

Sound Concepts Showroom

CASE STUDY | TECHNOLOGY

JONESBORO, AR

➔ Challenge

Demonstrate 4K video and sell 4K systems to residential clients.

➔ Solution

Upgrade a residential integrator's showroom using Crestron 4K certified solutions.



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Seeing is Believing

Residential integrator talks about the value of a great showroom in selling 4K

“They see it and say, ‘I’ve got to have it.’”

That’s how Ryan Heringer, president of Sound Concepts in Jonesboro, AR, explains why 45% of his display sales today are 4K sets.

“A lot of people come in here and don’t really know what 4K is,” Heringer says. “But they’ll see it and say, ‘Holy cow! What is that?’ And once we explain what it is and show it to them side-by-side with 1080p, they’ll buy it.”

To make sure he can show the real value of 4K video, Heringer recently invested almost a quarter of a million dollars upgrading his showroom with Crestron-certified 4K systems. “We have Sony® and Epson® projectors and Samsung® and Sony TVs, all taking their signals from a Crestron DM® 16X16 switcher serving a DigitalMedia™ 4K network. We also have all of the Crestron touch screens here, from 5" to 24", and a Crestron DVPHD multi-window processor, so clients can see multiple programs on their 4K displays and understand how that will work in their house.”

All of this is extremely impressive to a customer. “Once we show them what this technology can do, people say, ‘I have to have it,’ and most of them can justify the extra money it will take to get it.”



An integral part of the business

Heringer, who founded Sound Concepts 11 years ago, says the showroom is an integral part of his business.

He opened his first showroom in 2002, which consisted of 2,000 square feet of demonstration space to support his retail and integration businesses. In 2008 he built a new, 10,000 square foot facility and in 2011 enlarged it to 17,000 square feet.

Today the Sound Concepts showroom includes three theaters with Sony and Epson 4K projectors, Integra® 4K receivers, and McIntosh® speakers, plus a custom kitchen, integrated bedrooms, a soundproof listening room, a wine cellar, outdoor theater, two corporate conference rooms, a golf and hunting simulator room, three vignette demo rooms, and his and hers luxury bathrooms.

All of the signal management, switching, lighting, and automation systems are from Crestron, not only in the showroom, but also in the sales offices and warehouse, all controlled or automated using the Crestron 3-Series Control System®.

“We’ve used Crestron since we first started the business, and we installed our first DigitalMedia switching system right after the product was introduced, back in 2009. It was a great investment not



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only because it’s been so robust and reliable, but also because of its upgrade path. You just buy new input and output cards as technology advances, as we were able to do with this change to 4K. Actually, because DM is firmware upgradeable, most of the time you don’t even have to buy new cards.”

Heringer says that many integrators try to get by without investing in expensive demo equipment, but that’s a tough sell. “We normally submit a three-part proposal, giving the client good, better, and best options. Then we bring them into our showroom, give them a set of

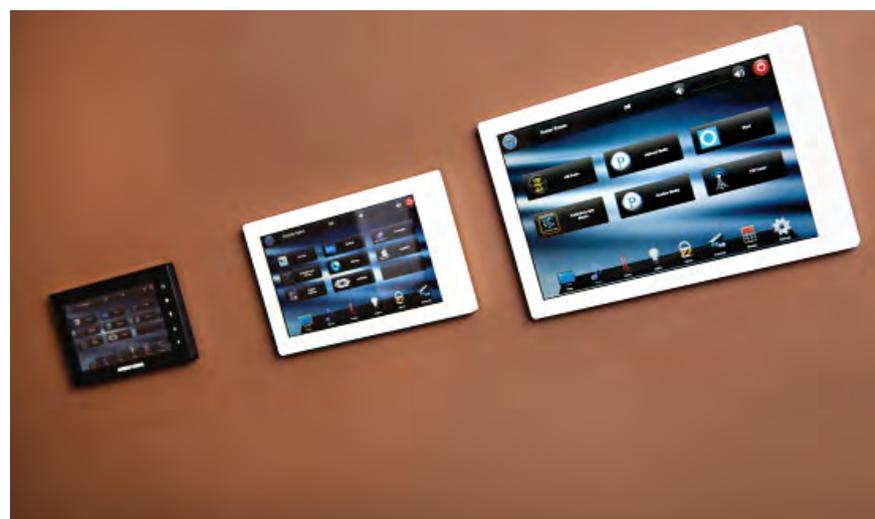


full-color plans, and as we go through each room, let them try out the touch screens, see the TVs, and hear the sound. If we include a component in one of these options, we want them to be able to try it out and understand how it will fit into their home.”

Hands-on demonstrations can be a challenge, because Heringer’s custom integration business spans five states. “We’re about two hours from Little Rock and about an hour west of Memphis, but we work regularly in Fayetteville, which is about a five-hour drive, Charlotte, ten hours away, and West Palm Beach, 15 hours by car.”

As the business expanded, Heringer realized it would be too expensive to build showrooms in each of these cities, so instead, he bought an airplane. “We have an eight-passenger Beechcraft® King Air® and a full-time pilot. So we can fly clients into our showroom in Jonesboro and our salespeople, programmers and technicians to client locations.” In addition, he keeps a Chevy Suburban parked at the airports in Little Rock and Fayetteville, where he and his people fly most frequently.

For a company that relies on word-of-mouth as heavily as Heringer’s, the Beechcraft has an added advantage: it ensures that clients will tell their friends about the unique and wonderful service they get from Sound Concepts.



How to sell 4K

Once Heringer has clients in his showroom, he says it’s not hard to sell them 4K.

“I tell them, they’re not going to buy a new AV system every year, and they can see for themselves how great this is. I also tell them this is a proven technology, that we’re seeing the second generation of 4K displays.”

Heringer says a lot of electronics stores make the mistake of trying to demonstrate 4K TVs with content from their standard cable feeds with 1080p, 1080i, or even 720p content. Instead, Heringer has four 4K sources available in his showroom. He has a demonstration player from Sony with movies downloaded from the Sony Video Unlimited collection. He has a REDRAY® 4K Cinema Player with additional videos. He has the Netflix® 4K streaming service, and



he has just installed the new DIRECTV® 4K service. His Crestron distribution system allows him to show any or all of these sources on any display in the showroom, without loss of signal quality.

The reality is that 4K content is coming fast. The movie studios have been using the DCI 4K standard since 2005, and it's not a great challenge to convert older digital and film masters to the new format. "4K content looks terrific, and it's not just the added resolution," Heringer says. "The contrast and the colors knock your socks off."

In showing 4K, Heringer says it's crucial that he can get 4K content into all of his demonstration areas, and that the signal quality is perfect. "That's where DM comes in," he explains. "We've used Crestron products since the day we opened, and we know we can rely on them to perform flawlessly. We get a very, very clean signal, and normally they go beyond the specifications in terms of image quality and distance limitations."

For these reasons, "Changing an existing residential system to 4K is not a big deal," he adds. If a client has a Crestron video distribution system from Sound Concepts, he only needs to change a few items. "We may add a couple of 4K sources, say a REDRAY player and a new 4K Apple TV®," he explains. "So we need to replace two of the input cards in the DM switcher to accommodate them. If the homeowner wants a new 4K TV for his living room, we need a 4K output box and a new room controller, a DM-RMC-4K-100. There's no

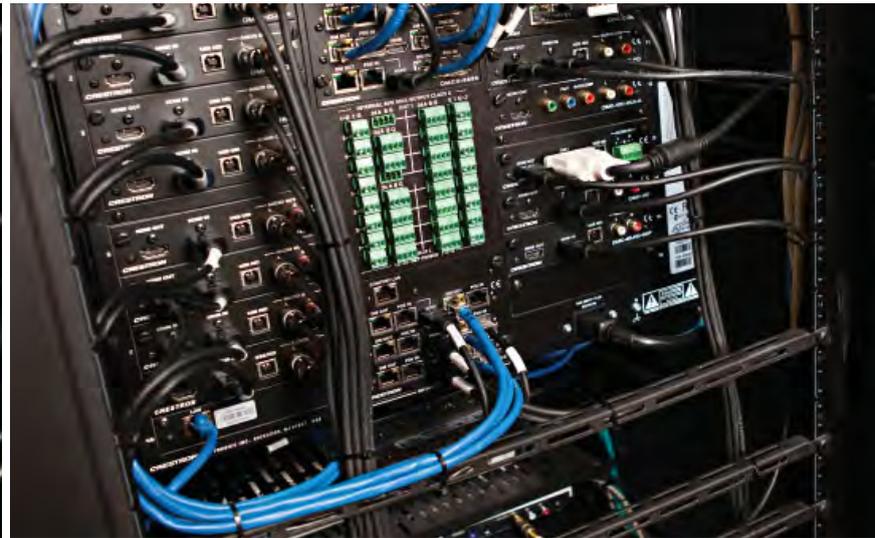


programming involved. We just unplug the old pieces and plug in the new. All the wiring is just fine."

Imparting confidence

For new installations, Heringer says it's easier than ever to sell a whole-house video distribution system with 4K. "If someone didn't see it, they would say 'I'm fine, just give me a regular TV. But once they see it, it's easy for them to justify another \$15,000 on a 4K switcher, so they can have it throughout their house.'"

A crucial factor is that his clients feel confident in Sound Concepts' technical expertise and financial security. "Once we fly them in here, we can show them our entire operation, including how we run our business, our warehouse, and our fabrication area. That's extremely



impressive to most people, and they feel comfortable spending money with us.” Heringer says his clients react in much the same way he has in his visits to Crestron. “I’ve been to the factory multiple times, and I’ve seen the pride that goes into the Crestron products. We try to live by the same values that Mr. Feldstein lived by: you build a product you believe in, you invest back in the business, you take personal responsibility for what you do.”

Heringer says he expects about a three-year return on his investment in the showroom upgrade, but that is a conservative estimate. His whole sales approach is based on product demonstrations, and without an up-to-date showroom it might grind to a halt. “You really can’t get ahead without taking some risks,” he says. He is willing to make big investments, but he is actually very conservative financially with no outstanding loans or mortgages. “We are debt free because we don’t expand until our sales justify it, and all the money we make we put back into the business.”

The approach is paying off handsomely with the change to 4K. “This really isn’t something you can talk about. If you don’t show it, you won’t sell it.”



Integrator
Sound Concepts
www.mysoundconcepts.com/