

2020



Steve Lynch

REFLECTIONS ON THE DECADE

Looking back with Steve Lynch

By Vicki Jones, Editor
Door + Access Systems Newsmagazine

Who is more qualified than Steve Lynch to review the past decade of the garage door industry? He has been DASMA president since 2018, Clopay's president since 2009, and in the garage door industry since 2001.

In this interview, Lynch reviews the challenges and opportunities that the garage door industry has encountered in the past 10 years and provides guidance on how to prepare for what lies ahead. Technology and adaptation are recurring themes in this insightful summary of the decade.

Can you provide a snapshot of the industry today compared to a decade ago?

Technology reigns

The adoption of technology throughout the supply chain (manufacturers, suppliers, garage door dealers, and consumers) has transformed every facet of our business.

Technology has been integrated onto the shop floor to maximize productivity and distribution, it's used in marketing to connect with consumers, and it has elevated customer expectations regarding communication, service, and delivery of goods.

We are catering to more discerning customers who are equipped with more information about design, innovations, and customized options than ever before. Again, this can be attributed to technology.

According to the "Remodeling Cost vs. Value report," replacing your garage door is the number-one-ranked home improvement project with the best return on investment.

Ten years ago, garage doors weren't

included in that report. The industry has done a good job changing the public's perception of garage doors from a functional necessity to a design element with excellent resale value.

What are the major ways that the recession of 2008-2010 affected the garage door business from 2010-2019?

Adapting to change

When the housing bubble burst, our industry saw up to a 40% decline in market opportunity. It was a very uncertain time, and it forced companies in the industry to examine how they should adapt to survive in the changing business climate.

Clopay focused its attention on technology upgrades and cost-reduction initiatives designed to improve performance. We consolidated operations from four plants into one main manufacturing hub in Troy, Ohio, and focused on energy-efficient, low-maintenance products.

We also began marketing to end users online and through social media instead of relying on the Yellow Pages and newspapers, and we developed tools and training programs for our dealers. Altogether, Clopay has invested over \$110 million over the past nine years on these initiatives, and this investment positioned the company for success when the market started to recover.

Consolidating companies

Another result of the recession has been consolidation. We saw acquisitions at both the manufacturing and dealer levels, which has resulted in fewer American-owned manufacturers.

How do you think the industry has recovered (or not) since the recession?

It's a mixed bag. Some manufacturers are proactively investing in their base business, while others are seemingly growing their business by competing with their customers.

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Winning companies are looking for ways to continue to expand their ability to serve their customers by adding new product categories and exploring new markets.

You're a sales and marketing guy. What are some of the most significant changes that have affected the marketing of garage doors and openers over the past decade?

Generally speaking, the industry has been successful at increasing awareness and elevating the importance of garage door design and construction among homeowners and builders.

Although the total number of residential garage door units sold in the U.S. has declined, the value per door opening has greatly increased. Commercially, building owners now focus on value by stressing greater thermal performance, improved life cycle durability, and payback.

““ ONE OF THE BIGGEST CHALLENGES WE FACE AS AN INDUSTRY IS ADAPTING TO TECHNOLOGY, THE SPEED AT WHICH IT EVOLVES, AND HOW CUSTOMER EXPECTATIONS CONSTANTLY CHANGE AS A RESULT.

Marketing makeover

With regard to marketing garage doors today, technology drives every phase of the purchase process. Ten years ago, a homeowner shopping for a garage door would search for a dealer online or in the Yellow Pages, visit a showroom, take home a brochure, place an order, and hope they made the right decision.

Today's customers do extensive research online, read customer reviews, and visit social media sites. They often sell themselves on the door they want before they contact a dealer.

Consumers in 2020 can quickly and easily access information, and they expect the same speedy response from dealers. Dealers and manufacturers are expected to offer advanced online visualization tools and to utilize technology to answer questions, regardless of business hours.

Social media, influencers, and customer reviews are the “new word of mouth,” and these resources reach thousands instantly. The good news is that customers still rely on

a dealer's expertise to make their final garage door purchase decision.

New resources

Home decorating and DIY magazines used to be the trusted resource for new product and home improvement information. Home editors were experienced industry experts who took pride in researching the product categories they were writing about.

It was a mutually beneficial relationship for the media and the manufacturers. Now, print magazines are shrinking, folding, or moving exclusively online.

Thanks to HGTV, blogs, Instagram, Facebook, and Pinterest, the average homeowner can influence sales simply by mentioning a product on social media and boosting that brand.

Homeowners also use the internet and social media to voice their concerns about a product or service. This type of public review can present an opportunity to correct an issue and strengthen customer loyalty—if it's handled correctly.

“Searching” for the best

During this decade, search engine optimization emerged and became the holy grail of marketing. Popular search terms and keywords were used to increase visibility and to help companies edge out competitors.

The industry witnessed the growth of mobile searches and shopping, and for the first time, mobile market share (52.1%) exceeded desktop market share (44.2%). Half the time users spend online in the U.S. is on mobile devices.

Therefore, it is critical for dealers and manufacturers to have a website today that is mobile optimized and user friendly. Consumers prefer to ask a question by using a contact button on your site or a via social media app versus calling.

You once said, “We win when our customers win.” Over the last decade, what has changed in the marketplace that makes it harder for dealers to win in their markets?

First, I always say that Clopay only wins when our customers win. Dealers can't win if half the battle is competing against the manufacturer.

The keys to great customer service

Technology is the key to being more efficient and offering better customer service. That is

why manufacturers, like Clopay and others, have developed digital tools to help dealers streamline their operations and productivity and focus on sales and profitability.

Selling more value-added products to increase profitability is also key. Often, a homeowner who is buying a new garage door will tell a dealer to replace it with the exact same model because it's the safe and easy choice.

The dealer has two options. They can say okay and place an order for the same door. Or they can spend five minutes using a visualizer tool to show the customer their home with different door options.

The customer will be curious, at the very least, and can see how a different door could improve the home's curb appeal. They may then choose to upgrade. That's a “win-win” for both the dealer and homeowner.

What do manufacturers need to do for their dealers in 2020 that they didn't have to do in 2010?

Prepare for the future

One of the biggest challenges we face as an industry is adapting to technology, the speed at which it evolves, and how customer expectations constantly change as a result.

Dealers are selling, installing, and servicing doors. That is their business. Our business is to make great products, stand behind our products, and serve as consultants who are up to date on trends, technology, and tools to simplify the sales and fulfillment process for our customers.

Manufacturers should continue to reach out to residential and commercial end users. They need to educate them on how products meet their criteria for aesthetics, performance, security, and sustainability. They also need to help consumers and professionals understand the value of a better door so they know to ask for a better door.

Which Clopay product in the last decade should be remembered as the most significant development for the industry?

Top product of the decade

Clopay's Ultra-Grain wood-look paint finish and our Canyon Ridge Collection faux wood composite garage doors were game changers when we introduced them to the marketplace 10 years ago.

Both were industry “firsts” and ushered in a new era of garage doors designed to offer the beauty and realism of natural wood without the upkeep.

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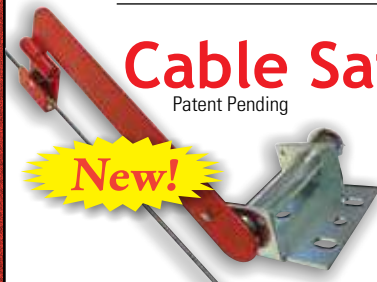
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We started small. Ultra-Grain was only available on our Classic Line and Gallery Collection. We eventually combined the two technologies to create our Canyon Ridge Ultra-Grain Series door and expanded the finishes to other product lines.

Both have won numerous awards for design and innovation in the building and remodeling industries and in consumer media.



This picture illustrates how Clopay merged polyurethane foam-insulated stained woodgrain steel doors with faux wood composite overlays and matched them to fiberglass entry doors.

Based on everything you've already said about technology and its influence, do you have any predications on how products might evolve from 2020 to 2030?

The garage evolution

There has been lots of speculation that automatic cars will eliminate private automobile ownership and that garages will become obsolete. I believe there will always be a demand for garages. Who parks in their garage, anyway?

Garages are used for yard equipment, toys, sporting equipment, hobbies, recreational vehicles, etc. Plus, on new construction, garages are getting bigger to accommodate the demand for more space.

Like many other home products, garage doors will likely become more intelligent and secure as part of the smart home evolution. It is interesting to consider how the industry will use 3D printing and incorporate artificial intelligence to accelerate prototype testing.

“ I BELIEVE THERE WILL ALWAYS BE A DEMAND FOR GARAGES. WHO PARKS IN THEIR GARAGE, ANYWAY? ”

Over time, what do you think is the best way for companies to adapt to industry changes while staying true to their company cultures and still generating profits?

Staying relevant

For the past two decades, Clopay's mission has focused on the dealers; specifically, on customer success. The mission has stood the test of time through good and bad economies and a significantly different market. We believe the best way to adapt to change is to serve the customer, listen to them, know them, and help them win. ■