

National Institute  
of Restoration, Inc.  
nir-inc.com



2008

# OnSite

Volume 10 • Issue 12 December 2008

## MARKETING MATTERS

### Answering a question with a question

When you are talking with a prospect who asks a question, the natural tendency is to respond with loads of information. But that can be a mistake because when you are talking, you are not learning what the prospect wants.

Here's a tip. Try answering a prospect's question in a couple of sentences and then turn the tables and try to find out why he or she is interested in that particular point.

For example, if a prospect asks what kind of guarantee you offer on your work, give an answer. But then follow up with the question, "Have you had other experiences with contractors whose work was defective?" That question gives you the opportunity to better understand where your customer is coming from. Both you and

your customer will then gain a better understanding of your mutual expectations.

By following up your answers with a related question, you will be informing your prospects about your services in small bits of information while also learning more about their needs.

Once you have qualified your prospect, you need to give them some additional information. That is the time to offer written information about your company or resources about the type of remodeling or restoration project they will be doing. If they are genuinely interested in your services, they will want more information.



### While social media is growing, direct mail still works

A good marketing plan will look at a variety of strategies to promote a service. The bottom line is putting the right offer in front of the right people. And now there are more ways than ever to do that.

Social media is not a venue many in the construction/restoration industry consider when they talk about marketing but it is emerging as a great way to nurture potential customers and keep in contact with existing clients.

With the growing popularity of such sites such as Facebook, LinkedIn and YouTube, businesses should consider how these venues might enhance their marketing.

Because the Internet is immediate, it makes information on your services readily available to anyone at any time. The drawback is that people have to be looking for you or for a service you offer.

### The web does not attract passive customers who come through word-of-mouth or traditional marketing vehicles.

Direct mail is a traditional option that still works well. It is the only postal classification that increased market share in 2007 according to the Direct Marketing Association. The association says an effective mail campaign with a good mailing list will return \$13 for every \$1 spent.

Small businesses can find bargains if they look for technology to boost their marketing efforts. Many internet services bundle several services for cost-effective marketing. One such service is Zairmail which sells lists as well as printing services and can have a campaign in the mail the next day.



## MANAGEMENT ISSUES

### Mistakes to avoid in cutting costs

Everybody is trying to trim costs in response to the dragging economy but there are constructive as well as destructive ways to cut back according to business consultant to cut back and destructive ways according to business consultant Christine Comaford-Lynch, CEO of Mighty Ventures.

Here are some of the mistakes she says cash-strapped businesses make too often in taking the short view instead of the long view:

- **Hasty hiring** – Bad hires are costly and time-consuming. She recommends trying new people out as contractors first and then bring them on as permanent hires when you're sure they fit your company. Have a lead team and add on for busy times.



- **Thinking about expenses before revenue.** If you keep cutting back without focusing on revenue-generating activities, you'll end up in debt and without credit. Comaford-Lynch says many small businesses fund their activities with their own money rather than getting credit for the business. They often find out the hard way that the business needs to establish its own credit.

- **Skipping the six-month plan.** Plan your work for six months and then if a new project comes along, put it in place of another project you've planned. Otherwise you'll work very hard but accomplish little.

- **Pointless partnerships.** Comaford-Lynch says that if your partnerships cannot bring you money within the next 90 days, you cannot afford them. You've got to stay focused on bringing in revenue.

- **Chasing all sales leads.** You waste time and money chasing disinterested or unqualified leads.

It is important that you develop a disqualification process that will allow you to quickly identify people who are never likely to buy.



## HIGHLIGHTS

- Nuts & bolts
- Working smarter

### NIR helps you boost your business

From networking to education to marketing assistance, the NIR supports restoration specialists. **434.973.4200**

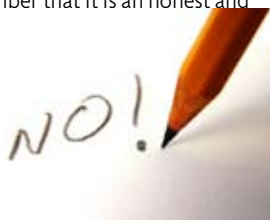
## Working Smarter

### Time is your most precious asset: Learn how to say No

During the holiday season, demands on your time seem to triple. In order to keep some sense of control, there is a very simple tool you can use to keep your life in order: use the word No.

No is a simple word that is hard for many people to say. When used too sparingly, the result leads to stress, unreasonable schedules and ineffective work.

If you are someone who was raised to be a people-pleaser, No is probably not in your vocabulary. But you should remember that it is an honest and honorable response to a request that you do not have the time or interest in fulfilling.



How do you say No to some request to free up time for things that are more important in your life?

Just say, "I'm sorry. I cannot do this right now." Most reasonable people will accept this answer but if you are pressed, just reply that the task does not fit into your schedule and change the subject.

If you prefer to be less firm, you can ask for time to think about it. That will give you the chance to review your schedule and evaluate whether or not saying Yes will be better than the problems you will save by saying No.

It's also fine to tell someone *No but I can do...* And mention a lesser commitment that you can make.

Time is your most precious asset. Chose how you want to use it and don't let your reluctance to say No leave you in a situation whether others are determining what you do with your day.

### Contractors should prepare for more construction litigation in this shaky economy

Lawyers believe construction-related litigation is likely to rise in the coming year as the



dragging economy gives rise to construction disputes. Suits ranging from mechanic's liens to subcontractor suits for nonpayment will likely increase as money become tighter according to a survey by Fulbright & Jaworski LLP.

The results of that survey by the Houston-based law firm suggest that construction litigation is one of the five areas of lawsuits that are likely to grow as the economy shrinks.

## NUTS AND BOLTS

### Contractors fight NYC crane regulations

Changes in the laws prompted by some deadly crane accidents have construction industry officials reeling from all the paperwork required to raise a crane in New York

City. Dozens of new rules enacted to prevent accidents have become unwieldy according to some construction industry officials.

Minor infractions and oversights create costly delays, often shutting down construction sites



for days or weeks for such violations as having a messy site or missing one piece of paperwork.

### Outlook for green building positive

The green building market has huge growth potential and could triple in the next few years according to a new study from McGraw-Hill Construction. In its report, "Green outlook 2009:

Trends Driving Change," the report projects that eco-friendly construction starts could reach as high as \$140 billion.

Despite the down market, green building remains on the upswing according to the report. Green building could triple by 2013, the report suggested. Strategic analyst Harvey Bernstein said that even in the midst of a global economic crisis, the business opportunities afforded by green building are real and lasting.



### Changes to look for in Washington

With a new president and a solid Democratic majority in Congress, political observers say there are some changes that businesses

can anticipate in the coming year in response to campaign promises and Democratic philosophies.

- **Pay-or-play medical coverage.** President-Elect Obama advanced a starkly different proposal on health care from Senator McCain's proposal to make health insurance premiums taxable. Obama favors requiring employers to either offer health coverage or pay into a national health care system. Any employer that does not currently offer health care had better start creating a good health care plan or accept the alternative of participating in the federal plan.

- **Federal antigay discrimination laws.** All four national candidates came out strongly against discrimination of gays while failing to support the notion of same-sex marriage. A bill by Representative Barney Frank adding gay discrimination to the list of federally prohibited classes is poised for passage.

- **Increasing the federal minimum wage.** Passage of an increase is virtually certain. More importantly, the bill under consideration would index the new wage floor to inflation so that it can rise automatically without the need for repeated congressional authorization.

- **Increased family medical protections.** Look for the family and medical leave protections to expand to smaller businesses and for the permitted leaves to expand to cover elder parents, children's academic activities and domestic violence.

## Let NIR Open Doors For You

Keep in touch with your clients by giving them information they can use.

Send NIR's popular newsletter on the insurance industry including business tips to all of your agents and adjusters.



Contact NIR to learn more:  
434.973.4200  
nir@nir-inc.com