

The image features a hand in the upper right corner, gripping a thick rope. The rope is looped and has a ball attached to its end. The background is a warm, golden-hued scene of a person's legs in a field of tall grass, suggesting a competitive or challenging environment. The overall tone is one of strength and determination.

# A GUIDE TO SUCCESSFUL CHALLENGER BRAND MARKETING IN THE BUILDING PRODUCTS INDUSTRY

## **INTRODUCTION: THE POWER OF CHALLENGER BRANDS**

In the building products industry, established market leaders often dominate mindshare. Challenger brands, however, are shaking up the status quo.

They're not just smaller competitors... they're companies with ambition, a distinct vision and a willingness to disrupt.

Unlike market leaders who focus on maintaining their position – and disruptors who often introduce entirely new categories – challengers strategically target specific vulnerabilities in the existing market. They offer a compelling alternative, capturing the attention of audiences seeking something more.

Think of Yeti, who challenged established cooler brands by focusing on extreme durability and a premium experience. Or Ring, who redefined home security with their innovative video doorbell.

In the building products sector... adopting a challenger mindset can unlock significant growth potential.



## CORE STRATEGIES FOR SUCCESSFUL CHALLENGER BRANDS

### **Differentiation & Positioning: Finding Your Niche**

Standing out is paramount. Challenger brands must identify a unique value proposition that resonates with their target audience. This could be a focus on sustainability, superior product performance, exemplary customer experience, ease of installation, or a combination of factors. Creating a “category of one” is the ultimate goal. James Hardie, for example, successfully positioned fiber cement siding as a superior alternative to traditional wood siding, emphasizing its durability and low maintenance. This clear differentiation allowed them to capture significant market share, and now fiber cement siding commands more than 21% siding market share... with James Hardie leading the way with 90% of the fiber cement siding market.

### **Brand Storytelling, Thought Leadership and Emotional Appeal: Connecting with Customers**

A compelling and authentic brand story is essential for building an emotional connection with customers. Challengers use storytelling to communicate their values, mission and what makes them different. Couple this with thought leadership efforts – such as content marketing, public relations and digital media engagement – and you can position your brand as a trusted expert. Behr Paint, through its partnerships with Home Depot, provides valuable educational content to both DIYers and professionals... solidifying its position as a go-to resource for paint-related project advice.

Connections are built on emotions. And the emotions of B2B buyers – such as builders, remodeling contractors, dealers and designers – are just as important as consumer emotions... yet are often overlooked when crafting a brand.



A great example of B2B emotional connection is Grainger's brand theme, For the Ones Who Get it Done.

Grainger took what could be seen as undifferentiated industrial supplies and made those same products – and the company that supplies them – an integral partner in the process of providing everything... from agricultural commodities to steel trusses.

Grainger's marketing singles out the people who do the actual work and reminds them, "Grainger's got your back."

### **Leveraging Digital & Social Media Marketing: Amplifying Your Reach**

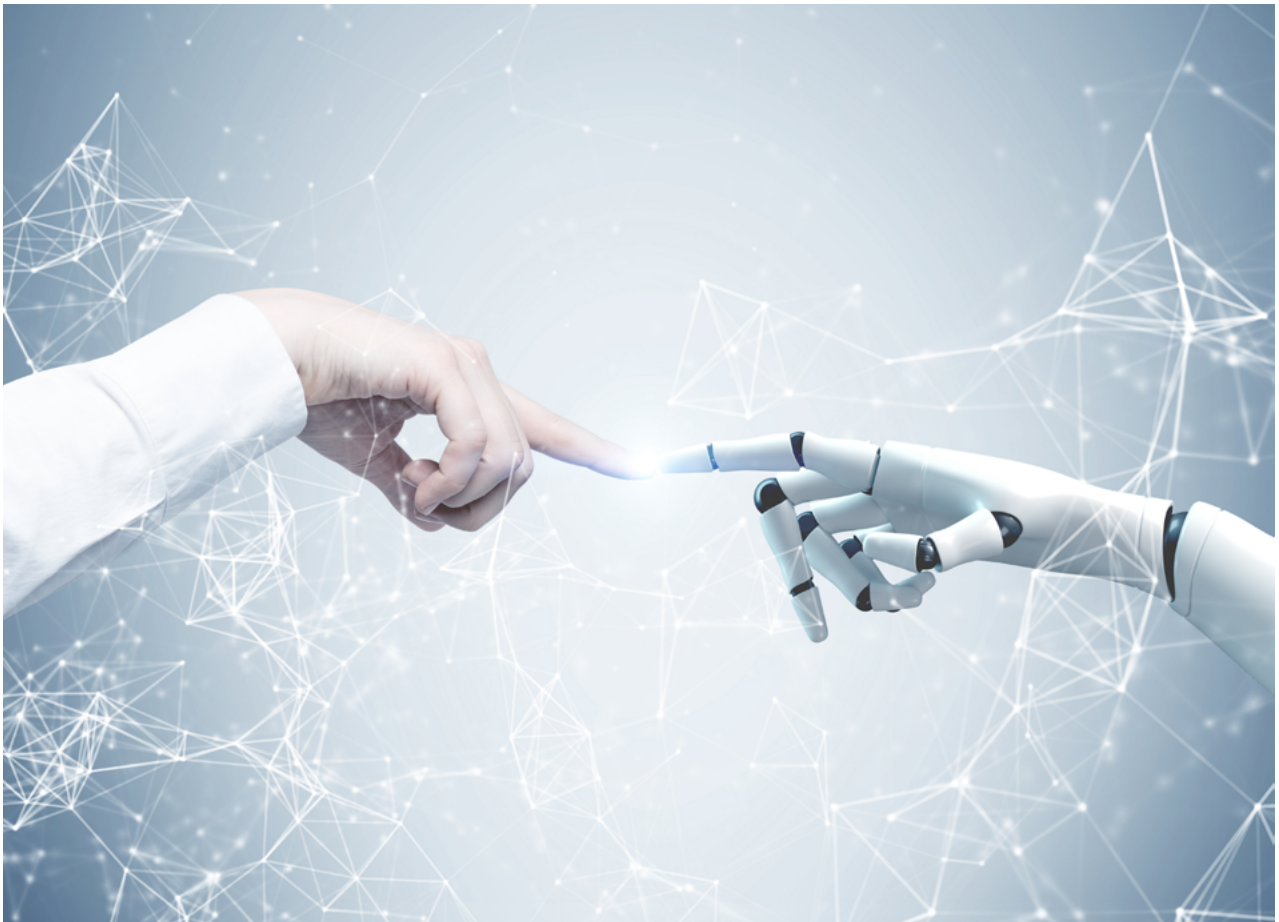
Digital platforms offer challenger brands a powerful means to connect directly with their target audience. Social media engagement, influencer marketing and content-driven campaigns can amplify brand awareness. And build a loyal following... offering strong reach and higher impact than traditional media platforms.



## **Building Trust Through Customer Experience: Exceeding Expectations**

In the building products industry, trust is paramount. Challenger brands must prioritize quality – offer robust warranties – and provide exceptional customer service. Turning customer experience into a competitive advantage can differentiate a challenger brand. And foster long-term loyalty... resulting in higher Customer Lifetime Value. And it can be the most sustainable competitive advantage when done well.

Brands have a major opportunity to leverage AI platforms and tools, many of which incorporate actual agents to help to deliver a streamlined and efficient experience to the customer. Over time, there will be more and more automation in this area. Eventually, agent-enabled customer service will be commonplace... and differentiation will become more difficult. Ultimately, the brands that will win in this area are the ones taking action now.



## PITFALLS TO AVOID IN CHALLENGER BRAND MARKETING

### **Failing to Clearly Define Differentiation:**

A “me-too” approach is a recipe for disaster. Challengers must take calculated risks and offer a genuinely compelling alternative.

### **Over-Promising and Under-Delivering:**

Exaggerated claims can backfire, damaging credibility and eroding trust. Product performance must align with marketing messaging.

### **Ignoring Traditional Sales Channels:**

While digital marketing is crucial, neglecting established sales channels can limit reach and impact. A balanced approach is often necessary.

### **Misaligning Marketing Messaging with Actual Product Performance:**

A disconnect between marketing and reality can quickly undermine a challenger brand’s efforts.

## EXECUTION: BRINGING A CHALLENGER STRATEGY TO LIFE

### **Aligning Internal Teams:**

A challenger mindset must permeate the entire organization.

Sales, marketing and leadership must be aligned on the brand’s vision and strategy.

### **Budgeting & Resource Allocation:**

Effective resource allocation is crucial for maximizing impact. Challengers must prioritize initiatives that deliver the greatest return on investment. They must demonstrate the ability to get more results for comparatively lower budgets. And that is largely driven by creativity and innovation.

A culture of constant creativity and willingness to try new things (and fail) is paramount.

### **Metrics for Success:**

Measuring success goes beyond sales figures. Brand awareness, digital engagement, customer preference and associated cost efficiency measures are all important indicators of challenger brand performance. And together, all of these factors can lead a team toward the right decisions. Tracking trends in these areas reveals how perceptions are evolving over time. Data is king to challenger brands that need to be truly nimble to succeed and win.



TOTO's success story exemplifies the power of a well-executed challenger strategy. Despite entering a crowded US market with no existing presence, TOTO identified a key opportunity: the growing demand for water-efficient plumbing solutions. Focusing on product performance, TOTO initially targeted industry professionals—plumbers, builders and architects—who valued the brand's innovative technology.

This strategy created a loyal following, generating pull-through demand to distributors and showrooms. As David Krakoff, former President of TOTO Americas, explains, "The initial TOTO USA catalog... led our customers to ask, 'What else do you have?' That opened the door for TOTO to invest... and grow this challenger brand into the full-line premium residential and commercial brand it is today."



*“TOTO is a textbook example of a successful challenger brand. Although it was statistically the leading global manufacturer of decorative plumbing fixtures and fittings, TOTO had no presence in the USA when it made its US market entry in 1989 and started literally from zero. At that time, the US market was being served by many domestic brands that were well-known, well-established, made good products and were well-liked by consumers as well as the trade and design communities. To most observers, market experts and analysts, there did not appear to be an open seat at the table. Nevertheless, TOTO saw that the market was about to face a seismic shift with new regulations imposing significant restrictions on water consumptions in toilets.”*

*“We believed TOTO had many products that would be indisputable performance leaders in the category in terms of low water consumption and high flushing power. Therefore, we entered the market with a strategy focused on traditional wholesale distribution and faced anticipated, but considerable, pressure from other brands designed to deny a foothold to the new challenger brand. Using a strategy designed to illustrate water consumption and flushing superiority to plumbers, builders, remodeling contractors, architects and specifiers who are professionally dependent on such things, TOTO was able to build an extremely loyal following among professionals as well as consumers which, in turn, created the pull-through demand for the brand and its products to distributors and showrooms and provided the pathway that eventually resulted in TOTO becoming the major North American market player it is today.”*

*“The initial TOTO USA catalog included a few toilets, our innovative Washlet seats and a small collection of our high performance/high reliability commercial flush valves. The industry-leading sales success and growth of that first small product portfolio led our customers to ask, “What else do you have?” That opened the door for TOTO to invest in US factories, warehouses and a strong TOTO USA team and grow this challenger brand into the full line premium residential and commercial brand it is today.”*

– David M. Krakoff

Former President, TOTO Americas and TOTO Brasil  
CEO, Konsultwerke, and of the Southern Caribbean Cable Company



Challenger brand marketing is a powerful strategy for building products companies seeking to disrupt the status quo and achieve significant growth. By focusing on differentiation, storytelling, digital engagement and customer experience, challengers can capture market share and establish a strong brand presence.

## **Ready to unleash your brand's challenger potential?**

Kleber & Associates offers a complimentary Challenger Brand Assessment to explore how well your current approach aligns with proven challenger brand strategies and how effectively you're executing against that strategy.

Contact us today to schedule your assessment and discover the path to becoming a leader in the building products industry.

**Be bold and win.**

## **ABOUT KLEBER & ASSOCIATES**

Founded in 1987, Kleber & Associates is the established leader in brand development and integrated communications for clients in the construction and building products industry. The Atlanta-based agency works in partnership with a variety of client brands that market products for both residential and commercial applications targeted to consumers, architects and designers, as well as developers, builders, remodelers and contractors. The agency addresses its clients' needs through a strategic, disciplined brand development process, combined with customized communications programming and an in-depth knowledge of the marketplace.

Agency founder, Steven Kleber, is the current chairman of the National Association of Homebuilders (NAHB) Global Opportunities Board and president of the National Remodeling Foundation (NRF), as well as the immediate past president of the Center for Kitchen & Bath Education and Research (CKBER) and serves on the board of trustees for the Home Projects Council.



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