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Letter from the Executive

By Tom Wessner,

Hello Friends,

Well, summer is winding down. I hope it's been as busy and productive for you as it's been for us!

While you were working hard for your customers, ACCA-WPA was working hard for you.

We want to keep you up to date on all of your ACCA membership benefits – and help you take advantage of them to the fullest.

That's why you'll find updated policies and highlights from ACCA National in every issue of ACCAdemics.

This is *your* Chapter and we're here to make it work for *you* – so let us know what we can do to make it better. Or, drop us a line just to keep in touch.

Tom Wessner
ACCA-WPA
President

Marketing

Who Do Your Customers Think They Are? (Hopefully You Know Who They Are)

By Adams Hudson

Calls from returning customers don't automatically come. In fact, quite a few of the ones you rushed out to see on a cold winter (or warm summer) day for an emergency repair don't even remember your name. So, how could you expect them to remember that they're *your customer*? When they need a contractor again, they'll probably be flipping through the Yellow Pages – starting the process all over.

Now, don't be offended that customers are so fickle. Instead, you'd be much better off recognizing that human nature and sound marketing practices can work together to keep your customer files filled with *active* customers. Customers value relationships with their vendors. In fact...

- 37% said the relationship was the most important reason they bought.
- 22% said it was because they owned another product of yours.
- 14% were referred by a friend or family member.

Add those up, and 73% of your business has some relationship tie-in. That means in order to keep your customers, you have to build the relationship. But here's where these issues get complicated.

Contractors typically spend *up to 80% of their marketing money* going after people with whom they have little or no relationship (Yellow Pages are the best example). Yet, if they would redirect a portion into effective retention marketing, they could transform their contracting business.

Customer Retention campaign investment will range from a minimum of 6-8% of your total marketing budget. You should send newsletters between 2-4 times per year to every customer who has written you a check in the last 48 months. Why? Look at these figures...

- Loyal customers spend 33% more than non-loyal.
- Referrals among loyal customers are *107% greater* than non-loyal.
- Rate of referral is highest when closest to the point of contact.

The fact is your company's current customers are the absolute #1 source of your future sales. When you lose customers through neglect, you lose all of their future business and all of their referrals to your competition. When you keep customers by maintaining regular contact, you keep that pool of sales for yourself. A strong Customer Retention program is the tried-and-true method for making that happen.

Adams Hudson is ACCA's National Marketing Partner. You can request his free marketing ezine and free marketing reports by emailing FreeACCAsstuff@hudsonink.com.

Simple Sales Strategies

A Great Close Begins with a Great Opening

How well you close is perhaps the ultimate judge of your sales success. But how you open has a lot to do with whether or not you get to close at all.

Now, what will your customer see when they open the door? Smile and introduce yourself. Greet all people present and shake their hands. Once in the door, don't jump straight into your presentation. Take a moment to make small talk and make the most of those first minutes. This will help you get inside your prospect's comfort zone.

Make neutral, personal, and sincere comments throughout the process. Be observant. (If you see a bowling trophy on the bookshelf, use it as a conversation starter!) Be yourself and be natural. Have a confident manner that is neither superior nor inferior to your prospect.

Open with a Bang

Now that you've made a good first impression, follow it up with a great opening. A prospect's reactions to you in the early minutes of the presentation are critical to a successful sale.

To begin the presentation, you first have to get your prospect's attention, so open with a bang, just like a headline. Start with a strong, effective statement that you build on throughout your presentation and support it along the way.

There are many different ways to open, and which one you choose will depend on your audience (illustrating the importance of knowing your prospects well).

You might choose to open your presentation by saying something like, "One of the great things about doing business with..." to imply that there are many great things, and to gain and hold a customer's interest. Other attention-grabbing opening options include:

- **Startling statistics** – "I was just reading that if your system is over 8 years old, a new system generally saves more in repairs and energy than the new one costs! You don't often find a machine that buys itself..."
- **A rhetorical or open-ended question** – "Did you know that 55% of your energy bill goes toward keeping your home cool (or warm)? That's why it just makes good sense..."
- **An analogy** – "Usually, repairing a system that age is kind of like putting a \$100 saddle on a \$10 horse." (Or for female: "Repairing a system that age is kind of like getting a \$100 alteration on an outdated dress.")
- **An anecdote** – "I was just around the corner from you last week, with an almost identical situation. Must be catching! Turns out that we were able to solve their problems pretty easily by..."

Presenting is serious business, but it should also be entertaining. A good opener will get your presentation off to a great start. And another thing that's just as true: a great start gets you one step closer to a great close.

"I Wonder if ACCA Has That for Me?"

Need a strong, professional contractor Customer Retention newsletter? *HomeWords* includes entertaining articles designed to build sales that customers will read and enjoy.

It is "season specific" and contains specially created "ads" for you to choose from, along with your company logos and contact information. And it's only available to ACCA Members. You can request your sample by email at freeACCAstuff@hudsonink.com.

Yeah. ACCA has that for you.

SmartWords

"Drive thy business or it will drive thee."

Benjamin Franklin

Product Spotlight

Duct Calculation Slide Rule

This is one of ACCA's most popular catalog items. This durable two-sided plastic sizing wheel comes with a complete instruction manual for residential and commercial duct-sizing procedures, and features a variety of uses. Designed by Hank Rutkowski. Get yours right now at www.acca.org/store.

ACCA Benefit Highlight

e-Newsletters

ACCA is the leading publisher of e-Newsletters in our industry, offering targeted newsletters with useful news and links you can use, readily accessible at a glance:

- **The Buzz** – latest news and links for HVACR professionals (every Monday)
- **Sales/Marketing Tips & Techniques** – (every other Tuesday)
- **ACCA Insider** – for ACCA members only (every Wednesday)
- **Technical Tips & Techniques** – including Tech Challenges (every other Thursday)
- **Education/Training Opportunities & Alerts** (every Friday)
- **Your Business** – management advice for small business owners (every other Tuesday)

The Art of Management

Increasing Efficiency Is Like Hiring Free Employees

So says Resource Management Group. When you gain an extra 5-10% performance from three or four people, you're getting a huge boost in your bottom line. When your fixed costs retreat, your sales and sales prices can stay the same, but your profits will rise, all without spending any money.

To get your employees motivated to increase productivity, simply ask them what changes they would like to see in their jobs. How can they get more done, easier? What would make their day smoother? What would cut down on those "repetitive" tasks which are so wasteful?

Focusing on the pre-vacation week is a perfect example of increasing efficiency and productivity. And it costs you nothing. *Sales and Marketing Management* tells us that the week prior to vacations are the most singularly productive weeks in most workers' year. The anticipation level is high, which adds to the energy level. The deadlines of items to be completed during the vacation usually get knocked off a week early. Calls that can't wait any longer are made. Letters are sent. Loose ends are tidied.

So, when an employee sets a vacation date, you should aim right at the week before as a deadline for important objectives. Let your vacation-bound employee know that once this task is done he or she can relax in style with a far lower sense of stress about leaving work.

Rule Breaking 101

"Customer Retention is a waste of time."

False: It costs *more* to get a new customer than to keep one you've already paid for. *Plus*, loyal customers spend 33% more than non-loyal, and referrals among loyal customers are *107% greater* than non-loyal.

News Flash

The Latest from ACCA National

Contracting Week

Nashville, TN

October 18-21, 2011

Start your planning now:

Whether you happen to be a residential contractor, a commercial contractor, a business owner, a service manager, an operations or office manager, a geothermal contractor — or any combo of the above! **Contracting Week 2011** will show you the path to innovation and success in your business and career. Join ACCA and *The ACHR News* in Nashville for a new series of learning events guaranteed to propel your contracting business, and your personal career, farther ahead than ever.

Four specialized events this year include an all-new two-day conference on technology and business systems, and a special one-day roundtable on geothermal HVAC. Plus, the Fourth Annual Service Managers Forum boasts an all-new, two-track program, and the Eighth Annual Commercial Contracting Roundtable will feature a series of learning labs aimed at commercial owners and executives.

You can learn more about Contracting Week at www.acca.org/education/contractingweek.