

Pre-Qualifying Your Customers

Most service oriented businesses still offer free quotes for their customers. If you are one of these you might want to consider asking some pertinent questions prior to wasting your time and the customer's time. Don't take for granted that a potential customer knows everything about the services you offer.

- Do they know what they are looking for? This might seem like a stupid question but I cannot tell you how many times I have gone on a bid only to leave shaking my head wondering why on earth this person called my company to give them a quote. Don't be afraid to educate your customer on the exact services that you offer and ask the right questions to determine just what they need. Example: if you are an outdoor low voltage lighting company and when you get there they are asking for a security light on the side of their garage, you have just wasted a lot of time which is money. You might be able to sell them that low voltage system, but more than likely not. A few leading questions could have saved you a lot of time.
- Do they understand your charge rate? This is a good one. If your company charges \$75.00 per hour for your services be sure you explain this completely. If you have a minimum rate, let them know. We literally tell new customers exactly what our charges are and some of them still just don't get it. There are some customers that will argue about the rate you discussed with them. Do you charge for travel time, or just time on the job? We have had some customers complain that our service tech was only at their home for 27 minutes and they do not want to pay for our minimum charge that we explained from the start. And guess what, there are just some that will complain to complain.....
- Do they have any idea what it will cost and how long it will take to do the job? Let's say that you have a potential customer call to ask you to come give a bid on a new deck around their house. You could ask what type of wood they want and the approximate size. If you can determine a ballpark price over the phone, tell them. If they say that they think it should be half that price or they already have a quote for 40% less, you may want to consider letting the other guy have this one!
- Do they sound like a bit of a jerk? If you are a rookie at owning your own business, believe me when I tell you this. If they are a "jerk" from the start they will be a jerk through the entire job! Hopefully if you are a seasoned business owner you know this, because this has happened to you in the past. In my opinion you have several options with a customer like this. One is to gracefully thank them for calling and give them the name and number of your competitor. This way your competitor will take twice as long as they should to do this job. Or you could give them a quote and add 15-20% to it. (Maybe this will pay for the additional time you will spend on the job). Or you could hang up and hope they don't call back!

In these tough times we all have to be careful of the jobs we take. Some think that they have to take anything and every job that comes to them. I disagree and believe that it is more important than ever that you pre-qualify your potential customers and make sure that you can do the job, make money and take care of the customer properly. I had rather do 80% of the jobs I quote for 100% of the price the job should be, instead of getting 100% of the jobs quoted at 80% of the price the job demands. Do the math.