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INTERNATIONAL MARKETING STRATEGIES

HOME FURNISHINGS INDUSTRY

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HOME FURNISHINGS INDUSTRY

NOTE: REPORT NOT DISSEMINATED PUBLICALLY. WAS INTEGRATED INTO SENADA'S HOME FURNISHINGS SUSTAINABLE PRODUCTION MODULES.

JANUARY 2009 — JAY FREELANDER

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1. MARKETING STRATEGY

1.1 WHAT A MARKETING STRATEGY IS AND THE IMPORTANCE OF HAVING ONE.

All customers have certain wants and desires when purchasing home accessories. Some customers want products that are inexpensive; others are looking for items that are produced sustainably; many will focus on the quality of a product, ease of distribution, as well as price. There are potentially an unlimited number of expectations that customers may have for a product.

With unlimited time and money you could emphasize every positive aspect of your goods and communicate that with everyone. Unfortunately, both time and money are limited, so all companies need to make tough choices about which attributes to highlight and how to communicate those to your customers. A marketing strategy helps you do this by: 1) identifying the most important customer desires, 2) selecting the most appropriate ways to communicate with them. In turn, this focus helps you find customers more easily and spend your time and money effectively to grow your business.

Any marketing strategy seeks to answer the following questions:

1. What are the latest trends?
2. Who are the right buyers and my best customers?
3. How am I different from the competition?
4. What marketing tools should I use?
5. How should I communicate with my customers?

In order to find answers to these questions you will need to conduct market research. This chapter will review every aspect of the marketing strategy except communications which will be covered in the following chapter. “So once I come up with a plan am I finished?” The answer to this question is – “No.”

While subjects are presented in a specific order in this chapter, a marketing strategy is a living plan. It needs continual revision based on new information you learn from on-going research. In this respect it is like your production practices, environmental performance and the other aspects of your business continually improve. For example, your response to who are your best customers may change as trends in furniture shift and new competition emerges.

Exhibit Marketing Overview gives you a summary of the marketing process.

1.2 CONDUCTING MARKET RESEARCH

Market research is used to understand what your customers want. The research takes several different forms, but in its most basic sense market research means learning more. Market research includes talking to current or potential target customers, visiting trade shows, showrooms and retail stores, reading industry reports and fashion publications as well as exploring the internet to understand:

1. What is happening in the furniture market?
2. What are the wants and desires of your target customers and end users?
3. Who are your competitors?

- **Why do you want to know what is happening in the furniture market?** Understanding the latest trends in the furniture market will help you respond to market demand and uncover new opportunities. Home accessory trends continue to shift more and more quickly. In the past, a style may have been popular for years. Today, the trends may be changing as rapidly as every six months. For example, a style of end table is suddenly popular in Europe because it was featured in a movie. Months later, once that movie is forgotten, consumers move onto a different product. Being on top of trends allows you to seize that opportunity and shift production to meet rising demand.

Another benefit of watching trends is that it lets you prepare for a drop in demand if certain styles or products are losing their popularity. Having a sense of what is happening, allows you to start developing new products before your sales fall. Some simple market research strategies are below:

- Talk to your existing or potential target customers
- Subscribe to or regularly read on-line industry publications and fashion magazines.
- Visit leading retail stores or visit their websites
- Buy competitors products to see exactly how they compare
- Attend at least one major trade show a year, even to just walk the show

- **Who are your target customers?** Your target customers are the brokers, individual importers or direct volume retailers who are the best fit for your abilities. When collecting information, the source of the information is critical. Would you listen to the advice of a local fisherman on home accessory trends in the United States or Western Europe? Of course not, he is not familiar with what green consumers want. Similarly, while there are many potential buyers for home accessories, research should be done with your target customers, who will be buying your products and understand your end user.

Target customers are your most important current or future buyers. They provide you with the majority of your profits. In addition, these key companies provide you with profitable growth and long-term relationships. Since they are so important to your business, target customers should be the focus of your research. Find out their wants and desires and ask them about future trends they see. This way you can continue to grow with them and be a partner in their success. We'll discuss how to find your target customers in Section 2.4 below.

- **Conducting market research with target customers.** Not surprisingly, the best way to find out what your target customers want is to ask them. Start with existing customers and set-up an appointment or take them out to lunch and ask questions about your existing products; their satisfaction with your firm; new products they would like; trends in the overall furniture market; or to get their input on a new product. The Exhibit Market Research Questions gives you a list of potential questions. When seeking new customers instead of a traditional sales meeting, you could set-up an appointment to learn about the trends they see as important; what their needs are for a new vendor; the type of products they want; or to get their input on a new product you are developing.

Talking to your best customers and potential new clients has several advantages. First, you will have a clearer sense of your performance and where you need to improve your products or operations. Second, you can understand where they see trends going so you can meet their needs. Third, as you develop new products, they will feel invested in the process and part of your team, making them more likely to purchase. Finally, by meeting and talking to potential buyers you will be forming a personal relationship with them, making them more invested in

your success. For all of these reasons, market research can strengthen your relationships with current and future customers.

Before leaving any meeting with your target customers make sure you have their contact information including their email. Also always ask if they know of other people you should be talking to. While the answer is often “no,” sometimes they will give you good connections to other potential buyers or people who could be helpful. Such personal connections and a friendly introduction are often the easiest way to build your network.

- **Conducting market research from other sources.** If you do not have access to target customers, the next best courses of action are to visiting trade shows, such as the Jogja Furniture Show or even better a tradeshow in North America or Western Europe. In addition, visiting showrooms and retail stores, reading industry reports, as well as fashion publications, are good ways to learn about current and emerging trends. When looking at fashion publications take note of popular colors and styles and read any articles on the latest trends.

If affordable, tradeshow are an excellent opportunity to see what competitors are doing; talk to potential customers and see the latest trends. Before making plans, spend time on the tradeshow website or request a brochure to make sure that products related to your business are being sold. Most tradeshow publish books of attendees. Request a book or a list of attendees and talk to home accessory exhibitors to get their impressions of the show. When you are exhibiting at a tradeshow, use the opportunity to get customer feedback on existing and prototype products.

The internet can give you access to a number of fashion publications, retailer websites, as well as industry reports and articles on sustainable furniture trends for free. In addition to these publications, researching what is available from retail sites and on-line merchants is also helpful. Create bookmarks of the best pages on your web browser so you can look them up quickly. Monthly visits to these sites will keep you informed on the latest trends and also give you a sense of the seasonality in North America and Western Europe. (Refer to Appendix A from the SENADA Report for a list of tradeshow, publications and websites.

Whenever you read articles or see websites related to home accessories or sustainability that contain contact information, record this information in a contact management program, like Microsoft Outlook, so you can contact them later about your products or green activities.

- **USING THE INTERNET TO FIND COMPETITORS AND CUSTOMERS.** For specific item research and to find competitors, go to www.alibaba.com or www.google.com and enter the home accessories you manufacture to see who your competitors are. When searching, start as specific as you can and then widen your search. Other words to add to your search terms would be green, eco-friendly, earth-friendly, sustainable. For example, if your company was making wooden bowls, you would type “eco friendly wooden bowls” into the search area in Alibiba or Google and click on any competitors that you found. Generally the most relevant search results will appear in the first two pages. Beyond that, the odds of finding a relevant result drop dramatically. If your search did not produce useful information, widen your search to “eco friendly or sustainable bowls.” If nothing came up under that search, widen your search to “bowls.” Exhibits Vertical Searching on Alibaba.com Another resource for finding products and vendors is the sustainable furniture directories in Appendix A.

Just as Google.com is a resource for finding competitors, it is also a tool for locating retailers or distributors who may be interested in your products. Using the search techniques discussed

above, locate retailers who are selling similar products. After finding them, watch their selections to monitor trends. More importantly, contact them and find out how they approve suppliers, locate and distribute products. Send them emails with photos of your work and information about your sustainability program, company and products.

1.3 OPPORTUNITIES AND CONSUMER PRIORITIES FOR SUSTAINABLE PRODUCTS

Being a sustainable manufacturer gives you an advantage over other home accessory manufacturers. While regular manufacturers are limited to the general home accessory market, your commitment to sustainability opens your products to both regular consumers and to “green” consumers. While you are free to sell to both markets, other home accessory manufacturers will have trouble competing in the sustainable marketplace. While the number of sustainable consumers continues to grow with each passing generation, few furniture manufacturers focused on this market. Anyone doubting the future trends should look at leading retailers, like ABC Home and Carpet. ABC understands the trends and is carrying over 500 sustainable products and devoting precious retail space to these consumers. In fact, ABC has a section on their website entitled Home and Planet focusing on sustainability and indigenous furnishings (<http://www.abchome.com/DeptHeader.aspx?DeptId=abc%20home%20&%20planet&DeptRowId=41>).

Green consumers make-up about 25 percent - 35 percent of the population in the United States and Western Europe and their numbers are growing. They are the fastest growing group in the United States and are interested in sustainable lifestyles and products. The U.S. market size for sustainable products is estimated between \$200-500 billion annually with a projected annual growth rate of 10 percent. Exhibit Who Are Green Consumers? Lists their demographic information. In the United Kingdom alone, The Co-operative Bank: *Ethical Consumerism Report 2007*, states that “ethical” spending has jumped by 81 percent since 2002 to £29.7 billion. Even with this tremendous growth of green spending, there remains a huge opportunity for green furnishings. Since few green items are available, market penetration is low versus other sectors. Exhibit Growth Potential

ABC is not alone; other large retailers such as Williams-Sonoma are moving quickly toward sustainability and are requiring sustainable practices from their manufacturers. Environmentally and socially conscious production is becoming more and more of a requirement for producers doing business in the home accessory business.

- **So what do these social and environmentally conscious consumers want?** Green consumers seek out goods that promote a more just world that protects both people and the environment. This buying behavior stems from their concerns about the state of the world. See Exhibit Green Consumers Are Concerned to highlight some of their top worries. Sustainable consumers want fair labor practices and a workplace free of toxins for your employees. Examples of environmental concerns include global warming, deforestation (especially in tropical rainforests) and the extinction of species. Sustainable consumers are worried about the types of finishes used on furniture. They want products in their homes that are free of lead and toxins and do not off gas volatile organic compounds. This is especially true if they have babies or small children in the home. Some people think of these consumers as having a negative worldview. However, their concerns come from a deep love for the world. They simply want to be informed and are generally optimistic about the world.

As manufacturers, you need to understand how to address these concerns. Exhibit Green Has Many Meanings shows you what customers believe green or sustainable furniture to be. A good website to gain insight into the desires of sustainable consumers in the U.S. is <http://www.lohas.com/>. For a broader overview of what potential customers are looking for in the Indonesian home accessories, see pages 26-32 of the SENADA Report “End-Market Study

for Indonesian Home Accessories.” Since these consumers are so passionate about their beliefs, it is especially important that you are truthful to them. If you make untrue claims it will ruin your credibility and ability to reach this marketplace.

- **Sustainability is hard to beat if traditional customer expectations are met.** Sustainability is an advantage, provided other key customer desires are also fulfilled. According to the Sustainable Furnishings Council, over 35 percent of United States consumers are either definitely or very interested in buying green furniture provided that design and price are equivalent. Exhibit Being Green Is an Advantage

Your environmentally friendly and socially conscious efforts can open doors to new customers and markets. However, the doors will rapidly shut if you do not meet or exceed traditional customer desires. In the home accessories business, you will not be in business long if you do not meet key customer expectations like:

- Design. Of the product and packaging. Both need to be attractive and tell a story, with multiple sizes and colors to create a collection. Exclusive designs need to be protected.
- Quality Matches samples, consistently within specifications (including labeling) and does not break easily.
- Price. Competitive within your sector.
- Deliverability. On time, packed well to avoid shipping damage, responsive service with communication in English.

If you do not meet these criteria, making a sale or keeping your customers will be difficult. Being a sustainable manufacturer does not excuse failing to meet these key customer expectations. With many producers in the market, it will be difficult to get a second chance regardless of your sustainability program.

For example, because their customers’ demand it, many direct volume retailers like Williams-Sonoma, IKEA, www.green-furniture.com, www.gaiam.com and Crate and Barrel require their suppliers to meet certain environmental and social criteria. Williams-Sonoma, a large U.S. retailer, only made plans to attend the 2008 Las Vegas World Market furniture show, after they heard there was a Green Pavilion. While the power of sustainability brought Williams-Sonoma to the show, the retailer will make sure that design, quality, price and deliverability all meet or beat their standards before placing an order.

1.4 DISTRIBUTION CHANNELS – HOW TO TARGET THE RIGHT BUYERS

Targeting the right buyers is a two step process:

1. Understanding your production abilities
 2. Finding the best customers that go with your strengths
- **Many types of buyers exist — find the right one for you.** The market in the United States and Western Europe has many small opportunities for a variety of producers. After studying market trends, decide how best to meet these changing expectations. You are seeking to match the best customers with your strengths. To do this you need to assess which product categories and attributes you are strongest in and find the distributors who are looking for the types of products and volume you produce. Your target customers are the brokers, individual importers or direct volume retailers who are the best fit for your abilities. Each of these is a separate distribution channel to reaching the ultimate customers, the people in the United States and Western Europe.

- **How does distribution work?** Simply put a distribution channel is the way products get to the retailers and end users. There are a variety of types of distribution channels depending on what and how much of an item is being sold. The Postal Service is a distribution system familiar to most people. They take letters and transport them to their destination. For this service they charge you a fee to cover their costs involved with shipping and delivery.

Generally speaking, the more you send, the more you are charged, although if you send enough, you may be eligible for a bulk rate which reduces the amount you pay per piece. Like all distributors, the Post Office is set-up to handle certain items. While the post office is good for letters and small packages, it cannot handle very large or live items like a shipping container or a cow. For these items, you would need to find another distribution channel, perhaps a private trucking service that made sense for them.

- **What are the distribution channels for home accessories?** In the home accessory market there are three main distributors. At times these distributors overlap with each other, but for simplicity we'll separate them here:
 - Direct volume retailers. A large retailers, such as Pier One Imports (www.pier1.com) who can buy directly from manufacturers and likely have multi-container orders. Some direct volume retailers, like Wal-Mart or Target, focus on the lower end of the market, others like Williams-Sonoma (www.williamssonoma.com) or ABC Home (www.abchome.com) sell to the middle and upper end of the market.
 - Brokers. Generally link retailers and manufacturers. They consolidate multiple suppliers to make it easier for retailers to buy products. Brokers market your products for you and in-turn charge you a fee for what they sell or for representing you. Brokers may have large retail clients or smaller clients that buy a portion or a whole container. Some brokers may even have their own line of products they sell to retailers. Brokers can be expensive, so you need to make sure they have strong connections.
 - Importers. Sell your products at wholesale to smaller retailers in the United States or Europe who cannot afford the time or money to import their own items. They are able to charge more for your products since they take-on all of the importing risk. Like brokers, importers often consolidate multiple manufacturers and may have their own line of proprietary products or their own brand.
- **Which distributors ARE right for you?** Your target customer is a small retailer, importer, broker or a direct volume importer who sells into the higher end of the U.S. and Western European market if your home accessories are:
 - Handmade.
 - Customized and artisanal.
 - Machine made with customization and trend setting design.
 - Produced in small batches with minimum orders of a container or less.
 - Designed to tell a sustainability story about your materials or the company.
 - Priced higher because of their unique design.

Your target customer is a direct volume importer, importer or broker who sells into the low end of the Western market if your home accessories are:

- Largely machine made.
 - Lack customization and artisan qualities.
 - Produced large batches with production runs of only several containers.
 - Competing with China and other mass market producers.
 - Low cost and extremely consistent in quality.
- **Finding distributors.** Just as Google.com is a resource for finding competitors, it can also be used to find retailers or distributors who may be interested in your products. Using the search techniques discussed previously, you can locate the retailers who are selling similar products. After finding these companies look for a match with your abilities. If they seem like a good fit, contact them. Ask how they approve suppliers, as well as how they locate and distribute products. Email them and tell them about your sustainability program, company and products. Include photos, but make sure the photos are under 1-2 MB to avoid being stopped by their computer system. Regardless of what happens, keep a list of companies for you to communicate with every month or two with product updates or company news.

In addition to the internet, distributors are often at trade shows and you can find them in markets or other areas where foreign buyers go to purchase furniture. Another way to find distributors is to talk with other manufacturers (in related, but not competing sectors) to see if they have suggestions for you. Even if they don't have distributors to recommend to you, they may be able to give you suggestions on how to bargain with the various distributors. After selecting your target buyer (also called your target market), you need to look at the competition and figure out how you are unique from your competitors.

1.5 COMPETITOR ANALYSIS – HOW TO IDENTIFY AND ASSESS THE COMPETITION.

In determining your marketing strategy it is important to understand who your competitors are. You will have direct and indirect competitors. Direct competitors are making the same types of products as you. Indirect competitors are producing products that may be substitutes for your goods. For example, if you were manufacturing wooden end tables, other end table manufacturers would be direct competitors. Indirect competitors would be manufacturing end tables made of other materials or perhaps items like boxes that could be used in place of end tables. Since the furniture industry is global, your competition will most likely be from around the world.

You need to know what makes you different. Do you beat the competition on price, design, quality, deliverability and/or sustainability? Using the market research tools discussed in Section 2.2, you can assess the competition and their abilities. Once again, your target customers are a source of relevant information. Ask your target customers what other manufacturers they do business with. These customers can also tell you about the strengths and weaknesses of various producers. Since these customers will be making the buying decision, their opinion counts the most. Without customer relationships to guide you, doing a search on www.google.com or www.alibaba.com will give you a sense of who you are competing against throughout the world. Finally, buying or seeing a competitor's product at a retail store or tradeshow gives you a far better sense of exactly what they are selling versus internet research alone.

1.6 DETERMINING YOUR COMPETITIVE ADVANTAGES AND MARKET POSITIONING.

A competitive advantage is an advantage you have over your competitors either in operations or perceived by customers. In home accessories, examples of operational advantage include: lower costs, faster delivery, higher quality, better service, smaller production runs, greater sustainability, prettier packaging or more informative marketing materials. Examples of customer perceived advantages

include: alignment with green values, non-toxic, appropriate value, matching design and style criteria, exclusivity. Keep in mind that you are trying to match your strengths with customer expectations. So, if you are selling end tables into the luxury market, low cost may be less relevant than style and sustainability. Or if you are manufacturing for children’s items, being free of toxins and durability may be more important than customization.

So, if your buyers want luxury end tables, do a search on Alibaba.com to assess their options. The search brings up 128 wooden end table manufacturers with 3 in Indonesia. Further research will show who makes the tables similar to yours; what they are charging and what their marketing materials are like. Regardless of the number of competitors, you want to understand how you are unique in a way that is valuable to your customers. Understanding your competitive advantages and customer expectations can guide your marketing and communications. See Exhibit Customer Decides Advantages for a look at competitive comparison and you can see how either table could have an advantage depending on what the customer wants. All things being equal, most buyers will choose a sustainable product over an unsustainable one. Exhibit Green Wins

- **Tools for comparing competitors and assessing yourself.** The competition table below and the competitive positioning grid will help you determine your competitive advantages and weaknesses. Understanding your positioning will help you choose and market to target customers, identify market opportunities, as well as change your operations to address shortcomings.

The competition table is a simple way to highlight how you fair versus the competition on key customer expectations. The items on the top bar to the right of “Competitor” are the key customer attributes. In the example below “My Company” is priced as a premium product, but has superior quality and deliverability, as well as an advantage in sustainability. In this case it would make sense to pursue the premium and luxury customers. “My Company” should not compete for the low and mid-range business where other manufacturers have an advantage in price and deliverability. If you have direct competition from either countries or firms put their names in the grid below (in place of Low Cost, Mid-Range, etc) to help you define your positioning in the marketplace.

If no strengths are identified in the table, use the data to determine what is the best way to differentiate yourself from the competition. Ask yourself, “What operational changes do I need to make to be more competitive?” Prioritize the answers for the quickest results.

My company has advantages against premium and luxury table manufacturers.

COMPETITOR	DESIGN	QUALITY	PRICE	DELIVERABILITY	SUSTAINABILITY
My company	=	=	=	=	=
Low Cost	-	-	+	+	-
Mid-Range	-	-	+	+	-
Premium	=	-	=	=	-
Luxury	+	=	-	=	-

= Performance equals my company

- Performance is worse than my company

+ Performance is better than my company

Note: A combination of symbols indicates a range among competitors

The competitive positioning grid graphically represents your position versus international and local competition. The grids included here give you a sense of Indonesia’s international standing. In the

Exhibit Design and Pricing Are Competitive or Competitive Position Today (radius), Indonesia is compared to its competitors, based on customer feedback. As you can see from the first grid, Indonesia is competitive with India and Thailand in terms of design and price. The Philippines' high price is justified with superior design. Vietnam and China are both lower cost producers while Vietnam also has some custom design capability.

In Exhibit Fixing Quality and Service Is Key (2x2 and Radius), you can see that in order to take advantage of Indonesia's position as a sustainable producer it needs to address quality and deliverability issues. Fixing these problems creates a unique position in the marketplace as both a high quality and high sustainability producer. This not only differentiates Indonesia from India and Thailand, but also makes it more competitive with Vietnam. As an Indonesian producer, addressing customer concerns about Quality and Deliverability (Service) in your marketing communications is key to establishing credibility with customers.

To use these grids on a company scale, you can substitute your direct competitors for the countries to view your positioning. Given the number of manufacturers in the home accessory business, it may take some time to determine your closest competitors.

1.7 DEVELOPING YOUR MARKETING STRATEGY

After conducting market research, selecting your target market and assessing your competitive position, it's time to produce a marketing strategy. As mentioned in Section 2.1 and Exhibit Marketing Overview, once a marketing strategy is set, it is constantly reviewed and updated as the situation changes. As you test new marketing ideas, you will learn what works and what doesn't and revise your strategies accordingly.

How does sustainability fit into my marketing strategy? As we saw in Section 2.3 sustainability is a powerful marketing tool that provides you access to a unique and growing customer base. Your sustainability efforts will open doors to the retailers, brokers and importers who understand these market trends. A key challenge for your marketing plan is to raise awareness of buyers to your sustainability efforts and achievements.

Sustainability provides the substance for your communications. Investments to redesign products, reduce materials, eliminate waste and toxins, move to rapidly renewable materials, improve working conditions and community involvement are the stories that will fuel your communications. If well executed, these communications will connect you to retailers and end users who are looking for green products, but have not had access to green furniture.

- **Marketing Toolkit.** Marketing strategies use four main tools to satisfy customer expectations. Your goals should focus on a combination of activities in these areas. Three of these areas we have already emphasized are:
 - Product. Encompasses the design, quality and sustainability covered above
 - Deliverability. On time deliveries and responsive customer service
 - Price. Competitive with other manufacturers, this is the element you have the most control over and is the easiest to change

With these pieces falling into place, you are ready for the final area of emphasis:

- Communication. Promotes your product. Communication encompasses the personal selling, public relations and sales materials you will use to help customers understand how your product meets their needs and desires.

- **Setting Goals.** Your marketing strategy needs to use each of these tools and set achievable goals based on your business. The goal is to increase customer awareness, trial and ultimately your sales. Prioritizing various goals and attaching deadlines to them directs your efforts and provides a plan of action. Examples of goals are below:

- Create a bookmark list of market research sites
- Plot my competitive positioning and recommend product changes
- Attend one regional trade show
- Create three new products based on the latest trends
- Create a website that highlights my company and products
- Redesign packaging materials to highlight environmental changes
- Get my products in-front of 2 direct volume retailers
- Find brokers that specializes in small volume retailers
- List my services on one website that retailers use like alibaba.com
- Improve my product quality to reduce defects and exactly match samples
- Improve my deliverability by finding a strong English speaker and getting reliable internet service
- Have my products written about in 2 magazines

With the strategies prioritized and a sustainability story to tell, you can now take the next steps to communicate to retailers who are looking towards sustainability as a differentiator for their customers. Communications will be covered in the next chapter.

- **Decision-Making Tool.** Is Your Distributor A Target Customer? Exhibits Vertical Is Your Distributor A Target Customer. Quick Steps:

- Research trend information and bookmark the top 5 magazines or trade publications
- Visit and note trends from retailer websites and bookmark the most appropriate sites
- Select 1 or 2 trade shows that you can visit
- Visit target customers' showrooms to assess the quality of the competition
- Use Google and Alibaba to identify potential competitors and customers
- Create a list of target customers (distributors) that match your production capabilities
- Collect contact information (including emails) from retailer websites, publications and target customers
- Identify problems in design, quality, price or deliverability that threaten your competitiveness
- Identify your closest competitors

Next steps:

- Meet with your target customers to get product feedback and conduct market research
- Involve at least one target customer in the design of a new product
- List new product ideas and product changes based on market research
- Prioritize changes and make an action to fix design, quality, price or deliverability problems
- Plot your competitiveness on either a positioning grid or in the competition table
- Use the grid or table to identify your strengths and areas you need to improve
- Create a prioritized list of marketing goals with deadlines

2 COMMUNICATIONS

2.1 CREATING A BRAND AND PROMOTING YOUR COMPANY & PRODUCTS

- **What is a brand?** A brand is a group of values, symbols, and/or properties that speak to consumers on a company's behalf. The symbols consist of logos, graphics, photos, packaging and other materials that convey the image of the company. The values are the philosophy or beliefs that guide the company, such as sustainability, performance, durability, savings or fun. Sometimes when a company has multiple product lines, these values are expressed differently for each brand.

Brands allow customers to easily identify products and services they know and trust. So while establishing a brand can take time, the advantages of a strong brand are numerous. Once a brand is established, customers often by-pass products they do not know for brands they are familiar with. Furthermore, because of this relationship, customers are reluctant to switch or even try other brands encouraging repeat business. Finally, because of this relationship certain brands can command a price premium without diminishing demand. Occasionally a brand is so well known and dominant like Kleenex (tissues), Xerox (copiers) Frigidaire (refrigerators), Google (internet search) or Coke (soda) that the brand becomes the name of the item or activity.

- **Brand as a value system.** As green consumers become more aware of their impact on the world, brands have evolved from simply representing a company to encompassing a value system. Traditionally, most companies shared little information with their customers beyond advertisements. However, green customers are avid readers who demand to know more. This thirst for information is an opportunity for sustainable companies to differentiate themselves from the competition.

With the internet, customers now have access to limitless information about companies. Socially responsible buyers want to make sure a company's actions and belief match their own. As a result, customers are seeking out brands that hold their same values. *Exhibit I Support Companies With My Values* This helps to explain the rapid growth in green purchasing and amongst numerous industries.

McDonalds is an example of a worldwide brand that exhibits this shift to brands representing values. To some McDonalds represents an American ideal of efficient service, clean environment, quality food and fun. To others it is a symbol of cultural imperialism, industrial agriculture and the decay of local food systems. It is often seen as such a symbol of American culture that it is sought out if America is admired and protested against if America is unpopular.

For sustainable companies, telling the story and explaining your values are the foundations of the brand and key to connecting with customers. Because of this, the first branding activity for environmentally and socially responsible companies is to define your values. This is done through a Statement of Sustainability or a Values Statement. To demonstrate this we'll examine another green furnishings company selling in the United States market, Zola Furnishings www.zolafurnshings.com. Zola's furnishings statement clearly lays out their goals and beliefs Exhibit Zola Furnishings Statement. A Values or Sustainability Statement is used both internally and externally to maintain consistency between your values, decisions and communications. The importance of this consistency cannot be overstated. The unity around your values is the glue that holds your brand together.

- **PROMOTING YOUR BRAND.** The essential pieces you need to promote your company include:
 - Values Statement.
 - Company Story. Why you started the company and believe in sustainability Exhibit Zola Furnishings Story.
 - Name. Inspired by your name, a word, your materials or something else Exhibit Names
 - Logo. A visual representation of your name.
 - Tagline. A few key words describing your company and products that are also meaningful to customers Exhibit Logos & Taglines.
 - Digital pictures. Your products, materials, production line and packing Exhibit Zola Furnishings Photos.
 - Marketing materials for salespeople or the media. Including business cards, a sustainable product declaration form your company story and values, as well as third party certifications.
 - End consumer information. Bill of Materials for each product Exhibit Zola Furnishings Materials, packaging, tags and point of sale materials.
 - Website. Pulling together all of the information and providing worldwide access for your company. What customers read on the website needs to be repeated on the showroom floor and vice versa.

2.2 COMMUNICATION CHANNELS

What is a communication channel? According to BusinessDictionary.com a communication channel is the “Medium through which a message is transmitted to its intended audience.” The main communication channels for your company are:

- Print. Articles in newspapers, magazines and trade publications
- Electronic. The internet, your website and email
- Personal. Industry trade fairs, sales meetings, your products and packaging

Each communications channel has its strengths and weaknesses. For example, print can reach a wide audience and build momentum by generating interest. However, you cannot control what the press will say or when they will publish a piece. Electronic communications are fast, tend to be less expensive and offer lots of information. You need an electronic presence but, since everyone has one it is harder to distinguish yourself on the internet. Talking to people in person is often an exchange of quantity for quality. As a general rule, you talk to fewer people and it is more expensive and time consuming. The benefit is that you are often in-front of decision makers who may be able to make a purchase. A summary of the strengths and weaknesses of each channel is in Exhibit Communication Channels.

Consistency in every communication channel will strengthen your brand. Your press releases, website, presentations and printed materials all need to reflect your sustainable values. This maximizes the possibility that your customers and end users will be aware of your beliefs and principles. When customer expectations demand it, you should also address quality, price, design and deliverability.

Often overlooked, but critically important, is that on every piece of communication you let customers know how to reach you. The best way to do this is by listing a website or an email, so customers can reach you instantly. Next, list a physical address and phone number, although people are much less likely to spend the time and money to call or write to you, if they are outside of Indonesia.

Since most communications take place with either commercial buyers or end users, those groups are discussed below. Trade fairs also will be covered later. However, since press can generate interest amongst all of those groups, we’ll cover it here.

- **Print media.** Like any business, the press is always looking for new stories that are interesting to their readers. In the last several years with the emergence of global environmental problems like global warming, sustainability has become an important news item. Many publications are interested in what people around the world are doing to offset these issues.

So, how do you get a story in the press? Contact them. Most publications have email addresses of contact people after articles or publication contact information on their website or inside the publication. To increase your chance of success, look for contacts that cover the environment, international stories, business or the furniture business. Use your company story and value statement to tell them about what you are doing and how it is different from the past. There is a list of furniture industry publications in Appendix A. Make an email group of all of your media contacts, so you can contact them easily.

It is best to have a number of different ideas for stories before contacting journalists. After making lists of stories send out emails every two-three months to update them on your progress. For ideas of subject areas look at Exhibit Green Consumers Are Concerned for ideas. Examples of stories might be:

- Indonesian Manufacturers Turn to Sustainability to Save Their Rainforests
- Indonesian Furniture Makers Use Sustainable Practices to Save Money and The Environment
- A Country Long Known For Abusing Its Environment Turns Over A New Leaf
- Indonesian Industry Aims For The Green Consumer Market
- Furniture Makers Address Social Problems By Making
- Green Home Accessories – Fulfilling A Market Demand
- Indonesian Firm Finds Business Success in Sustainability
- Announcing The Greening Of Indonesian Furniture Makers

A more formal way of contacting the media is to write a press release that can be used as the basis for a story. Press releases should be no more than 1-2 pages and are emailed to journalists and contain enough details to write a story. An outline of a press release is in Exhibit Sample Press Release (word document).

Another way to get exposure is to hire a public relations company. These companies specialize in getting media exposure for their clients. You are hiring them for their contacts in the media industry. If a public relations company is too expensive to hire for one manufacturer, a group of producers may want to pool its money to hire one to raise exposure for the entire industry. Before hiring a public relations company, ask to see articles they have gotten published for the furniture business or concerning sustainability.

2.3 EDUCATING COMMERCIAL BUYERS

When selling to commercial buyers you will have to pay attention to their desires and sell to those interests. Regardless of their interest in sustainability, you will still need to show them how you can compete on price, design, quality and deliverability. Your job is to make them feel comfortable that you meet or beat expectations on these attributes. Certain buyers will be more concerned with these issues than your values, for those buyers focus on what matters to them.

Offer commercial buyers sustainability as an additional benefit. As we already discussed, the buyers who understand the values driven end users will be looking for your products. They will still need to be convinced that your products fit their company, but they should be excited to find your company and more willing to look at your products.

While buyers may not care about your green pursuits, they will certainly be interested in finding new markets for their products. Show buyers how big the market is for eco-friendly and socially responsible products in the United States and the European Union. After they understand the opportunity, they may be more receptive to learning about your sustainability efforts.

Any sales presentation you give should include slides from this training, like:

1. Exhibits: Who Are Green Consumers?
2. Green Consumers Are Concerned
3. Being Green Is An Advantage

In addition to these slides, you should give them a copy of:

1. Your Bill of Materials or other packaging items to show them that you have the materials needed to attract this audience.
2. Press articles about your company or detailing the trends. Press articles offer a more objective view and can show buyers that there is a demand for your items.

The Baltix Sales Presentation in Appendix B shows you how a large office furniture retailer does this. Their presentation is a good outline to follow as you create your own. Once you have made contact with buyers, contact them every month or two to let them know about new products; get their feedback on products you are developing; see how their business is developing; ask about new trends; find out if they are looking for products you can help them with.

- **Your internet presence.** As was mentioned before, your website should act as a place to bring together all of the information your buyers and end users would be interested in. Your homepage lists all of the key elements that we have discussed throughout this section in a way that is easy for buyers and end users to follow. Vertical Exhibit Zola Home Page

Another way to get your information in front of commercial buyers and end customers is to advertise on Alibaba.com and Google.com. The internet is the easiest way for buyers to do product research. Both websites offer easy ways for even non-technical users to have a web presence. By registering with alibaba.com, one of the largest marketplaces for importers, you can get a free web page to display your products. <http://importer.alibaba.com/> See Exhibit Alibaba Ads, Exhibit Vertical Alibaba Registration.

Google.com is the most popular website for searches on the internet, so it makes sense to advertise on that site. Google has a simple program called AdWords, <http://www.google.com/intl/en/ads/>, designed for small businesses. You choose words that relate to your business, such as: sustainable furniture, eco friendly home accessories, sustainable wooden bowls and other words. When someone enters a search on Google containing those words your ad generally appears. The ads are very affordable because you only pay if someone clicks on your advertisement. You choose how much to pay per click and you set a monthly budget. You can track the results and update your ad words whenever you like. Exhibit Google and Google Ad Words. Google also offers you a free email www.gmail.com and the ability to set-up a simple website: <http://www.google.com/sites/help/intl/en/overview.html> If you have no web presence, this might be a good option to start sharing information.

If you want to send out regular updates to the press or buyers, services such as Constant Contact, www.constantcontact.com offer you a simple way to send professional looking emails for prices as low as \$15 per month depending on your list size.

2.4 PROVIDING END-CONSUMER INFORMATION

Retailers, who are buying from you, are purchasing products because their customers, the end-consumers, want environmentally and socially responsible products. These end-consumers are driving the green purchasing trends and ultimately fueling your business. Since the home accessory market is so underserved with eco-friendly products, communicating with the end-consumer is crucial to raise awareness amongst those who are looking for green products in all aspects of their life. Communicating with end-consumers will help nurture loyalty to the retailers and your brand.

What should you be communicating to end-consumers? Use the lists of green customer concerns Exhibit Green Customers Are Concerned and the meaning of green in the furniture industry to guide your decisions. Exhibit Green Has Many Meanings. The best type of communications will be:

1. Clear and simple
2. Visually appealing
3. Related to larger environmental and social issues

At a bare minimum, manufacturers need to provide retailers with their statement of values and bill of materials for customer information. Having these on the showroom floor helps retailers position you properly for their green customers. Exhibit Zola Furnishings Statement and Exhibit Zola Furnishings Materials. As you develop your business, you will find more sophisticated and elegant ways of communicating this information. The *goodwood* tag used by ABC Home is a simple and appealing way to communicate that the wood used was sustainably harvested. Exhibit ABC Home goodwood In addition to being visually appealing, the tag ties the sustainability program to larger issues by referencing conservation of old growth forests, species preservation, global warming and other large issues important to values buyers.

Another way to simply communicate your eco-friendly endeavors are to use symbols for the activities you are doing to preserve old growth forest (a tree symbol), build community (people symbol), protect species (animal icon), recycle materials (recycling logo) to name a few possible programs. These symbols can be incorporated into your communications with both commercial buyers and end-consumers. Personalize these symbols to your business. Examples of symbols are in Exhibit Symbols.

Since paper and tags will be thrown out by end users, a more permanent way to communicate with them is by building sustainable messages into your product design if possible. An example of this would be putting a message on the bottom of a bowl saying it was made with salvaged wood or finished with non-toxic materials. Make sure these messages are either incorporated into the design or easily hidden by end consumers, such as on the bottom of a piece of furniture. To reinforce your message, any information provided to end-consumers should also be available on your website.

2.5 QUALITY OF PRESENTATION

As the goodwood tag demonstrates, visual appeal and content matter. Your marketing materials are the public face of your company and your products. Just as you do not want to produce home accessories with poor design or quality problems, you should not be using poorly designed and presented marketing materials. Substantial time and energy has been invested into making your processes sustainable, you need to invest time and money into making your materials reflect those changes.

If you can afford it, hire a graphic designer to make your logo and design your website, values statement, materials sheet, hang tags and any other important communications pieces. Having a graphics designer

work on your marketing materials will make your firm look more professional and prestigious when dealing with retailers.

Below are some general rules to follow:

- Written communications, including your website and emails should be: Clear and concise, written by someone who is fluent in the language of your customers and free of spelling and grammar errors.
- If printed one should use paper that contains recycled content or looks handmade, find a font that is easily read, but looks handwritten
- For hang tags and other pieces attached to your furniture you should attach them with a natural material, like twine or raffia; do not use plastic to attach anything, as this undermines your sustainable image.
- For photos you need to buy a digital camera and take product pictures either in front of a white wall or without clutter in the background so customers can focus on the product Exhibit Product Photos

All materials should list your website or email and if space permits, your address and phone number.

2.6 TRUTH IN ADVERTISING

Trust is key to a brand's success. Once trust is broken it can take years to repair and in some cases it can destroy the brand and even the company behind it. When companies exaggerate, mislead or make irrelevant environmental claims it is called green washing. Green washing should be avoided at all costs; there are a few simple rules to follow to avoid breaking customers trust.

First, companies should be transparent about their practices and the impacts they have on the environment and society. Being honest about the benefits as well as drawbacks of your company will help build loyalty and trust. Second, all marketing materials should only make claims that are true. Vertical Exhibits Characteristics of Greenwash and Vertical Exhibits Characteristics of Good Claims Third, to ensure a consistent message everyone in the company needs to understand and be able to express the sustainability measures that have been taken. The guide in Appendix C reviews how salespeople and others can answer potentially sensitive questions about your company's performance on social and environmental issues honestly.

Bolster your claim with independent verification. There are a number of third-party organizations in the United States and Western Europe which can provide these types of certifications. When you have received the endorsement of an independent auditor it gives you more credibility in the marketplace and among consumers. There is a range of certifications depending on how you are treating workers and the greening of your value chain. Exhibit Certifying Bodies shows a number of different third party certifiers. Exhibit Displaying Certifications demonstrates how companies use these logos on their websites.

Breaking the trust of consumers or retailers is simply not worth it. Doing so can ruin your brand and all of the efforts you have made to be sustainable.

- **Decision-Making Tool.** Quick Steps:
 - Take digital photos of all of your products with a white backdrop.
 - Set-up a free email account with Google.com.
 - Put all target customer, press and retailer emails into the new email service.

- Sign-up as a supplier on Alibaba.com.
- Identify a graphic designer with experience in the home accessory business.
- Finalize your name, logo, tagline and business cards.
- Identify a fluent speaker and writer of your target customer's language.
- Write a values statement and company history.
- Write the bill of materials for your most popular products.
- Identify a certification body that you should pursue.

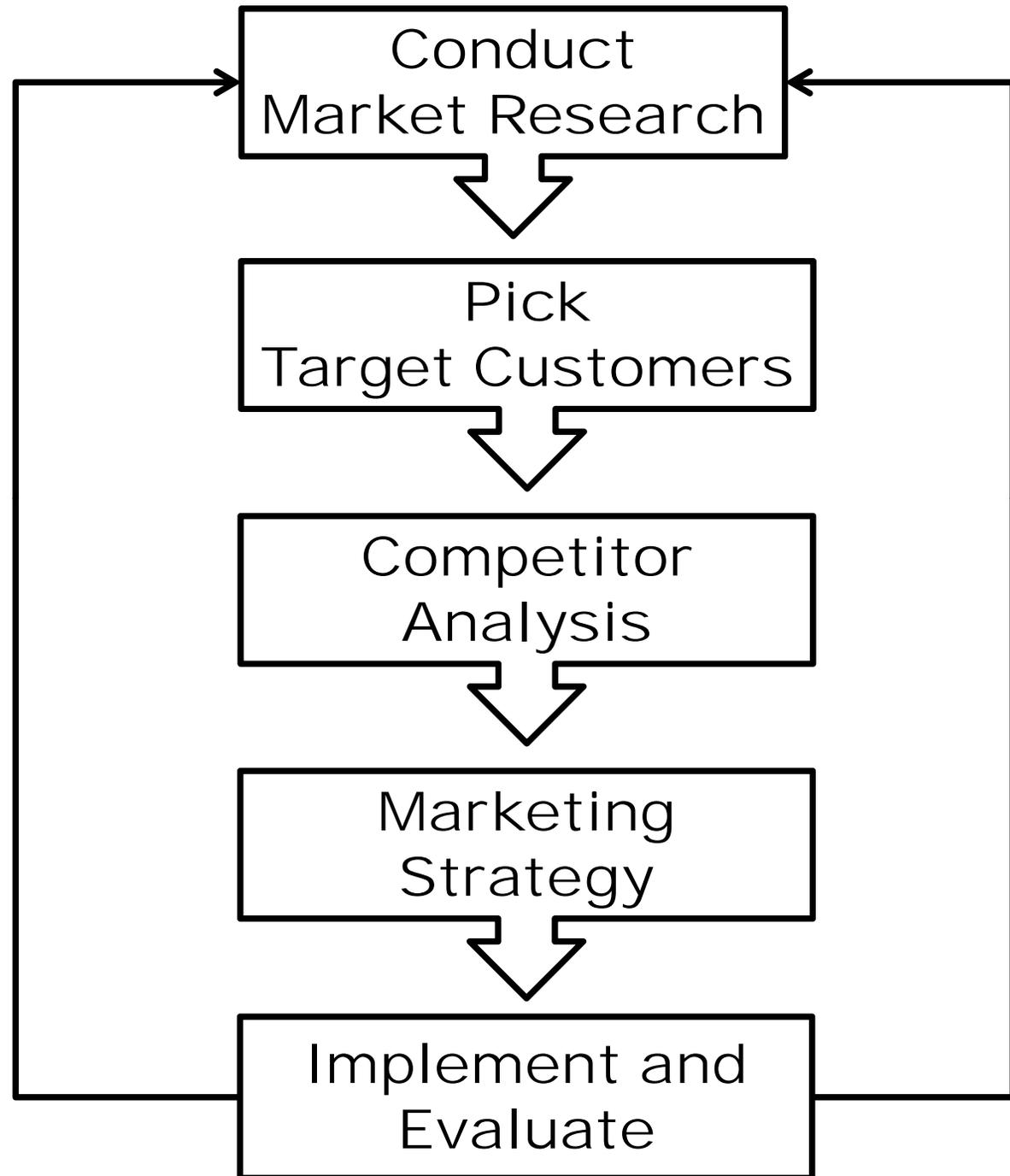
Next Steps:

- Create your website including pictures.
- Make a sales presentation to bring to meetings.
- Design packaging materials, like hang tags, to tell the story of your products.
- Write and send out a press release to all media and target customers.
- Visit the websites for Google AdWords and Constant Contact and sign-up for a trial.
- Write the bill of materials for your remaining products.
- Start the certification process.

ANNEXES

INTERNATIONAL MARKETING OVERVIEW PRESENTATION

Marketing Overview



Market Research Questions

- How are my products performing for you?
- Are there any distribution, quality or other problems?
- Are you getting what you want?
- Are there any ways I could improve my products?
- Are your customers asking for anything different?
- What are your customers asking you for?
- Where do you see growth in the future?
- Bring a sample of a new product and ask:
 - What do you like about this product?
 - What would you change?
 - Do you see a market for it? Where and with who?

Who Are Green Consumers?

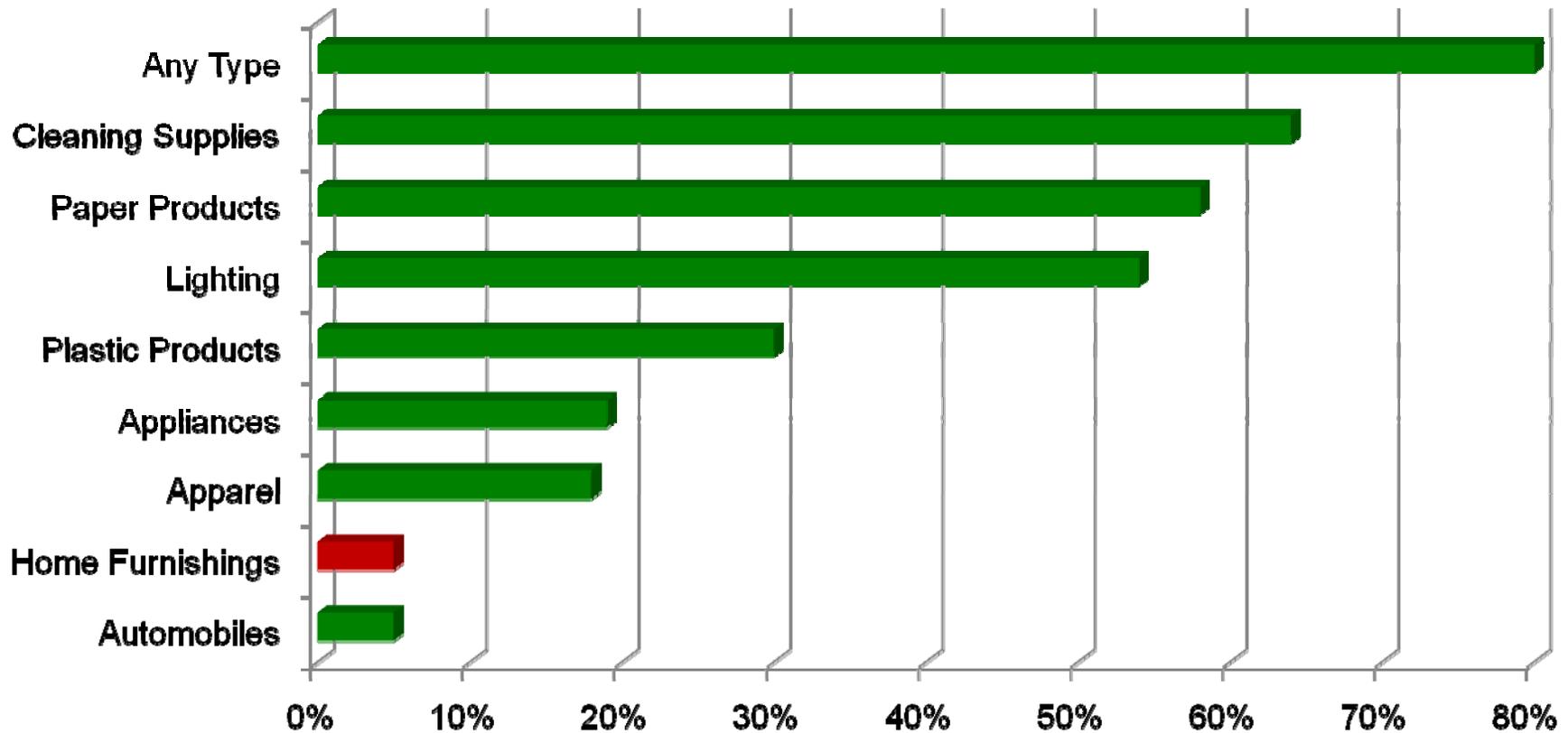
- **25-30% of U.S. and Western European population**
- **Interested in lifestyles of sustainability & healthy living**
- **Ages 25-55**
- **Mainly females**
- **Affluent**
- **\$200-500 Billion market**
- **Growing at 10% annually**

Sources: Paul Ray and www.lohas.com, SENADA, End-Market Study For Indonesian Home Accessories, p. 29

Growth Potential

The Market For Green Furnishings Is Undeveloped Versus Other Sectors

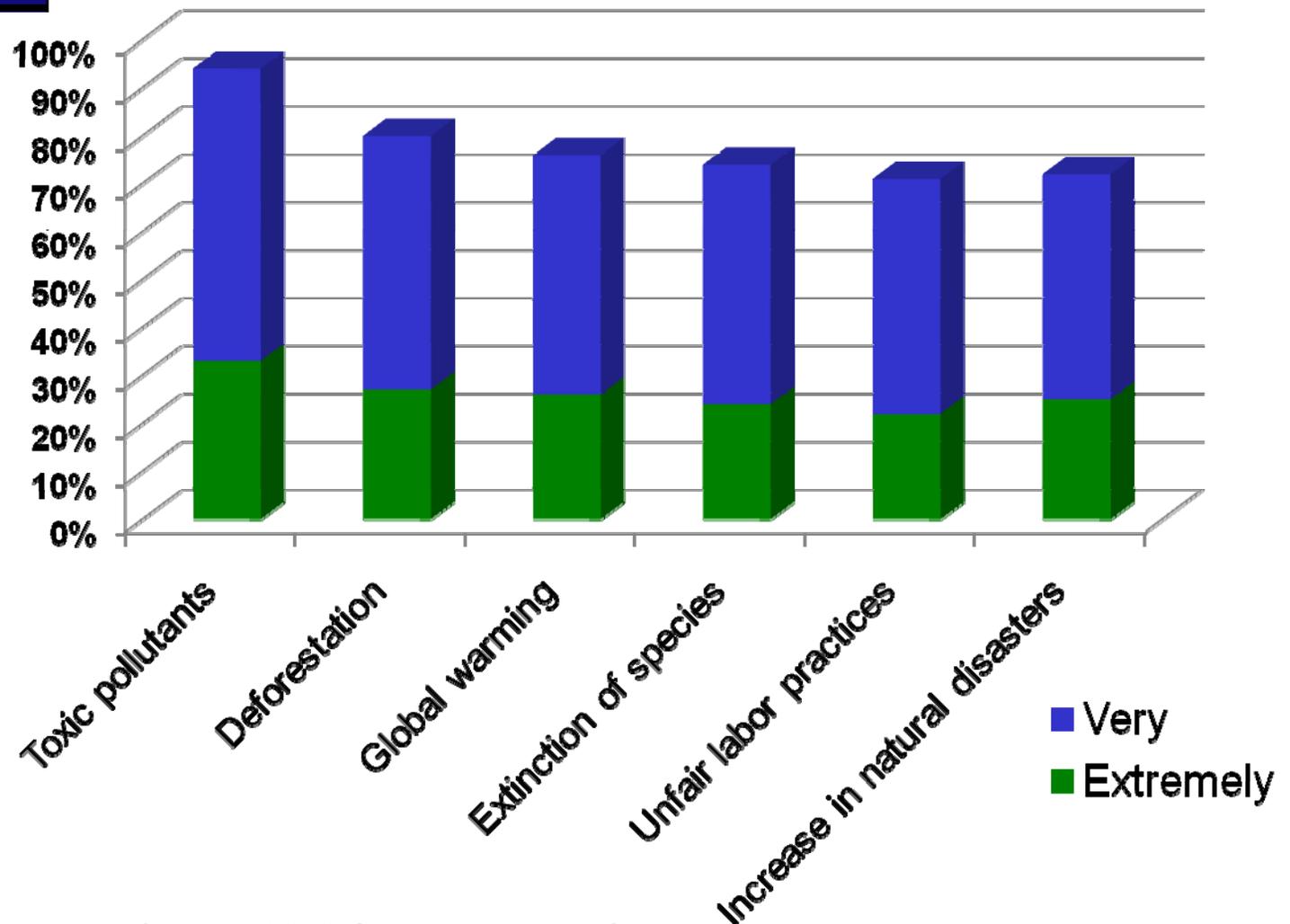
Percentage of consumers purchasing green products



Source: Sustainable Furnishings Council, 2008 Green Marketing Study

Green Consumers Are Concerned

Percentage of green consumers very, or extremely concerned about these issues



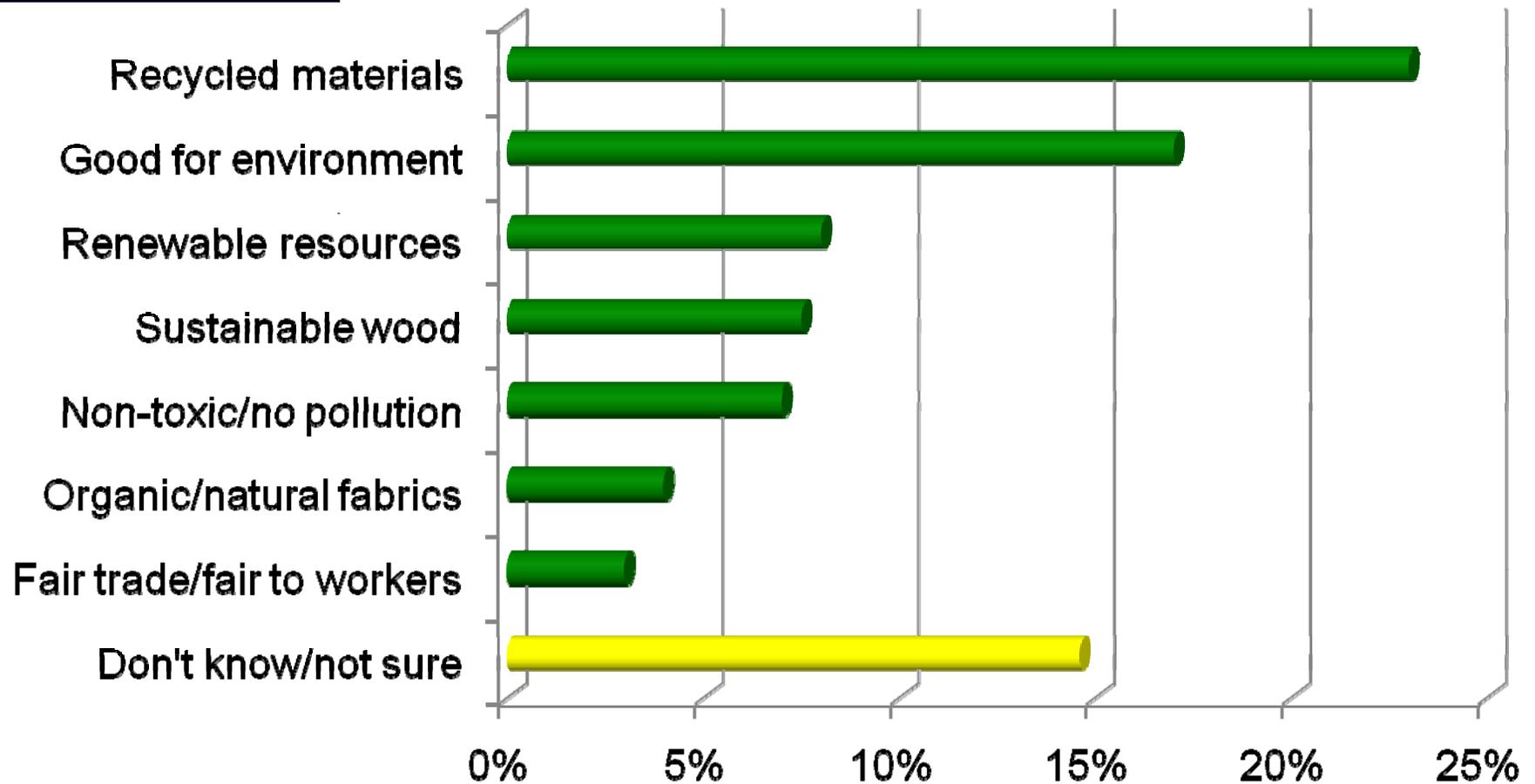
Source: Sustainable Furnishings Council, 2008 Green Marketing Study

Green Consumers Also

- Tend to be optimistic about our future and want to be involved in creating a new & better way of life
- Love nature and are deeply concerned about its destruction
- Like people and places that are exotic and foreign and like experiencing & learning about other ways of life
- Read avidly and want to learn about the products they buy

Green Has Many Meanings

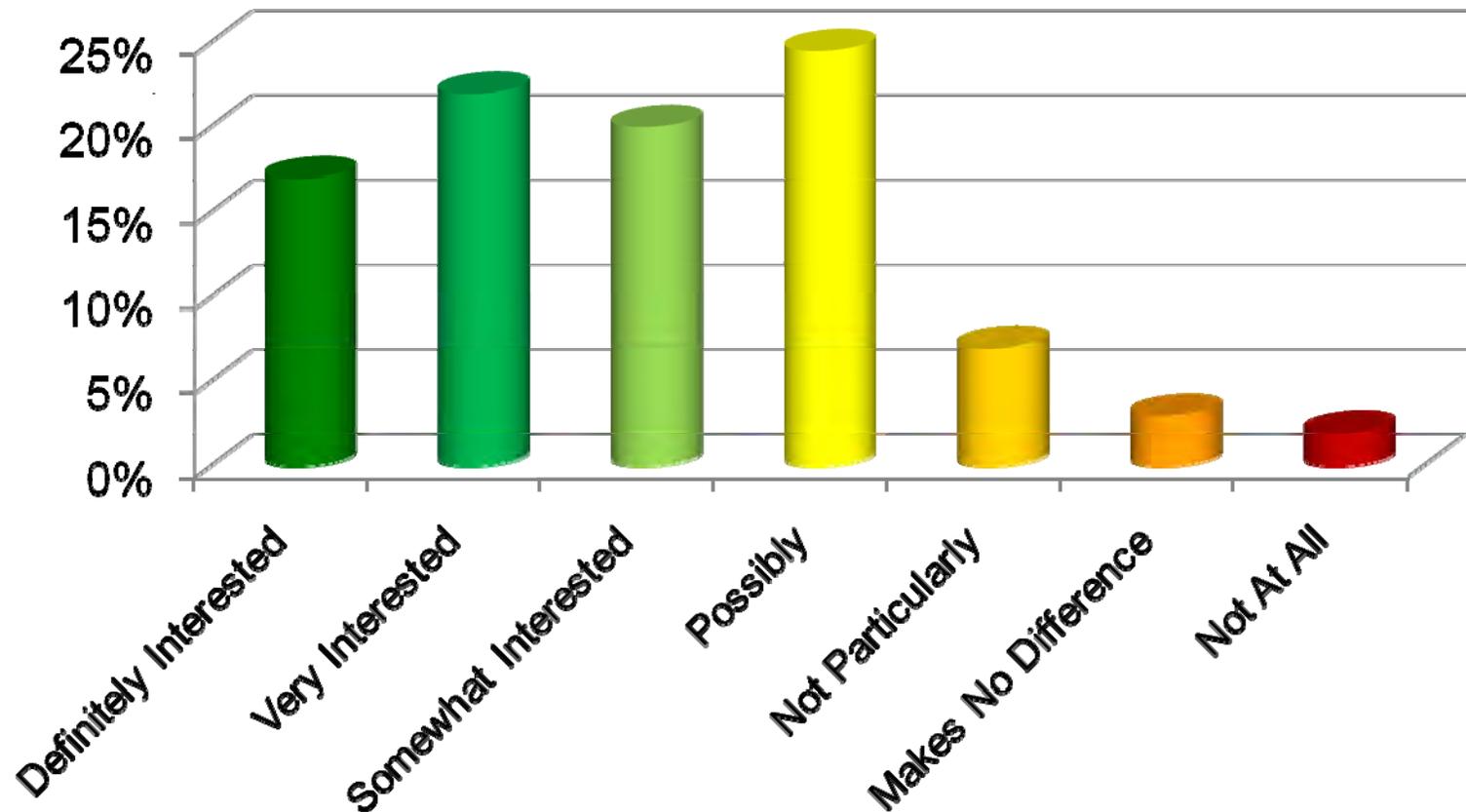
What would it mean if a piece of furniture claimed to be green?
(% of respondents mentioning)



Source: Sustainable Furnishings Council, 2008 Green Marketing Study

Being Green Is An Advantage

Interest in buying green home furnishings if design and price are equivalent.



Source: Sustainable Furnishings Council 2008 Green Marketing Study

Customer Decides Advantages

The advantage depends on the customer.



- Not Teak
 - Classic Style
 - Low Cost
 - Finished
 - Dark Coloring
 - High Minimums
 - Sustainable wood?
 - VOCs?
 - ISO Certified
- Striped Teak
 - Modern Style
 - Mid-Range Cost
 - Unfinished
 - Flexible Coloring
 - Low Minimums
 - Sustainable wood
 - No VOCs
 - No ISO Certification

Green Wins



- Modern Style
- Mid-Range Cost
- Unfinished
- Flexible Coloring
- Low Minimums
- Striped Teak

Sustainability makes the difference.

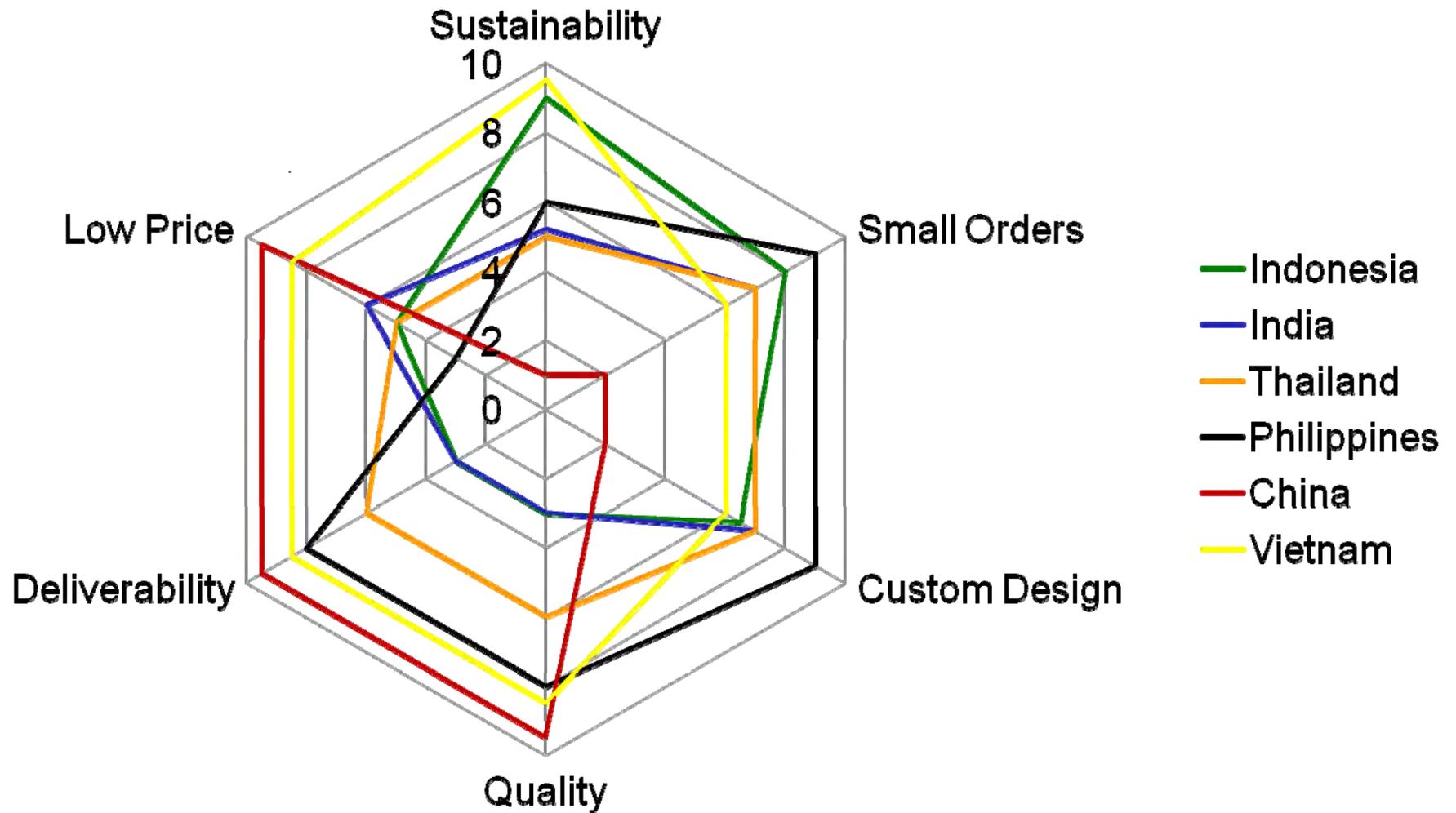


- Modern Style
- Mid-Range Cost
- Unfinished
- Flexible Coloring
- Low Minimums
- FSC Striped Teak
- Renewable Materials
- No VOCs
- ISO Certification
- Fair Labor Practices

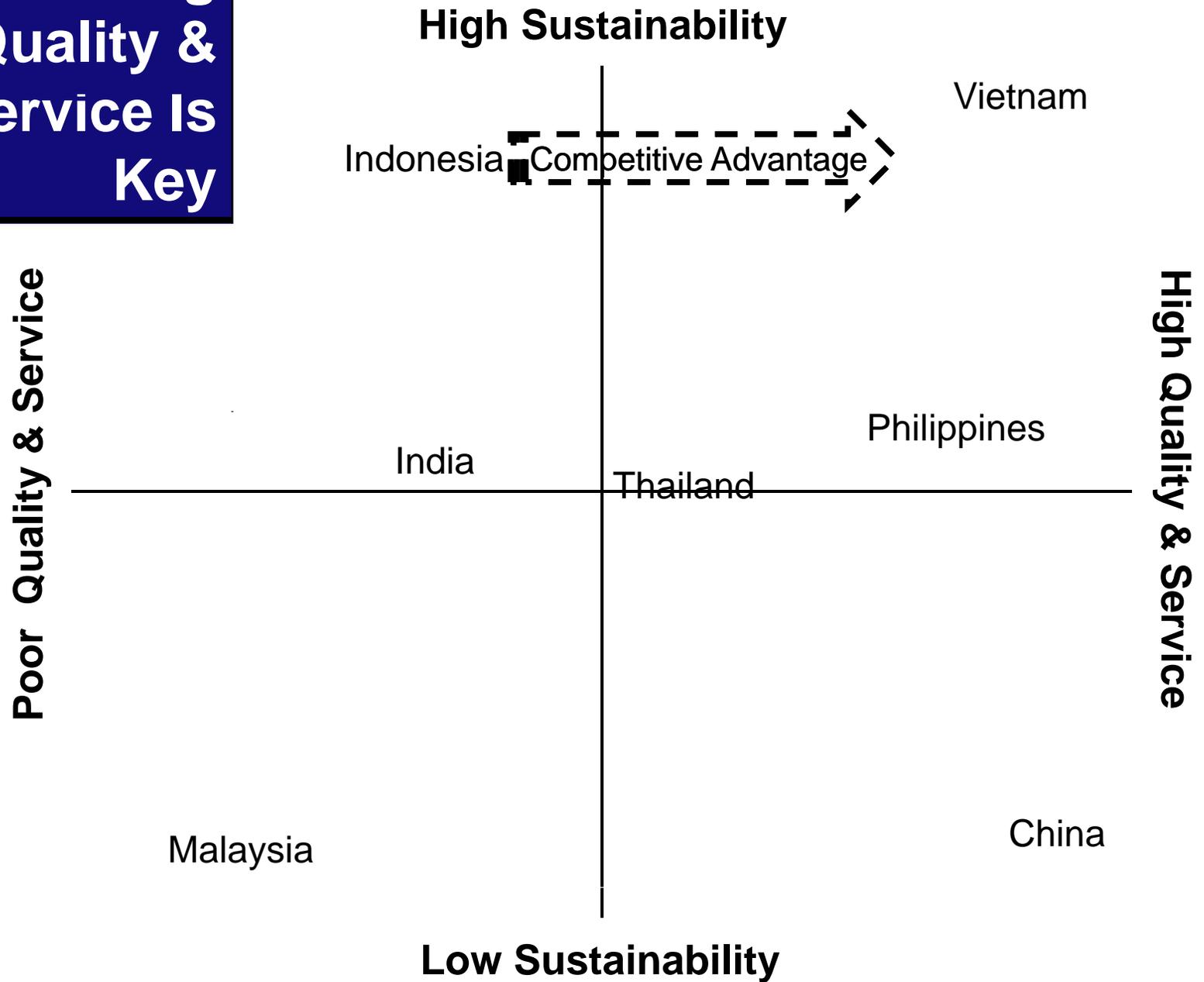
Design and Pricing Are Competitive



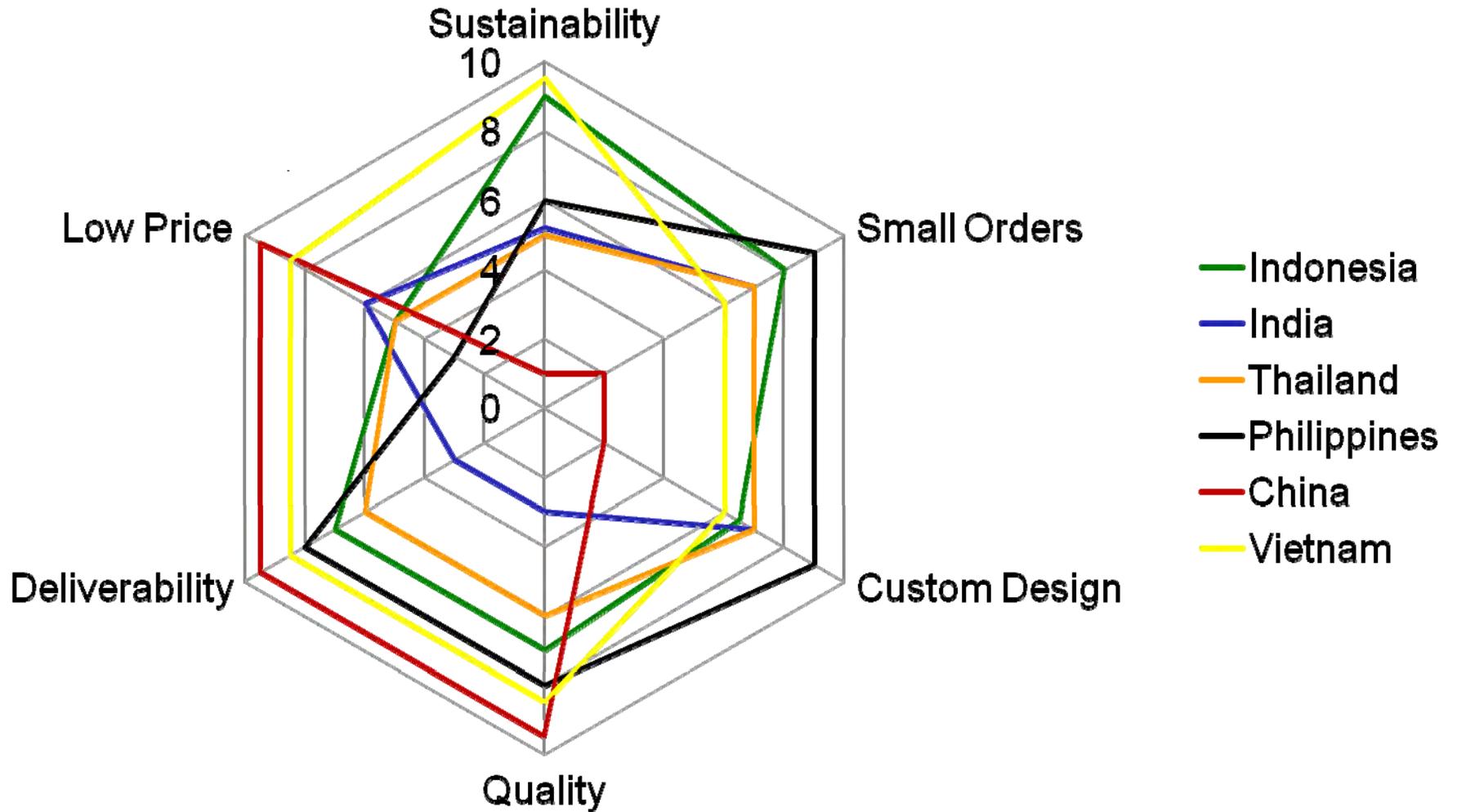
Competitive Position Today



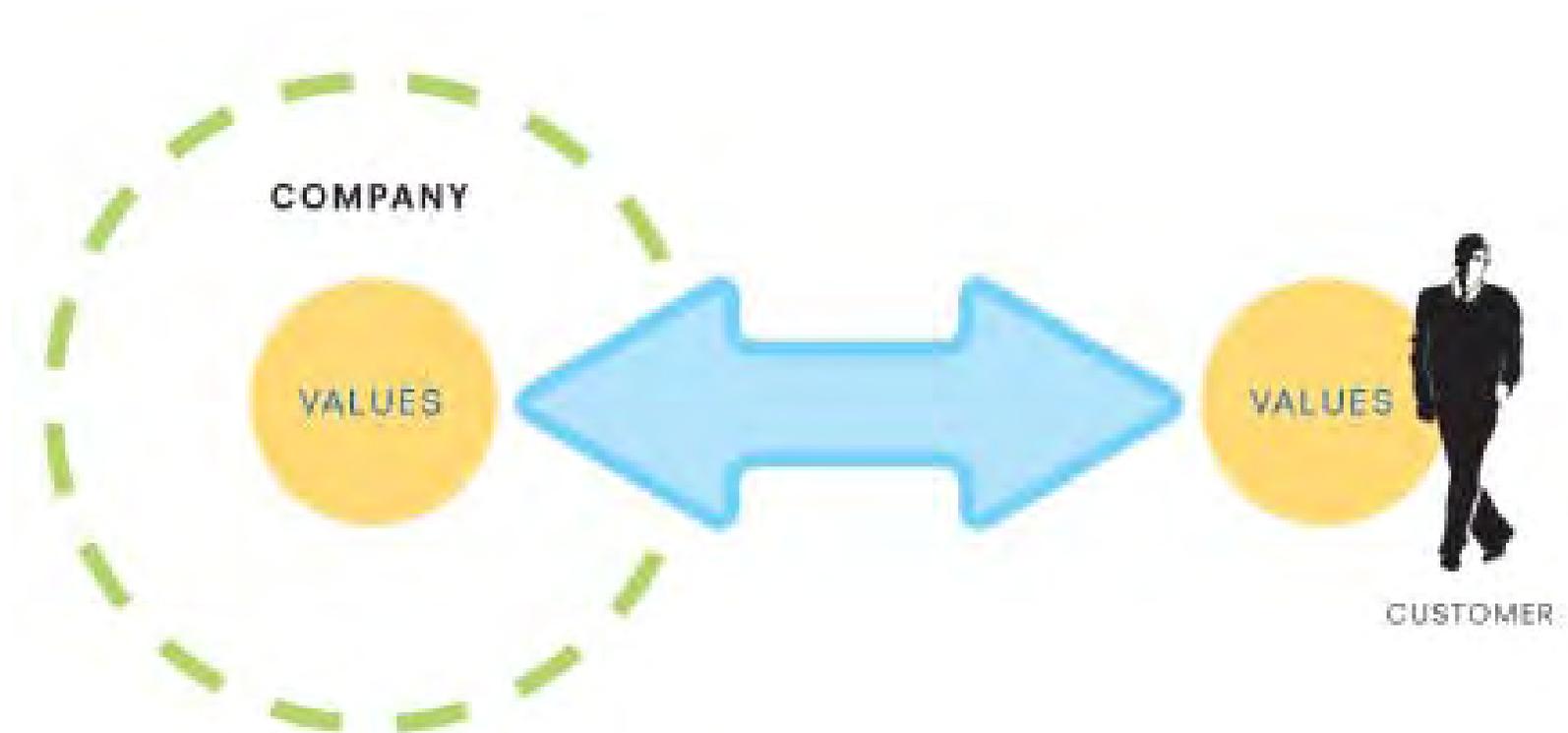
**Fixing
Quality &
Service Is
Key**



Fixing Quality & Service Is Key



I Support Companies With My Values



Zola Furnishings Statement

Sustainability Statement



Zola is dedicated to hand-crafting environmentally friendly, sustainably manufactured, and beautifully designed heirloom quality home furnishings. We pride ourselves on researching and sourcing the finest low-impact, natural, organic and recyclable materials available for building our furniture. Our company's dedication is driven by the management's personal commitment to the environmental principles we have embraced for over 30 years.

www.zolafurnishings.com

Zola Furnishings Story



Who is Zola?

Over the last 14 years, Artistry Interior Furnishings has been hand-crafting upholstered furniture for Interior Decorators & Designers in Oregon & Washington. When my wife Kate & I purchased the business in 2004, our lifelong concern for the environment prompted us to examine the many chemicals inherently present in the manufacture of conventional home furnishings that we, our staff, and our customers were being exposed to. After some initial research, it became apparent that there was not only a significant presence of toxic chemicals, but that alternative materials were available that were being largely ignored by the industry as a whole. We were already well on our way toward implementing the use of these alternative materials, when Hurricane Katrina struck and created a instant shortage in the availability, and a sharp rise in the price of Polyurethane Foam (a key ingredient in conventional furniture). This shortage, caused by the damage to many of the petrochemical plants along the Gulf Coast inspired us to accelerate our plans to refocus the business to the production of environmentally friendly, non-petroleum based, chemical free home furnishings. Thus Zola was born.

As our quest for alternative materials continued, our market research showed us that the limited selection of eco-friendly furniture that was available in the market often fit the preconceived notion of "green" products in general. Most of the designs were either somewhere between an old pair of Birkenstocks and a bean bag chair, or they were just a readily available and conventionally styled wooden frame, upholstered in white cotton or a basic hemp fabric. As a supplier to the Interior Design Trade, we felt strongly that our eco-friendly furnishings needed to meet the same design criteria that we currently offer our clients. Just because someone wants green furniture, doesn't mean they don't want style and comfort. By working with a small group of Custom Textile Manufacturers and Importers who had stepped up to the challenge of making both fashionable and eco-friendly fabrics, we were able to combine these materials with our new line of designs to produce what we hope you will find to be a beautiful blend of nature and design.

Sincerely,

John Byfield & Kate Heber

Zola

Name Inspirations

- Produce items from Baltic Birch Trees
- Names with no real meaning
- Named after the owner
- Names using wordplay (pronounced New)



Logos and Taglines

- All highlight sustainability in taglines
- Green wheat stalk symbolizes environmental concerns, clean look matches products
- Earth tones in the logo, action in the letters
- Modern logo and tagline highlights attributes



Style. Strength. Sustainability.
Modern home & office furnishings, built to last in the USA.

Zola Furnishings Photos

- Each photo allows you to click on it to get more information and see more pictures.



How Zola is Made

At Zola, we are very proud of the quality of the materials we use in all phases of our construction. By using a "from the ground up" philosophy, we have made every effort to find and use the highest quality eco-friendly materials available. By clicking on the links below, you can take a look in more detail at the materials we use and how our furniture is made.



The Zola Commitment to Sustainable Manufacturing



Zola Seat & Back Cushions



Eco-Friendly Fabrics



Zola Hand-Made Hardwood Frames



Eco-Friendly Stains and Finishes

Zola Furnishings Materials

Bill of Materials



Bill of Materials for the Valentino Sofa

Frame - Sustainably Grown Hardwood

Frame Padding - 100% Organic Cotton

Webbing & Supports - Natural Jute & Burlap

Seat Cushion Batting - 100% Organic Wool

Seat Cushion Foam & Frame Padding - 100% Natural Latex

Seat Springs - Recyclable Steel Sinuous Spring

Back Cushions - Zola Custom 2-Channel Latex & Kapok
Cushions

Cushion Insert Covers, Deck & Bottom Cloths - 55% Hemp/45%
Cotton

Stains, Glues & Finishes - Low or No VOC, Non-Toxic, Water- Based
Upholstery Fabrics - 100% Organic Cotton

Ottoman Nesting Table

Frame - Sustainable Grown Beech

Top- Sustainable Grown Bamboo with low- VOC adhesive

www.zolafurnishings.com

Communication Channels

Channel	Strength	Weakness
Print	<ul style="list-style-type: none">• Gets broad exposure• Gives you credibility• Can build large momentum	<ul style="list-style-type: none">• Unpredictable and inconsistent• Can't control the story• Alerts competitors
Electronic	<ul style="list-style-type: none">• Fast and cheaper• Constant global contact• Can offer lots of information	<ul style="list-style-type: none">• Everyone is doing it• Easily ignored• Needs to be presented clearly
Personal	<ul style="list-style-type: none">• Often speaking with buyers• See and touch product• Opportunity for direct feedback	<ul style="list-style-type: none">• Slow• Expensive• Time consuming

Alibaba Ads

<http://importer.alibaba.com/>

#1 Click here from the home page to go to the this page.

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Buying Leads by Category

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[A-C](#)

[Back to Top](#)

#2 Click here to register your products for free

[Lentils ; Compound Fertilizer ...](#)

[Intermediates ...](#)

[Apparel \(13,206\)](#)

[Children's Clothing ; T-Shirts ; Sportswear ; Pants,](#)

[Computer Hardware & Software \(10,050\)](#)

[Laptops ; PDAs ; Power Supply Units ; Other](#)

Buying Leads 24 Oct / [Wanted Urgently](#)

[China](#) | [India](#) | [UK](#) | [USA](#) | [Hong Kong](#)

- [electric motors](#)
- [pv solar panels](#)
- [tire pressure sensor](#)
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#1 Click here to go to the advertising page

Google AdWords

<http://www.google.com/intl/en/ads/>

Pay per click Advertising

- 1) Pick key words – like green furniture, wooden bowls, etc.
- 2) Pay only when customers click through to your site.
- 3) Specify the maximum you will spend per month
- 4) Track Results
- 5) Revise

Google™ Advertising Programs

For Advertisers: [Google AdWords](#)

- Advertise to people searching on Google and our advertising network
- Reach people actively looking for information about your products and services online
- Easily control costs - pay only when people click on your ad



Ready to start?

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Want more information about AdWords? [Learn more »](#)

Find out how our sales team can help you reach your online advertising goals. [Contact Sales.](#)

For Site Owners: [Google AdSense](#)

- Maximize your site's revenue potential with contextually targeted ads
- Customize ads to complement the look and feel of your site
- Track the success of different formats and locations with online reports



Ready to start?

[Sign up now](#)

Want more information about AdSense? [Learn more »](#)

abc home goodwood Tag



The advertisement features a top section with a globe icon and the text "abc home & planet the new age" set against a background of bare trees. Below this, a pink banner contains the text "abc carpet" and "abc home". The central focus is a gold-colored Christmas tree tag with a string, which has the "goodwood" logo and a small paragraph of text on it. At the bottom, a block of text explains the source and mission of goodwood.

abc home & planet
the new age

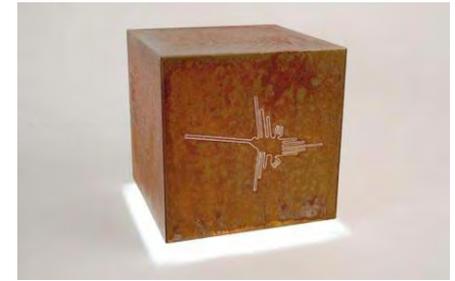
abc carpet abc home

goodwood
From responsibly managed forests or reclaimed and salvaged sources protecting old growth and endangered forest species. goodwood protects against illegal logging and deforestation, a key cause in the climate crisis. vote with your dollars. choose from over 500 goodwood offerings and bring your values home.

Symbols



Product Photos



Evolutionary Selling pp. 37-41

Certifying Bodies



The standard for sustainable living®



working with the Carbon Trust



Displaying Certifications



The Zola Commitment to Sustainable Manufacturing



Baltix Furniture, Inc.

The Leader in Sustainable Furniture Solutions



Baltix Overview

Mission Statement: Baltix will be innovators in the design, marketing, and sales of sustainable interior environments



Baltix Product Offerings

- Comprehensive collection of multi-functional green tables
- Stixx Casegoods made from refined FSC wood veneers
- Baltix Classics – EcoBuzz desking and accessories (self-installable)
- Custom Response including Millwork



Sustainability

- Sustainable development supports the needs of the present without compromising the ability of future generations to meet their needs
- A Balance of Equity, Ecology, Economy
- Incorporates the entire life-cycle of materials and the processing that goes into creating, using, and disposing these materials

A Brief History of Baltix

- 2004 Baltix expands Rep & Dealer network in strategic green markets
- November 2004 ecosystem™ prototype unveiled at Greenbuild Expo in Portland
- February 2005 ecosystem™ officially launched to field
- November 2006 expanded Ecotable collection launched at Greenbuild Expo in Denver
- November 2007 unveiled Stixx casegoods line (FSC veneers) at Greenbuild Expo in Chicago



Baltix Customer Profile

- Over 250 existing installations in the US and Canada
- Committed to sustainable initiatives & environmental stewardship
- Concerned with health and productivity of employees
- Pursuing green building rating (LEED®)
- Meeting green compliance orders & laws
- Require custom capabilities

Partial list of existing clients:

- University of Minnesota
- Aveda Corporation
- Cleveland Green Building Coalition
- Sonoma State University
- Internet Broadcasting Systems
- Purdue University
- Hamilton College
- Evergreen State College
- Port of Seattle
- The Sierra Club
- EnXco



Sizing the Market Opportunity

- Commercial office furniture market estimated at \$12B in 2007
 - Sustainable product procurement estimated 20% in 2 yrs.
 - BIFMA expects "exponential" growth in green purchasing
- Fed/State/Local Government green compliance orders and laws
 - GSA purchased over \$800M in office furniture 2006
- Education & Healthcare sectors demand clean IAQ products
- LEED® rated buildings experiencing significant growth
 - 2003 - 5000 Accredited, 2008 – 50,000 Accredited
- LOHAS (Lifestyles of Health and Sustainability) states a \$76B green building market in US
- AASHE reports over 300 Colleges and Universities have initiated green procurement programs

Value Proposition - Why Baltix?

- Greenest product available on the market today
- Healthy for the end-user and good for the environment
- Potential to support LEED ® points
- Functional/Modular/Durable/Aesthetically pleasing
- Affordable mid-market pricing with long useful life
- Comprehensive product offering that is easy to install, maintain & reconfigure
- Custom design capability
- 98% recyclable – Baltix will assist in reclaiming materials at the end of their useful life to support reuse
- Made in the USA



Green Benefits for the End-User

- No harmful VOC's 
- No added Formaldehyde 
- Recycled materials 
- Certified Sustainable Wood 
- Rapidly renewable materials 
- Designed to reduce solid waste 
- Long useful life 
- Easily recyclable 

The Competition

- The Industry leaders have committed to “greening” their products, but to what degree?
- There are very limited offerings of truly sustainable furniture from any current manufacturers
- “Green-washing” has sensitized customers and has them researching the real story behind allegedly green products



Baltix is Green from the Ground Up!



ecowheat
Environ Biocom-
posite



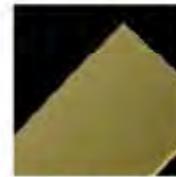
ecosunflower
Environ Biocom-
posite



FSC ecowood
Various Suppliers



**arreis green
MDF**
Sierra Pine



**PurKor Platinum
green MDF**
Panel Source Int'l.



**bamboo ve-
neers**
columbia forest
products



marmoleum®
forbo



bulletinboard
forbo



**100% recy-
cled paper**
ShetkaStone



**recycled US
currency**
ShetkaStone



**steel legs &
bases**
Valley Design



**recycled
aluminum**



Baltix Table Examples



Baltix Classics



EcoBuzz



EcoBuzz



EcoBuzz Flat-top



EcoBuzz Reception

Stixx Casegoods



Baltix Custom Design Capabilities

Don't see exactly what you are looking for?

▪ Baltix has been retained to design and build projects specified by architects, designers and end users. We encourage you to enlist our help on unique custom projects. Some previous designs include:

- Student & Teacher Desks
- Height Adjustable Computer Tables
- Conference Room Tables
- Retail Display Shelving
- Library carrels
- Ticket Counters & Security stations
- Millwork



Baltix Manufacturing Capability



Potential LEED® Contribution

- Materials & Resources
 - Recycled content MR credit 4.1 & 4.2
 - Regional Materials (<500 miles) MR credit 5.1 & 5.2
 - Rapidly renewable materials MR credit 6
 - Certified Wood MR credit 7
- Indoor Environmental Quality
 - Low-emitting materials EQ credit 4.5
 - Daylight & views EQ credit 8.1, 8.2 & 8.3
- Innovation & Design Process
 - Innovation in design ID credit 1



www.baltix.com



green from the ground up!



Extras

Green Retailers Demand

- Design

From

Product Only



To

Product & Packaging

- Quality

Inconsistent



Consistent

- Price

Lowest price



Competitive with Sector

- Deliverability

Customer service secondary



On-time with exceptional service

- Sustainability

Not considered



Price of entry

**Furniture
Retailers
Want**

Design

Quality

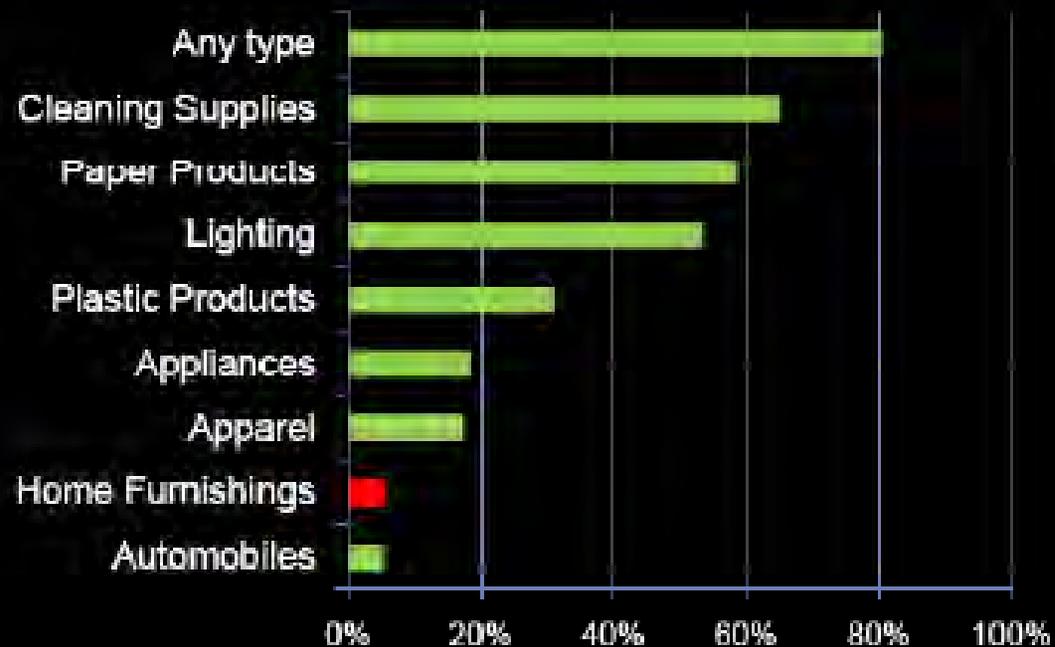
Price

Deliverability

PURCHASING

Many green products purchased, but virtually no home furnishings

"Which green products have you ever purchased"

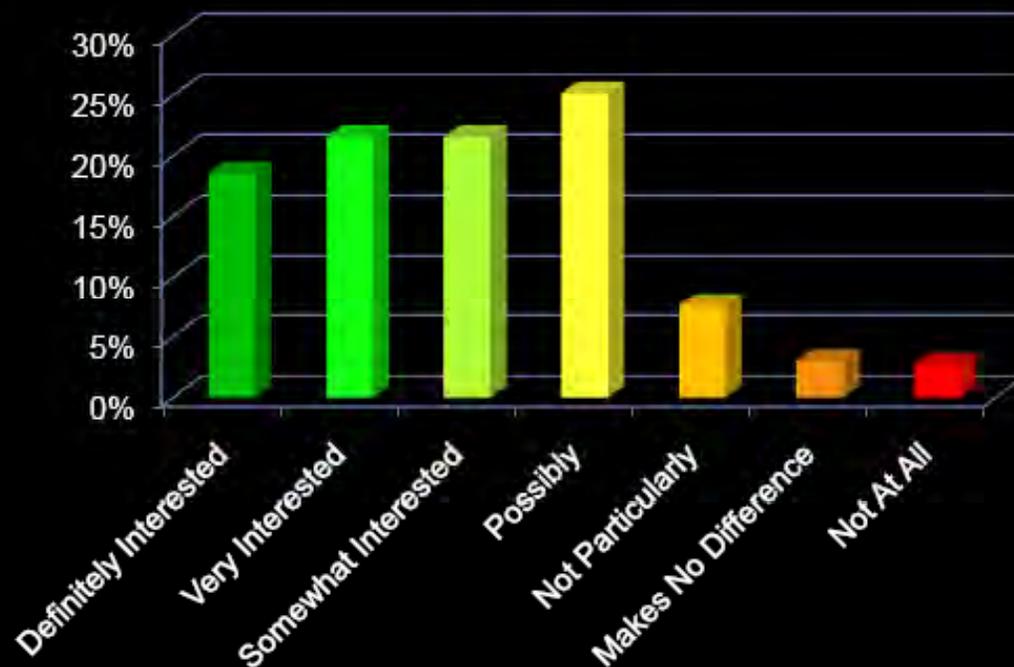


INTEREST

Consumers say they are interested in buying

- About 30% likely to try (all definitely, half of very interested)
- No significant differences by age or income

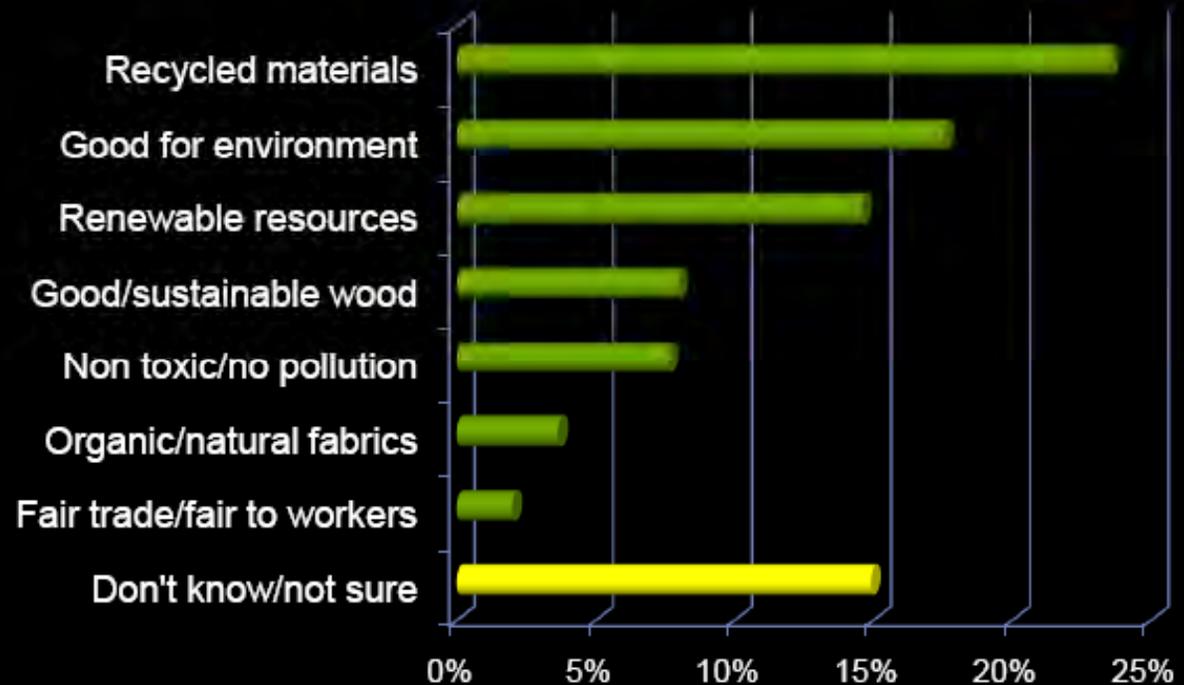
“Interest in buying green home furnishings if liked the style and price about the same as other options”



UNDERSTANDING

Consumers also don't have consistent definition of "green"

"What would it mean if a piece of furniture claimed to be "green"?"
(% respondents mentioning)



CONCERNS

Range of environmental concerns reflects same lack of focus

- About half of people very aware/concerned

In furniture, global warming is primary issue

- Industry largest wood user behind buildings and paper
- Impacts deforestation, extinctions, and natural disasters

"Rate your awareness/concern for environmental issues"

	Extremely	Very
Toxic pollutants in waste stream	33%	61%
Overloading of landfills	27%	54%
Deforestation/loss of rainforests	27%	53%
Global warming	26%	50%
Extinction of species	24%	50%
Unfair labor and trade practices	22%	49%
Increase in natural disasters	25%	47%



Green Consumers

You are likely to be a Cultural Creative if you .

. .

- Love nature & are deeply concerned about its destruction**
- Would pay more for goods if you knew the money would help clean-up the environment**
- Place a great deal of importa... .. developing and maintaining relationships**
- Do volunteering for one or more good causes**
- Care intensely about both psychological and spiritual development**

Are You A Cultural Creative?

You are likely to be a Cultural Creative if you .

..

- See spirituality or religion as important in your life, but are concerned about the role of the Religious Right in politics**
- Are concerned about violence and abuse of children around the world**
- Want our politics and gov't spending to focus on children's education, community development & an ecologically sustainable future**
- Are unhappy with both Left & Right in politics, & want to find a new way that's not the mushy middle**

Are You A Cultural Creative?

Exercise:

◇ How many marks do you have?

You are likely to be a Cultural Creative if you .

..

- **Want to be involved in creating a new & better way of life**
- **Are concerned about what the big corporations are doing in the name of making more profits**
- **Have your finances & spending under control, and are not concerned about overspending**
- **Dislike all the emphasis in modern culture on success and “making it,” on getting and spending, on wealth and luxury goods**

EXHIBIT SAMPLE PRESS RELEASE

Insert Your Logo Here

FOR IMMEDIATE RELEASE

Indonesian Furniture Makers Turn to Sustainability to Gain Competitive Advantage

CONTACT: YOUR NAME HERE, Your Position Here, Phone #, Email Address

YOUR TOWN, Indonesia (Date)—Usually the image of the furniture industry in Indonesia conjures up images of clear-cut tropical rainforests, toxic pollution spilling out into villages and unfair labor practices.

YOUR COMPANY NAME is offering a new production model that uses sustainable materials, environmentally friendly finishes and fair labor practices to make its Product Name Here.

Details about the new manufacturing process here what are the benefits? How have they helped you save costs as well as be more environmentally friendly.

Talk about the market for green consumers in the United States and Europe what success have you had?

While focusing on sustainability, YOUR COMPANY NAME is still focused on creating home accessories that have a stylish design and are built to last. Add a quote from the company President, saying something like “We know that being sustainable opens up new markets, but we still need to make sure our products are well designed, priced competitively and made to last.”

PHOTOS AVAILABLE ON REQUEST

###

EXHIBITS VERTICAL SEARCHING ON
ALIBABA.COM

Searching on Alibaba.com

The screenshot shows the Alibaba.com search interface. At the top, the logo and navigation menu are visible. The search bar contains 'eco friendly bowls' and is set to 'In All Categories'. Below the search bar, there are filters for 'Manufacturing Region', 'Main Export Markets', 'Business Type', and 'Contract Manufacturing'. The results list includes four items: 'Eco friendly bowl 875 ml' from Thailand, 'Bamboo bowl, lacquer cup Vietnam Lacquer bowl, salad bamboo bowl set, eco friendly material' from Vietnam, 'Bamboo bowls' from China, and 'bamboo food tray, bamboo tray, bamboo serving tray' from China. On the right side, there are promotional banners for 'Trade Alert' and '2,000 Free banner Promotions Every Week', along with a 'Latest Discussions' section.

Alibaba.com Global trade starts here.™

Enter Search, Start Narrow Then Go Broader

Buy Now Sell Now My Alibaba Community News

Products Selling Leads Suppliers Buyers Trade Shows Find Your SuperDeals

eco friendly bowls Select Country/Region In All Categories Search More search options

Your Recent Searches: eco friendly bowls, earth friendly bowls, sustainable bowls, Eco friendly furniture, Eco friendly, Eco friendly home accessories]

Home > Buy > Search: **eco friendly bowls 37 Products** Select specific country or region Select Category

Refine eco friendly bowls By

Manufacturing Region	Main Export Markets	Business Type	Contract Manufacturing
<input type="checkbox"/> Thailand (28) <input type="checkbox"/> China (mainland) (3) <input type="checkbox"/> India (3) <input type="checkbox"/> Vietnam (3)	North America (37) South America (37) Western Europe (37) Eastern Asia (36) View all	Distributor/Wholesaler (33) Trading Company (29) Agent (28) Manufacturer (9) View all	Design Service Offered (7) OEM Service Offered (6) Buyer Label Offered (6)

38 items per page | Page 1 of 1

Select to Contact Now Show results with photos only View gallery

- Eco friendly bowl 875 ml**
Our **eco friendly** 100% biodegradable **bowls** are ideal for many food / drink uses. Excellent quality and great price....
Thailand Offline
Min. Order: 100000 Pieces
[Contact Now](#)
NATURAL PACK CO LTD
[TrustPass](#)
28 Matching Results
- Bamboo bowl, lacquer cup Vietnam Lacquer bowl, salad bamboo bowl set, eco friendly material**
Asia-Crafts produce high quality lacquer ware with various design, color and material. We always try to meet customers' demand....
Vietnam Offline
US \$ 8 ~20
Min. Order: 100 Sets
[Contact Now](#)
ASIA CRAFTS & FURNITURE CO LTD
[TrustPass](#)
3 Matching Results
- Bamboo bowls**
100% bamboo material and food safe, size are adjustable as your request, OEM are welcome...
China Offline
US \$ 0.5 ~5
Min. Order: 1000 Pieces
[Contact Now](#)
Anji Xingzhong Bamboo & Wooden Crafts Co., Ltd. [Company Video](#)
[Gold Supplier](#)
2 Matching Results
- bamboo food tray, bamboo tray, bamboo serving tray**
bamboo bowl, 100% natural bamboo material, **eco friendly** and food safe, durable...
China Offline
[Contact Now](#)
Hangzhou Yeyi Imp & Exp Co., Ltd.
[Gold Supplier](#)

Trade Alert

Send me the latest **Product Offers** for:

eco friendly bowls

by mail

(Your privacy is guaranteed)

[Subscribe](#)

Manage My Trade Alert

[See a sample](#) [learn more](#)

2,000 Free banner Promotions Every Week

→ Get Yours Now!

Latest Discussions

- How to maintain the business relationship with clients?
- how do you know if the buyer received your quotation or not.
- Happy Deepawali to all Indians !!!

Success Stories

I am addicted to my business!



Sustainable Style

Contact info

Logo and tagline

Sustainability story, company history

The Zola Commitment

Manufacturing details and photos

Product Photos and more information



Chairs



Loveseats

Materials data

News



Sofas



Modular Seating

More contact info



Ottomans and Convertible Seating Areas



The Zola Commitment to Sustainable Manufacturing

Third Party Certification

SEARCH Go

- Who is Zola?
- How Zola is Made
- Chairs
- Loveseats
- Sofas
- Modular Seating
- Ottomans and Convertible Seating Areas
- Eco-Friendly Fabric Selection
- Eco-Friendly Stains & Finishes
- Find a Zola Dealer
- Zola in the News!
- Glossary of Eco-Friendly Terms
- Green Resources and Links
- Zola Furniture Wholesale Inquiries

Zola is dedicated to hand-crafting environmentally friendly, sustainably manufactured, and beautifully designed heirloom quality home furnishings. We pride ourselves on researching and sourcing the finest low-impact, sustainably produced, natural, organic and recyclable materials available for building our furniture. We believe that beauty and style go hand in hand with respect and stewardship for the planet. The Zola Furniture Co. is located in Eugene, Oregon.



Alibaba Registration

Want to Display your Products?

Just complete this simple form. It takes less than a minute!

1) Fill Out Form

Want to Display your Products?

Simply Complete our Registration Form and You Can:

- ✔ Display up to 50 Products
- ✔ Get an Online Showroom
- ✔ Use Advanced Trade Tools

All FREE!

Select your Business Location & Account Type

* Business Location: 
--Province/State--  Please select a province/state

* I am a: Supplier Buyer Both

Enter your Contact Information

* Name:

* Company Name:

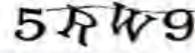
* Phone Number: - -
e.g. 86 - 571 - 12345678

Enter your Email Address & Create a Password

* Email:
This will be used to sign-in to Alibaba.com

* Create Password:
6 - 20 characters (A-Z, a-z, 0-9 only)

* Re enter Password:

* Enter the code shown:  [Load new image](#)

Create My Account

- Upon creating my account, I agree to:
- The [Alibaba.com Free Membership Agreement](#) ;
 - Receive emails relating to membership and services from Alibaba.com

2) Benefits at no cost

Characteristics of greenwash

OVER THE
TOP
images

**fly
greenJet**
(and erase your
carbon footprint!)

Travel with greenJet the low carbon airline. We're planting trees so you can fly as often as you please.

It's not just travelling we think about. All our meals are organic and locally sourced, and we serve only fairtrade coffee.

eco assured

OBVIOUS
LIES!

fluffy
language

Nothing to
do with the
product!

No data,
specifics
or certified
labels

Characteristics of good claims

Gives you an 'honest' feeling

Tread lightly

Our beautiful shoes are made from reclaimed leather and 100% recycled materials so there's no hidden impact behind the hide. We do not use PVC and our products are entirely free of toxic contaminants like cadmium and lead residues.

Now you can feel as good about your shoes as you look in them.

Find out more at www.treadlightly.world

European Eco Label

Claims that are 'product relevant'

Lots of specific details



A recognised third-party label

Significant and major green commitments

FREQUENTLY ASKED QUESTIONS (FAQS)

APPENDIX C: FREQUENTLY ASKED QUESTIONS

Source: Evolutionary Selling, Mary Hunt pg 17-18

1. **Q: Why isn't everything you sell sustainable?** A: We're working on it. Today's unsustainable are tomorrow's antiques, but unlike cars, they don't put out more emissions after you buy them. We're replacing unsustainable with sustainable as soon as we can. For example... (take them to your selections)
2. **Q: What makes products green and sustainable? Is it the materials or the process?** A: Both. Bamboo as a fast growing plant that can grow in many climates provides an unlimited supply of raw material. That said, if a forest was clear cut to plant bamboo and it was glued with high VOC adhesives... well... it sort of defeats the sustainable purpose. We try to look at the whole lifecycle of the product.
3. **Q: Which products are fully certified?** A: What kind of certification are you looking for? There's a ton of them out there. Since most furniture is made from wood, we look for the FSC label first. That stands for the Forest Stewardship Council
4. **Q: What's your company doing to become more sustainable?** A: You mean besides work with vendors who can provide proof that they are sustainable? All the lights you see? Over 90% take compact fluorescent bulbs. We also buy our electricity from wind generated power, went to paperless billing and we've eliminated coffee cups. I know it's not a big thing for customers, but every time we have a cup of coffee it reminds us of our mission...
5. **Q: What is greenwash?** A: Greenwash is what the market sees as tainted marketing. You can't say that you are "sustainable," if you can't prove it. Be specific and honest about what something is or isn't.
6. **Q: What's the difference between Energy Star and other sustainable standards?** A: Energy Star is a standard measuring how much electricity an appliance uses. Sustainable Standards cover much more and include Life Cycle Assessments and third party audits.
7. **Q: What's an LCA?** A: LCA stands for Life Cycle Assessment. It measures the total environmental impact of a product from raw materials to manufacturing to reuse or recycling and all the energy and transportation in between. It's the data collection point from which all credible standards start.

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Jakarta 10210
www.senada.or.id