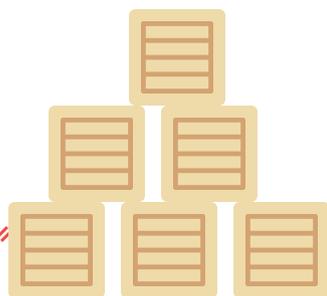


# THE GOLDEN RULES OF

Suppliers and trades that treat every customer like their best customer have a distinct edge

By Tony L. Callahan



**A**sk any builder and the response is likely the same: Since the downturn, there has been a notable decline in the level of service provided to builders from suppliers, distributors, and trades. Requests for quotes go unanswered or come late; warranty issues go unresolved or take a long time to complete; schedules are missed; calls aren't promptly returned. One builder told me that the only thing he can get these days with one phone call is a pizza.

It wasn't always this way, nor does it have to be now. If you're a supplier of products or services to the home building industry, here are six ways you can differentiate yourself and your company.

**1 Honor your commitments.** It sounds simple, but if you say you're going to do something, do it. That doesn't mean avoiding commitments. Builders need suppliers and trades who get things done, and they need to be able to rely on you to service their account. If you receive a request to bid the frame package on six new house plans and the builder is requesting it this afternoon, you need to manage expectations. You can't meet that deadline and shouldn't commit to it. Instead, call the builder and offer a realistic date for when they can expect your bid. (Also, keep in mind that the builder clearly needs it as soon as possible, or they wouldn't have asked for it so quickly.) There's a middle ground. Don't tell the builder that you will get them the bid in six weeks. Do make an aggressive commitment, but one that you know you can keep.

Be a person whose commitment means something. When you do make a commitment, do all it takes to honor it. When you've followed through, email or text the builder to let them know it's done. You'll soon develop a reputation as a person who gets things done and can be trusted. In this hot market, that's valuable currency. I know of cases where a local supplier representative went to work for the competition and builders converted their entire business so that the representative would still service their account.

# SUPPLY-SIDE SERVICE



**2 Be available to your builder customer.** If for some reason you can't take a call from a builder customer, respond as soon as possible after that—but always within four hours. It's never acceptable to ignore a builder's inquiry. Poor service will lose you more business than price ever will, and builders have long memories. If you lose a bid because of high price, a builder is likely to give you another shot the next time they send work out to bid. That won't be the case if you lost business due to poor service. I know builders who are still talking about a company that failed them in the '90s. Sounds crazy, but they still won't do business with them after 20 years. Chances are the person who dropped the ball doesn't even work at the supplier anymore. This is why senior executives have to stay abreast of how their sales teams are treating customers.

**3 Follow up and follow through.** If you don't have the answer to a builder's question, say so and assure them you'll follow up with the answer, and let them know when that will be. Builders juggle multiple jobs and need to be able to rely on suppliers and trades. If a builder has to call you twice about the same thing, guess what? You've failed. Either a simple issue didn't get resolved or you didn't follow up with the builder to give a status report. Always follow up with what the root cause was, when it will be fixed, and how it will be prevented in the future. This can't be overstated. I've seen supplier and trade representatives so focused on getting new business that they failed to serve their existing builder customers. That can be disastrous. Onboarding a new customer is expensive. Churning through customers because of poor service is a vicious and expensive cycle that will damage a supplier or trade's reputation.

**4 Anticipate what the builder will need,** then be prepared to provide it. Educate yourself about the builder's work before you call on them. Websites provide lots of information about a builder's history, the markets they serve, and their approach to the marketplace. Make sure you understand how they differentiate themselves in the marketplace. Do they serve entry-level, move-up, or luxury buyers? If they

have model homes, walk one to see the products they currently use and the installation quality they expect. Talk with people in your organization who know the builder. Have the two companies done business before? Is there history that you can build upon or history that you have to overcome? Come prepared. Anticipate questions and have prepared answers. Don't ask questions that can be answered by a website.

**5 Be the builder's advocate in your organization.** Yes, you have a fiduciary responsibility to your employer—I'm not suggesting that you violate that. But if you're the sales rep responsible for the builder's account, it's your duty to be the voice of the customer in your organization. Chances are you know more about that builder than anyone else in your organization. You know the impact that any change your organization makes will have on the builder's business. Have the builder's sales slowed because of multiple price increases? Then now is not the best time to approach them with a price increase. Is the builder struggling to meet schedules? It's probably best not to reduce overtime or discontinue a service at this time. Help your management team understand the challenges your builder customer is facing so that they can help.

**6 Strive to be the preferred customer.** Builders, if you want to improve the level of service you receive, treat suppliers and trades with respect. When you get a call, promptly return it. When you send cost codes out to bid, make sure they're complete. If you committed to following up with information, do so. Set expectations with current and potential suppliers and trades, and make certain that they understand those expectations. Hold regular reviews with them to address their performance and to discuss areas in which they've performed particularly well or have fallen short. Thank them when they go above and beyond. Conversely, if they continue to disappoint, fire them. Life is too short, and you're far too busy to have to continuously deal with poor service. **PB**

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