

Gallery Furniture Blends Tech and Touch

AI-driven marketing platform helps furniture brand connect with customers

by JULIE KNUDSON

Jim McIngvale is proof that the retail furniture business encompasses more than furniture — and more than retail. Known throughout the community as “Mattress Mack,” the owner of Gallery Furniture in Houston has been building a reputation since the early 1980s for superior one-on-one service with a side dish of friendly.

His deep, genuine connections with customers have made him an icon in the area, and visitors regularly track McIngvale down as he travels between the brand’s three Texas locations. They greet him as they would an old friend, when they aren’t gushing like fans. Many ask for a quick photo and he’s always keen to oblige. There’s ample reason for this goodwill between McIngvale and his customers, and it isn’t all about selling furniture.

COMFORT AND HOPE IN THE EYE OF THE STORM

As Hurricane Harvey unleashed its fury on Houston late in the summer of 2017, McIngvale’s long-standing commitment to his community provided some much-needed light during that very dark time. He saw the devastation around him and knew he had to do something.

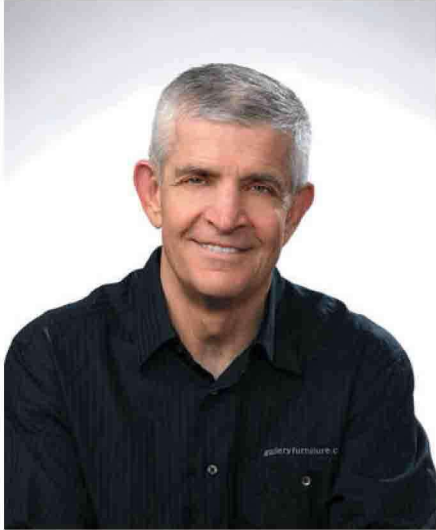
“When the hurricane hit on Sunday and all hell broke loose, I was at the store,” he says. McIngvale’s son, who handles the company’s technology infrastructure, was in Dallas at the time, but the two quickly put together a Facebook Live event to connect with those impacted by the storm.

“We opened our stores for refugees,” McIngvale says. They also used the company’s trucks to help save numerous people stranded by the deluge of rain.

“We rescued people all day and night.” Those forced to flee their homes found warmth and comfort, beds and meals, and a hearty welcome in the showrooms of Gallery Furniture.

Long-established brands sometimes worry that high-tech tools might erode the high-touch approach they’ve worked so hard to build. Forward-looking retailers, such as McIngvale, are increasingly finding ways to bring the two strategies together with tremendous success.

“Technology is definitely a barrier to communities, but at the same time it can be used to create communities,” he says. Gallery Furniture’s deft use of social media in the face of Harvey’s rampage bore that out, with the brand’s videos and posts receiving millions of views.



“Technology created a community there and it was incredible,” McIngvale says. Driven by connections on Facebook, Snapchat, the retailer’s website and its newly implemented automated marketing platform, Albert, that deep sense of community continued into the holiday season: “We had a feast here on Thanksgiving Day with 6,000 people,” McIngvale says.

OLD-SCHOOL MARKETING GETS A HIGH-TECH PUSH

Albert is a recent addition to Gallery Furniture’s arsenal of marketing and customer outreach platforms. Developed to maximize results using artificial intelligence, the system has been an effective tool in what McIngvale describes as a historically spray-and-pray approach to advertising.

“I grew up in the analog age with radio and TV,” he says, though his traditional beginning hasn’t hindered McIngvale’s ability to adapt. Gallery Furniture’s digital presence was already robust and thriving, but after reading that Harley-Davidson — another long-time brand with a fiercely loyal following — had seen good success using Albert, McIngvale decided to bring it on board.

Keeping up with the data demands of running campaigns across multiple social channels — combined with search engine optimization and other online efforts — can be difficult. Doing it in a meaningful way sometimes seems nearly impossible for retailers struggling to innovate.

“They’re doing everything they can to get by, but creative and strategy are taking a backseat to gathering, analyzing and acting on data insights,” Or Shani, CEO at Albert, says of digital marketing teams caught in today’s always-connected, information-heavy retail environment.

“A real pain point for retailers is, how do they compete online without sacrificing their brand and competing on price?” It becomes an even bigger dilemma if a brand finds itself up against major retailers vying for the same clientele. “They want to bring their customers back to their own online or in-store properties, so that they can establish a direct relationship with them there,” Shani says.

That’s where Albert and its powerhouse AI fit into Gallery Furniture’s marketing strategy. The retailer already enjoyed a solid customer base, but Albert allowed them to fine-tune their marketing efforts much more effectively.

“Our furniture may be more expensive,” McIngvale explains, “but when you target people who value jobs for Americans and the kind of quality that will last, and when you have the right leads matched with the right merchandise and the right marketing, everyone is happy.”

Along with homing in on customers, Albert’s lead generation features also enabled Gallery Furniture to better educate potential buyers on the multiple products lines available, giving them another level of engagement with patrons and providing an additional avenue to help identify quality leads.

FINDING A PARTNER IN AI

The team at Albert helped Gallery Furniture through the setup and launch process. “We provided them with the ad campaigns and they get the eyeballs and get us the leads,” McIngvale says. “Then it’s up to us to follow up.”

Because Albert’s algorithms are closely aligned with the brand’s marketing goals, McIngvale says the leads coming out of the system have been tremendous and the customers Albert has identified are exactly what his team has been looking

for. “Albert can target, that’s the great thing,” he says.

A successful deployment of any marketing solution requires a commitment to doing some necessary legwork if a brand wants to get the best results. Shani says retailers first need to define their strategic goals, key performance indicators and other parameters. “Albert is autonomous, but he will only act upon the strategic direction his users provide him,” Shani explains. That includes everything from conversion goals to budget and creative content. Putting this framework in place will also help the retailer better define and control the direction of each marketing initiative.

Retailers should also be prepared to input other information into their AI-driven market platform, too. “First-party customer and campaign data is fuel to AI systems, giving it a strong base for optimization and new audience finding,” Shani says.

Feeding a lot of creative material into the system is crucial, and will go a long way toward avoiding what Shani calls “creative fatigue.”

“Albert will ask the AI operator for constant production of new, highly engaging, creative material — based on insights into what type of creative is most effectively converting customers — to keep campaigns fresh and highly optimized at all times,” he says.

HERE COME THE LEADS

With Harvey’s destruction still fresh and many in the area needing replacement goods from cars to couches, Gallery Furniture was perfectly positioned to comfort and support its neighbors as people began to put their lives back together. Now that normalcy is beginning to return to the area, Albert continues to produce good results by helping connect McIngvale’s team with a targeted pool of prospective customers.

“The leads have been tremendous,” McIngvale says. “We never really had a lead team until we started Albert.” Now Gallery Furniture is receiving nearly 40 qualified customers daily, a volume that’s far beyond what the brand was



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accustomed to seeing. “The biggest problem is doing a good job of following up on all of these incredible leads because they’re coming in every day,” he says. “We need more people in our lead processing room.”

McIngvale used to review many of the leads himself, but says now he just doesn’t have time to get through them all. Albert’s targeted lead generation has been so successful that the team at Gallery Furniture is considering ways to use AI to improve their follow-up activities, too.

This realization that a function needs to be added or beefed up — lead processing in Gallery Furniture’s case — isn’t uncommon. Shani says retailers “should take into account that adopting an AI marketing solution will often mean a

restructuring of the team and resources.” He points to Harley-Davidson’s deployment of the platform and the brand’s need to create a six-person call center to manage the number of sales leads that came in as a result.

Organizations could also find that operational changes soon follow. “While the AI machine is taking care of all the time-consuming data tasks, the marketing team will now be able to focus on higher-level tasks such as the strategy and creative,” Shani says, pointing to just one example where retailers are likely to discover their internal needs are evolving.

It’s important to note that AI is one component in a broader strategy. Leading-edge platforms often produce new insights that retailers may not have had access to previously. “It is then up to the user to know how to translate what comes out of the system for the business and future marketing activities,” Shani says.

Skilled analysis and thoughtful action will continue to be cornerstones of any retailer’s toolkit; he adds that his team is training clients on the use of AI so “they can take the system’s learnings and insights back out to the organization and have higher-level, more strategic conversations about the business and what to provide Albert the next time around.”

MORE TECH AHEAD

With a highly successful Albert implementation in the bank, McIngvale is on the lookout for other technology solutions that may give the business an additional boost while continuing to reinforce the close bond Gallery Furniture has with its customers.

Chatbots have recently caught his eye. “You need to talk back to customers,” McIngvale says. Once a lead enters the sales funnel, it sometimes takes many weeks for them to view and evaluate furniture online before they’re ready to buy. “You have to communicate with them throughout that,” he says.

He sees some potential pitfalls with chatbots and expects there will be hiccups along the way, but, “We need to talk to these people.” As the technology improves over time — and as Gallery Furniture’s skilled sales team tweaks the machines to suit their needs — McIngvale expects to see good things in the end. “It will enhance our ability to serve Albert’s great leads better, and it will reduce the friction between getting leads and following up on leads.”

No matter how AI and other tech tools are molded into the Gallery Furniture marketing strategy, staying true to the brand’s roots continues to be a focus for McIngvale. He knows his customers care about more than advertising. “The whole function of marketing and giving back here locally, it has been tremendous for us, but that’s not why we do it,” he says.

Most people who purchase from McIngvale’s stores tell him they’re there because of the good things he and the brand do for local neighborhoods. “So how do we expand that through Albert, to reach people who believe, along with us, about doing things in our community?” he asks. Forging that first connection with those key customers is where AI marketing can help. “Those people who believe that will buy from us,” McIngvale says. **STORES**

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