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Power to the people... Social buying gives buying power to the consumers, but is this really a new trend?

DATELINE: MERRILLVILLE, IN...

In addition to becoming a daily ritual for millions worldwide, social media sites like Facebook, MySpace, and Twitter have spawned additional trends. Most notably, group or social buying. But is this really new trend or simply a different spin on what membership clubs like DirectBuy, or wholesale membership clubs like BJ's, Costco, and others have been doing for decades?

For those of you not in the know, each day group buying sites like Groupon.com, LivingSocial.com, and many others advertise products or services at deeply discounted rates. Usually the offerings are for a specific geographic region (e.g. - a day at a local spa); however, the discount only becomes valid when a pre-determined number of buyers has been reached.

"The Internet has made the world a much smaller place and it's helped consumers realize that there is strength in numbers and they do have far more bargaining power than they realized," said Mike Georgeff of DirectBuy. "The irony is that it's a power consumers have had for years through DirectBuy – and not just in a certain geographical area or on certain products."

Since 1971, DirectBuy Club has helped its members save literally thousands of dollars on home furnishings, home improvement items, entertainment and outdoor products, flooring, and accessories - by purchasing direct from hundreds of brands. The similarities between DirectBuy and the social buying craze end at buying power. At DirectBuy, members have access to:

- A wide range of products to choose from, while social buying sites typically offer only one product or service per region per day.
- Product and design specialists to answer questions and make suggestions that will help them to complete their projects.
- Professional design, delivery, and installation services.
- No quotas needed to make a purchase. For example, if members want to buy a new refrigerator, they do not need a certain number of members to also commit to purchasing the very same refrigerator.

- A no retail mark-up model. DirectBuy Club members pay a membership fee to have access to these savings, as opposed to paying retail markup on every product, resulting in significant savings. For many members, particularly those planning a home renovation project, the membership fee is recouped in savings fairly quickly, and in many cases, several times over.

“We saved more than 50 percent on the purchase of our bathroom fixtures, shower, and toilets,” said Jason and Laura Gilbert, members of DirectBuy of Chattanooga. “That was a savings of \$1000 over our membership dues on our first purchase.” “

While DirectBuy’s form of group buying has nearly four decades of staying power, it remains to be seen how the newest crop of group buying Internet portals will fare. Still, it has changed the landscape for consumers.

“Gone are the days when 10% off coupons are going to raise people’s heart rate,” said Andrew Bagley, a social buying blogger on Sitewire.net. “Admittedly, the extreme 50-80% off deals seen on Groupon are not likely a viable long term play, but businesses should consider this option in terms of volume selling, inventory liquidations, net new customer acquisition and as loss leader.”

[About DirectBuy Club](#)

For more than 39 years, DirectBuy Club has been showing thousands of consumers unparalleled ways to save as they shop for virtually everything for in and around their homes – from furnishings, home improvement and flooring, to entertainment and outdoor products, accessories and much, much more. With more than 150 locations in North America, DirectBuy Club offers its members access to more than 700 brand-name manufacturers or their authorized suppliers in the US, and more than 500 brand-name manufacturers or their authorized suppliers in Canada.

Consumers interested in seeing DirectBuy Club’s savings, service and selection up close may obtain a Visitor’s Pass to attend an Open House by visiting www.directbuy.com or www.directbuycares.com.