

Industry Partnerships Enhance DPH Firm's Success, by Jeremy Smith

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My family's decorative plumbing and hardware business has locations throughout Arizona and in Las Vegas, which were hit especially hard during the recession. Recently, though, there have been concrete signs of a comeback. Home buying is beginning to increase again, and we're seeing more home remodels as well. We are finally "feeling the love," and the love we feel is much more free flowing and easier to come by than it was a few short years ago.

At the start of the economic downturn, we felt like an orphaned child – adopted by not one parent but dozens – and we, in return, adopted others as well. We worked very hard during the recession to make as many friends in the industry as possible to share resources and contacts and to support each other. Now, as more consumers start emerging from the shadows to make purchases on kitchen and bath products, our family business has established a network to keep all of that love "in the family."

For such a long time, things were easy. We, like a lot of others, were living the good life. Arizona is sunny and gorgeous and thousands of people were moving here and buying homes. We hardly had to advertise or really even work to make sales. We'd open a new store – success! Hire a new person – success! Bring on a new line – success! All we had to do was open the door and we seemed to have business.

When the housing market crashed, our business luckily still had great fundamentals, in terms of broad inventory and fantastic operations. However, the customers were now harder to find. The most important thing we had was our reputation, and now it was time to go out and leverage it. It was time to reach out to our community and tell our story and to hear the stories of others.

FORGING PARTNERSHIPS

In the run up of those many good economic years, there was a lot of consolidation in the industry, and we were one of the last independent family businesses left, which was the case for so many companies in this industry. So we started having individual meetings with cabinet makers, countertop companies, tile shops, appliance distributors, flooring stores and everything in between. We started telling our stories to each other, sometimes beginning with a salesperson or manager and then turning into something more.

We invited these companies into our showroom to take a tour, learn what makes us special and meet our people. Then we would go to their showroom and do the same thing.

Referring a company is important, but referring "my friend Jeremy Smith from The Studio at Central Arizona Supply who will take care of you" is a much more solid endorsement. This is the part of the interview process in our "adoption proceedings." We might like each other, but we need to see if there would be love.

This started out as a way to refer and to be referred, but it also helped us to become experts not only in our products, but in the overall kitchen and bath market. As it turns out, the old adage is true: It's not what you know, it's who you know.

We were now able to guide our customers to the best local businesses in each category, and by going to these showrooms, we were up on the latest product and styles beyond our own. So when we were talking about our gorgeous oil rubbed bronze faucet, we could discuss the great countertops that it would look best with.

Today's clients seem to be more aware that their shopping in local businesses can make a huge difference in their community, and many seem to want to make that difference. We are just making it easier to do that – while at the same time helping to enhance the perception of our own legitimacy in the client's eyes.

Many companies have fallen by the wayside during the recession, and customers can be fearful of investing their money in a company that might suddenly disappear – taking their money with them. So endorsing a business to your trusted clients helps to ease their mind.

QUALITY MATTERS

Now, the companies and people you are referring have to be incredible and you have to be as well in order for any of this to work! You don't want to put your reputation on the line for someone else, and vice versa, if it isn't going to pay off. Therefore, if an issue does come up, it needs to be addressed immediately. Make a call for the customer to the owner and try to help the process if there's an issue.

We also try to work with not just one company, but a couple of great companies in our market, saying, "These are the best I know of and have had great luck with them." It's important to refer, but it's still the client's responsibility to do the homework to make sure that the companies you are referring will work for their particular needs and circumstances.

After getting to know these other companies and deciding that you are compatible, it is time to engage in "full adoption." Make sure you have referral cards for the companies that you support, so that it's easy for the client to leave your store and go pick out their cabinets immediately. Host an event together. This way, you can have shared costs and contact lists to draw the widest variety of clients and get the best turnouts. You may even want to share leads with each other or discuss projects that you are both working on and see if someone has a contact to help you get on a job.

The social media component can also be important. Follow all of your adopted companies on Facebook and Twitter, and interact with them. For those of us who have trouble figuring out what to post and what to say, this is a great way to create content for your page and to show that you are engaged with your community. When you share their stories and they share yours, it can help to build your community even further.

We family and local businesses must stick together! The economy continues to get better, and

we are poised to capture as much business as possible, with a little help from our adopted friends!

Jeremy Smith is the showroom director for The Studio at Central Arizona Supply with stores in Phoenix, Scottsdale, Mesa, Surprise, Flagstaff and Las Vegas, AZ. Smith has worked with his family's business to develop The Studio into a cutting edge showroom with the latest products in the most beautiful showroom environments. He is on the board of directors for OMNI Luxury Products Group and the Decorative Plumbing and Hardware Association (DPHA).