

Marketing Principles for Plumbing Contractors

By Adams Hudson

Good marketing generates leads. That's as true for plumbing contractors as it is for any other kind of business that relies on sales and service. But what makes marketing "good" doesn't have to be a mystery. In fact, it begins with a few general principles:

Exploit your assets and benefits to a larger audience. This is advertising that says who you are, why you're better, and what the customer gains by using your services. Your customers like you for something that is different from other plumbing contractors. Determine and focus on exactly what that difference is and spread the news.

Make something marketable from something you may have taken for granted. Do you have 24-hour service? Do you guarantee satisfaction, service, response times, parts warranties, follow-up services, etc.? If you don't, you're missing an opportunity. If you do, but don't market it, you're missing the point of having it.

Advertise this Unique Selling Proposition (USP) to the masses if you can afford it, and/or a peer group similar to your existing customer base demographics.

People's habits, actions, desires, and concerns are more alike than you think. If lots of your customers live in zip code 33334, yet 33335 has similar demographics but very few of your customers, it's time to bombard them with your offers. (Testimonials work extremely well with these affinity groups. You can thank me later.)

Research, resell, reap, and repeat. This advertising says, "We identify with you and your needs, and here's how we can prove it to you." Once you've recognized your most likely customers or desired customers, cater to them in the form of advertising and marketing that appeals to them, their needs, and their situation.

By the way, a Yellow Page ad with 17 logos and a picture of a toilet isn't "identifying" with an audience. But here's a quick way that you can:

Research – Focus on your existing base of customers, then target a larger but manageable group. Age of home, income, lead pipes, low water pressure, outlawed polybuteyline piping (identified by build dates), and many other profit opportunities await the smart plumber.

Resell – Continue to present yourself to these prospects. Win them as customers through a staged approach in different media. Print or radio (broad market) can be followed by direct mail (focused market) that speaks their language. Then follow up with either postcard, newspaper inserts to their zone, or telemarketing.

(Big time hint: If you do better than 1% response rate on a mailing, resend that piece to the same list. A client once called to say he'd gotten 3.4% response on a utility-assisted mail out and wondered what to do next. You can guess what I told him. His results were 2.2% on the second try.)

Reap – Determine how effective the promotion was by calculating cost per lead and cost per sale. Then invest some profit in additional marketing that fits your best approach. You must track your leads with one question: "...and how did you hear about us" then mark it down. If you don't measure it, how will you ever know?

Repeat – When your promotional techniques start pulling, simply repeat the process. Don't change for the sake of change. Be prudent.

Finally, don't fall for these two commonly held beliefs: 1) If business slows down, cut your advertising first; and 2) When business is good, there's no need to advertise.

To lessen the effect of business ebb and flow, adopt a clear strategy. Set a sales goal; get a marketing plan; set your budget in writing; and allocate through the year. With powerful marketing, you can eclipse your competition; get more leads; sell more accessories; and solidify more loyal customers.

Adams Hudson is president of Hudson, Ink, a creative marketing firm for contractors. Hudson, Ink has just launched the Plumbing PowerPack, a high-performance turn-key marketing system for the performance-minded plumber. Call Hudson, Ink at 1-800-489-9099 for more information or visit www.hudsonink.com for free marketing articles and reports, including a free report called "How To Track Your Marketing." Readers can get a free marketing newsletter by faxing their letterhead with the request to 334-262-1115.

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Nebraska News

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MEMBER BENEFIT

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CONVENTION

&

EXPO

Early bird deadline
has been Extended!!!!

January 26 - 29, 2005

Embassy Suites & Lancaster Event Center

Lincoln, Nebraska

Convention/EXPO/Seminars Registration Form

for the **96th** Annual Convention & EXPO



Plumbing – Heating – Cooling Contractors of Nebraska

Embassy Suites, Lincoln, Nebraska — January 26—29, 2005

Company _____

Mailing Address _____

City: _____ State: _____ Zip: _____

Telephone () _____ Fax () _____

E-mail _____

Early bird Deadline is JAN 17, 2005		Extra Meal Tickets:				Seminars		
Registrants Name	Men's & Women's Conv Reg (Includes all seminars) \$100/130	Wednesday Evening Dinner \$20/25	Thursday Exhibitor's Sponsored Party \$15/20	Friday Evening Banquet \$30/35	Saturday Men's Past President Luncheon \$15/20	Thursday 27th 8:30-11:30 am Problem Solving & Decision Making Seminar	Friday 28th 1:00-2:30 pm Change Order Seminar	Friday 28th 8:00 am Contractual Liability

Convention Registration Enclosed:

Amount due: _____

Hotel Accommodations
 Room reservations must be arranged with the Embassy Suites. They are reserving a block of rooms for our convention. **Reservations should be made prior to January 5, 2005** as the unused portion of our reserved block will be released for sale to the public on that date. Identify yourselves with the PHCC of Nebraska to receive special room rates. They are:

Single/Double Rate 109.00 / 114.00

 Please make your reservations by calling (402)474-1111 or online at www.embassysuites.com
 Convention Code: PLM

Registrations must be received by
January 17, 2005
for the early bird special!

Send checks to: PHCC of Nebraska
Fax Registration forms to: 402-727-4047

Date pd _____ Check # _____
 Amount pd _____ Invoice # _____

Plumbing-Heating-Cooling Contractors Association of Nebraska



96th Annual Convention & Trade Show Convention Agenda

Wednesday, January 26, 2005

- 6:00 p.m. Social Hour
- 7:00 p.m. Get Acquainted Party/Opening Session
- Casual or Dress up
- 'Schools Out, Let's Party' (Mardi Gras)

Thursday, January 27, 2005

- Continental Breakfast—Free for those Staying at the Hotel
- 8:30 a.m. Men's Board Meeting
- Auxiliary Board Meeting
- 8:30—11:30 a.m. *Change Orders: Winning the Change Order Game—Seminar*
It is a great industry myth that PHC contractors get rich on change orders. The truth is most PHC Contractors struggle to receive fair compensation for legitimate change orders. Change orders can Only be profitable if managed properly by the PHC project management team. To handle change Orders profitably, your company must have standard written change order procedures that are regularly utilized and enforced. The instructor will provide the participants with procedures for effectively identifying, pricing, selling, and billing legitimate change orders . . .Kirk Alter
- 11:00 a.m. Auxiliary Luncheon
- 12:00—5:00 pm EXPO Opens (Lancaster Event Center)
- 1:00-2:30 p.m. *Time Management and Goal Setting—Seminar*
Feel burned out? Doesn't seem to be enough time in a day? Doing more with less? This seminar will help you explore time management techniques to put you back in control of your job and your life. This interactive session will help you build strategies to set goals and priorities while maximizing time management opportunities. Learn how to accomplish more without enjoying it less . . .Kirk Alter
- 3:00 p.m. Auxiliary Social
- 5:30 p.m. Exhibitor's Sponsored Party

Friday, January 28, 2005

- Continental Breakfast—Free for those Staying at the Hotel
- 8:00—9:00 a.m. *Contractual Liability—Seminar*
Your business contracts may be putting your business at risk . . .Federated Ins.
- 9 a.m.-3 p.m. EXPO Continues (Lancaster Event Center)
- 3:00 p.m. Auxiliary Champagne Party
- 6:00 p.m. Social Hour
- 7:00 p.m. President's Banquet

Saturday, January 29, 2005

- Continental Breakfast—Free for those Staying at the Hotel
- 9:00 a.m. Men's Business Meeting
- Auxiliary Business Meeting
- 11:30 a.m. Auxiliary Past President's Luncheon
- 11:30 p.m. Men's Past President's Luncheon

National Update

Legislative

Death and Taxes ... the only two things in life we can be certain of. What isn't certain is how this combination of certainties, aka the death tax, will fare as President Bush will be advocating for broad and sweeping changes to the tax code. Some argue that repeal of the death tax should be considered in the tax simplification discussion; regardless, PHCC is working independently and in cooperation with industry coalitions in support of full and permanent death tax repeal and will work to ensure that provisions for repeal don't get lost in the shuffle.

Association leaders expect legislation to be brought before Congress in 2005, and remain hopeful that it will support repealing the tax to ease the burden of business transfer on the heirs of qualified small businesses to allow for the succession of family-owned businesses.

Members are encouraged to contact their legislators to keep repeal of the federal estate tax a top priority during the coming tax reform debate. Visit PHCC's Web site at www.phccweb.org for a template to write your member in congress.

Best Practices –Employee Incentives

The following is an excerpt from Ideas on Incentives, a two-part article posted on the Educational Foundation's online contractor resource center. The complete article and a wealth of other useful information are available at www.phccweb.org.

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Motivating Your Workforce Toward High Performance By: Greg Smith



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Motivating Your Workforce Toward High Performance *By: Greg Smith*

One of the easiest and most effective programs to initiate is peer recognition. Peer recognition gives employees the power to reward each other for doing a good job. It works because employees themselves know who works hard and deserves recognition. After all, managers can't be everywhere all the time, and employees are in the best position to catch people doing the right things.

You're Magnificent!

At the MAG Insurance Company, they use a form of recognition called "You're Magnificent!" The form is printed in triplicate and given to all employees to nominate each other for outstanding behavior. The top copy goes to the recognized employee. The second copy goes to the employee's supervisor. The third copy is posted for everyone to see on a bulletin board.

Once a month they take the posted copies and randomly draw the names of five individuals called, "You're Magnificents" for \$10 gift certificates. Then three additional "Magnificents" are drawn each quarter for a \$250 gift certificate.

Safety Bingo

For every accident free day at the Emory Conference Center Hotel, associates are awarded a bingo number. Each associate has a card and plays the game. A pot grows at the rate of \$1 per day with a starting amount of \$100. The associate who wins at safety bingo is awarded the cash in the pot.

If they go over 100 days without an accident, it increases by \$2 per day. If they have an accident, the pot falls back down to \$100 and it starts over again. If someone wins, the pot remains at same pay out level, and continues to grow \$1 or \$2 per day. This program reduced accidents by 50% each year.

Thank You Coupons

In this program, the Texas Credit Union gives each employee seven coupons a year to give to any employees they wish to recognize for going out of their way to help customers or fellow employees.

The coupons are redeemed for \$10 certificates for food, movies, golf, and the like. Everyone in the company, from the president and vice presidents down, is eligible for a coupon.

A work environment that attracts, keeps, and motivates its workforce is one that gives workers a sense of pride, accomplishment, and purpose in what they do. These informal programs provide an effective strategy for motivating employees and they are simple to administer. They do not cost much, do not take much time, and do not complicate the payroll. Instead of providing cash incentives, you can substitute by providing winners with extra breaks, movie tickets, time off, t-shirts, and other small gifts.

Gregory P. Smith is the President of Chart Your Course International, a management consulting firm located in Conyers, Georgia. More articles are available at <http://www.chartcourse.com>. Contact him at 770-860-9464.

National Dates to Remember

Have you marked your 2005 calendar with the important dates for the year? Everyone receiving this communication is expected to support the following national events:

- Legislative and Leadership Conference – April 14-16, 2005
- Network '05 Joint PHCC/ASA Convention – Sept. 7 – 10, 2005

Legislative day on April 14th is for all members. Sometimes we fail to make it clear to all members that they have the opportunity to visit their Congressional members to enhance the p-h-c contractors' voices in the lawmaking process.
