



# Pre-Qualify Your Customers

by Victoria Downing

One of the most common ways remodelers waste time is by meeting with unqualified prospective customers. Time after time, otherwise well-organized, efficient entrepreneurs squander their precious time in sales presentations with people who just aren't going to buy. These appointments add hours to an already long work week, take resources away from more promising work, and affect morale when yet another job is lost.

You can avoid this wasted effort by pre-qualifying prospective customers the very first time you talk with them. Pre-qualifying simply means gathering of information that will help you weigh your chances of getting the job. Some remodelers are so glad to get a telephone call from a prospect — any prospect — that they schedule an appointment to inspect the job after barely taking time to ask how the caller heard about their company. But rushing headlong into every opportunity that arises, with no regard for the probability of doing the work, is a mistake. Every time you schedule an appointment, you commit yourself to spending time for not just the actual meeting, but for preparation, travel, and follow-up — even if you don't have much chance of getting the job.

Next time the phone rings, slow down, take a deep breath, and talk to the prospective customer *right now*. Use the first telephone call to find out whether or not a site visit and full presentation will be the best investment of your time. It takes the same amount of time to work with people who fit your profile of a desirable client as it does with people who have a job that's too small, who are shopping for the lowest price, or who don't have the money to do the job right. The difference is that you will land a much higher percentage of work from qualified leads.

## Pre-Qualification Checklist

Don't rush your prospective customers off the telephone. An in-depth conversation sprinkled with questions is an easy, effective way to determine whether or not a caller is a high-quality lead. Some remodelers spend up to 45 minutes in conversation, but you should match the length of the call to the size of the job. A small project, like a door replacement, takes very little time to evaluate, while a large, complex addition may require much more time.

Use the initial conversation to gather the following information:

- lead source
- type and scope of job
- reason for remodeling
- construction schedule
- budget
- how much the caller knows
- number of decision-makers
- previous experience with remodeling

**Lead source.** "How did you hear about our company?" It's useful to find out how the caller got your company's name. First, it tells you which marketing strategies are producing the most productive leads, which in turn helps you decide how to spend your marketing money. Second, you can get a good idea of how difficult the sale will be. It's usually easier to sell a referral lead than it is to sell someone who found your name in a list of 50 others.

**Job type and scope.** "Tell me about your project." Be sure to ask some questions about the type of project. If you specialize in big custom additions and the caller wants a small bathroom upgrade, the job may not be worth pursuing. But without knowing the scope of the job, you're working blind.

**Reason for remodeling.** "Why do you want to remodel?" The answer to this question can tell you something about the attitude the caller has toward the proposed project. If the prospective clients are planning to sell

their house, for example, they are probably in a hurry for the work and have a very tight budget. On the other hand, people who want to remodel because their children have just graduated from college have probably given the project a lot of thought and are prepared to make a substantial investment.

**Construction schedule.** "When would you like to be able to use the new room?" Asking the question this way gives you more information than asking about the *start* of construction, because the answer will tell you whether or not callers have a realistic idea of the time needed for quality construction. Their response may also tell you how close they are to making a decision. If the sense of urgency is high — they want it yesterday — they're probably close to making a decision on who will do the work.

If your schedule is too crowded to meet their timetable, and you can't convince them to wait for an opening, at least you have found this out early, before you invested a lot of time.

**Budget.** "Do you have a dollar amount in mind?" Sometimes callers don't have a budget. In this case, you can coax them along by saying something like: "The last six kitchens we remodeled cost between \$10,000 and \$50,000. Is your budget somewhere in that range?" Putting it this way is unthreatening, but helps you to find out if the caller is "real" or not. If the caller is gasping for air on the other end of the phone, chances are even the low end is too high — and you have just saved yourself a lot of wasted effort.

**Caller knowledge.** "How much research have you done so far?" The more people know about the process of remodeling, the clearer their expectations will be. People with realistic expectations about the process — and the price — are the best kind of clients. They will better understand

why things cost as much as they do, and what elements go into a quality remodeling project. And they'll be less easily swayed by price alone.

On the other hand, during their research, many callers are given some misinformation (My *brother-in-law* said *I can get this bathroom completely redone for \$2,500*). Use the initial conversation to counter these kinds of misguided expectations.

**Decision-makers.** *"Besides yourself, will anyone else be involved in making decisions about the project?"* You have a better chance of landing the job if all decision-makers are present at all meetings, ready to discuss the project. No one can tell your story like you can, so it's risky to rely on one member of the household to accurately fill in the details to another. Make sure you can make your presentation directly to everyone involved.

This phrasing of the question is also politically correct. In today's society, don't ask if a "husband" or "wife" will be involved — you might inadvertently offend someone.

If other people *will* be involved, you might say something like: "This

kind of project should be designed to meet everyone's needs. I'll be asking for a lot of input to help develop the right solutions. The process would be much easier if I could meet with both of you."

Old-time salespeople call this "setting up a two-legger." But some remodelers today like to be more flexible, especially design-build firms that ask for a small design fee up front. Many people can spend \$150 to \$500 for this preliminary phase without discussing it first with a partner. So even though the face-to-face presentation will be easier and more productive with all interested parties present, don't be too quick to turn down a "one-legger."

**Past remodeling experience.** *"Have you ever remodeled before?"* If a caller has remodeled before, find out if the experience was pleasant or unpleasant. If they claim everything went well, ask why they're not using the same company again. In some cases, the company they used last time will no longer be in business, or their contact there may have left. But occasionally, the answer can be very

revealing. You may discover, for example, that the caller is really planning to use the same company for their current project, and is simply shopping around.

If the caller's earlier experience was awful, find out what went wrong. If you decide to pursue the job, use this information to explain how you'll make sure the same things don't happen again.

If you ever decide you don't want a lead, be professional about how you turn the caller away. Either recommend they call the local chapter of a remodeling association, or give them the name of another company who will do a good job. Whatever you decide, don't burn any bridges. The same customer may call again in the future with a project that better fits your company. ■

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