

Digital Selling: Here to Stay?



Like it or not, 2020 has forced us all to take a step back from business as usual. As the second quarter began like a slow-moving wrecking ball, we all shifted to new ways of working. Sales teams were particularly impacted, with client trips replaced by a walk upstairs to a makeshift home office and steak dinners replaced by Zoom calls. Trade shows went virtual or were canceled. Basically, all networking—and thus new customer acquisition—screeched to a halt.

Building manufacturers had no ability to sell in traditional, face-to-face ways. In April, they were also worried about a declining market. Thankfully, we're seeing a V-shaped recovery. In our recent survey of 2,600 regional production builders, 69% of respondents reported yr/yr increases in sales orders per community and 58% reported a rise in yr/yr traffic.

But the fact remains: Very few sales reps are making their usual rounds of in-person meetings, and many of them are rethinking their future trade show budgets. The question then becomes, *how* do we sell now and into the future?

As CEO of <u>HomeSphere</u>, I usually take the pen for these "Thought Leadership" articles (we've been fortunate enough to have been selected to the *Constructech* 50 in the past). But because we're in a time when industrywide success hinges upon collaboration, I sat down (translation: I started a Teams meeting) with my frontline team—Partner Managers Brian Sherry and Adam Rahll—to answer the question, "How do our manufacturers sell now?" Here's what they had to say.

Glenn: How quickly did you see customers pivot their selling strategy?

Adam: After about a month of shellshock where nothing happened, the industry went from growth to retention mode, and we prepared for things to get back to normal. Soon, however, we all realized that we were going to be home for a while, and that the usual sales channels weren't viable. We saw manufacturers and their reps embrace and create virtual selling ecosystems using our HomeSphere-IQ as a tool. The platform unites builders and product manufacturers in one digital marketplace for the purpose of customer retention and acquisition—and was a good place to start. Not to brag on our



builders' behalf, but the 2,600 builders on our platform constructed more than 200,000 homes this past year. That represents 27% more volume than the top 10 national homebuilders combined.

Brian: It's ironic. What we thought was going to be a problem—lagging sales or delayed construction—hasn't been. The biggest challenge for manufacturers has been keeping up with demand.

As such, the initial surge toward lead generation has shifted to customer retention. HomeSphere-IQ is helpful in that sense because it gives users detailed information about where and when their products are installed and who uses the product—including the builder using the product, the distributor who sold to the builder, and the product installer. When you know who your customers are throughout the supply chain and have a tool to communicate directly, it goes a long way to retaining loyal customers. The tool also flags customers lost, so users can try to win them back.

The best thing? Users can get these insights themselves, in minutes, without going anywhere except maybe upstairs to their "new" home office.

Glenn: Next question: What have been our customers' biggest questions during these disorienting times?

Brian: Despite shortages, manufacturers and their reps are still concerned with how to sell. With no ability to travel, they are hamstrung and wondering how technology can replace their normal methods of lead generation. They're looking for digital marketing services to connect with builders they might normally meet at a trade show. They also need ways to keep the conversations going for upselling and cross-selling, which is normally done in person.

Glenn: What have you seen regarding digital selling and new selling strategies in the general marketplace? Is the industry pivoting as a whole?

Adam: Yes and no. Manufacturers are still chomping at the bit to travel. They value face-to-face interaction. Yet they're being forced to become more tech savvy. They are also reexamining their audiences. We often hear, "We don't sell directly to builders." We reassure them that they do—that's what all those trade shows and pub ads they're accustomed to are. We explain the opportunity doesn't evaporate when you're not face-to-face. You just need to go about things a little differently to generate good leads.

It really comes down to which marketing services make sense for their brand. We serve as an active collaborator no matter what avenues our customers choose to reach their audience.

Glenn: What is your priority recommendation to the industry?

Brian: Communicate. With so much uncertainty and misinformation in the current climate, it's important to stay in touch with customers. The whole supply chain is overloaded, so it's critical to be



proactive. Are you experiencing inventory shortages? Let your customers know. Get the word out and take corrective action before any issues occur. On the flip side, if you have inventory, now is the chance to grab marketshare.

Adam: Understand your supply chain. These are uncertain times, and it's vital for manufacturers to focus their sales resources on the builders most likely to buy their products. Whether you're a BPM or a builder, you need the ability to understand who your customers are (and who they aren't) and how to find them. This is probably one of the biggest benefits we provide—access to demographics across the entire supply chain and sales pipeline.

Same conversations, different approach

The pandemic has at once slowed us down and sped us up. The through line is that we're in it together. While not everything in our industry will remain forever changed, I anticipate some things will, like how we communicate and market. Now is the time to learn new ways of working and find new efficiencies.

About the Author:

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