



Failing to Plan on Being Visible

Stephen Covey once said, “Everyone must be proactive and do all they can to help themselves to stay employed”. This cannot be more accurate in a contractor’s line of work, especially when it comes to marketing the business. This month let’s discuss what a lack of being proactive with marketing can cost a contractor.

First, you have lost sales. This includes sales that you didn’t even know existed. The owners of the home that you just replaced the water heater in wanted air conditioning, but they didn’t know you do air conditioning. Lost sale. The home where you installed a furnace last year? You didn’t put your company sticker on it and that home now has a new owner who wants to add air conditioning. Will they call you? Maybe; maybe not.

Why is someone else installing AC on a furnace that you installed? How did your competitor get the HVAC contract in that new building development? They advertised – and *not* the way your dad did. They advertised on social media,

offered incentives for referrals, and still made sure they had yard signs. There is no better advertising than word of mouth – that still rings true. The key, however, is knowing when & how to advertise when you are busy. You must move; you must prepare. Don’t wait until business is slow, by then it is too late. Poor timing causes contractors to miss openings when homeowners are ready to hear from them, and instead hit hard when most have already made their decision on who is going to be installing their equipment.



By waiting until the last minute, you will be competing with everyone else that waited and that is what drives the price down. Now you will be prone to install the deal of the week – not what is best for the job.

Questions you may want to ask yourself:

1. Did your company advertise last year?
2. Did it work? Why or why not?
3. Most successful companies spend about 4-6% of their gross revenues on marketing. How much did you spend?
4. Did you work with the distributor and manufacturer to CO-OP the advertisement?

Marketing is much too important to play a guessing game with. Relying on the weather to generate business is not a good plan. Impulsive decisions are not typically the best decisions made.



You need to be proactive. You need a marketing strategy that considers your needs and that of your market. It should be a year-round plan. If you're unsure of what works in your area, look at other companies in your area that are growing. Ask yourself – what are they doing differently?

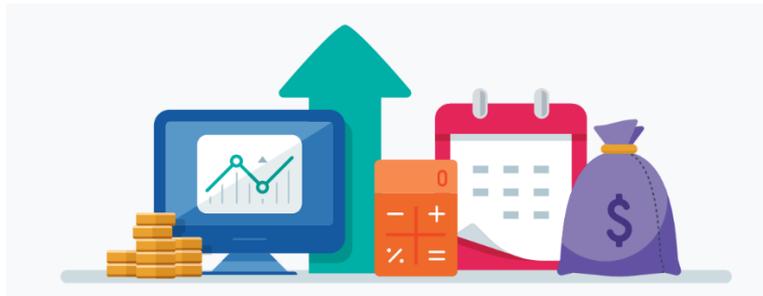
Here are 4 simple steps to get your strategy started:

1. **Determine** your goals, both on the service side and the install side of the business.
2. **Budget** a percentage of your income to marketing. Again, the average in the HVAC field is between 4-6%. A well-established company may spend less as they tend to have another budget for a customer retention program. Make sure to spread your budgeted dollars over the highest response media for your area.

Commonly, newspapers, direct mail postcards, personalized letters and then electronic media. This gives you the biggest bang for your buck in the most likely markets to bring in revenue for your company.

3. **Profile** your potential customers. At this point you will need to evaluate the leads and prioritize them from most promising to the tire kickers. The better the prospect, the bigger the follow up. However, do not forget your existing customers. With social media so readily available, your satisfied customers are a great resource. Your brand is built on the relationships that you foster with your satisfied customers and, ultimately, these account for the other consumer's decision to choose you over another company.

4. **Plan and get to work!** Without a plan you are just reacting, when you need to be proactive to have a successful company. Test some ideas and approaches on your customers and your staff, and review what works. Don't be afraid to try a few things. You will need to choose a few tactics in order to meet your customers' needs, reach the customers within your target market and improve your sales results.



When people are reactive, they tend to make rash decisions and throw good money away. Instead of desperately throwing money on ads when business slows, a marketing plan gives you a calm, rational approach to anticipate the slow times, and gives you ways to keep promoting yourself when business is booming. Being proactive and having a marketing strategy lets you concentrate on what you need: your customers, your projects and, more importantly, your income!

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