

THE DISRUPTORS

Doing it themselves

DIY is the focus of the first article from Retail Week's new 'The disruptors' series, which looks at the businesses creating waves across retail. **Emily Hardy** reports



Australian DIY giant Bunnings began its assault on the UK DIY scene after its owner Wesfarmers snapped up Homebase last year.

Laying down the gauntlet to B&Q and Wickes, it opened two Bunnings Warehouse stores earlier this year and has another handful on the way.

Bunnings' approach to DIY retailing is in stark contrast to the business it acquired. Steering away from Homebase's softer proposition and home furnishings, Bunnings boasts lowest prices, a focus on hard-end DIY products and a sky-high SKU count.

But it has a long way to go yet to transform its 265-unit Homebase estate and gain recognition among UK shoppers.

In the meantime, a string of fast-growing companies are vying to steal market share in the home improvement market and disrupt the status quo.

ManoMano

French home improvement retailer ManoMano has the likes of B&Q owner Kingfisher quaking in its boots. Kingfisher boss Véronique Laury said it needs to ramp up its digital offering in

France because competitors like ManoMano are stealing a march.

The brainchild of two keen French DIYers unhappy with life in the finance industry, the pureplay has taken aim at the category by offering a huge range of products at, it claims, the lowest prices.

As well as offering "20 times the number of items in any DIY store", ManoMano aims to give advice and support through systems such as online chat, in a sector that is largely void of it.

"We were so frustrated by that lack of choice, service and advice and the expensive prices in the stores," co-founder Philippe de Chanville tells Retail Week. "We believed there was a digital solution that could change all that."

ManoMano launched initially in France before expanding into the UK in 2016, where sales reached £4.4m in its debut year.

"It made a lot of sense to target the UK because the British are early adopters of online," De Chanville says. The firm also recently entered Germany. "Finally this vertical is going to be digitalised in Europe," he cheers.

Late to the party, only 5% of DIY purchases are currently made on the internet, because

traditional retailers have "underestimated the scope and size of the online DIY market", according to De Chanville.

The ManoMano boss is adamant that another 10 to 15% of sales will shift online over the next few years and hopes it will benefit, particularly given how slow both Bunnings and B&Q have been to adapt.

Bunnings only recently confirmed it would launch a transactional site in the UK – a channel the Australian firm has previously deemed unnecessary.

With 13 in-house data scientists, ManoMano would sooner describe itself as a tech company than a retailer, but according to De Chanville the sector has left ample space for its invasion.

Crocus

Until recently the very idea of buying plants and flowers online was scoffed at.

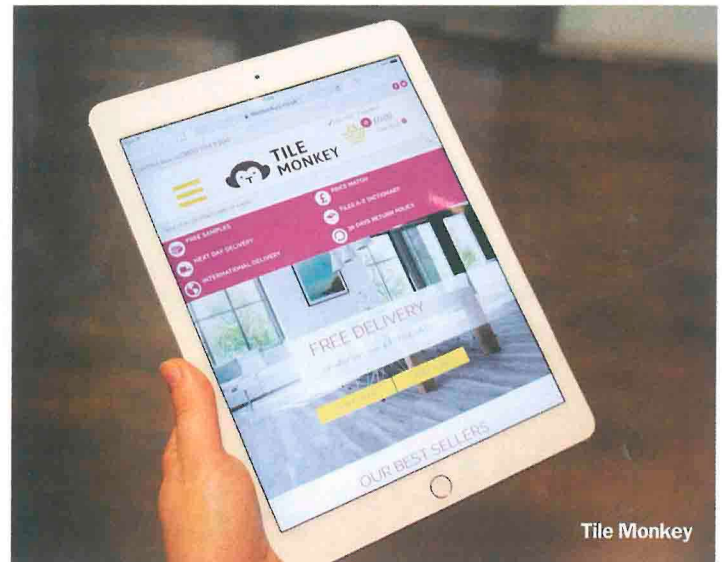
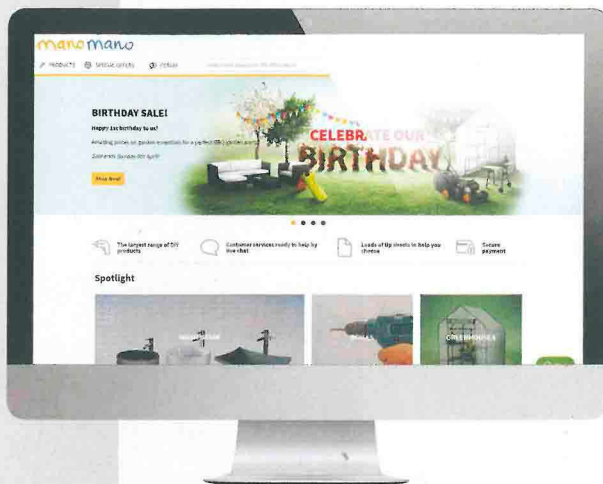
But, given Dobbies has now partnered up with Ocado to upgrade and expand its online proposition, there's clearly a demand for it.

Crocus co-founder Mark Fane certainly thinks so and got in the game early, launching in 2000 right at the start of the online revolution.

Read more about the DIY and
homewares sector at
Retail-Week.com/DIY



Left: ManoMano founders Christian Raisson and Philippe de Chanville



Tile Monkey



Crocus co-founder Mark Fane

We were so frustrated by that lack of choice, services and advice and the expensive prices in the stores
Philippe de Chanville, ManoMano

Fane, like the founders of ManoMano, was an enthusiastic hobbyist frustrated by the limitations of what traditional gardening retailers had to offer.

"Over the last 10 to 15 years, garden centres have become less about plants and more about coffee and cake," he grumbles.

His reaction was to launch Crocus, which boasts the largest selection of plants in the UK, an intuitive 'Latin-free' pathway to help novice plant buyers find what they are looking for and a five-year guarantee.

He acknowledges that the business suffered a slow start: "A lot of people want to touch and feel their plants so were nervous," he admits.

But, over the last five years, Crocus has enjoyed significant growth – from £8m to £17m in sales.

Gardening is still behind other sectors in terms of online adoption, but there is enormous potential, Fane says.

He believes online penetration will grow from its current low base, to around 25 to 30%.

Crocus has taken a step back from plans to expand internationally because, as Fane explains, "product is 20% more expensive" since the Brexit vote and the pound's slump.

However, the business has ploughed ahead with solidifying its three-channel strategy, consisting of a website, catalogue and hosting regular nursery open days.

And, while also making moves towards a click-and-collect proposition, Crocus is set to launch its first physical garden centre this autumn, although Fane is remaining tight-lipped on its location for now.

Tile Monkey

Tile Monkey is one of a number of small online players hoping to take on the likes of Topps Tiles and Wickes and fuel a revolution in tile retailing.

The site, which launched earlier this year, sells a range of tiles and tiling accessories, promises to beat any like-for-like quote and offers a range of delivery options and a 30-day returns policy.

Tile Monkey is based on the same model as its fast-growing sister company, Luxury Flooring and Furnishings, which Leeds-based owner UK Trade Furnishings Limited launched four years ago.

The retailer can afford to offer low prices by avoiding the rates and rents that come

with having showrooms and stores, instead sending free samples to interested browsers in the post.

Tile Monkey and its counterparts are taking on market leader Topps Tiles at a time when its sales are slowing.

As the housing market stutters and consumer confidence remains volatile, its new online rival, dubbed the "cheapest flooring company in the UK", could potentially gain some ground.

Although it's very early days for the disruptor in an extremely competitive space, co-founder Cameron Christie says the site has thousands of visitors each week and is rapidly gaining traction.

"Within a year, I'd expect we'll be sending out thousands of tiles a day," he says.

While the online penetration for floorings sales remains low at present, as with other categories in the home improvement space, shoppers are slowly but surely migrating across to the web.

"We know that the industry is a competitive one, but we aim to mirror the success of Luxury Flooring and become the go-to place for tiles," Christie says. **RW**