



## Market Knowledge

### **Managing Your Customer Database Effectively**

Look around at all of the assets in a contracting business: people, tools, equipment, computers, and more. One of the most valuable assets is usually the customer database. A complete listing of all of the firm's accounts, both past and present, is frequently most highly valued by a potential acquirer. Used equipment is easy to find, but a list of high-quality, loyal customers is like gold.

Yet for all of its value, most contractors do a poor job of managing their customer database. Maintenance of the list is seen as a chore rather than a strategic imperative. Few contractors mine their database for new business opportunities because their database isn't in the right condition where it can be quickly leveraged.

Now is an excellent time to devote some energy to getting your list into shape for a mid-season marketing push.

First, review your list for active and inactive accounts. Active accounts are those that have used your services in the last 6 months. Inactive accounts probably include clients that have moved, are using an alternate provider or simply have forgotten to call your company.

Inactive accounts should not be deleted. Instead, contact each of these prospects to update their information and express your interest in their business. Sometimes a coupon or special offer can be effective in winning-back a former client. If someone new has moved to the address, capture their contact information and let them know that you are the expert on their landscape. They'll appreciate meeting someone that is knowledgeable about their property.

Second, try to compile as much information about each client as possible. This can include contact information, information about the property, special preferences and more. In many businesses, this detailed knowledge is held in the mind of the owner rather than in a computer record, which can be dangerous as the business grows. Memories fade and information is lost. Team members can't make good decisions or sell additional services because they don't have access to information.

Consider the difference between your technician greeting a client and her pet poodle by name versus the same technician not knowing about the poodle and accidentally letting it into the street. Which customer situation is likely to lead to a profitable lifetime relationship? Updated, accessible information will lead to better service levels and higher customer satisfaction.

Some contractors are using new routing software and PDA devices to engage their entire organization in the use of their database to provide better service.



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Third, use your database to expand your business. The fastest way to grow is to sell more to active customers. So review your menu of services against your list of potential buyers to do some targeted mailings. You will find many of your customers are anxious to purchase more from you. The more targeted and personalized you can make your mailings or phone calls to the clients' specific needs, the higher your response rate.

Whether you're looking to boost business during a slow patch or if you're simply looking to find profitable growth, taking the time to update and leverage your database is a wise investment in your most valuable marketing asset.

### *About the Author:*

*Jeff Carowitz is a leading expert on marketing for the green industry. As a consultant with Strategic Force, he works with manufacturers, wholesale distributors and contractors in developing marketing programs for profitable business growth.*