

THE NEW RULES OF

ENGAGEMENT

SECURING YOUR PLACE AS THE FIRST CHOICE FOR CONTRACTORS

THE LANDSCAPE OF DISTRIBUTION
IS EVOLVING AND THE BUSINESSES
THAT ADAPT WILL SURVIVE.



The landscape of distribution is evolving, and the businesses that adapt will thrive. Your customers aren't just buying products—they're buying solutions to their problems, and their patience for inefficiency is wearing thin. For today's tradespeople and contractors, navigating a fragmented buying process isn't just frustrating—it's a barrier to doing their jobs effectively. The need to call supply houses, juggle multiple distributors, and hunt for materials across different platforms wastes their time and, ultimately, their money.

Through our platform, we've gathered unparalleled insights into the frustrations, needs, and expectations of the modern trades professional. We've listened to their feedback, tracked their behaviors, and worked to build tools, like the Supply House Map, that directly address their challenges. This paper draws on that expertise, combining our deep connection to the trades community with industry data to present actionable strategies for distributors ready to lead in a changing market.

Number one complaint Calling supply houses to check inventory.



7 out of 10 emphasized the need for real time inventory visibility, allowing them to see what's in stock without having to make a call.

The stakes are high, but the solution is clear: simplify the buying experience, reduce friction, and become the partner your customers can't afford to lose.



At Trade Hounds, we've earned our place as an authority on this topic through our unique vantage point. As the largest professional network for tradespeople in the United States, **our app connects over 375,000 skilled workers** across industries like electrical, plumbing, and HVAC. These aren't average social media users—they're target buyers for distributors, navigating daily challenges of sourcing materials and products.

The Cost of Complexity: Why Simplifying The Buying Experience is Essential

Calling supply houses to check inventory is a top frustration for tradespeople. In a December 2024 survey of Trade Hounds users, this was identified as their number one complaint.

When asked how distributors could improve the buying experience, over 70% of 145 respondents emphasized the need for real-time inventory visibility, allowing them to see what's in stock without having to make a call. Additionally, more than 40% suggested consolidating product catalogs into a single app, enabling them to search for materials across multiple distributors in one place.





93% of respondents reported **shopping at more than one distributor**, with 68% regularly purchasing from three or more, and nearly one-third depending on five or more.

A key challenge for buyers is the need to source materials from multiple distributors to find everything they need. Over 93% of respondents reported shopping at more than one distributor, with 68% regularly purchasing from three or more, and nearly one-third depending on five or more.

Sixty-three percent of respondents reported difficulties finding products because they had to search too many places. Your customers are busy. By streamlining the buying process, distributors can capture a larger share of spending and position themselves as indispensable partners in the supply chain.

What You Sell Matters. But How You Sell Might Matter More.

Distributors are in the business of solving problems by providing essential products, but that's only half the battle. An efficient, seamless buying experience is just as critical—if not more. When distributors make it difficult for customers to purchase, they risk losing wallet share to competitors who make it easier.

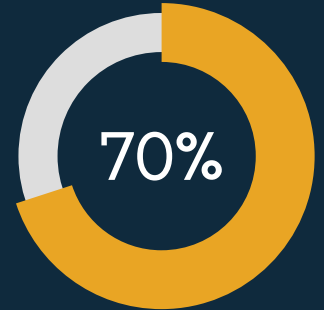
In today's fast-paced world, buyers have made it clear: they want efficiency and convenience, and phone calls no longer fit the bill. For contractors and tradespeople in particular, time is money. Every minute spent on hold or explaining their needs over the phone is a minute lost on the job site. This shift in buyer behavior reflects a broader

trend across industries where digital tools and communication methods are replacing traditional channels.

Research consistently highlights the growing demand for digital-first interactions. According to McKinsey & Company, over 70% of B2B buyers now prefer self-service options for tasks such as researching and purchasing products. This preference is even stronger among millennial buyers, who represent a growing share of decision-makers in the trades and construction industries.

The desire to avoid phone calls isn't simply about personal preference; it's about practicality. A 2020 report from Gartner found that 44% of millennial buyers prefer to avoid interacting with sales representatives altogether during the buying process. Instead, they favor tools that allow them to independently browse inventory, compare options, and make decisions without the friction of a conversation. For

DID YOU KNOW?



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tradespeople, this means having access to real-time inventory systems, centralized catalogs, and online ordering platforms that empower them to work smarter, not harder.

Forrester's research further underscores this trend, noting that B2B buyers increasingly value speed, transparency, and reliability in their purchasing experiences. Phone calls often introduce delays and potential miscommunications, whereas digital platforms provide clear, actionable information instantly.

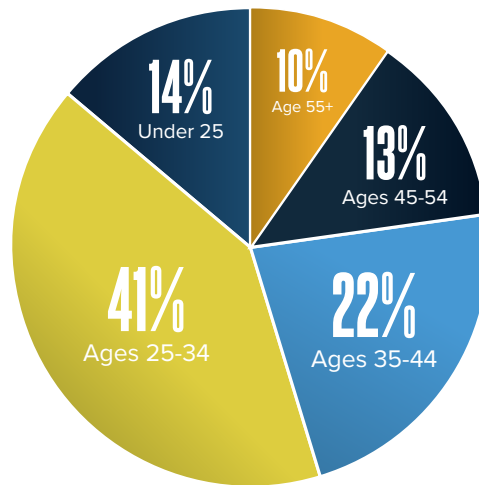
For distributors, this shift represents both a challenge and an opportunity: those who modernize their systems to align with buyer expectations can capture greater loyalty and wallet share, while those who cling to outdated methods risk losing business to more digitally agile competitors.

How can Distributors Compete Without Breaking the Bank?

With any technical advancement, sellers worry about cost. It costs money to change what you've been doing, even if the change results in more future revenue. Distributors work in thin margin businesses and can understandably fear investing in the future when it cuts into today's profits.

That's where the Trade Hounds app comes in. We invested in innovative tools, so you don't have to. In 2024, Trade Hounds users asked for a better way to buy what they need to get their job done. So, we launched the Supply House Map right inside America's largest social app for the construction community. Now, users can find products at distributor branches near them all in one place. And distributors don't have to carry the burden of building new software.

Trade Hounds Age Range



Who Are Trade Hounds Users?

In the process of developing the Supply House Map, we spent time researching our users. We learned about their pain points and about solutions they'd actually want. So, who are Trade Hounds users and why should distributors care?

- Trade Hounds users spend over \$17 billion annually on materials and tools to do their jobs.
- Seven out of 10 Trade Hounds users visit supply houses at least once a week.
- Fewer than one out of 10 describe their experience with distributor websites and apps as great.

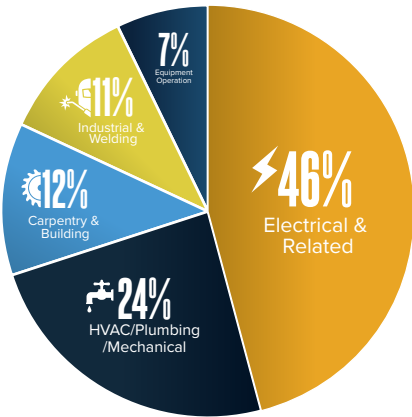
Trades

The platform serves a diverse range of trades, with user distribution as follows:

- **46%** specialize in **electrical** work and related fields.

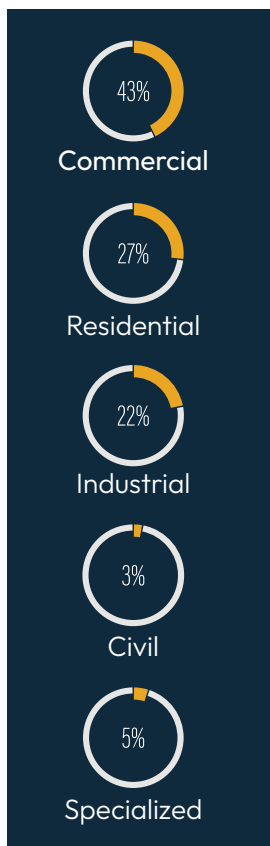


- **24%** focus on **HVAC, plumbing, and mechanical** systems.
- **12%** work in **carpentry and building**.
- **11%** are in **industrial and welding** trades.
- **7%** are **equipment operators**.



Industry Focus:

Trade Hounds users are active across various industries:



- **43%** operate within the **commercial** sector, working on projects like office buildings, retail spaces, and industrial parks.
- **27%** are involved in **residential** construction and services, addressing needs in housing and apartment complexes.
- **22%** work in **industrial** settings, which includes factories, manufacturing plants, and large-scale industrial projects.
- **3%** engage in **civil** projects, such as infrastructure, bridges, and roadways.

- **5%** are associated with other **specialized sectors**, representing unique trade applications.

Company Size:

Users on Trade Hounds work for companies of varying sizes, reflecting a broad spectrum of organizational structures:

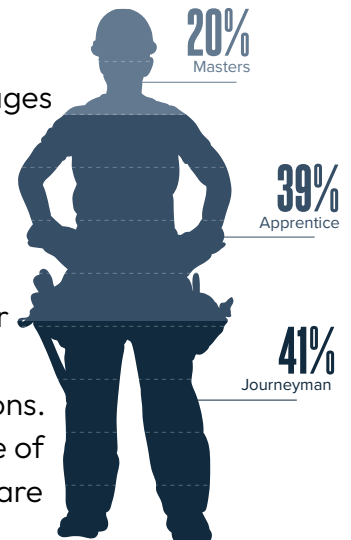


- **29%** are employed by companies with **over 100 employees**.
- **12%** work for mid-sized companies with **50-100 employees**.
- **16%** are part of small firms with **20-49 employees**.
- **31%** work in small businesses with **fewer than 20 employees**, emphasizing the role of smaller companies in the trade industry.
- **12%** are **self-employed**, representing independent tradespeople who run their own businesses and rely on trusted products and tools to manage their work efficiently.

Experience Levels

Trade Hounds attracts professionals at different stages of their careers:

- **Apprentices (39%):** These early-career tradespeople are eager to explore new tools, products, and innovations. Representing the future of the skilled trades, they are particularly open to adopting new brands and technologies.



- **Journeyman (41%):** Seasoned professionals who value dependability and productivity. They actively seek products that enhance their efficiency and support the delivery of top-tier results.
- **Masters (20%):** Experienced veterans with deep expertise in their fields. Not only do they influence purchasing decisions, but they also mentor apprentices and journeymen, shaping the practices of the next generation.

it. This innovation streamlines the buying process, helping tradespeople save valuable time on the job.

Even if some of your customers aren't using Trade Hounds yet, your customer service representatives can leverage the free tool to quickly identify product images sent by customers, ensuring faster and more accurate service.

What is the Supply House Map?

The Trade Hounds Supply House Map is a game-changing tool designed to empower tradespeople by simplifying how they find and source materials. With a user-friendly, map-first design, it prioritizes product location—a top concern for busy professionals in the trades. Users can locate distributor branches, check their operating hours, and get GPS-integrated driving directions for seamless navigation. Each branch listing features a “Find Materials” button, allowing users to browse the distributor’s line card.

Advanced Features for Smarter Sourcing

The Supply House Map goes beyond simple searches. Its search bar includes a powerful AI-driven image search feature. Users can snap a photo or upload an existing image of a product, and the AI technology instantly identifies the product, brand, and nearby distributors that stock

By leveraging user data, the Supply House Map continually improves its search algorithms, delivering increasingly accurate and relevant results. This ensures users find exactly what they need while enabling distributors to operate more efficiently, saving both time and money.

As our community continues to grow, we're excited to welcome distributors and manufacturers to the Trade Hounds app, offering them the opportunity to harness the power of company accounts. These accounts function like enhanced user profiles, featuring tools to promote products, share FAQs, and post job openings.

Distributors and manufacturers can establish themselves as subject matter experts within the app, actively engaging with tradespeople by answering questions about product installations and purchase



recommendations. By integrating into the social community, they'll position themselves as trusted resources, amplify their messaging, and attract a broader base of new buyers—all while building meaningful connections with their target audience.

What's Next?

We're committed to continuous innovation. In 2025, we'll introduce shopping cart functionality, enabling users to create and send purchase orders directly to distributors. This will eliminate time-consuming manual data entry and reduce errors in the ordering process.

Additionally, we're advancing our AI capabilities to enhance product cross-referencing. Distributors will soon be able to use Trade Hounds to suggest functionally equivalent alternatives, keeping buyers within their ecosystem instead of sending them to competitors.

Trade Hounds is dedicated to transforming the way tradespeople and distributors connect, providing smarter tools that meet the evolving demands of the skilled trades community and the entire construction ecosystem.

To learn more about how Trade Hounds can help your business thrive, visit tradehounds.com. Email Contact@TradeHounds.com to secure your spot on the map. Together, we can build a stronger, smarter future for the skilled trades community.

Your customers work hard. Make it easier for them to buy from you.



Download the FREE app today!

We'd love to learn more about your goals so we can help you achieve them.

