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HGO merchandiser

WINTER 2019

Volume Nine, Issue 1

INTRODUCING
THAT GIRL
SHANNON

A GUIDE TO
COMPETING
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UNDERSTANDING
THE COMPRESSED
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Everyone loves a success story. There's something inspiration in learning about someone who built a business for herself using nothing more than grit, determination and hard work. In fact, it's gratifying to learn that's it still possible in this age where everything is just so damned expensive. In this issue, we introduce Shannon Houff, otherwise known as That Girl Shannon, who scribes the first in an occasional series of columns for HGO. She promises to be fun and thought provoking.

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The last decade hasn't been an easy one for the furniture industry. Rocked by a historic recession, companies that recovered had to stare down another challenge--the rise of e-commerce and online shopping giants. But while change is tough to adapt to, there are still opportunities for retailers to survive – and thrive – in the market of the future. Contributing editor Ashley Newport speaks with two influential independent retailers, and a well-known industry consultant, about what it takes to take on Wayfair, Casper and the like.

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ON OUR COVER: One of the virtues of the compressed mattress has always been touted as its ease of transport – whether its from the factory gate to the warehouse or to the customer's home. Then it's set the rolled-up mattress in place, cut off the bag and let it breathe. Here, this young couple open one of the latest models from Magniflex, the Italian manufacturer that first introduced the vacuum-packed mattress back in 1986.

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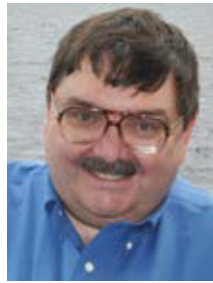
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WELCOMING THAT GIRL SHANNON



MICHAEL J. KNELL

In this issue, we introduce Shannon Houff, otherwise known as That Girl Shannon, who scribes the first in an occasional series of columns for *HGO*. She promises to be fun and thought provoking.

EVERYONE LOVES A SUCCESS STORY. THERE'S SOMETHING inspiration in learning about someone who built a business for herself using nothing more than grit, determination and hard work. In fact, it's gratifying to learn that's it still possible in this age where everything is just so damned expensive.

In this issue of the *Merchandiser*, we are launching the first in an occasional series of columns by Shannon Houff. We first profiled Shannon and her store – Front Porch Interiors & Design – back in 2013. She has built a successful furniture retail operation in a small town of fewer than 600 people in the heart of Saskatchewan's ranch country. And she did it by building a community, by reaching out and by injecting a little fun into the whole process of buying and selling. She's now embarked on creating her own brand – *That Girl Shannon* – a collection of occasion furniture and accessories while becoming the national spokesperson for United Floors, a group of independent flooring retailers. In my view anyway, she has something interesting to say and something that's worth listening to.

She's also enthusiastic about this business. Shannon sees her business as her avenue for personal growth.

When looking at what else is going on in this industry right now, it's good to see an independent retailer who is literally from the middle of nowhere becoming a voice to be heard. And guess what else – she looks and sounds just like our industry's target customer.

Elsewhere in this issue, contributing editor Ashley Newport talks to a pair of well-known independents about competing with the e-commerce giants. They believe its more than possible to take Wayfair, Casper and the rest of them on without losing either your shirt or your soul. The key, they believe, is to be true to yourself. Do what's right for the customer. Have better stuff on the floor and show them you not only know more about furniture, mattresses and appliances than they do but are more committed to their satisfaction.

After all, dealing with a real, living human being who lives in the customer's community surely beats dealing with a disembodied typist in a chat room on a web site.

Our hope is that we gave our readers something to think about.

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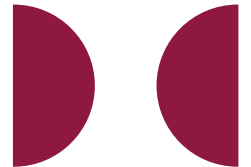
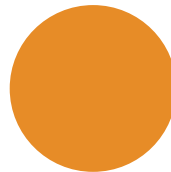
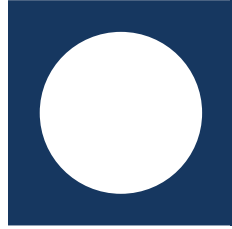
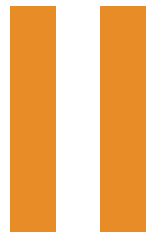
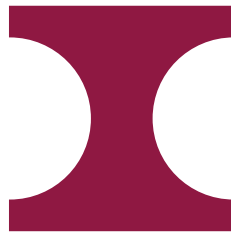
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Surviving and thriving in the **DIGITAL MARKET**

The last decade hasn't been an easy one for the furniture industry. Rocked by a historic recession, companies that recovered had to stare down another challenge--the rise of e-commerce and online shopping giants. But while change is tough to adapt to, there are still opportunities for retailers to survive—and thrive—in the market of the future. **BY ASHLEY NEWPORT**

While Battleford Furniture, located in Battleford, Saskatchewan, doesn't sell online, owner Chris Odishaw firmly believes independent retailers can effectively compete against the e-commerce giants by focusing on providing the best in-store experience possible.

IT'S HARD OUT THERE FOR BRICK AND mortar retailers. Over the past few years, many beloved brands that shoppers once adored – Sears; Bed, Bath & Beyond; Payless ShoeSource; and Kmart, to name a few – have shuttered all or a substantial number of their retail stores across both Canada and the United States. The American online publication *Business Insider* went so far as to refer to the unprecedented closures as the “retail apocalypse.”

The phenomenon has even touched several well-known Canadian independent furniture retailers – among them Maison Ethier in Montreal, Alford's Furniture in Regina and Steinbach's Furniture Plus.

One thing that's eaten into the sales of all these merchants has been the proliferation of

e-commerce platforms and the resulting fundamental shift in how people shop.

While the rise of e-commerce giants such as Amazon, eBay and Wayfair have in many ways, made life easier for shoppers, it has made life more difficult for retailers who rely on customers walking into their stores to grow their businesses.

The competitive forces facing traditional retailers have become formidable, to say the least.

In late 2019, Wayfair – the online home goods retailer – reported a 36% year-over-year increase in direct gross sales for the period last November stretching from American Thanksgiving to what is now called Cyber Monday. Indeed, these have become the busiest five days in the annual retail calendar across North America. ►

In a news release, the publicly held but money-losing giant said a record number of customers shopped for everything from live Christmas trees and seasonal décor to furniture, rugs, bedding, housewares, large appliances and home improvement items. Its banner holiday season comes as no surprise, as Wayfair maintains it generated US\$8.6 billion in net revenue for the trailing twelve months ending 30 September 2019. (Unfortunately, it doesn't breakout sales to Canadian consumers, but reliable sources have estimated them at about C\$1 billion annually.)

Online behemoth Amazon, which also sells home goods, is also rocking the retail landscape. Early last year, its Canadian branch announced more than 30,000 Canadian small and medium-sized businesses from across the country collectively generated over \$900 million in sales on Amazon.ca in 2018, including a 30% year-over-year sales increase for the November-December holiday period.

Those numbers are certainly intimidating, but they can be just as motivating as they are paralyzing. We know mattress disruptors such as Casper, GoodMorning and Endy, among others, have capitalized on the online shopping trend by boldly shipping boxed mattresses directly to the consumer's home. We also know not every brick and mortar store can replicate the e-commerce experience. But there are veteran retailers – some of whom don't sell online – are finding ways to stay competitive and keep customers coming through the door when many people are tempted to simply buy a sofa, mattress, dining set or bedroom suite online.

ARE INDEPENDENTS FEELING THE PINCH?

"I'm struggling because of e-commerce, but we've just had to change or do what we do better than ever before. The world is changing, you can't do the same thing you were doing ten years before," says Chris Odishaw, president of Battleford Furniture, a single-unit furniture, mattress and major appliance retailer in Battleford, Saskatchewan.

While Odishaw – who doesn't sell online at this time – says business is tougher and he's watched both a bedding specialist and an appliance store close recently; he doesn't believe the rise of e-commerce is entirely to blame.

"I went to the Las Vegas Market last summer and nobody was there. One of my disappointments in our sector is that not everybody goes to all the shows. We need to support our own industry," he says.

Andrew Tepperman, third generation presi-

dent of Tepperman's Furniture, agrees the industry is facing a host of challenges that accompany those posed by 'pure-play' e-commerce companies.

"E-commerce has got to be in the top three biggest changes for sure," he says, but is quick to add it's not the biggest challenge the industry has faced in recent years.

"In 2009, we had the most challenging year and it had nothing to do with e-commerce or web sites; it was just the world coming to an end," he tells *Home Goods Online*. "Working through emerging tech and e-commerce is nothing like 2009. There was a huge amount of closures back then, more than we've ever seen. You had to go on the defensive, basically. It was almost a consumer shutdown."

Tepperman, whose family-owned regional chain operates six stores across southwestern Ontario, says the challenges are more varied and complex today, with factors such as tariffs and exchange rates creating almost as many headaches for businesses as their online competitors. "E-commerce is just a part of it. It's one component of the technology era," he observes.

Battleford's Odishaw, a high profile and respected member of Cantrex Nationwide, says the rise of online shopping has been both a gamechanger and a unique challenge for the industry.

"It was in 2013 when I saw and identified the change. Our buying group wanted us to build web sites and start selling online. It was said to be a huge opportunity," he says, adding transitioning to an online sales model actually didn't make sense for his store because it would only increase competition – not push Battleford Furniture over the top.

"In our market, we have about nine competitors. The minute I go online, I have millions of competitors," he points out, adding, "It's hard enough to compete against nine, let alone a million."

John Torella, a consultant and senior partner at J.C. Williams Group, a Toronto-based full-service retail and marketing consulting firm, agrees furniture retailers are facing a wealth of challenges.

"I think they're struggling to survive and grow profitably, period. Omnichannel [marketing] is one of the major issues when it comes to trying to get a seamless experience online and in-store. With smaller independents, it's a major challenge for them," he says.

Odishaw argues smaller companies can carve out a niche for themselves by spending a little less money on e-commerce and more on the in-store experience. ►



CHRIS ODISHAW, president of Battleford Furniture.



JOHN TORELLA, a senior partner and consultant with J.C. Williams Group.

"I'm struggling because of e-commerce, but we've just had to change or do what we do better than ever before. The world is changing, you can't do the same thing you were doing ten years before."

"Every person who wants to sell online is there. I try to spend less money on the web site and the e-commerce opportunities because I can't ship to major markets in the world. It's the same expense for everybody, but the opportunities are less based on the population and demographics in our area," he says, adding, "If I was in Toronto, I might do more e-commerce."

That said, Odishaw says his company does maintain an online presence. "We do a little bit of stuff on social media. The best advertising that we do online is Google AdWords. I have an 11 and 13-year-old. Two years ago, my daughter started saying 'ask Mr. Google' because the majority of people will Google something if they're looking for it."

Tepperman agrees it's difficult to determine just how much a smaller retailer should invest in a web site.

"You have to have a really great web platform. The more you start to compete against larger companies that sell furniture, [the more you see that] they're able to invest more in that web platform."

He also says it's tough for some industry insiders to figure out how to appropriately wield the power of their online presence. "Many fur-

niture stores are trying to figure out if they're trying to sell online or drive people into the stores. We want to drive people into our stores where we've invested a ton of money. We hired a designer to create an amazing shopping experience. There's an upside when you're face-to-face with a consumer, especially a new consumer. Online is a quick, non-loyal transaction," he says, adding Tepperman's does sell online and maintains an active social media presence.

IF YOU CAN'T JOIN 'EM, BEAT 'EM WHERE YOU CAN

While most independent retailers know they need, at the very least, an attractive and professional web site (even if nothing can be purchased directly from it) and some social media presence, many take comfort in the fact they can drive traffic by investing in what they do best: creating a warm, memorable and productive in-store experience.

"What's the number one thing we can offer? We think it's a great customer experience," says Odishaw while noting, "We're all social animals. There's an innate need for interaction with other people, so we've upped that."

He says his store attracts an average of about 700 people a month, so he and his team work hard to ensure customers enjoy a more personal touch. "We offer coffee, cappuccino, lattes, and hot chocolate for kids. About 80% of customers want to talk about needs and 20% per cent want to build relationships – it's an 80/20 rule."

Torella agrees retailers need to figure out how to become the go-to spot in their community. "They understand the challenge, so we work with retailers to find out how to approach this strategically. We talk about the concept of being hyper-local and attuned to your trade area and knowing how it's unique and how to reflect that in your product assortment or service. Be the go-to place in your local community."

Tepperman says retailers who focus on the in-store experience can get creative with what online marketing they do invest in. "I think everything is a test today and everyone is trying different things to see what resonates. When Amazon did two-day *Prime Day*, we did an event called *Better Than Prime*. Instead of offering the regular catalogue online at a dis- ▶

BEST PRACTICES FROM THOSE IN THE KNOW

The competition is stiff, but these industry experts have some advice on how to stay above the water at a time when the retail landscape has never been fuller.

CHRIS ODISHAW, BATTLEFORD FURNITURE:

"Think of David and Goliath. There's more opportunity today than ever before. When the economy is tough, we spend more money and time in and on our homes – and we're in the business of making people's houses homes. Get over your fear and get to work."

ANDREW TEPPERMAN, TEPPERMAN'S FURNITURE:

"Know who you are and who you're up against and find the niche you fit. For example, we're the only retailer that still does in-house credit and that allows us to grow our sales."

JOHN TORELLA, J.C. WILLIAMS GROUP:

"Know your advantages. If a younger person is buying a major piece for the first time, there's something a mature salesperson can bring to that. You can empathize with the customer and give them a comfort and trust factor. That's hard to do online."

The Tepperman's store in Kitchener, Ontario. Its third generation believes e-commerce is just one of the challenges facing independent furniture retailers and can't be considered in isolation from other issues such as managing currency rates and the impact of tariffs on the cost of goods.



count, we had online special where you had to buy online. For us, the light turned on and we thought 'maybe that's a strategy for us.'"

However, Tepperman firmly believes there's something special about the in-store experience and brick and mortar retailers should leverage that. "One of the benefits of shopping in store is the experience of touching and feeling and comfort. I don't know how you duplicate that online," he says. "When we go to High Point, every chair is different. It starts with the buying side. You [the retailer] need to touch it and feel it before bringing it onto your floor. With some sofas, your legs don't touch the ground and it's not comfortable. Every product has its own nuances like that.

"We also sell electronics and appliances," he continues, noting, "It's very difficult to showcase sound or the quality of a screen online."

Odishaw says another advantage brick and mortar stores have over online giants is the in-store sales associate is are better able to help a customer find what she truly wants rather than just pick from what's available.

"The biggest issue with e-commerce is that people buy what they're selling, but that's not always what people need. I learned that you need to find out what a customer needs and come up with a solution. Will online healthcare

takeover from doctors? I can come up with a solution better than Wayfair. I've gone to all the shows and have the experience. My staff and I can find products that fit their needs."

Tepperman agrees stores possess the unique ability to really provide customers with something special – especially in closer-knit communities. "In all of the stores we've invested in, we line a service station with candy and also offer free coffee. We pop popcorn all day and have a movie section for the kids," he says, adding he realized going above and beyond was working when he was teaching Grade 5 students during a Junior Achievement event and realized most knew his store had popcorn.

Not only that, but when a customer goes through Tepperman's drive-through, they are offered a bottle of water while their product is carried out. "We went above and beyond with the pick-up experience," Andrew Tepperman says.

HAVE CUSTOMERS BECOME MORE COMPLICATED?

While most retailers know it's tough to compete with the online giants, many have also come to understand companies such as Amazon, Casper and Wayfair (and even non-furniture related companies such as Netflix, Spotify, and UberEats) have done something interest- ▶



ANDREW TEPPERMAN,
president of Tepperman's
Furniture

ing – they’ve caused people to expect results immediately.

Everyone knows they can now have everything from a new sofa to their favourite meal delivered to their home almost immediately. This has changed consumer behaviour and presented traditional retailers with new challenges.

“I think as a society and an industry, we’re training customers to be entitled,” says Odishaw. “My biggest problem is the return policies. What do you do with the guy who has returned his bed ten times? It’s only a handful of people who do this, but it raises expectations. I don’t know how to compete against [companies with no limits on their return policy], but I think they’re doing this wrong because they’re creating an expectation.”

Odishaw also says social media puts pressure on retailers to give in to unreasonable demands to avoid negative comments or reviews. “We have a strict return policy and we post it and discuss it with customers. Social media bites us sometimes because people will try to bully us into doing things beyond expectation. The squeaky wheel gets the grease.”

Despite the challenges, brick and mortar retailers can provide instant gratification to customers – especially in smaller markets.

“I call it immediate gratification,” says Odishaw. “I look for those 120 items that everyone will want, and I always make sure I have them in stock. People love to take things home with them. Why make people wait a week?”

Battleford Furniture will also provide little perks where possible, such as a free pillow. “If I send a free pillow, it costs me \$20, but when a customer goes to bed, the last thing they’ll think about is me and Battleford Furniture,” Odishaw says.

Last year, Tepperman’s ran what company president Andrew Tepperman described as a more than successful ‘Better than Prime’ promotion when Amazon rolled out its Prime Day campaign.

A promotional graphic for Tepperman's. On the left, there is a stack of four brown cardboard boxes. The background is light blue with colorful confetti. The text reads: "TEPPERMAN'S BETTER THAN PRIME DEALS!" in large, bold, multi-colored letters. Below that, in black, is "Get Tepperman's Primest Deals." At the bottom, a blue banner says "Incredible Deals on Furniture, Mattresses, Appliances and Electronics!" and a red banner at the very bottom says "ONLINE ONLY!" in white capital letters.

TEPPERMAN'S BETTER THAN PRIME DEALS!

Get Tepperman's Primest Deals.

Incredible Deals on Furniture, Mattresses, Appliances and Electronics!

ONLINE ONLY!

KNOW YOUR STRENGTHS

“We talk about convenience revolution, but if retailers have empathy with customers and understand them from a local point of view, that’s good,” retail consultant John Torella says. “They’re more attuned to the trade area and that’s an advantage. You want to be top of mind in terms of the go-to place.”

Since smaller retailers can’t deliver to customers around their world, they can focus on delivering quickly to those in their area.

“We sell online, but we really only sell to our areas,” Andrew Tepperman says. “We have two large distribution centres in southwestern Ontario. If you buy something today, you can pick it up at a number of our locations with warehouses. If you did that with Wayfair or Amazon, it could be weeks before you get products in a place like Windsor or Chatham or Sarnia.”

These challenges aside, Tepperman’s has managed to retain its customers. “We’ve actually had a lot of growth since 2009. I know Wayfair and Caspar are impacting us, but I can’t figure out how or when or what products,” he says.

“If somebody is looking to buy a sofa, we’re top of mind in every community we’re in. We’re number one or two in every market. But no matter how good we are, if buying online is better and cheaper, I don’t think that people will just come here because they like us. We spend a lot updating our stores because we need to wow people in a very different way.”

HOW CAN RETAILERS SURVIVE THE CHANGING MARKET?

“You have to look at who you’re competing against and find your niche,” says Tepperman.

Odishaw says a personal touch is always key. “I know that I love to feel special, so we created a VIP membership that’s only \$50. We have VIP pricing that’s at least \$50 cheaper and we send exclusive offers, discounts on extended warranties, and special prices. Set yourself apart, make that person feel special,” he says.

“You can’t be close-minded when the world you’re in is changing fast. There’s always an opportunity to do different things.” **HGO**

A contributing editor to HGO Merchandiser, ASHLEY NEWPORT is a Toronto-based freelance journalist who writes primarily for trade and business publications. Her specialties include food, hospitality and emerging social/business trends.

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Shannon Houff is seen here on the porch of Front Porch Furniture & Design.

INTRODUCING

That Girl Shannon

In her first column for the Merchandiser, Shannon Houff describes her journey from founding a small furniture store in rural Saskatchewan to becoming national spokesman for a chain of flooring stores and launching her own collection of home goods.

BY SHANNON HOUFF

WHEN I THINK ABOUT MY JOURNEY THROUGH THE furniture industry, I must laugh at myself. The odds were geographically and logistically stacked against me and I jumped into this adventure completely naïve and yet have succeeded. It has certainly been a tremendous amount of work, but luckily, I found my passion. The journey has never felt like work and has helped me find myself – the true creative and quirky me!

With that, let me introduce myself: Shannon Houff, retailer, interior decorator, consultant, founder and sole proprietor of Front Porch Interiors Furniture & Design Store, a successful furniture store in rural Saskatchewan town that's home to 563 people. Currently in my 15th year in business, I'm still consulting and decorating through my store and recently became the spokesperson for a national network of independent flooring retailers. I'm also developing by own brand – the *That Girl Shannon Home Collection*.

Formalities out of the way, I'd like to really help you get to know me! The ups, downs, successes and challenges that have gotten me to where I am today.

A desperate person once said, "Desperation is more powerful than inspiration." I was a wife and mom who had moved to small town Saskatchewan with two kids under the age of two to a cattle ranch more than six hours away from family. My husband and I purchased the ranch just days before mad cow disease hit Western Canada, crippling the cattle industry and our situation quickly became desperate. I needed a job to help support my family and with few employment opportunities avail- ▶

able I had to dig deep inside myself for this one. I begged for a part-time job with a local builder by convincing him he needed someone to manage the office and that I'd be perfect for it. From there, I expanded to take on interior design work for his clients.

After finishing a few successful decorating jobs, word of mouth was bringing me more! I was helping clients develop their vision but by sending them to the city to purchase their furniture and décor items, they often fell victim to upsell from retailers who had no idea of what we were trying to accomplish. I felt like a mom sending her kids away to college and started to believe there was a need in my local town.

Why not open my own furniture store? I knew the facts. I was broke and had no idea what I was doing, but I kept hearing my dad's voice, "Kid, to get ahead in life you have to work for yourself." And I always did what my dad said! (Ha, ha). With nothing to lose, I jumped in with both feet and created a business plan. That led me to a \$10,000 loan from the town lenders' co-op. Yahoo! I was in business!

I had my idea and it was time to find vendors. I started pounding the pavement and sent out hundreds of e-mails. Eventually, one of those hundreds replied. His very words were: "I am intrigued, and it's great to hear someone so excited about this industry, I would love to see you succeed." I was literally hungry like a wolf to prove I could do this! Being broke and determined to set a good example to my daughters, failure was not an option, but that didn't mean it was going to be smooth sailing.

Geography, population, shipping logistics, and small-town talk presented themselves as some of my greatest challenges in the initial phases of my start up. However, time and experience also showed these things to be blessings in disguise. While shipping costs were higher, overhead costs were lower than they would have been in larger centres, allowing me to keep prices competitive. While my customer pool was smaller and more widely spread out than the usual urban retail setting, I had little competition.

I had no advertising budget, so I used what I could – my big mouth. Talking about my products and showing how excited I was seemed to really get attention. They were seeing and feeling my passion – it was contagious, and even though many were doubtful I could make ▶



A view of the interior of Front Porch Furniture & Design. Shannon Houff recently launched a still expanding collection of home décor products under the That Girl Shannon label.



This dining ensemble was recently featured on two of Front Porch Furniture's social media pages, Instagram and Facebook. It's typical of the retailer's approach to merchandising in a small space.

this work, the people in and around our little town were curious and wanted to know more. Word of mouth from happy customers was and still is my most effective method of advertising!

As time went on, I kept reinventing my business to connect with my target market. I offered the best personal service I could, provided a one stop shop and adopted other unique ways to get people to choose me and my store. People started coming and they would tell family and friends. My walk-in traffic started to build and at the challenges began mounting. I could no longer manage everything on my own and staffing was a challenge. Imagine what hiring staff is like in a town of 500. There were not a lot of applicants to choose from. However, employment opportunities like this were unheard of in the area and I have employed some local creative gems over the years, allowing me to grow my business and my design mind!

People started looking at my store as a destination. I am blessed to have two popular lakes in my area, but people were choosing to come to those lakes because they wanted to see me and the store. Our advertising budget was getting better and my ads became so creative and popular that the big city radio station offered to run them seven days a week for the price of one!

The exterior of Front Porch Furniture & Design in Wawota, Saskatchewan.

At about this time, internet marketing began reaching customers even farther away. Social media allowed me to reach new customers at minimal cost.

I began to realize I was a successful entrepreneur. But let's be honest – it's lonely being one as we are a different breed, we live life with zest and are always looking for the next thing to chase. We get criticized for many things, so to fill our tank we need to surround ourselves with people like us. It's one of the only things that has kept me sane.

Don't you love the comment, "Boy, you're so lucky."? I'm sure it looks that way to some, but what they don't see is I'm the one in the store at 5am, working until midnight. I'm also "lucky" to do the behind-the-scenes dirty work, take ▶



**SHANNON
HOUFF**



unhappy customer calls and deal with broken or missing inventory. My personality turns those struggles into opportunities to learn and grow. Each obstacle allows me to learn, to pre-empt mistakes from happening again. The harder I worked the luckier I got (wink, wink)!

By throwing myself into this exciting industry I've met some of my best friends. We encourage each other to grow beyond our expectations. I've learned to push myself outside of my comfort zone and trust my instincts. Those are things I don't believe can be taught in school, they only can be learned from the School of Life – and I have a B.Nt. (bachelor of natural talent).

I attended furniture markets when I could afford to – and even when I couldn't. To me it was that important to remain in the game. I was encouraged by one of my most valued friends to join a buying group. This was a game changer for me. What I gained by being surrounded by all those businessmen – in what some might describe as the old boys' club – was admiration and confidence. I was a breath of fresh air to them. They wanted my advice and wanted me to teach them what I was doing that was different from their 'tried and true' sales tactics. They respected me as an equal.

These are the people I admire and have learned a tremendous amount from them. This connection was a perfect combination of traditional sales tactics with a new and modern vibrancy. The connections and networking opportunities have taken me from average to successful, but with their admiration of my unique tactics and quirky approaches, that old boys club pushed me to a whole new level. It has helped me become the best version of myself and affirms why I still love to do this after 14 years.

Staying current is always the topic of conversation when you are a retailer. We do what we can but there's so many things pulling us in different directions. It is a crapshoot as to which one to choose. Having a salesman tell me what the best choices are to grow my business, he is just doing his job, and I respect that. But when someone in the same boat as I am is sharing their success, that's when I really take notice!

All of this led me to create *That Girl Shannon*. It started as a blog for clients, as a way for them to know me and be comfortable inviting me into their homes. It allowed them to see I was willing to work with them no matter their style and opened the door to conversation when they popped into the store or called with questions. It worked so well it was noticed by my buying group, who asked if I would do a blog for their members. When they started getting positive feedback, I was invited to a

When I take the time to look back at what I've done, even I say "wow." We don't do that enough, look back that is. We focus on the future and forget to celebrate our accomplishments and failures – they both lead us to beautiful things.

couple conventions to share my experiences. More people wanted my advice on what they should do in their stores to make them more current, personal and relevant.

When I think about it, helping people has always been my passion – from my decorating and furniture store clients to my retail friends. I can now help on a grander scale as I was asked to be the spokesperson for a national flooring retailer. I was humbled and ecstatic to share my marketing strategies and help them grow in some new directions! This is an opportunity to give back, share my experiences and help others.

We all know with accomplishment comes sacrifice but those accomplishments and sacrifices have made me my best self and shape the person I am today. My daughters are amazingly strong minded and independent young women who have seen their mother accomplish whatever she put her mind to. This is my most treasured accomplishment. I'm continuing to run and grow my furniture store and can't wait to tell you how excited I am about the big ideas and new opportunities in front of me.

When I take the time to look back at what I've done, even I say "wow." We don't do that enough, look back that is. We focus on the future and forget to celebrate our accomplishments and failures – they both lead us to beautiful things. Take a few minutes to recognize how far you've come and how 'lucky' you are to be in an exciting industry that is constantly changing and pushing you. After all, a wise man once said, "Choose a job you love, and you will never have to work a day in your life."

So, until next time, it's *That Girl Shannon* saying, "The best way to predict the future is to create it!" **HGO**

A new contributor to Home Goods Online, SHANNON HOUFF is the owner/operator of Front Porch Interiors & Design in Wawota, Saskatchewan. A member of Cantrex Nationwide, she is also a spokesperson and blogger for United Floors. She was profiled in Spring 2013 edition of the HGO Merchandiser.

UNDERSTANDING THE *compressed mattress*

Not all bed-in-box mattresses are equal. The company that innovated the product believes, like any other product on their floor, retailers need to understand the technology that goes into their creation and the benefits they offer to the consumer.

BY MICHAEL J. KNELL



Once unwrapped, the consumer should be able to hear the mattress breathing as air returns to the core.

Richard Landriault, director of sales for Magniflex Canada, believes the delivered vacuum-packed mattress is more environmentally friendly; it's more hygienic; and more cost effective to transport from the factory to warehouse and/or the consumer's home.



THOSE OF US WHO HAVE SPENT more than a few days working in this country's furniture and mattress industry are more than familiar with the great retail disruptor of the past decade – the online mattress store, now more commonly referred to as the direct-to-consumer (DTC) model. The common thread shared by these *Johnnie-Come-Lately's* of sleep merchandising has been their reliance on a single product, the bed-in-a-box.

Over the past decade or so, it seems every mattress manufacturer in North America has been scrambling to add their own bed-in-a-box to their product line-up. In fact, at the recent winter edition of the Las Vegas Market one of the last remaining holdouts among the Top 15 mattress makers in the United States finally joined the fray.

Viewing all the marketing initiatives they've generated over the past few years; the consumer could be forgiven for believing the technology used to produce the bed-in-a-box – which is might be more properly called a rolled mattress – is relatively new, a product of the 21st century. After all, many people see it has the greatest technological leap forward since the introduction of the pocket coil just over 100 years ago.

But the first truly compressed, vacuum-packed mattress was introduced to the industry in 1986 by Giuliani Magni, the founder of Magniflex, an Italian producer of specialty

foam mattresses based in Prato, a city just north of Florence in the heart of Tuscany.

According to Richard Landriault, director of sales for Magniflex Canada, the technology used to produce compressed, or as he prefers vacuum-packed, mattresses offer several often-overlooked advantages to both retailers and consumers. Among them are the delivered mattress is more environmentally friendly; it's more hygienic; and more cost effective to transport from the factory to warehouse and/or the consumer's home.

He also believes many retailers have been misinformed about the technology and so don't understand its advantages while sometimes tending to give its disadvantages greater weight than they deserve.

First off, the better quality compressed, or vacuum-packaged mattresses are made with quality foams and he points out innerspring and pocket coils aren't compatible with the process.

"Foam is also a lot more eco-friendly," Landriault told *Home Goods Online*, "especially the foam Magniflex uses, which is certified by OEKO-TEX (a leading testing organisation based in Germany) and doesn't contain formaldehyde or any other toxic chemical. There's no off-gassing or foul odours that are harmful to either the consumer or the environment. The foams used in many entry level or lower-end mattresses wouldn't pass the OEKO-TEX certification process." ►

Machines such as this one, from the Atlantic Attachment Company, a California-based equipment producer, are used to compress and roll foam mattresses.



Giuliani Magni, the founder of Magniflex, an Italian producer of specialty foam mattresses introduced the first truly compressed, vacuum-packed mattress in 1986.

In addition to using the best quality foams available, Landriault also said the company uses the most energy efficient methods and machinery to manufacture the two million or so mattresses it ships to retailers and consumers each year – that’s about one finished mattress every three seconds.

Each mattress is also made with about the same amount of electricity needed to bake a cake.

Once the mattress is built, it is passed under a one-ton press, which removes about 90% of the air trapped on both the foam and between its layers. It is then wrapped tightly with a heavy plastic that is sealed to ensure its airtight. Landriault believes this is two tangible advantages: first its far more hygienic than almost any mattress the consumer can buy. For retailers, this vacuum packing means three mattresses can be shipped in the same amount of space as one conventional mattress. That is considerably more cost effective.

“The finished product is much easier to transport,” he said, noting, “It can be easily be carried to a bedroom on the second or third floor of a house or apartment building – or down to a basement.

“When the mattress is opened, you can hear

the noise made by the air as it goes back into the mattress,” he continued. “That’s proof the mattress is breathing. Most other bed-in-a-box brands on the market are just rolled-up, not vacuum-packed.”

Landriault also believes his product assortment – which is carried by Canadian retailers such as Mobilia, the eight-store chain based in Montreal and Critelli Furniture, the modern furniture specialist based in St. Catharine’s, Ontario – will stand up to almost any test the retailer or the customer can devise.

“Magniflex guarantees their product for 20 years, no one with a coil-based mattress will offer the same,” he says. “Our foam will last, that’s why we can offer a 20-year warranty. The new lower-end ones from the newer direct-to-consumer sites offer ten years, but how can they? Many of them haven’t been in business that long.”

There is no verifiable data as to how many compressed mattresses are sold in the Canadian market each year. Most observers agree that the primary product offered by the 25 or so direct-to-consumer online mattress retailers operating in the country is a bed-in-a-box.

At the end of the day, Richard Landriault wants retailers to know the technology that produces the product isn’t something to be feared. But before putting a bed-in-a-box on their floor, the retailer should understand the product, ensure its of the best available quality and will meet the customer’s expectations. **HGO**

MICHAEL J. KNELL is the publisher and editor of Home Goods Online



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Minhas Furniture showed the Model 6090 at this winter's Las Vegas Market. Made at their factory in Calgary, this two-piece sectional features a hardwood frame, no sag spring seating and 1.8 foam for comfort.



RAZZLE DAZZLE IN LAS VEGAS

Canadian attendance at this January's Las Vegas Market was reportedly higher than expected but the name of the game for the 50 or so exhibitors from this side of the 49th parallel remained showing off the latest in new product they have to offer.

BY MICHAEL J. KNELL

SOME 50 OR SO CANADIAN COMPANIES EXHIBITED AT THE recently ended Winter 2020 edition of the Las Vegas Market (LVM). Just over half were furniture and mattress resources that included some of this country's largest and best-known industry stalwarts.

Held at the World Market Center and operated by International Market Centers (IMC) – which also owns AmericasMart in Atlanta and most of the showroom buildings the comprise the High Point Market – LVM has become the most important furniture trade event in the Western United States and has made significant inroads as a destination for residential interior designers and giftware and home décor retailers.

In the absence of an industry-wide furniture event in this country, many of those Canadian furniture and mattress resources told *Home Goods On-line* they hosted a greater number of Canadian retailers than they have in previous years.

Mark Price, executive vice president of sales and marketing for Minhas Furniture, the Calgary-based full-line furniture manufacturer and distrib-



Jase is a new chair from Stylus. It's mid-century inspired wood bases contrasts with the boucle cover, which is available in two colours: cream (seen here) and grey.



The model 2033 sofa from Décor Rest is condo sized and covered in a fabric called Joyful Navy. The pillows are in Anchor Navy.

utor, said his showroom saw a noticeable uptick in traffic from north of the border.

"This was one of the best attended shows we have had in recent memory from Canadian based retailers and distributors," he reported. "Our traffic was way up and even though we don't usually have large introduction of new product, the new items we showed were a huge hit with our current base of customers and many of the new accounts we saw as well. This included domestic product as well as our import programs. We were pleasantly surprised at the amount of Canadian business we wrote."

Valerie Stranix, general manager of the Toronto-based Marshall Mattress, echoed these sentiments.

"In our opinion and based on the retailers seen at market, this is now very much a place where Canadian retailers large and small attend, as well as many eastern U.S. accounts," she said. "Canadian national accounts, buying groups and independents all attended this market, and so the winter edition is much more attended than the summer edition."

Katherine Kalen, chief marketing officer for Sunpan, the contemporary furniture specialist also based in Toronto, also noted an uptick in attendance by retailers from Ontario and Quebec at the winter market, which most exhibitors believe is the stronger of the two events held each year.

"We saw strong support from our Canadian retail customers with significantly more attendance from Ontario than past shows," Jason Harris, vice president of sales for Stylus Made-to-Order Sofas, the custom upholstery specialist based in Burnaby, British Columbia. "Western Canada has always supported this show, but it appears that it will become more important for our eastern base as well."

"Vegas was a success, better than previous winter and summer markets for both our Canadian and U.S. dealers," added Angelo 'J.R.' Marzilli, president of upholstery producer Décor Rest, adding he believes the event should grow in importance for a number of reasons. "The market will continue to grow as its easy to fly into, to reserve hotels, to eat well and shop the market all in a confined area."

There seems to some agreement among those surveyed that retailers who would normally attend the Canadian Furniture Show - which was cancelled a few months ago by the Quebec Furniture Manufacturers Association - didn't up and move *en masse* to Las Vegas.

Mathieu Roy, Canadian sales director for casual dining powerhouse Canadel Furniture, pointed out many smaller retailers probably went to the Toronto Gift Show, which was held at the same time as LVM. ▶



Casual dining powerhouse Canadel introduced a new table with a self-storing 30-inch butterfly leaf made in solid wood. It's being offered in many styles and sizes. The mechanism can be used with one hand.



New from Stylus Made to ORDER Sofas at the winter Las Vegas Market was Olena, which blends mid-century modern and contemporary styling to create a unique design. Also available in modular sectional pieces and offered in some 500 fabric choices.



Canadel introduced a variety of new fabrics at the winter edition of the Las Vegas Market, including both solids and patterns to create a variety of pairings.

The Anistron dresser from Sunpan is the newest addition to the MIXT collection. Crafted from acacia veneer in a dark mango finish, each drawer features a unique grey shagreen textured leather with acrylic and gold metal pulls complete the look.



This modern-style queen sofa bed from Décor Rest is covered in a leather called Dash Blue.



1



2



3

1. The Curated collection from Marshall Mattress features cotton wrapped pocket coils, organic latex, eucalyptus, wool, copper fibres and luxurious alpaca. It's two-sided, flappable and tufted by hand.

2. Part of their import program, the Ravenwood bedroom suite from Minhas features dovetail drawers, side glides and is finished in a nine-step rub. Its also available in white.

3. Produced by Dream Time Bedding, the Cannabeds mattress is made with a hemp-based cover, which surrounds a gel and foam core. It was introduced to U.S. retailers for the first time at the Las Vegas Market.

"Smaller boutique stores could have come to Las Vegas if the Toronto Gift show wasn't held at the same time," he said, adding most of these buyers have been ignoring CFS for the past few years anyway. Medium-sized retailers – who Roy notes make up the majority of Canadel's customer base – only attend one or two markets a year to attend.

However, he was quick to stress LVM plays an important role in the growth of their business in the U.S. "While we are not seeing a ton of new customers, we are improving our position with major retailers who are already customers," Roy said. "We are finalising deals started in High Point and can discuss things in a more relaxed mode. It gives us a chance to show western Canadian dealers new products as they are not all coming to High Point."

IMC doesn't announce attendance figures, so it's not known how many Canadian retailers actually made the journey to Las Vegas but it's a safe bet that the top tier regional and national players as well as the four furniture buying groups were well represented in the halls of the World Market Center. It's also difficult to measure how many Canadian residential interior designers and gift retailers attended the winter event, which was held at basically the same time as the Toronto Gift Show and not long after the close of the Interior Design Show.

While earning purchase orders from Canadian retailers is an important added bonus, for the 26 Canadian furniture resources with permanent showrooms in Las Vegas, it's their business with retailers in the western U.S. that's top of mind. Those surveyed indicated they were more than pleased with the market's performance in this regard.

"Business was strong at this past Las Vegas Market," Sunpan's Katherine Kalen reported. "We experienced slightly higher traffic in our showroom to previous markets, and large commitments come through from more customers. This will further develop over the coming months."

"Cannabeds will benefit from this show in a massive way, we have expanded our business and are very happy with the results for the U.S. market," said Ryan Chilvers, sales manager for Dream Time Bedding, the Toronto-based producer of Cannabeds, a mattress assortment made from hemp.

"We were pleased with the response at the LVM as it was our first appearance there with the new product and branding of Marshall Mattress," said Valerie Stranix. "Since Flex acquired Marshall in January 2019, we spent most of the year developing the new assets for this iconic Canadian brand, including a whole new product line, new marketing, new sales tools as well as a new web site and digital presence. We have signed on new dealers at market and will be shipping to the U.S. market beginning this month."

For those Canadian furniture and mattress makers taking part, the winter Las Vegas Market seems to have been a real success. The summer 2020 edition will start its usual five-day run on 26 July. **HGO**

INDUSTRY CALENDAR

March 6 to 9, 2020

MALAYSIAN INTERNATIONAL FURNITURE FAIR

Putra World Trade Centre
Kuala Lumpur, Malaysia
miff.com.my

March 10 & 11, 2020

DX3 2020

Metro Toronto
Convention Centre
Toronto
dx3canada.com

March 18 to 20, 2020

ISPA EXPO

International Sleep
Products Assn.
Earnest N. Morial
Convention Center
New Orleans, LA
sleepproducts.org

April 25 to 29, 2020

HIGH POINT MARKET

High Point, NC
highpointmarket.org

May 17 to 20, 2020

SHOWTIME

International Textile
Marketing Assn.
High Point, NC
showtime-market.com

May 26 to 27, 2020

STORE 2019

Retail Council of Canada
Toronto Congress Centre
Toronto
storeconference.ca

July 14 to 20, 2020

INTERNATIONAL GIFT & HOME FURNISHINGS MARKET

America's Mart
Atlanta, GA
americasmart.com

July 26 to 30, 2020

LAS VEGAS MARKET

World Market Center
Las Vegas, NV
lasvegasmarket.com



PHOTO: WWW.MTCCC.COM

August 9 to 12, 2020

TORONTO GIFT & HOME FAIR

Canadian Gift Assn.
Toronto Congress Centre
Mississauga, ON
cangift.org

August 13 to 16, 2020

TUPELO FURNITURE MARKET

Tupelo, Mississippi
tupelofurnituremarket.com

August 23 to 26, 2020

ALBERTA GIFT & HOME FAIR

Canadian Gift Assn.
Edmonton Expo Centre
Edmonton, AB
cangift.org

September 22 to 25, 2020

CASUAL MARKET CHICAGO

International Casual
Furnishings Assn.
The Mart
Chicago
casualmarket.com

October 1 to 4, 2020

INTERIOR DESIGN SHOW VANCOUVER

Vancouver Convention Centre
(West Building)
vancouver.interiordesignshow.com

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Furniture Fair
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