

Selling Refurbishing Addressing Common Concerns

Refurbishing is no longer a new idea. Surveys show that about on half of all facility managers already use refurbished, remanufactured, and “as-is” used furniture in their buildings. It’s the other 50% of facility managers who make my job as a refurbisher challenging. Or rather, I should say, it’s the upper management and employees at the facility managers companies who challenge the concept of recycled office furnishings. Most facility managers are well aware of the factors that make remanufactured panel systems and furniture a compelling choice: short lead times, competitive pricing, flexibility, high quality standards, and recycling.

The rightsizing and retooling of the American corporation has placed a huge volume of used furniture and panel systems on the market. Restacking companies are abandoning tremendous amounts of furniture, just a few years old and in great condition. Thus, facility managers looking for used product have many furniture choices among top manufacturers and popular lines. This gives them flexibility and options that didn’t even exist five years ago.

It’s a well established fact that savings realized through the purchase of refurbished furniture are substantial. Facility managers can save their companies 30% to 50% by purchasing remanufactured product instead of new. Small and midsize companies that do not have the purchasing power to qualify for the discounts received by large corporations find the benefits of recycled furniture especially attractive.

Still, 50% do resist, and I’ll tell you why. I’ll also tell you what my company advised facility managers who face resistance within their own organizations.

WHY NOT CONSIDER RECYCLED?

Many facility managers find they have a selling job when they sit down with designers and department heads and propose the recycled route of furniture purchasing. Some individuals seem to refuse to consider recycled furniture at all. In them we recognize the person who would never drive a used car, borrow another person’s golf clubs, or perhaps even live in a house they didn’t build themselves.

This comparison may seem a bit extreme, but it is really a parallel idea. Our cars and our homes are intensely personal items, and so is our furniture, even our office furniture. In fact, many of us spend up to a third of our lives, and some people even more, in our offices. Thus, offices become our home away from home. Personal issues regarding property don’t evaporate at the company front door; they sometimes intensify. We have run into facility managers who tell us flatly that their companies do not buy used furniture, and we have to concede that some people are not ideal candidates for the services and savings we offer.

But, the facility managers who think status might be the main issue with the company’s decision makers should simply ask, “why not?” when department heads seem to have no concrete objections. This may or may not draw out the real objection, but it will allow the facility manager to shift the selling focus to the many reasons in favor of recycling such as price, availability, and so on. The fortunate facility manager, however, will unearth concrete objections that can be dealt with individually. What follows is an

explanation of the most common objections we run across from professionals in the business.

FEAR OF THE UNKNOWN

Concerns about quality are frequently voiced. “How do we know what we’re going to be getting?” and “Is it going to be junk?” have been asked of our salespeople more than once.

The first rule of purchasing is to know your supplier. Facility managers may network with peers or consult sources in the facilities industry to get the names of reputable remanufacturers. When qualifying a supplier, the facility manager should consider several factors. The more research done, the better. (For more on selecting a quality refurbisher, see the Services and Maintenance article, “Refurbishing,” in the April issue of Today’s Facility Manager.)

Some decision makers question whether a remanufacturer can provide merchandise that will be as good as new furniture or compatible with the existing typical. Refurbishers can now match finishes, fabrics, and colors that will duplicate a company’s existing furniture and panel systems. Today’s remanufacturing processes do not change the structural integrity of furniture; they update the finishes to current specifications. Improved process technologies have brought remanufactured products to a higher level of quality. Surface preparation, high quality paints and their application, and a baked-on finish are all contributing factors.

Of course, many clients are satisfied with the small imperfections found in as-is merchandise because of the greater discounts. Over the years, my company has had many successful experiences buying and reselling high quality as-is projects. Walkthroughs and videos provide facility managers the opportunity to view the furniture and then design their facility according to available product. This results in even greater savings since the product can be shipped directly from the source to the customer. And, just like new, recycled furniture is fully depreciable.

THE MOCKUP SOLUTION

Sometimes objections regarding quality do not come from company managers, but from the employees who will use the recycled furniture and panel systems. After all, they’re the ones who will spend a third of the lives with it. Often, lack of knowledge is the basis of their objections and uncertainties.

One surefire method of demonstrating the quality of furniture is to have the remanufacturer install a mockup of the panel system at your facility. Then employees can see and feel for themselves that the layout, color scheme, and quality are suitable for their needs. Nothing relaxes fears or allays doubts better than a hands-on preview.

It can be demonstrated to employees that the company’s decision to save money is a protection of their jobs, not a threat. With the indiscriminate spending by corporations in the last decade and the downsizings that has resulted, employees may be more open to the idea of recycled furniture if they see that their company is acting in a conservative, fiscally responsible manner. It should be pointed out that the company is cutting costs, not quality, and the money saved will benefit employees in the long run.

SERVICE FACTORS

Other decision makers' skepticisms about recycled furniture involve service factors. These include such issues as scheduling, shipping, installation, and ongoing commitment. Again, the facility managers advance work goes a long way in making a remodeling project proceed smoothly and efficiently.

In the quickly changing business world, facility managers are often faced with the sudden, immediate need for furniture. Remanufactured and as-is furniture offers a much quicker turnaround than purchasing new. Generally, the lead time for new furniture is eight to twelve weeks. Remanufacturers with large on-hand inventories can dramatically reduce delivery time to within two to four weeks.

Scheduling the delivery of an installation can be a challenging aspect of the remodeling process, because the remanufacturer must often coordinate two schedules; the source of the furniture and its delivery to the end user. Naturally, the end user wants the speediest delivery possible. It bears repeating that it's important for the facility manager to know that the remanufacturer owns the product.

A dealer should work hard to get its clients the least expensive and best qualified shippers. If the dealer you have chosen does not have their own installation staff, the remanufacturer should be willing to assist in locating and hiring a reputable professional installer.

The dealer should also be responsible for coordinating the product's arrival at the facility with the installers and should be instrumental in seeing the project through to completion.

The commitment of a refurbisher may be judged by how quickly and completely the punch list is handled. Facility managers who have done the upfront research on the suppliers will not be disappointed.

POLITICALLY CORRECT

The final rationale in favor of remanufacturing is probably the most important one. The earth's resources are limited; every company should be recycling and that doesn't just mean paper. I feel very strongly that we share ultimate responsibility for the environment. Facility managers have a special opportunity to encourage their firms to be environmentally and socially responsible through the recycling and reuse of furniture. A bonus of such a company policy is that it is politically correct and socially responsible.

Facility managers may have to work a bit harder to make the case for remanufactured furniture and they may have to be on their toes as they work through remodeling projects. The tradeoff is the better use of budget dollars with no compromise in quality and the preservation of our earth's natural resources. In this way, everyone comes out a winner!