

## Electrolux

### QUICK FACTS

#### COMPANY

Electrolux is a global leader in household appliances and appliances for professional use, selling more than 40 million products to customers in more than 150 markets every year.

#### INDUSTRY

Appliances

#### GEOGRAPHY

Worldwide

#### CHALLENGES

- Poor market conditions
- Strong competition

#### SOLUTION

HomeSphere's BRI Program

#### RESULTS

- Brand awareness built with over 1,300 builders
- \$34 million in conversion opportunities
- \$13.4 million in opportunities won

### COMPANY PROFILE

Electrolux is a global leader in home appliances and appliances for professional use, selling more than 40 million products to customers in 150 countries every year. The company focuses on innovations that are thoughtfully designed and based on extensive consumer insight. In the United States, Electrolux goes to market with two well-recognized brand names, Electrolux and Frigidaire. For over 80 years, the Frigidaire Brand has been recognized for its quality and value. In 2008, Electrolux-branded appliances were introduced in North America. Based on an extensive European heritage, these products are attracting new consumer segments.

A strong global brand, attractive design and innovative products provide Electrolux with the competitive edge to increase sales and capture market share. The Electrolux brand is now positioned in the profitable mass premium segment throughout the world. In North America, their share in the mass premium segment has grown continuously since its launch in 2008. In the US, the proportion of consumers that associate the Electrolux brand with household appliances has increased from 10% to approximately 70% since 2007. This will facilitate future launches of Electrolux branded products, including vacuum cleaners and professional products.

### EXECUTIVE SUMMARY

Electrolux looks to continue to build on the momentum they are gaining in brand awareness, as well as increase market share in the US residential builder market by highlighting their variety of innovative appliances at all product levels. To aid in their efforts, the Electrolux business development team found it necessary to partner with a company who had the experience and knowledge of the US residential builder market. The team determined they needed a partner to assist them with developing builder relationships and improving sales effectiveness while proving a strong and measurable return on investment. Today, the Electrolux sales team relies in part on HomeSphere's BRI Program, an innovative lead generation and marketing solution that helps building product manufacturers gain a competitive advantage and sell more products.

### CHALLENGES

The building products industry has faced major economic challenges in recent years due to the dramatic downturn in the housing market and Electrolux has not been immune to these conditions. One major factor they face is price appreciation in the appliances industry over the past few decades as compared to other building products. For example, In 1950 a new car cost \$1,750 and has increased 1522% to \$28,400 in 2011. A top mount refrigerator, on the other hand, cost \$399 in 1950 and has only appreciated 25% to \$499 in 2011. So creating value to recover the more expensive technology to allow energy savings as well as provide the features and benefits today's consumers desire is an ongoing challenge.

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The vast amount of competition from other appliance manufacturers also plays a key role in the strategic initiatives and decisions made by Electrolux. To confront these market challenges, the Electrolux business development team identified a major internal challenge they felt hindered their growth: lack of builder market and housing project knowledge among their sales team.

On the marketing side, the company's communication with the residential builder market occurred through contract distributors, so there was little direct contact between the company and their builders. This structure relied heavily on the contract distributor and did not give much control to the company resulting in higher costs per sale and a longer sales cycle.

## SOLUTION

After conducting a comprehensive analysis to reveal areas for improvement, the business development team determined they could increase market share and drive down costs by partnering with a third party. Familiar with other lead generation programs, Electrolux sought out a solution that went beyond just collecting leads. The Electrolux team selected HomeSphere's BRI Program because of their unique and non-traditional approach to builder lead generation.

The BRI Program generates only highly-qualified leads from an extensive network of builders with proven conversion rates. In addition, the BRI marketing program initiates brand awareness campaigns and additional marketing opportunities specific to Electrolux's brands and product portfolio. Lastly, the program offers a team of experts in the field that act as an extension of Electrolux's sales team, providing regional market insight and strategic planning. All of these benefits give Electrolux an unparalleled advantage over the competition.

"As we look to substantially impact the homebuilder market in 2011 and beyond, partnering with HomeSphere is a solid fit," noted Johnny Cope, General Manager – Contract Sales for Electrolux. "BRI provides us with the connections and tools we need to further grow the new home construction sector of our business."

In late June 2011, Electrolux integrated the BRI program into their sales process. The implementation included two days of product training by the Electrolux sales team, as well as training by the BRI sales and marketing team. Once the BRI Program was established within the organization, HomeSphere Regional Sales Managers met with their respective Electrolux counterparts to develop plans for their regions. During the sales implementation process, the HomeSphere marketing team introduced the Electrolux brands to the BRI builder base of over 1,300 builders in a comprehensive multi-channel marketing campaign.

Within the first 30 days of use the Electrolux sales team received multiple enhanced builder leads and product interest requests in their regions based on the efforts of the BRI Program. At this early stage, the Electrolux business development team began seeing measurable activity.

## RESULTS

Using the BRI Program, the Electrolux business development team is seeing an enhancement in builder relationships, increased efficiency in their sales department, and on-demand reports to track progress and successes within their target builder market.

### STRONGER BUILDER RELATIONSHIPS

With an initial marketing launch campaign to the extensive network of HomeSphere builders, the BRI program was able to provide Electrolux with solid conversion leads within the first 90 days with an estimated value of \$9.8 million in annual sales. By the end of this period, Electrolux won over 10 conversion leads worth \$2.2 million in annual sales.

These efforts were further supported by Electrolux's regional Brand Days events. The HomeSphere BRI Regional Sales Managers were able to provide value by attracting non-Electrolux users within the region to the event. These one-on-one events proved to be effective as Electrolux's conversion lead pipeline jumped to \$22.9 million in opportunities with over \$8.2 million in annual sales won by the end of the year. "By participating in Electrolux's regional Brand Days, we were able to help them target BRI builders in their area who were not using Electrolux and introduce the builder to a diverse brand with competitive pricing," explained Chris Toth,

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# ELECTROLUX

HomeSphere's Vice President of Sales. "Having solid usage information and existing relationships with builders, we were able to accelerate Electrolux's efforts and provide them with multiple wins."

## IMPROVED SALES EFFICIENCIES

The BRI Regional Sales Managers were able to assist the Electrolux sales team with regional market insight and strategic planning and put Electrolux in direct contact with decision makers. This increased the company's sales efficiency by reducing their sales cycle and improving builder relationships. "By working together in the market, the Electrolux sales team became a stronger partner to their contract distributors," further states Chris Toth. "Once that relationship was made, Electrolux could work with the distributor as well to secure the conversion and win the business."

## SOLID MEASURABLE RESULTS

With the BRI Program, the Electrolux business development team is able to measure their return on investment and monitor key metrics for better decision making. "BRI allows me to monitor conversion opportunities from the time they are identified all the way through the sales cycle, providing an on-demand reporting 24/7," stated Johnny Cope. "Our partnership with HomeSphere has proven to be a successful move for us. Within the first nine months we are seeing an increase in conversion opportunities with impressive conversion wins." In the first nine months, HomeSphere's BRI program has been able to provide Electrolux with \$34 million in conversion leads, resulting in over \$13.4 million in won opportunities/new business.