

Written by Richard Bright, PDCA

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Seven P's TO MARKETING

The last BDW column offered four P's for developing a marketing plan. Richard Bright expands it by three, bringing you new ideas.

BEFORE ANYTHING ELSE, YOU HAVE TO BE AWARE of the practical parts of marketing. First, you really need to develop a marketing plan, then you have to put a budget to the marketing plan, and then you need to actually do what you've planned. Finally, and maybe most impor-

tant, you need to track the results of what happened. In the end, a marketing plan will save you money by targeting your sales efforts so you're not wasting time trying to gain customers or jobs that don't fit with your capabilities or image. The bottom line is to be more successful.

1 PRODUCT

This may sound silly, but you have to know what your product is going to be. Yes, it's paint, but what makes you special? You need to identify your unique value proposition; Do you stand out from the competition? Are you high-end, quality — all about service? Or do you lead on price, working with volume? Do you have a "tag line" or motto by which you run your business so your employees and your customers know what you stand for?

This begins to brand your company. Every successful company is recognized for something. A brand's identity is the emotional response it evokes in customers' minds. If customers didn't like the taste of Coca-Cola, they won't buy it again. If they had a good experience, they'll continue to buy. How do your customers feel about your business? Find out and clearly identify it in the marketing plan so both your customers and your employees will know exactly who you are, what you stand for and what they can expect when they work with you.

The last part is the SWOT (strengths, weaknesses, opportunities and threats) analysis, which the *Business Development Workshop* covered in the Spring 2006 issue of *ProFiles*®. (If you would like a copy of the article, e-mail profilesinfo@benjaminmoore.com.)

2 PEOPLE

Who is your target customer? Picture the nicest and/or most profitable customer and that's the one you want to duplicate. The goal of your plan is to replicate the top 20 percent of your customer base. How can you get to the friends, relatives, neighbors who are in the same demographic as your most profitable customer? Find out who and where they are.

The other "people" aspect is your personnel. Are you putting the right people into the right positions? Is your lead foreman or estimator a good salesperson? Is your best painter messy looking and inarticulate when dealing with customers? Customer service is critical and no matter how small your organization, training people to communicate and service the customer will enhance your mission and brand.

3 PLACE

Are there any geographic concerns? If you begin to extend your marketplace, can you service it? Does it add transportation costs you can't recoup? Do you have the right personnel? Again, do your SWOT analysis and understand what you'll be getting into. For example, if you are looking to expand into commercial business, how many hospitals or schools or shopping malls are there in this expanded area? What's your competition for those jobs?

4 PRICE

How does your price compare to your competition? It's critical to know. I recommend to every residential contractor who loses a job to call the customer and find out why. It might be price or it might not. The more you can find out why you are losing business, the better off you will be.

I'm continually amazed to find how many residential contractors leave money on the table by not charging enough because they are afraid they won't get the business. If the business isn't going to be profitable, there is no point in having it. So, know your profit number and don't go below it! Have a price that's fair for the market you are targeting. The marketing process is designed to help you find the right customers who are going to buy at your price.

However, price isn't everything. You have to have a good sales process to ensure you get the business. For example, do you respond within a quick or agreed-upon time? Is your estimate written professionally?

What about incentives or discounts? Do you offer a discount on the next painting project to a customer who refers someone who buys from you? Is a winter discount appropriate to drive business when it's slower? Again, a SWOT analysis on all these things can help you make the right decisions.

5 PROMOTION

OK, so now you know your core product and brand, what it is customers recognize you for, and your profitable fair price and target customer. How are you going to get the word out? What is your strategy? Are you going to use telemarketing or direct mail? A web site? Newspaper or Yellow Pages advertising? Sponsor a Little League team?

If you are going to use direct mail, for example, what kind? How many? How will it be produced? No matter what you produce, from postcards to door hangers, make sure the customer recognizes the brand you want to build.

Use your professional association affiliation and/or educational credentials to help solidify your brand image and differentiate yourself from your competition. If you are a member of PDCA, use the logo because it lends credibility to your claims that you maintain professional standards.

6 PROCESS

Much of your planning can be wasted if you don't track the results. You can tell not only how many jobs came from that one postcard mailing, but the average cost and profit and whether it brought the type of business you were targeting. This way, if you want to increase your business by X percent, you'll know how many more postcards you'll need to mail the next time, or not, if it wasn't profitable.

Part of the process is how marketing ties into your sales process. If leads are coming in do you need a sales process that reflects your brand? How quickly do you turn it around? How do you pre-qualify the lead? How do you handle the on-site visit? How do your contracts look? It should all be part of your plan and reflect your brand image.

7 PLEASURE

The pleasure zone is extremely pertinent for the residential repaint contractor. I've been to many Benjamin Moore events and PDCA events and a significant percentage of people don't have a marketing plan and don't do any marketing whatsoever. They are dealing with referrals and that's enough to keep them busy, they believe.

The little things do matter! Make sure you communicate with customers and let them know exactly what will happen throughout the process and keep them abreast of everything you are doing. All employees should be clean and respect the home as if it were their own. Maybe mulch the garden beds after you have been working in them for the past few days. Exceed expectations and you have a customer for life and referrals for life.

This article is intended as a general guide only. It is recommended that the readers seek their own professional advice in individual situations.