

Get Set

Wait too long before the appointment, and your prospect could lose interest.

You have the name and address of someone who has an interest in your company's products or services. How far out should you schedule an appointment?

Here's the obvious answer: As soon as possible. The longer you wait, the greater the chance that the prospect will: a) buy from someone else; b) cancel; c) fail to be home when the rep arrives.

"The further you set them out," notes Sven Johnson, marketing manager for True North Home Systems, in Kennebunk, Maine, "the more likely it is that they'll cancel." Often because one spouse forgot to tell the other about the appointment.

Johnson's rule: "We never set anything out more than five days." Recently, True North Home Systems experimented with two-week sets, and the result was "a rash of cancellations."

AT YOUR CONVENIENCE

For many reasons, it's not always possible to set a lead within 24 to 48 hours, though that's the first preference of many home improvement companies, including Miller Custom Exteriors, in Fredericksburg, Ohio. At Miller, where 50% of business is repeat/referral, "my philosophy is dictated by the customer and his or her timetable," president Lorin Miller says. When past customers or people who

continued on page 30



Photo: iStockphoto/Marek Kolankiewicz; illustration: Barry Blitt

In Good Company

BY RICH HARSHAW

Your company isn't the product but the delivery of the product.



It's easy to think that winning in marketing is about being better at marketing. But great marketing starts way before the copywriter warms up his laptop or media negotiations begin. Great marketing starts with the product or service itself.

Here's the problem: Most home improvement companies are selling the same products. Yes, I know that your window has better glass or that your siding won't fade, chalk, or dent, and that the glass on your sunroom does a better job keeping out summer heat than your competitors' products. All are miracles worth purchasing.

WHAT'S TO SAY

The point? While you can talk about the solid benefits of your product(s), that's not where you'll make your biggest marketing splash.

What will differentiate you, and your marketing, is your company. If you're truly dedicated to excellence — and you are, right? — it will be easy to outperform every other home improvement contractor within a 100-mile radius. Even a one-truck guy can buy good windows (or siding, doors, etc.) from a good supplier. But can he demonstrate the financial stability, reputation, professionalism, customer service, and high-caliber workmanship that you can?

A SUGGESTION

Step 1: Make a detailed inventory of everything you do well in the five categories just listed. Spare no details. For example: Your company carries \$1 million in liability insurance; has installed more than 17,400 windows in the last 21 years; and has a glass replacement warranty that even covers accidents and vandalism. Write it all down.

What's going to make you and your marketing different is your company.

Step 2: Take 10 minutes a day to write a one- or two-paragraph description of each of these items. Use a case study to tell prospects what happens if a contractor doesn't have insurance and there is an accident. Describe the time that a bird hit the window, broke the glass, and you replaced it for free. Give people some perspective on how many windows 17,400 actually is.

Now you're equipped with the ingredients for marketing. All you have to do is to get a good recipe and start cooking. —*Rich Harshaw, author of Monopolize Your Marketplace, is a marketing expert; www.contractor-marketing.com.*

Get Set, continued

have been referred to the company call, Miller says, they generally “have gotten to the point where they’re ready to make a decision.” Set an appointment too far out and you risk having that interest evaporate or go elsewhere.

Miller notes that scheduling the original rep for that repeat or referral call will strengthen an existing relationship. But whether the calls originate in the company’s marketing program or from past customers, Miller says he finds it wise never to schedule them out more than a week in advance.

REMEMBER ME?

When it comes to setting appointments, different lead sources call for different levels of urgency. Almena Faux, outside sales and event manager for P.J. Fitzpatrick suggests setting canvassing leads no more than three days out. But, she says, show/event leads — a big source of business for the New Castle, Del., company — can be more flexibly handled.

“We never set anything out more than five days.”

Sven Johnson, marketing manager, True North Home Systems

The company’s policy is to set leads at the event, using a whiteboard posted in the booth. That, Faux says, “shows people that we have high demand and an extensive waiting list,” making it more likely that they will be comfortable waiting anywhere from five days to two weeks for an appointment.

But, Faux points out, failing to maintain contact with the prospect

in the interim risks a lost lead. Three contacts — letter, phone call, and personal e-mail — keep prospects committed. The importance of following up is “another reason to get e-mail addresses and second phone numbers,” Johnson points out, and to set appointments at the event rather than during the week that follows. —J.C.

Right This Way

Showroom discounts help get consumers in the door, but not all contractors agree on their value.

There’s nothing you could give Kip Lee to get him to stop offering a discount to customers who appear on his showroom doorstep. “Our closing percentage almost doubles — it’s more than 50% — when consumers come to the showroom,” says the owner of Coastal Empire Exteriors, in Savannah, Ga.

At All-Seal Home Improvement, in Dayton, Ohio, owner Jack Kostak notes that chances are 20% better that customers who visit one of the company’s three showrooms will end up buying from All-Seal. He’s currently considering some way to get more people to his showrooms, possibly a showroom sale.

Jerry Kerby, however, isn’t a convert to showroom discounts. “I’d love to find a way to bring people into the showroom,” admits the president of California Replacement Windows, in Anaheim. But he’s not yet convinced that a showroom discount is the path to a higher closing ratio.

FUELING SALES

Lee’s showroom discount ranges from \$250 to \$500, depending on the products that consumers purchase. “We used to offer 10% off the sale, but that was just too much money,” he says.

Lee says bringing consumers to his showroom helps close the sale by highlighting the company’s products and people. “Consumers get to see all of our products in person,” he says. “They also have an opportunity to see that we’re not a company working out of the back

of a pickup truck.”

The showroom helps close sales at Hall’s Window Center, a Renewal by Andersen affiliate, in Sacramento, Calif. “Our average close rates are in the high 30% to low 40% range, and the showroom is responsible for 8% to 10% of that,” says Bob Grandinetti, the company’s owner. That’s why the company offers a \$20 gas card to get



homeowners off the couch and into the showroom.

The gas promotion has boosted showroom traffic by about 25%, Grandinetti says. It has also helped salespeople nudge consumers toward a sale during in-home presentations. “If we have an appointment in a home,” he says, “salespeople can say to homeowners, ‘Let’s make a showroom appointment, and we’ll pay for the gas.’”

WHATEVER IT TAKES

Kerby says he doesn’t offer showroom discounts because other sales techniques are already doing the job. His *continued on page 32*

Photo: iStockphoto/DSGpro

Right This Way, continued

sales reps provide quotes over the phone, and they tell homeowners that the price may actually be lower once the rep comes out to inspect the job. "That's generally an

enticement to get us out there," he explains, "because it basically says there's always room for negotiation."

That said, Kerby is not opposed to offering a showroom discount. "The day I think

I know it all is the day I get out of this business," he says. "If there's a way to get people into the showroom, and it's by offering a discount, a demonstration, or hot dogs and popcorn, I'm game." —*G.M.F.*

Booth Duty

Home improvement companies compensate event staff both by the hour and by the lead.

Many home improvement companies consider event marketing to be a major lead source. Event leads, for instance, make up nearly a third of the total for Weather Tight Corp., in Franklin, Wis. With that much on the line, crafting the best way to use and compensate event staff has become a priority for the company.

Weather Tight attends some 60 events a year with a dedicated staff of "promoters," says co-owner and vice president Todd Schulz. Since most events take place on weekends, promoters are part-time, hourly employees. "We pay them \$10 an hour, plus \$25 per demo," he says. "We don't need them to just generate any old lead; we want them to generate demos. They get that bonus on what we call an 'on-spot appointment.'"

TELL ME ABOUT IT

For Weather Tight promoters, the goal is to set appointments, saving product discussion for the sales presentation. To that end, all promoters are equipped with a Nextel phone. A phone dispatching staff takes their calls and schedules appointments in the computer.

Taking the opposite tack, Hall's Window Center in Sacramento, Calif., encourages its 10-person event staff to talk about product, according to owner Bob Grandinetti, who says the company gets about 20% of its leads from events. "Half [the event staff] have our product, so they can talk

from personal experience," he says.

These part-time employees are paid hourly for leads and appointments. The company also sets appointments at the event, Grandinetti says.

STRONG INCENTIVES

Rhode Island Home Improvement, in Warwick, R.I., where events generate more than 35% of leads, gives its full-time, hourly event staff a strong incentive for performance, explains co-president John Aurgemma. RIHI pays a bonus to promoters based on hours worked and leads obtained above a minimum standard.

"We have a certain metric for that event, and when [staff] reach that key metric, they get a bonus based on their total production," Aurgemma says. Each time the employee reaches another plateau, "they get a bonus on every lead generated retroactive to lead number one." This offers a powerful incentive to keep promoters reaching for the next level.

None of these contractors offers any additional incentive to event personnel for sales resulting from the appointments they set. "They aren't in control of making a sale and we don't hold them accountable for what our sales department does with that lead afterward," Aurgemma says. "Event people are there to generate leads and set appointments and that is what their bonus is based on." —*J.H.*



Illustration: Josef Gast