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MARKETING MATTERS

Managing your customer's expectations

Congratulations to Bob Hage, winner of the Golden Nugget Award for 2008. Hage, who is with Consolidated Construction Services in Roanoke, Va., credits Steve King of Intercontinental Restoration Institute in Olds, Iowa as the source of tips for skillful handling of customer expectations.

The problem: Customers working with restoration contractors often have unrealistic expectations. For example, they often assume that there will be no delays or inconvenience, that they can change their mind on decisions without consequences and that you will love their dog.

The solution: Let clients know what to expect from your first conversations.

It's vital that you choose your words carefully because customers don't always understand what you are saying. Such phrases as "getting started on a job right away" means something different to a contractor than it does to a homeowner.

The Golden Nugget



Prepare customers and answer issues before they arise by giving homeowners a list of the problems and inconveniences they might encounter at the start of a job. The list might include such item as:

- the amount of debris or mess on the job site and how you will handle it. (Customers are often dismayed to find an ugly dumpster on their manicured lawn and it helps if they know that ahead of time and where it will be located.)
- reasons a project will be delayed such as weather, product scarcity or delivery delays
- how you handle change orders and the effect that changes will have on the completion date

- what days you will work and when those work days will begin and end
- how many people will be on the job
- who they should talk to – the chain of command – when issues arise

Another suggestion is to set up a pattern of communication that will forestall problems by interviewing your customer twice before the job starts and once after the job is completed.

By being up-front with these issues, you will prepare your customers for the worst rather than appearing like the bad guy who is causing problems that surprise them.

HIGHLIGHTS

- Nuts & bolts
- Working smarter

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MANAGEMENT ISSUES

Avoiding the pitfalls that interfere with sound decisions

Decision making is a science as well as an art. Good decisions come from framing a problem correctly and then relying on a blend of experience, knowledge, instincts and informed opinions. If you examine poor management decisions, you will likely find that at least one of these factors was ignored.



Managers sometimes fall into the trap of making decisions that justify past choices and then finding data to support those decisions. According to *Fortune* magazine, such habits lead to predictable bad decisions.

Here are some techniques from *Fortune* that can help you be a more effective manager:

- **Fight decidophobia.** That's a term psychologists use to describe someone who need complete information and perfect certainty before going with a decision. Go with the 70% solution. Don't let endless analysis torpedo your progress.
- **Avoid the yes-man syndrome.** Managers, particularly at the top level, can skew people's thinking simply because of their authority and position. One way to avoid this problem is to start out with a question rather than voicing an opinion. A question invites others to give honest and unedited reactions.
- **Defuse anxiety.** Navy pilots who are guiding a faltering plane toward an aircraft carrier calm themselves by studying the clock

instead of other gauges that may be spinning erratically. Emergency room physicians check their own pulse. Find some technique that lowers your anxiety level during tense times. That may be deep breathing, going to a quiet space or reading the Bible. Restoring calm will improve your decisions.

- **Allow people to disagree.** While quibbling and arguments can be distracting, if they are related to a major goal in the company, they can be productive. If you have different camps in your company supporting opposite decisions, give them time to fully air their arguments. Then make a decision.
- **Learn all you can.** Instincts help with decision making but they should be bolstered by knowledge and experience. Otherwise, you can have blindly optimistic people blundering ahead or decidedly pessimistic people holding firm when neither option is appropriate.
- **Remember, the worst decision you can make is no decision.** By arming yourself with information and listening to others, you'll turn your decision-making into an art.

Working Smarter

Get a grip on your to-do list

According to a survey by NFI Research, most people keep a to-do list and most workers get only a fraction of the items on their list checked off each day.

Productivity experts say that busy people typically keep one to-do list when they should have two – one for the daily tactical tasks and another for long-range strategic tasks. The tactical list includes jobs that are steps toward strategic goals.

Thanks to technology, people can organize their lists on computers or handheld devices according to what is involved. For example, the phone calls a person need to return (including the number) will be on the tactical list and can be made while waiting in an airport or for a delivery.

By having information organized and available, you can make use of empty times that would otherwise be wasted.

You should also review the list frequently and ask yourself if all of the items listed are necessary. Often to-do lists include tasks

that you may not be committed to. Those should be crossed off because they just create frustration and impact your effectiveness in dealing with the other must-do items.



Keeping two separate to-do lists -- one for daily tasks and a second for long-range plans -- will help you keep your eye on the big picture while taking care of the details.

Businesses also feel pain at the pump

Small businesses are caught between a rock and a hard place with the spike in fuel costs. Most are reluctant to pass costs along to customers for fear of losing them at the same time they are seeing red ink on their balance sheets.



These days, profits are going into paying for gas and increases in the costs of supplies, another impact of higher energy costs.

An AP survey found that businesses are doing the same things families are doing to deal with increased energy costs. They are shaving energy costs wherever possible. Ways to save money range from changing the temperature of buildings to buying small cars for errands so that the big vans can remain in the parking lot whenever possible.

NUTS AND BOLTS

Make your marketing capitalize on the excitement of discovery

We've all had the experience of discovering something in a store that promises to solve a unique problem we had. Or perhaps we did not even realize we had the problem until we came across the product that solved it.

Everyone has a natural curiosity that prompts them to search for the new or unexpected. And when they find something that will better meet their needs, they sense the pleasure of discovery. Smart marketers target that sensation.



If you have an enhancement or addition to your services, think about how you can capitalize on the excitement of discovery.

Using keywords in your advertising such as *learn, secret, original, innovative, improved* or *state-of-the-art* will tap into that feeling according to marketing guru Barry Feig.

A discovery can be either a private matter that satisfies a hidden want or a public display of prestige. It's up to the marketer to decide which need the new product or service can best satisfy.

If you use the discovery approach, you must also address the element of risk according to Feig. Reassure the prospect that the reward of the discovery will be worth the risk. Flea markets and Wal Mart capitalize on the sense of discovery and contractors can too. Guarantee your client's satisfaction so he or she will decide that the pleasure gained from adding a master bath is worth the risk of moving a wall and changing the configuration of a bedroom.

Corporate culture makes a difference

In his best seller *Good to Great*, Jim Collins writes that it is important for a company to have the right people on the bus and the right people in the right seats. Even small businesses need to hire workers who fit the office culture.

Think about fit in your hiring decisions. If your company is laid-back, an aggressive, competitive person is not likely to do well. The best accountant in the world will not succeed if he or she clashes with your company's culture.

Dealing with the dreaded phone call

It happens to everyone. You go through the list of calls you need to make and there is one prospect who is particularly unpleasant or intimidating. You keep skipping over that name, knowing that you should call but figure that you'll be better able to deal with it tomorrow.

Art Sobczak, who specializes in telephone sales, says a psychological trick can help you make that call. Try exaggerating your fear to the extreme until your mind can recognize it as absurd. For example, you might imagine that the person on the other end of the phone will turn into a giant blob when you call, covering everything on his desk with a sticky green mush.

When absurdities get that ridiculous, Sobak says the mind automatically rejects them. If you can figure out a way to make your fears ridiculous, you can overcome them.

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