

## A TWO-PRONGED APPROACH

**Buchheit**  
Perryville, Missouri



### CASE STUDY

**F**or Buchheit home improvement stores in Missouri and Illinois, guiding customers' price perceptions is a perpetual journey.

Company business practices include having employees visit and call competitors daily, check out websites and use Web crawling software to keep an eye on other retailers' pricing. Buchheit stores can then adapt prices to compete.

The stores also keep prices in line or lower on highly visible, often-used products, such as ½-inch PVC pipe and two-by-four lumber, with big-box stores. "Customers know the prices of those items when they come in," district manager Tyler Russom says.

To stand out, the family-owned company is aggressive about its price matching. Buchheit stores also rotate through displays near the front doors that are stocked with products such as bottled water and windshield de-icer. While those items are front and center, Buchheit ensures that no sale or special offer from a competitor can beat their prices, Russom says.

The goal is to offer ongoing promotional deals so Buchheit can cultivate a best-price image with small items, he adds.

Price-matching on all items is also an emphasis. Customers saying another store sells a product cheaper will automatically get a lower price if the discount is in the \$5 range—and store employees won't even verify the other stores' promotions, Russom says.

"Every ad is a Buchheit ad" is a company tagline, and that means every other store's

sales equals discounts at Buchheit, if the other businesses are local competitors and selling the same products. Store staff verifies the deals offered by other businesses when the discounts get high, such as 20 percent off a gun safe.

Buchheit's promotional displays and their price-matching policy teach consumers to be confident they can go to Buchheit and ask for a better price. Buchheit is cultivating that price security in customers so they'll keep coming back.

"We want our customers to feel comfortable shopping with us, knowing that we'll match any local competitors' prices that they bring to our attention," Russom says.



Buchheit stores constantly work to shape their price reputations with price-matching and promotional deals.