

Marketing your remodeling business in a down economy

A recession or economic downturn is an opportunity for you to increase the market share of your remodeling business. Many remodeling and home improvement businesses will slow down or stop advertising. Now is the time for strong businesses, no matter the size, to get the attention of the homeowners out there who do want to remodel. And, contrary to what the media wants us to believe, they are out there. It's our job to find them. And we can do that through marketing.

A slow economy is not the time to cut your advertising budget. Studies have shown that companies who increase their advertising during a slowdown in the economy while their competitors cut back on advertising can improve their share of the market.

The most important thing you can do right now before you commit a single penny is to know your customer. You must know the type of person who is most likely to buy from you. What is their age, where do they live, how much money do they make and what are they most likely to purchase. How do you find out this information? By talking to your customers and asking questions. Of course, you can't ask how much money your prospect makes but you can ask, in the course of your warm-up conversation, what your prospect does for a living. You know where your prospects live. Is there a certain neighborhood or area where your services are needed? Ask about their wants and needs. What are they trying to accomplish with a remodeling project?

One way that marketing can help us is by showing our prospective customers the value of doing business with our remodeling company. This does not have to be an expensive proposition. You can show value simply by returning phone calls and e-mails the same day. Why? Because many remodeling businesses don't return phone calls at all! Show up to your appointments on time. Why? Because many of our colleagues show up late or not at all for an appointment. Simple steps that don't cost your business a penny will start the cycle of proving to your prospect that choosing your remodeling business over your competitors is a smart decision.

Take the time to prepare company information in a neat, easy to follow format and give it to your prospects. Tell the story about your company. Tell what your company can and will do for the prospect. And give examples, especially testimonials from past customers that prove you did just that on previous jobs. Tell why your company is different from an ordinary company. Point out the value your company offers.

When it comes time to spend money on advertising, be sure that the advertising targets your prospective customer. Here's where that research you did comes into play. You will have a very good idea of the type of person who is most likely to buy from your company. That person may be a certain age, income level, or live in a specific geographic area. Whatever it is, you can laser your advertising dollars to hit those exact customers.

Remember, companies that provide advertising are hurting, too. They are out there selling their advertising to anyone, not necessarily those who will benefit from it. Ask lots of questions and get proof. Any advertiser worth his or her weight will have demographics for their marketing.

So, instead of advertising in your regular large circulation local newspaper that goes to non-homeowners as well as your prospective customers, you may choose to advertise in a smaller circulation community paper that goes to your geographic target audience.

Advertising around an existing job site is a great way to get new leads. Interest has already been created when you put your job sign in the customer's yard. Neighbors know that something is happening there. And they may have the exact same or similar need as your customer.

And never forget to advertise to your own past customers. You should keep your company name in front of your past customers throughout the year. How do you do this? By sending out newsletters, holiday cards (not just for the Christmas holiday season), special "customer only" offers, and important information. For example, say that you just started carrying a new line of vinyl siding. Send out a letter or postcard to your past customers to let them know.

Be sure to treat your past customers well during a recession. Build goodwill by giving them incentives and discounts. They will remember this when times get better. Don't fall into the trap of spending most of your marketing budget on getting new customers when you have a goldmine right in your own backyard. Keep your current customers satisfied.

It may be necessary for your company to change or adjust the type of work that you do. It seems that homeowners are spending money on repairs and replacements right now rather than major improvements. In other words, the smaller projects to keep their homes well maintained. Find out what your customers want and give it to them. Now is not the time to be ego driven. Our company added handyman services for our past customers last year and it has been a huge hit with our customers. We only perform handyman services for our past customers. That way, we limit our marketing expense. And our customers already know what to expect from us so they don't question our fees. It's a win-win for both of us.

Marketing your remodeling business in a down economy is every bit as important as it is in a good economy, maybe even more so. There are customers out there ready to buy your products and services. Continue your marketing efforts to find those customers and make them happy.