

# Challenging Challenges

Presented by Brian Simmons- President  
Fluid Market Strategies, Inc.  
Portland, OR



# Outline

- Market Barriers
- Retail Marketplace
- Construction (new and professional retro-fit)



# Barriers/Challenges

## **CFLs**

- Product Price
- Complexity
- Negative perceptions
- Disposal/mercury
- Program Design
- Business risks and uncertainties

## **Fixtures**

- Lack of awareness
- Product availability & Price
- Complexity
- Negative perceptions
- Disposal/mercury
- Program Design
- Business risks and uncertainties



# Overcoming barriers in the Retail Marketplace



# General Solutions

Complexity, Perceptions, Disposal, Program Design, Business risks and uncertainty

## Utilities

- Link into market promotions
- Increase education efforts
- Coordinate with neighbors
- Continue promotion development
- Allow some flexibility
- Stop taking ownership of product

## Retailers and Manufacturers

- Utilize education assistance
- Develop Promotions and Programs
- Market Promotions and Programs
- Allow regional flexibility where you can



# CFL Pricing

| Wattage | Price  | Package qty | Per unit price | Cost of Light | Retail type |
|---------|--------|-------------|----------------|---------------|-------------|
| 60      | \$1.49 | 4           | \$ 0.37        | \$ 0.0004     | DIY         |
| 14      | \$9.99 | 6           | \$ 1.67        | \$ 0.0002     | DIY         |
| 14      | \$3.99 | 1           | \$ 3.99        | \$ 0.0004     | DIY         |
| 60      | \$2.25 | 4           | \$ 0.56        | \$ 0.0006     | Hardware    |
| 14      | \$6.49 | 1           | \$ 6.49        | \$ 0.0006     | Hardware    |



# Overcoming barriers in Construction



# Fixtures-Pricing and Availability

- Program Design and implementation
  - Do the market research
  - Bulk of competing sales are not retail (most important point)
  - Fixtures are not CFLs
- Follow some simple dos and don'ts



# Market Research

- Who is selling the product today?
  - Distribution
  - Lighting Specialty (showrooms)
  - Designers
- What are they selling?
  - Service, expertise, relationship
  - Product



# Success or Failure

- **Don't**

- Assume market is retail
- Distribute price lists
- Send contractors elsewhere on price
- Tell them about style, decorative, etc. (stick to ENERGY STAR)

- **Do**

- Provide technical expertise (ENERGY STAR)
- Meet face to face (not an online group)
- Engage them for market knowledge and networking
- Use your relationships to help them get product



# Logistics

Presentation can be found on [www.fluidms.com](http://www.fluidms.com)

Brian Simmons

503.807.1275

[bsimmons@fluidms.com](mailto:bsimmons@fluidms.com)

Nicholas Blizzard

503.488.5729

[nblizzard@fluidms.com](mailto:nblizzard@fluidms.com)

