

Renov

Your Sales



2013 Awards of Excellence® Silver winner by Pool Docs, Lakewood, N.J.



Before

There's a lot of business to be had in renovations—if you know how to get it.

By Robert Lerose

There is little doubt that new construction took a hit during the recession. But a funny thing happened on the road to recovery. The demand for pool and spa renovations began to grow dramatically. As homeowners held back on new purchases, they began to see the value—financially and aesthetically—in improving and updating their existing structures.

The unexpected surge took many pool contractors and builders by surprise, too. Renovations, which had accounted for only a modest part of their income

streams, opened a floodgate of revenue, with some predicting heightened activity in 2014.

Contractors and builders who want to get into this side of the business need to be aware of what's working in marketing renovations to consumers and how to leverage their relationships with customers to fill their sales pipeline with projects.



Every kind of pool builder is doing renovations. While in both high- and low-volume operations, builders often make use of the same kinds of strategies to acquire renovation work, their individual experiences provide diverse roadmaps for success.

Cultivate Direct Referrals

Poer's Custom Pools in Dallas handles about 15 to 18 projects a year, both new construction and renovations, within a 30-mile radius of Dallas. Over the past several years, renovations have jumped to about 40 percent of total business—almost all of it generated from direct referrals and low-key advertising in neighborhood publications.

"When I first got into this business, I said, 'I'm a builder, not a renovator.' Then, after I did my first couple of jobs, I saw that there is something to this," says Trey Poer, principal and owner of Poer's Custom Pools.

In his view, contractors who serve their current pool customers have a distinct advantage. Because they are already in backyards, they can see which pool components are coming to the end of their natural life and suggest upgrades. They can also avail themselves of high-tech solutions to scope out prospects.

"Lots of folks will use Google Earth or some type of website with mapping software to determine where pools are located, so that they can isolate a particular neighborhood," Poer says.

Poer prefers more traditional marketing methods, such as using before-and-after photos of renovation projects and gaining notoriety by doing award-winning work. Poer's Custom Pools has received several awards, including a Silver 2013 International Award of Excellence® (AOE) for pool renovation from The Association of Pool & Spa Professionals.

Poer experimented with online sources to get leads such as PoolBids, but stopped in 2008 because he was getting enough work through word of mouth. "Probably the most useful strategy was getting involved with the local APSP chapter," he says. "I've given projects away that were outside my geographical preference and found wonderful networking opportunities, too." Poer will focus more of his activities in the renovation market in 2014.

Educate Customers on the Advantages of Upgrading

On the other end of the spectrum, Pool Docs of NJ in Lakewood, N.J., handles high-end residential pools and pool/spa combinations in the metropolitan New York area. "People kind of get used to things they have, even if they're not good. They don't like the plaster or the tile, but they get used to it [in their existing pool]," says Joe Spero, co-founder and an AOE recipient for pool renovation. "But when they're ready for a renovation and you show them what's out there, they go nuts."

Pool Docs uses three key pillars to market their renovation work:

1. Showing homeowners the convenience of automation—such as turning on their spa with their phone—is a big sales point on almost every renovation they do.
2. Homeowners often may not realize that the style of their pool is out-of-date or that nicer building materials exist—opening the door to another selling point. "I tell every customer that by the time we get done with their backyard, everything is going to look like they just installed it this year," Spero says.
3. Spero provides detailed renderings and before-and-after photos to help his customers visualize what the new renovation will look like, and then takes it one step further by actually driving customers to past projects so that they can see and feel a renovated construction. Because homeowners are often not around during a renovation, Spero takes pictures on every job during every phase and emails them to the homeowners so that they'll appreciate the work and the final result much more.

Like Poer, most of the renovation work done by Pool Docs of NJ comes from word of mouth and outstanding customer service.

"Sometimes if we're in the middle of construction, I'll throw them some fancy piece of automation. If it's a service customer that we do maintenance for, I'll give them a nice chunk off their bill. We'll write personal notes saying that we appreciate their belief in us and that a recommendation is the nicest compliment. I try not to be too pushy about it. I never want the customer to feel that I'm trying to up-sell them," Spero says.

Renovations made up about 20 percent of Pool Docs's business last year, and the company has plans to grow that percentage in 2014. "I think the renovation market is very big," Spero says. "You just have to knock on their door and show them what you can do."

Give First, Ask Second

Perhaps the most powerful marketing tactic for winning projects is to do good work for your existing customers and maintain open, frequent communication with them.

That has been the experience of Pool Environments, a Plano, Texas-based pool builder that specializes in the very high-end market. In one case, the company renovated three swimming pools for the same family because of the superior quality of their work.

"You need to have a personal relationship with your clients," says Ted Anderson, Pool Environment's general manager. "People are tired of getting mailers or mass



2013 Awards of Excellence® Gold winner by Pool Environments, Plano, Texas

emails. You have to get their interest first and give them something informative that helps them—such as something about new regulations or safety tips—and then you can remind them about the [renovation work] you do.”

Anderson softens the ground first before asking for a referral. When a project is completed, the salesman will follow up within a week to make sure that the customer is satisfied and that nothing was left undone. Then, Anderson will give them a bonus gift. For example, he might send the customer flowers or create a little café mug inscribed with the company name. If his client supports a particular charity, he might make a donation in his or her name.

“Leave them something interesting and economical that they’re going to use on a routine basis that keeps you in front of their face,” Anderson says. “It’s going to be different in different marketplaces and dif-

ferent cities. You have to determine what is right for your clientele. When you do something for them, then you can ask for something in return.”

Like Spero of Pool Docs, Anderson will also take customers around to see similar projects to reassure them that they’re making the right decision. “The client truly gets that internal feeling that you’re looking out for their best interests,” he says. All these personal touches seem to be paying off. Anderson

reports that renovations generate more than 20 percent of Pool Environments’ business—up substantially from 2012.

If there are any lingering doubts that renovating pools and spas is a high-growth niche, consider this: Portofino Pools, a pool service company in Jacksonville, Fla., is completely booked through July 2014 with renovation work.

“We’ve been seeing a strong upward trend for the last couple of years,” says Jack Manilla, president and CEO of Portofino Pools. “We saw about a 60 percent increase in renovation in 2013 over 2012.” (For Manilla’s tips on how to get into the pool renovation business, see the Q3 2013 issue of *AQ*.)

As these builders know, 2014 will be the year for renovation, rebuilding—and revenue.

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