

THE ULTIMATE GUIDE TO SELLING

AT THE HOME DEPOT®

Compiled & Published by Askuity



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Hitting the Nail on the Head **Foreword**

With home values on the rise and do-it-yourself projects continuing to gain popularity, the home improvement space is hotter than ever. The Home Depot continues to prosper while many retailers shrink or even collapse. In fact, The Home Depot hasn't opened any new stores since 2008, with their impressive growth driven by increased traffic and more average spending per customer.

The Home Depot should be at the top of every vendor's wish list when seeking retail distribution in the home improvement space. In fact, it has been said that there are two types of home improvement product vendors: those who sell to The Home Depot and those who want to sell to The Home Depot.

Getting listed and remaining on shelf is no easy feat, though. Our team works with leading vendors and consultants across a variety of categories. With their input, this eBook dives deep into the world of The Home Depot. It will equip you with strategies and tips on how to get, stay, and succeed in the world's largest home improvement retailer.



A Closer Look at The Home Depot



By The Numbers

Today, The Home Depot is the world's largest home improvement retailer with more than 2,200 stores (1,979 in the U.S. alone) and nearly 400,000 associates in the U.S., Canada and Mexico. The typical store averages 105,000 square feet of indoor retail space, interconnected with an e-commerce business that offers more than one million products for the do-it-yourself customer, professional contractors, and the industry's largest installation business for the "Do-It-For-Me" customer.



400,000
ASSOCIATES



105,000
SQ FT AVG.
STORE SIZE



2,274
STORES

Product Selection

The Home Depot carries over 35,000 products in store and over one million products online. This retailer's departments span everything from appliances to building materials and tools.

The Home Depot carries several exclusive and private label brands, including all the brands shown on the left.

The Home Depot Customer

To stay on top of the industry, The Home Depot is focusing on a blended strategy, appealing to professionals and everyday consumers. Their customer base can be broken down into three main categories:

- **Do-it-yourselfers** who buy products and install them in their homes.
- **Do-it-for-me** customers that seek Home Depot's own installation or consulting services.
- **Professional customers** such as contractors, builders, plumbers, painters, and other home-improvement experts.

It's important to note that professional contractors make up just 3 percent of The Home Depot's customer base, but generate 40 percent of its revenue. [\(Source\)](#)



Baby boomers are Home Depot's most important customers, accounting for about half of the retailer's revenue. This should not come as a surprise, considering about 40% of US homeowners are boomers, and they own about half of the total home value in the country. [\(Source\)](#)

That being said, Home Depot realizes the fastest-growing segment in home ownership are millennials. The retailer sees the younger generation as more interested in do-it-for-me services and as value-conscious. [\(Source\)](#)

In summary, the key to Home Depot's success is helping professionals do their jobs efficiently and cost effectively while educating amateur home remodelers to help them build with confidence. [\(Source\)](#)

Competitive Landscape

The Home Depot faces its stiffest competition from Lowe's, another leader in the home improvement space. Overall, these retailers seem to be more similar than different in their customer demographic, though the two have very different strategies for engaging them.

In terms of layout, The Home Depot has more of a warehouse look, which makes it more appealing to professionals and contractors. Lowe's is less industrial in appearance, with stores featuring more elaborate floor displays and themed products such

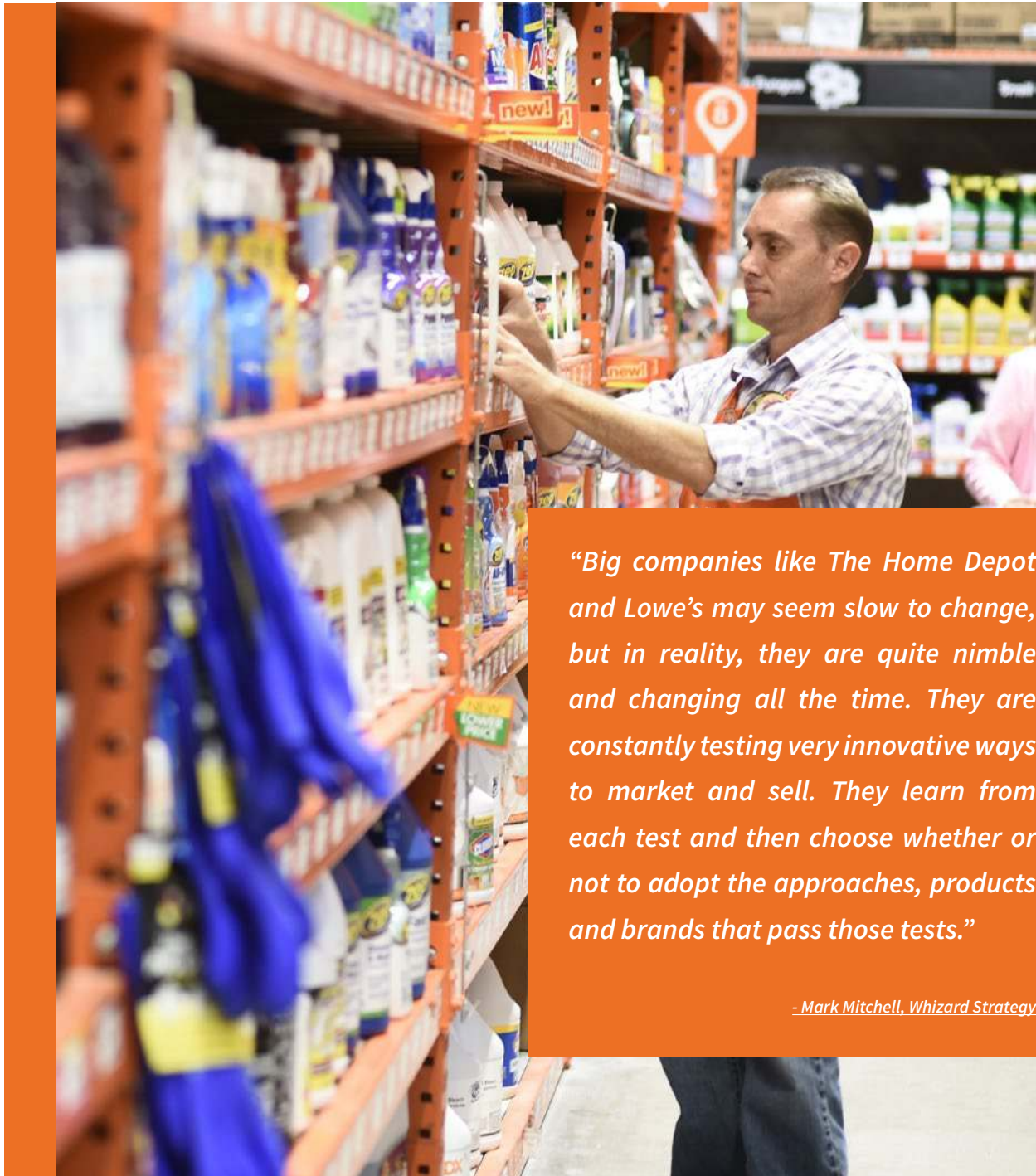
“We are focused on being a valued partner for our Pros by offering solutions both in-store and at the jobsite that help them to more effectively manage their business. This includes enhancing our leadership position in tool rental.”

- Craig Menear, Chairman, CEO & President The Home Depot - Q2
2017 Home Depot Earnings Call 08/15/17

as patio sets and holiday decor items. This makes it a less intimidating environment for the average shopper, as well as female consumers.

What's interesting about the relationship between The Home Depot and Lowe's is that they're always at each other's heels, taking the leading position back and forth from one another. They also learn from each other and often iterate on strategies.

As you'll learn throughout this eBook, The Home Depot excels at customer service and prides itself on always putting the customer first. While some strategies may naturally shift over time, this is one thing that will always remain at this retailer's core.



“Big companies like The Home Depot and Lowe’s may seem slow to change, but in reality, they are quite nimble and changing all the time. They are constantly testing very innovative ways to market and sell. They learn from each test and then choose whether or not to adopt the approaches, products and brands that pass those tests.”

- Mark Mitchell, Whizard Strategy



Chapter 1

Pitching to The Home Depot

If you're already on Depot's shelves, feel free to skip ahead to [Chapter 2](#) where we'll talk about how to succeed at this retailer.

If you take a look at their corporate website or speak with Merchants, you'll see that innovation is a priority at The Home Depot. It's built into every part of their product selection process.

The Home Depot has a fairly standardized process for pitching and submitting new products. [HomeDepotLink](#) provides suppliers and business partners with access to information and systems used for conducting business with The Home Depot. New potential vendors are asked to go through their [New Product Submission](#) site.

That being said, there are other opportunities to get your foot in the door. Just like when applying for a job, you always want to find a way to get a warm introduction or a direct outreach opportunity, as opposed to simply applying online.

A tip that consultant [Mark Mitchell](#) wanted to pass along is that you should make an appearance at

the [National Hardware Show](#). The Home Depot and other big-name home and hardware retailers regularly attend this tradeshow. Showcasing your brand in this show will give you the opportunity to network and showcase your products to HD Merchants.

Check out Chapter 4 for tips on how to succeed at trade shows.

"Buying Days" are another great opportunity to get exposure to Home Depot Merchants. Buying Days are special events that offer exclusive face-to-face meetings with retail Merchants and merchandising directors from leading domestic and international home improvement retailers. They allow you to introduce your company, products and new merchandising programs, and schedule follow-up meetings, often at trade shows. These happen on a regional and sometimes store level, and are often arranged by outside organizations. Here is an example from [The President's Council](#) who hosts buying days in various locations and retailers across North America.

The best job candidates and vendors are the ones

“I love engaging with the Merchants and vendors, meeting people from different industries and seeing how they try to create value in their businesses. But, we all have one thing in common — we want to keep the customer front and center to make sure we are satisfying their needs.”

- Ted Decker, EVP of Merchandising at The Home Depot ([Source](#))

who find a way to stand out in their approach. To do that with The Home Depot, you need appeal to the Merchant’s needs (innovation, margin, sales velocity, etc.) and show that you’re an expert in your category, know how you compete, and bring your A-game online.

We’ll talk about these tips in more detail up next.

Carve Out Your Market

Defining your target market and demonstrating how you bring value in your category is imperative when pitching to The Home Depot.

What was the pain point or market insight that sparked the idea for your product? How are you innovating in your space? Most importantly, how are you solving a problem for The Home Depot customer?

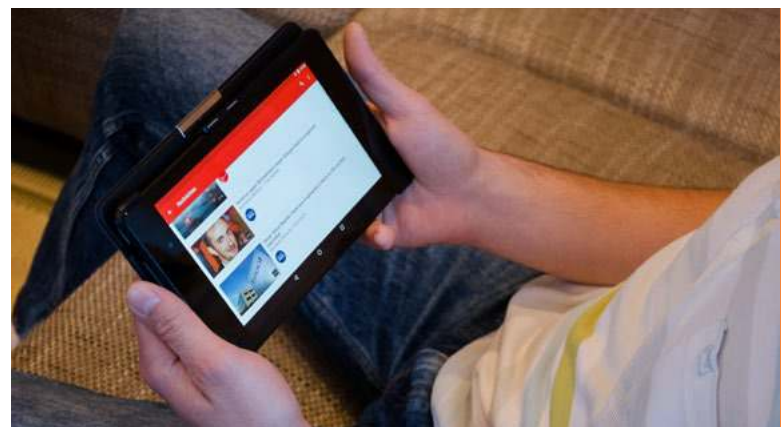
Know the Competitive Landscape

Since your product(s) will be sharing shelf space with The Home Depot’s current offerings, you’ll need to understand the competitive landscape in your category. Which vendors are you up against and what advantages do you offer over their products?

After speaking with dozens of HD suppliers, they unanimously agree that the best place to start is online. You should spend some time surfing HomeDepot.com to see how other brands are positioned and priced. Also, be sure to walk the aisles and scope out competitor packaging and POP

displays. You should repeat this exercise periodically, given that The Home Depot continuously adds new products and vendors.

Having done this research, you’ll have a better handle on why you’re unique and what makes your brand stand out, and articulate why The Home Depot must carry your product(s). Remember that in most cases, getting on-shelf means displacing another brand’s product(s). You’ll want to make the case that your Merchant will see a net positive return by swapping in your products for those that they remove.



Online Presence

With HD’s focus on a seamless omnichannel strategy, it’s imperative for your own website to look the part. We’ll talk about this in more detail in [Chapter 3](#), but one thing we’ll point out here is that “How To” videos and PDF guides are hugely popular with The Home Depot customer, and something HD Merchants check your website for when evaluating your fit.



Chapter 2

Building Your Success at The Home Depot

Congratulations, you've made it into The Home Depot! Now the hard work truly begins. Here are some tips to ensure your success:

Inventory Levels

Nothing is worse than having an HD shopper come looking for your product, only to find the shelf empty.

The Home Depot uses a Centralized Auto Replenishment (CAR) system for replenishment. The system is based on seasonally adjusted sales history, maintaining a specified inventory position for each SKU in each store. The key parameters within the CAR system are: targeted inventory position (weeks of supply), supplier turnaround time, transit time, review time and minimum order quantities.

(Source: HD Supplier Onboarding Guide)

Leading brands are in touch with their replenishment team on a weekly basis, especially around promotions. They don't rely on the CAR system, given that if sales are volatile it won't always be picked up. These vendors harness POS data (shared with them via HDLink or EDI) to support demand planning and inventory management across stores and regions, working with their Home Depot planning team to ensure that stores are well stocked, especially during promotions. [\(Source\)](#)

Events and Training

Training and in-store education are very important in the home improvement industry, and especially at The Home Depot. If you walk into your local HD store, you will often notice some kind of education

THE HOME DEPOT EVENT DAYS



MEMORIAL DAY

Last Monday in May



FATHER'S DAY

Third Sunday in June



INDEPENDENCE DAY

July 4th



LABOR DAY

First Monday in September



BLACK FRIDAY

Day after Thanksgiving

program going on. Live in-store demonstrations are one of the best ways to get customers and store associates excited about your products..

Remember that a customer who comes to the store to do a project or fix a problem will often turn to an available Store Associate for advice and guidance. If that Store Associate knows of and believes in your product, he or she can be a highly effective resource in driving sales. Sometimes referred to in the industry as 'belly-to-belly' training, Product Knowledge (or 'PK') sessions with store associates can generate very positive ROI for vendors who invest the time.

On the customer side, The Home Depot conducts a number of sales "events" over the course of the year, typically around national holidays. An event is characterized by heavy advertising, a significant number of promotional items, extremely aggressive pricing, consolidated supply chain execution and special

in-store presentations.

Consumer Reviews

Standing out on HD shelves can be a challenge, given the sheer amount and variety of products on display. Consumer claims on packaging and point-of-sale materials in-store, as well as great online product reviews make a huge difference in whether a brand gets noticed and purchased by an HD shopper.

By making your brand easily discoverable and understanding when and where people are searching for guidance, you can ensure you're there with the right advice and product recommendations. And always be sure to monitor and respond to any reviews - both positive and negative - in a timely manner (we'll discuss this in more detail in the next chapter). And if you don't have any reviews on your products yet, you might be interested in [The Home Depot Seeds Program](#).

In the past two years, mobile searches for “product reviews” have grown over 35%. Additionally, people are increasingly turning to mobile video to watch reviews. In the past two years, videos with the word “review” in the title had more than 50,000 years worth of watch time on mobile alone.

- [\(Source\)](#)

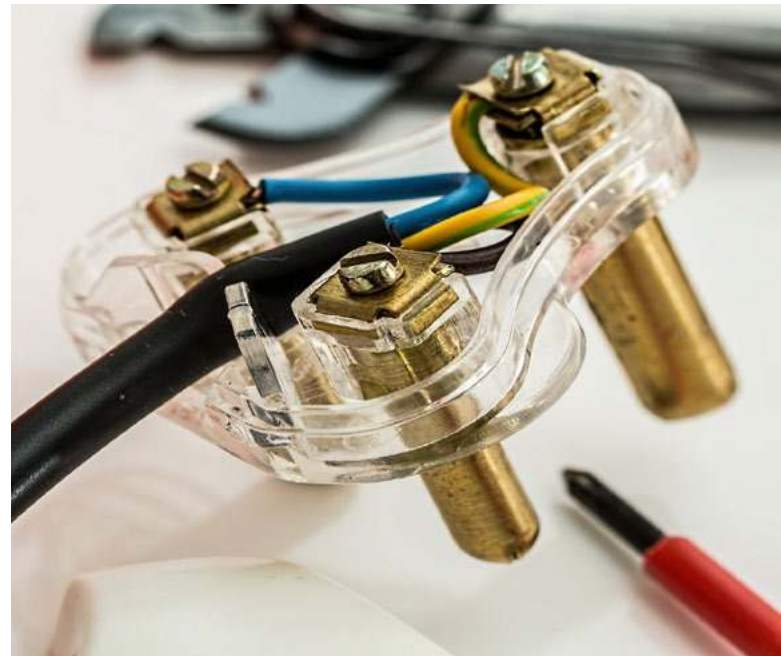
Field Sales and In-Store Demos

In this section we'll talk about how to leverage field sales to succeed at The Home Depot and go through a case study of a vendor who's doing it very well. If you don't have a field sales team, continue on to the next chapter, where we'll cover omnichannel at The Home Depot.

Field reps - whether your own employees or third party agents - act as the face of your company in each Home Depot store. They use their knowledge of the store's sales team to establish trust and loyalty with associates, while ensuring that they are knowledgeable about your company's products. Field reps also help ensure that your products are well merchandised and in stock by verifying inventory levels, which helps to prevent any potential issues with inaccurate inventory counts.

It's more important than ever to empower your field sales team with data and store-level insights to get

orders cut, make merchandising changes, and influence store-level execution. Before visits, field reps need a way to quickly identify which stores require their attention and prioritize their activities in these stores.



PRO TIP: Leverage The Home Depot Seeds Program

[The Home Depot Seeds Program](#) enables a select group of Home Depot customers to post their opinions about new and pre-released items to help other customers make educated purchase decisions. Customers are invited to become Seeds Members based on the trust they have earned in the HomeDepot.com community for writing accurate and insightful reviews. The Seeds Program provides Members with free products that have been submitted to Seeds by vendors. Since Seeds Members will receive access to products that are not yet available on the market, their opinions may be among the first posted on a product's detail page. [\(Source\)](#)

You can find more information on the Seeds Program [here](#).

Case Study

LP Building Products Uses Mobile To Get Ahead



Louisiana-Pacific Corporation (LP) is a leading manufacturer of quality engineered wood building materials, structural framing products, and exterior siding for use in residential and commercial construction. LP products are sold to builders and homeowners through building materials distributors, dealers, and national retail home centers such as The Home Depot, Lowe's and Menards.

As a major supplier of building materials to home centers, LP has always believed that maintaining an in-store sales team is key to their success at retail.

Using [Askuity's Mobile application](#), members of the LP field team can scan any barcode and instantly pull up sales and inventory metrics for the store that they are currently visiting. They're able to keep tabs on new product launches and ensure that inventory levels are sufficient across each of their stores.

Prioritizing stores and measuring the impact of their in-store initiatives has become a breeze.

"I couldn't necessarily tell you what was working really well at the store level, until I had Askuity. I can now confidently put a real number on increases in sales as a direct result of our investment in our field team."

- National Sales Manager Retail, Corporate Marketing and Sales Services at LP

Armed with mobile insights, the entire LP Retail Execution team is accountable, engaged, and harnessing data to dominate the building products industry.

Promotions

Each HD category has internal goals on sales dollars and units for promotions, and Merchants need to have confidence that the thresholds will be met or exceeded in order to select your product. How do you gain that confidence? By bringing data to the table that is relevant to the promotion and Merchant. The information you present needs to outline your projections and the expected performance of your product(s).

If your special buy item or New Lower Price (NLP) is likely to drive sales in a complementary category, it's worth noting that in buyer meetings (for example if your product needs batteries or elbow grease, and therefore is likely to drive incremental sales for those other complimentary products). And when pitching any kind of promotion, it's always a plus when you can show the success of a previous year's promo-

tion for a similar or identical item with POS data in an easy to understand visualization (e.g., chart or graph).

Overall, you have to understand which kind of promotions you can win at, and ensure you have the inventory and lead times to back them up. Merchants only award a small handful of promotional opportunities for their categories, and the key to earning these opportunities is highlighting the success of past promotions.

Additionally, be prepared to present a strong contingency plan for any leftover inventory once your promo period ends. Being able to reduce the inventory risk for the Merchant not only secures more promotion spots, but also positions you for success with those promotions.

Flyers

The Home Depot releases weekly and special occasion flyers (Black Friday, Holiday, Father's Day, etc.). HD Merchants are very conservative with flyers, which means you'll often see the same vendors and similar promotions featured over and over. For example, any Home Depot vendor will know that the retailer's Father's Day flyer will include NLPs on BBQs and power tools. So if you're not in either of these categories, you'll need a data-backed reason why your promotion will lead to an equal or greater lift in sales.



Special Buys

A 'special buy' is a lower retail price on a promotional product for a specified period of time. This most often refers to a host buy (an order placed on behalf of the store by divisional or national merchandising groups) for a product outside the current mix.

NLPs

A new lower price (NLP) means that's the new price of the item, having been more expensive previously. You are reducing the price going forward.



Chapter 3

Omnichannel at The Home Depot

Omnichannel is a multichannel approach to retail that seeks to provide the customer with a seamless shopping experience across all touchpoints. It considers a variety of channels in a customer's shopping journey, starting with research before a purchase. Channels include physical stores, online stores, mobile and app-based stores, and any other methods of transacting with a customer.

Businesses that adopt omni-channel strategies achieve 91% greater year-over-year customer retention rates compared to businesses that don't.

The Home Depot takes omnichannel very seriously. In fact, in June of 2017 [The Home Depot was named Omnichannel Retailer of the Year by Internet Retailer](#). The home improvement giant is blurring the lines between in-store and digital shopping with significant investments in e-commerce, supply chain and fulfillment initiatives that are not only increasing the customer experience but providing operational efficiencies and cost savings.

The Home Depot's omnichannel strategy includes their physical stores, online, and mobile. Up next we'll talk about each of these in more detail, and point out what you need to be aware of to be the best possible partner to The Home Depot in creating a seamless shopping experience for customers.

“You learn so much in the aisles. We’re trying to walk in the shoes of our front-line associates, because that’s our differentiator. There are lots of places you can buy a drill. We want you to come to us because we’re not just interested in the transaction, but in the relationship and in your lifetime purchase behavior. The holy tenets of retail are convenience, selection, value and service. Convenience, selection and value tend to get people in, and service is what brings them back.”

- Kevin Hofmann, Home Depot’s CMO. [\(Source\)](#)

Physical Stores

We spoke about The Home Depot’s commitment to excellent customer service earlier in this eBook. Did you know that every Thursday their executives shadow employees and serve customers at Atlanta-area stores?

Customers FIRST

The Home Depot’s set of behaviors that governs customer service.

So, this begs the question: how seamless are you making product training for The Home Depot? Product knowledge (PK) training and monthly

Find
Inquire
Respect
Solve
Thank

Customers FIRST

The Home Depot’s set of behaviors that governs customer service.

Merchant videos are two important components of how the retailer expects successful Merchants to provide training, and the best vendors are assisting their Merchants in the execution of these two strategies.

Product Knowledge (PK) Training:

Once educated on the features and benefits of your product(s), the store associates can become strong advocates and sales people for your brand. Contact the Training Coordinator through your Merchant that is assigned to your department to begin deploying PK training in the field. There are a number of tools available for training that the Training Coordinator can help you choose between.

Monthly Merchant Videos:

On a monthly basis, one or more Merchants will produce a video designed to educate and excite Store Associates. The planning horizon for these videos is typically 3-4 months. Once developed, the videos will be shown in break rooms and during store-level team meetings over the HDTV internal network. Work with your Merchant if you are interested in developing a video featuring your products.

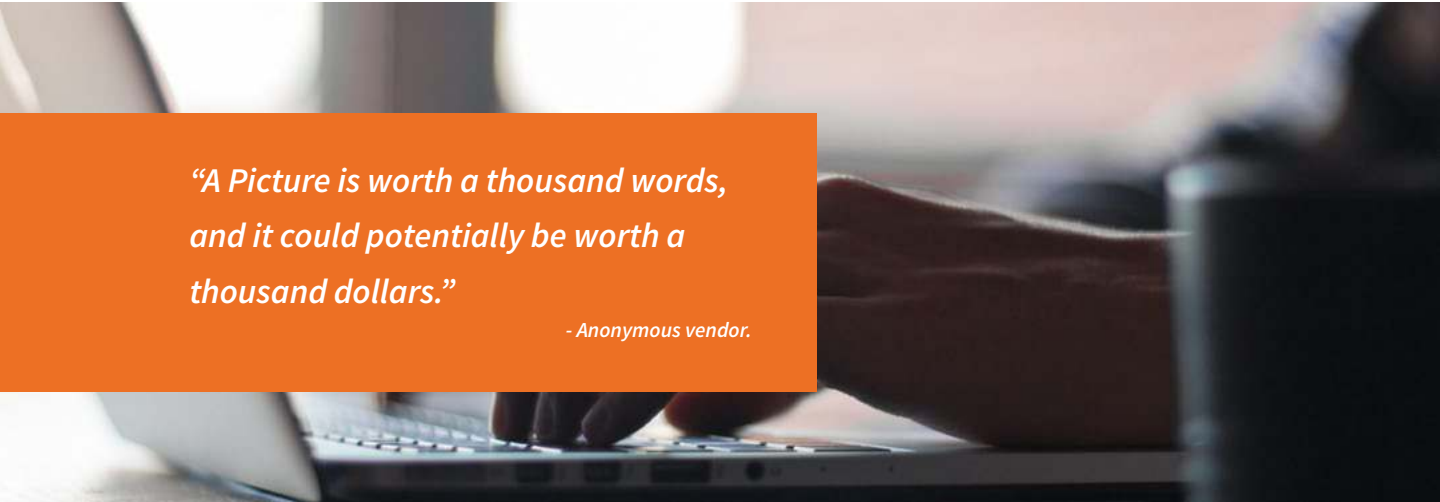
Online

The Home Depot is one of the largest e-commerce retailers in the U.S., with online sales growing from \$500 million in 2009 to \$5 billion in 2016, including 19 percent growth in online sales in the fourth quarter of 2016. [\(Source\)](#) Listening to the retailer's most recent quarterly call recording, you can hear senior executives talking about the likes of Amazon and Wayfair, and making sure that The Home Depot is learning from the best practices (and missteps) of these e-commerce giants.

The key takeaway in this section is that you're responsible for the online presence of any product(s) you sell at The Home Depot. This includes all of the data, photos, and visual assets that are displayed

on HomeDepot.com. It's your responsibility to make sure the appropriate assets are uploaded and maintained.

According to industry research, as many as 88% of consumers are researching items online and then buying in a physical store. So, upload everything you can on that landing page - multiple photos, videos, PDF guides with instructions, etc. And have you noticed how product pages look consistent across HD's website? It's no coincidence. This retailer takes online seriously, and cracks the whip when you're doing it wrong. You should be performing an audit of every product you sell online, not just the ones that make you the most money.

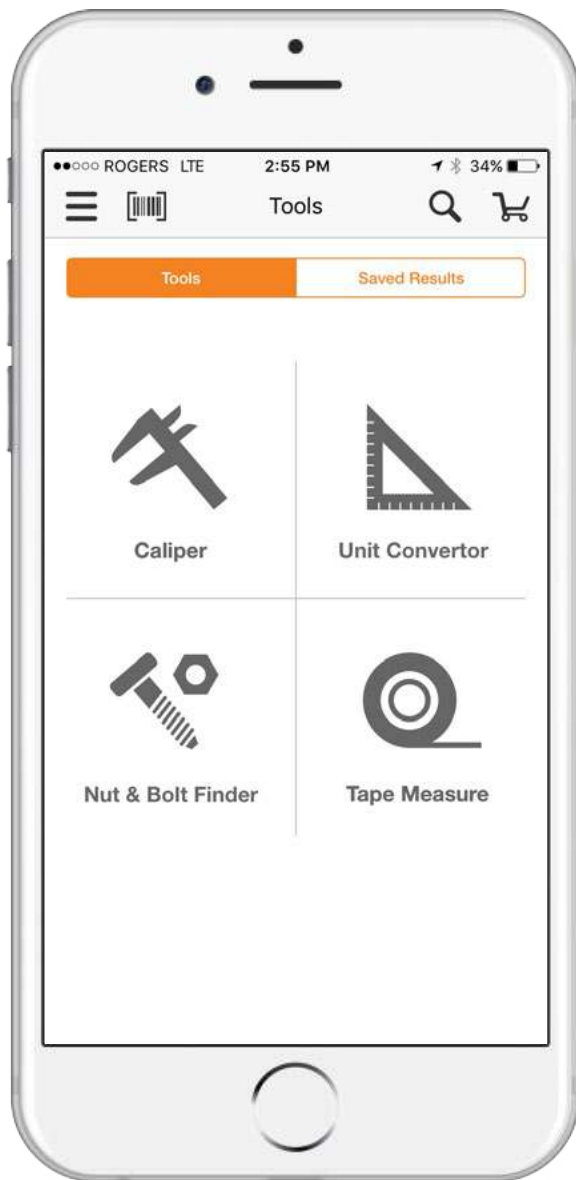


*“A Picture is worth a thousand words,
and it could potentially be worth a
thousand dollars.”*

- Anonymous vendor.

“We continue to believe that blending the physical and digital channels into a seamless customer experience which we call interconnected retail, provides a unique opportunity for us to expose the power of The Home Depot. This has been and will continue to be one of the central tenets of our company strategy and we will remain committed to the investments in our interconnected capabilities.

- Craig Menear, Chairman, CEO & President The Home Depot [\(Source\)](#)



Mobile

According to [Forrester research](#), 56% of consumers use their mobile device to research products at home with 38% having used their mobile device to check inventory availability while on their way to a store and 34% who have used their mobile device to research products while in a store.

To appeal to the many consumers who research products online and pick them up in store, The Home Depot added new features to its app that let customers virtually try out products. For instance, you can place an image of a faucet on your counter top or snap a photo of your wall to see which shades of paint look the best on it.

If you don't have an in-house team that can manage your online and mobile presence, you may want to look into hiring a third party. They'll keep your visual assets up-to-date, and monitor your Q&As and customer reviews.

As a vendor you need to provide all the tools to make it as easy as possible for The Home Depot to display and stock your product(s) across all touchpoints. You'll need to work closely with your marketing, field sales, operations and/or third party teams to ensure you're putting your best foot forward.

"It's important to remember that over 43% of our online transactions are picked up inside of a store. This is One Home Depot, not an online or on in-store business, but it's One Home Depot."

-Carol Tomé - The Home Depot, Inc. EVP, Corporate Services & CFO - Q2 2017 Home Depot Earnings Call 08/15/17

Case Study

Behr Paints

Behr sells Exterior Paint, Interior Paint and Wood Stains exclusively at The Home Depot. With innovative initiatives, Behr is pulling their weight in helping to drive people in store and are proving to be a strong partner for The Home Depot. Here are a few things that caught our eye:

- **How-To-Guides:** Behr provides visually appealing and easy to follow How-to Guides and inspiration galleries directly on their website.
- **In-store Demos:** Behr field reps host pro and regular events across different Home Depot locations, with professional advice, seminars, and hands-on training.
- **Customer Service:** There is always a dedicated associate in the Behr section of each Home Depot store, ready to answer any questions, give helpful tips, and provide recommendations and inspiration.
- **Customer Reviews:** If you do a quick search on HomeDepot.com for Behr, you'll see the

sheer number and quality of customer reviews. Most are pulled from the Behr website.

- **Promotions and Special Buys:** Behr has a newsletter where customers can stay informed on hot deals. They sometimes have special buys, and keep things interesting with specialty color promotions.
- **Mobile App:** Behr created an app where customers can browse, coordinate and preview colours on their smartphones.
- **Social Pages:** Behr's social pages are creative, and draw in a big following. On Instagram alone, they have over 35k followers.

This example illustrates the importance of coming to the table with fresh ideas and treating your relationship with The Home Depot as a partnership. Behr Paints succeeds at The Home Depot because they don't just rely on the retailer to move their product - they're proactively doing everything in their power to make buying their products exciting and easy.





Chapter 4

How to Succeed at Trade Shows

As we mentioned in Chapter 1, trade shows ([The National Hardware Show](#) in particular) are the perfect place to meet and impress Merchants. The NHS is the ultimate event for face-to-face sourcing, trading and learning for the \$343 billion dollar US home improvement and DIY markets.

- 83% of NHS attendees say new products/categories are the primary reason to attend
- 86% of NHS attendees plan on purchasing and sourcing new products when they attend
- 28% of NHS attendees estimate over a \$10 million annual budget for products and services seen at the show

As these stats show, Merchants take the time to go to tradeshow because they're always on the hunt for the latest and greatest products for their categories.


More important than snagging the perfect spot for

your booth is demonstrating that you're thinking about where your industry is going and innovating your products within it. Whether it's a new product launch, packaging refresh or an exciting promotion, there should always be something that you're 'unveiling' to excite people to come to your booth. You don't necessarily need to introduce a new product to capture a Merchant's attention - you can show the benefit of an existing product in a different way that will spark ideas.

In his 30+ years of building materials sales and marketing experience, Mark Mitchell from Whizard Strategy has attended his fair share of trade shows. We asked him how to make sure your trade show efforts pay off. His advice was: apply to deliver an educational seminar or be on a panel. Make sure your senior management spends time with key customers and key targets. Make appointments with the media and give them a tour of your booth. Make your event or party a memorable experience or don't do it.

You should also be aware of HD's Store Managers Meeting:

Once a year, all HD store managers gather for a week-long series of meetings. Typically, this meeting takes place in the March or April time frame, ahead of the Spring selling season. Among other activities, there is a convention hall where suppliers are able to set up booths to highlight new and innovative products. The meeting represents one of the few opportunities for a supplier to market its products directly to the national store leadership, and is often seen as a good time to launch new concepts.



“Show me that you know what’s trending, and cater your products to what the trend is going to be. Take the opportunity to educate me”

- Anonymous Merchant, [10 More Things Your Buyer Hates About You eBook](#).



Chapter 5

Home Depot Merchant Meetings and Line Reviews

A Business Review (BR) is the process of reviewing supplier performance, product performance, and other future initiatives. Suppliers will be asked at various times throughout the BR process to participate and submit information. Depending on the situation, a Merchant may choose to disclose or not disclose that he/she is conducting a Business Review.

A Product Line Review (PLR) is a more-detailed type of BR. The main purpose of a PLR is to consider multiple suppliers for a category. Typically, your Merchant will call for a PLR when they are considering major changes to a category like a new assortment, new merchandising or new products (cost savings, quality of product, or some other need that they have that's not currently being met by the vendors in their category). Typically a PLR will include only a portion of your product offerings.

Business Review

A detailed analysis of a category with minimal supplier inputs that result in non-invasive changes to the store.
Ex: Inventory and line structure optimization, SKU-store clustering, new product innovation.

product performance reviews, supplier performance reviews

Product Line Review

Similar to a business review but includes significant supplier inputs, focusing on category revitalization. Ex: Supplier changes, cost negotiations, major SKU or supplier product transitions.

PRO TIP

Always stay on top of your external market analysis and comp shop documents - don't wait and scramble right before your PLR. If you work on these year-round, it becomes a much easier process.

Speaking with vendors who sell into The Home Depot, we found that there's a big variance in how often PLRs happen. Depending on how established your brand is and the category you compete in, you can expect to have your PLRs anywhere from every six months to four years. It will last for about one hour and you'll be in front of six to seven people. Depending on your Merchant, sometimes you'll email your supporting documents directly or be asked to submit through HDLink.

What remains constant, though, is that successful vendors treat their line reviews as an ongoing process no matter how often they take place. After all, any meeting with your Merchant, not just the big ones, is absolutely vital in building a strong relationship with

your buying team. Use every touchpoint with your Merchant as an opportunity to demonstrate value and bring up anything that might become an issue. Being proactive demonstrates that you are invested in the retailer relationship.

The best vendors are able to be critical and concise on how targets were met or missed and they are transparent about the performance of SKUs. They communicate well ahead of line reviews and keep Merchants posted on how individual SKUs are moving throughout the year. Their recommendations are supported with point-of-sale and market data whenever possible, and they send information and presentation decks ahead of all meetings, to ensure that their Merchant is never surprised.

MANDATORY FOR A HOME DEPOT PLR

External market analysis and comp shop

A good external market analysis identifies the brands playing in your space, what's going on with other retailers as well as The Home Depot, any interesting trends, etc.

A comp shop takes a detailed look at your competitive landscape. Someone (usually a junior team member) will need to go around to different retailers - Lowe's, Menard's, Walmart, Tractor Supply, The Home Depot, etc. - and match similar items on a spreadsheet, corresponding with a photo and the price of each one.



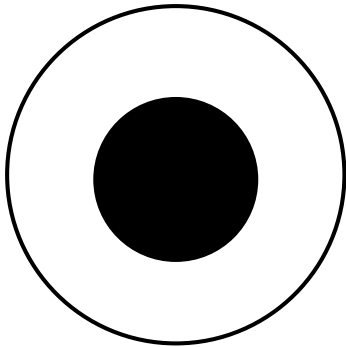
Bid Sheet

A bid sheet includes all your products at the price you want to sell for. It should factor in rebates and anything else that will help The Home Depot clearly see their net profits.

Remember, The Home Depot Merchants are faced with numerous different brands and categories. To take it one step further and really set yourself apart, be sure to integrate data into your presentations. An intuitive way to think of it is on a macro and micro level.

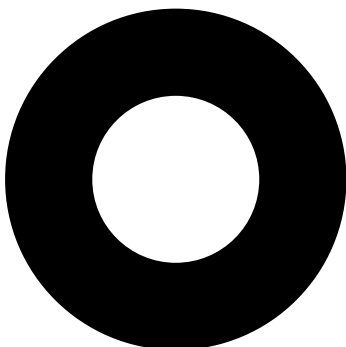
Macro

How is the category performing? What are the trends? Who are your competitors and how are you differentiated?



Micro

Within The Home Depot, what products are you selling where and to whom? How do people usually buy your products? Are there factors that affect your assortment and sales (rural versus urban, regionality, seasonality, etc.)? What are your minimums and maximums? How accurate is your planning and forecasting? What are your online sales and projections?



Merchants also want to know what kind of marketing support you are going to be providing. What do you have planned in terms of trade and brand marketing? Are you going to be doing NLPs, endcaps, cross merchandising? Do you have any major partnerships or regional events coming up? What kind of investment are you going to make in education? How are you going to be training people at the Pro Desk. Do you have field reps? How important is online to your assortment? If you expect a significant portion of sales online, what's your budget for ad spend online?

When asked about the most important metric to point to in Merchant meetings, Year to Date (YTD) sales was referred to as the the gold standard by the vendors we interviewed. To accurately calculate YTD sales versus last year, it is important to leverage The Home Depot's Assortment Maintenance Tool (AMT), which is used to identify comparable stores for your entire product lineup. Using the AMT report, vendors are able to see an apples to apples comparison of year-over-year product sales by measuring sales performance for comp stores. Generally, you will use AMT if your products are not in all stores or if the assortment in your category varies by store.

Stay on top of current events and be sure to address any potential risks in your forecasts with your Merchant. Be aware of risks that may impact your manufacturing time, shipment dates, or sales in a particular region (for example, an earthquake close to your manufacturing plant).

PRO TIP

Your supply chain team will often know the current news affecting your business. You should also set up [Google Alerts](#) for anything that might impact your business.

Always have granular POS data on hand when meeting with Merchants. Take the opportunity to showcase store-level insights and trends, and show your Merchants where money is potentially being left on the table. Is there another store where your product(s) should be listed? Use POS data to highlight the sales lift for past promotions, including NLPs and special buys.

When creating graphs, go the extra mile and annotate them to provide commentary around any dips or spikes in sales. Did you have an NLP or special buy? Did a weather emergency affect sales?

In summary, successful Merchant meetings require preparation, being the category expert, coming to the table with fresh ideas, and speaking the Merchant’s language. You should always have sales metrics and data to support your suggestions.

Familiarizing yourself with The Home Depot’s internal language and using it in meetings with Merchants will set you apart from other vendors.

For more tips on line reviews (and what not to do), check out our eBook: 10 More Things Your Buyer Hates About You.



Final Thoughts

The home improvement industry moves quickly and has a big focus on innovation. To be successful, your product has to stand out and bring unique value above what the competition offers.

In speaking with consultants who help brands win listings in big box retailers, as well as clients who are succeeding on HD shelves, the advice was consistent: have great products, highlight your differentiated positioning, know your numbers, and stand out online. Anything a brand can do to support the experience of The Home Depot customer, especially as it relates to a seamless omnichannel shopping experience, adds value to the retailer relationship.

Above all else, your brand has to be compelling for Home Depot shoppers and your numbers must prove a strong business case. Starting from your pitch all the way to your line reviews, be sure to articulate a strong story that encompasses innovation, online initiatives, and external market and POS data. If you do that, then you'll be well on your way to building a long and prosperous relationship with North America's most popular home improvement retailer.





About the Author



Marsha Druker is a Marketing Manager at Askuity. She launched her career in the CPG industry, working on six different brands at Jarden (now Newell Brands). She's passionate about technology, startups and marketing.

About Askuity



Askuity's industry-leading sales enablement platform empowers home improvement brands to turn point of sale data into profitable insights that help grow sales, improve margins and strengthen retailer relationships.

Learn how the Askuity platform can help your brand succeed at The Home Depot and other national retailers.

Resources

[The Home Depot Corporate Website - About Page](#)

[How to sell your product to large retailers](#)

[The Home Depot Link - Become a Supplier](#)

[Home Depot and Lowe's succeed at omnichannel](#)

[How to Sell New Products to Home Depot](#)

[Tips for Getting Your Product in Big Box Stores](#)

[Home Depot Named Omnichannel Retailer of The Year](#)

[Micro-Moments Now: Why you should be the adviser consumers are searching for](#)

[How the retailer meets the changing needs of contractors and consumers](#)

[25 Amazing Omnichannel Statistics Every Marketer Should Know](#)

[Meet The Man Behind The Merchandise: Ted Decker](#)

[Home Depot Now Makes \\$5 Billion Online, but a Stellar Store Experience Remains Its Top Priority](#)

[Who Is Home Depot's Favorite Customer?](#)

[Home Depot Pours Investment Into Interconnected Retail](#)

[Mark Mitchell - Whizard Strategy](#)

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Additional Content For Home Improvement Vendors

Webinar: 5 Things You Need To Rock Your Next Buyer Meeting

A special guest of Plews & Edlmann uncovers the top 5 things you need to impress your merchant for your next buyer meeting.



Webinar: How To Dominate Your Category With Field Sales

A field sales expert from LP Building Products discusses the importance of investing in your field sales team and how to optimize that investment.



eBook: 10 More Things Your Buyer Hates About You

The highly requested update to Volume I, 10 More Things Your Buyer Hates About You is packed with even more blunders by product vendors and actionable tips from real buyers across various industries

