

# The possibilities

Industry marketing expert **Andrew Scott** discusses consolidation and the power of the brand

For years we've talked about consolidation in the glass and glazing industry. And if there was ever a 'pivotal year' for the industry then perhaps 2019 was that year.

Of course, we weren't alone – three years of economic uncertainty with Brexit, a new prime minister and a general election have taken its toll on the economy, consumer confidence and the housing market.

But the glazing industry was also battling its own demons – an ageing workforce, years of under-investment and squeezed margins as the industry struggles to justify viable pricing levels.

Inevitably, it points to significant changes for the industry in 2020 and beyond, with some suppliers exiting the market or being absorbed by stronger companies, while sadly some well-known brands are likely to collapse.

However, it isn't all bad news. With consolidation comes opportunity for forward-thinking, ambitious companies and I suspect we will see a new wave of acquisitions and several new industry leaders emerge. We can't ignore the fact that the industry is a multi-billion market with no single dominant player.

And the future looks bright too – government and consumer-led moves towards a more sustainable future and net-zero carbon will enable our industry to evolve, develop new products and regain margin – provided the industry doesn't repeat mistakes from the past.

We are perhaps entering the most exciting period for the window, door and conservatory industry and the opportunities to build highly successful, profitable and valuable companies have never been greater.

To realise what is possible, we may need to look at other markets.

## The power of Tesla

On 22nd January, car manufacturer Tesla hit \$100bn market value, more than U.S. rivals Ford and General Motors combined – despite being the 'new kid on the block' and producing a tiny fraction of cars compared to the giants.

Is it simply because Tesla makes electric cars? If this was the case, it would be game-over for Tesla as other manufacturers launch premium EV's – with the Ford Mustang E-Mach, Porsche Taycan and Jaguar I-Pace all available this year.

No, Tesla's recent \$100bn value is much more than the power-train of its vehicles. And the glass and glazing industry could learn a great deal from Tesla.

Tesla stands for something, and so do the people who drive the cars. It isn't just about electric cars; it is about breaking with convention. Tesla is 'on a mission to accelerate the world's transition to sustainable energy'.

In a few short years, Tesla is on track to build one of the world's strongest brands. A brand that really means something to its customers, its employees and its shareholders.



**Andrew Scott**

Tesla isn't selling cars, it is selling a sustainable future.

Yet, we see all across the glass and glazing industry companies competing on product and competing on price.

## Marketing vs branding

It generally boils down to marketing. As an industry, most companies equate marketing to lead generation. Without new sales leads installers don't have a business – and the entire supply chain depends on the installer's ability to convert leads into orders.

However, the world's leading marketers know that the most successful, profitable and valuable companies are built on their brand.

Lead generation is the life-blood of the glazing industry, but those companies who also invest in their brand will ultimately outperform those that just focus on lead gen alone. It's no surprise that Tesla had 250,000 pre-orders for its dubious Cybertruck within a week of launch in November 2019 – despite the product not being available until 2021.

Building a strong brand goes deeper than just a logo or a new mission statement. It needs to resonate with all stakeholders, from customers and employees to suppliers, and it needs to be authentic. A brand is the outward expression of a company's purpose, ethos, values and proposition.

As the glazing industry consolidates and evolves; we will see winners and losers. Those companies who are true innovators, invest in their business and build meaningful brands, will emerge triumphant. □