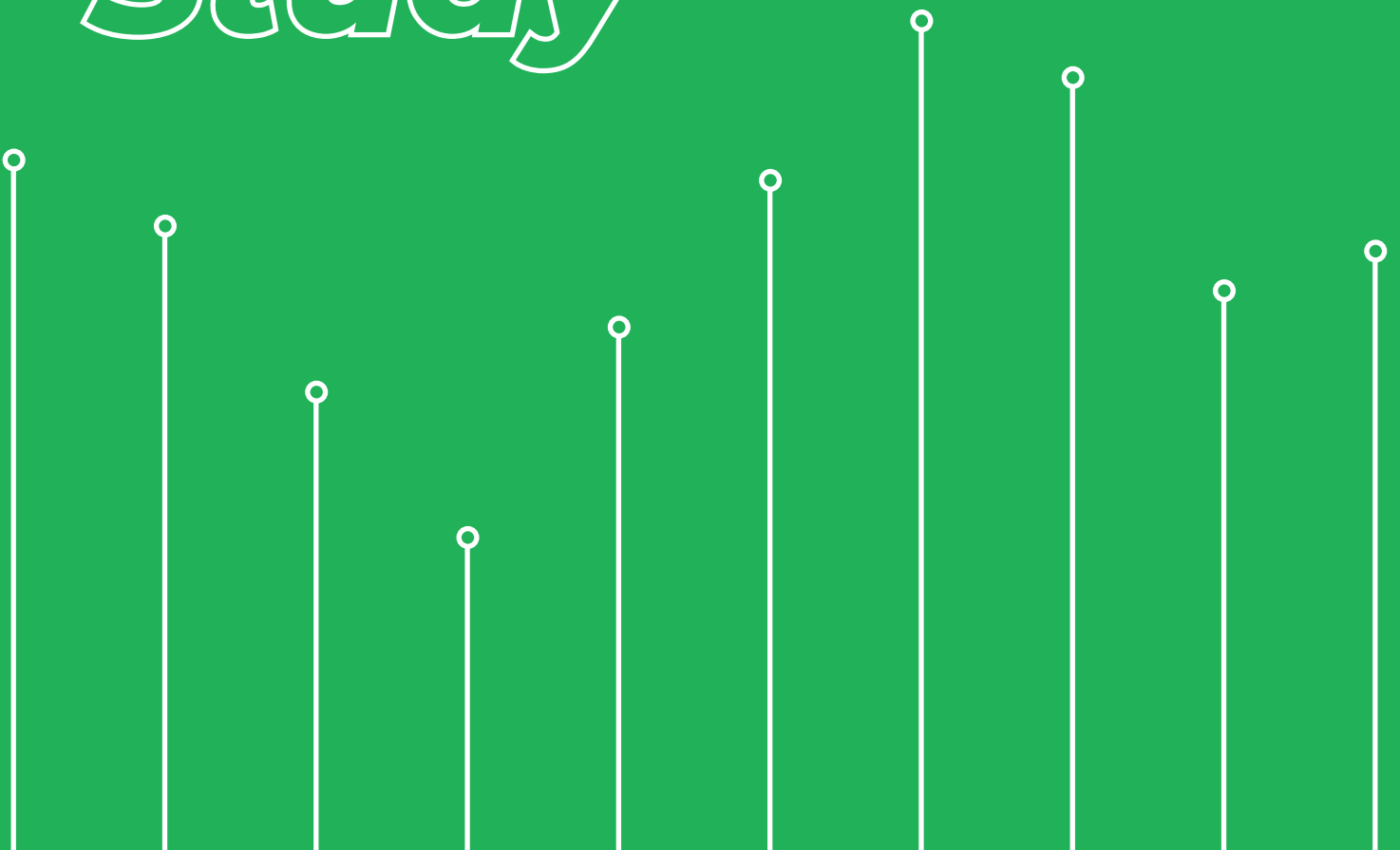


2024

INDEPENDENT HOME IMPROVEMENT

E-Commerce Study



NHPA MISSION STATEMENT

Founded in 1900 by a group of retailers, the North American Hardware and Paint Association (NHPA) is a not-for-profit trade association whose mission is to help independent home improvement, paint and decorating retailers, regardless of affiliations, become better and more profitable retailers. Governed by a board of independent retailers, NHPA fulfills its mission by providing information, communication, training programs and networking opportunities for the industry it serves. Each month NHPA publishes *Hardware Retailing* and *Paint & Decorating Retailer* magazines, which reach more than 40,000 stores in the U.S. and Canada. NHPA also provides a wealth of online training and educational resources to thousands of retailers on YourNHPA.org.

For information on NHPA membership, or to learn more about NHPA's education and training programs for onboarding, product knowledge, leadership, retail operations and more, visit YourNHPA.org or contact an NHPA member services representative by calling 800-772-4424.

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YourNHPA.org/research

Prior to 2020, there was a general consensus in the independent home improvement channel that being online was a part of business, but there wasn't necessarily urgency or congruence within the industry on how to make that happen. The pandemic changed that, as consumers shifted their shopping habits and home improvement operations were deemed essential, many retailers recognized the necessity of not only having an online presence, but establishing e-commerce.

Over the last four years, there has not been a comprehensive exploration of how independents are showing up online. The North American Hardware and Paint Association (NHPA) sought out to fill that information gap with this report, the *2024 Independent Home Improvement E-Commerce Study*.

The data on the following pages is representative of the independent channel's current strategies regarding websites, e-commerce and digital marketing.

METHODOLOGY

In early 2024, the North American Hardware and Paint Association surveyed 187 independent home improvement retailers representing over 600 storefronts about their strategies for an online presence.

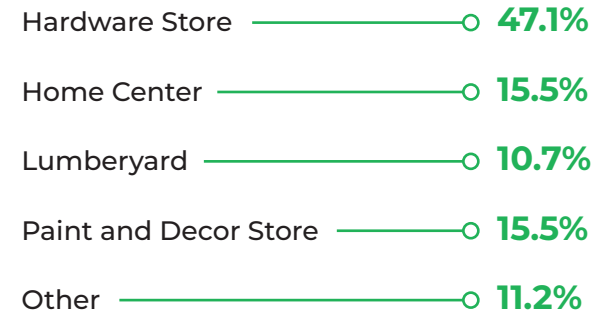
As part of the survey, retailers could opt in to being contacted for additional conversation about their online strategies. Included in this report are insights from four retailers representing distinct strategies, industry segments and business types.

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3	Online Involvement
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IN THIS STUDY

RESPONDENT Demographics

What type of independent home improvement business do you operate?



Other responses include:
A combination of all store types, farm and ranch, flooring, wallpaper and gifts, industrial supply and MRO, hardware and autoparts operations and specialty stores.

How many stores do you have?

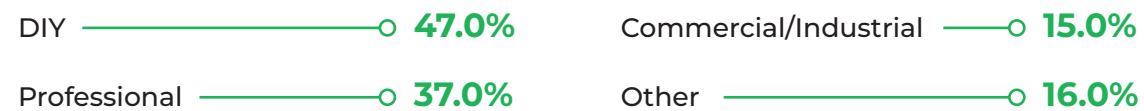


MEDIAN
store count is 1

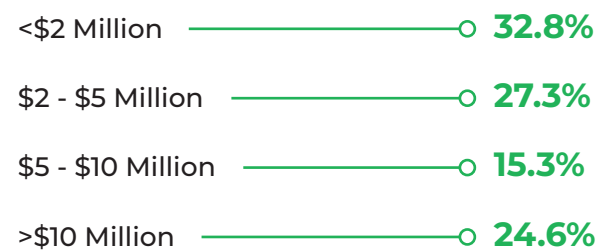


AVERAGE
store count is 4

Average Customer Breakdown



Annual revenue



ONLINE Involvement

Do you have a website?



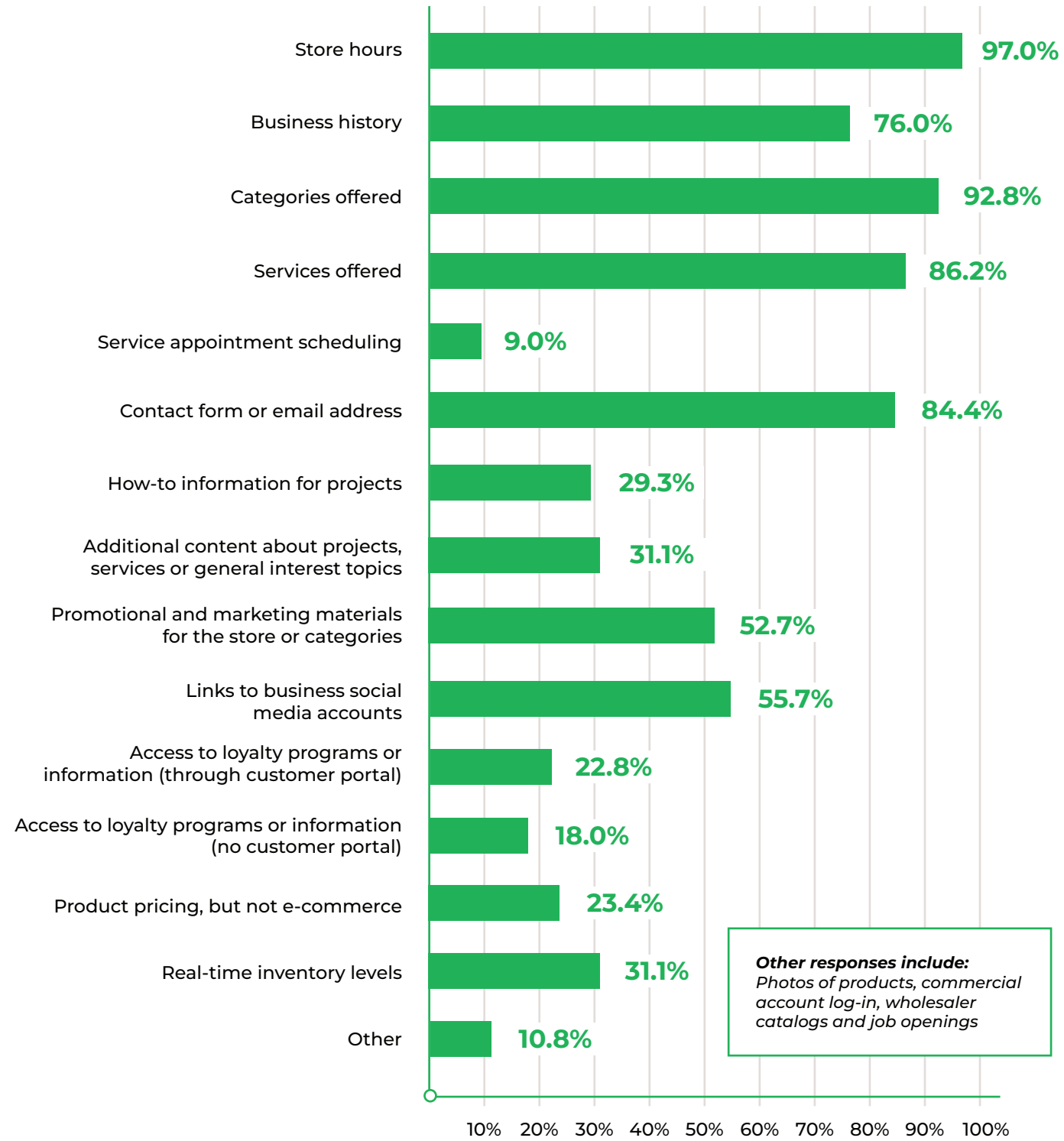
Are you planning to add a website within the next year?



Note: For those who answered no, they do not have a website

WEBSITE Architecture

What features or information are currently on your website?

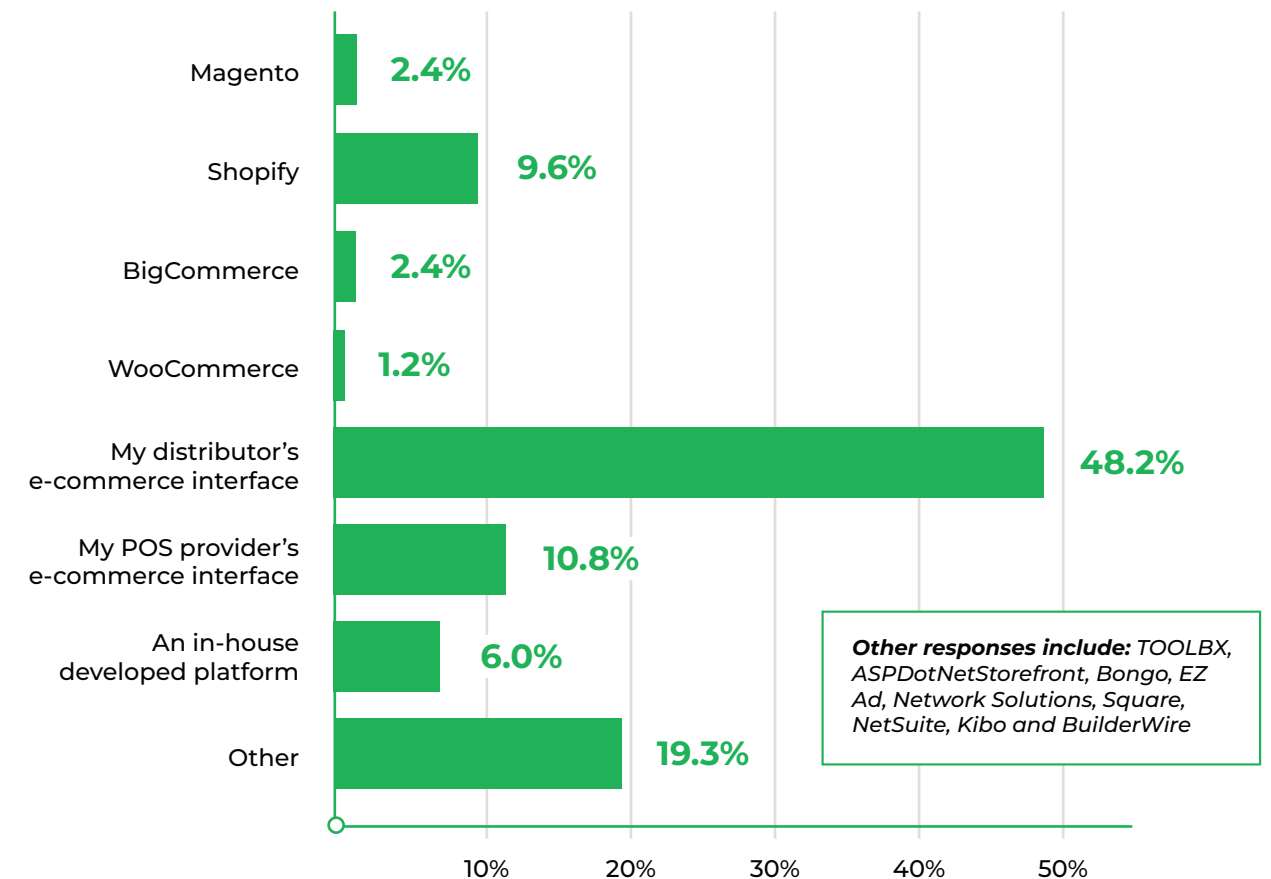


E-COMMERCE in Detail

Does your website have e-commerce?



What e-commerce platform do you currently use?



REAL RESPONDENT *Insights*

FAMILY HARDWARE

Bringing first-time customers into your business is a challenge every retailer contends with, regardless of how long an operation has been in a community. For a business to make 25% of its overall sales from single-purchase or first-time customers seems nearly impossible. But that's the case for Family Hardware and its e-commerce program.

Family Hardware in Cape Coral, Florida, opened in 1976 under a different name and was operated by several owners until current owner Jeremy Peterson bought the business in 2012. He built a second store in a converted strip mall in Fort Myers in 2022. Peterson has made significant investments in the business to create the reputation of "family," specializing in offering a customized experience for every customer who walks in the door.

A customized experience is what online shoppers get as well. And it's truly custom, as the POS, website and e-commerce platform Family Hardware uses is a completely tailor-made system that Peterson and a developer built entirely themselves.

Peterson says he does not have a formal education in IT but grew up surrounded by technology and enjoys experimenting with innovation.

"When I was redesigning and updating the company website, the backend was similar to what we needed for the POS system," Peterson says. "So as we were getting the store in Fort Myers ready to open, we were building out the website and POS system with the developer. We were able to get the new POS system ready for launch on Day 1 of the store opening."

While going out on his own was a big risk, for Peterson, his willingness to create his own solution paid off with a successful system that he also implemented into the original location.

"We learned that just because you pay for a service, doesn't mean it is always going to work for you," he says. "There is a sense of pride in knowing that our system fulfills our needs."

The system they were running e-commerce on before building the new platform didn't meet Peterson's expectations. The system couldn't accommodate all of the SKUs they wanted to be able to sell, which includes over 60,000 items from their wholesaler and products sourced from other vendors.

"The previous platform didn't manage traffic well, and if any little thing broke, it would crash," he says. "The new system is so fast, and it performs well on mobile."

In just two years, the new e-commerce platform now brings in about 25% of the company's overall sales, and Peterson says most of those are small orders for niche products.

Generally speaking, every e-commerce sale is the result of someone with a problem searching for a solution on Google or another search engine, Peterson says. His goal with the Family Hardware e-commerce site is to be near the top of their search results and earn that sale.



Jeremy Peterson | Owner, Family Hardware

Peterson connects his store's inventory to Google Products, which means when someone searches a part number or a product name, Family Hardware's inventory shows up in the product results at the top of the page.

"Our website traffic is purpose-driven," he says. "People can't find a product locally, so they search for it online, and our website comes up for them."

Peterson says the most challenging part of driving sales online is determining what products to promote so they show up on Google Products. He spends a few hours a week putting Google Ads marketing dollars behind certain products to try to push them to the top of search results.

"You can't single out one item that does well because as soon as you focus on something, the trend goes away," he says. "The more you tweak the products you're promoting, the worse it is. It's very important to tweak and observe. In the beginning, I was very guilty about tweaking and not giving it time to work before fixing it again."

Right now, Family Hardware only offers buy online, ship to home, and shoppers pay for shipping up to a certain dollar value. For the majority of items, they charge a \$3.99 flat fee for shipping, and then depending on the margin, orders over \$49 or \$75 earn free shipping. The system automatically calculates the shipping fee. For expedited shipping, shoppers have the option for UPS or FedEx, which they pay for regardless of the basket size.

"People are willing to pay for shipping if they really need an item," Peterson says.

All of the orders are shipped from one of Family Hardware's wholesaler's distribution centers, whichever is closest to the shopper. Peterson says this system works well for him, and it wouldn't make sense from a labor perspective for him to bring someone in-house to manage orders and shipping from the store.

Peterson also relies on his wholesaler for product information management, or PIM, whether it's images, product descriptions or specifications. He says when building an e-commerce website, PIM is the most important

component. The second most important piece is the search function, which is closely tied to the system being able to suggest related products or products that are frequently purchased together. On the Family Hardware website, nearly every product shows variations of that item, for example, a PVC elbow that comes in a few different sizes. Each available size is shown as an option underneath the selected item.

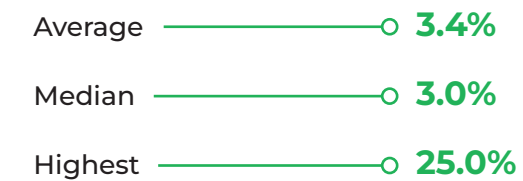
While buy online, pickup in store is something he has considered implementing, since the majority of their online shoppers are from anywhere in the contiguous U.S., Peterson says it's not part of the next phase. In the meantime, the item quantity is shown for every product that Family Hardware also sells in-store, so if someone is local, they know how many are available.

The next investment he wants to make is to add a loyalty program into the customer accounts so they can garner more repeat online shoppers. Right now, because the system is tailored to providing online shoppers with niche items or things they can't find locally, there aren't a lot of returning shoppers. By adding loyalty, Peterson expects to be able to grow that segment and encourage local shoppers to buy online using their Family Hardware loyalty account.

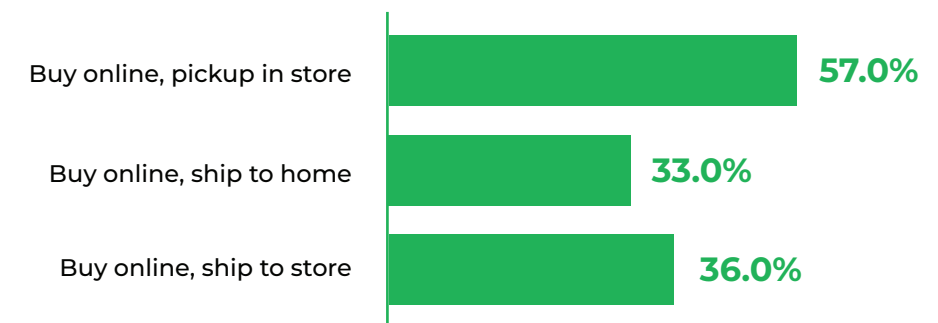
"By bringing rewards into it, people are gaining something tangible from shopping on our website," he says. "With loyalty, we can send out emails and remind people that they have reward dollars to spend, and hopefully that will drive more recurring traffic."

E-COMMERCE *in Detail (cont.)*

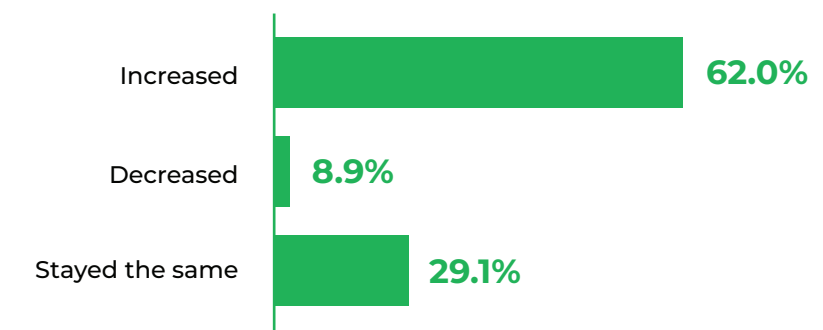
E-commerce sales represent what percentage of your overall sales?



What percent of your total e-commerce sales are made up of the following?

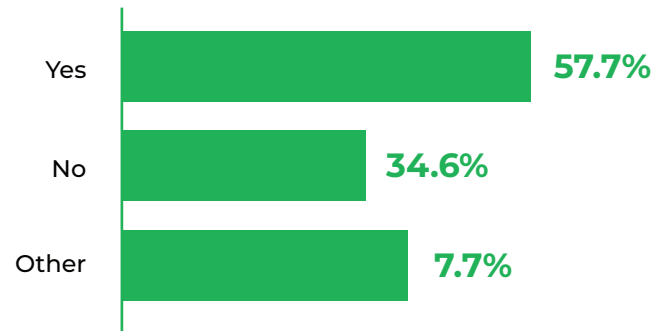


My e-commerce sales have _____ over the last three years, as a percentage of total sales.



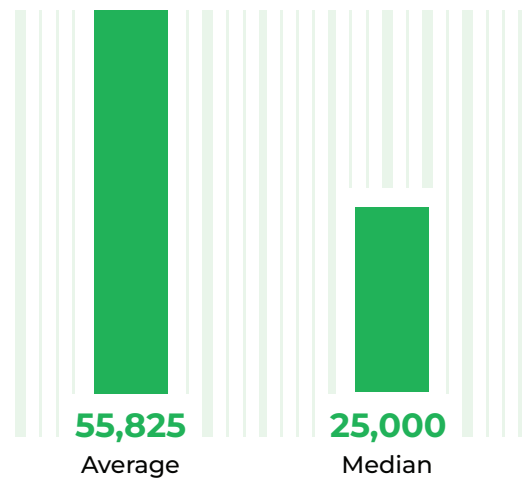
INVENTORY Management

Can customers see real-time or near-time inventory on your website?

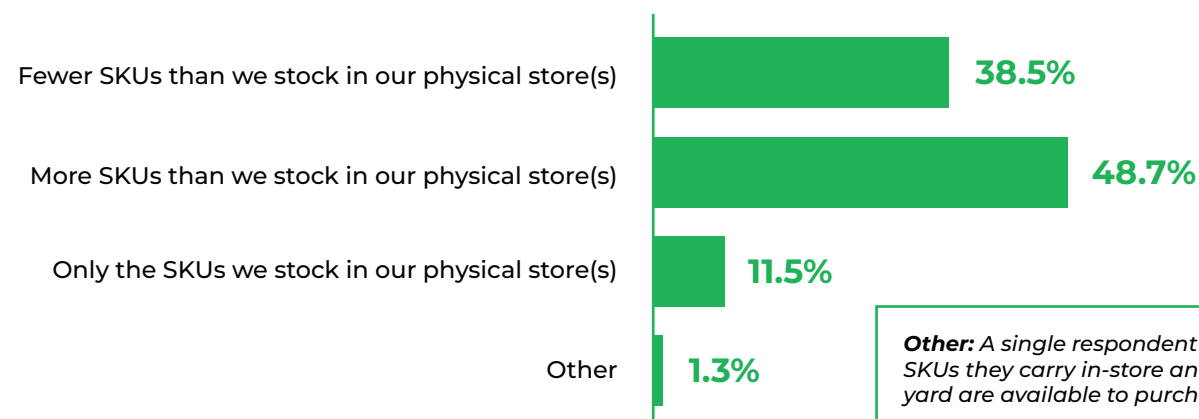


Other: Some respondents noted that showing true inventory numbers can deter sales if quantities are low. One respondent said they show whether an item is in stock, but not the actual quantities available.

How many SKUs are available for purchase on your website?



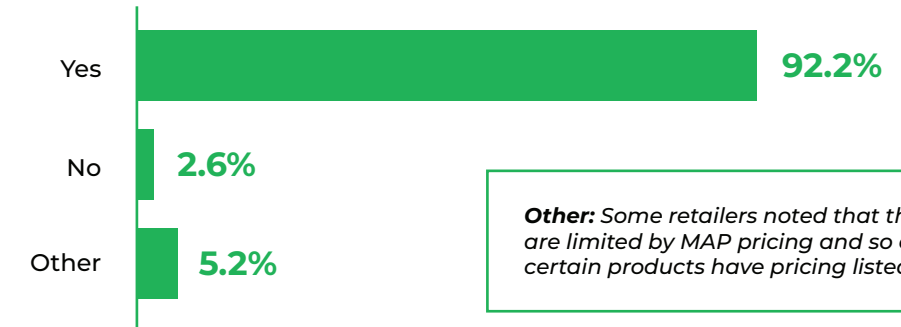
The number of SKUs available for purchase through my website is...



Other: A single respondent said all SKUs they carry in-store and in their yard are available to purchase online.

ONLINE PRICING Strategy

Can customers see pricing for each SKU sold through your website?



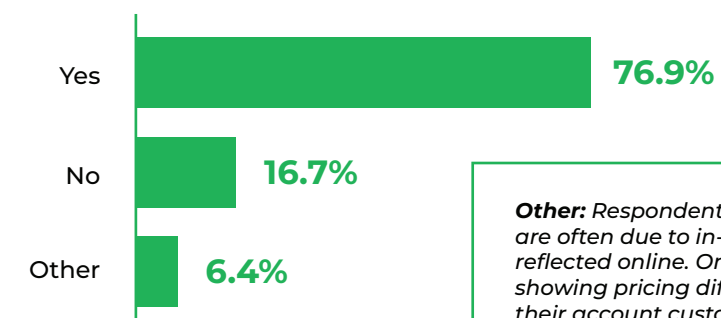
Other: Some retailers noted that they are limited by MAP pricing and so only certain products have pricing listed.

Do you have dynamic pricing?
(e.g., pricing changes based on customer log in, customer type or location)



Other responses include: a combination of respondents saying they were unsure whether they have dynamic pricing or that they wanted to have it but it's not implemented yet.

Does your online pricing match your in-store pricing?



Other: Respondents noted that price differences are often due to in-store sales that are not reflected online. One respondent noted that showing pricing differences online would upset their account customers, so they do not have different pricing for online items.

REAL RESPONDENT *Insights*



Father-son team **Taylor** (left) and **Virgil Cox** share the philosophy that accurate product data is what sets **Cox Hardware & Lumber** apart online.

COX HARDWARE & LUMBER

For nearly 80 years, Cox Hardware & Lumber has been serving downtown Houston across three distinct segments. What started as a small business running out of a rented storefront behind Henry and Mary Cox's family home is now a hub for commercial, industrial and residential business across southeastern Texas and beyond.

Taylor Cox is a purchaser and manager for the operation and is the fourth generation to be involved in the business. He joined in 2016 after serving in the U.S. Army.

The store carries about 31,000 SKUs, including traditional hardlines categories, with about 8,000 SKUs in fasteners alone, in addition to a large selection of abrasives, cleaning supplies and paint and industrial coatings. The lumber department is housed in a 7,000-square-foot pole barn, along with an acre of outdoor storage.

"We're inside the loop here in Houston, which is the industrial belt," Taylor says. "We kind of act like an industrial distributor."

Virgil Cox has been involved in the business since he was in junior high in the early 1970s, and he started the company's initial foray into a web presence. In the 1980s, Virgil compiled product information, including images, SKUs and manufacturer details, into comprehensive catalogs spanning nearly the

store's entire inventory, printing and mailing 5,000 copies. In 1999, he led the process of converting the catalogs into the company's first website in order to drive online traffic into the store. Taylor says driving in-store traffic is still the basis of their online strategy today, although the website has undergone numerous updates since that first iteration, including several major e-commerce enhancements.

About 2.5% of the company's overall sales are online transactions, but Taylor estimates that percentage would be higher if it incorporated implicit sales.

"Someone will walk in with our website pulled up on their phone and buy a product they found online in store," he says. "And a lot of customer phone calls are about something they see on the website."

The current version of the website was initially developed about 10 years ago, and Taylor says it was built to extend the store to their customers' desktops. The landing page allows shoppers to choose items from a list of departments, brand names or search for a specific item or part number. It also shows the featured items, including sale items and new products. Each individual item listing includes the SKU, brand name, item weight and quantity available. At the bottom of the page, there are recommended items that are related to the product, whether they are frequently purchased together or are items that are needed to use the selected product.



Managing the website is a team job at **Cox Hardware & Lumber**, including (from left to right) online sales coordinator **Coreena Sims**, purchasing manager **Taylor Cox**, website manager **Joann Rodriguez** and manager and owner **Virgil Cox**.

Taylor says about 60% of the product information comes from their wholesalers, but the remaining information they source from the vendors they buy from directly. Taylor says about 60% of orders are buy online, pickup in store and the remainder are shipped from the store's inventory throughout the contiguous U.S.

Website manager Joann Rodriguez has been with the company for 28 years and was present for the website's inception. Today, she oversees the website's operation and day-to-day tasks such as SKU deletions, product data enrichment. For other more complex maintenance and issue resolution, they rely on their developer who is based in Boston. Shipped orders are managed by another team member.

"The team we have managing website updates and orders is integral to the success of the site," Taylor says.

The store primarily uses UPS for shipping and customers pay for shipping. Taylor says they don't offer free shipping, but some items are eligible for a quantity discount, which they also offer to in-store customers. For some people, the shipping is worth it if it means they can access hard-to-find items. They recently had a customer order one sheet of crocus cloth for \$1.20 and pay full price for shipping because he wasn't able to locate the product anywhere else.

About two-thirds of the orders placed online come from commercial/industrial customers. Customers with store accounts are able to pay with a purchase order online and have the option to log into the website and see their order history, which is a big draw for Cox's large professional customer base.

A major challenge for online retail is to maintain repeat business, Virgil says.

"It's easy to get someone to visit once, but in order to get them to return again and again, you have to offer something that the customer wants, or even needs, that is unavailable elsewhere," he says.

For every product on the Cox Hardware website, inventory detail like quantity on hand, quantity on order, price and available discounts are served to the website every few minutes all day long from the in-store server. The information is date and time-stamped, which Virgil says is to communicate relevance to

potential customers. The goal is for that dynamic product data, combined with relevant product descriptions and images, to give enough information for customers to be able to make a purchase decision.

A critical piece of a successful e-commerce strategy is accurate inventory, and the Cox Hardware & Lumber team takes that seriously. Each department head counts a certain amount of their department every day using an RF gun. Progress is tracked in the office and updated on a fixture map of the salesfloor, showing the store manager the count status of the whole store. Additionally, management staff check the previous day's counts and double-check variances for accuracy. Those variances are communicated back to staff and are a key performance indicator of reviews.

That data is what sets Cox Hardware & Lumber apart from other operations, either in-store or online, Virgil says.

"People go to the web for information," he says. "Our commitment, dating back to our catalog days, has always been to provide our customers with all the information they need to be sure they're getting the right product. The website makes it easy for them to find that information quickly. Our process ensures that the data we present is accurate and trustworthy. This lets us extend our store to our customers' computers or phones."

While Taylor and Virgil are happy with the system they have in place, at a decade old, they understand that this version of the website could use an update. The next phase is modernization, mobile optimization and assessing the content.

"We have parts of an update prepared, but we're still testing it out," Taylor says. "We have a lot of data now, and we're looking at ways to integrate that with vendor and manufacturer data."

Taylor says retailers who haven't gotten online should consider what it can do for their business, even without e-commerce, from a visibility perspective.

"Our website is integral to our business. We're getting really good with lead generation. If people search for something like 'hardware store in Houston,' we're near the top of the results," he says. "If you're not online, you need to look in the mirror."

ONLINE ORDER Management

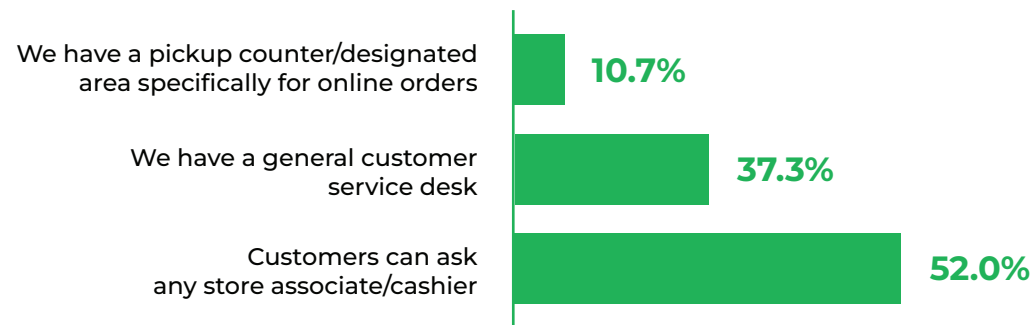
What pickup or shipping options do you currently offer? (Respondents could select all that apply)



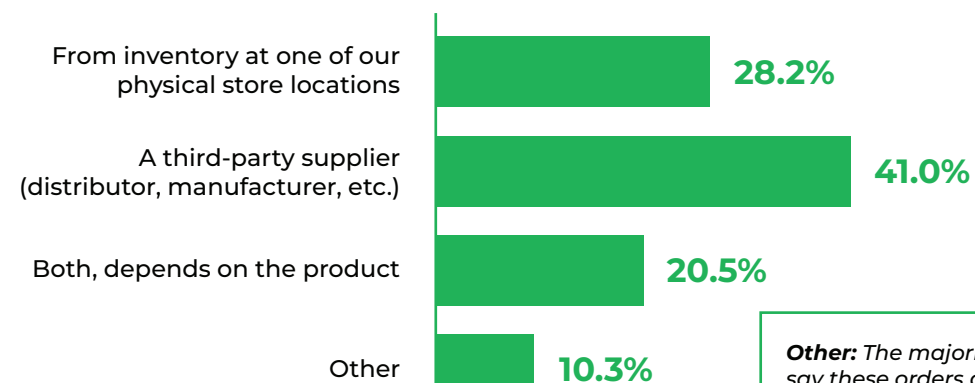
Other was an option

Other: The majority of Other responses were retailers who offer local delivery with their own vehicles, so those responses were added to Buy online, ship to home. One of the respondents who noted Other said they offer order online and pay at pickup.

For in-store pickup orders, how do customers receive their purchases?

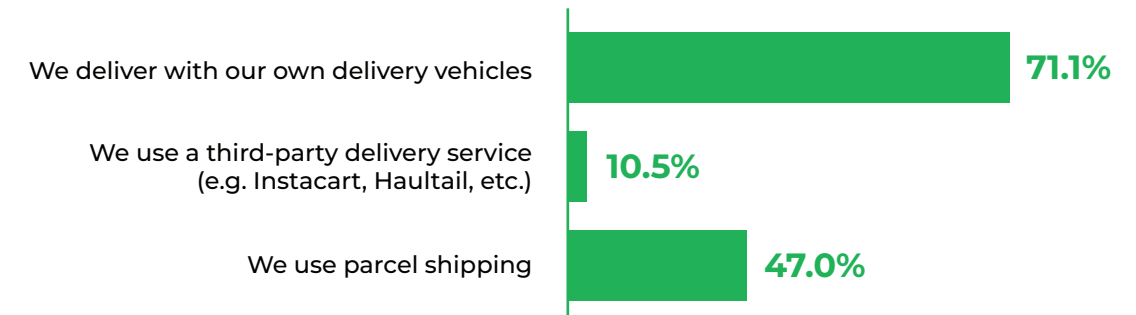


How are your buy online, ship to home orders fulfilled?

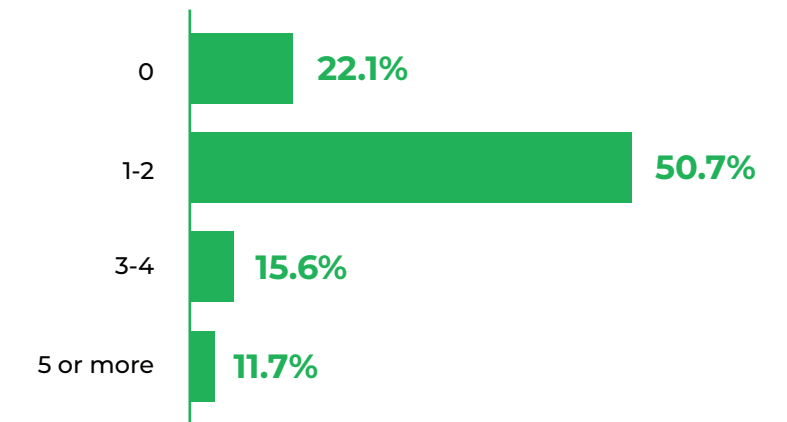


Other: The majority of Other respondents say these orders are fulfilled through their distributor's warehouse if they don't have the item in stock at their store.

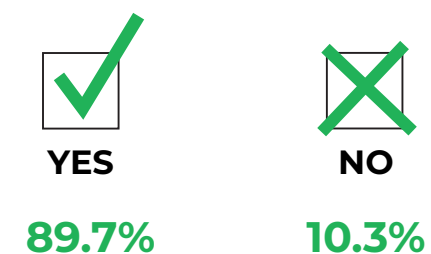
For orders shipped from your store's inventory, how are they delivered? (Respondents could select all that apply)



How many staff do you have dedicated to managing e-commerce orders?



Do you have technology to alert you when customers arrive or when you have a new online order?



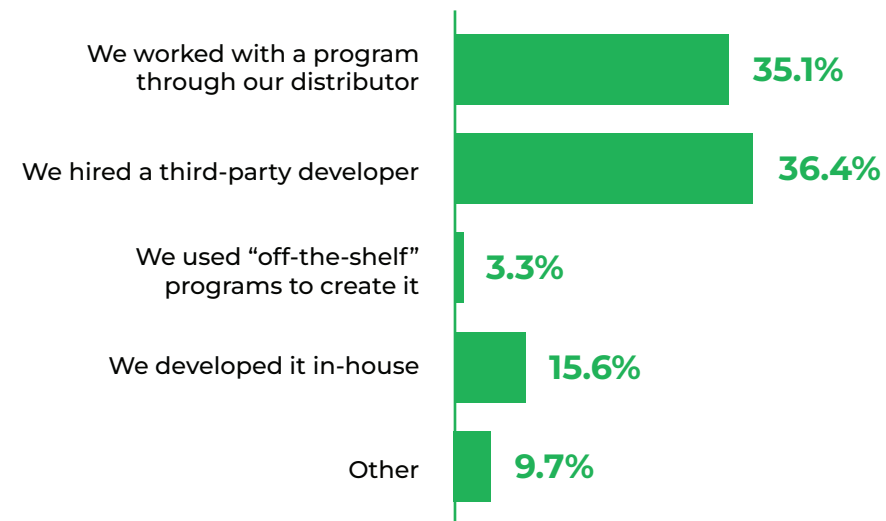
WEBSITE *Investment, Development & Maintenance*

How much do you spend monthly on website hosting and fees?



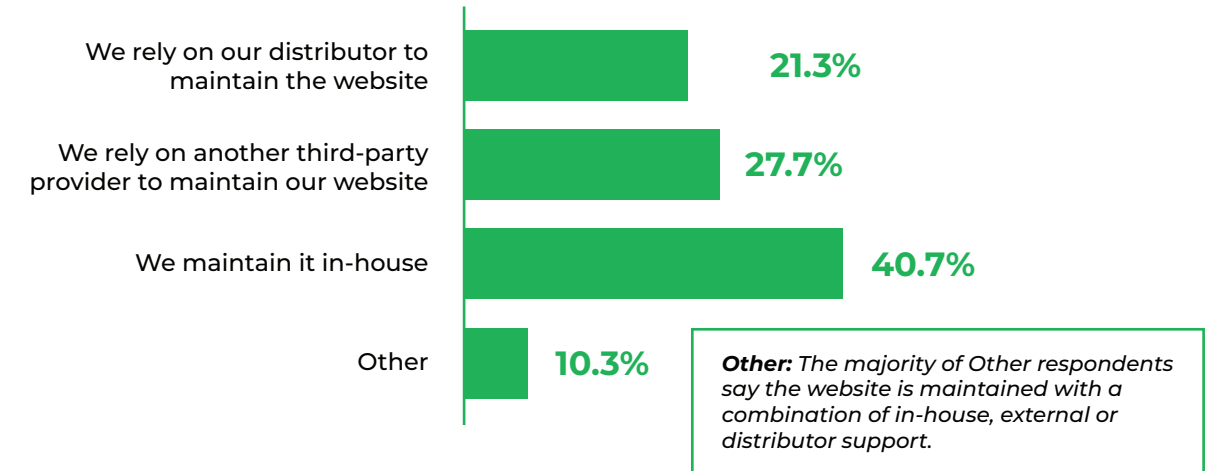
Average per company
\$4,260

How did you develop your current website?



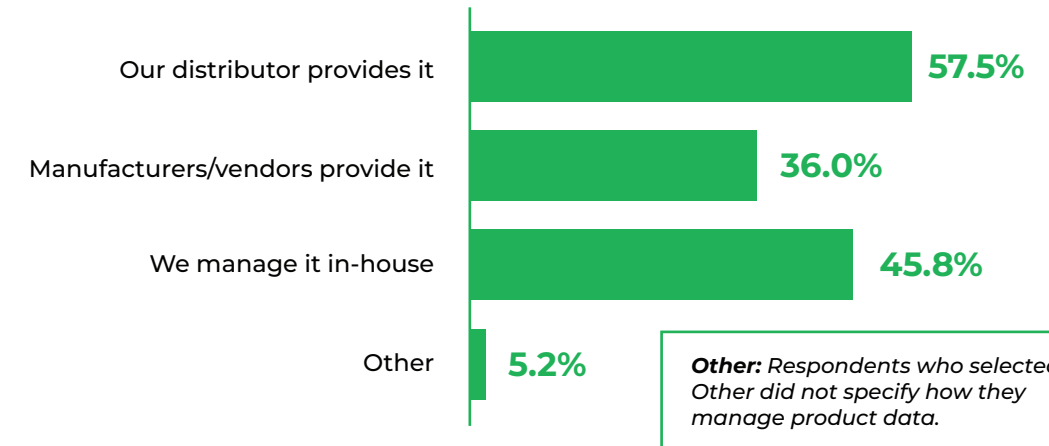
Other: The Other responses were scattered among individuals developing their own sites and a combination of the available options.

Who maintains your website?



Other: The majority of Other respondents say the website is maintained with a combination of in-house, external or distributor support.

Where do you get product data (product descriptions and images) that you use on your website? (Respondents could select all that apply)



Other: Respondents who selected Other did not specify how they manage product data.

Does your website have a customer portal for users to log in? (e.g., to access loyalty information or order history)



YES
41.7%



NO
54.5%



OTHER
3.9%

Other responses include: A variety of answers including customers with accounts being able to access invoices and statements and two respondents who said they were launching a portal soon.

REAL RESPONDENT *Insights*

TOWN LINE WALLPAPER & PAINT

Shifting focus to what will drive sales has been at the heart of Town Line Wallpaper & Paint since the business started in Malden, Massachusetts, in 1965. The company initially focused on wallpaper, with two-thirds of the store's 5,000-square-foot salesfloor dedicated to imported paper and six full collections.

"My grandfather was a professional wallpaper hanger, and he decided he wanted to sell wallpaper instead," says current owner Todd Zigelbaum, whose grandfather started the company. "Back then, wallpaper was king."

Zigelbaum entered the business in the early 1980s, eventually buying the building and taking over operations with his brother. Since then, although wallpaper sales have become a smaller percentage of overall sales, the business was able to successfully pivot into also selling paint and offering design services.

Wallpaper led Town Line Wallpaper & Paint's initial foray into e-commerce in the early 1990s, when the company started selling themed wallpaper online, including two unique sites focused on sports and kids patterns.

When several of their suppliers closed causing extreme supply chain issues, they chose to shut down those specialized sites. But then in 2020, Zigelbaum knew that being able to sell online would be critical for the survival of his business and another shift was warranted.

"When we first started to get a sense of what was happening, we connected with somebody who had helped create an e-commerce site for a large retail paint store out of New York City," he says. "Paint stores were not initially deemed essential, and we didn't know how long that was going to go on. For a long time, we had to service everybody from our parking lot. With a website, we thought we could at least ship products out of our store."

The initial platform was functional for what it was, but Zigelbaum knew it wouldn't work long term because of the limitations of the e-commerce platform and the customization of the website. He wanted to maintain an online presence, so he worked with a vendor through the company's partnership with Benjamin Moore to set up a new website that would be better suited to their needs. With this new website, Town Line has access to professionals they can rely on through the vendor. Internally, a long-time staff member is knowledgeable about the e-commerce platform they use, so he is able to help with quick fixes and updates.

"The vendor we work with, they're great, especially if you're just starting out," Zigelbaum says.

Looking into the future, Zigelbaum says a top priority is establishing a system that allows him to link his POS information into his e-commerce site. Town Line Wallpaper & Paint is in a very

saturated market, with 14 stores within a 5-mile radius. For Zigelbaum, that means he has to be very tuned into pricing, and that often means pricing is listed higher online than it is in the store. The current system doesn't allow for multiple tiers of pricing and there isn't a log in capability for customers with accounts to access contractor discounts.

There are also limits on how many products the platform can manage, so Zigelbaum is strategic about which products are listed online.

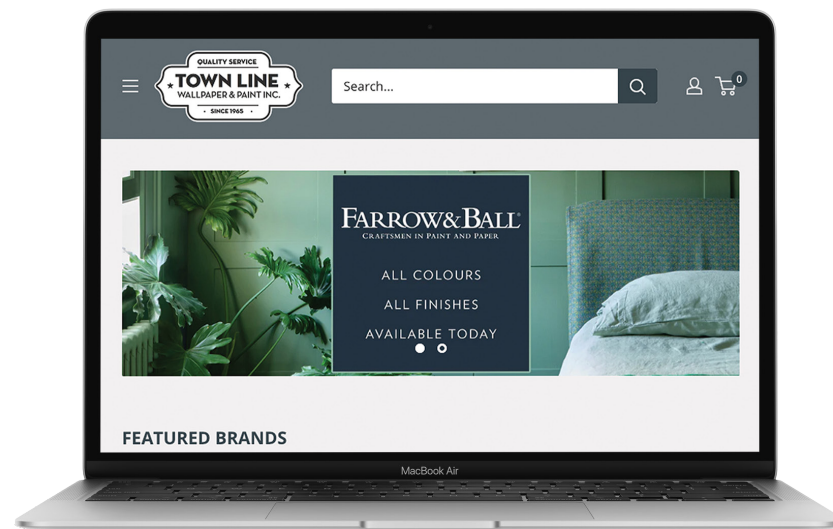
"We put the popular products that we sell every day into the site," he says. "Our contractors buy brushes and rollers online, and they're able to have it delivered, so with that added convenience, the price difference doesn't matter."

Investing additional resources into the store's online presence is a moderate priority for Zigelbaum over the next few years, but he says it's important for retailers to make sure they understand what goes into maintaining an e-commerce site before they take the plunge. He recommends having the right team and systems in place from the start to be successful.

"You do need to have somebody there to guide you. You need to have the right POS people, the right e-commerce platform, and you need somebody on the programming side," he says. "We have a marketing company that advises us on digital ads and content. We've used them to avoid disasters, which has been helpful."

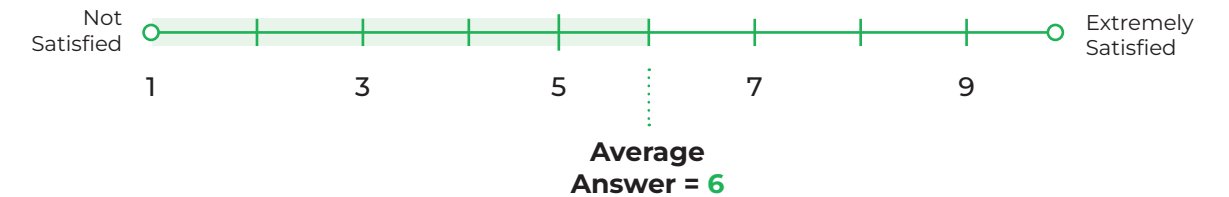
The next phase for how Town Line Wallpaper & Paint shows up online may not even have Town Line in the name. Zigelbaum says some of the boutique brands they carry are some of the best-sellers on the website, and they've explored ways to capitalize on that.

"We may be moving forward with another website that's not branded to our store and will feature only the boutique brands that we carry," he says. "We think there's more opportunity in that segment from an e-commerce perspective."

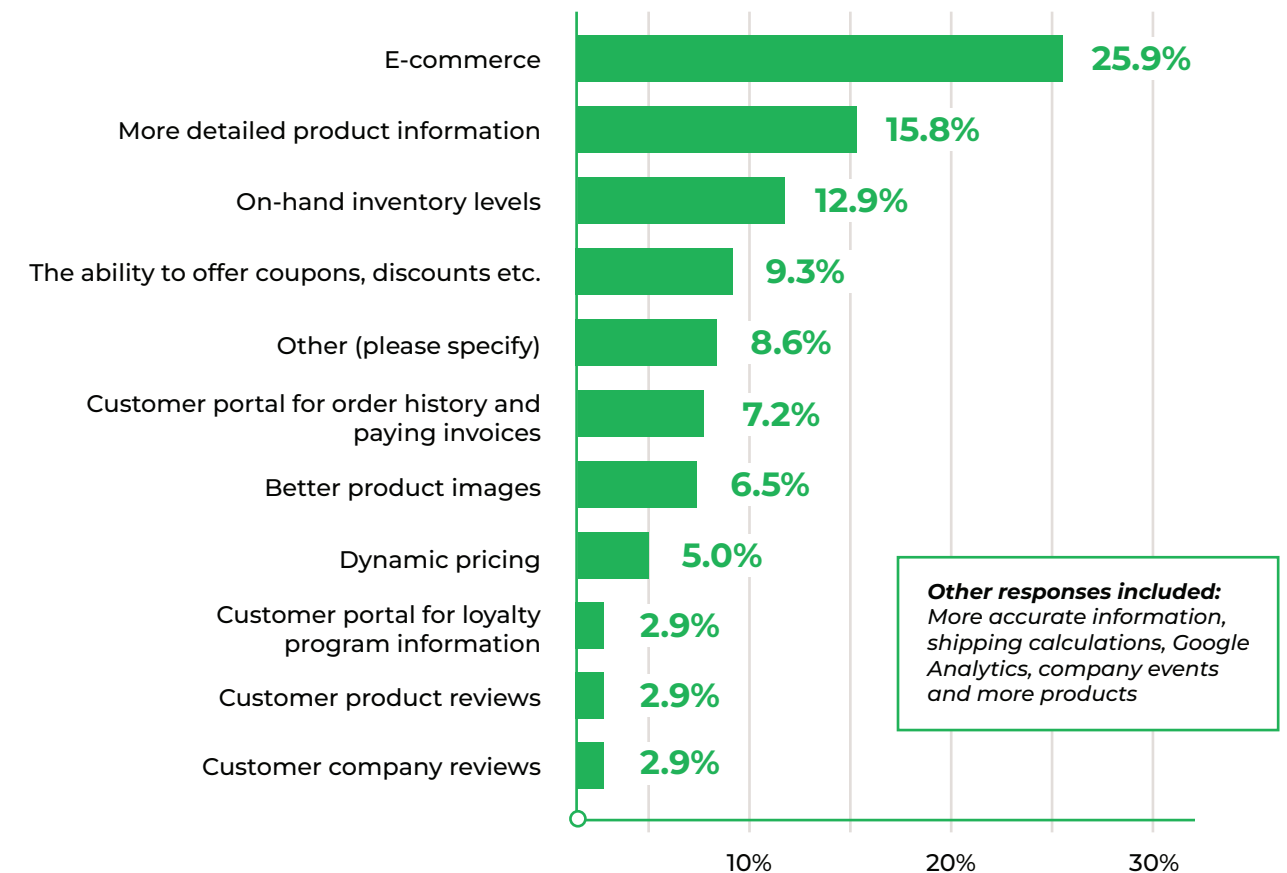


WEBSITE *Satisfaction*

On a scale of 1-10, how satisfied are you with your current website?



Of all the features below, which are you MOST interested in adding to your website?



Other responses included:
More accurate information, shipping calculations, Google Analytics, company events and more products

REAL RESPONDENT *Insights*

We asked respondents to share their open-ended thoughts about what they would like to change about their websites. We consolidated common answers into the top five most common ideas respondents shared, and below you can read actual quotes from retailers. Other respondents expressed a desire to just be able to keep a website current, but they don't have the time or staff necessary. Several respondents noted they want to change everything about their current sites, while others say they are happy with theirs and don't want to change anything.

What would you like to change about your website? (Respondents could provide open-ended answers.)

5 TOP RESPONSES

- 1 | E-commerce
- 2 | Customer log in for loyalty program access
- 3 | Customer log in to access ordering and invoice history
- 4 | Simpler, easier to navigate
- 5 | Real-time inventory



"I want e-commerce and a customer portal. We are very competitive in pricing but people will never know unless they call or actually come in."



"We want a POS system that integrates with our Shopify site so that a customer could see live inventory and their specific pricing along with a loyalty program."



"I would like to have a website where every item in my store is visible and for sale."



"We would like to add a product catalog, but the current cost to do so is too high."



"We want to feature every product found within each store and create more specific product landing pages for key vendors, promotions or events."



"Our website provides very little information. The entire thing needs to be rebuilt."



"Currently, you can search all products available through our distributor. Would like to change it so that it displays whether the product is available in the store or whether it must be ordered and if so, when it will be delivered to the store."



"Better design, more updates, more capabilities like scheduling and making payments to accounts or open tickets."

REAL RESPONDENT *Insights*

TRUE VALUE OF ROCK HILL

The legacy of True Value of Rock Hill goes back further than the store's four-year history.

Co-owner Jay Simpson's father owned and operated a hardware store in nearby Chester, South Carolina, and Alex Dorsey started working at that store as a teenager. The company and the ownership team, which included Simpson's father and another business partner, had spent decades developing a reputation for service, knowledge and overall goodwill.

After 16 years in the business and earning an ownership stake in that business, Dorsey wanted to start his own store. At the time, Simpson had recently graduated from college and wasn't sure what his next steps would be.

"Even though my dad had owned the store while I was growing up, I had no experience in the industry," Simpson says. "But I thought I would give it a shot. It was certainly a big learning curve, but I learned that if you take care of your customers, they'll keep coming back."

Simpson and Dorsey worked with their wholesaler to open up the store in Rock Hill, which is about 20 miles from Chester and about the same distance from big-box competition. Dorsey and Simpson were confident that the reputation at the Chester store would carry over into the new location.

They planned the store's grand opening for April 2, 2020, the same day the state of South Carolina issued businesses to close due to the pandemic.

"We didn't know what was happening," Simpson says. "We probably stayed closed for about a month."

Eventually, hardware stores were deemed essential and the store was able to reopen. In the meantime, Simpson had connected with a local veterinary lab that had started making hand sanitizer. True Value of Rock Hill became the only distributor of hand sanitizer in town, eventually selling over 15,000 bottles. They also started stocking face masks, including handmade ones from area residents. The store also donated PPE and sanitizer to local first responders.

"We kind of became a sanitary shop as well as selling hardware," he says.

Since then, the business has continued to serve the community in unique ways. True Value of Rock Hill typical customers are DIYers over the age of 50 who are shopping for plumbing, electrical and lawn and garden supplies. Homes in the area are about 50 years old in average, so maintenance or repair projects make up the majority of sales. The 8,500-square-foot salesfloor is home to core hardlines products, and there is a power aisle for outdoor power equipment. But Simpson has also forged relationships with local farmers to serve as another place for shoppers to access fresh food. The store stocks frozen meat, raw milk, lettuce and eggs. They also sell canned goods and local grilling spices. Simpson says the raw milk draws people over 30 miles away from North Carolina, which has different regulations around raw milk sales.

The primary way the store communicates to customers about sales, new products and produce availability is through the True Value of Rock Hill Facebook page. The store doesn't have a website, and Simpson says it's not a priority for him right now because they have such a loyal following on social media.

Currently, the store has about 1,600 followers, and each post garners a handful of reactions, comments and shares. A post celebrating Dorsey's birthday received 95 comments.

"We use Facebook as our primary source of advertising," Simpson says. "We try to be very personable. It's very relaxed. We're not just the True Value store, we're people of the community. We're not just trying to make a profit, we have fun too."

Simpson says the Facebook page is managed by a friend of his who stops by the store nearly every day to take photos and find out what promotions and sales are running. The majority of the posts are photos of staff, new displays or even just a simple photo of the store's paint department. The process may be unconventional, but it's working for them for the time being. Simpson also has access to the account and posts as needed.

The next phase of the operation's online presence will be focused on digital marketing. They recently signed up for their wholesaler's digital ad program that uses geotargeting to push ads out to people in the store's service area. Simpson says the goal is that it will boost revenue by \$30,000, and it's managed by their wholesaler, so they don't need to invest time in it on a day-to-day basis.

"We just started it, so we haven't seen results yet, but we wanted to try it to see what it would bring in," he says.

Simpson says the time it takes to set up and manage a website is not something he can prioritize right now. Customers call and ask about a product, and he is happy to place the order for delivery on the next truck, which takes about three days. He says sometimes people call in thinking they are calling a different local store, but he's happy to source an equivalent product and match the price.

To fill the e-commerce gap, Simpson says he considered selling on Amazon, but the fees they would take off the top of the sales made it cost prohibitive.

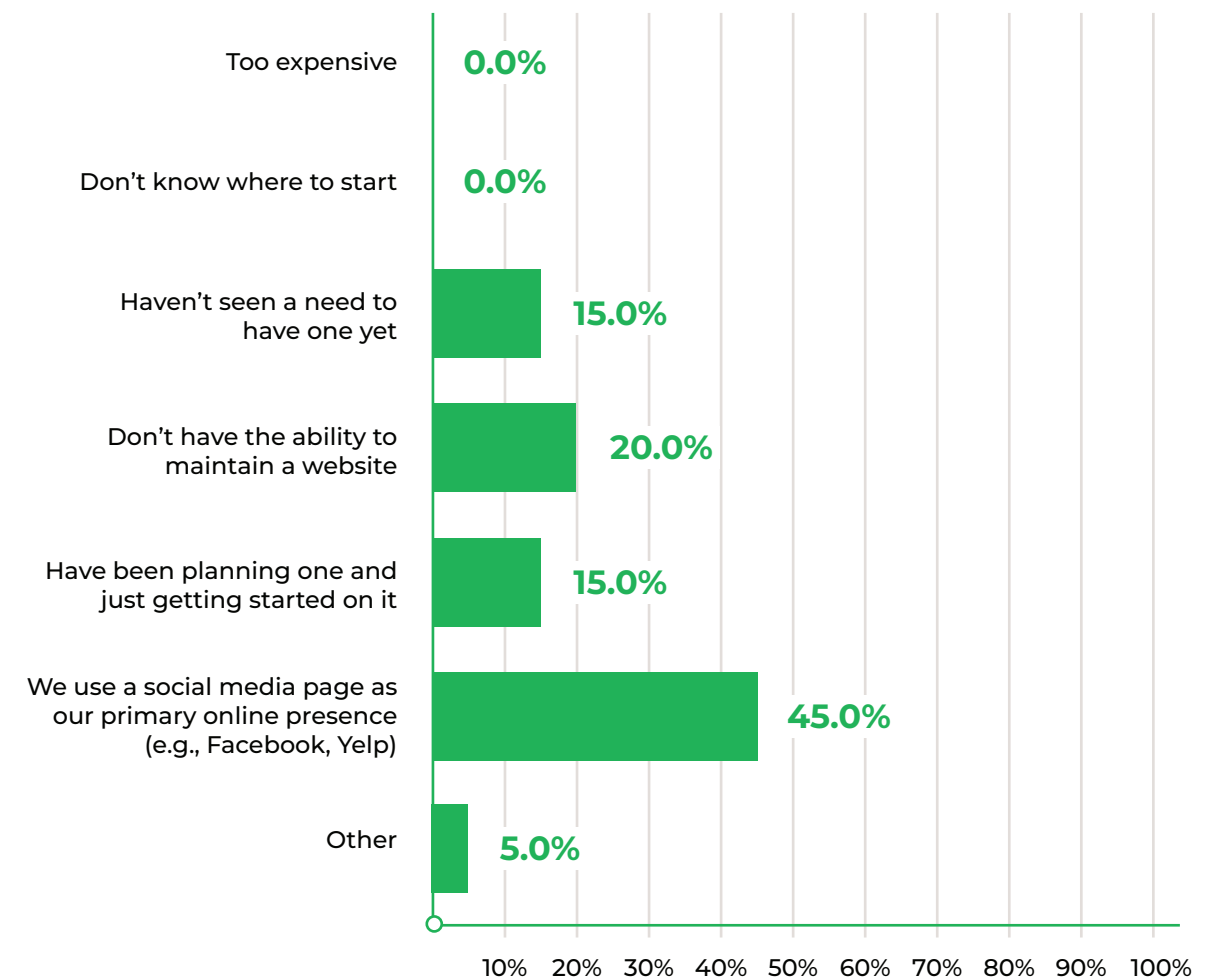
"I'm not against a website, I just don't see a huge need for it at the moment," he says. "We would probably have to hire someone full time to manage it, and that's not in the cards right now."



Jay Simpson (left) and Alex Dorsey operate True Value of Rock Hill with a philosophy rooted in customer service, camaraderie and a good product mix.

RESPONDENTS *Without a Website*

What is the primary reason you do not have a website?

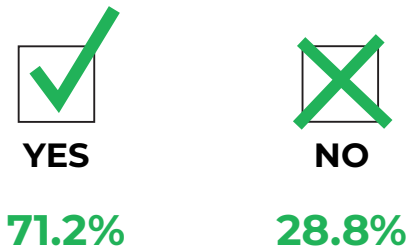


Other responses include: a combination of cost and level of priority

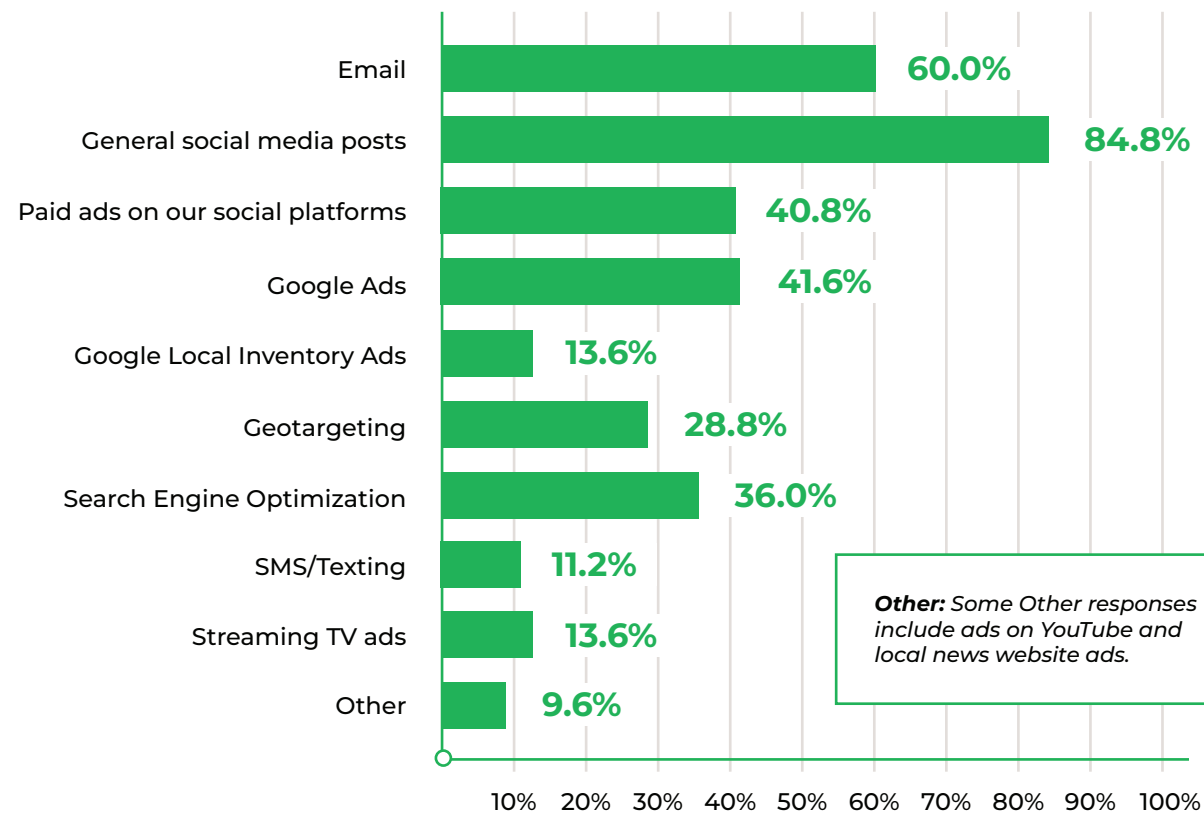
DIGITAL Marketing

The following questions explore how all retailers use digital marketing, regardless of whether they have a website.

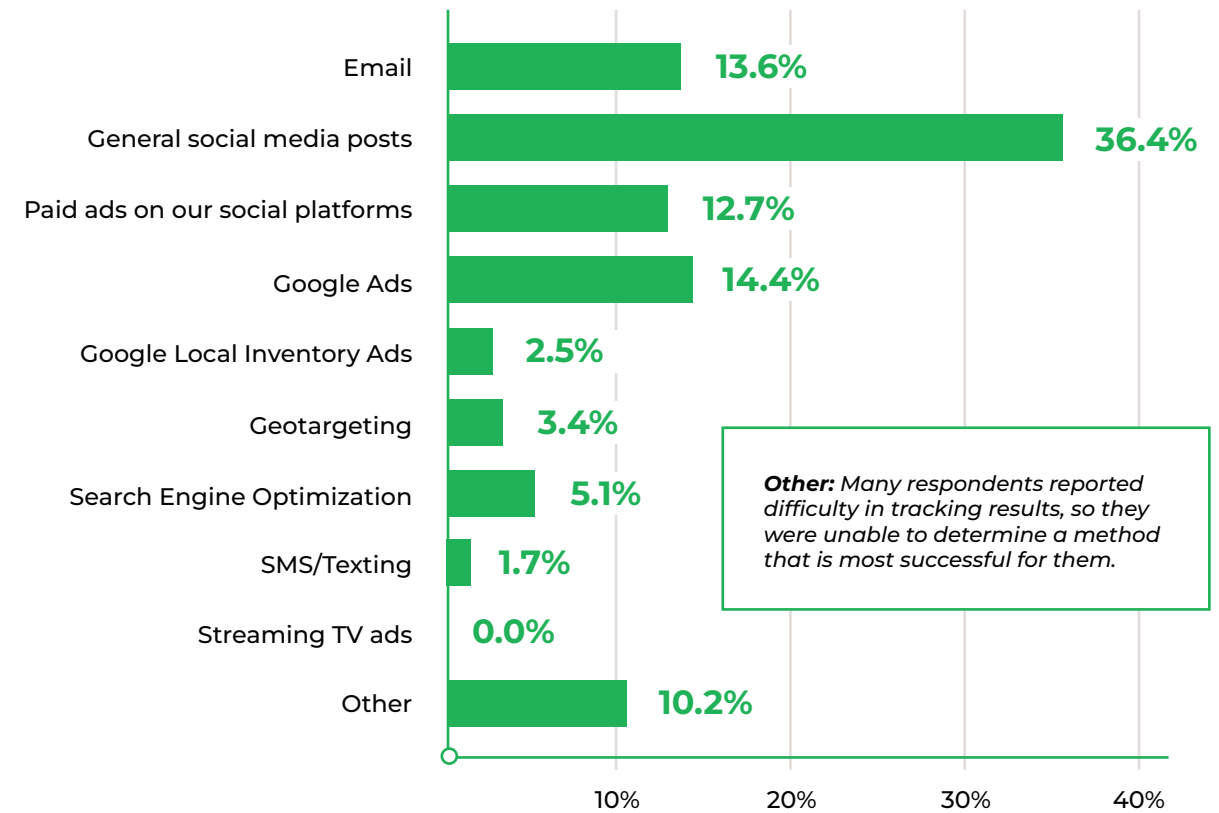
Do you use digital marketing?



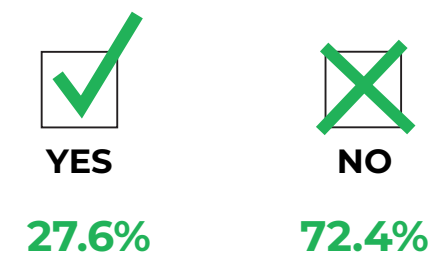
What digital marketing methods do you use? (Respondents could select all that apply.)



Which method do you find to be the MOST effective for digital marketing?



Do you connect your inventory into a digital marketing platform for automated product ads? (e.g., connecting into a platform such as Pointy to push ads to Google Ads or Meta)



What is your monthly budget for digital marketing?



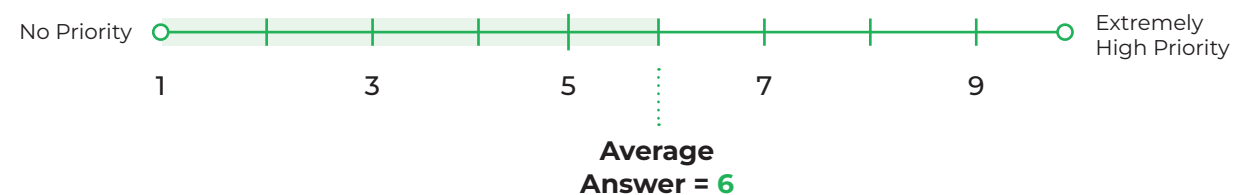
FUTURE Outlook

These questions were shown to all respondents, regardless of their website or e-commerce status or use of digital marketing.

Over the next three years, I will be investing...



On a scale of 1-10, what priority level is your website/e-commerce offering when considering your future plans?



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