Embracing Change: How Texting for Business Helped Johnstone Organizations Increase Revenues and Generate Efficiencies



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JOHNSTONE SUPPLY



Johnstone Recognizes the Need for a Texting Solution

Over the past 10 years, a growing number of Johnstone contractors started utilizing text messaging as their primary method of communication with Johnstone, placing orders, asking questions and sending images to the company via employees' personal phones.

As the number of contractors texting Johnstone employees grew, Johnstone saw an opportunity to serve their contractors in a way that made the most sense for their contractors out in the field. The solution embraced the ease-of-use of texting while simultaneously giving the redundancy, record-keeping and cross-functional access a business needs.

Johnstone Connects with ProKeep

In early 2018 Johnstone was approached by ProKeep, a messaging platform designed specifically for distributors, to show a product demo that illustrated the value of texting for distributors. ProKeep was founded in 2015 and has quickly grown to serve over 500 distributors across North America. ProKeep enables phone numbers to receive text messages and display them through an intuitive, clean, cloud-based interface. ProKeep's design and attention to customer service made it the ideal solution for Johnstone to assess their needs for a company-wide messaging platform. When contractors text into the company main number, their messages are channeled into the organization's ProKeep interface. Then counter staff can respond to contractors via text in real time, updating contractors on product availability, service times, sending files, and the like. By early 2019, over 40 Johnstone member organizations had rolled out ProKeep.



The Role of Text Messaging in Wholesale Distribution

Wholesale distribution companies deal with a rapidly changing contractor base that increasingly adopts and relies on new and convenient technologies throughout their personal lives like Uber and Netflix. These same expectations of immediateness and convenience, prevalent in the consumer world, are surfacing in the business world as well.

With the proliferation of mobile devices, text messaging has increasingly become the preferred way of interacting, with 98% of people texting at least once a week. Its simplicity, convenience and decoupled nature make it a preferred way of sending someone a short note from anywhere that can be responded to at any time.

Texting became the natural medium of choice for those in the construction industry, as they are often outside, in the field, and can fire off a quick product request before moving onto the next part of their project. Texting is so prevalent that, in fact, Americans exchange twice as many texts as they do calls.

Younger generations are entering the workforce, and as digital natives, are very comfortable with text messaging — even more so than speaking over the phone. Very few own actual landlines. As this generation enters the construction industry, their preferred communication method will increasingly reflect that with which they are familiar.

With these technological and demographic changes underway, text messaging is proliferating in the wholesale distribution industry like wildfire. Contractors are texting distributors' employees personal phones, realizing that the convenience of communicating via text is more important than calling in, being placed on hold and waiting for whatever information they're seeking.

Aside from the poor contractor experience, additional problems emerge when contractors continue to text employees' personal phones. Because the conversation is on a personal level, the employee owns the company's communication history with that contractor. Some employees might go on vacation, be in the warehouse, or put their personal phone on mute during business hours, and the conversation with the contractor goes unheard. Worse, when an employee who has a text history with a contractor leaves the company, that communication history disappears with them. Though the system has its flaws, contractors continue to text wholesale distributors.



Text Messaging Study

In an effort to further understand the value of text messaging in Johnstone organizations, ProKeep gathered feedback from 70 ProKeep users who chose to participate in a study. They shared their thoughts and feedback with ProKeep after using the platform to interact with contractors. Captured in this paper is an analysis using the actual results from the study.

What Johnstone found was a way to communicate with contractors in a way that provided redundancy, record-keeping and efficiency, all while providing a stellar contractor experience.

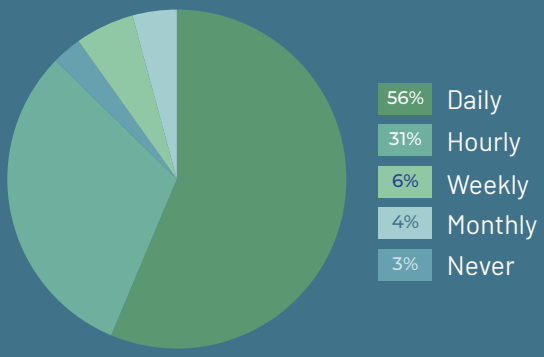
The Benefits of Embracing Text Message Communication

Johnstone Supply contractors quickly took to ProKeep, appreciating that they could use their preferred method of communication with an organization that can support it. 96% of respondents said that contractors felt positively about ProKeep, complimenting the organization's choice of service. "Contractors can work while they wait which definitely trends to the younger guys. The under 35 crowd is super important to attract to this business. It keeps younger guys coming back," said Dean of Johnstone Pleasantville.

96%

of ProKeep users have had a customer complement the service

How Frequently do you use ProKeep?



With high levels of contractor appreciation for the platform, Johnstone users adopted ProKeep quickly as well. 87% of Johnstone users surveyed use the platform daily, with 31% using ProKeep every hour. The simplicity makes it easy for anyone to pick it up quickly. "It's something we couldn't live without! Even guys that aren't tech savvy are using it!" said Eddie of Johnstone Supply Laredo.

Contractors also prefer texting because it's easier, texting Johnstone organizations to send pictures, request quotes, check inventory, place orders or ask technical questions. 82% of respondents indicated that it is likely or very likely that ProKeep has made it easier for contractors to do business with their organization.

82%

of users say ProKeep has made it easier for contractors to do business at Johnstone

Using ProKeep, Johnstone organizations make more efficient use of their contractor communications. 68% of the organizations stated that contractors use text to place orders, as ProKeep directly facilitates revenue generation. With chat history and ProKeep's picture messaging feature, there is a built-in redundancy that promotes accountability. He-said, she-said is a thing of the past. According to Joel of Johnstone Odessa, there are "potentially 20 instances daily that ProKeep has saved about $300 on average. That is $6,000 a day!" On average, ProKeep clears up 7.7 contractor discrepancies per user per month, worth approximately $471 per occurrence. That totals $3,619 saved per user each month!

Top Reasons why Customers text Johnstone

Reason	%
Send Picture	89%
Request Quote	82%
Place Order	68%
Inventory Check	51%
Technical Question	14%

Top Reasons why Users text Customers

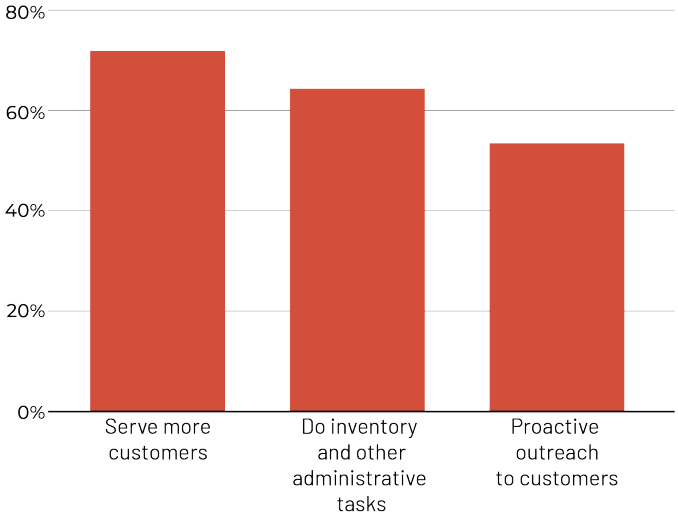
Reason	%
Send Quote	73%
Order Update	65%
Confirm Order	56%
Delivery Update	42%
Respond to Phone Call	41%

As revenue potential comes in, sales opportunities are sent out. 73% of Johnstone organizations surveyed indicated that they use outbound text messaging to send quotes to contractors. It's been so effective that one Johnstone Supply organization increased sales by a seven-digit figure, year over year since adding ProKeep.

From a cost-savings perspective, using ProKeep for texting with contractors is very effective. 43% of Johnstone users state that they save at least 30 minutes per day, with 16% saving over an hour every day. For those that save at least half an hour per day, that's over 125 hours saved every year! With that free time, 72% of the Johnstone users surveyed reported that they were able to serve more contractors. Other uses for the saved time included inventory, administrative tasks and proactive contractor outreach.

Before Johnstone adopted ProKeep, text messages from contractors were often going directly to individual employees' phones. This prevented them from being able to reference past conversations in order to clear up miscommunications, confirm a request or check on an order. "Pictures have 100% reduced he said - she said" said Dean of Johnstone Pleasantville. ProKeep gives Johnstone Supply houses a historical database of contractor text communication: 97% of Johnstone organizations refer back to past conversations at least once a month, while 85% refer back to conversations every week.

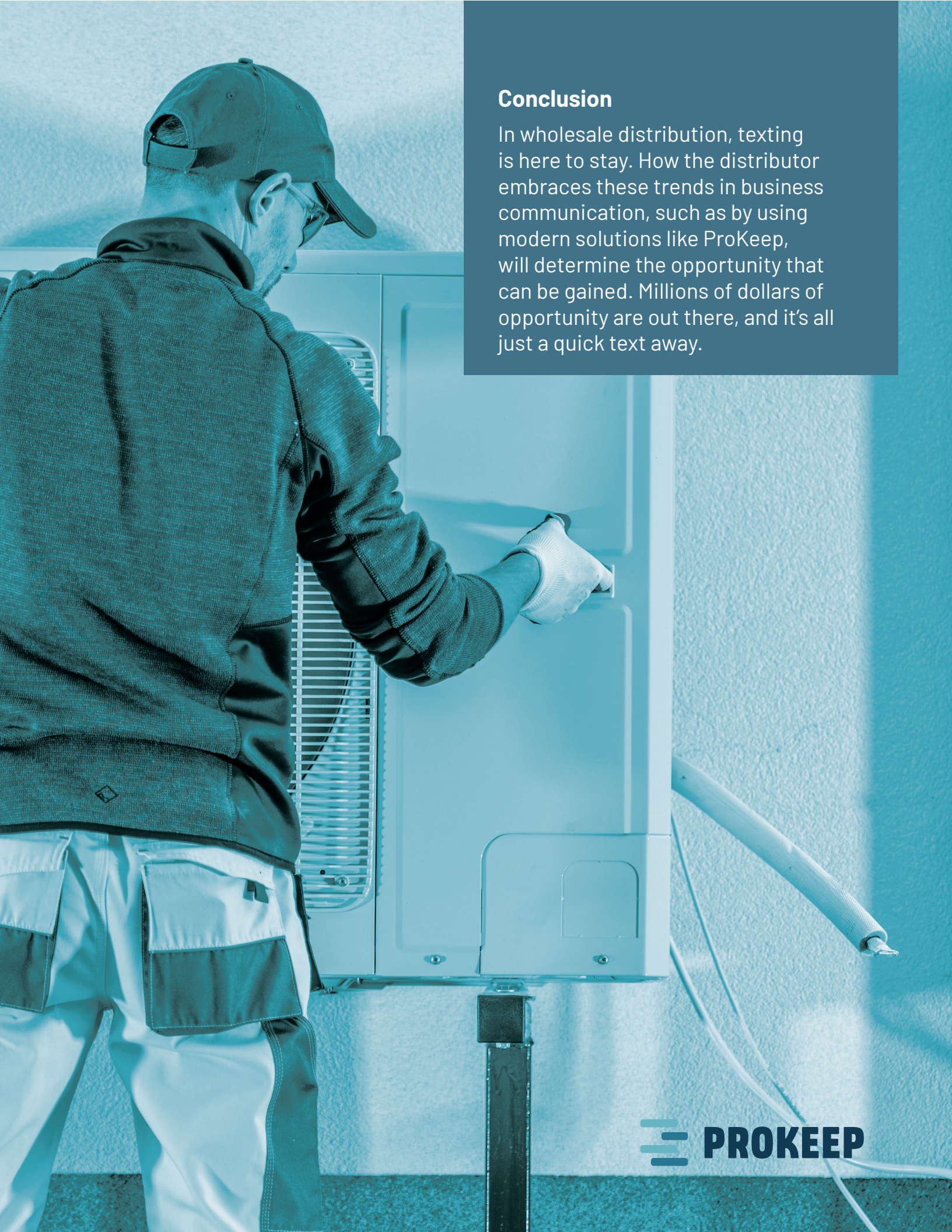
What do ProKeep users do with time saved?



How often do you refer back to past conversations or pictures in ProKeep?

Frequency	% of Respondents
Hourly	4%
Daily	41%
Weekly	39%
Monthly	13%





Conclusion

In wholesale distribution, texting is here to stay. How the distributor embraces these trends in business communication, such as by using modern solutions like ProKeep, will determine the opportunity that can be gained. Millions of dollars of opportunity are out there, and it's all just a quick text away.

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