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Asian Enterprise Institute



ARC FLOOR
ESTD. 1974

**Sincere, Trustworthy: Arc
Floor Pte Ltd**

Arc Floor Pte Ltd was first established in Singapore as Cheap & Beauty Teak

Parquet Pte Ltd, in 1974. Today, more than 40 years on, the company enjoys a sterling reputation with a name that is synonymous with quality wood flooring.

The company specialises in the supply and installation of timber flooring, staircases, handrails and a wide range of external finishes such as timber trellis, timber screen, timber decking and timber gate. It has access to high-quality imported materials spanning Burmese and Indonesian teak parquet, strips and timber boards; maple, cherry, walnut, bamboo, Indian rosewood and Tasmanian oak, and other types of wood materials. It also supplies and installs numerous types of laminated flooring, engineered flooring and the latest Nordic vinyl flooring. Along with its expansive variety of adhesive, solvent-based and water-based coatings, the SME is able to fulfil the requirements of its customers, thus bringing the aesthetic appeal and practical advantages of wood to all its residential and commercial projects.

Arc Floor's 42-year track record in the construction industry was largely built on a B2B model where it worked alongside major Main Contractors. Some of its notable projects are the statuesque public housing development, The Pinnacle@Duxton, and recent timber skirting works at the new Ng Teng Fong General Hospital.

With a team of professional staff and skilled workers, the company strives to surpass its customers' expectations in every job. The project does not end on the delivery of hassle-free solutions – Arc Floor also provides prompt after-sales service that stands up to its brand promise.

Home is where the heart is

Underfoot but not downtrodden. Lining the edges but not sidelined. Overhead but not overlooked. Whether they are teak parquet flooring, timber skirting or other wood finishes, Arc Floor wants to build a name for itself as it transits from the B2B to B2C segment. In particular, it wants to bring its expertise and superior solutions directly to homeowners, and work hand-in-hand with them to achieve their dream homes.

As there are already well-known players in the market, Arc Floor requires strong marketing strategies that would smooth its path into the B2C segment, rise above the competition, and lay the foundation for sustainable growth. It had approached the UOB-SMU Asian Enterprise Institute (AEI) for an audit of its marketing approach, as well as for recommendations on how it can achieve its objectives. A team of three student-consultants, supervised by an industry veteran and supported by the Institute, undertook the project under the Institute's flagship SME Consulting Programme.

Putting their textbook knowledge to the test, the student-consultants embarked on secondary and primary research to obtain the necessary data for analyses. Having reviewed Arc Floor's current marketing strategies including its repertoire of communication channels and company brand, the team gleaned additional knowledge from online resources such as renovation forums and research studies to ascertain current trends and consumer perceptions. The information provided them with the basis to craft the questions for the online questionnaire.

Primary research spanned on-site visits and audits of the marketing strategies of other flooring specialists for the Competitor Analysis. Face-to-face interviews were carried out to clarify homeowners' perceptions, and the factors affecting their purchase decisions. An online survey questionnaire served to validate the qualitative findings and generate representative findings from the sample group.

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The methodological approach – the hallmark of the Consulting Programme – is a robust one where insights were obtained from respondents belonging to the target customer group, and scientific methods were used to collate and analyse the results.

Warm, welcoming appeal

Through their analyses and findings, the student-consultants were able to determine the unique value propositions for Arc Floor. They considered the information from their research, and the respondents' profiles and feedback; these ranged from the relative importance of various aspects of home renovations to how different homeowners would pick a flooring specialist, and the key factors affecting their final purchase decisions.

The team recommended a strong, overarching brand identity to which future strategies should be aligned in order for the SME to maintain a consistent brand image. The recommended marketing strategies are then built upon the four main pillars of Showroom, Increasing awareness, Establishing contracts with the Housing and Development Board, and a Referral system. The team's report details a series of actionable plans aimed at helping Arc Floor to achieve these objectives.

Directly to customers

When Arc Floor had first approached the Institute, it was looking for "clear and specific marketing strategies" that would give it an advantage over the competitors, shared Sales Manager Ms Rachel Lim. Commending the student-consultants on their "practical recommendations that are in line with management's direction", she said the findings were "systematically presented and well thought-through", thus affirming their value. In fact, the company is currently "in talks with a marketing consultancy to execute the recommendations".

For the student-consultants, the Consulting Programme was an opportunity to "learn as many practical skills as we can, including soft skills". The project enabled them to "learn more than we thought we would have," they said, which enabled them to "stretch" themselves. While they could apply some classroom knowledge to their research, they also had to constantly adjust their recommendations according to the insights garnered from their data and industry knowledge. "We faced various challenges and had to use different methods to tackle each of them. As SMEs face budgetary constraints, we also had to think out of the box to come up with solutions that are practicable."

Project Advisor Mr Paul Teo complimented his charges as being "eager learners who are also very thorough in their market research. As such, they were able to apply well what they learnt academically and provided practical solutions to the SME".

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