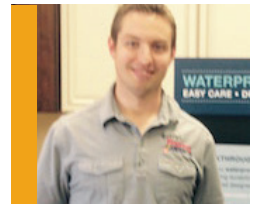


Make more money, work less, and build your business around your life.

Ideal BUSINESS Ideal LIFESTYLE

Utah Flooring Dealer's Desire to Do Business Differently Pays Off – Big Time

Russ Bundy got into the flooring industry by accident – he took a job ten years ago as a sales person working in a flooring store, with no particular inclination to make it his life's work. But just seven years later, he was ready to buy the store. And he knew that he wanted to do things differently.



"Before I bought the store, they weren't doing FSS, or even really following industry best practices. And when I say "they", I really mean "me", because I was pretty much running that store. But it was a very different mindset when I was working for someone else than when I took over the business myself. I wasn't motivated at the same level. Even after having been in the flooring industry for seven years – at that exact store – **I knew I wanted to be better, to be different.** I didn't want to follow the path of the average dealer, but I also didn't want to reinvent the wheel. I wanted to learn from other peoples' mistakes, instead of making them myself."

After reading some of Jim's articles in Floor Covering News, and subscribing to the Floor Marketing Minute emails for a while, Russ decided it was time to take the leap and try something new.

“The Design Audit let me make a psychological shift on margins.”

"When I first decided to join Flooring Success Systems, I definitely had a little bit of hesitation – you wonder, "Does this really work? Could it really be that different from what everyone else is doing?" And it really is. **I think as flooring professionals, we tend to look for customers in all the wrong places.** We go after the hardest customer, which

doesn't make any sense. Jim teaches you how to go after the customer that's easy to get to, that trusts you already. They're more likely to buy from you, more likely to refer you, and they're easier to work with, too." The first thing Russ implemented when he joined Flooring Success Systems was the Design Audit selling system. It was a huge change from how he had been doing business.

"It was almost uncanny how many of the things we were doing before FSS were actually listed by Jim as the "bad examples" of what not to do. Before, we were just asking clients if they need help finding something when they came through the door – essentially showing them that all we were there for was to help point them to products."

No wonder people price shop when stores use that approach! They can't tell what sets you apart from any other flooring store. That's why the Design Audit puts you in charge of the sales process, from the very first interaction with the prospect. And that's exactly what Russ has been so successful in doing since he joined Flooring Success Systems.

"The Design Audit let me make a psychological shift on margins, that I was able to pass on to my sales team. We do an interview process to learn their needs and really showcase that we have a differentiated service, that we are the experts who will help them get the right flooring product for their needs, installed by knowledgeable professionals.

We deliver a lot more value to our customer now, and that lets us confidently price at a higher margin. We're also working with customers who are a lot less likely to price shop us."

"I had a client recently, a commercial builder I've known for years, come to me because he was wanting to

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move into a new office and redo a lot of the building before he moved into it. And even though I know this guy, I know how he thinks, I still went through the Design Audit process with him. I showed him how we could deliver value, how we could help everything come together, and figured out what was really important to him in the process. He ended up making different decisions than he was initially planning on, spending more more money, and **I was able to do it at a 38% margin for a commercial builder.** I think that's what the Design Audit can do for you, if you can understand it and implement it and overcome your own psychological objections to charging someone more."

 **"It's not about chasing every customer"**

Today, Bundy Flooring America has two locations, in Brigham and Logan, Utah. After his success with the Design Audit and with streamlining his business' day-to-day operations, Russ is continuing to implement new elements of the Core 3. In fact, he just hired someone to focus on Referral Connections exclusively. Joining Flooring Success Systems might have been a leap at first, but Russ' instinct to do business differently has had a big payoff.

"We're looking at our business from a completely different angle now. It's made a huge difference. The biggest thing Jim has done for me was to change my mindset from "going after every single customer" to "going after the profitable customers". It's not about chasing after every possibility at any price point, because you're desperate to get the sale – it's about finding customers who will be good to work with, and who will be a profitable customer over time. Now we've got the confidence that we're delivering real value to our customers, and they have a real reason to choose us over our competitors."

How Flooring Dealers Can Add a **Million in Revenue with Joint Ventures**

Folks, let's talk plainly for a minute: Walk-in customers, long the bread and butter of flooring businesses, are getting harder and harder to sell to these days.

Consumers are more skeptical and standoffish than ever, and traditional advertising is only getting more expensive and less effective. They come into your store thinking that they've done some internet research and know everything they need to know about buying flooring. The Design Audit is an excellent tool to help flooring dealers combat this issue, but it's not the only tool you need to help you gain a *consistent* stream of reliable business.

Here at Flooring Success Systems, we've got a theme for 2018: We want to give you the tools and strategies you need to double your profits, while cutting your working hours in half. This month, I want to help you do that by finding a stream of customers who:

- are pre-sold on your services
- are more enjoyable to work with
- and buy at higher margins
- are less price sensitive
- have higher average ticket sales

Sounds pretty good, right? But where do you find these types of people? Simple: they're referred clients from your joint venture partners.

What is a joint venture?

Joint ventures are a powerful tool – they offer massive revenue potential with low marketing costs. We've talked before about the importance of growing your herd, so that you're regularly marketing to the people who already know, like, and trust you. Well, when you connect with a joint venture partner, you're tapping into their herd, and borrowing on the trust that they've developed.

The key there, of course, is trust. When you start looking to people you can build a joint venture with, you want to find people you can have a sense of mutual trust with. You need to know that they conduct their business with integrity, and they need to know that you're a trustworthy business owner who is going to do right by their clients. They're not giving you access to their herd out of the kindness of their hearts – they want you to make them look good.

You can develop a joint venture partnership with just about anyone: insurance agents, carpet cleaners, veterinarians, paint shops, furniture stores, etc. But for most flooring dealers, your best and most reliable joint venture partners will be

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realtors, interior designers, and contractors. These are the people who are regularly interacting with your ideal clients, at the times when they're most likely to need your services.

The 3-Step Joint Ventures System

Developing a partnership with a single real estate agent is great. They might be able to send you a referral every month or two, or maybe even more if they're a high-volume agent – maybe 20+ referrals a year. But that's not enough for you to count on it as a consistent, reliable source of revenue.

That's why the Joint Ventures system, like all of our systems, is designed to be simple, repeatable, and scalable as you grow. For an in-depth explanation, you can watch this month's webinar (or, if you're a Platinum member, you have access to all of the Joint Ventures modules online). But the basic premise of the system is simple:

- **Step 1.** Gather a list of potential joint venture partners, and send them a letter. You want the letter to grab their attention – send it with a hand-written address, in a Fed-Ex envelope, in a 9x12 envelope, something to help it stand out. In the letter, let them know that you want to develop a partnership with them that's going to help you both make more money. Tell them you're going to give them a call to discuss the idea on a specific date (and, ideally, at a specific time).
- **Step 2.** Give them a call, exactly when you said you would. This lets you tell any gate-keepers that might answer that you have an appointment, and your contact is expecting your call. When you get them on the phone, mention that you sent them a letter, and that you'd like to set up a meeting to see if it would be a good fit for the two of you to work together.
- **Step 3.** Meet in person. This is your chance to wow your contact with credibility boosters. Bring along your testimonials, your reviews – show them how you work, your installer professionalism guarantee, your iron-clad triple guarantee. You want to show them how you can benefit their clients, and why it makes sense to develop a referral partnership.

At each step, your goal is not to sell them immediately on a joint venture. It's just to move them to the next step. You're not going to hit it out of the park every single time. But if you do this enough, and you really bring your "A game" to show how you can help them, you can build up a solid stable of joint ventures partners who are sending you referrals every single month.

So, let's break down the math. A million in revenue is an extra \$83,500 a month, give or take. If your average ticket price is \$3000, that's an extra 27 sales a month. That's 15-30 joint venture partners who pass you 1-2 referrals a month. How many realtors are there in your city? How many designers are there? How many contractors?

There is a huge untapped market out there of people who want to be connectors, who want to be able to tell their clients, "Oh, I know a great flooring place – let me give you the owners name, they're going to take really good care of you." The Joint Ventures program is how you tap into that market.

How to (Legally) Print Your Own Money – Advanced Strategies for Marketing with the Neighborhood Advisor

The Neighborhood Advisor monthly newsletter is a Core 3 strategy for an important reason: it is completely unlike what your competition is doing.

If you've been a Flooring Success Systems member for any length of time, you've heard me say this before: your past clients are the only people who have proven that they are willing to give you money. And yet so many dealers aren't talking to them, selling to them, at all! I say this all the time, I'm a broken record on this, because it's so true. Something like 90% of flooring dealers don't communicate with their past clients at all.

People replace their flooring, on average, once every seven years. If you work with someone to install new flooring, and then they don't hear from you until they need flooring again seven years later, do you think they're going to remember your name?

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Sending the Neighborhood Advisor gives you total top of mind awareness! Not only does the client see your name at least once a month (more if they're getting the eNA as well), but because of the emotional triggers that we've built into the NA, they're strengthening their connection with your company and getting prompted to refer you, too.

And by the way, if you haven't started with the Neighborhood Advisor because you're too busy, please don't forget about Core 3 Concierge. Don't let yourself get overwhelmed by your business and miss out on the incredible results you can get from sending out the Neighborhood Advisor – that's exactly what your Core 3 Concierge is there for. All you need to provide is a contact list and little bit of information each month about your trivia winners, referrals, etc. – and your Concierge will send a friendly reminder when this information is due!



“Your past clients are the only people who have proven that they are willing to give you money.”

It's twenty minutes worth of work that can easily be handled by an assistant, and you WILL see big results. Results like Marty K. saw when he made \$64,779 from the Neighborhood Advisor in one month. Results like Dan G., who replaced all of his marketing with the Neighborhood Advisor and is now busier than ever.

Multiplying Your Mailing List

If you've already been sending out the Neighborhood Advisor to past clients for a while, and getting those great results, you may be ready for more. Here are ten ideas for expanding the reach of your Neighborhood Advisor mailings beyond past clients:

- Sample check-outs
- Referral partners – add everyone you're in contact with at the business, not just your main contact
- Walk-ins & design audit prospects who don't close
- Surrounding businesses – this is a great task for your sales people
- Hand them out with or instead of your business cards
- Everyone you do business with – doctor, pest control, dentist, vet, hairdresser: anyone you give money to, get them signed up for your newsletters
- Sphere of influence – friends, family, former co-workers, members of your religious or social groups, networking contacts
- Your neighbors – hand deliver to your closest neighbors. Great for your sales people and other employees to do as well!
- Local realtors
- Affiliate mailings – good to do with referral partners: designers, mortgage companies, realtors, etc.

You might think, why should I be sending newsletters to these people? I already know them or see them regularly, they already know that I have a flooring business. There are two great reasons why the Neighborhood Advisor can be a great source of business even when you're using it with people who you already know:

1. Things change. You may see Bob every other week at your networking meeting, but what happens when Bob finds a new group/ moves/ switches jobs and stops coming to the meetings? If Bob's already on your mailing list, he'll still be building that connection with your business, and still thinking of you when it comes to flooring.
2. Emotional triggers. We've carefully designed the Neighborhood Advisor with tons of emotional triggers and social proof that does much, more than a traditional advertising piece saying “Hey, we do floors, here's a sale.” Your friends or your sphere of influence may already know what you do for a living, but when they receive the Neighborhood Advisor, they'll build an emotional connection to your business and see all of the great testimonials and social proof that will make you number one in their mind for referrals and flooring needs.

WELCOME NEW FLOORING SUCCESS SYSTEMS MEMBERS!

Lisa Nelson

Mike Loewe

Don Taylor

Added Core 3

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