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Talking tech

From web-based sales tools to texting apps to video chat services, new offerings help retailers capture consumers' attention and get them to buy

BY GARY JAMES

THINK THE MATTRESS INDUSTRY is changing rapidly when it comes to product development and model changes? The retail technology arena is even more frenetic, with new platforms, enhancements and capabilities being rolled out all the time. It can be hard for retailers to keep up with this ever-evolving arena, but the profits and competitive advantage from doing it right can be huge. To help you, *Sleep Savvy* checked in with a range of leading software system suppliers at the Spring High Point Market and elsewhere to see some of the latest developments in retail technology.

Reach customers early on

In April, Retailer Web Services released WebFronts Level 4, billed as the first marketing automation software created specifically for independent mattress, furniture and appliance stores. Designed to integrate with RWS' existing WebFronts system, WebFronts Level 4 contains proprietary tools that enable stores to identify consumers while they're researching online, track their interactions and then automatically market to these prospects via email based on purchase intent. Features include website visitor profiling and session analytics, premade promotions and automated Facebook posts.

WebFronts Level 4 also includes guidance to help users comply with federal and state legislation, which requires that companies obtain "opt-in" permission prior to emailing marketing messages.

"Until now, this type of technology has been too expensive and too technical for all but the largest national retailers to implement," says Jennie Gilbert, chief operating officer of the Scottsdale, Arizona-based technology provider. "It's a huge game changer to make this accessible to the independent channel. They now have a two-way mirror that

allows them to better understand exactly who is visiting their site and what they're looking for."

The rise of the digital consumer has altered the marketing landscape for independent retailers. "The 'purchase journey' is completely different since consumers now do the bulk of their research on products they plan to buy long before they walk in a store," Gilbert says.

As a result, retailers need to know who their customers are and what their preferences are earlier in the buying cycle than ever before. "With WebFronts 4, they have a powerful tool that enables them to easily reach out to the right prospect at the right time with relevant, compelling offers that result in more sales," Gilbert says. While much of the work can be completely automated, the

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program also provides a rich source of sales leads for retail sales associates to tap as time allows.

According to Gilbert, 281 of RWS' retailer customers across North America already have subscribed to WebFronts Level 4.

Keeping product moving

An important part of the in-store shopping experience is having the right range of products available for viewing and testing in the showroom. But equally important is the ability to deliver a mattress set soon after the sale because most people want to begin sleeping on their new bed as soon as possible.

"Mattresses are large-scale items and space is at a premium," says Caitlin Jascewsky, communications and digital specialist with Storis in Mount Arlington, New Jersey. To make the most of that limited space while maximizing customer satisfaction, she recommends that sleep shops deploy a just-in-time inventory management strategy supported by a full-featured software system, such as Storis' Enterprise Retail Planning platform.

> **"**
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"Software allows you to easily monitor vendor lead times against sales forecasting and current on-hand inventory," Jascewsky says. "This helps retailers plan accurate inventory quantities and order just-in-time to meet demand. With JIT, retailers can go from sale to home delivery seamlessly, and keep their inventory costs down and cash flow high, all while still fulfilling all of their sales orders." At the point of sale, this data can be used by RSAs to predict accurate delivery dates for customers, enhancing the purchasing experience for shoppers, she adds.

Technology also can help bedding retailers drive sales by giving RSAs up-selling prompts. "Many consumers of mattresses will need to purchase

supportive products, ranging from rails and sheets to mattress protection plans," Jascewsky says. "On the back end, retailers can set up the appropriate add-on products that are a good match to each SKU. This helps provide optimized suggestions for your sales staff to give the consumer, making customers more likely to buy more and also be satisfied that they have everything that they need from your store."

The power of texting

While companies across the United States continue to spend millions of dollars each year on direct mail—sales solicitations, payment reminders and other communications—they receive at most a 2% return on that investment, according to David Phillips, president of D'LangEMobile in Augusta, Georgia. In a presentation at the High Point Market April 16-20 in High Point, North Carolina, Phillips discussed how short message service, or texting, is increasingly being used to deliver key information and photos directly to consumers' mobile devices.

"With text messaging, retailers can communicate with customers easily and economically," he says. "Messages arrive in seconds, and consumers can easily communicate back to the store if they have any questions. It's immediate, easy to access and much more economical than direct mail."

In D'LangEMobile's experience, 90% of text messages are read within 15 minutes of receipt, "which is super fast" compared with email, which has open rates ranging between 20% and 40%, Phillips says. And the cost of text is lower when compared with other channels—often 5 cents or less per message.

D'LangEMobile's customizable SMS software system uses various methods to enable retailers to send text messages from a computer or mobile phone. Messages can go out in bulk to a large group or be targeted to small groups or individuals with personalized content. The key with any such

program is obtaining prior opt-in consent from text recipients, who can be asked to provide permission through a "call-to-action" request on the company website and through traditional communications, such as advertising and in-store signage.

"You shouldn't send text messages to anyone from your business without permission," Phillips warns. (The Telephone Consumer Protection Act specifically requires that companies receive consent before automatically calling or texting customers.)

Information drives sales

Having a strong online presence is no longer just a plus for retailers—it's a must, MicroD's Jessica Norby told attendees at her High Point Market seminar. To illustrate how dramatically the consumer-buying process has changed, Norby cited three key statistics: 67% of the buyer's journey is now done digitally, a typical customer will "touch" a vendor 11 times before making a decision, and 57% of the purchase decision is complete before a customer even calls a retailer.

"Consumers are doing the bulk of their research before they even head to a store," says Norby, business development executive for MicroD, which has headquarters in Charlotte, North Carolina. "Studies show that you only have 10 to 20 seconds to impress your website visitors and capture their attention. So it's critical that your website be easy to navigate, engaging and full of useful information to inform and motivate potential customers."

MicroD offers a comprehensive merchandising and e-commerce website solution called OmniVue. The platform features a responsive design, customized

themes and other industry-focused technologies and techniques designed to help bedding and furniture retailers better engage consumers and sell more products.

In addition to having a robust website, Norby says retailers should have an active review program. According to Reevoo, a London-based ratings and review service, 88% of customers will check online reviews before making a purchase and 72% of consumers trust online reviews as much as a personal recommendation. Not surprising given those statistics, 63% of customers are more likely to make a purchase from a site that has user reviews.

"We encourage retailers to create a place on their websites where consumers can share their opinions," Norby says, adding that data shows reviews produce an average 18% gain in sales. MicroD's OmniVue is compatible with third-party plug-ins, such as PowerReviews, which provides review forms and email review requests to jumpstart and grow a retailer's consumer review process, Norby says.

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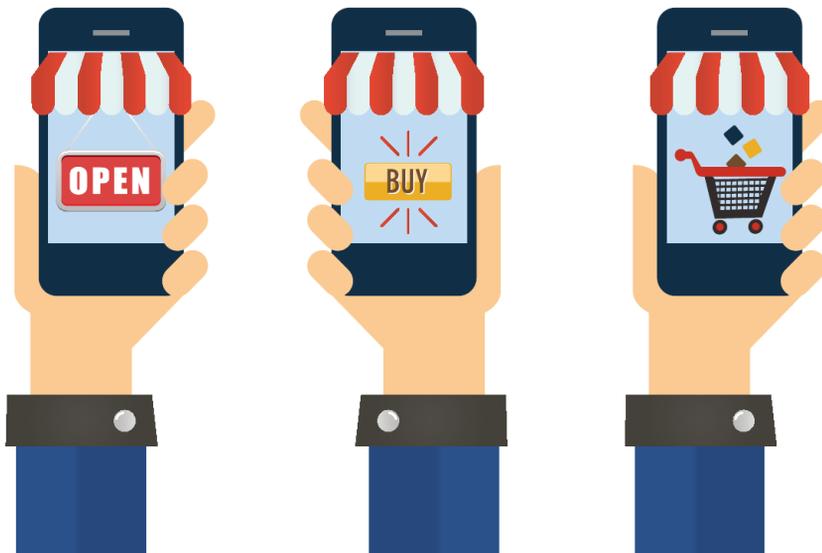
Outdated data hurts sales

While websites are increasingly the starting point of the shopping process, the information they contain often is outdated or inaccurate, says Michael Kumm, chief technology officer for Detroit-based Amber Engine. During his presentation at the High Point Market, Kumm discussed the critical importance of keeping websites current. Amber Engine launched a business-to-business, cloud-based platform in 2015 to simplify product data management for manufacturers and retailers.

"Most small manufacturers and retailers are not properly staffed or funded to handle the increasingly complex sales, marketing and IT demands this industry requires," Kumm says. "The Amber Engine platform overcomes those obstacles to successfully level the playing field so manufacturers and retailers can easily and efficiently communicate and share data."

Amber Engine consists of two portals—Channel Manager and Discover Portal. Manufacturers use the Channel Manager to simplify and streamline the process of storing, managing, updating and distributing product data for dealers. The Discover Portal gives retailers access to an array of product data with built-in capabilities to locate and connect with manufacturers. The Amber Engine platform enables both groups to update pricing and product information anytime from laptops, desktops or tablets.

"Today's showroom is roughly 5 inches by 3 inches, with 60% to 80% of all decisions about furnishings—the identifying, the sorting, the evaluation of product—being done from a phone or computer," Kumm says. "Since shoppers aren't coming in as often to see the

physical product, they are relying on digital imagery and other online information to help them make a decision. If the data you share on your website is obsolete or wrong or even just incomplete, you stand a good chance of losing that business."

SEO sets the stage

Of course, before a sleep products retailer can keep the attention of shoppers on its website, it has to attract them there in the first place. To be successful, retailers need a two-pronged strategy, says Denise Keniston, chief executive officer of Web4Retail in Groton, Massachusetts. First, they need a robust search engine optimization strategy in place for all their website content. Second, to make the most of SEO keyword tagging, they should invest in economical online ad tools.

"SEO tagging is critical to online success," says Keniston, who talked about how to sell merchandise online in a High Point Market seminar. "If you can get your site to come up on the first or second page of Google during a search, you'll be attracting a lot more potential customers."

Because the competition for online eyeballs has become so intense, tagging on its own isn't enough for most companies to reach all shoppers searching for key terms such as "quality bedding" or "sleep products." To rise higher in the search rankings, an ongoing program of advertising is necessary.

One popular system for attracting site traffic is Google AdWords. The program offers advertisers the chance to bid on certain keywords in order for their clickable ads to appear in Google's search results. Ad positions are determined by a combination of a company's bid and its Quality Score, a metric Google uses to determine how relevant and useful an ad is to a user. The program enables retailers to target their messages to consumers in defined geographic areas. Charges are based on click-through rates and phone calls

that result from the exposure, also known as search "impressions."

"Retailers need to include Google AdWords and social media platforms such as Facebook ads in their advertising priorities. If they don't, their competitors are going to win because they will be the ones attracting the traffic," says Keniston, who has her own specialty sleep e-commerce business called ILoveBetterSleep.com.

Measuring success

Communicating effectively with shoppers today requires an understanding of both the various channels/devices they are using to interact with retailers and the effectiveness of different media and marketing messages. Yet, an online survey conducted in January by Synchrony Financial in conjunction with the National Retail Federation's NRF SmartBrief, found 92% of companies are not completely satisfied with the analytical tools they have in place to measure results.

"As the number of purchasing methods expands along with the amount of data available on consumer behavior, a company's measurement tools need to be more sophisticated to keep pace," says Toni White, chief marketing officer of Synchrony Financial, based in Stamford, Connecticut. "Measurement is a critical component in marketing, and there are powerful

tools that can be deployed across all campaigns to influence strategy and drive improved results."

At a seminar during the High Point Market, Blake Berté, assistant vice president of Synchrony's consulting group Synchrony Connect Consulting, outlined five strategies that can help retailers of any size gain insights into their customers' behaviors and buying habits:

O TARGETING AND PREDICTIVE MODELING: Focusing efforts to drive maximum impact

O CONTACT MANAGEMENT: Tracking and refining the number of customer interactions for optimal response

O CHANNEL OPTIMIZATION: Contacting and engaging customers through their preferred channel

O SEGMENTATION: Understanding each unique audience segment for customized communication

O MEDIA MIX MODELING: Optimizing results by adjusting the media mix

"Determining the right communication channel is a key component of CRM (customer relationship management) strategy," Berté says. "For example, if a customer never responds to direct mail, those dollars can be allocated to other preferred channels of communications that deliver a higher return on investment." O

Gary James is a freelance writer who spent more than 20 years with Furniture/Today, *serving as case goods editor and special projects editor, directing the editorial content of numerous supplements, sections and features. He also has served as managing editor for a variety of other business publications. He can be reached at gejames1010@gmail.com.*