

WRAY | WARD



Building and Remodeling  
Brands to Drive Growth

A strong strategic foundation helps build and remodel **strong brands**.

- Immersing in information
- Setting objectives
- Understanding your audiences
- Differentiating your brand

But let's start at the beginning. Why are strong brands so important?

A **brand** is like a living, breathing,  
growing and changing organism.

A **brand** is the sum of everything  
you feel about a product.

A **brand** is “the intangible sum of a product’s attributes, its name, its price, its history, reputation and the way it’s advertised.”

**Strong brands** help products and services:

- Differentiate
- Avoid being viewed as a commodity
- Move conversations beyond price
- Sell

## **Strong brands** are:

- Profitable
- Valued and sought-after
- Resilient
- Built on a solid strategic foundation

A strong foundation is important for strategy construction and, ultimately, work that not only stands out, but also uniquely stands for the brand it serves.

**To lay this foundation, immerse in information to discover the insights that will inform your strategy.**



# Resource & Research Considerations

## Possible Third-Party Resources

- HIRI
- The Farnsworth Group
- Zonda
- NAHB/NKBA
- AIA
- Green Builder
- Harvard JCHS
- eMarketer
- Houzz
- McKinsey & Co.
- Fixr
- Global Wellness Institute

## Possible Stakeholder Interviews

- C-suite
- Salespeople
- Marketing team
- GMs, related roles

## Primary Research Consideration

- Channel partners
- Primary audiences
- Consumers and trade
- Influencers

## Explore the Following Elements



### **climate**

The background environment affecting your customers, company and category.



### **category**

Composition, characteristics and change in the industry affecting your brand.



### **customer**

How customers interact with and perceive the category and your company.



### **competition**

Competitive landscape; where else customers turn for their current needs.



### **company**

Strengths, opportunities and factors affecting your company today.

**The purpose: generate insights that may help in crafting a strategy.**

# Climate

The background environment affecting your customers, company and category.

## Housing at a Glance

### 2020 RESIDENTIAL PROJECTIONS

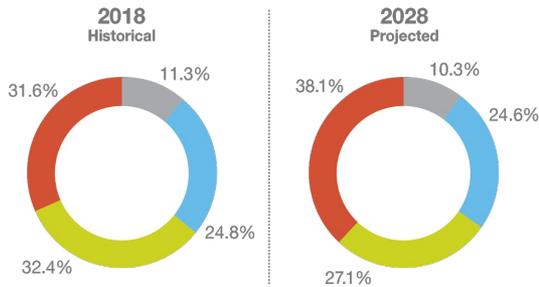


### 2021 RESIDENTIAL PROJECTIONS



Source: Wells Fargo Housing Charbook, November 18 2020

### SHARE OF HOMEOWNER HOUSEHOLDS

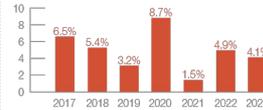


Source: Joint Center for Housing Studies of Harvard University, Tenure Projections of Homeowner and Renter Households for 2018-2038, March 2019

## Remodeling/Home Improvement at a Glance

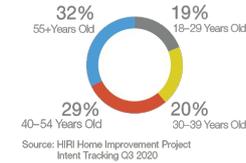


### HOME IMPROVEMENT PRODUCTS GROWTH HORIZON



Source: IHS Markit, Home Improvement Products Market Forecast Update, September 2020

### AGE OF HOME IMPROVEMENT INTENDERS



Source: HIRI Home Improvement Project Intent Tracking Q3 2020

### PANDEMIC IMPACT ON NEW HOME MUST-HAVES

Source: Realtor.com, April 2020



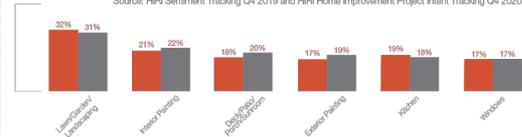
### PANDEMIC-INDUCED DOWNTURN CONCERNS LARGELY DISSIPATED, PROJECTED SOFTENED GROWTH IN 2021



Source: Joint Center for Housing Studies, JCHA Q3 2020

### TOP HOME IMPROVEMENT PROJECT AREAS

Source: HIRI Sentiment Tracking Q4 2019 and HIRI Home Improvement Project Intent Tracking Q4 2020

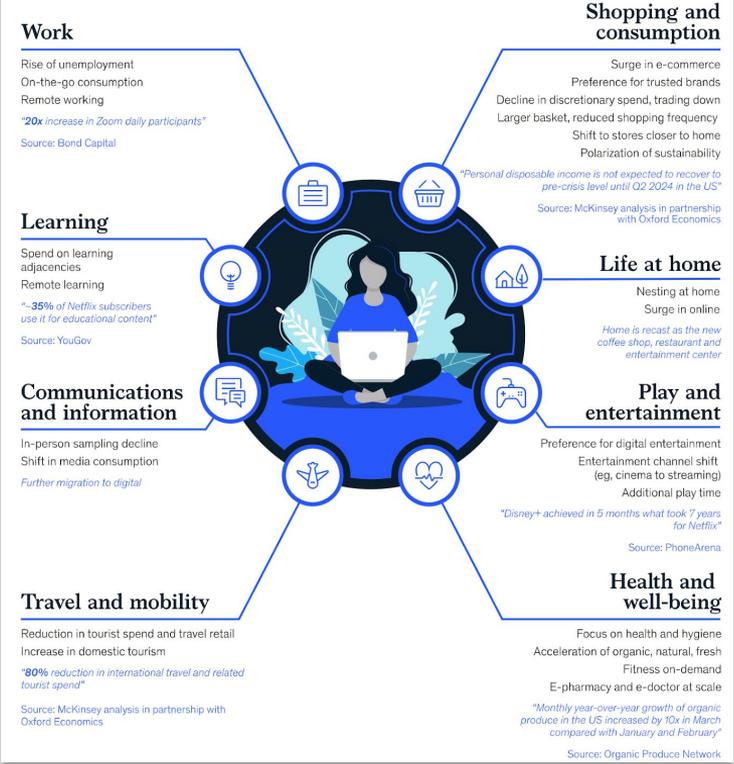


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# Navigating the Shifts in Home Improvement

COVID-19 has changed nearly every aspect of our lives.

## Consumers have seen changes to every aspect of their lives.



## COVID-19 placed a new level of prominence on the home, driving remodeling activity.

Homeowners are thinking about their homes differently. They are transforming their spaces for multiuse experiences, prioritizing **comfort, function, health and wellness.**

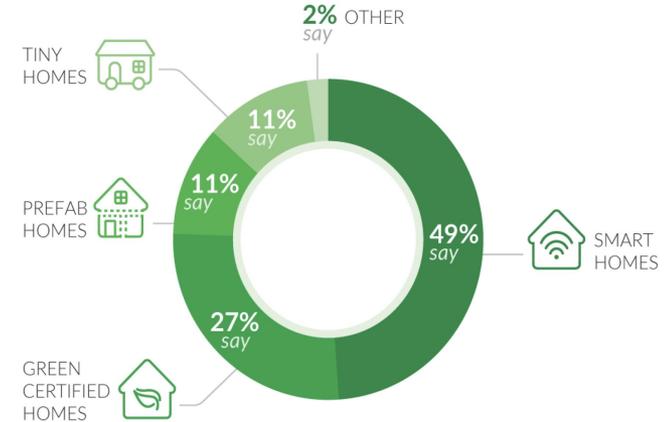
- NAHB Remodeling Index soared to a record-setting high.
  - 75% of U.S. homeowners have carried out at least one home improvement project during the pandemic. 80% plan to complete one in next 12 months.
  - #1 reason for home improvement spending in 2019 was to “to replace or repair.” The top reason in 2020 was **“to make the home better suit lifestyle needs.”**



## Smart home growth explodes globally.

- The global single-family smart homes market is expected to reach \$104.20 billion by 2023.
  - By 2025, there will be 77.1 million smart homes in the United States.
- 81% of people said they would be more likely to buy a home if there are smart features already installed.
  - 60% of homebuyers will pay more for a smart home.
- Boomers and seniors are embracing smart home technology designed to help them age in place (25% and 26%, respectively).
  - 34% of Gen Z and 31% of millennials prioritize smart technology in the home.

### What do you think will be among the most popular design choices?



Fixr's 2020 Single-Family Home Construction and Remodeling Trends

**FIXR**

#### SMART HOME TRENDS

Source: Digital Trend, CES 2019



Voice Assistants



Air & Water Monitoring



Smart Lighting



Smart Security



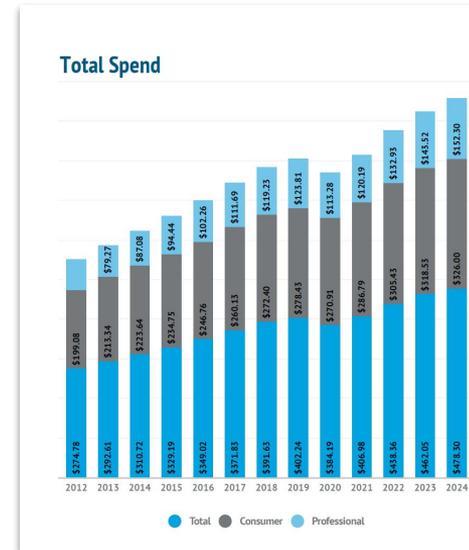
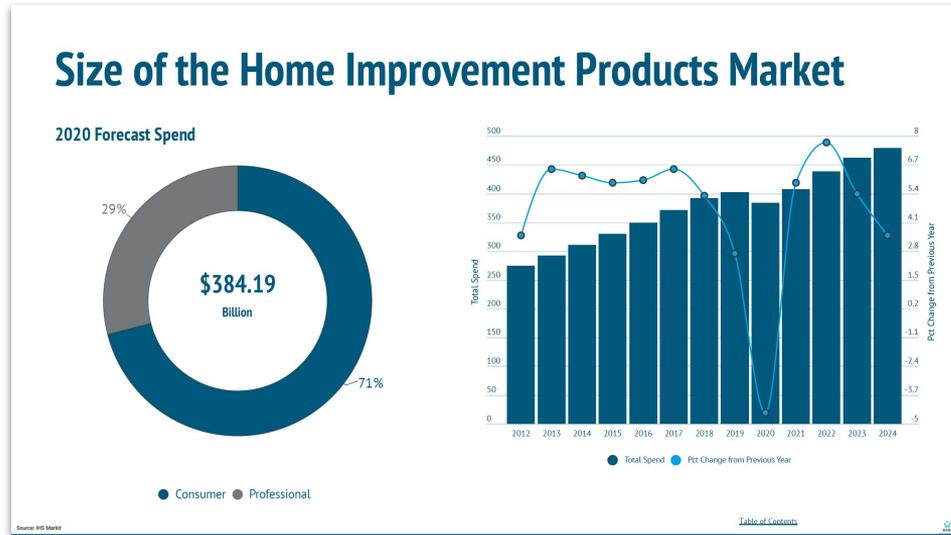
Connected Appliances

# Category

Composition, characteristics and change in the industry affecting your brand.

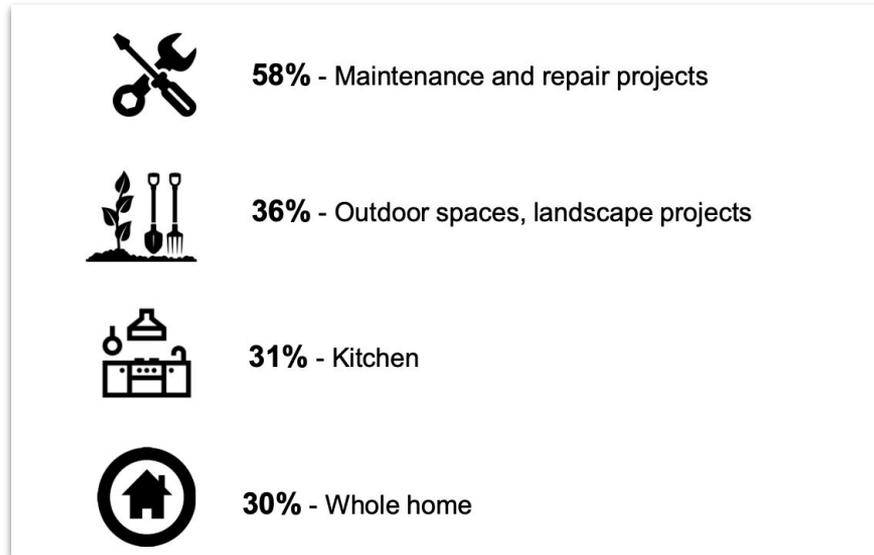
# Home Improvement Growth Continues

The home improvement products category is expected to exceed \$400 billion in 2021, **driven by both consumer and trade professional spending.**



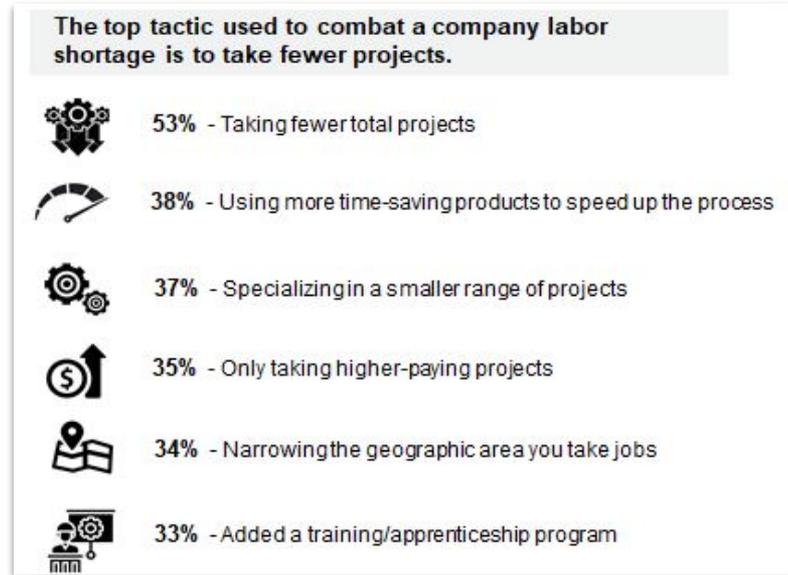
# Maintenance & Repair Projects Expected to Continue

Remodelers see **maintenance and repair projects as having the greatest opportunity** for them in the coming months.



# Labor Shortages: A Long-Term Obstacle

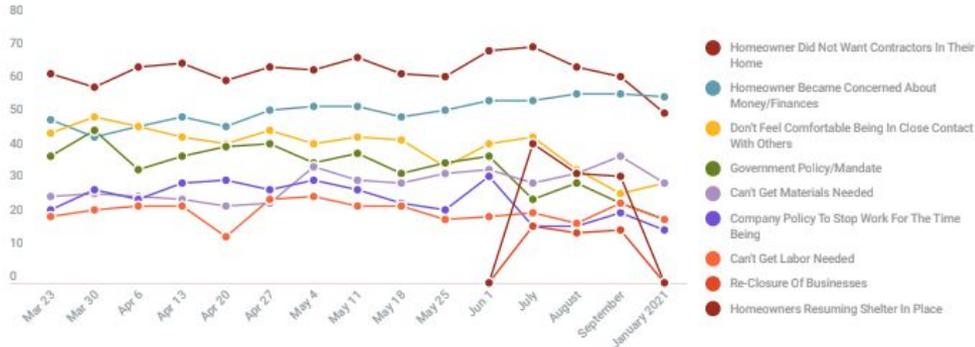
**Labor shortages** are still a relevant barrier in these times.



# Materials Shortages Rising as “Cause of Delay”

Rise in materials shortages reporting began May 2020 and have remained relatively stable, with a slight increase recently.

### How Did the Impact of COVID-19 Cause Delays or Stoppage on Those Project(s) in the Last Month?



-  **67%** - Having product in stock when needed
-  **54%** - Delivering product on time
-  **42%** - Providing lower prices
-  **41%** - Offering delivery
-  **29%** - Offering online ordering
-  **28%** - Offering store pickup
-  **14%** - Providing leads

# Competition

Competitive landscape; where else customers turn for their current needs.

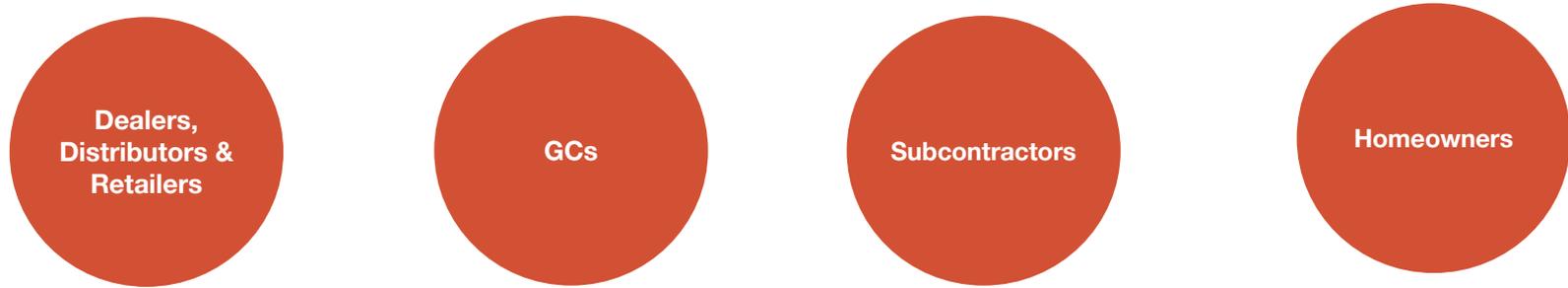
# Competition

- Landscape
- Messaging and key claims
- Positioning
- Marcom channels (paid, press releases, social media, experiential, etc.)
- Tools or promotions
- Advertising and performance media
- Brand perceptions
- Positioning matrix/gap analysis

# Customer/Audience

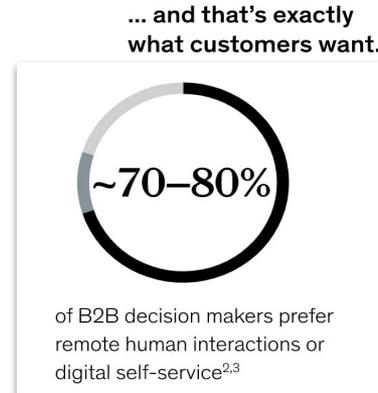
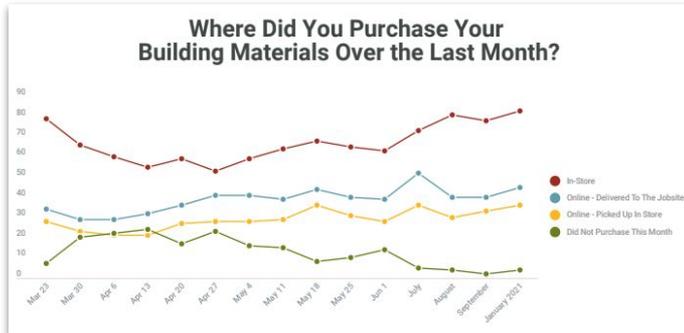
How customers interact with and perceive the category and your brand.

## Landscape: Channel Partners, Direct Customers, Influencers, End Users



# Shifting Shopping Habits with Contractors

- **Online shopping in this category has increased.** In-store shopping dipped during the pandemic but has returned to March 2020 levels. Incidence of online shopping is much higher for larger firms.
- Around 80% of contractors interviewed reported that they did “buy online instead of in a store because of COVID-19 for any reason.”
- B2B companies across industries are changing the ways they do business, both because of **the needs of the pandemic and because their audiences are beginning to expect to do business this way.**



- Why?**
- Ease of scheduling
  - Savings on travel expenses
  - Safety

# Crafting Audience Personas



**Emerging Home Enthusiast**

Individualistic and independent, raised with technology, she likes new products, and her style strikes a balance between informality and clean, light design. An influencer, she's as happy to offer product advice to others as she is to seek it.

## PROFILE

- Married, 35-44 , average age 39
- HH income \$100k+
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## MINDSETS & MOTIVATIONS

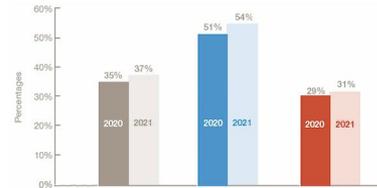
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## MEDIA & RESOURCES

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## CATEGORY ATTITUDES & BEHAVIORS

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- Emque odit quam conserore nati bero



| JOURNEY          | DREAMING                     | CONSIDERATION       | PURCHASE/INSTALL              | ENJOY             |
|------------------|------------------------------|---------------------|-------------------------------|-------------------|
| DESIRED BEHAVIOR | Doluptatur rem moluptat quam | Dam eturiat esta et | Soluptatis et experspe eossin | Rem moluptat quam |

# Mapping a Path-to-Purchase Journey

- Define engagement throughout the purchase journey
- Consider what the audience is doing, thinking and feeling
- Identify information and engagement needs as well as roadblocks
- Use the map to guide communications planning and campaign development

Generic Journey Framework | Homeowners

|                               | Motivate<br>(ENVISIONING)  | Inquire<br>(RESEARCH/POINT OF REALIZATION)  | Empower<br>(THINGS COME TOGETHER)   | Enjoy<br>(OWNERS ADVOCATE)   |
|-------------------------------|--|---|---|--|
| <b>Mindset &amp; Behavior</b> | Home is at the center of their lives. From indoor environmental to home improvement or renovating, they always seem to have a project going on.<br>Project triggers are most often considered problem-solving (room improvement, modernization) or enhancement (kitchen/bath remodel). | Increasingly aware of the importance of making an issue within their home or enhancing their existing rooms and spaces through design and/or remodeling.<br>Researching project ideas, reviews and information online. Dropping around home improvement retailers to research products for upcoming projects. | Weighting all the factors, want to make the best home and production decision for their home and family.<br>Downsizing online and pricing for best professionals in the area.<br>Identifying the right professionals, brands and solutions to do the job right. | Pride and satisfaction over making their home better for their family or their school or bathroom better functioning and more aligned with their desired design/aesthetic. |
| <b>Influencers</b>            | Spouse, professional professionals helping with project, home contractors, and social network influences that touch on niches such as home, health and family.   | Trade professionals helping with project, spouse, friends and family, and/or past experience.   | Real experiences and referrals, as well as the ratings and reviews of local trade professionals.  | Warranty and customer support.   |
| <b>Barriers</b>               | Home improvement products and solutions may not solve their issue.   | Lack of information or abundance of information.<br>Inability to visualize possible solutions.  | Costs and how to ensure that desired improvements fit the budget.<br>Worrying if installation will be disruptive.   | Keeping the brand and importance of a healthy home at top of mind.   |
| <b>Drivers</b>                | Build category interest and promote brand messaging as well as product solutions. Inspection and problem solving with brand offerings.   | Educational on product features and benefits to address barriers.   | Encourage the finalization of home improvement project details and create trust in their selection of certified trade professionals, brand and/or products.   | Encourage the sharing of positive brand, product, and/or project experiences.<br>Continue to foster relationship and brand advocacy through CRM, social and online.        |

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Generic Journey Framework | Contractor-Remodeler Persona

|                               | Motivate<br>(ENVISIONING)  | Inquire<br>(RESEARCH/POINT OF REALIZATION)   | Empower<br>(THINGS COME TOGETHER)  | Enjoy<br>(OWNERS ADVOCATE)  |
|-------------------------------|--|--|--|---|
| <b>Mindset &amp; Behavior</b> | A satisfied and experienced customer and good business comes to his mind prior to the sale.<br>Quality, dependability, timeliness and efficiency are top priority factors in his business.<br>Maintaining a good reputation is critical to the products he chooses must help him considerably ahead. | He maintains a high level of influence with homeowners. He recognizes that his recommendations will be most on point.<br>Must come to absolute desirable trade with brands through research. | Doing the best work, quality and application, and efficient management with and for the client.<br>Determining the success in the future by keeping the customer and brand loyalty will be a direct result of whether or not the products enhance the quality, efficiency and dependability of his work. | Professional contractor-remodelers are highly influential with homeowners.<br>It makes and sets trends. He will continue to influence decisions to work separately throughout his repair and remodeling career. |
| <b>Influencers</b>            | Building Materials Distributor and/or Manufacturer Sales Representatives   | Building Materials Distributor and/or Manufacturer Sales Representatives<br>Energy saving and new trade materials are of increasing interest to him.   | Building Materials Distributor and/or Manufacturer Sales Representatives   | Building Materials Distributor and/or Manufacturer Sales Representatives  |
| <b>Barriers</b>               | Coverage of distributor is a high priority.<br>Distributor relationship is considered more important overall than brand recognition for the customer.  | Time-related problem solver.<br>Special needs is the media source he trusts best.  | He comes to trust certain brands and suppliers, and can be hesitant to switch best.  | Brand loyalty to previously used brands.  |
| <b>Drivers</b>                | Search engines.<br>Email newsletters.<br>Industry press.<br>Manufacturer website.  | Search engines.<br>In-person conferences and trade shows.<br>Industry press.<br>Manufacturer sales materials.  | Distributor/retailer relationship.<br>Manufacturer sales materials.  | Positive experience/brand relationship.   |

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## Pulling It All Together

- Step back and assess what you've learned
- Use the information and insights gathered to begin to construct your strategy



Foundational work must include setting and prioritizing objectives.

Begin with your business objectives to increase:

- Sales from x to y
- Transactions/units from x to y
- Profit from x to y
- Market share from x to y

Then prioritize them and start with the #1 objective to move on.



Set marketing objectives that will lead to the strategies to help you achieve your business objectives.

- **Awareness** among homeowners remodeling their kitchen from x to y
- **Consideration** among subcontractors by increasing the volume of info (requests/project case studies) from x to y
- **Purchase Intent** among homeowners by increasing the use of your brand's "Find a Contractor" website tool
- **Loyalty** among contractors by increasing the number of contractors certified to install your brand

## Find an Installer

ZIP Code

Project Type

Search



Armed with the strategy, move to your brand's:

**Positioning**

A statement of the unique, differentiated, compelling relevance

**Pillars**

Foundational elements that are core to the positioning

**Character**

Words that describe the unique personality

# Creative Development

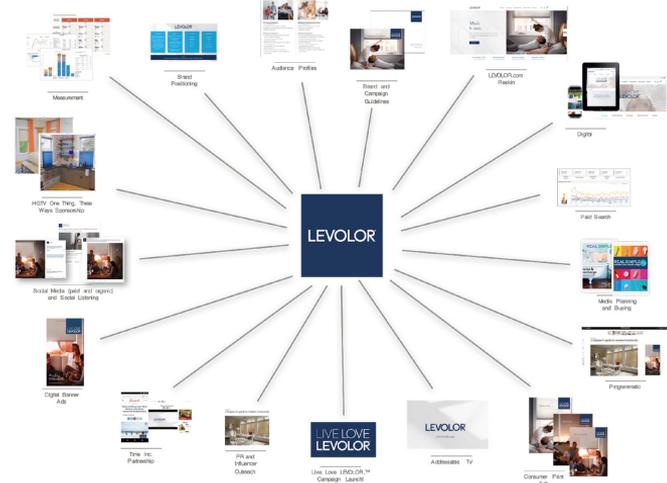
Start with creative concepting around your positioning before moving to tactical applications (e.g., advertising, direct, email, digital, collateral, website, social, case studies, events, videos, design and pricing guides, etc.).

Then, move to a ...



# Connections Plan: Timing, Budget & Prioritization

|                         | Motivate<br>EMPOWERING   | Inquire<br>RESEARCH/POINT OF REALIZATION   | Empower<br>THINGS COME TOGETHER  | Enjoy<br>BRAND ADVOCATES  |
|-------------------------|--|--|--|---|
| Journey Entry Points:   | Inspire  |  |  |   |
|                         | Effectively meet needs when they arise.  |  |  |   |
| Role of Communications: | Build Awareness, Initiate Journey  | Drive (Product) Consideration  | Increase Purchase Intent   | Create Brand Ambassadors  |
| Connections Strategy:   | Maximize reach against the DIY Homeowner.  | Connect "Moments of Awareness" to their hero products through contextual relevancy.  | Continue conversation; answer their questions and requests for info.   | Drive advocacy through influencers, experts and a smooth install experience.                                    |
| Touch Points:           | <ul style="list-style-type: none"> <li>Broadcast</li> <li>New Home Mailer</li> <li>Programmatic Display and Video</li> <li>Publisher Partnerships</li> <li>Social Media</li> <li>Influencer Partnerships</li> <li>Paid Search</li> </ul> | <ul style="list-style-type: none"> <li>Programmatic Display and Video</li> <li>Publisher Partnerships</li> <li>Social Media</li> <li>Influencer Partnerships</li> <li>Paid Search</li> </ul> | <ul style="list-style-type: none"> <li>Programmatic Display and Video</li> <li>Publisher Partnerships</li> <li>Social Media</li> <li>Influencer Partnerships</li> <li>Paid Search</li> <li>Direct to Consumer</li> </ul> | <ul style="list-style-type: none"> <li>Social Media</li> <li>Paid Search</li> <li>Direct to Consumer</li> </ul> |
| Spend %:                | 50%  | 35%  | 10%  | 5%  |



Climate

Category

Competition

Customers

Company



Persona

Journey

Insights

Strategy Construction



Positioning

Pillars

Character



Creative Concepting

Connections Framework & Plan

Measurement & Optimization

### Foundational Work

Research, interviews and workshops help uncover every stone.

### Strategic Foundation

Generate insights from foundational work to construct the strategy.

### Brand Building

Distinguish your brand to guide creative and all tactics.

### Creative & Connections

Bring your brand to life and consider paid, earned, owned and shared media.

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