



Why the Future of Home Décor Requires a Social Trading Hub on the Web

By: Barry Abraham

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Thank you to David Meerman Scott, author of *The New Rules of Marketing & PR*.
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NOTICE TO THE READER:

You'll notice that I write in a casual tone, rather than the formal style you would expect in a business book. I am an entrepreneur who spends his professional life in the trenches looking for market solutions to everyday problems. If you are reading this book it is highly likely you too are an operator in the same trenches, so I wanted to use my "blog voice" to bring in-depth information within a pithy format. However you perceive the tone, you will see the concepts illustrated in this eBook are steeped in practical, commonsense thinking.

Please feel free to post this on your blog or email it to whomever you believe would benefit from reading it. **THANK YOU!**

A groundswell of Change Has Occurred



Unless you've been tucked away in a temple deep within the mountains of Nepal, you have likely noticed a massive surge in a people-driven phenomenon on the Internet. Fittingly referred to as a Groundswell, it is characterized as a "social trend in which people use technologies to get the things they need from each other instead of from companies, brands or traditional institutions like corporations."¹

Unlike earlier Internet predictions, this phenomenon is not a flash in the pan. Instead it is an eternal, people-driven movement to connect, resulting in a permanent, long-lasting shift in the way the world works and the way commerce is conducted. The groundswell has changed the balance of power, where institutions and brands no-longer dictate or control the message that consumers hear because it is now controlled by the masses.

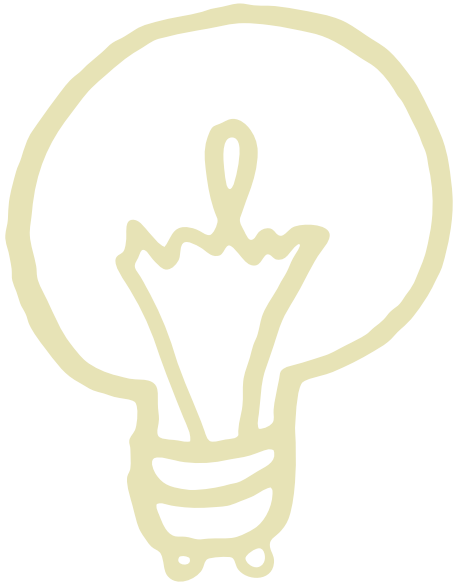
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WHY SHOULD YOU CARE?

If you're working to make your organization more visible online, seek to reach new customers, or just want to drive people more effectively into your company's sales process and improve their purchasing experience, then this eBook is for you. If you are a small business owner who wants to destabilize your big brand competitor, or alternatively a big brand executive wanting to maintain your dominance, then read on. If you want to be recognized as a thought leader or as a builder of collaboration with other industry merchants, then you too should read on.

¹ Groundswell, Charlene Li and Josh Bernoff, Harvard Business Press, 2008.

The Marketplace of Ideas



It is widely understood that competition between various ideas—through transparent and free discourse—more accurately reveals the better ideas, truths, policies, and/or practices within a marketplace. Fueled by the power of the Web and social media, other marketplace of ideas have taken a quantum leap in efficiency, while also greatly shifting the balance of power. Where information was once expensive, it is now free. And, the big brands that previously controlled the market’s dialogue quite simply no longer have the reach they once did.

The rules of marketing have changed dramatically since the days when companies began using icons and slogans to capture our attention. Through these methods, marketers perfected the tradecraft of one-way interruption to navigate their way into our wallets. Now, consumers have become much more efficient at blocking out these traditional marketing methods, and have become equally efficient at finding trusted sources of information, content, and products online.

PARTICIPATION IS MANDATORY, and your reputation within the marketplace of ideas depends upon your participation. By positioning your organization with interesting and educational content, your ideas can get discovered via general search engines like Google and Yahoo!, or via specialized search engines to find out what people are saying about you or your products. You can position your organization as a thought leader in your field by knowing the influencers, anticipating what people will say about your organization or products, and determining how you will respond to their comments. Your goal is not to sell to the audience, but rather to engage the marketplace by bringing forth new ideas to be considered. In return, your organization will become more “human” to the marketplace.

THE MOST IMPORTANT THING TO REMEMBER, as you develop strategies and plans to enter the marketplace of ideas is to put your company, products, and services to the side for a little while and focus your complete attention on the buyers of your products. Devoting attention to buyers and away from your organization will be difficult at first, but will always pay off by bringing you closer to achieving your revenue goals.

Content is King.

“I know I’m wasting half of my advertising budget, but I don’t know which half.”

DEFINED:

Web content comes in many forms, such as weblogs (blogs), forums, videos, pictures, product descriptions, articles, and podcasts—virtually any text in a searchable format can be considered content. Every word in every post in these formats is indexed by Google, Yahoo!, Bing, and other search engines, so when people look for information on a specific topic, they can find it.

What if you replace that adage with, “We are developing hundreds of new relationships with customers who are entering our sales process every day?” Sounds like an unreasonably high expectation; doesn’t it? Well, it’s a daily reality for thousands of companies with the help of smart marketers who have embraced the change in social behavior.

HOW?

These marketers shifted their thinking from mainstream marketing to the masses, to a strategy of reaching vast numbers of under-served audiences via the Web. They began delivering rich and engaging content to their buyers at just the precise moment they needed it.

These marketing professionals have also changed the way they view their customers. The traditional viewpoint regarded customers as an audience with brands talking to customers (some even shout) through television or newspaper ads, billboards, product catalogs, radio, and other one-way interruptive means to sell their products. Customers then responded by deciding whether or not to purchase the product. Yet, like audience members in a theatrical production, customer responses were limited to clapping (enjoying their purchase), booing (returning a faulty product), and the very occasional “letter to the director” following an exceptional or horrible experience. Innovative marketing professionals now view customers as having unlimited roles that extend beyond audience membership, such as: directors, script-writers, and set-designers. And, it is understood that they are quite capable of making up plays of their own.

Today's smart marketing professionals

come together with a variety of other interested parties—from customers, to competitors—on centralized platforms to create a marketplace of ideas to express creative ideas and develop interesting content, while becoming thought leaders on a given topic.

They understand that marketing is more than just advertising; it is about driving people into the purchasing process by getting in front of their customers where they begin their buying process—

on the Web.

They get in front of customers by creating exceptional content in all forms to help buyers see that you and your organization “get it”. Simply put, content drives action, and action drives revenues—

making content the king of revenue generation.



STOP
making
excuses!



change is HARD! and often results in a good deal of excuse-making.

Top company leadership and marketing executives offer many excuses for why they can't create interesting content that people will pay attention to and want to share with their friends, or to explain why their particular product, service, or organization doesn't have potential to gain traction online. They often drum up crap comments claiming to be "just a traditional bricks-and-mortar company" or claim that they don't publish online because someone might say something bad about them. Regardless of the reason, these are all excuses.

Another scapegoat offered up by company executives to avoid joining the online marketplace of ideas sounds something like this,

"I don't read blogs or forums, watch YouTube videos, or have a Facebook page, so how important can they be?"

This sort of position is misleading and dangerous to an organization's overall marketing and PR efforts. Why? Because it's used by executives to justify sticking exclusively to the methods that worked decades ago, like image advertising, direct mail, extensive field sales teams, the Yellow Pages, etc.

And, if that were not enough, these same executives prohibit the use of any of these online venues by their employees, shutting down the use of social media, blogs, and forums to promote their brand's messaging, products, or vision. These lockdowns are perilous to an organization's ability to engage consumers in the groundswell.



To be successful with this social change executives must call upon their entire organization and solicit creative, informative content that will spread ideas that highlight your company's strengths. Your approach should be one of thought-leadership, not predominantly focused on generating sales leads. In recent years, companies have primarily created Web content such as white papers as lead generators, whereas the goal now should be focused on getting the word out about your organization's ideas.

An insightful list of questions to help measure the impact of your content development efforts is provided by David Meerman Scott in his book *World Wide Rave*. Consider your efforts against these six questions:

1. How many people are exposed to your ideas?
2. How many people are downloading your stuff?
3. How often are bloggers writing about you and your ideas?
4. And, what are those bloggers saying?
5. Where are you appearing in search results for important phrases?
6. How many people are engaging with you and are making the choice to speak to you about offerings?

Even huge corporations can be nimble and thought provoking when they have a clear direction and allow the autonomy for making necessary changes.

HEY! SHE MOVED OUR CHEESE...

over-complicating simple things can make anything unnecessarily unbearable. In the bestselling book *Who Moved My Cheese?*, Kenneth Blanchard points out how excessive analysis, stubbornness, and fear makes things overly complicated and ultimately results in missed opportunities. Many marketing executives have come to the realization that the consumer has moved their proverbial cheese with consumers choosing to start their buying process by asking their social network or seeking information on the Web, while paying scant attention to mass marketing.

This is particularly apparent in the home décor market where females are the primary consumer base. Indeed, females are the largest and fastest-growing user group on the Web, in addition to being the majority of users engaged in social media platforms such as MySpace or Facebook. Women routinely use the Internet to research, compare, find, and review products, and use social media platforms to get and give feedback from their social network.

By embracing the way female consumers have changed their buying behavior, home décor marketing professionals can capitalize on a massive opportunity to provide the female consumer with targeted content at the precise moment she is looking for it and greatly improve their company's future viability.

CONSIDER THE TRAITS OF FEMALE BUYERS:²

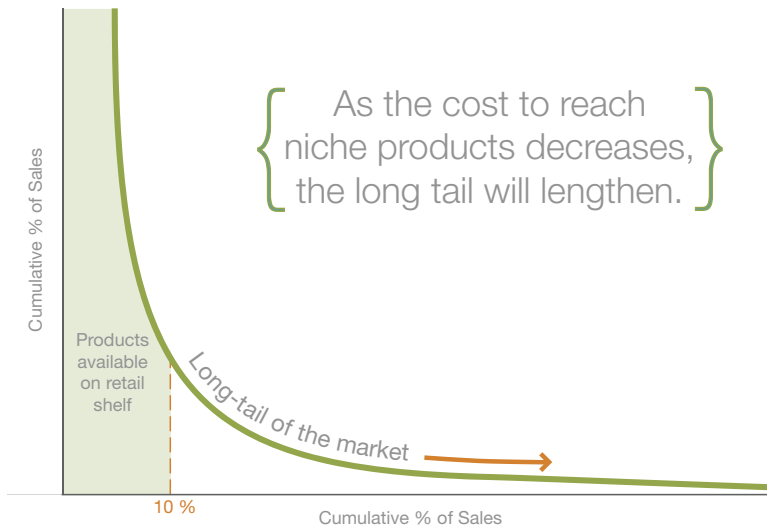
- More women are online and blogging (creating content) than men
- Women control 83% of all consumer purchases (including home décor)
- Women are inherently community-minded and love to seek advice and share good information
- Women “pay it forward” by giving referrals
- Women hunger for and expect openness to information; it is what makes them, in many ways, tougher customers than men
- Women are at the forefront of all the primary drivers of change
- Women connect through creativity
- Women are busier today than any other time in human history because they work, while maintaining a household and raising children

The Web has given marketing professionals in the home décor industry the opportunity to generate significant word-of-mouth publicity, enabling their products to achieve greater popularity in the eyes of their buyers.

The successful marketing professional embraces the entrance of the consumer into the dialogue while tapping into the fundamental emotions that drive female consumers to partake in the marketplace of ideas—**fulfilling their needs to connect, to create, to simplify, and to help one another.**

²The She Spot, Lisa Witter & Lisa Chen, BK Business Books, 2008.

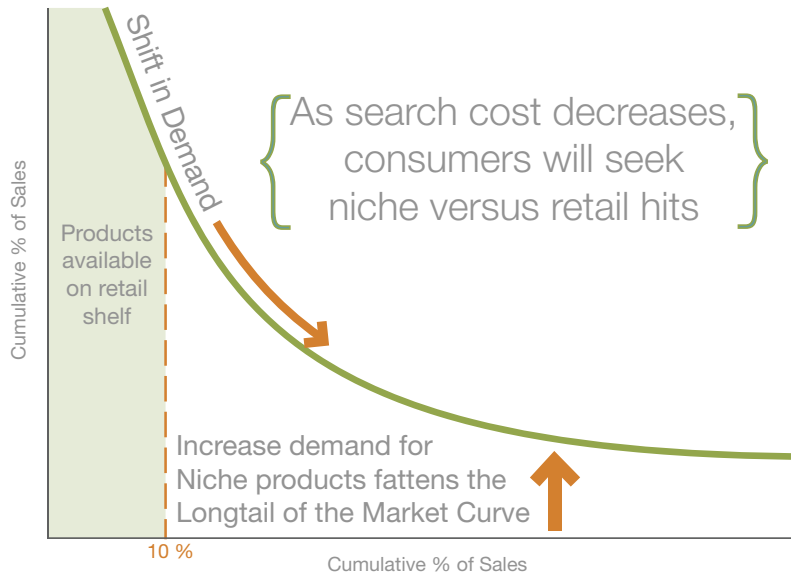
THE WORLD THE SHELF CREATED



Home Décor consumers have been constrained for too long by the domination of the lowest-common-denominator approach to product offerings, resulting in the prevalence of scarcity models where less than 10% of available products are accessible by consumers. While bricks-and-mortar superstores have scale, they still have to deal with the economics of shelves, walls, staff, locations, and store hours. Their model requires them to focus on retail winners—with only so much retail real estate to floor or shelf products, it is only sensible to fill them with the products that will sell best and generate the most efficient income. And, if that is all that is available, that is all that consumers will buy.

Using the efficient economics of the online marketplace to aggregate a large and diverse inventory of relatively low sellers, the Internet provides a means to eliminate most of the physical barriers that have impeded markets from offering unlimited selection. **Without the physical constraints, narrowly targeted goods and those that have significant floor or shelf space requirements can be as economically attractive as mainstream fare.** Long tail market theory—with the help of a budding “quant”, Jeff Bezos—has proven that manufacturers and/or products whose market existence resides in the long tail of a market when given a suitable alternative will clamor to a distribution channel providing greater exposure to increase the likelihood of new customers and markets.

BUT, THERE IS A CATCH...



Simply offering more variety does not shift demand down the market curve by itself. Consumers must be given a different buying experience to easily find the niche products that suit their particular needs and interests, and more importantly, what other people say about them. This is even more compounded in home décor where the complexities of personalization must take on a three-dimensional perspective to account for emotional expression.

Many home décor online aggregators fall short by ignoring the personal and emotional context required to create a breakthrough user experience.

Many home décor online aggregators fall short by ignoring the personal and emotional context required to create a breakthrough user experience. They lack a range of tools and techniques—from recommendations, to color and style selection—found in a new patent-pending Web-enabled platform from Pure Home Corporation. This technology includes a unique color selection system called Inspir™, which combined with contextual search technology tools, provides consumers with the ability to express their needs and personal desires, while collaborating with others within their social network to develop a three-dimensional profile of who they are and what they like. The Pure Home platform has the needed filters, recommendation engine and navigation layers to drive demand down the tail of the curve, introducing consumers to products, content, and services that are targeted and relevant to their profile.

Ultimately, the collaboration of these tools results in the efficient connection of supply and demand unfiltered by the economics of scarcity, and elevated by contextual matching opening new markets and customers to sellers regardless of their geographic, sales volume or revenue generating constraints.

THE PROBLEM is Communication -NOT CHOICE!

Color defines us, our mood and our self-expression, and is central to all home décor decisions. However, the proper selection of color, style, emotion, and dozens of other complexities become the nexus of the communication problem between buyer and seller. Seeking advice at the start of their buying process, consumers approach vendors with complex questions such as, “I’m trying to create a room that is inviting, warm and cozy, but is still sophisticated to maintain my traditional style – can you help me with picking the proper colors?” Another good one is, “Can you tell me what color goes with this (choose any product)?” Or, consider my favorite, “What color best represents my personality or mood?” All too often, questions like these place sellers in a conundrum, where it is difficult for the seller to find a good avenue out while saving face.

The root problem between supply and demand in the home decor industry is what economists call an **asymmetric flow in communication**, where the needs of consumers for information don’t align with the needs of suppliers, emanating from decisions surrounding correct color selection and coordination which increase the overall transaction cost.

Buyers and sellers want (and need) tools that solve this chronic problem and bridge the communication gap to connect with each other in new ways. A tool or technology such as Pure Home’s Inspir™ color selection system that solves this chronic problems while making connections with people and products more interesting, more varied, or more frequent, has good potential for wide scale adoption. Furthermore, such technologies spread virally, as existing participants recruit new people (buyers and sellers) to join them in “their” marketplace of ideas.

QUIET

down please,

I'm trying
to search!

For the first time in history we are able to measure the consumption patterns, inclinations and tastes of an entire market of consumers in real time—based on their emotional context—and just as quickly adjust the product offering to reflect their emotional desires. **This is nothing less than an epochal shift in the massive home décor market.**

The largest search engines and online retailers regard home décor as a widely diverse three-dimensional marketplace, but they look at it through a one-dimensional lens to create a user experience without meaning or personal context, resulting in “search noise” (random content or products of poor search quality).

A three-dimensional approach is needed to engage the required senses—verbal expression, visualization, and emotion—and to activate the user’s creative sub-conscious—to derive emotional context and create a dataset used to filter out search noise.

Search noise is filtered by screening for and elevating the few products that are contextually relevant to the consumer, and suppressing the many that are not. Too much search noise results in people not buying.

Clearing away search noise for home decor products is a challenge for online retailers—they are missing emotional context. Relying upon one-size-fits-all aggregation and filtering processes that emphasize simplicity, (and lowest common-denominator metadata) forces product queries into a standard presentation model that does not cater effectively to “niche”-product offerings or style genres. Therefore, the query responses do not cater to most consumers and manufacturers in home décor. Consumers seeking these niche wares have to invest significantly more time to find these products (if they even do find them) manually filtering through a good amount of search noise. If left unchecked, search noise will continue to significantly impede the performance of this market.



Home Décor is an exercise in human necessity;

a person's desire to create a living space that expresses "who" they are. Unfortunately, many of us don't know what we are looking for or how to express it. Thus, content and product recommendations only make sense when they are relevant to our self-expression, color choices, style preferences, emotional desires, and existing product and material selections. Contextual navigation is a more effective search because it integrates these complex variables into an "intent" algorithm to fuel content and product recommendations – deep down the long tail of a market curve – moving consumers more effectively and quickly through the thicket of information. A good example of this is Pure Home Corporation's social commerce platform that has integrated contextual search tools to help users organize content to explore topics they don't understand. The platform also arranges product recommendations to help the user to make the best choice, which can result in better driving demand for products that exist even in the narrowest of niches.

Contextual recommendations boost consumer satisfaction by connecting consumers with products that are more right for them than the broad-appeal found at their local retailer or via popular search engines.

Even as we are leaving the Information Age and entering into the Recommendation Age, the home décor industry as a whole has yet to embrace the Information Age. This shortcoming creates an enormous opportunity for companies to embrace this shift to the Recommendation Age and achieve exponential growth. Consumers using Pure Home's patented search technology, recommendations, and other product filters will substantially improve their odds of finding something just right and thereby achieve emotional satisfaction. And, brands and merchants who join these types of platforms will gather new customers and markets—far beyond their current geographic limitations.



BUSINESS WOULD BE GREAT *IF* it were not for these customers.

LET'S FACE IT, those of us who have made it our profession to develop customers have at one time or another made this pronouncement (or one similar to it). As oxymoronic as the statement appears it expresses the simple fact that customers - no matter how central they are to your organization - well, can be challenging at times.

Supporting customers is a burden, period!

Regardless of what you sell, the cost of supporting some customers can be more than what you signed up for. Once a typical consumer product is bought, companies don't want to hear from their customers—until they want to buy more. If customers call before that time it usually means something is going wrong, and these calls can add up into significant costs to answer.

In the mid-1990's, company executives began leveraging websites and outsourcing call centers to insulate themselves from the dreaded customer call. Company webmasters would post massive amounts of product and problem-solving information online and encourage customers to use it to solve “their own” problems. If they could not get the answer they were looking for, the next alternative would be to call the company's call center in India.

As companies pursued these solutions to save money, consumers became frustrated with the long waits, poor language skills, and hit-or-miss quality of support for their products and they developed a new source for information and help – each other.

Within the marketplace of ideas a culture of generosity has become pervasive. People are far more willing to trust each other and complete strangers than a company or institution.

Amazingly, people within the marketplace are willing to spend lots of time helping each other, if given a platform to actively communicate.

The marketplace is like a massive focus group with uninhibited customers offering up their thoughts for free! Like it or not, at many levels companies have been relieved of their support responsibilities, but not of their responsibility to participate.

Position notwithstanding, all corporate citizens have a role in bringing new, educational, and creative content to consumers, and to remain vigilant for customers who express disgruntlement with their company's product or service.

Remaining visible to the customer is key in both good and bad situations.

Using the appropriate technologies, your organization can maintain a 24/7 patrol of the marketplace, searching out those individuals who are talking about your organization and what they are saying.

ADVERTISING: A Money Pit of Wasted Resources

Ouch! This may hurt, but do you realize that nobody cares about you or your product? No longer does the gobbledygook-laden phrases and messages you craftily put together to lure consumers to your product work. Or, the “Four P’s” (product, pricing, placement, and promotions) you learned in business-school no longer have the impact they once did.

BUT, WHAT IF you had a story worth repeating – about how your product solves real problems for consumers – do you think people would care enough to repeat it many times over? That is exactly what occurs world-wide through the efforts of bloggers, forum hosts, videobloggers, and mainstream media.

Before the Web came along, there were only two key ways to get your products or services noticed: buy expensive advertising, or beg the mainstream media to tell your story for you. Now we have a better option: publish interesting content on the Web that your buyers want to know and give it away for free. Traditional, non-targeted advertising via newspapers, magazines, radio, television, direct mail, and their Web-cousin the banner ad, were the only ways to go for many home décor suppliers. These forms of media make targeting specific buyers with individualized messages very difficult. Yes, advertising is still used to market products with broad appeal and megabrands (i.e., “big box stores”), but...

with the majority of the suppliers in home décor offering products that reside in a single category (paint or flooring) advertising dollars are mostly wasted.

David Meerman Scott's New York Times bestseller, "The New Rules of Marketing & PR" (a must read for Marketers) illustrates how the rules in advertising have changed in what he calls:

THE OLD RULES OF MARKETING :

- Marketing simply meant advertising (and branding).
- Advertising needed to appeal to the masses.
- Advertising relied on interrupting people to get them to pay attention to a message.
- Advertising was a one-way: company-to-consumer.
- Advertising was exclusively about selling products.
- Advertising was based on campaigns that had a limited life.
- Creativity was deemed the most important component of advertising.
- It was more important for the ad agency to win advertising awards than for the client to win new customers.
- Advertising and PR were separate disciplines run by different people with separate goals, strategies, and measurement criteria.

Technology breakthroughs and the Web have opened a tremendous opportunity to reach niche buyers directly with targeted messages and products, costing a fraction of what traditional, one-way interruption advertising costs.

Moreover, product-focused advertising approaches are now forced to compete with new, Recommendation Age marketing that is centered on education, collaboration, information, and choice. Advertisers can no longer break through to their buyers with dumbed-down broadcasts about their wonderful, super-duper, one-of-a-kind, techno-widget products because buyers simply don't care as much about your information that is all about your company and your product.

³The New Rules of Marketing & PR, David Meerman Scott, Wiley and Sons Inc., 2009.

About the Author



Barry Abraham is a sales and marketing strategist, speaker, seminar leader, and an entrepreneur who has been a veteran of 4 start-ups and VP of sales and marketing for two international technology companies. In 2005, wanting to take advantage of the housing boom (and take a break from traveling to Asia), Barry took a hiatus from the technology industry and founded the first fully automated granite countertop manufacturing company in the Pacific Northwest. It was here that Barry became aware of the inefficiencies and high transaction cost within the home décor market caused by the asymmetric flow of information, and where he started his quest to find a solution to bridge the communication chasm between supply and demand.

Barry lives in Kirkland, Washington with his amazing wife and two awesome teenagers.

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Pure Home is the social commerce trading hub for the home décor industry. Helping you find the perfect colors to express the heart of every room. From floor to ceiling – we take the guesswork out of correct color selection and recommend products at just the right moment to deliver millions of new customers to our brand partners. A simple, intuitive process that gives consumers endless design possibilities.

Start with our Inspir™ Color Select Assessment. Get inspired and find the exact furnishings custom-selected for you and your home. Then share the results with your friends on Facebook or take your Pure Home colors and product recommendations shopping on your mobile device.

Easy, Stress-free home decorating with professionally inspired results.