



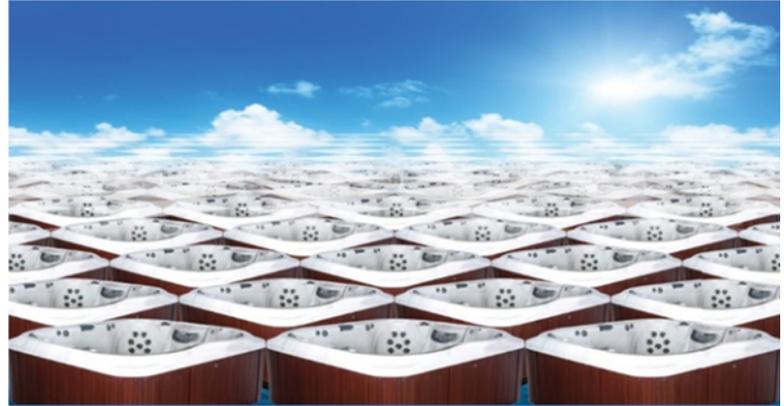
# Thousands, Yes Thousands, Can Be Sold!

## Data shows customers are shopping and ready to buy.

### What Data, and How Accurate Is It?

According to the September 2019 issue of Aqua magazine, citing data captured from PK Data, an Atlanta based market research and consulting firm that has tracked the hot tub industry since 1992, there is significant consumer interest in hot tubs today. Unfortunately, the industry is losing 85% of would-be buyers!

Bill Kennedy, president of PK Data, recently completed a new study of higher income households, dividing them into two cohorts; Potentials, who said they have recently considered a hot tub purchase and Doubtfuls, who said they have not considered a hot tub for whatever reason. Results showed 23.5% of the



entire sample ended up as Potentials! There are about 58 million socio-demographically qualified households residing in a single family detached dwelling, earning over \$50,000/year who do not already own a hot tub. 23.5% of that total is approximately 14 million! Yet over the past 5 years, only an average of 206,000 hot tubs were sold in the US. So, why are we not capturing these buyers?

### Who Are Potential Buyers, and How Do I Sell Them?

Of the 14 million Potentials, 20.4% said they are “likely” or “fairly likely” to look for a new hot tub in the next two years. That is 2.9 million over 2 years, or about 1.5 million in the next 12 months! About 15% of these prospects convert to buyers per current industry figures. If sales volume was to increase by 5% of those potential buyers, that would be an industry total of 300,000, 25% over what our industry is now selling! How do I attract the Potential Buyer who is already thinking of a hot tub purchase?

**SOLUTION:** Stay in front of them. Advertise. Provide stellar customer service. Word-of-mouth is the cheapest, most effective means to future sales.

### Can Potential Buyers Find You?

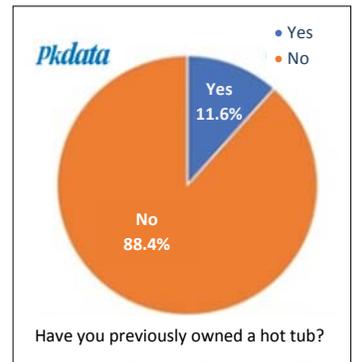
Of all potential buyers in the sample, only 27.1% could spontaneously name at least one hot tub retailer in their area. Remember, these are people already in the market. And yet, three quarters of them have no retailer brand knowledge.



**SOLUTION:** Get your name in the market! Year round branding is a must. Do not stop during the off season, customers need to be reminded so they choose YOU when they are ready to buy.

### How Do Doubtfuls Become Potential Buyers?

Further into the survey it developed that nearly four in ten potentials have used a hot tub in the past 12 months with the top two venues being using a hot tub at an acquaintance home, at a hotel or resort. Enjoying the experience of a hot tub counts for a lot and this includes water test areas in showrooms. There needs to be more of that offered in our industry.



It also showed that 11.6% of Potentials had previously owned a hot tub and were back in the market. Re-purchasers become a core constituency, acting as advocates for those yet on the fence. Word-of-mouth still counts for a lot even in the internet enabled age, especially with a high ticket item like a hot tub. In the same survey, “Advice of Others” (owners) was the second leading source of information about hot tub ownership; 25.4%.

**SOLUTION:** Carry a hot tub brand with proven performance and customer service. When the customer moves or decides to upgrade / replace, they come back to the same quality brand and the retailer who offers it. Get testimonials from your customers to share with Potential buyers. Offer a referral program to capture friends of new owners, many having experienced the joys of a hot tub at the new owner’s home.

# 1.800.451.1420