

Retooling Your Marketing Strategy for a Slower Economy

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The irrigation industry is currently undergoing the biggest decline in business activity in over 25 years. For over two decades, professional contractors enjoyed a market that helped them expand rapidly. Installers enjoyed a steady flow of new business and added new crews and equipment to meet growing customer demands. Wholesalers opened new store locations to cater to an expanding group of contractor clients. Work was plentiful, so the entire industry was bullish about the future.

In the past year, the downturn in the market has literally hit home. Declining housing starts, foreclosures and the end of the real estate invest-

ing craze have added up to fewer projects and consumer uncertainty. Contractors throughout Florida are shrinking their operations to align with lower demand. Phone lines that used to buzz continuously with new customer inquiries have gone silent. Everyone is asking when business will return to "normal".

A Fresh Approach for a Changing Market

Many wise business leaders are finding opportunity in this difficult time, proactively retooling their businesses for a changing marketplace. These savvy managers are developing business plans that focus on the bright spots in the market

and overhauling their organizations to reduce unnecessary overhead. Through careful planning and carefully-executed marketing strategies, they're positioning their organizations for continued success.

When the phone was ringing steadily, contractors found it easy to ignore investments in marketing and advertising to attract sales. Getting work was as simple as showing up. In today's market contractors need to develop and implement a solid marketing plan. So how do you go about developing a marketing plan that can insulate your company from the worst of the downturn?

Begin with a thoughtful analysis of your company's strengths, weaknesses, opportunities and threats. Taking the time to list out your position in each of these areas can help guide you where to invest your time and your marketing dollars. Consider these questions:

Strengths: What aspects of your business have remained strong in the downturn? What clients, service offerings or market areas are solid performers? Which customers represent your strongest relationships? What types of advertising and marketing efforts have drawn the biggest response

Weaknesses: Which lines of business have slowed dramatically? Where are you closing fewer sales? What parts of your sales and marketing strategy are failing to "click" with consumers?

Opportunities: What customers or market areas are pockets of strength? What add-on products could you sell to existing clients? Are there macro trends or lifestyle changes among your customers that could drive new sales? (energy/water savings, eco-friendly products, etc.) Can you team up with or acquire competitors to access a larger customer base? Have you adequately analyzed lower-cost materials that could enable better pricing? Have you leveraged complimentary marketing materials and funds from key suppliers?

Threats: Have you right-sized

your operation to remain competitive in your pricing? Are you accurately tracking costs on each project? Where are you losing customers to competitors? Are you seeing unusual pricing behavior among your competitors? Are new contractors coming into your market area looking for work?

Analyzing each of these areas will help you develop a road map that will guide your corporate strategy past obstacles and toward greener pastures.

What / Who / When

Once you have your analysis in hand, it's time to take action on the opportunities and leverage your strengths. Sit down with your team and assemble a list of action items. Be as specific as possible for each task. For example, don't just say "improve web site", make a list of the exact improvements needed.

Each action item (the "what") should be assigned to a specific team member (who) with a specific deadline for completion. Simply doing the analysis and listing out the actions isn't enough. You've got to do the tough work to implement your plan.

As you're establishing your action items, don't neglect many of the traditional marketing tools that have helped you grow in the past. Many contractors abandoned the traditional marketing tools in recent years. Refresh your memory on many popular techniques in the "Boost Your Marketing" box.

Attitude Check

A changing market can evoke a wide variety of emotions from anger to denial. The quicker that you can accept the reality of the situation and develop a solid plan to market your way out of it, the faster your business will be back on the path to success.

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Tough Market? Here's 10 Ideas To Boost Your Marketing

1 Contact current clients and ask for referrals

Rather than waiting for referrals to arrive, actively seek them out by reminding current clients and networking contacts that your company is ready to help. Sending regular mailings or an e-newsletter can keep your company "top of mind", reminding current clients to keep sending opportunities to you.

2 Improve the quality of your ads

Stop paying top dollar for ad space in the yellow pages and other media and then running ads that fail to deliver your message. Ask a professional to review your ads to make sure they effectively capture the attention of potential clients and sell your unique advantages.

3 Fine-tune your presentations

Upgrade the quality of your estimate package to present more information on the specific reasons to choose your quotation. Include a professional cover letter that provides your firm's biography and a list of your satisfied customers. Often many decision influencers will not attend your face-to-face presentation, so your leave-behinds can sway their choices.

4 Upgrade fleet advertising

Think of your trucks as rolling billboards in the community that can capture new clients at a low cost. Consider new vinyl wrap graphics for vans and trailers. Get your phone number and web address prominently displayed. Consider parking trucks and trailers in high-traffic areas on during weekends and community events.

5 Stock up on free marketing materials from manufacturers

Many top manufacturers provide door hangers, presentation folders,

color postcards, portfolios, photo albums and other materials that can assist you in building your business. Ask your manufacturer representatives for a healthy supply of these materials and then put them to immediate use generating new customers.

6 Track your close rates

Carefully monitor your success rate in winning competitive bids. For projects where you are not selected, contact the decision makers to understand their reasons for selecting a competitor.

7 Use clever leave-behinds

Invest in giveaway items that keep your company name "top of mind" with your existing customers. Fridge magnets and calendars are great. Provide unexpected small gifts to delight customers like pumpkins on Halloween or a small flag on the 4th of July.

8 Advertise on your job sites

Ask clients if you can post a sign on their properties advertising your services. Custom-printed yard signs can be acquired for less than \$100 per dozen so you can afford to place them at every project.

9 Improve your website

Higher-end clients are increasingly turning to the web as a place to find quality contractors. Make sure your website presents a crisp portrait of your company's unique qualifications and advantages. Explore pay-per-click advertising as a means to drive new traffic to your site.

10 Explore contractor-referral services

New sites like AngiesList.com and ServiceMagic.com provide homeowners with reviews of contractors and referrals to local experts. Check out your company's participation and presence with these growing influencers.