

"Keep Your Eye On The Three C's"

Within most any business, you need to be aware and plan strategies around what you observe. In the HVAC business, there are three key areas of concern: company, customers and competition.

Your company functions each day — sometimes faster than you would like it. This rush-rush-rush attitude during summer “dog” days and the blue northern of winter isn’t easy to manage. Focus on your people and their productivity. Ask them to rate your company and listen to their comments. Check your weekly cash flow by comparing accounts payable to accounts receivable and bill daily. Review inventory and fixed assets to see if they are being managed properly. Invest in those items that will help you make more money. Your customers must be understood fully if you want to convince them to buy. We must be aware that when they

call us they not only have chosen us over another HVAC dealer but also over other retailers who sell or don’t sell HVAC products. A customer could buy new furniture for \$3,000 or an HVAC product. We must influence their decision by finding out who our customers really are and why they want our product. Researching who they are (age, income, location, etc.) is called demographics and researching why they buy is called psychographics.

Competition needs to be watched but only out of the corner of your eye. Never let them get out front where the view is always the same, keep them behind your moves and keep them guessing. If possible look at their ads, review their pricing and see what they are doing in the marketplace. The key word is awareness. Don’t follow them. Don’t focus your day worrying about them. Just find out useful information so you can see their direction. Your greatest competitor is in the mind. In

my few years in the industry, I’ve never observed any dealer going out of business because of a lack of customers or too much competition. Those who failed could not control or manage their company. They failed to make the correct decisions — decisions like managing money, marketing and investing in people. Watch your company and customers closely and be aware of the competition.

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