

Rebooting the Business or Starting Over

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In 2004 I finally had my home inspection business running with some momentum. I no longer worried about when the next booking would come in or losing business while on vacation. Then my family surprised me by announcing they really didn't like living in Colorado. They preferred living on the west coast and closer to family. After giving it some thought, I had to agree. One of the nice things about being in the real estate industry is that you can go anywhere there is a robust market and make a living. The other advantage was that if I had built a HI business from scratch once, shouldn't it be easier the second time? Here are some lessons learned that could also apply to an inspector just starting out or someone who is looking to jump start there business:

Preparation and Planning My business partner/wife and I sat down and put a plan together. Planning is critical for two reasons: it gives you milestones to work against and a goal to aim for. We decided to make the move in June for two reasons. Our biggest revenue months historically were in April and May, which would give us cash to help carry us through the next 6 months. The second reason was to let our kids finish the school year and have the summer to transition to a new area.

We created a new name, incorporated in Washington state and set up a new website prior to moving. It takes a while for the search engines to rank your site so I started building the new site in January 2005. It's pretty easy moving content from one site to another so most of the work was changing the look and localizing it for Washington. It took almost 6 months for Google to rank us but now we are in the top 5 anytime someone searches for "Anacortes Home Inspection" (Anacortes, WA is my new home town).

Join the local board of realtors – It's been my experience that the faster you can narrow your target audience down, the faster you can get to where you start getting business from them. Once you are member you have access to the list of member realtors. You also have access to the major players on the board, monthly events and committees. I like to volunteer for committees. It is a time commitment but my philosophy is that you get what you give back. Currently I am on the Web and Information Technology committees.

HTML Newsletters - Since I wouldn't actually be in Washington I decided to do several email introductions via HTML emails. I prefer HTML email because I can incorporate color, pictures and hyperlinks in the message. Realtors have short attention spans so messages have to appear on one screen. We subscribe to a bulk mailing service, WWW.GetBacon.com. (no longer in business) One of the nice things about this service is that it can tell you if and when a recipient opens the message and links they click on.

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There are also services that will handle most of the formatting and mailing but cost more.

Identify Key Players - From experience we knew that we had to get ourselves in front of the realtors and create our "brand". I joined the local board of realtors and got the member list. This gave me my target audience. I started talking to the realtor we purchased a home from in Anacortes who said that she would sponsor us into her office. We actually did our first office presentation 2 days after moving in! I also asked her for the names of the top performers in the area realtors who I should be marketing to. Now as I network with realtors I will ask whom I should be working with. This helps us target our marketing to productive realtors. Don't limit this list to just realtors, title companies, mortgage companies, and builders could be players who can send business your way

Office Presentations – From experience I learned that the best-leveraged marketing activity was the office presentation. In most cases this meant getting in front of the managing broker and getting on the schedule. Since most of the meetings are in the morning this also means buying bagels, donuts and fruit for the realtors.

As a member of the realtor board I also volunteered to sponsor continuing education events. For the cost of breakfast food I get to do a 5-minute commercial and give out our literature. Typically there were 30 plus realtors and it cost about \$35-\$40 for breakfast goodies.

Rick's Rule of 3 – Real estate sales are big dollar transactions and most veteran realtors don't use just any HI. Meeting a realtor once and giving them a couple of brochures in most cases won't get you the business. You have to show them that you are a serious businessperson and are reliable. This is where the rule of 3 comes in. My philosophy is that it takes 3 "touches" before they consider you. In fact, I have had realtors tell me that the first time they see someone they generally dump the card and brochure in the trash. As I targeted productive realtors I go out of my way to get the 3 touches. Phone calls, office visits, giveaways and newsletters were all ways of accomplishing the touch. In many cases because I was "referred to them" by another realtor, I get through the initial barriers to meeting them. This is called networking.

Creating the brand – Bombarding realtors with your company literature has diminishing results because we are vying with banks, mortgage brokers, appraisers, title companies and other HI's for mind share. The second time they see the same flyer or brochure, it will go in the trashcan in half the time it took the first to hit the trashcan. Part of my 3-touch strategy was to giveaway trinkets that were useful. Obviously we don't have unlimited budget but I knew that a little bit of mind share goes a long way. I found nice pens with a cushy grip for about 90 cents a piece, a notepad with pen and key chain flashlights. All had our logo and phone number on them. We gave out the pens at all presentations, hand delivered notepads in August and delivered the key chain lights in October just prior to daylight saving time change. The key chain lights are winners

because realtors need to find the key and lock when it gets dark. They were about \$1.75 apiece.

Keep your goals visible – On my bulletin board I have my goals and the tasks that make up the plan. I try to look at this frequently and monitor my progress. If I am behind in tasks, this is a motivator to get back on plan. If we are behind in sales, this is a motivator to make a few extra contacts.

For our first 6 months, we had a goal of doing 75 inspections. I am not sure how I arrived at the number but it seemed challenging and would generate enough cash so we wouldn't need to tap into savings too much. As of the end of 2005, we did 80 inspections. We also were nominated for "Affiliate of the Year" by the board of realtors. When I ask the board's executive director how I could be nominated after only 6 months, her comment was "you've only been here 6 months?" This told me that our involvement and marketing was working.

For 2006, our goal is 300 inspections. It may be challenging but you don't know what's possible unless you try. I openly share this goal with realtors and in most cases they respect the fact that I proactively run a business.

About the Author: *Rick Bunzel, CRI, is the principle inspector at Pacific Crest Inspections LLC, located in Anacortes, WA. He is a frequent contributor of merit to the Forum. With his background in marketing, before home inspections, and current success in marketing his home inspection business, Rick has a lot to teach us. You can thank Rick for his Forum contributions at "Rick@paccrestinspections.com" or visit the website: www.paccrestinspections.com.*