

# EXHIBITOR SPOTLIGHT

## In Tough Times, It's Time To Tighten Up Your Marketing

by Tracy Paul

**PROVEN**

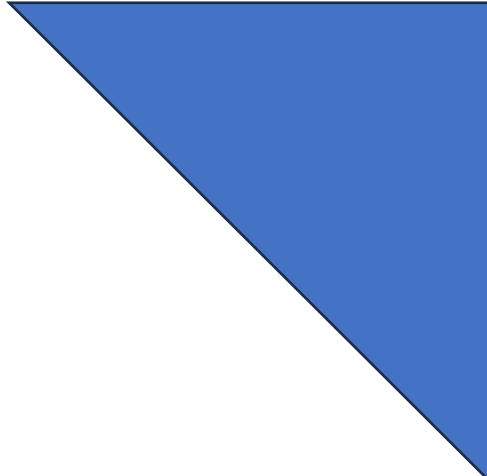
**DIRECTION**

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**EXECUTION**

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**LEAD FLOW**



# Introduction

- **Tracy Paul**, Founder of **Cornerstone Advertising**
- Cornerstone is our clients' **Outsourced Marketing Department**
- **Lead gen, branding & marketing** for the HVAC and Plumbing industry for 25 years

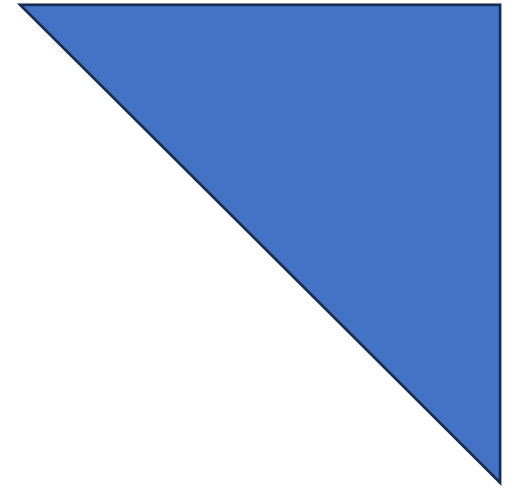


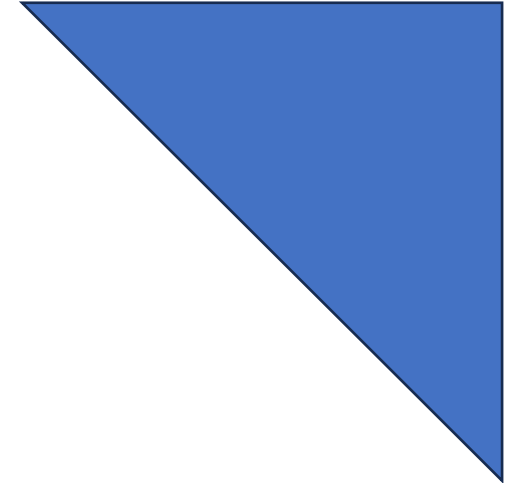
# A Few Questions – no answers yet...

1. If new client acquisition is down, **do you spend less or more?**
2. If your financial **portfolio is down 10% and the market is down 20%** do you punish or praise your advisor?

# Where are we going?

- Back to Basics
- What is the REAL Problem
- Media Mix
- Audience
- Guerilla Marketing
- Wrap Up with Q&A

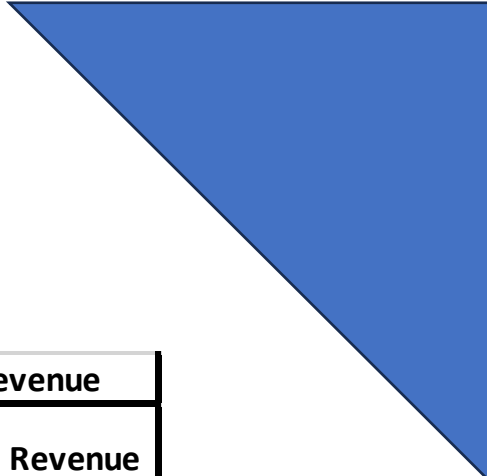




# Back to Basics – Understand the Three Pillars

1. Marketing
2. Customer Service
3. The Kitchen Table

Where is the most effective use of your next \$5,000-\$10,000? Remember, it may be CSR & Sales Training **NOT more advertising!**



# Let's Do The Math

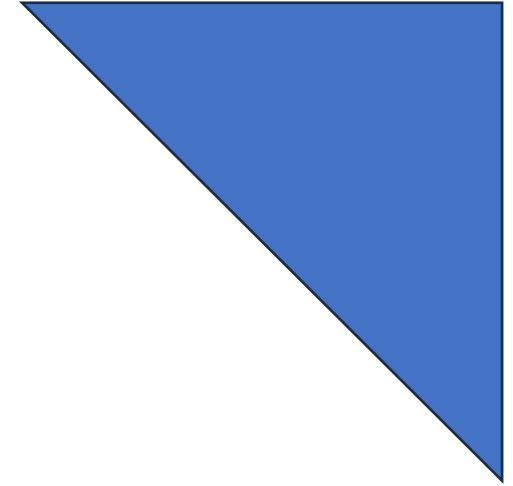
	Marketing	CSR/Dispatch/Ops				Kitchen Table	Revenue	
	Opportunities	Booking Rate	Booked Calls	Completed Job Rate	Completed Jobs	Average Rev / Job	Total Revenue	
Service	1254	65%	815	95%	774	\$564	\$436,731	
Equipment	345	55%	190	75%	142	\$12,874	\$1,832,131	
							<b>\$2,268,862</b>	
								<b>Increase</b>
Service	1254	70%	878	95%	834	\$564	\$470,325	\$33,595
Equipment	345	65%	224	75%	168	\$12,874	\$2,165,246	\$333,115
							<b>\$2,635,571</b>	<b>\$366,709</b>
Service	1254	70%	878	95%	834	\$764	\$637,107	\$200,377
Equipment	345	65%	224	75%	168	\$13,500	\$2,270,531	\$438,400
							<b>\$2,907,638</b>	<b>\$638,777</b>

# What's The REAL Problem?

1. Covid & Government Money **“stole” repairs and replacements** from 2023 & 2024 into 2021 and 2022 (Replacement Cycle)
2. **Fewer people are in the market** for our products and services (**economy, inflation & personal spending priorities**)
3. **Competition:** large independents, solid franchise models, national brands and private equity strongly in the mix (FYI – and we've been dealing with this since the mid-90s)
4. **Expectations:** Most of the companies we represent are up between 5-10%.  
However, everyone built budgets, overhead, staffing, etc. for 20%+

# Media Mix – Bottom of the Funnel

- **Referrals** by existing customers to new customers
- **Search** (Google)/LSA/SEO & GBP (formerly GMB)
- **Aggregators** (Angi, Thumbtack, Porch, Yelp and BBB)

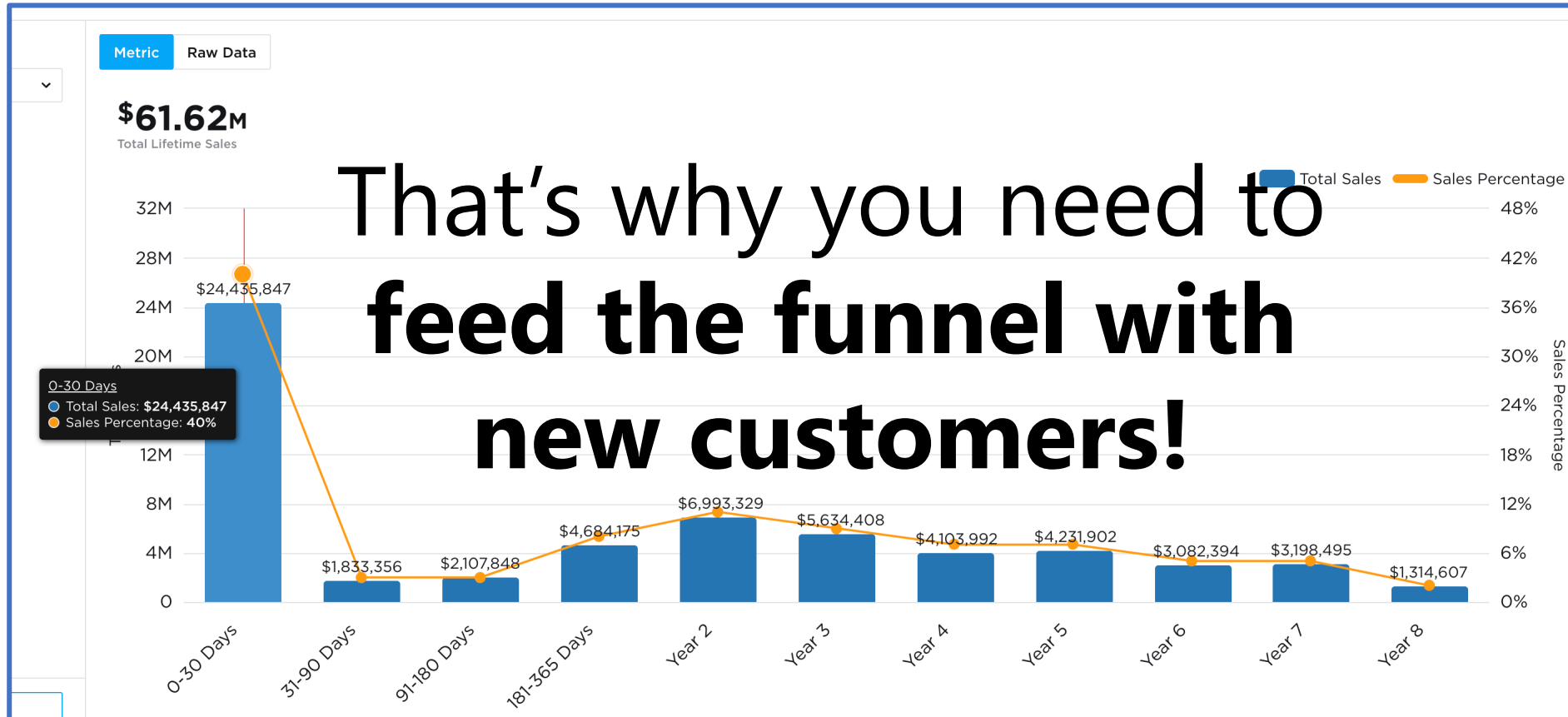




# Side-Bar Discussion

1. **Relational customers** are looking for someone to trust
2. **Transactional customers** interact on a one-time or short-term basis with no ongoing relationship between the customer and the company.
3. EVERYONE wants more long-term relational customers... we call them **maintenance customers**.
4. Important note #1: A good salesman knows that MOST **transactional customers BECOME relational customers** once you've satisfied their fear of "paying too much".
5. Challenge: Does it matter? When **65% of the lifetime value (all the money you'll get from that customer EVER) you'll get in the first 2 years!** I'll repeat that...

# 64% LTV in Two Years



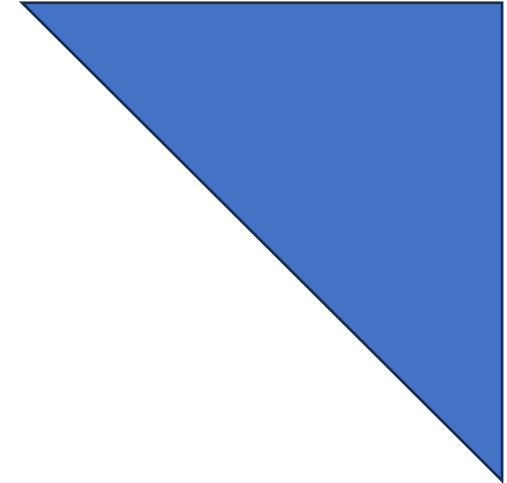
Source: *Stochastic Marketing*

# Media Mix – Mid-Funnel

1. **Existing Customers** (BOTH maintenance and non-maintenance customers)
2. Social
3. Web Videos (informational)
4. Content Marketing (tips, product/service demos, PR, etc.)
5. Cooperative Direct Mail
6. Direct Mail
7. Newspaper (Who's left? Old people with money... what's the trick?)

# Media Mix – Branding

1. **Rank them:** TV (Cable, OTT (Streaming), Pre-Roll & Display), Radio & Billboard
2. Buy them based on market research – **do your homework!**
3. **Don't over-target...** there is an epidemic of over-targeting in the HVAC & PLMG marketing right now.



# Let's Do The Math

**Broad, Over-The-Air, Local Broadcast TV** (ABC, CBS, NBC, others)

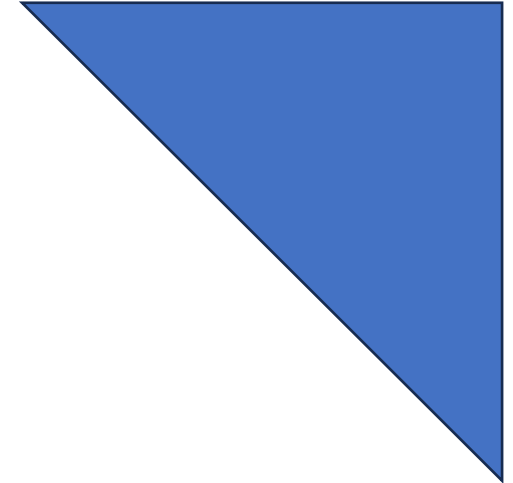
**COST** to reach customer = ~**3-5¢**

**Targeted, Digital-Streaming, OTT TV** (YouTube, Hulu, Sling, etc.)

**COST** to reach customer = ~**30-35¢**

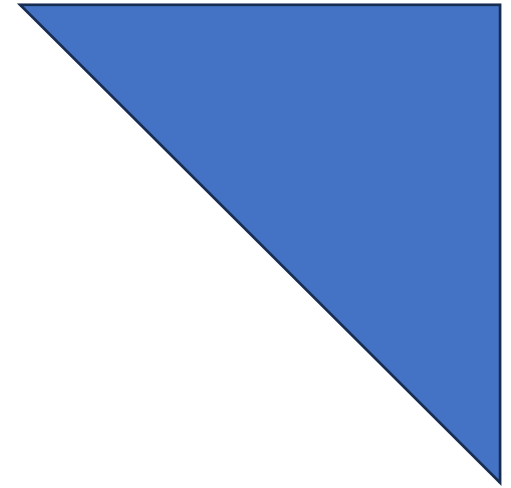
Is that higher-cost, targeted audience **1,000% more likely to have their HVAC or Plumbing Equipment Break-down than the other audience?!?**

# Myth Buster - Birds of feather flock together... right?



1. You sell a system, water heater, big repipe job or sewer line replacement
2. Homeowners in the area - should be a better audience, right?
3. But then why doesn't clover-leaf marketing work?
4. Sending postcards to the 250 surrounding homes?
5. In 25 years, I'll ballpark the **average cost per lead close to \$1,000!!**
6. **This is a need-based business!!**
7. **Take a larger audience that captures the basics** (homeowners, general area, budget constraints, repetition of message) than a smaller more expensive targeted audience that chokes down reach.

# When & How to Market to Existing Customers

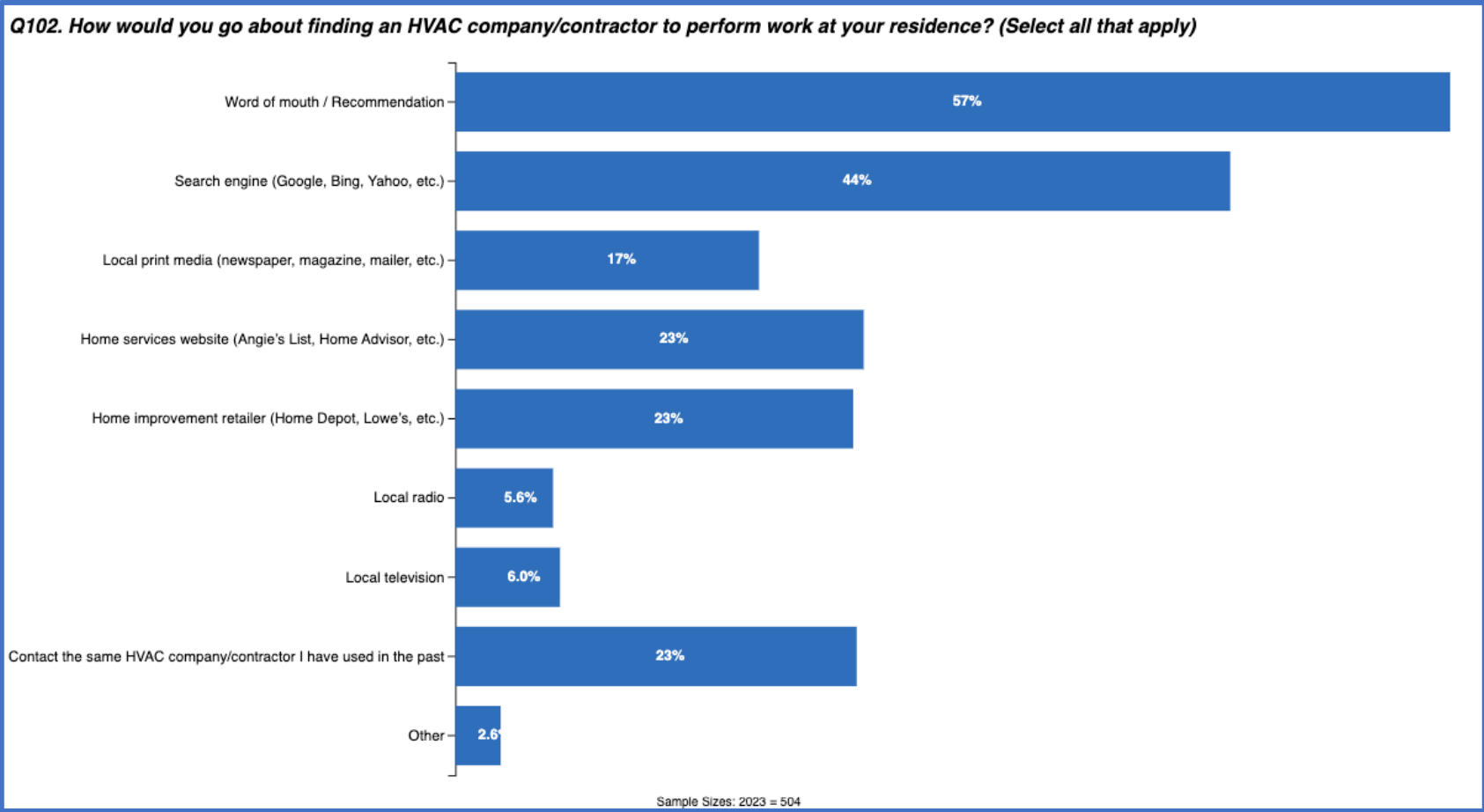


Save at least 50% of your efforts for the off-season.

Run 100% of maintenance visits in shoulder and off-season.

- **Maintain SEO & GBP/GMB** – add offers, etc.
- **Outbound Calling** (Members first, <2 years, then 2+)
- **Email** – Reminders, tune-ups, drip campaigns
- **SMS** – Reminders, Reengagement
- **Social** – Have you uploaded your database to FB to create a customer audience profile?
- **Direct Mail** – Reminders, Drip campaigns (Product/Service line, Cross-Selling, , tune-ups, cross-selling
- **In Home** – Single sheets, Referral, Clover leaf & Promotions

# How New Customers Find You





# New Customers – What to focus on...

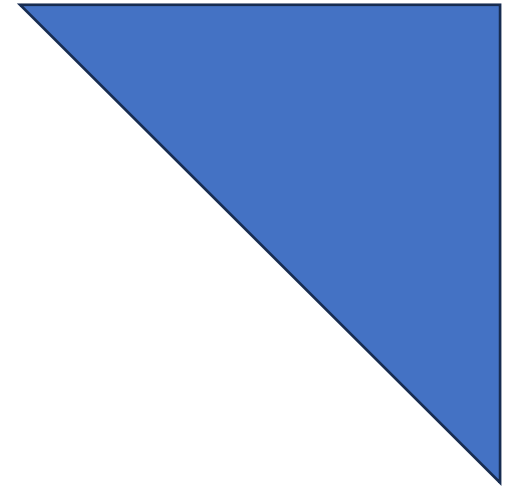
**Search** (Local, Unbranded, Branded & Organic)

**Cooperative Direct Mail & Newspaper**

**Direct Mail** (new tune-ups, hyper-local efforts... cost is king)

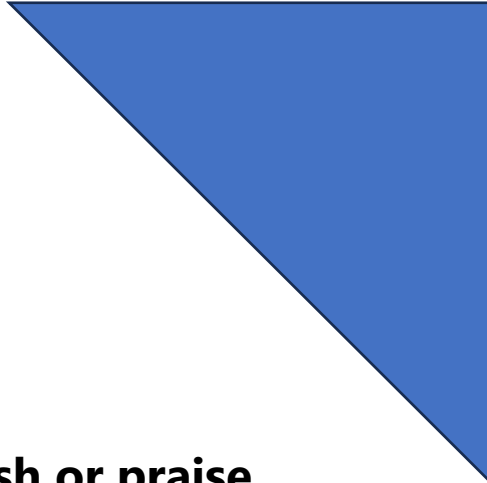
**Lead Aggregators** (Angi, Porch, etc.)

**Media** (watch spend here)



# Guerilla Marketing Tactics

1. Single sheets: Tech Leave-behinds
2. Viral video campaign: Produce humorous or informative HVAC videos for your site, social & email marketing
3. Outbound calling
4. Outbound SMS (text campaigns to current customers)
5. Referral program (on & off-line)
6. Home shows: Think traffic (anywhere where people gather)
7. Clover-leaving: door hangers
8. Yard sign campaigns



# Question #1

**Q:**

If your financial portfolio is down 10% and the market is down 20%, **do you punish or praise your advisor?**

**A:**

**You give him a high five for beating the market!**

**And do the same for your marketing team.**

# Question #2

**Q:**

**Should I Spend Less or Spend More on Advertising?**

**A:**

It's **No** if you don't have an **A+ customer service department** that is booking for profit, converting opportunities, and getting those ops to the right people.

It's **No** if don't have a **strong sales process in the field**.

It's **Yes** if you have a **strong team** and want to **pick-up Market Share**.

# Wrap Up – Q&A

Tracy Paul

[tracyp@cornerstonead.com](mailto:tracyp@cornerstonead.com)

**Stop by Booth #1111C**

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