park, e.g. a BBQ weekend;
- Invite a local farmers' market to set up in your car park one day a week;
- Set up specialist clubs at your shop and give talks to special interest groups.
   Have one of your staff provide them with lots of tips and ideas, and some live demos in the store:
- Invite customers from your text database to preview evenings before a sale commences and allow them to shop before the main sale starts;
- Work well with your key suppliers to support local tradesmen by providing training and sales representatives from the supplier to interact in closing deals;
- If you have a spare meeting room in the shop that is not used all the time, offer it to local community groups as a meeting facility at off-peak periods. The only thing you should ask for in return is that one of your team personally meets people on arrival and says a few words;
- Ask your delivery person to drop in a leaflet giving an overview of your business to two doors on either side of the house they have delivered to;
- Develop an ongoing calendar of going out to give talks to local clubs and groups. Choose topics that are of real interest to people today, e.g. enery efficiency, insulation, etc;
- Continue to sponsor small events but choose ones that get people into your shop. If you are sponsoring something like a local football club then ask the club for a small favour in return, e.g. could they text all of their members once a year on your behalf to announce some big event you are running.
- Go to your local radio station and tell them that you will provide one of your expert staff to come in and give a series of weekly tips on DIY, etc.

This list could simply go on and on. You now need to develop your own local store marketing plan and ensure that consumers don't forget who you are.



#### COVER STORY: OUTDOOR LIVING

# Knowledgable advice and customer trust are the key to sustained sales

In the past few years with less business available and even less money around, I find myself even more driven to make the sale. Sometimes the customer is dipping their toe in the water. Other times it is clear that they have ended up on my website by accident and decided to call just to pass the time. However, if there is even a vague chance of a sale, or a potential future sale, then I feel compelled to gain their confidence.

During the boom times I never got quite so excited by work. It was easier to get work. The customer seemed less interested too. A lot of the time my work was less appreciated and

A customer who trusts you comes back often and recommends you to lots of friends. This is advertising you cannot buy and it separates us from the supermarkets



sometimes went unnoticed. For all of you in hardware retail sales it was probably a lot easier to make a sale too. All you needed was to stock the shelves and the customer did the rest. You worked long hours and worked hard to keep up with orders. The formula worked.

Back in Jack Charleton's era with the Irish football team the formula of kicking the long ball up into the box worked extremely well. We scored goals and even got to the final eight in the World Cup. Then the goal posts shifted but the ball kept being kicked up the field. We were in denial.

Similarly for hardware retailing, when the recession hit the old formula stopped working too. Most small businesses tried to follow the goal posts each time they shifted but the gap between the posts got smaller all the time. Now the size of the sale is smaller.

#### COVER STORY: OUTDOOR LIVING

The confidence of the customer is dashed, the margin on the goods is tighter, and the expectation is bigger.

Nonetheless, some industry sectors still offer significant sales potential, outdoor living being one of them. With people moving house less frequently, the emphasis is on retrofit and upgrading, and the garden is a key focal point in this trend.

Designing and building gardens over the last couple of years I have found a number of differences from the boom times. No longer does a person rip it all out, throw it in a skip and start again. An old tree may now be kept as a focal point in a garden. A timber deck may be modified, or its timber re-used elsewhere. An old lawn will be rejuvenated with weed killer and feed rather than be ripped up and discarded. Plants bought may be smaller and allowed to grow. A patio may be modified in shape rather than ripped out and more people are also growing their own.

Re-using, recycling, up-cycling and repurposing materials has become very popular with regard to outdoor living but this too generates significant sales. The

customer likes the idea but needs help





of plant feeds, treatments and now they needed garden tools.

So what is in fashion and what is out?

#### Timber decking

I have not built a timber deck from scratch for years. The reasons are many-fold – they have a bad reputation because of poor planning; being positioned in the wrong place; the Irish climate and how it impacts on a deck; lack of education as to its maintenance, etc. In the right place a deck can be an asset to a garden. However, I believe its poor reputation is irreversible in the short-term. That said, some people are considering composite decking. This

gives the same raised platform with the colonial, BBQ or nautical feeling without the maintenance, and it will not rot and get slippy.

#### **Paving**

Soft foreign stone and slabs such as Indian sandstone, Chinese granite and terracotta have fallen out of favour. The warm and colourful tones seen when displayed new are short-lived in the damp Irish climate. Their reputation has been tarnished again through impulsive Celtic Tiger uninformed installation in shaded, damp side passages, or north-facing pavements.

Soft stone such as this needs a position which receives a lot of sun and drying wind. Not very likely in Ireland. Stone which absorbs moisture can also be badly damaged by frost. Harder or more dense stone such as limestone, quartz and slate are more suited to our climate. Everything open to the elements gets dirty and fades over time. However, if a stone is hard then the dirt and moisture stays on the surface, allowing easier cleaning and maintenance.

Whatever the stone, there is potential to stock patio cleaners, sealers, and pointing/jointing/re-pointing compounds. Applying the correct cleaner takes the slow tedious work out of power hosing



a patio. A good sealer applied to a properly-laid patio will protect it from water absorbtion and therefore make the cleaning of moss, dirt and algae easier.

#### **Garden lighting**

Garden lighting gets a mixed reaction for a few reasons. A lot of people hated the cold light of the LED bulb. The old incandescant or halogen bulbs tend not to last as long outside as inside; maybe this is down to the extremes of temperature outside. There is nothing which will put you off garden lighting more than the wrong light, or half the

bulbs blown. People tend to long-finger the repair or replacement of fittings or bulbs through lack of knowledge. There is a fear of the cost of repair or electrocution.

A well-lit garden makes a garden

more valuable by extending the amount of time you can enjoy it. Even when the weather doesn't permit venturing into the garden, it becomes a picture to look at from the kitchen or living room.

New LED bulbs and low wattage bulbs to suit outdoor fittings now give a much warmer and reliable light. If a customer already has a supply or fittings in their garden then the hard work is done. There is potential to advise on upgrade and repair with new fittings and low voltage bulbs. I have also recently removed older PAR 38 fittings and replaced them with lower wattage bulbs in new fittings on the basis that it will save electricity too.

#### Growing your own

Everything to do with growing your own has a real feel-good factor for the customer. Practically all design work in recent years includes kitchen gardens, raised beds, fruit trees or bushes in the wish list. Cost of food is not the driving factor obviously ... it is more to do with the fun and feel-good factor of growing and picking your own. Parents are also anxious to show their children where food comes from.

There is huge potential for impulse buying of vegetables and fruit plants, propagation or grow-your-own packs, flat-pack raised beds, organic composts,

#### COVER STORY: OUTDOOR LIVING

potato grow-your-own sacks, etc. This is an area where people don't feel guilty spending money as there is a pay-back for the buyer, even if the produce has cost more than shop-bought items.

The psychological feeling of well-being in eating "homegrown" produce is a very strong driver of sales.

#### Composting

Composting is an increasingly-popular idea. However, people get disheartened very quickly if they buy the wrong product or the information provided is inadequate or incorrect.

Plastic compost bins provided by the local councils don't really work for the uneducated. There is not enough ventilation and they quickly become a smelly mess if the compost is not turned. The customer is faced with the sticky job of getting rid of the smelly fermenting mess and they are put off for life!

Supply of good quality more expensive compost bins, activators, fact sheets and a member of staff with some education





in composting will ensure the customer is armed with the knowledge to succeed. This hopefully leads to further sales or business.

#### **Furniture**

Cheap garden furniture and pots are often available in every shop, from newsagents to "catch all", "special offer", supermarkets. The quality is generally really bad and what is sometimes labelled as hardwood is about as long-lasting as chocolate in a greenhouse. Good quality hardwood or rattan furniture, frost-proof pots and a knoweledge staff member means you compete on quality, not price. The result will be greater and more sustained sales.

#### Water in the garden

The sound of lapping water in the garden is calming and appealing to most. However, the traditional garden pond is long out of date. Making a stream or a pond look natural in an urban garden or a country plot is very difficult and generally fails abysmally. Water features and fountains can very easily look tacky. Working out your customers taste in this regard is the key to success.

Simple-shaped modern fountains or

units with natural stone always fit in better than plastic or imitation statuesque fountains. A covered reservior is appealing to customers from a safety point of view. However, they have the disadvantage of being less exposed to light and the water is likely to become smelly and stagnant. A number of followon products are available for the care and maintenance of same, such as sterilising agents, algae detergents, UV lights, replacement pumps, etc.

#### High-level customer care

In conclusion, I feel very strongly that a high level of customer care is vital, particularly in the outdoor, DIY and garden sector. In all cases the average customer knows very little and needs good direction and advice. Customers want, and need, to trust in you, and this is the key to good business.

In my experience, a customer who trusts you comes back often and recommends you to lots of friends. The trust is passed on too, and so it is easier to make the sale. Occasionally, you even recieve a thank you card or bottle of wine. This is advertising you cannot buy and it separates us from the supermarkets.

# View from

Alan Hawkins

CEO, British Independent Retailers Association (BIRA)



Demography is all about knowing your customer, but also preparing for the future

# WHY THE THREE 'Ps' ARE SO IMPORTANT IN THE UK

t was an honour to be asked to write a piece for the newly-branded Hardware Association Ireland and I am very impressed by its new-look journal. The Views from Abroad in the last two issues, by Michael Bergdahl and Art Freedman respectively, are spot on. So, I will not try to replicate their sound advice, other than to comment on how recurrent the main themes are that they spoke of. These can best be summed up as "think customer first, second and third, and you will not go far wrong".

Perhaps I can comment on how retail needs to reflect the massive structural changes occurring at present and why a European view is perhaps closer to home for some of our problems. Let me first say, however, that good retailers make money whatever the state of the general economy. They have their own plan, they are ruthless in applying it and, while being ready to adapt to change, they do not allow themselves to be easily diverted from their central path.

For a variety of reasons the British Hardware Federation now sits under the umbrella of the **British Independent Retailers** Association, which allows me to look at the more general issues affecting the marketplace. European retailers, whether in or out of the Eurozone, are going to see their customers' spending



power substantially reduced for at least the next decade.

The recessionary period and the banking crises are not going to be resolved any time soon. Capitalist societies with virtually zero central bank interest rates and the British government printing money and quantitative easing, with no real idea of its effects, are indications of a real deepseated problem.

Structural changes are complex and will affect every business differently. Think about your business and how it matches up in three key areas - namely technology, consumer preferences and demography.

In technology, see your business as a centre of a bicycle wheel with your own customer able to access you in 10 or more ways - the new omni-channel. Choose which spokes of the wheel you want to embrace - the physical shop visit, the Internet shopper, the click and collect shopper, and the social media shopper. Whichever you choose, embrace them and serve them well.

Also, beware of the potential loss by closing down some of your options. The UK's Internet economy, for example, is 8% of GDP and is the highest of the G20 countries, coming in at almost double that of the USA. Internet retail spending is running at 14% of all retail and is still growing. Ignoring on-line consumers is, therefore, a risky option.

That said, DIY is relatively low at 3%, so the train is leaving the station rather than has already departed. If you are in books, music or electricals then the situation is dramatically different.

Looking at consumer preferences, think about why customers choose to come to your shop. In the UK about 50% of retail is still going to the high street, but this figure is falling. Up to 30% is now out of town, but marginally rising. Local neighbourhood shops account for 18% and are steady. Non-store, the Internet if you like, is 12% and growing

Demography is all about knowing your customer, but also preparing for the future. The grey pound/Euro is a significant growth area. I have been to many conferences

where I have been amazed by how well the "big boys" have done their market research and know, or think they know, their customer so well. For example, they know average spend, average time spent in the shop, average age, average distance from shop, average repeat visit, name, address, email address, mobile number etc. Are you making similar efforts to understand your customer?

Think about where your store is located and what local support you get, if any, from your fellow retailers. National groups have their image set for them nationally. The independent has to fit into the location where his/her premises are situated. It would be hard to play high-end, highquality and excellent service if that does not match the area you are trading from. A more remote local store has much more discretion in setting its own agenda. This does not mean you cannot have your own values and work to create your outlet as a destination offering, but you have to be realistic.

Lastly, the value of groups to an outlet's buying power has been clear for many years. The same applies to broader generic industry matters that, on your own, you will not be able to influence. So, I recommend that retailers should join and actively support the newly-branded Hardware Association Ireland.

The British Hardware Federation, for example, has centred on three "Ps" that are hard for independent retailers to do anything about on their own. These are:

Parking – Parking and accessibility is probably the one big thing that affects why consumers choose not to shop at local high street stores. Councils need to be lobbied so they do not see parking charges as revenue streams, but the type of support they need to put in place to create business centres in their towns;

Planning – There has been too much concentration on new out-of-town stores in the last 20/30 years. This has been to the detriment of the high street and has created more retail space than can be used economically. The UK now has a policy of "think high street first", but that is not

always put into plan when new applications are put forward. A trade association is needed in this respect to remind government of its obligations;

Property taxes – When it comes to property taxes, which include rent and rates, it is amazing how cheaply retailers in the USA can operate, whereas in the UK retailers have the most expensive rent and rates in the world. Landlords now have to be more realistic as they can see vacancy rates approaching 14%. Local councils have not been so realistic, however, and ever-increasing rates - 5.6% in 2012 and 2.6% in 2013 - have made rent and rates real killers as to the future viability of our



When it comes to planning in the UK, the policy is "Think High Street First".



high streets. Again independent retailers need to stand up and be counted, together with their trade associations, to get these anomalies corrected.

In conclusion, I wish Hardware Association Ireland well as it celebrates its 75th anniversary, and I am sure there are many similar issues that we should, and will, be sharing with our partners across the water (the Irish Sea that is, not the Atlantic!).









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