

Letter from the Executive

Hello Friends,

Have you been enjoying our spring-like weather? I have because it serves as a reminder to enjoy it while we can before our brutal summer heats up!

Other Chapter news that is heating up is our focus on training. Michael Luker, ACCA-Austin Board Member and Industry Training Chairman has been working on bringing a **Manual J Residential training class to Austin this month.**

Additionally, Joe Crisara, a popular sales educator with Contractor Selling will bring a special presentation to Austin in the coming weeks.

We hope you will participate in our new training classes and take advantage of our special relationship with industry vendors. ACCA-Austin is always looking for better ways to offer *you* more. If you have any suggestions please contact us!

Cynthia Sanders
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Marketing

The Most Powerful Marketing Combination on the Planet

By Adams Hudson

Like tools in your toolbox, ads have different “messages” for entirely different purposes. The effective combination of tools builds your perfect marketing machine. I didn’t say expensive, or complicated, or difficult to do, as you’ll find in upcoming articles. So since you’ll go out of business if your phone doesn’t ring enough, let’s look at that “simple” part to see **the only 5 ad types you’ll ever need:**

1. **All Purpose** – These are the do-all ads. All-Purpose ads are for pushing a range of services. All-Purpose ads can also blanket a neighborhood or purchased list as an “introductory” piece. They “plant the seed” with a broad, all-encompassing message that speaks to everyone.
2. **Direct Response** – You want leads, right? Well, that’s the purpose of Direct Response. And it can be highly effective in almost any media. They ask directly for a “response” and go “directly” to a prospect. The headlines of Direct Response ads often contain the offer and are extremely attention getting. Immediately, if not sooner, the prospect will respond to the offer, usually getting a little bonus for a quick response.
3. **Image** – You must assume that the vast majority of your market who is *not* your current customer only knows you by the ads you run. They have or are forming an opinion with every ad. They don’t know your integrity or professionalism; they only know your ads and the image they project. *You’ll get an image whether you advertise for one or not.* Therefore, we recommend spending a little to build a better, more professional image.
4. **TOMA** – Your marketing is about commanding a position in your prospect’s mind. It’s what you want your prospects to believe when they think of your company. These very small ads usually “trickle” your name in front of your prospects *with supremely high frequency.* For customers, branding ads are to continually remind them of your name, credibility, and professionalism.
5. **Retention** – Retention ads keep customers. That’s their purpose and it’s a very good purpose to have. A retention effort is *not* about pumping a sale in someone’s face with each contact. It is about maintaining credible, reliable, trustable relationships with your client base. A strong retention program will out pull, out profit, and generally outperform other forms of marketing – dollar for dollar – than any other marketing investment you can make. Period.

Adams Hudson is ACCA’s National Marketing Partner. You can request his free marketing magazine and free marketing reports by emailing FreeACCAstuff@hudsonink.com.

A Small Investment in Customer Retention Marketing Pays Big Dividends

It's always all about the customer. You could write the most persuasive ad, create the most expensive design, purchase the most expensive media – and, no matter what, it always comes back to the customer. Only the customer can see the value in your offer, make the decision to follow through, and stay with you after the sale.

Sales come from customers. The stronger your relationships with your customers, the better your chances are at sales.

With existing customers, studies show, you've got a probability of 60 – 70% to make the sale. But that number gets comparatively small when you realize you've only got a 5 – 20% chance of selling to a prospect.

Leading on the Edge of Chaos, authors Emmet C. Murphy and Mark A. Murphy make some important points about your current customers:

Acquiring new customers can cost five times more than satisfying and retaining current customers.

A 2% increase in customer retention has the same effect on profits as cutting costs by 10%

The average company loses 10% of its customers each year

A 5% reduction in customer defection rate can increase profits by 25-125%, depending on the industry

The customer profitability rate tends to increase over the life of a retained customer

The other side of demonstrating the value of your current customers is that customer retention marketing is the most cost-efficient marketing you can create. Retention programs are about communication, keeping your name in front of customers, reminding them that you care. This is not an expensive concept.

The most basic elements of communication to customers involve thank-you cards, follow-up phone calls, reminder emails, customer newsletters, reactivation letters and referral requests.

How much is that investment going to pay? You can figure that out by knowing that repeat customers spend 67% more than new customers.

Now ask, how much will you pay if you don't do any of the above? That cost comes from lost sales and lost referrals that go to competitors actively working to keep their customers.

“I Wonder if ACCA Has That for Me?”

Looking to network throughout the industry while you catch up on the latest in technical and business techniques?

Come to the 44th Annual ACCA Conference & Indoor Air Expo in Las Vegas, NV on March 5-8, 2012.

You will leave this event with tips, tricks, and techniques that will boost your business and show you how to “Raise the Stakes” in your life and your business!

For more information see www.acca.org/education/conference.

Product Spotlight

Mastering Core Service

Everything you need to know to successfully take and pass the NATE Service Core Exam – the fundamentals of general, construction and HVACR-specific knowledge required for certification. On three CDs, with review questions and handouts.

Learn more when you visit www.acca.org/store.

ACCA Benefit Highlight

Construction Contracts

ACCA is proud to be a member of the ConsensusDOCS coalition, which provides ACCA members with access to a comprehensive catalog of over 90 standard contract documents at a discounted price.

The contracts incorporate best practices and fairly allocate risk to help reduce costly contingencies and adversarial negotiations. For more information, to browse the contract catalog, or to order documents, visit www.consensusdocs.org. To get a 20% ACCA member discount when purchasing from the ConsensusDOCS website, use **Partner Code ACCA** and **Promo Code 100**.

The Art of Management

The Best Place to Find a Technician

Is within your own ranks. Often the current workforce knows or hears of people who are looking for jobs and can tell you far more about them than an employment agency ever could. The trick is to make a four-prong effort into enacting this search:

- **Offer meaningful rewards.** Pay a significant finder's fee for successful referrals. It doesn't even have to be money. It can be time off, transportation upgrade, or another desirable company perk.
- **Adapt the reward to the position.** If you were looking for a lower level position, the referral reward would be less than for an upper level (Service or Installation) manager. For these positions, you could give half the reward at hiring, and half after a successful probationary period.
- **Promote the program.** Put it on the bulletin board, by the soft drink machine or water bottle, email it weekly, bring it up at meetings. Other employees need to develop a sense of mission that won't come with one or two casual mentions.
- **Pay special attention to the referrals.** This makes both parties feel sort of special. You can cut interview time, introduce to decision-makers sooner and use other ways to fast track the process.

The hardest thing about making good hires is to make sure that they fit in, do their job well, *and are well-liked*. Technicians tend to be very hard on Supervisors if they aren't "one of them," but if they were recommended from within the ranks, their acceptance rates are much higher.

Welcome new ACCA-Austin Members

Kelly Ware with **Pepco Sales and Marketing**
Ken Mire with **Ferguson Heating & Cooling**
Travis Fowler with **Century A/C Supply**

Congratulations to **David Malone of 1st Choice Energy** for receiving his Contractors License Exam this January!

News Flash

The Latest from ACCA National

Residential Design for Quality Installation

Arlington, VA
March 20-22, 2012

If your company needs simplified and practical procedures for calculating both heat loss and heat gain for residential structures using unitary air conditioning equipment, this Manual J 8th Edition training is for you.

With a focus on ACCA's Manual J 8th Abridged Edition this training helps contractors develop an understanding of how to calculate the various components of a residential heating and cooling load both manually and by using computer assisted software.

Who should attend: Contractors, design and utility workers, as well as wholesalers, and others interested in learning the importance that accurate residential load calculation procedures have on system design including both the environmental & economic benefits.

Learn more when you visit www.acca.org/store.

What's Going on with R-22

By Charlie McCrudden

February 2, 2012

The last two weeks have been like no other in the industry.

As a follow-up to the regulatory alert posted last week, I thought I would try to give some further background on what's driving the uncertainty in the R-22 marketplace. Two factors make the R-22 market different from a typical open and competitive marketplace where the rules of supply and demand govern.

First, as everyone knows, the use of R-22 is slowly, but actively being phased out by the EPA under the Montreal Protocol. About every five years, the manufacture and import of R-22 is stepped down under a program <http://www.epa.gov/ozone/title6/phaseout/hcfc.html> designed to phase out the production and use by 2030.

Second, under the phase down, the production and import of R-22 marketplace is tightly controlled through production and consumption allocations granted by the EPA, typically on a five year basis.

In regulating the marketplace and setting the production and import allocations, EPA is making certain assumptions about how much R-22 will be necessary for servicing needs going forward. (Remember that as of 2010, newly manufactured R-22 cannot be used in newly manufactured appliances, only servicing existing equipment.)

During the phase down, EPA has repeatedly tried to make clear that it wants to oversee a smooth transition away from the HCFCs. That's partly the reason for the allowing the continued manufacture of dry charged R-22 condensing units.

As part of that transition, EPA wants to promote recovery and reclamation of R-22 for continued servicing needs, but also encourage changeover to non-ozone depleting substance alternatives, refrigerants like 410A.

It's impossible to predict exactly where EPA will decide to set the allocation amounts for 2012-2014. As noted in the regulatory alert, the earliest their decision will come out is this summer. Until then you can expect to see more uncertainty about price and availability.

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