

## *Are You Asking Yourself...*

# How Do I Get Started in Advertising?

If you're like most dealers just starting out or just realizing the power of marketing, you probably asking yourself... ***"How do I start advertising my business?"*** Believe it or not, we hear that a lot at Mail Concepts. And to help you get a good foundation in starting your marketing venture, we are providing you with (what we feel is) essential information and powerful tools to make your marketing dollar turn into real profits.

Marketing and advertising should play a role in your business. What kind and how big of a role depends on your goals and aspirations. To start, let's look at the definitions of marketing and advertising from our friend, Mr. Webster.

**advertising** The action of calling something to the attention of the public.

**marketing** The act or process of selling or purchasing in a market. An aggregate of functions involved in moving goods from producer to consumer.

Based on these definitions, advertising could be a newspaper ad, billboard, and radio/TV commercial. Advertising is when you make an announcement for public consumption.

Marketing is the larger picture and is a process or series of functions involved in selling or purchasing. An advertisement is but a single step in the marketing process. Marketing is selling! It's selling yourself, your company, your people, your products and services.

Do a good job of marketing yourself and your company and consumers will seek you out for their needs. And not because you've built a demand for your product... instead, it's because you've sold yourself as someone others want to do business with. That's a great marketing job!

## ***What Do You Do And Where Do You Start?***

Let's start with some basics. In your business, it's important that every contact with a consumer results in a positive impression. This includes the person that answers your phone, the appearance of you and your employees, the cleanliness of your trucks, the personal interaction between your people and your customers and the quality of your work. Do these things and more and you will benefit from an increased number of **customer referrals**. Look at marketing as opportunities to make good impressions. The advantage of this kind of marketing is that it is relatively cost-free!

So, why advertise? You might say you just want to grow and get bigger. That's a very general response and makes it difficult to create a plan of action that will provide results. Here's why!

You provide multiple services and products. From repairs to maintenance to enhanced product replacement... you do it all. But which part of your business do you want to grow? It is always best in marketing to focus on one offer at a time. Too many offers are confusing and do not produce a better response to your advertising.



Let's review two important (and very different) types of advertising – **Institutional** and **Direct Response**.

## Type #1

**Institutional Advertising** may be referred to as TOMA. TOMA stands for **Top Of The Mind Awareness**. This is where you try to keep your company name fresh in the minds of consumers. While not impossible, it's difficult to accomplish for a home service or repair business with a limited marketing budget. You're not Coca Cola, Budweiser or General Motors. Studies have shown a large percentage of homeowners can't even name their home service provider after two years!

A portion of your marketing budget should be spent on customer retention (keeping your **existing** customers), because it's less expensive to keep a customer than to generate a new one. But other than customer retention marketing, it's difficult to recommend this type of marketing (i.e., institutional advertising) in the community at large. The reasoning is that we have not seen it provide a good return on the required financial investment.

## Type #2

**Direct Response Advertising** is different. This is where you run an advertising campaign in which you offer specific products or services, with a specific offer and a request that the reader or viewer responds quickly. Imagine putting an ad in the paper that looks like this...

### XYZ Plumbing, Heating & A/C Now Serves ALL of Metropolitan Chicago!

Our fully trained staff can now take care of all your home comfort needs no matter where you live in town. Our 25 technicians can be instantly dispatched to your home in the event of an emergency. We accept all major credit cards.

Our second-generation business has been serving the community for more than 40 years. We carry all the names you've come to know and trust such as Lennox, Trane, Carrier and more and all our systems carry a full manufacturer's warranty.

We're here when you need us...Call 321-1234!

Let's break this ad down and look at what a reader's thought process might be.

You already said that.

Yep, so has Sears!

So what... who cares!

### XYZ Plumbing, Heating & A/C Now Serves ALL of Metropolitan Chicago!

Our fully trained staff can now take care of all your home comfort needs no matter where you live in town. Our 25 technicians can be instantly dispatched to your home in the event of an emergency. We accept all major credit cards.

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We're here when you need us...Call 321-1234!

Okay, but what's the big deal about that?

All companies can do that.

You and everyone else.

Okay, do the comments sound harsh? Maybe, but that's what a reader would think IF THEY EVEN READ YOUR AD to begin with. The reader is probably thinking... What's this to me (do you have their attention)? Why should I be interested in this offer (how do they benefit)? Why should I do this now (have you given them a reason to act now)? All six sentences in this ad start with "Our" or "We" which is an absolute **no-no** in advertising. The words "you" and "free" are the two most important words in advertising.

Do you think anyone would pick up the phone and call the company as a result of this ad? Would anyone remember the name of the company in 24 hours? Would anyone cut the ad out of the paper to keep for future reference?

Now let's look at a possible direct response ad.

## Local Heating & A/C Dealer Is Giving Away Free Furnaces!

Yes, it's absolutely true and you can save as much as \$1,876.

If your heating and cooling system is over 10 years old, and you meet a couple of simple requirements, YOU can be the recipient of a brand new, high efficiency furnace... **Free**.

Here's how the program works. Blah, blah .....

So even though this sounds almost too good to be true, you now understand how and why I'm making this offer to you. Now here's the risk.

1. Schedule and manpower requirements dictates that only three (3) complete systems can be installed each week over the next seven weeks. Once the schedule is full, I cannot accept any more jobs.
2. If your home requires a system size I don't have available, this offer will not apply to you.
3. The special financing is only available to qualified applicants.

To take advantage of this offer, you must:

- Replace both your heating and cooling systems.
- Have a system size that I have available under this program.
- Be one of the first 21 homeowners to take advantage of this program in order to have your job scheduled within the next seven weeks.

Call Kelly **today** at 321-1234 in order to avoid being shut out. This offer will end on March 30<sup>th</sup> after which no additional systems will be made available.

**When the program is over...it's over. We will be unable to make any exceptions.**

Let's look at why this would be considered a **Direct Response** ad.



First, you see immediately the product/service.

## Local Heating & A/C Dealer Is Giving Away Free Furnaces!

Second, you see the offer.

Yes, it's absolutely true and you can save as much as \$1,876.

If your heating and cooling system is over 10 years old, and you meet a couple of simple requirements, YOU can be the recipient of a brand new, high efficiency furnace... *Free*.

Here's how the program works. Blah, blah .....

Third, immediate action is requested.

So even though this sounds almost too good to be true, you now understand how and why I'm making this offer to you. Now here's the risk.

1. Schedule and manpower requirements dictates that only three (3) complete systems can be installed each week over the next seven weeks. Once the schedule is full, I cannot accept any more jobs.
2. If your home requires a system size I don't have available, this offer will not apply to you.
3. The special financing is only available to qualified applicants.

Fourth, immediate action is requested.

To take advantage of this offer, you must:

Fifth, immediate action is requested.

- Replace both your heating and cooling systems.
- Have a system size that I have available under this program.
- Be one of the first 21 homeowners to take advantage of this program in order to have your job scheduled within the next seven weeks.

Call Kelly **today** at 321-1234 in order to avoid being shut out. **This offer will end on March 30<sup>th</sup>** after which no additional systems will be made available. **When the program is over...it's over. We will be unable to make any exceptions.**

### ***In Direct Response Advertising... The Reader/Viewer Is Being Asked To Respond***

While never knowing exactly what the level of response will be, the goal (your goal) is to get a return on your advertising investment.

So, what do you want to advertise? Whether you are a one-man shop or a large organization, you can and should departmentalize. Each service you offer is a different department. It's good to think about this for more reasons than just advertising and marketing. The direct cost and overhead to run your different departments varies greatly. Think about it. From an administrative view, it takes as much time and effort to process a \$250 service ticket as it does a \$7,500 install.



## **What “Departments” Do You Want To Grow, And What Kind Of Work Can Be Successfully Advertised?**

- Repair service can possibly be generated during certain times of the year. But, it’s difficult for advertising to generate air conditioning service work when the temperature is a pleasant 70 degrees.
- Maintenance work can be generated year round, but the best results are during the spring and fall of the year (four to six months each year).
- Air conditioning replacement sales can actually be generated almost year round with good, strong offers.
- IAQ products and duct cleaning work can be generated most of the year, but allergy seasons are best.
- Plumbing maintenance, fixture replacements or re-piping can be advertised all year long.

The single, easiest kind of work to generate is **maintenance**. Maintenance work leads you into selling opportunities for all of your other departments. We recommend that you advertise and generate maintenance (tune-ups) calls four to six months each year.

Every effort should be made to convert these customers into on-going maintenance or service agreements. Future maintenance visits provide you with the opportunities to offer all of your other products and services to these customers...**at no additional advertising cost!**

If you have certain months where your company actually loses money, I would recommend that you advertise for replacement system sales during those times. Even if you must reduce your gross margins by 10% or more, it’s possible to turn those months into profitable months.

If you’re a small shop with limited funds to invest in advertising, you may want to start on a small scale with some do-it-yourself programs. Mail Concepts and our affiliates offer a variety of postcards, letters, newsletters and self-mailers you can choose from. You can purchase mailers with HVAC and plumbing images in relatively small quantities, and with a decent laser printer you can print your own text messages on the back and do the mailings yourself. If you have a marketing budget to do larger quantities, you may find it easier and more effective to outsource this work to someone like Mail Concepts.

Good luck in your marketing efforts – we hope this information is helpful to you. If you have remaining questions, please feel free to call Mail Concepts’ team toll free at 888-251-2778. For even more information about marketing, we offer training from Dick Osgood. Courses offered are for Beginning Marketing and Advertising (Level 1 and Level 2).

