

campaign

Sector Insight: DIY retailing

Author: Jane Bainbridge - marketingmagazine.co.uk

Wednesday, 25 April 2012

Retailers' fortunes have been mixed amid post-recession changes in spending.



Recent B&Q campaign

Five Key Trends

Housing market. The housing market remains weak but not all DIY comes from moving house; there is wear and tear replacement and a desire to improve if moving is not an option.

Innovation. DIY retailers have broadened fitting services and products and changed store formats to keep shoppers interested as well as offering DIY classes in store.

Smaller stores. Many retailers including Screwfix and Wickes are testing or opening smaller stores, some in more high-street locations.

Location. While competitive prices are important for DIY shoppers, it is location that they consider most important when choosing a retailer.

Specialists. Big ticket items such as bathrooms, kitchens and bedrooms may be a strong category for DIY retailers, especially with some specialists falling victim to the recession.

Online sales. Remain limited as the bulky and sometimes hazardous nature of many products makes home delivery too expensive. Only 2.25% of DIY sales were via online in 2011.

Source: Mintel

campaign

The Industry's Main Players



Jo Kenrick, marketing director Homebase

Kenrick is an experienced marketer having worked at Woolworths, Asda, PepsiCo and Mars. She was also marketing director for Camelot before moving into the DIY sector. She worked at B&Q between 2006 and 2008 before joining Homebase with responsibility for communications, website and the loyalty relationship with Nectar.

Katherine Paterson, marketing director B&Q

Paterson joined the company in February 2011. She leads B&Q's marketing team including customer insight, financial services, all advertising, instore brand marketing and PR and local community activation. Prior to joining, Paterson was marketing director at Asda and before that worked for Mars.



John Mewett, marketing director, Screwfix

Mewett joined Screwfix as marketing director in 2008. He had previously worked in senior commercial roles within the Dixons Retail Group, including marketing director for Dixons and commercial director at UniEuro, the Italian retailer which the Group bought in 2002.

Winners and Losers in the DIY retailing sector



Screwfix. Kingfisher's trade brand has a strong reputation and benefited from investment in multichannel including catalogues and online ordering. Revenues have increased 40% in past five years (2007 to 2011).



B&Q. Profits increased more than 10% to £238m for year 2011/12 with Kingfisher claiming the success of its transformational plan Delivering Value making the business stronger.



Focus. After a number of difficult years Focus DIY finally went into administration in May 2011 and folded the following month.



Möben Kitchens. Owner HomeForm Group went into administration in 2011 seeing the demise of its kitchen specialist and stable-mate Dolphin Bathrooms.

Link: www.campaignlive.co.uk/youtube/article/1128335/sector-insight-diy-retailing/