



MID-ATLANTIC MINUTE

A Newsletter From Your Ashley
Marketing Specialists

JANUARY MARKETING PROMOTIONAL IDEAS

January is a new start to a new year. Start it off right.

January 1st Promotion

Dealers should run a one-day sale on January 1st as most people are off work with nothing to do that day.

- Gift with purchase
- Trade-in Sale
- The holiday parties continue
- January Clearance Sale kick-off

New Year's Sale Holdover

- One weekend only
- Use fresh graphics
- Make it exciting and colorful

Don't forget MLK Day

Promote hard on every national holiday.

- Great opportunity for a 3-day sale
- Offer some savings story, similar to Presidents Day

January is National Family Room Month

- Run packages
- Free TV
- Free entertainment center
- Free gift card to Best Buy

Superbowl

The Superbowl is at the beginning of February, so start in January.

- Run Buy One Get One Free recliners
- Push recliner and Best Buy TV packages

Tie National Family Room Month to the Superbowl

- Predict the Score promotion for a chance to win recliners, room makeover, Best Buy gift cards
- Could make it a big deal by doing local partner promotions

Run an Ashley Private Sale

- Huge savings
- Invitation only
- Friends and Family only
- Make it fun

January Clearance

- Run this the final weekend and make it high impact

After Christmas
CLEARANCE
HURRY IN!
We are cutting prices storewide!

SUPER SAVINGS

Just in time for the Big Game...
RECLINER TENT SALE!

new year
NEW LOOK
SAVE BIG IN THE NEW YEAR

Martin Luther King Day
SAVINGS EVENT

PRE-OWNED FURNITURE WILL BE DONATED TO LOCAL CHARITIES

Dealer Logo

**TRADE IN
TRADE UP**

BRING IN YOUR OLD FURNITURE!
AND SAVE!

\$100 TRADE IN TRADE UP SAVINGS* Special Savings on Purchase of \$200*	\$100 TRADE IN TRADE UP SAVINGS* Special Savings on Purchase of \$200*	\$75 TRADE IN TRADE UP SAVINGS* Special Savings on Purchase of \$200*	\$25 TRADE IN TRADE UP SAVINGS* Special Savings on Purchase of \$100*	\$50 TRADE IN TRADE UP SAVINGS* Special Savings on Purchase of \$100*	\$75 TRADE IN TRADE UP SAVINGS* Special Savings on Purchase of \$200*	FREE COMFORTER SET (with bedspread) Purchase of \$499 or More
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ELEMENTS OF ADVERTISING

ROCK

BRICK & MORTAR

- IN-STORE ADVERTISING:
 - SPIDER STANDS
 - BANNERS
 - HANG TAGS
 - WINDOW DISPLAYS
 - PARKING LOT SIGNAGE
 - EXTRA CIRCULARS
 - IN-STORE COUPONS
 - WALL OR FLOOR GRAPHICS

PAPER

PRINT ADVERTISING

- NEWSPAPER AND MAILBOX ADVERTISING:
 - CIRCULARS
 - DIRECT MAIL
 - ROP

DIGITAL

ONLINE MARKETING

- INTERNET:
 - EMAIL BLASTS
 - E-COMMERCE
 - WEBSITE BANNERS
 - ONLINE COUPONS
 - ONLINE ONLY SPECIALS
 - PAY-PER-CLICK
 - SOCIAL MEDIA MARKETING

FEBRUARY MARKETING PROMOTIONAL IDEAS

Valentine's Day Ideas, Feb 6-14

Buy One Gift One to a Loved One

- Free recliner with purchase of a Recliner

Snuggle Up

- Free chair with purchase of correlating sofa
- Free comforter collection or mattress with bedroom

Dine and Recline with your Valentine

- All furniture is on sale
- Free dinner and a movie with any \$999 purchase, \$150 value

Valentine's Day Only Sale

- 14 hour sale
- 14% off
- 14 -piece package special
- You get the idea...

President's Day Ideas, Feb 13-17

\$1 Throw/Lamp/Accessories/Dinnerware

- With purchase of sofa

\$10 Loveseat/TV Stand/Chest

- With purchase of sofa love, reclining sofa love, or bedroom

Cash Back Sale

- \$200 cash back or 24 months interest-free financing

Cash & Carry Clearance Sale

- Discount for all floor models eating valuable real estate

Hooks

- Best Buy specials
- TVs
- Surround sound system
- Marriott stay
- Sporting event tickets

Free in February

\$100 + Retail Values

- Casegoods: Dinnerware, Comforter Collections, Night Stand, Extra Dining Chairs
- Stationary: Area Rug, Lamps, Accessories and Throw
- Motion: TV Stand, Power Upgrade on Recliner
- Other: Sales Tax, Delivery

\$200+ Perceived Retail Values

- Casegoods: Mattress and Box Spring, Media Chest, 5D Chest, Server, 2 Stools to Match
- Stationary: Accent Chair, Room Bundle from \$100
- Motion: Recliner, Total Power Upgrade, Home Office Pieces
- Other: Interest Rates, Hooks

Share the Love

FEBRUARY 14TH ONLY!
DOORS OPEN AT 10AM

EVENT

14 HOURS TO SHARE THE LOVE!

14% SAVINGS ON SELECT PACKAGES

14 MONTHS SPECIAL FINANCING AVAILABLE*
On purchase of \$999 or more with your Retailer credit card through XXXXXXXX.

DON'T FORGET!

Las Vegas Market
1/26/2014
»
1/31/2014

Gray is the New Beige

Which styles and colors will we be seeing in furniture showrooms — and, ultimately, homes — in the months ahead?

One reliable barometer is the High Point Market, the giant home furnishings trade show held twice a year in High Point, N.C.

For insights from the recent fall show, we turned to two design pros who were there: Kathy Basil, manager/buyer for Hirshfield's Design Resource, and Nancy Woodhouse, senior designer, Gabbert's Design Studio.

Hottest hues. Lilac was in full bloom, Basil said. "I saw a lot of it in upholstery. One pillow showroom had a whole section devoted to lavender and mauve-y colors," she reported.

Is this a flashback to the mauve that dominated color palettes during the 1980s? "It's a little more blue," Basil said.

On furniture, Basil saw lilac paired with rich dark wood finishes, clear acrylic and white — but not with medium-toned wood, she said. "It wouldn't look good."

Purples are popular, Woodhouse agreed, but they aren't the only color story. She also noticed a lot of Chinese red (a bright shade with a hint of orange), deep blues inspired by peacock feathers, punches of chrome yellow and that other '80s favorite: gray.

"Gray has become the new neutral, replacing beige tones," she said. Today's grays are warm (almost taupe), which makes them easier to incorporate into decor than cooler shades of gray, she noted. Although gray's rise has been building for several seasons, it shows no signs of waning. "Gray is here to stay for a long time," Woodhouse said.

'60s flashbacks. The "Mad Men" influence continues, with many furniture styles that evoke the swinging '60s. Prints are big and bold, especially on chairs, where "statement fabrics" are the look du jour. Think big butterflies, oversized florals and Asian-inspired dragons.

Other '60s influences include cut-velvet fabrics, modular furniture and Lucite. "Lucite's making a big comeback," Woodhouse said.

Metal of the moment. All that glitters is now gold. "Gold was everywhere," Basil said. She saw gold dominating light fixtures and furniture hardware, in both shiny and brushed finishes, overtaking pewter and brushed nickel.

Finishing touches. Painted finishes, from formal to casual, are having a big impact on furniture, Woodhouse said. She saw everything from white-washed, gray-washed and metallic finishes, to painted special effects, such as Harlequin patterns, flowers and even lace.

Moroccan influences. Moroccan-inspired patterns have been appearing on fabrics, rugs and wall coverings for several seasons, Basil said, but now the signature pointed arch shape of Moorish architecture is making its way into furniture pieces, such as upholstered headboards.

Rope chic. Rugged rope was a busy multitasker at market, according to Basil. "We saw it all over the place. I saw a lot of showrooms where they hung (light) fixtures with thick rope. That's something new."

Coaching Successful Salespeople

Some sales people close at 30%, and some close at 15%. In most stores there is no plan, no strategic selling system, and no coaching initiative in place to fix this. Joe Capillo suggests a 5-step method to help you coach for success.



1. Salespeople are required to account for every customer served by recording each sales interaction on a form.

2. The form is turned in to their coach/manager each day for review. The coach/manager reviews interactions that did not result in a sale and asks, "How could this have been better? What is your next step with this project?" Everything's a project to your customer — just ask her!

3. While reviewing these forms, look at the salesperson's notes about the customer first, and the project second. You want the salesperson to be able to tell you about each interaction. This is a simple way for salespeople to demonstrate caring to the customer — by asking the right questions and writing notes on their responses.

4. You should also consider including a space on the form where salespeople can sketch the room. When you look at a sketch (no matter how artistically awful it is) you can tell if the right questions were likely asked and if a good connection to the customer and her project was made.

5. Then check to see if a follow up date — agreed to by the customer — for what may be nothing more than a phone call, but can also be a return visit, has been made. You know that customers returning to your store a second time, buy over 75% of the time on that second visit. This is how you get to your 20% close ratio — from the combination of first-time shoppers on a particular furniture project who buy about 10% of the time, and customers returning a second (or third) time on the same project — who buy over 75% of the time. You get 100 shoppers. 10 buy. If you can bring back only 13 of the people who did not buy and they close at 75%, you have a total of 20 buyers out of the original 100. What if you bring back 50 of the 80 non-buyers? I hope I'm making my point here.

Furniture retailers are notoriously poor at developing follow-up systems to bring back shoppers who do not buy on their first store visit to shop for a new furniture project. Today, social media provides an avenue that didn't exist in my early days. There is no greater opportunity to get new business than to mine those who have already shopped in your store, found things they liked, had a good experience, but simply didn't want to decide "today". You don't need one additional dollar of advertising to get them back. A phone call, email, text or tweet can do it.

Your Ashley Marketing Specialists

Case Goods:

Gary Harris - (443) 864-1430
gharris@sales.ashleyfurniture.com

Jeff Moehling - (804) 921-5813
jemoehling@sales.ashleyfurniture.com

Don James - (757) 447-4003
djames@sales.ashleyfurniture.com

Brian MacKercher - (540) 272-3871
bmackercher@sales.ashleyfurniture.com

Michael Jacobs - (410) 536-5223
mjacobs@sales.ashleyfurniture.com

Pat Houghton - (434) 242-2810
phoughton@sales.ashleyfurniture.com

Motion:

Eric Moehling - (804) 366-9170
emoehling@sales.ashleyfurniture.com

Pat Houghton - (434) 242-2810
phoughton@sales.ashleyfurniture.com

Steve Goad - (443) 694-8702
sgoad@sales.ashleyfurniture.com

Stationary:

Ken Fabian - (301) 526-0848
kfabian@sales.ashleyfurniture.com

Andrew Chapman - (443) 223-3213
achapman@sales.ashleyfurniture.com

Tony Croft - (540) 354-5413
tcroft@sales.ashleyfurniture.com

Stewart Anthony - (334) 430-4521
santhony@sales.ashleyfurniture.com

Drew Miller - (443) 362-2914
drmiller@sales.ashleyfurniture.com

Brent Mickey - (571) 235-4880
bmickey@sales.ashleyfurniture.com

Optimism in the Furniture Industry

By many statistical measures, the furniture industry is better off today than in 2009. Opportunities for growth abound, yet the mindset of the furniture business has been slow to adapt to consumer trends.

After a 13 percent drop in furniture sales in 2009, new orders have increased 4 to 6 percent every year. As of 2012, orders were up 16.5 percent from 2009 and up 1.38 percent from 2008. This steady increase is expected to continue in the coming years.

Furniture companies have seen consistent increases in sales and profits, but to really capitalize on this growth they need to put more emphasis on marketing their products to reach consumers, particularly young professionals and those with young children.

"Unlike their parents, they don't think of furniture as heirlooms. They think of furniture like they do an old iPhone, which they throw out once the technology to the new ones come out," Tourtellot said. "Young people are renting and, for the most part, the new apartments that are being built are much smaller. When you shrink rooms, you've got to shrink the size of the furniture."

One way to step up marketing is through "brand identity," he said. While some furniture companies like Rooms To Go have a national reputation, most, in his view, haven't done enough marketing to develop allegiance from consumers.

The recent bankruptcy filing of Furniture Brands International, one of the largest residential furniture makers in the country, representing the Broyhill, Thomasville, Drexel Heritage, Lane, Hickory, La Barge, Lane Venture, Maitland-Smith, Pearson and Henredon brands, should create competitive advantages for other industry players, Tourtellot said.

"The culture of the furniture business has been manufacturing-driven, not marketing-driven, and they paid the price," he said.

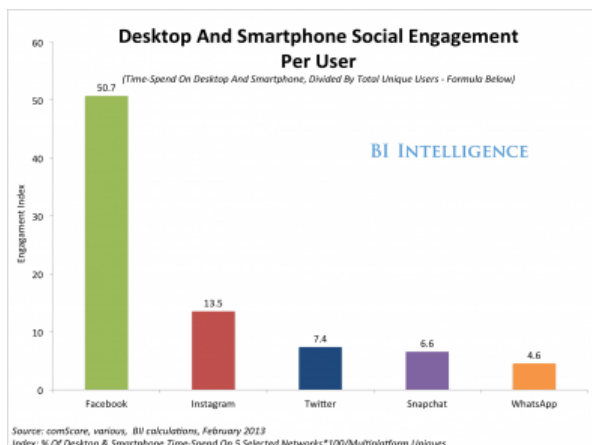
Social Media Engagement Report

As audiences adopt newer social networks, and people's social activity becomes increasingly fragmented, new measures of social network activity become important, especially for businesses trying to determine where to best

allocate time and resources. How much *time* users spend on each social network and how *engaged* and interactive they are with content there are increasingly important ways of evaluating the sites.

Here some recent BI Intelligence findings:

--Social is now the top Internet activity: Americans spend an average of 37 minutes daily on social media, a higher time-spend than any other major Internet activity, including email.



--Social-mobile rules: 60% or so of social media time is spent not on desktop computers but on smartphones and tablets.

--Facebook has a monster lead in engagement: 114 billion minutes a month in the U.S. alone, on desktop PCs and smartphones. By comparison, Instagram commands 8 billion minutes a month, and Twitter just 5.3 billion.

--Facebook attracts roughly seven times the engagement that Twitter does, when looking at both smartphone and PC usage, in per-user terms.

