

Favorite Low-Cost Marketing Techniques

The only way you can assure your employees that you'll have a job for them two months from now is to secure that work well ahead — ideally, at least a year ahead. To do

compiled by JLC Staff

that, you've got to position your company in the public eye, in a favorable light, on a continual basis, not just when things slow down a bit and you have time to beat the bushes. How you go about promoting your company is your business — literally. So your methods better be good and, preferably, affordable.

We asked a group of successful builders and remodelers around the country how they handle the job of marketing their services without committing thousands of dollars to the uncertainty of advertising. The responses below are as varied, interesting, and creative as the companies themselves.

SPEAK FOR YOURSELF

Pat Brewer, Patrick Brewer Carpentry, Annville, Penn.

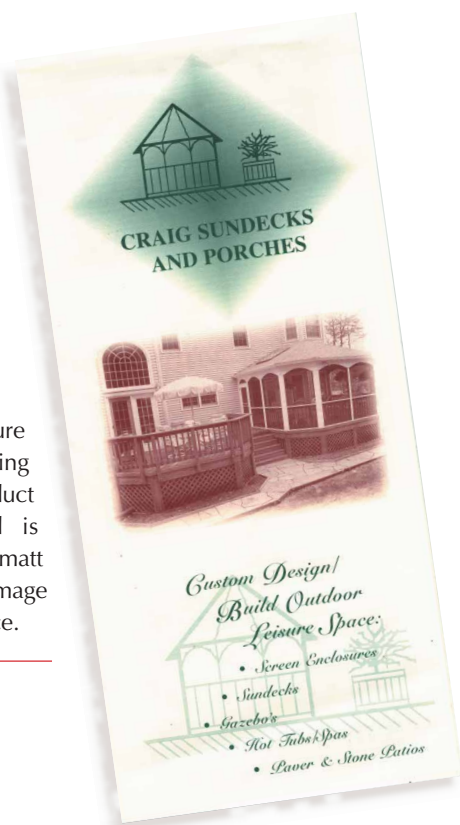
In our 17th year in business as a full-service design, building, and remodeling contractor, 75% to 80% of our business comes from past customers and referrals. Much of the marketing we do, we learned by attending seminars and networking at the NAHB Remodeler's Show. Two approaches have worked well for us. The first is, admittedly, advertising — radio advertising. Believe it or not, a radio spot is a low-cost, high-yield effort. We usually do 20 to 25 bathroom remodels each year. By co-op advertising with one of the plumbers we work with, we share the cost and the benefits. Through lead-tracking, we've found that nearly 40% of our bathroom leads come from the radio spots. We keep the spots simple — my wife, Beverly, and the station ad people write the copy, and Bev tapes the 30-second spots. They're timed to run in "prime drive time," mornings and evenings, and

In business, you can't afford to hide your light under a basket, but it doesn't take a bushel of money to shine

go something like this: "Could your bathroom use a facelift? Nothing dates a home more quickly than a bathroom time has forgotten. This is Bev Brewer to tell you about the best names in the bath business. George Strohm, Jr. and Pat Brewer Carpentry have teamed up to create beautiful new bathrooms that can be all that you want them to be. Explore the variety of styles and colors that are available with the help of Pat Brewer Carpentry and George Strohm, Jr. In the end, you'll have a bathroom design that provides both form and function. Call Pat Brewer Carpentry, Mt. Pleasant Rd., Annville."

Our second technique is a single-sheet newsletter, "What's Brewing," that we produce internally using Microsoft Publisher 2.0. In it, we introduce our employees, cover industry facts and trends, and introduce new materials and techniques gleaned from all of the sources we're exposed to in the course of business. We're constantly on the lookout for new

An effective brochure includes a captivating photo of your product on the cover and is printed on heavy, matt stock to project an image of class and substance.



TARGET YOUR MARKET

Jim Craig, Craig Sundecks and Porches, Manassas, Va.

One of the key things I did when I first started out was to design a brochure describing my business and have it printed up. Rather than sending it out at random to thousands of names on a generic mailing list, I targeted specific streets and upscale neighborhoods where I knew there would be interest in the service I provided. I placed the brochures in plastic bags and hired school-age kids to go door to door, hanging them on the front doorknob (it's illegal to use the mailbox or door slot). This simple effort generated some solid leads. As soon as I had a job going anywhere, I made sure to put my sign out in front. Neighbors who had already seen my brochure would quickly make the association, take a look at the job, and call to consult me on their projects. Those brochures were instrumental in establishing me in the successful all-referral business I run today.

Currently, we use a company called NewsPro Data (Worthington, Ohio; 800/837-5478), whose business is to gather information on all new houses sold each month in every state and county. We tell them which zip codes we want to work in and the dollar amount to target — we're looking for homes that sell for \$500K and up. For \$50 per month, we get a list of about 200 homes, along with preprinted mailing labels. The information provided to us includes the

selling price of the home and the mortgage amount. If we send out 100 brochures to the names on this list, we get about five calls, or a 5% return. And the referral network continues to grow from there.

A word about the brochure: Project photos on the cover are important to capture the reader's interest. The brochure should be printed on heavy, matt-finish paper to project a stylish, high-quality image (left). Thin, glossy stock is more likely to bring the local termite franchise to mind and get tossed without a second look.

Jim Craig's company has been in business for 15 years. It employs ten two-person subcontracted crews in the field and four full-time office personnel.

A TOUCH OF CLASS

Mark Labourdette, Golden Gate Home Repair, Novato, Calif.

Distinct from our advertising efforts, part of our marketing outreach focuses on maintaining contact with past clients. We stay in touch in a number of ways. After every completed job, we mail a questionnaire, asking our customers to rate our service in various areas, including overall results, quality of the work, attentiveness to their needs, and what they liked best about our company. We average a 50% response from our clients and use the information to fine-tune our service.

We've arranged with a local winery to print an exclusive label for us that reads, "Selected and Bottled Expressly For The Friends Of Golden Gate Home Repair Inc." (below), and we ship a nice bottle of wine to every contract over \$20,000. Although not everyone appreciates wine, we haven't heard from anyone who didn't appreciate the gesture as a



Your company name on the label of a good wine is bound to get you noticed. This contractor sends a bottle to his customers as a gift of appreciation for contracts over \$20,000.

touch of class. And, once a year, we mail a one-pound box of See's chocolates to previous clients. We provide a sticker for the box that reads, "It's sweet doing business with you!"

We've also had a great return on our publishing efforts; our newsletter has served to introduce our company to many new customers. In it, we introduce our staff, mention our services, cover useful tips for homeowners, announce special offers, and so on. We're in the process of upgrading from a seasonal (fall and spring), single-sheet tri-fold newsletter to an eight-page monthly newsletter.

Mark Labourdette started his company in 1980 as a sole operator. It has grown to include five full-time office personnel and five to seven lead carpenters in the field. It produces \$1.6 million in annual sales.

NOTE ON CUSTOMERS

Rick Stacy, R.A. Stacy Construction, Bergen, N.Y.

Working toward building a strong referral network has been key for me. And it must be worked at. It took about five years in business to get my network established and to wean the company from advertising. As a smaller business, I concentrate on repeat customers and referral work. I send my customers Christmas cards and an occasional low-pressure flyer, announcing specials (window replacements, for instance) and listing other types of work that I do. A customer for whom I've built an addition may not realize that I also do roofing and siding; someone I've done a small repair for may not realize that I also do larger jobs.

At the end of each job, I return the customer's house key attached to a key chain embossed with my logo and phone number. On a particularly large job, or for a good customer, I give out a Customer of the Year award. I send flowers or a fruit basket with a note of appreciation. (I may actually send the award to more than one customer in a given year, but the customer doesn't know that.) I've now begun an effort to call customers of recently completed jobs to make sure that they're satisfied with the work. In a call the other day, the customer spent ten minutes complaining about an electrician she had hired who had reneged on repeated promises to show up. When he finally did show, he berated the woman for pestering him and fouling up his schedule. It's safe to say that this would be a poor marketing technique to emulate, but guys like that sure make R.A. Stacy look good. This client went on to say how much she appreciated our workmanship and the service we provided.

It's my goal to keep my customers for life. Ten years down the road, when I come back to do the next job,

I want to see that the original job is still performing well. Ultimately, I have more than mere customers — they're friends that I serve, take care of, and look out for. Just this morning, I responded to a callback, a sticky storm-door lock. I repaired the problem and adjusted the locksets on the customer's other doors while I was there. This customer was currently laid off and looking for work. We both knew that she wouldn't be hiring me again anytime in the near future. But I was prompt about showing up, and she was impressed. It cost me about \$50 in lost time. I left a stack of my business cards with her, and expect that I'll hear from a couple of her friends in the months to come. That's "in-it-for-the-long-haul," low-cost marketing.

Rick Stacy and his wife, Amy, operate this deliberately small, 20-year-old remodeling company. It has one full-time and two part-time employees, in addition to the help it gets from the Stacys' four children. Annual sales volume hovers around \$140,000.

LEAD WITH A PACK

Colette Gandelot, Vujovich Design-Build, Minneapolis, Minn.

One of the challenges facing me as marketing manager for our remodeling company was how to distinguish us from the rest of the pack. While many remodeling companies have brochures and flyers that are "leave-behind" pieces, I wanted to design something that could be sent to potential clients after a prequalifying phone conversation and before the initial sales call.



A professional introductory pack goes a long way toward securing a commitment from clients, well before the first sales appointment. This kit includes an informational spiral binder, project photos, a handout brochure, and a playful and effective VoyBoy Calendar featuring a different company employee each month.

Our “marketing pack” (below) is a very professional piece, created in house, that can be custom tailored as needed. It details the history of our company and explains our design-build process. In it we also cite examples of our successes in estimating, and provide an extensive list of client referrals and photos of completed projects.

Many clients have expressed their appreciation for receiving such comprehensive information in advance of our visit. The combination of putting our references up front and always confirming our sales calls creates a strong first impression, especially in light of the unfortunate reputation contractors have for not showing up at all.

For a relatively small investment (approximately \$1.50 per pack), we have created a receptive atmosphere for our sales personnel — a valuable tool in a highly competitive industry.

Colette Gandelot is the sales and marketing manager for Vujovich Design-Build, which focuses on residential remodeling but also produces one exceptional new home per year. The company has 21 employees and an annual sales volume of \$6 million.

GET IN LEAGUE WITH A LENDER

Peggy Wright, Wright Design/Build, Indianapolis, Ind.

I regularly schedule lunch or afternoon meetings with my informal business partners, those community professionals who help me to do my job and improve my company. During a lunch meeting, my bank's loan officer indicated an interest in helping to market my company. He said that if I would provide a company brochure or a letter of introduction, the bank would provide a cover letter, in which it would introduce its home loan and equity programs, and put out a combined mailing at its own expense.

In addition to introducing its own programs, the bank's cover letter acknowledges the stress associated with finding a qualified builder or remodeler in the current market and introduces Wright Design/Build as a company with which it has done business. The letter states that, together, we would like to meet the home-building or remodeling needs of the recipient. (So that it would not be confused with junk mail, I insisted that this package be sent via bulk priority mail in a plain envelope.)

What is so exceptional about this marketing idea is that the only thing we have to provide (aside from the actual service) is a captivating letter or brochure. Then we define the regions that we wish to target, and the bank pulls all the targeted addresses and handles the mailing. We're freed up to attend to our



Combining neighborhood cross-reference data with the power of a desktop mail-merge utility produces a customized letter that introduces your company to dozens of targeted prospects near the job you're on.

customers instead of stuffing envelopes. The bank also e-mails us a copy of the mailing list to add to our database for future mailings.

In return, the bank receives our referrals when we have a client who has not yet chosen a lender. Tandem marketing (builder and financing) is a win-win proposition in a ripe-for-renovation upper-end market.

Peggy Wright heads Wright Design/Build, started in 1997 as Wright by Design and specializing in custom homes and renovation. It has two part-time employees and an average annual volume of \$525,000.

INTRODUCE YOURSELF

Mike Weiss, Weiss & Company, Inc., Carmel, Ind.

We have a dual-purpose marketing ploy that doesn't generate a landslide of work but puts a personal face on our company and elicits some nice feedback from the neighborhoods we work in. When we're about to start a job, we send letters of introduction — usually about 50 per job — to the homeowners in the immediate vicinity (above). (We subscribe to, and derive our mailing list from, a cross-reference directory; you can usually find a similar directory at your local library. The mail-merge utility in MS Office automates the task of personalizing and addressing each letter.) The letter is cordial, explaining that we have just been awarded a

job at 1111 2nd Street, and we want to take the opportunity to introduce our company to the neighborhood. We apologize ahead of time for any congestion that might occur during the construction and ask that any complaints be directed to us rather than our client.

If the job is a sizable one, of two or three months, at its conclusion, we send a second letter to the same neighbors, thanking them for their patience and even inviting them (with the owner's permission) to view the completed work. The mailing, printed on our letterhead, costs only about \$50 to \$100 per job, and we add each new group of addressees to our general mailing list for future promotional efforts.

Mike Weiss's 29-year-old firm has a nearly exclusive focus on remodeling. The company has seven employees, including the principal, and does about \$1.5 million in annual sales.

DROP A LINE

Susan Cosentini, Cosentini Construction, Ithaca, N.Y.

We always send a thank-you note on a nice postcard for every referral we get from a previous customer, or anyone else who passes our name

along. To new prospects, we send a professional brochure, introducing Cosentini Construction and describing our services. As a long-term marketing technique, we've recently turned to cable television to introduce ourselves to a wider market. We've found it to be surprisingly affordable and effective (see "Using Television Advertising," 5/01).

We also submit press releases on new hires to our local newspaper — it's free, and everyone seems to read them. They read something like this: "Cosentini Construction Inc. is pleased to announce the promotion of Steve Preheim to production coordinator. Steve has been a member of the Cosentini Construction team for six years. He will be coordinating field activities and maintaining the standards of efficiency and high quality that Cosentini Construction is known for. Cosentini Construction, located at 527 N. Aurora St. in Ithaca, is a design-build firm specializing in careful and conscientious custom home building and remodeling."

Susan Cosentini has 20 years' experience in construction, from laborer to owner. Her company specializes in client-centered, harmonious remodeling and construction. It has 14 employees and an annual sales volume of \$2 million.

