

Top 5 Mistakes Homeowners Make When Buying Home Improvements

1. Buying the Sales Rep

Your Sales Rep is very important to you and to his company. He should be the one who accurately transmits your wishes to the Company. If he does this well the Company will know exactly what you desire and confusion can be avoided by everyone. If he does a good job, you will have to answer a lot of questions during the sale. Your answers and comments should appear on the Contract or the Work Order.

However, in the Home Improvement Industry, Reps are woefully under educated. Many reps will say yes to any homeowner request, even if the product does not exist, or the work is outside the scope of work which the company allows.

Sales Reps are often very likeable and charming. They are almost universally paid on commission, which means if you don't buy they get nothing. Because Home Improvements are large tickets, a good rep will make a very comfortable living... It is in your best interests to have an experienced rep. One who has moved from an emphasis on getting the sale to one who is looking for a good fit between a customer and his company. Generally this process takes more than a decade of good earnings and education with errors. So for your sake be cautious if you see no wrinkles on that face, or if there are no questions about what you want, how you would like it done, your goals in making the improvement etc. etc.

Because reps are likeable (that's why they are in sales) it is easy to want to believe they will take care of everything. Sometimes this is true, but more often than not it isn't. Most likely you will only see that rep once or twice more in the future.

So please, for your benefit, don't buy because they remind you of someone you like, or because they are so much fun. Buy to get exactly what you want.

2. Assuming that In House Employees means a better job.

Many prospects ask "Do you have your own crews or do you use subs?" A better question to ask is "Why do you think your crews are qualified to work at my Home on this project?" Now you will hear if they run background checks, do drug tests, have minimum requirements for crew chiefs and helpers etc. But most importantly the Company

philosophy about their installation procedures will be discussed or omitted. Without a clear philosophy about installations, decisions will be made based on those things which the installer deems important. Usually this leads to choices based on how much money the decision either costs or brings (most all installers are paid piece-work). Another important topic for installers is Miller time. Sadly, this is not an attempt at humor on my part.

Installers at Smart Choice must know our philosophy which guides all decisions. Since we want our customers to have a good experience, we emphasize clean hands, tarps to protect the floor, respect for our Customer's home, shutting of doors to minimize flies, steady communication before and during the workday with our Customers etc. All this falls under our Number One priority for making decisions; "The Way The Customer Feels."

Our Installation Philosophy is designed to give Customers what they want with a minimum of suffering, and hopefully with some fun in the process. You can read more about this on our website, but this really sets us apart from the others, and is definitely in your best interests.

3. Buying the "Product".

Beware of Home Improvement companies trying to sell you a particular product. One size does not fit all. The company really looking out for your best interests will offer choices. Generally the single product companies will be trying to shoehorn you into something they "own" exclusively. Look out, here comes a higher price! There are very few products that do not have competitors nipping at their heels. Look for multiple products and multiple samples to make sure you will really hear all your choices. Today's marketplace is ever changing and offers a plethora of choices. A really good Rep will bring a wealth of design ideas and information. It's smart to make your choice after you know all that is available.

4. Paying Too Much or Too Little

95% of Home Improvement Companies go out of business within the first 5 years. A large factor affecting this dismal number is the fact that most companies are started by guys who are handy with a hammer, but not a pencil. It's very easy to under bid, it all seems so easy, but actually doing the work to full completion may actually result in paying the customer for the privilege of working in their home. It happens occasionally to even the best companies. If it occurs frequently, it may take a long while for one to discover the problem.

Although this sounds ok to some homeowners, kinda like getting a real bargain on a purchase, it doesn't benefit the homeowner. The truth is Installers who are underpaid

will not do a good job. Companies who are struggling will cut corners, usually at the expense of the Homeowner. The warranty is usually only good if the company is still around, and workmanship is the manufacturer's best avenue to exculpate.

It's been said that the best a consumer can hope for is to get his money's worth. A great shirt, or dishwasher or garden hose that gives you long and excellent service will likely be fondly remembered regardless of price. Most of us will try to find the same or a similar one to replace it. This is why Maytag and Pendleton enjoy repeat sales even though the price may be a little higher than the herd. In this sense, it is better to pay a little more as opposed to paying too little.

Of course a higher price does not assure a better job. Very large companies have layers of management to pay for. Another large expense is Marketing. A single full color full page ad in the Bee can run well over \$30,000. This is for one ad on one day. If you respond to that ad, you will be helping to pay for it. Larger companies must sustain a high volume of sales (or they wouldn't be willing to spend such large amounts to insure it) and it becomes the entire company culture.

In summary, your best interests are most likely to be served with medium sized companies who are not the lowest bidder (make sure that insurances are paid, they protect you). In general, most competitors should be with 10 – 15%. A little more can sometimes buy you a better job, particularly if the company specializes in the Improvement you are seeking. Beware of bids that are very high or very low.

5. Choosing the New Kids On The Block

There is a saying in Latin America: "they say the devil knows more for being old than for being the devil".

It really takes a while to get all the skills and experience needed to consistently deliver good Home Improvements. According to Malcom Gladwell, it takes 10,000 hours to get good at golf, guitar, cabinet-making, etc. It's really smart to choose a very experienced company, experienced staff, installers etc. It's easy for those who know how. Those who learn will understand why education is expensive. Choose those who already paid for their education so you don't have to suffer the cost on your project

Getting three bids is hardly a recipe for success. We hope these 5 points will give you something useful to consider.