The Sleep Store is unique to Australasia. It is an on-line shop for young parents – providing solutions to help babies and toddlers sleep through the night. In-depth information and a large selection of matching products – such as sleeping bags, merino bags, miracle blankets and swaddles – are on offer.

American paediatrician, Dr. Harvey Karp, and his book *The happiest baby on the block* played a pivotal role in creating the Sleep Store.

“I read Karp’s book when I had my first baby,” says Louise Tanguay, mother of four. Together with husband Matt Anderson, Tanguay created the on-line store. Totally convinced of Karp’s concept of swaddling, shushing, swinging and sucking, Louise wanted to share the very positive experience she had gained from the book.

Shortly after her second child was born in 2006, their ideas were put into practice and the Sleep Store was established. It had to be an on-line retail business because Louise wanted to work from home to be around the children.

She describes the unique selling point and the point-of-difference. “We have a very strong philosophy about sharing our knowledge with other parents to give them all the help they can get.”

Fifty per cent of the business is based on information-sharing. “We provide expert advice at no charge as a part of our business,” explains Tanguay. The published articles on the Sleep Store website are based on scientific evidence. Additional and useful information is added to the website at least once a month. The content of the information covers a range of topics from preparing food to dealing with bedwetting.Obviously, a large variety of sleep philosophies are also covered.

Journal and Google alerts help Tanguay to stay on top of the game for relevant information. “Whenever something is published that relates to our business, I get an alert,” she says. Sorting out, summarising or hyper-linking the information is part of her job.

The Sleep Store is a member of the Australasian Sleep Association and the Infant & Nursery Products Association of Australia, two professional organisations where sleep information is taken very seriously.

Marketing

Social Media plays an integral part of their business with Facebook as the main tool for communication and an automatic feed to Twitter. On Facebook – which has new postings every day – Tanguay starts discussions such as: ‘How do you cut a nap out?’ or ‘Any tips for moving from cot to bed?’ and ‘Breaking the night waking habit’.

Beware the pitfalls

As useful a tool for on-line retailers as Facebook might be, it also has its pitfalls.

“You need to develop a feeling as to what you want to talk about on Facebook when the company asked its customers for suggestions for a new colour name for a baby’s sleeping bag. Facebook gives Louise a lot of clues as to how the information demand is developing.

At the moment, the Sleep Store has over 14,000 followers on Facebook. Around 500 discussions are running at the sleep forum with people from all over the world. They ask questions or start debates such as: ‘How do you cut a nap out?’ or ‘Any tips for moving from cot to bed?’ and ‘Breaking the night waking habit’.

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By Doris Evans, a freelance retail writer based in Auckland and regular contributor to NZRetail.

Background

Louise Tanguay’s background is in senior retail management, including general manager at Hallensteins. She holds a Bachelor of Arts in Psychology and Education and a Post Graduate Diploma in Business Administration. Husband Matt Anderson, who joined the business full-time in 2008, holds a Master of Arts in Philosophy and worked for the ACC and the British Medical Association.

FACEBOOK,” says Tanguay. Controversial topics – such as breast-feeding versus bottle-feeding or vaccination or not – should clearly be avoided as these are people’s personal choices and debates can get out of control.

It requires time and experience to strike the right chord with your customers.

Sourcing products

Being a competent provider of useful information is an important part of the business plan, but it takes much more to be a successful, on-line retailer. Relevant and matching products have to be sourced. In-depth research through the Internet helped to find appropriate products.

“Our first products were a range of swaddles from Australia,” recalls Tanguay.

Over the last six years the product range has expanded exponentially. Product categories are sleeping bags, wraps (merino and flannelettes), linen (duvets), clothing, my room (furniture), books and toolbox (baby swings, tools and health products).

Eight hundred unique products are in stock – 1300 products if one takes the variety of colours into consideration – and the range is still growing.

“Just arriving from the UK is a product called Bed Nest, which is a little bassinet,” says Tanguay. This article cannot be bought anywhere else in Australasia.

“With our product range we do not want to compete with the likes of The Warehouse or Farmers. We only sell those products that we really and truly believe in. Within a category we always try to have a range of price points. For example, sleeping bags for babies start from about NZ$40 and go up to NZ$200.

“We source products from New Zealand manufacturers where they are available but, with the volume of products that we sell, there is no way any of the New Zealand manufacturers can supply us with the quantity we require,” she says. Up to 3,000 products per month are sold and shipped.

Customers are mainly from New Zealand (60 per cent) and Australia (40 per cent). According to Tanguay, the company does not want to sell to customers outside Australasia – however, long-term strategy includes expansion to China, Singapore or Hong Kong.

Database

The business was a success from the start. “Six months after our first website was established in 2006, steady orders were coming in,” says Tanguay. On-line competitions, where participants provided their e-mail addresses, helped to create a customer database. It started with 2,000 and has been growing ever since.

Currently, there are 40,000 addresses on the company’s database.

Business plan

When husband Matt decided to quit his job in favour of the on-line business, further expansion was bound to happen.

The couple discussed their business plan with Icehouse – a business growth centre – and worked out a professional growth plan. “You need to bounce ideas with experts,” says Tanguay. “It helps you to stay grounded and focused.”

Icehouse is a collaborative partnership between the University of Auckland Business School and big industry names – such as Gen-I, Ernst & Young and Microsoft. As a result of the business training, Matt and Louise invested in a new website and decided to build a bigger warehouse on their premises.

“When we searched for a proper accounting system, we went looking for a proven one which integrated with our e-commerce website,” says Matt Anderson. They now work with professional website developer Total Communications Ltd. It was an investment they do not regret.

“There is a lot more functionality within our new website,” says Anderson.

Today, 60,000 unique hits from New Zealand and 15,000 from Australia, per month, are counted. The average growth rate of the business has been 25 per cent per year since 2006. To keep customer interest alive, different promotions with different products go out nearly every week and a staff of five work alongside the couple at their West Auckland location.

Winners

The awards have been rolling in since 2008. The Waitakere Business Award for Marketing Excellence was given to the Sleep Store in 2008, the New Zealand Retailers’ Association’s On-line Top Shop® Award in 2010, David Awards in 2010, Deloitte Technology Fast 500 Award in 2010/2011 and The OHbaby! Award for best on-line retailer.

Being so competent when it comes to sleep, sleep-relevant issues and product categories, I wonder how much sleep the Sleep Store owners get themselves – taking into consideration that they are also engaged in a variety of community activities with their four children?

Tanguay’s reply comes with a laugh: “we definitely could do with a lot more sleep!”

The Sleep Store was last month voted Best On-line Retailer in the Australian 2012 My Child Excellence Awards.