

## **HOMEBASE'S SOCIAL MEDIA STRATEGY HAS A MAGNOLIA FINISH**

**Homebase has ramped up its social media strategy in a bid to drive sales amid tough market conditions; however, Verdict believes that its strategy is actually a step backward from its earlier innovations. While social media can be used to drive sales, the retailer's decision not to integrate its social media activities into its transactional website is a missed opportunity.**

The UK DIY market has struggled in recent years, with sales plummeting as consumers cut back on big ticket purchases. Verdict predicts that the market will decline by 3.7% in fiscal 2011 and by a further 1.9% in fiscal 2012. Spending is not expected to grow until fiscal 2013 when a modest increase of 1.0% is predicted.

In an attempt to address this decline and drive sales, on October 3, 2011, UK DIY retailer Homebase launched a new Facebook page, two Twitter accounts, and revamped its YouTube channel. These activities build on the company's existing social media platform, [getintogardening.co.uk](http://getintogardening.co.uk), and its associated Facebook page. The new social media operations are intended to drive sales by providing customers with inspiration in terms of how to make over their homes and by boosting consumers' confidence in undertaking DIY tasks for themselves. The company's Facebook page will include monthly updates on the latest homewares trends and advice on how to recreate them. Its YouTube channel will contain educational DIY videos, while its Twitter account will be dedicated to customer services.

Similar social media activities have been highly successful for other retailers. In the US, DIY retailer Lowe's has posted just under 600 DIY tutorials on YouTube, which have been viewed over 1.6 million times, on topics such as how to build decking and how to replace a thermostat. Meanwhile, US electrical retailer Best Buy has been highly successful at using Twitter to deliver 24-hour technical assistance to just under 38,000 followers.

While the concepts of Homebase's social media campaign hold potential, the company's decision to launch these activities exclusively through Facebook, Twitter, and YouTube - rather than on its own social media platform - must be considered a missed opportunity.

The company's decision to not create its own online community is all the more surprising given that it already operates the platform [getintogardening.co.uk](http://getintogardening.co.uk), which includes instructional articles and videos embedded into the site, as well as forums, competitions, and a section for gardening inspiration.

Not only that, Homebase's competitor B&Q operates its own online community, Social Hub, which is hosted on its website and consists of forums, product reviews, competitions, and feeds streaming its Twitter and Facebook updates.

Homebase would arguably have been far more successful in achieving its objective to drive sales if it had created its own social media platform, drawing together its social media operations, and embedded it into its e-commerce site. By creating its own platform, Homebase could have created an online community of DIY enthusiasts with a strong sense of brand identity, while embedding it into its website would have increased the frequency and time customers spent browsing and heightened the likelihood of them making purchases.

Source: Verdict Global Retail Freeview – 13<sup>th</sup> October 2011