

# Big Bang, Low Bucks Marketing

Adopt these inexpensive marketing techniques to create a steady stream of quality leads

**A**ny successful construction business will become paralyzed without a marketing program. Too many contractors never get started, hiding behind excuses like “I’ll begin a marketing program when I have more time” or “I’ll start marketing when I

have some extra dollars.” But when the phone stops ringing, they wish they’d made the effort to attract new customers.


There is no mystique to marketing. The important thing is to control the direction of your marketing so that you can get the maximum benefit from your efforts. To do this, you need to create some tools you can use over and over. You may already have many of these tools, so you’ll just need to give them a new twist to make them more powerful.

Our company is a 17-year-old design-build firm with five employees, includ-

ing me and my wife, Nancy, who does all of our computer work. We’re located in a seasonal resort area in New Hampshire of about 350 square miles, and we have targeted our marketing efforts to this area. Fifty percent of the homeowners in our area live out of state, and a lot of our work is completed in the winter months. Most of our marketing tools are designed in-house and are produced at minimal cost. In this article, I’ll describe those that have worked best.

## What Are You Selling?

Builders and remodelers setting out to create a marketing program should begin by asking the question: “What am I selling?” My answer is that we are selling investment protection. We are protecting the investment of the homeowner who has chosen us for the project.



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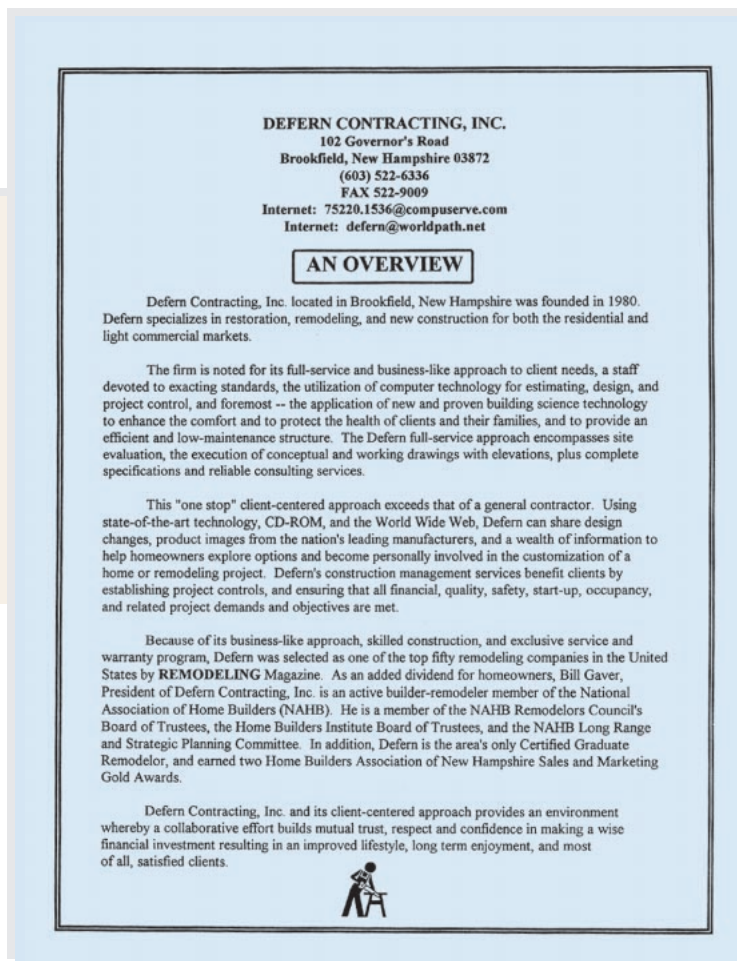
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Too often when builders and remodelers are asked, “What business are you in?” we respond, “I’m a contractor” or “I do building.” But we do something far more important: We improve our customer’s lifestyle. We are in the business of bringing added enjoyment and comfort to their family. Most important, we’re in the business of adding value to their biggest investment, their home. Your marketing efforts must communicate the benefits of doing business with your company and tell your customers how you will protect their investment.

Your goal, then, is to distinguish yourself from competing contractors. You want homeowners in your area to have your company’s name on the tip of their tongues, so that when they are ready to build or remodel, the first company that comes to mind is your company.



**Figure 1.** Keep your logo simple and don't clutter your business card with extraneous material. Additional information can be printed on your letterhead.



**Figure 2.** An overview statement provides the reader with a quick synopsis of your company. Colored paper catches the eye.

Marketing tools take time to develop, but those you use repeatedly will help you achieve this goal. Here are the essentials:

**Logos.** If you don't have a logo, I strongly recommend designing one. It doesn't have to be fancy, maybe a distinctive typeface and layout, as long as it sets you apart from the competition (see Figure 1). Your local print shop is the least expensive place to get help with a design, or you can hire a graphic designer for between \$200 and \$500 to create a logo. Once you've created it, use it on your stationery, job-site signs, business card, Yellow Pages listing, and display ads. You want homeowners to recognize your company by your unique logo.

**Overviews.** Your company should also have what I call an "overview" statement, explaining how long you've been in business, the types of services you

offer, awards won, and membership in professional trade associations. The overview can be brief: Ours is printed on one side of 8<sup>1</sup>/<sub>2</sub>x11-inch colored paper (Figure 2). Distribute your overview statement to Chamber of Commerce members, Rotarians, bankers, and realtors, and send it to potential customers. We update ours two or three times a year.

**Brochures.** A company brochure can be an effective way to introduce your business and services. In it, you can summarize your services and illustrate them with drawings or photos of completed jobs. Nancy laid out our brochure using CAD, a word processor, and a rendering from our designer (Figure 3). She produced a camera-ready original, and the print shop charged us 15¢ per copy (including folding) for a run of 350. We distribute it as we do our overview statement, and it also is an important com-

ponent of our initial meeting with homeowners.

### Initial Contact

Homeowners are interested in your reputation. They'll want to know about your financial stability, whether you have experience doing the type of project they have in mind, and the scope of services you offer, both prior to the start of the project and after completion. They'll also want third-party endorsements. Used effectively, this information can set your company apart from your competitors.

**The presentation.** Your presentation begins with the first phone call to your office.

Ask the caller about his project, how he learned about your company, who referred him to you, how soon he would like to start, and whether he is getting other bids. At Defern Contracting, we



Figure 3. A brochure conveys a “picture” of your company, using text and simple graphics or photos that showcase your skills.

collect this information on a lead sheet (Figure 4).

Set up an appointment to meet with the prospective customer and follow up with a letter confirming the time and location. In the letter, express your interest in the project and reiterate your experience working on similar jobs. We also include a flyer listing emergency phone numbers, plus our business card, brochure, and overview statement.

**Be punctual for the first meeting.** Remember, you have less than three minutes to establish rapport with Mr. or Mrs. Homeowner. Everything that happens in those first three minutes will determine whether you’re going to develop a relationship of mutual trust. What you say and how you conduct yourself is very important, because the homeowner is looking for a builder or remodeler with whom he or she feels comfortable.

Homeowners are interested in describing to you the scope of work they have in mind, some of their ideas and dreams. They’re depending on you to help fulfill those hopes and expectations. Listen carefully and offer sugges-

tions based upon your experience. Build their confidence in you.

**Presentation package.** The real moment of truth for customers comes when they weigh the contents of your “package.” That information packet will determine whether you’re going to be the remodeler or builder of choice. It contains tools you already have (many of which your competitors have, too, but don’t use), such as copies of your contract, certificate of insurance, change order, warranty, and sample specifications. We keep ours in a three-ring binder along with before and after photos of our jobs.

Take 15 to 20 minutes to walk prospective clients through your agreement. Show them where you quote your price, give allowances, specify inclusions and exclusions, and set the start and completion dates. Likewise, review your warranty, point out the detailed specifications, and if you’ll be supplying plans, show them a set of drawings you’ve done.

After explaining the contents of your package, leave the homeowner alone to review it while you take measurements

and scope out the job. This builds trust: They look at your material at their own pace and you get to browse the job unaccompanied. Before you leave, ask if they have questions. We tell prospects that we will get back to them in one week with a quote, and we always do. This immediately sets us apart from our competition and never fails to elicit a positive response.

**Follow up.** When you return to the office, write a letter telling the prospect how much you’ve enjoyed meeting them, reviewing briefly the services provided by your company, and reminding them of your experience doing similar projects. Confirm that you will call ahead to schedule a meeting to present your quote.

### After the Job

After you’ve completed the job and it’s gone well, what’s next? Your marketing efforts don’t stop when you’ve gotten your last payment or when the prospective customer has chosen another contractor. Your goal is to build name recognition by keeping yourself and your company on their lips. You

## Sales Lead

Date of appt./Day of week/Time \_\_\_\_\_ Salesperson \_\_\_\_\_  
 Client \_\_\_\_\_  
 Spouse's name \_\_\_\_\_ Lead rec'd by \_\_\_\_\_  
 Mailing address \_\_\_\_\_ Date \_\_\_\_\_  
 Town, State, Zip \_\_\_\_\_  
 Home phone \_\_\_\_\_  
 FAX \_\_\_\_\_ Office phone \_\_\_\_\_

1. How did you hear about Defern? \_\_\_\_\_
2. Describe the project (size/type/purpose) \_\_\_\_\_  
 \_\_\_\_\_
3. What is your time frame or target date? \_\_\_\_\_
4. How long have you lived at this address? \_\_\_\_\_
5. How long have you been planning this project? \_\_\_\_\_  
 3 months \_\_\_\_\_ 6 months \_\_\_\_\_ year \_\_\_\_\_ longer \_\_\_\_\_
6. Are you planning to get other proposals?  
 Yes \_\_\_\_\_ No \_\_\_\_\_ How many \_\_\_\_\_
7. Have you ever had remodeling or new construction done before?  
 Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, when? \_\_\_\_\_ What \_\_\_\_\_  
 Who \_\_\_\_\_
8. Additional comments: \_\_\_\_\_  
 \_\_\_\_\_
9. Directions to project: \_\_\_\_\_  
 \_\_\_\_\_

## Sales Leads 1995

	Total number	Percentage
Referral	17	23.6
Former Client	13	18.1
Realtor	5	6.9
Bluehill	4	5.6
Personal contact	4	5.6
Homeowner Seminar	4	5.6
Reputation	4	5.6
News Story	4	5.6
Architect	2	2.7
Chamber of Commerce	4	5.6
Accountant	2	2.7
Welcome Wagon	2	2.7
Supplier	2	2.7
HBA of New Hampshire	1	1.4
Miscellaneous	4	5.6

**Figure 4.** The author uses a lead sheet (left) to collect the same kind of information from every prospective client. At year end, he reviews a summary of lead sources (right) and adjusts his marketing strategy accordingly.

want them to refer you to others, and you want to build their next project. We keep a 10-year list of customers; 5 years for prospects. Here are some inexpensive ways we keep these relationships alive.

**Customer satisfaction survey.** We send out a follow-up questionnaire with a self-addressed stamped envelope about two weeks after we have completed a job. We ask the customer to tell us what they thought of our company, to make suggestions for improving our performance, and to describe any changes they would make in the design. The survey demonstrates to the customer that we have a formalized follow-up program and helps continue our relationship with them. It becomes an educational tool for us in identifying our strengths and those areas needing improvement. Additionally, we share the survey results with our lead carpenters and subs; this encourages teamwork among our workers and subs, which ultimately allows us to provide better service.

**Inspections.** As we hand off our warranty, we always tell the homeowners

that we'll come back in a year to take care of any small details that need attention. This may include adjusting a door or installing a missing screen (we build the cost of the follow-up inspection into the original quote). This kind of service shows professionalism, plus it's a great way to maintain contact with past clients.

**Keep in touch.** Every day we make a phone call to two or three previous clients. We may tell them about a local event that might interest them, or perhaps we'll call to congratulate them on a newspaper report that their son or daughter has graduated from school. Similarly, after a particularly heavy rain-storm, we'll call to ask how the new roof held up.

For seasonal customers, who may live as far away as Arizona or Florida, we call in the off-season to keep them abreast of the work we're doing on their summer home or to update them on the condition of the cottage they've asked us to check while they're away. It's a real confidence builder for them to hear from their contractor in distant New Hampshire.

**Cards.** Many remodelers send out thank-yous and Christmas cards (and you should, too), but don't be afraid to try something different. In late January, for example, we send out our "January letter." This arrives after the hubbub of the holidays has subsided so it's more likely to get the reader's attention. In it, we wish their families success and health in the coming year, but we also remind them of our services. The most important part of the message, however, is in the last sentence: "In closing, we want to express our appreciation for the many leads you have given us, and we look forward to your continued support." Many of the people who get this letter haven't provided any leads, but this simple statement gets them to think about us in conjunction with someone who might use our services.

**Invitations to company events.** I can't emphasize enough how strong this is as a marketing tool. We always have a Christmas party at our house and invite our employees, subcontractors, suppliers, and the customers we have served over the last two years. About 70 people attend, and our cost averages \$7

# The DEFERN DIFFERENCE



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## All Hail the Vernal Equinox

Put a red circle around March 20th on your calendar, set your alarm for 3:04 A.M. EST! Believe it or not, ready or not -- Spring will be here before we know it. And, who among us is not ready for that first balmy breeze, and, yes, even that first **BLACK FLY!**

While we in New England have "suffered" at the hands of Mother Nature this winter, we once again have been blessed and not had to weather the hardships of most of the rest of the country. Yes, even those of you who bask in the warmth of the southern climes have had a taste or two of "Old Man Winter's handwork".

All of which makes Spring that much more welcome, and enjoyable.

## CENSUS UPDATE

Newborn girls still outnumber newborn boys in the Defern family of staff and team members coupled with clients, but Alan and Sue Harding welcome a new grandson, and the Gavers are enjoying a new grandson as well.

Score: Girls - 9 Boys - 2

## Stay Out of the Gutter

While we discourage homeowners from considering standard gutter/downspout systems for their homes, there are a number of new products on the market that are engineered to eliminate gutter cleaning resulting from leaves, pine needles and debris build-up.

If you are interested in knowing more about these systems, please call the Defern Office for literature.

## EXPANDED OPTIONS FOR HOMEOWNERS

Following numerous requests, Defern Contracting, Inc. has formalized and expanded that which has been a part of Defern for many years -- providing consultation and expert guidance through the challenging, confusing, and time-consuming process of planning a new home, the remodeling, and/or improvement of an existing home.

Learning the whole "menu" of planning and constructing an addition, remodeling an existing home, or building a new home tailored to ones' individual and family needs can be an anxiety-ridden experience.

Defern's detailed approach focuses on the client's lifestyle, defined budget parameters, and the buildability of a plan. Increasing the homeowner's confidence in material and product selection coupled with rapid feedback and information of materials, products, costs and construction estimates aids the homeowner in developing a realistic budget to meet investment requirements.

Working together as a team, Defern and the homeowner can develop and implement the best course of action to achieve the best investment value. Whether a "turn-key" project, phased, or Assisted Do-It-Yourself, the homeowner can take full advantage of the best the industry has to offer.

## The Information Highway Has a Brookfield Exit!

Defern has for some time offered computer assisted design. Now, state-of-the-art technology, CD-ROM, and the World Wide Web allow Defern to share product images from the nation's leading manufacturers. Viewing color photos of actual products superimposed on a client's proposed home makes the complete design concept come to life in just a few minutes. Planning a project -- call to see it come to life.

to remember your company.

Whichever low-cost marketing ideas you embrace — and there are many more — remember that your goal is to keep your name in front of as many people as possible who are in a position to use your services.

## What Works, What Doesn't?

Finally, take a look at the sources of your leads. Knowing where your jobs are coming from will help you spend your marketing time and money more wisely by enabling you to target the best prospects. This will increase the exposure of your company, bringing you more leads and more jobs. As the number and quality of your leads increase so will your profits.

Every January, we sit down and review the previous year. In the upper right corner of the the lead sheets that we filled out when our customers first called we make notes telling whether we got the job, the type of job, and the dollar amount. We take all the lead sheets for the year, count the number of leads and jobs, and separate them by type and dollar amount. This data tells us what kinds of jobs we're doing and the annual dollar volume of each category. We also monitor lead sources.

We then use this information about our jobs to refine our marketing plan. For example, we do one or two whole-house renovations a year for out-of-state homeowners, which keeps our crew busy during the winter months. So, every year we concentrate some of our marketing energy on finding jobs that will carry us through the winter. In your own business, you'll discover that some marketing efforts work better than others. You may learn, too, that certain types of marketing attract less profitable jobs, so you can change the direction of your marketing to attract more profitable jobs. By fine-tuning your efforts, you can strengthen your marketing program and get a greater return on your investment.



**Bill Gaver and his wife, Nancy, run Defern Contracting, a design-build company in Brookfield, N.H.**

per person. The party will build team players, and those subs, suppliers, and customers expand your sales force. They'll go home and talk about your company with everyone they meet. The more people you have on your bandwagon working for you, the stronger your company is going to be.

**Press releases.** Press releases promote third-party credibility. There are four weekly newspapers in our area, and every season we send out a press release to each. The fall release might cover tips homeowners can use to prepare for winter; the spring release might talk about designing a sunroom. The ideas and content for these releases come from articles we've read or from our own experience. In addition, we send releases after speaking at a Rotary luncheon, having an article published, or attending a conference. Press releases help establish you as an expert; newspapers now call me asking for an article.

**Newsletters.** Newsletters are an excellent way to stay in touch with former and prospective customers, as well as

with subs, vendors, and real estate agents. And they don't have to be expensive. Nancy composes our quarterly newsletter, *The Defern Difference*, on a word processor in two days. It's a single 8<sup>1</sup>/<sub>2</sub>x11 sheet printed on both sides (Figure 5); printing costs run 10¢ each for 500 copies, plus first-class postage.

Content for your newsletter is readily available: You can showcase an employee, include articles such as "What to look for when choosing a contractor," or write about a new business in your area (we once reviewed a restaurant that opened in a restored 1950s diner). The most popular feature of our newsletter is the recipe column. In keeping with the season, we include one of Nancy's recipes — an apple pie recipe in the fall, for example, and vegetable dishes in the summer. You can also team up with a local business to offer a discount on their products or services; we recently included a 10% off coupon for an ice cream shop. The purpose of the newsletter is to get people to respond to it; in doing so, the reader is more likely

Figure 5. Newsletters are an inexpensive way to get people to talk about your company. Provide a mix of local news, helpful hints, and recent accomplishments.