

August 2000

"WTCA Members on Building the Supplier/Customer Relationship" by Melinda Caldwell

The component industry is home to a variety of philosophies on marketing and advertising. From those who feel that every aspect of day-to-day business is integrated into a company's overall marketing plan to those who believe that it is a wholly separate and sometimes unnecessary expense, opinions on this topic run the gamut. This article takes a specific look at how the marketplace has changed in recent years and how marketing tactics for component manufacturers have needed to change with the times. While every company's situation calls for a different strategy and no one company has all the answers, insights from fellow WTCA members may help you to re-evaluate your position on the issue of marketing.

WHY MARKET?

For many in the industry, this is a big question. Why worry about marketing if your customers keep coming back with repeat business? Dennis Anderson, CEO/Owner of ProSource in Penrose, Colorado, shared his perspective on this question: "While we feel that we have the better mousetrap, it is difficult to conceive of the world beating a path to our door until we tell it how and where and why to find us. That is the main role of any marketing program. The door to the customer's mind opens for us the moment he perceives a need for components and closes with the next interruption. To be successful in our marketing, we have to be one of the few messages that gets through while the door is open."

For Anderson, marketing isn't just about the pursuit of new customers. "ProSource expends several times the effort marketing to existing customers as we do trying to find new customers," he explained. "We feel that a satisfied current customer is a much more valuable relationship to pursue than trying to strip a customer away from a competitor. This is especially true as we expand our product line to include other structural components. A satisfied current customer is much more likely to try an innovative product than is a more cautious new customer.

"Of course, to demonstrate that ProSource is a player, we must participate in all the validation exercises that any customer expects. That means that we must have a presence in the yellow pages, must join the Home-Builder Associations, must have display ads on our delivery vehicles, and must be a member of the WTCA and our regional chapter, among other presence-building

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strategies. But these base marketing strategies are only the entry ticket, not the price of the ride."

IT'S NOT YOUR FATHER'S MARKETPLACE

Marketing and selling structural building components is a much different game than it was a generation ago. Even in the last five to ten years, the building industry has been affected by a number of factors that have changed the way component manufacturers do business. One change has been in the demands the builder customer is making of its suppliers.

"As the market has matured, the product users have gotten more sophisticated and their demands have often out-stripped the suppliers' abilities to meet the demands," remarked Don Kitzmiller of Alpine Engineering in Pompano Beach, Florida. "Single-sourcing/supplying has become more difficult due to the increasingly individualized demands of the customers. New players in niche categories have made inroads and forced old-line suppliers to re-evaluate their product offerings and market strategies."

A second important change in the marketplace is a result of increased demands from customers—a broader variety of products available to the marketplace, including wall and floor panels, engineered floor products, hangers and other specialty hardware. While this is important because it increases the opportunities that component manufacturers have to do business and serve their customers, it also creates new and challenging needs in the marketing arena. Dave Harris, Vice President of Sales and Marketing for Truswal Systems in Arlington, Texas, pointed out that, in the end, these challenges only work to further the success of the component industry: "By marketing solutions to the builders, the component manufacturer is able to demonstrate the advantages of components over stick built framing and provide these products at a reduction in overall cost. Marketing today needs to focus on how the component manufacturer can make the designers', specifiers' and builders' jobs easier and more profitable. The question asked by these people today is 'what's in it for me' and the component manufacturers that do the best job of answering that question succeed."

These changes in the marketplace (particularly in the last decade) are due in large part to one major change: the introduction of computers into almost every facet of the component manufacturing process—from sales to engineering to production. While computers are to "blame" for the increased sophistication of the component industry and the products it supplies the building industry, they are also making it possible to market these products in new and innovative ways.

"The changes in the available technology provide incredible opportunities for marketing," noted Anderson. "The fact that we can send drawings via email to the builder's architect...or show the builder immediately what a pitch change will do to the appearance of a house, becomes a very important marketing tool. In terms of marketing the production capabilities of ProSource, the accuracy of a computerized component saw or the production speed of a laser-delineated truss jig impresses the potential customer....In addition, the ability to produce very specific marketing pieces incorporating photographs, 3-D visuals and text with desktop publishing software, and then to print them on color laser printers, keeps our marketing fresh and relevant."

RELATIONSHIPS IN THE MIDST OF TECHNOLOGY

Despite the fact that computers and other technologies have made the world grow smaller and industry move faster, customers still possess the need for one-on-one attention and service. Eric Lundquist, Owner/CEO of Allwood Building Components in Richmond, Michigan, cited meeting customers face-to-face as one of the most effective marketing tools they use. Allwood makes a point of exhibiting at tradeshow for local lumberyards in order to make these one-on-one contacts.

At ProSource, Anderson takes into consideration the growing need for niche marketing as a way to better serve his customers. "Marketing has changed from the 'us-them' paradigm to become a 'you-me' exercise," he explained. "It is irresponsible to try to convince the marketplace that your business is all things to all people....We believe it is important to identify a market niche that the business is capable of serving well, determine the needs of that market niche, and then build a business to serve that niche....Once the customer sees that the manufacturer is truly committed to providing the builder's non-product needs, the marketing of product becomes very easy. ProSource doesn't sell product, it sells answers to the builder's problems."

One way to supplement this personalized approach with valuable information is to provide customers with a variety of WTCA's publications. Both Allwood and Pro-Source use a number of different WTCA publications in their one-on-one marketing endeavors. "We use the Framing the American Dream® video and pamphlets, Introducing the Structural Component Industry, Engineering Components for Efficient Framing, plus warning tags and others," stated Anderson. "These professionally produced materials meet our needs for educating the customers with respect to the usefulness of structural building components. They also add to our credibility by demonstrating that we can anticipate customer questions and have the answers readily available."

IT DOESN'T HAVE TO BE A BILLBOARD

Many assume that marketing must be something flashy and tangible—like a billboard or a pen with your company's name on it. These things can be effective marketing tools, of course, but keep in mind that the scope of marketing is much broader than tangible "things." Education is a marketing tool that WTCA and many of its members hold in high regard because it provides the customer with priceless information and understanding of our industry's product. Done correctly, providing education is one of the highest forms of customer service.

"Education is the best way to get into the customer's mind," stated Anderson. "We believe that if we keep giving the builder the information and products he needs to make him a better builder he will come to see that Pro-Source has his best interests in mind with respect to running a successful business."

In addition to being a service to your customer, education is becoming a necessity as the industry becomes more sophisticated and the products available to a builder increase in number. "Marketing components successfully means that the building industry must understand the

differences and the advantages of the engineered products. They must also be educated on how to design and apply the products," remarked Harris.

Education can take on a number of different forms:

- WTCA's Truss Technology Work-shops: TTW's are Microsoft® Power-Point® presentations developed by WTCA to reach architects, engineers, builders and building officials to educate them about a variety of issues regarding structural building components. All 13 presentations are available to WTCA members on a single CD-ROM. This format provides the opportunity for personalization of each course, yielding a professional presentation with minimal preparation. ([More details.](#))
- WTCA Chapter Efforts: WTCA chapters are a great venue for using the TTW programs or for developing the chapter's own personalized programs. Lundquist reported that the Michigan chapter of WTCA has developed a state-approved educational program that allows building inspectors to earn continuing education credits while they learn about components. He stated, "Education is probably the best thing we've done as a state chapter."
- Supplier/Customer Relationship: Some companies find it difficult to get a group of builders to commit to seminars. In that case, another route to consider is to educate your customers one-on-one as you keep up with their needs. According to Anderson, this is the avenue ProSource has taken: "As we have the opportunity to meet with builders in our offices, we barrage them with information on new products, new technologies, new ideas. We plant the seed about how components might help with labor problems, about how small changes in design might bring big benefits in cost reductions, about how process planning their jobs might reduce cost over-runs, etc."

I AM, THEREFORE I MARKET

Marketing is important to the life of a business and to the future of the industry at large. And marketing can take on a number of forms—more than you might think. As final food for thought, consider Anderson's philosophy of marketing and how it might be applied to your business: "Everything is marketing—from the way your quotes are presented to the way your receptionist greets visitors to the cleanliness of your delivery trucks and trailers. Any slip-up in any process provides your competition with an opening. At ProSource we try to close the marketing loop so that all of our existing customers and prospects absolutely believe that whatever they need in terms of structural components will be provided for them."

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