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Posh + Lavish: Luxury With Purpose

By Gretchen Kast

For retailers looking to revamp or build upon their sales strategies, Posh + Lavish has emerged as a uniquely high-end solution in a market that has become increasingly saturated with low-cost and copy-cat offerings. Rather than peddling convenience and affordability, it has invested to create luxury mattresses, made with natural materials, available only at brick-and-mortar retail. By coupling that with an unparalleled commitment to philanthropy, Posh + Lavish has built itself on a promise of integrity—and today, the company is providing retailers with a new route to success.

For a long time, much of the mattress retail industry revolved around a very small segment of the market. Retailers of all sizes were able to compete by focusing on the three majors and around the \$1,000 price point—and that meant a lot of new business came from mirroring existing product technologies and component types. That status quo was still holding strong when Posh + Lavish debuted in 2015. After nearly two decades in the mattress industry, company co-founders Kurt Ling and Steve Baumberger already had plenty of experience with this reality. But with that history came foresight: they not only knew what worked, but had the expertise to recognize what was changing.

“At that time, there were a lot of people that had the model that everybody used for a couple of decades,” explains Kurt Ling, principal of Posh + Lavish. “And frankly, it was working. They were selling beds and making money. But things started to shift a couple years ago. Retailers that have been carrying two S brands and Tempur-Pedic for the past 10 or maybe even 25 years now want to offer something that’s more unique in the marketplace. They want something that has a different kind of story and a different kind of ticket than what they’re used to selling.”

Instead of hopping on the bandwagon to develop new entry-level and online-only options, as many other brands did, Posh + Lavish began blazing its own trail—in the complete opposite direction.

“Our design is always really very simple,” says Ling. “We build mattresses with the finest materials we can find. We are always looking for only two things: how long lasting will this component make our mattress and how luxurious will this make our mattress feel. Then we do nothing that gets in the way of that durability and feel.”

Today, the company offers five distinct mattress collections—the All-Latex, the Pocket Spring Latex Hybrid, the Latex + Memory Foam, the AuNaturale and the CustomSides—all of which are built by hand in California. Across its entire portfolio, each mattress is available in a wide range of comfort levels and made with Oeko-Tex certified components. This design creates a buoyant yet bounce-free feel that supports the spine and relaxes the muscles. Each mattress also features an unparalleled high gram weight Tencel-faced fabric cover that delivers added comfort by helping to regulate temperature and absorb moisture.

“We know we make something that consumers are going to love the feel of, but we

also want to take one step above that and give them a story that they probably didn’t hear anywhere else in town,” Ling continues. “We think that adds a ton of credibility for a retail sales associate, especially when they’re asking for a larger ticket.”

Credibility has become an increasingly valuable currency in the mattress market these days, especially as research has shown that today’s mattress shoppers are more worried than ever about getting ripped off. Posh + Lavish assuages those fears by utilizing high-quality, natural components. In addition to latex and Tencel, the company incorporates premium wool and cotton into its mattresses—two materials that most consumers are already familiar with in the apparel category. While Posh + Lavish does not in any way claim to be a certified organic brand, it does offer a meaningful step-up for consumers looking for something a little bit better for them.

“Our goal is just to be really clean,” Ling explains. “We know from research that there’s a target market that is all out looking for organic. If you ask a 100 people if they want something that’s organic, you’ll get a number of the population that will say, ‘Yeah, that’s exactly what I want and I’m willing to pay for it!’ But you’ll also get sizable amount of the popula-



tion that says, 'You know, I just want something that's clean. I want something that doesn't have a whole bunch of chemicals in the FR.'"

Using those consumer insights as a guidepost, Posh + Lavish developed a FR layer made from 100% long-fiber wool and 100% all-natural cotton—and nothing else. This fulfills all of the necessary flame retardant requirements without the addition of chemicals or synthetic materials. Taking this a step further, the mattresses are all assembled with certified non-toxic, water-based glue and, on a more personal hygiene level, finished with a zippered cover that consumers can remove and wash at home.

While this "cleaner" approach is what many consumers expect from high-end products, it also equips the mattress with added performance benefits. Cotton and wool both work to enhance breathability, temperature regulation and moisture wicking properties. As a whole, these components make for a more durable mattress than those made from polyurethane foams and polyester fibers.

"We actually think it's one of the greatest differentiators of a true luxury mattress," Ling says. "These are the real things that you can point to on the inside of the mattress that make a difference, that would make it something that's worth paying a whole lot of money for."

The Posh + Lavish mattress portfolio ranges from \$2199 to \$5729 at retail, a price

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point that not only reflects its luxury quality but also delivers generous retailer margins.

Though simplicity is a key asset to the selling strategy, the brand is not advocating a purely "back-to-basics" approach. Rather, it has found a way to enhance natural materials and skilled craftsmanship with modern processes and technologies. Case and point: all of Posh + Lavish's mattresses are roll-packed.

While much of the conversation surrounding boxed beds has centered around delivery convenience, Posh + Lavish regards that as an ancillary benefit. First and foremost, the company made the decision to roll-pack all of its mattresses because it enhances their comfort feel. Compressing the mattress takes the first stress out of the materials and minimizes the likelihood of body impressions.

Secondly, roll-packing eliminates many issues relating to shipping and storing mattresses. Not only does the smaller box take up less space in a truck or warehouse, the combination of compressing and folding the mattress also helps reduce the risk of freight damage—

which can be a costly headache for both manufacturers and retailers.

With clear brand positioning and strong roll-packing capabilities, Posh + Lavish might seem like it could be right at home in the direct-to-consumer market. However, the company has taken the polar opposite strategy, focusing exclusively on being an "in-store brand."

"We believe in-store through independent retailers is a viable strategy," Ling explains. "We believe that direct-to-consumer is a viable strategy—even though the cost of consumer acquisition is high for online retailers and will likely multiply exponentially over the next few years. We also believe that most companies can be great at one or the other long-term and not both. We decided we wanted to be great at in-store only."

The decision to stick to brick-and-mortar retail was a simple one, according to Ling. Posh + Lavish offers a truly luxury product and price point and that demands an in-store selection experience. When consumers en-

gage with the mattress in person, they are able to fully understand their value.

"We love products that tell somebody a story, that they can lay on and feel. It's when those two things come together that magic happens," he explains. "You can tell customers something that they might not have seen somewhere else. But as interesting as that is, it's when they lay down on it that they actually feel it. When you get both of those things happening at once, it just seems to make the sale that much better for the retail sales associate."

To really make the most of this sales strategy, Posh + Lavish offers a comprehensive training program to all of its new retail partners—whether they be a long-time specialty mattress seller or a newcomer to the luxury category. "We believe our business happens one sale at a time through one sales person at a time through one door at a time," Ling remarks. "Collectively, it all adds up to an incredible business. All of our eyes are on training every retail sales associate."

This process begins with an intensive kick-off meeting, which takes place at the retail store and usually runs about three hours. After that, retail sales associates are able to continue their training through Posh + Lavish's online training program, which runs for 26 weeks in total if attended daily. More than just providing RSAs with necessary product information, the program is designed to reinforce a greater understanding of what goes into each mattress—and why it is worth more.

"Most learning doesn't happen overnight," he continues. "Just a little bit every single day adds up to a really well-educated retail associate that can stand up and talk about something that's uniquely different, that most of their competitors don't even play in."

This level of dedication can be seen throughout all aspects of Posh + Lavish's retailer support. More than anything, the company is committed to making sure its retail partners find success with its products. In addition to providing extensive training, it also maintains exclusive distribution territories that ensure that no retailers are in direct competition with one another.

"Changing the trajectory of someone's life is rewarding beyond words. Saving someone's life by doing what you love every day is the greatest thing ever, nothing else even comes close."

This is one of the reasons you won't see a Posh + Lavish showroom at any of the major furniture markets any time soon. Rather than showcasing its products to anyone and everyone, the company opts to ship samples and do one-on-one road shows. This allows more time for retail sales people and store managers to experience the products and sales process within their own environment.

By taking a more selective "invitation only" approach to growth, Posh + Lavish underscores the singularity of its brand. It also makes it possible for the company to provide its retail partners with more dedicated support. Offering everything from MSRP and MAP pricing to floor sample discounts and in-store POP and an online incentive program, Posh + Lavish equips retailers with the assets and resources they need to thrive.

While luxury, all-natural products and comprehensive retail support might be enough to set Posh + Lavish apart in today's marketplace, the company didn't stop there. Instead, it incorporated a philanthropic program into its core business model. The company donates 25% of all its profits to CURE International, a network of charitable hospitals and programs that fund medical treatment for kids in need around the globe.

"CURE started out as a great idea and it became the heartbeat of our company," Ling says. "CURE's kids are the reason we get up every morning and do what we do. The mattress business is an amazing business and

has been very good to us. We wanted to do something extraordinary to give us a purpose and passion in life."

"We always translate sales into how many kids that actually healed," he continues. "We literally look at the sales numbers and see that there are six or 12 kids that will live because we had a good Fourth of July, for example. It changes the narrative to every single thing we do. It's the craziest, coolest thing that we've ever done."

In 2017 alone, Posh + Lavish funded more than 100 surgeries for children around the world who were suffering from severe conditions like bowed legs, cleft lips and hydrocephalus. The company makes a point to extend its feeling of goodwill and gratitude to all of its retail partners; each year, Posh + Lavish sends plaques to each retailer who sells enough products to fund at least one major surgery.

"Sleep is important," he notes. "Changing the trajectory of someone's life is rewarding beyond words. Saving someone's life by doing what you love every day is the greatest thing ever, nothing else even comes close."

After a few years of dwindling sales and general anxiety, the mattress industry of today appears more ready than ever to move confidently into the next stage of the retail evolution. Few companies exemplify that forward momentum quite like Posh + Lavish. By combining a commitment to core principals with a willingness to really invest in what it believes in, the brand has carved out a truly unique space for itself—and its retail partners.

"Change happens one little bit at a time," Ling remarks. "Retailers have been able to take a risk, to stand up and say, 'Hey! We're heading in a little bit of a different direction. We won't walk away from what we've done, but at the same time, we're going to step into a brave new world.' Almost all of them have been able to do that successfully. And when they succeed, it's pretty cool to be a part of that journey." //

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