



Marketing Building Products In An Evolving Industry:

5 Actions for Forward-Thinking Building Products Marketing Professionals

To say that these are interesting times for the building products industry is certainly an understatement. On the one hand, the overall numbers look good. In January 2021, U.S. housing starts were up by 13.2% versus last year's 12-month average.¹ Likewise, home remodelers are optimistic, with big-ticket remodeling spending (projects more than \$1,000 USD) up 8% as the year began.²

Yet while the financial side looks relatively stable, building products marketing professionals face unprecedented changes in an industry emerging from a pandemic. Traditional playbooks and plans have been scrapped. New consumer buyer journeys have sprung up overnight. And emerging home trends continue to impact every category.

As a longtime partner to the building products industry, NVISION experts talk to marketing operations professionals on a daily basis. We asked these leaders about the key imperatives they face—those 'must-do' activities—and what it will take to succeed in the months and years ahead. Here are five critical actions that building products marketing professionals may consider as pandemic mode begins to give way to a new normal.



1. Marketers Must Adapt Innovation To Consumer Trends

The stay-at-home/work-at-home lifestyles of 2020 & 2021 bear little resemblance to those of 2019. Whether it's expanding outdoor spaces and decks, investing in new kitchens or exterior siding, creating comfortable home offices or focusing on other enhancements, consumers are investing in their homes like never before.

To meet this demand, marketers must review their company's full product portfolio to execute a dual strategy of leveraging existing products and solutions that are perfectly suited to the changing needs of their audience while also determining where new product development is required. It's a balancing act between trend watching and re-thinking how current products are marketed.

For example, a major interior and exterior door manufacturer discovered that DIYers were ordering and installing barn doors in their homes. This created new and much-needed privacy for working at home while also allowing for an open floorplan when the workday is done. The company quickly adapted marketing plans to meet the information needs of this new audience, helping them become more familiar with this existing product in new, unconventional applications.

A marketing executive from the company noted, "While we're focused on creating more technology indoors, we found that DIYers liked the idea of 'repurposing' exterior doors for interior spaces. So it was fairly simple to re-focus marketing toward this emerging target audience."

Likewise, a leading outdoor living brand discovered it could capitalize on its existing market basket rather than creating entirely new product categories. Their product line of decks and railing systems was already suited for homeowners seeking an escape from increased indoor time to more quality time outdoors. So the company was able to stay 100% on brand while amplifying and orienting its current products and messaging to meet the new needs of homeowners.

In addition to adapting current products to meet new lifestyle trends, building products marketers are working more collaboratively with their product development counterparts to modify solutions or create new ones based on their new insights. Knowing the home office is such a key focal point for DIYers, companies can offer traditional products with new features. For example, doors that close more quietly, lighting that enhances online meetings or new shelving units for larger indoor gardens show consumers that manufacturers have a clear understanding of their needs, without massive investment in R&D.

More focus on trending product attributes is another key. According to research firm Nielsen, 81% of global respondents feel strongly that companies should help improve the environment.³ With sustainability such a hot topic, it makes sense to use marketing dollars to showcase the 'net-zero' benefits of products whenever possible.

Building products marketers today must have the dexterity to react to what's truly important while ignoring trends that simply don't have staying power. Sales teams, market research and professional organizations like AIA or IIDA can help provide additional intelligence to guide marketing investments toward long-term wins versus short-term thinking.



2. Marketers Must Shift Gears

Looking back to early 2020, it's easy to see the many challenges that emerged as a result of the global pandemic, including:

- Difficulties in connecting with the market and channel customers including contractors, architects, builders and designers
- Less Voice-of-Customer (VOC) due to limited or no field travel and trade show cancellations
- Less in-person, in-market training for new marketing team members
- Increased complexities around collaboration and communication in a virtual environment

Savvy marketers across the building products industry have learned to shift gears and open their minds to turn these new challenges into business insights and bottom-line advantages.

According to Trade Show News Network, 2021 will be "a year of recovery."⁴ While some trade shows are starting to switch to hybrid models, many others will remain 100% virtual. This is where nimble marketing can make a difference.

One manufacturer of exterior siding products, for example, created a new, interactive product portal for dealers, professionals, and homeowners to use at a recent virtual trade show. The portal was used during the show to sell down-channel, and then after the show as part of the company's new digital experience.

Elsewhere, marketers have learned that not traveling to meetings truly allows them to evaluate the benefits of specific venues. They've been able to determine which shows are focused on business versus simply socializing and networking. Instead of traditional trade shows—that require travel costs, conference room rental and costly attendee marketing—many companies are creating virtual roadshows with 100% business-centric agendas toward product training, discussing new selling methods and making important pivots for new market conditions.

"We know these folks are interested in products, in business, rather than in the cocktail party aspect of live trade shows, so it works for us," one marketer said.

Some manufacturers report that they include business agendas with the for-credit AIA training that architects are required to take. Today, instead of costly physical venues at hotels or training centers, a virtual training session can help save travel expenses and boost productivity since trainees can participate from their own homes or offices.



3. Marketers Must Lead The New Customer Experience

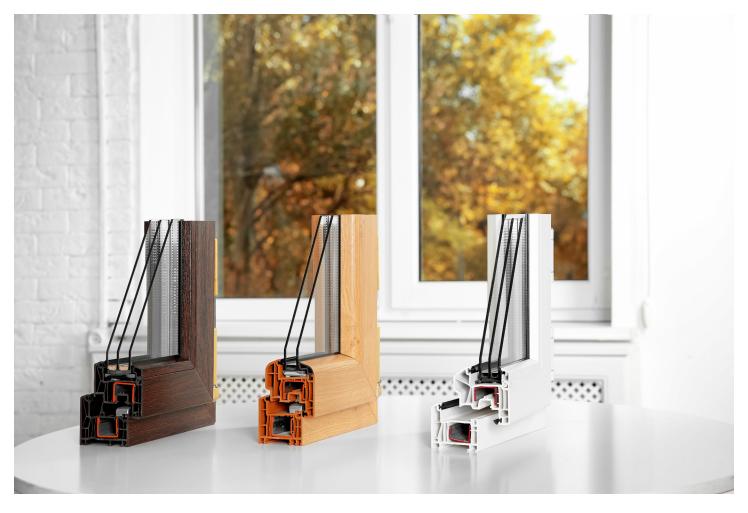
Just as the selling environments of traditional trade shows have shifted, so too has the homeowner's buying journey. Formerly, the first engagement with a building product was typically done in a dealer or distributor showroom, or in a retail environment. Today, this initial screening is done online. Whether it's on expert forums, social media channels or manufacturers' websites, digital comes first. Obviously, marketing plays a central role in shaping this online experience and evaluation toolset.

However, given the size of most home improvement investments, consumers will still need to touch and feel the product to ensure it's exactly what they are looking for. This point of validation still occurs primarily with a live visit to a dealer showroom or local big-box retailer. At-home samples are also critical, even without the support of an accompanying salesperson (due to quarantine concerns).

So, what do these sample kits need to do today that is different from the past? First, marketers must acknowledge the audience's new concerns with safety by offering better ways of packaging and delivering product samples that are hygienically optimized and individually wrapped. This shows the consumer that both manufacturer and contractor are invested in their safety and peace of mind.

For DIYers, sample kits should be created to allow the recipient to "sell themselves" without a salesperson or contractor in the mix. There should be high tactility and interactivity so the homeowner can easily confirm their initial purchase impulse. In addition, the sample kits should closely align to key selling messages from the digital environment, much like how retail displays work in the store.

Finally, marketers must acknowledge that some of their budget typically allocated for brand building will now go toward increased shipping costs and enhanced packaging materials. It's simply the cost of doing business in the post-pandemic marketplace.



4. Marketers Must Redefine The Purchase Process

Whether it's an at-home sample kit or a retail-based promotional display, getting products into the buyer's hands is critical. But this process has evolved.

Traditionally, sampling has been a top-of-the-funnel, awareness-building tactic. Today, samples are relied upon at the end of the consumer purchase process to validate decisions, rather than simply to engage.

Understanding this validation role, both at home and in stores, will help marketers to create samples that reflect a more educated consumer who has done their exploration and information gathering online or via home remodeling shows on cable television. All marketing materials must reinforce decisions rather than explain them.

One senior marketing executive explains that many people do their research online and use their in-store visit as the first and final validation point. They will make their brand choice online and make a store visit to ensure the color or size or texture is exactly what they had expected when they originally selected it online, rather than to compare or explore other possibilities.

Virtual showrooms can help put shoppers in the "home stretch" of the purchase process, but that last in-store check is still critical. So environmental branding and merchandising must be fine-tuned.



5. Marketers Must Optimize Their Roles

One of the biggest differences between a building products marketer and their counterpart at a consumer packaged goods (CPG) company, for example, is the scope of their roles. Typically, the size and designated departments within a CPG organization ensure that marketer's primary focus is on brand management, marketing, promotions and sales support.

In building products, the life of a marketer involves wearing a lot of hats and herding a lot of cats. In other words, marketers serve as a true "catch-all" for a greatly expanded range of activities, constantly doing more with less. Expectations include:

- Managing vendors and channel partners
- Day-to-day project management
- Training new marketing team members
- Being the marketing expert, business unit owner and product evangelist
- Creating and managing a vast array of marketing tools ranging from samples, giveaways and displays to collateral, signage and digital ads
- Handling logistics for demos, trade shows and customer training
- Leading brand communications
- Evaluating marketing metrics
- And supporting other departments, too

The time pressures on building products marketers can force trade-offs between critical strategic planning and ongoing tactical execution. Yet, based on the dramatic market shifts we've discussed, it's the strategic aspects that now require marketing's attention:

- How do you market existing products for new applications?
- How do you overcome lack of interpersonal selling environments?
- How do you pivot with market and consumer changes?
- How do you create new in-store and digital tools, monitor their applications and measure their effectiveness?

These extra 'cats to herd' mean marketers must think differently and rely on outside experts to handle specific challenges that they don't have time for or simply don't have the knowledge to manage themselves. This external 'safety valve' can help building products professionals focus on the important plans and high-level strategy rather than activities that could be managed by a marketing supply chain partner.

Ultimately, the challenges and opportunities that post-pandemic marketing offers will help to further differentiate brands and companies that are flexible and forward-looking from those unable or unwilling to course-correct in this next normal.

Sources

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- 3. <u>Nine Sustainable building materials that save money too</u>
- 4. <u>10 Predictions for meetings and events in 2021</u>

