

Playing Fair Wins Honesty & Advocacy: Powerful Brand Attributes

By Serge Timacheff

Rugs represent a major purchase in the lives of the vast majority of consumers. They aren't like buying breakfast cereal, underwear, shampoo, gasoline, or DVDs, and most rugs can't easily be labeled as "commodities." In order to successfully market rugs, it's essential that rug dealers understand this difference and use it to their advantage in their marketing and sales efforts.

In brand development, how businesses approach the problem of marketing the products they sell is driven by level of "risk" the purchaser takes in the purchase. For example, purchasing a small tube of glue is a low risk - it doesn't cost much, and if it turns out not to work or be defective, there's little lost and mild inconvenience at best. However, at the other end of the spectrum, purchasing an airplane engine represents a huge cost and a big risk - if it fails, lives can be lost along with millions of dollars.

As a result of these levels of risk, the approach to selling and marketing is quite different: For the glue, the manufacturer and retailer want to build awareness, through shelf space, advertising, and so-on, to build volume sales. For the airplane engine, the approach is vastly different, with the

seller building sales through advocacy, driven by recommendations and word-of-mouth among satisfied users of the product.

Rugs represent at the very least a moderate risk to a consumer, if only because they are one of the more expensive purchases made, and due to the effort involved in placing the rug into the household, moving furniture, and ensuring it matches other decor. Furthermore, the rug brand is essentially non-visible after the purchase. The brand name of the manufacturer doesn't appear anywhere on the exposed rug surface, so it has only limited value, primarily to the consumer, at the time of purchase. Tubes of glue, by contrast, have much more consumer brand visibility not only in the store, but on the glue tube the entire life of its use.

Many rug dealers make the mistake of marketing their rugs like they were chewing gum or deodorant instead of a significant purchase. They resort to undervaluing their brands through big sales and attempt to push rug brand names like they were pop stars. By attempting to generate awareness, they fail to focus on advocacy, which is by far a more powerful tool for generating business with a consumer spending a big

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part of their earnings on decorative item for their home.

Roz Rustigian of Providence, Rhode Island's Rustigian Rugs, embraces the advocacy approach to selling rugs, and it has paid-off in a local business that has prospered to the point of national attention.

"A brand is a package of impressions," said Rustigian. "We prefer not to peddle wares on a fire sale basis. We don't have a 50-percent-off sale 10 months of the year, and, in fact, we only advertise one sale a year. I don't like to put the store on sale, because it makes you look like a liar, that your prices aren't your prices."

The company, which has been in the area since 1930, carries between 700 and 800 rugs in a space just under 4,000 feet. The company offers a blend of wall-to-wall, area, and hand-woven rugs it buys from importers around the United States. Rustigian has carried on a family tradition and focused on the "big picture, that we're reliable and honest, and that you might even pay more for it," she said. "But for that, you'll get a package of services that is extensive. We'll take eight rugs to a home, drag them back, do it again, ship them in from New York, and there won't be any nickel-and-diming along the way." Most of the company's marketing comes through a long-term investment it has made in customer service and commitment, resulting in frequent referrals, which Roz Rustigian claims are "extremely normal." She refuses to "hype" her brand to the public, whether they know her or not.

"There's a myth in the rug business that the purchase of a rug is an investment decision, which we want to dispel," she said. "We're happy to tell people they're not making the investment of their lives, that it's a decorative decision. Buying a rug isn't purchasing a certificate of deposit. Instead, we're very comfortable telling people that they are buying a tangible piece of property."

Rustigian refuses to proselytize her brand, instead relying upon existing customers and tongue-in-cheek direct-mail and advertising campaigns featuring humorous images and witticisms that make fun of rugs while at the same time displaying their beauty and quality. For example, the photo in one clever ad invites the reader to find 24 items carefully hidden in the photo on the rug, such as a pair of sunglasses and a dog biscuit. This kind of tactic actually entices the reader to stare intently at the rug design searching for the items—and, in the meantime, has the effect of keeping the reader on the page as long as any news or feature article in the publication – a great marketing achievement in itself.

This is the essence of the advocacy approach to marketing: virtually no hype, engaging the customer into spending time with product information, building references in-print and in-person. If a company loses a customer with a bad tube of glue, it's not a huge problem. Losing a customer making a purchase like a rug, however, is a big deal, and can affect much more than just that one failed transaction, because advocacy works against a company that appears dishonest, unreliable, or disinterested in servicing its customers.

"We sell on service," said Rustigian. "With higher-priced items such as rugs, service becomes a front-runner to price. And we've found that honesty has paid off, with long-term



Roz Rustigian, owner of Rustigian Rugs of Providence, Rhode Island, embraces the advocacy approach to selling rugs, which is a powerful tool for selling rugs.

customers who buy rug-after-rug. But we've been careful about being too much of an advocate of our own 'fine' qualities – you leave that to the observer to deduce."

Rustigian has attracted significant national attention herself as twice-over president of the retailers association and by being a notable woman owner of a male-dominated business. Yet, her customers probably don't care about her public service record and are merely drawn to her straightforward, eloquent, and honest brand personality, with a little dash of humor thrown in for good measure.

In a world bogged-down by going-out-of-business sales, airport hotel sell-a-thons, and salesmen who would do equally well selling Ford Pintos as carpeting, Rustigian Rugs is one company going the extra mile to give honest rug businesses the success and recognition they deserve. ❁

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