

July meeting will be a sweet event at Cross Point

There will be no Miami Valley NARI picnic this year, but July's meeting will be just about the next best thing -- a picnic dinner at the Miami Valley's leading specialty candy shop.

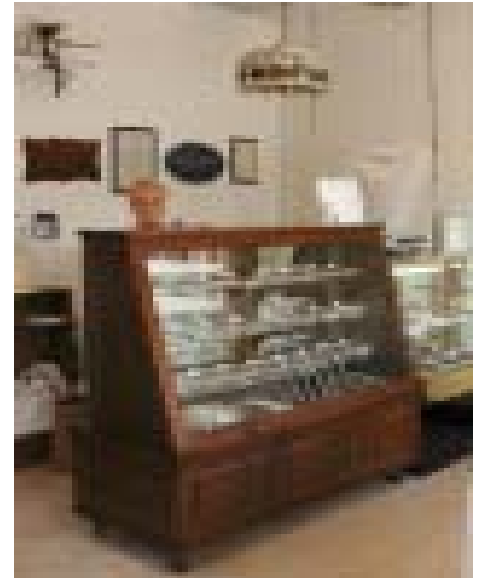
On July 25 Betty Blose, owner of Bellbrook Chocolate Shoppe, has invited all MVNARI members to an informal get-together at her store in Cross Point Shopping Center at the intersection of Alex-Bell Road, Far Hills Avenue, and I-675. If you are

coming by freeway take exit 4 off of I-675.

Dinner will be picnic-style cold sandwiches and salads, and, of course, a chocolate buffet for dessert.

The program will be a discussion of successful customer appreciation programs. Betty has set up turn key programs for several Miami Valley NARI members. In fact, she was doing business with so many members she decided to join the association so she could meet more. She regards MVNARI membership as one of her most valuable business relationships.

There is no charge for the meeting, but a \$10 donation to support the work of the Miami Valley NARI Education Committee is requested. NARI will not invoice for this donation. We will, however, take VISA or MasterCard, so come equipped



Betty Blose behind the counter at Bellbrook Chocolate Shoppe.

with \$10 cash or your credit card.

Please call the Miami Valley NARI office at 937-222-NARI to make reservations for the meeting.

Coming Attractions

July Meeting Date & Time

5:30 p.m., Wednesday, July 25

Location

Bellbrook Chocolate Shoppe
101 E. Alex-Bell Road

Program

Customer Appreciation Programs
Betty Blose

Owner, Bellbrook Chocolate Shoppe

Cost

\$10 donation to education fund

August Meeting Date & Time

5:30 p.m., Wednesday, Aug. 22

Location

Dayton Marriott

Program

Marketing a Remodeling Company
Nicole Crouse

ID Solutions

Cost

\$20 members, \$25 nonmembers
Please call the Miami Valley NARI office at 222-NARI to make reservations for these meetings.

How to manage your customers' expectations

by Susan Stasiak

Stasiak & Associates

Today, more than ever, customers demand good service. The trouble starts when we leave room for an interpretation of good service. Good service can mean different things to different people.

To avoid confusion, bad feelings, and legal battles it's up to us as business owners to explain to and educate our customers on our interpretation of good service -- on what our service will and will not entail.

Begin with a clearly delineated contract. Some contractors use a proposal to describe the remodeling work to be done and the compensation for that work. The contract is a detailed description of the remodel-

ing process, step by step, with possible contingencies such as delays, changes in design or products, weather problems and significant structural or mechanical challenges. The proposal is what we propose to do; the contract is how we will partner with our customer.

Some contractors use a fairly detailed proposal with a follow-up, thank-you letter that depicts the potential changes or challenges along with a description of the remodeling process. Warning the customer that dust and early morning hours with workers in the home are part of the deal can head off irritations when

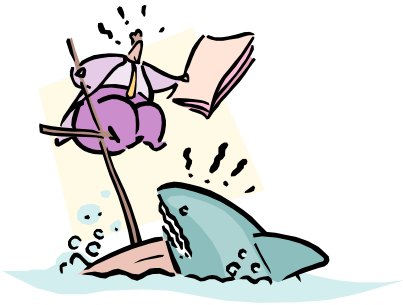
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Have a survival plan in place

by Bob Malchow, CR

Malchow Building & Remodeling

In recent conversations with fellow remodelers and suppliers, some have indicated that although things have been steady, they have experienced a slow first quarter, but an increasingly busy second quarter. This could be an indication of a slowing or leveling off of the economy in general, or a false perception, based on the belief that the boom years that we have had the great fortune to be a



part of, is the norm.

In either case, it is vital to our future business, especially when things are going well, that we remember to take the time to assess ourselves. Are we doing now, the things that are necessary to carry us through lean times?

Establishing a strong customer base that we can look to for repeat business, or quality referrals, could be the difference between who survives and who does not. This seldom occurs with "satisfied" customers, but generally with those that are "very pleased."

Do you have a viable marketing strategy? If not, will you need one to attract new customers? Will you use media advertising; radio, television, newspapers, etc.? Should you consider taking advantage of the NARI Home Improvement Shows?

Are you spreading your company so thin in order to take on as much work as possible, that you can't survive when the work slows down? Typically, these companies will not survive.

I believe that we have not seen the end of "the good times". However, I also believe that a wise businessman does not wait for the bottom to fall out, before he tries to figure out how to survive it.

Thinking ahead is the key to survival. The time to pack your parachute or build your lifeboat is before the engines cut out or the ship hits the iceberg. Just ask Captain Smith, master of RMS Titanic.

Gross Area Modifier increases on August 6

Two years ago Montgomery County changed the basis for commercial general construction permit fees from from a value of work basis to a price per square foot basis. Since then fees have been based on a formula known as the Gross Area Modifier, which is updated periodically.

The county building department has announced that on August 6 the Gross Area Modifier will increase to 71. The net effect of this will be a permit fee increase of about 30¢ per 100 square feet of building area.

The Gross Area Modifier applies only to commercial general construction. The Gross Area Modifier is based on a formula developed by Building Officials and Code Administrators International

The mission of MVNARI is:

1 To establish and maintain the association's firm commitment to developing and sustaining programs that expand and unite the remodeling industry, as well as ensure the industry's growth and security.

2 To encourage ethical conduct, sound business practices, and professionalism in the remodeling industry.

3 To present NARI as the recognized authority in the remodeling industry.

This mission is carried out by:

1 Promoting the common business interests of those engaged in the industry.

2 Sponsoring educational programs and activities for members.

3 Enlightening consumers to the needs and advantages of home remodeling and maintenance, thereby improving the nation's housing inventory.

4 Recommending legislative and regulatory action which safeguards and preserves the remodeling industry and stimulates the marketplace.

Miami Valley

REMODELER

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Urbieta Construction wins Chrysalis awards

Urbieta Construction, a Miami Valley NARI member, received two Chrysalis Awards for Remodeling Excellence at an awards ceremony held June 1 in Charlotte, North Carolina.

Urbieta Construction won the first place award in the Room Remodel Under \$50,000 category. In addition to the category award, the Chrysalis panel of judges named the Dayton remodeling firm Ohio Remodeler of the Year.

The Chrysalis Awards are presented annually to outstanding remodeling contractors from throughout the United States. Lowe's Home Improvement Warehouses and Professional Remodeler magazine sponsor the awards.

Expectations

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homeowners naively assume the job won't be an inconvenience.

These prevention strategies will help limit, not eliminate, potential misunderstandings. Some contractors hesitate to imply that things might go wrong, or the job may be a difficult one, or feel reluctant to give the customer reason to monitor the work. Most customers will expect and work with you on delays or other problems. The real challenge, stress and lost business opportunities occur when the relationship is undermined by unrealistic expectations. It's the unexpected, the surprises, that throw people off, emotionally.

Anything we can do to educate the homeowner and family on the process and the possible challenges,

will keep them secure in the knowledge that we expect the unexpected and have a plan of action to deal with it. It's a way of developing credibility and trust. A homeowner contracting for a \$30,000 remodeling job would be more reassured by the knowledge and thoroughness of a contractor who took her time to explain the process and possible contingencies.

The window of opportunity to develop rapport and trust is before the work begins, especially if the contractor is astute enough to present the points in a way that emphasizes the homeowner's interests rather than the contractor's policy.

"I care about your experience during this remodeling process and I don't want to disappoint you. One

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Is the full potential of your patio profits being realized?"



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Expectations

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of the ways to avoid disillusionment is to be as upfront as we can be. That's why I have this detailed contract. If you decide to change your mind on some products or on the design, I want you to be happy. You have every right to change your mind, but you need to know that it will impact the price and/or the completion date of the project."

Taking an hour or two at the beginning of the project to go over each contingency and to have the customer initial each of the 7 or 8 pages of the contract may sound like a real nightmare. You would be surprised how many intelligent, well-educated consumers don't or won't read the fine print. One contractor's practice of having the customer initial each page motivated one homeowner's response of "Oh, I better go back and read this carefully."

It's not just a matter of having the potential problems in writing. Consider a face-to-face meeting with all the adults in the household. Your seriousness and explicit review of all the points, or at least the salient ones in the contract, is the basis for questions from the household and an opportunity for clarification.

More importantly, it's only after the customer chooses you as a contractor and has agreed to pay you his hard-earned money that he scrutinizes the integrity of your words and your actions. The real test for developing rapport, trust and credibility is after the money is on the line.

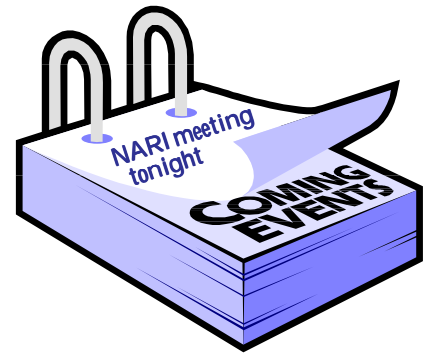
Putting in a great-looking kitchen isn't the only reason a homeowner will rave about a contractor. You'll get rave reviews because despite the delays and added costs for a change of mind, the homeowner will be satisfied with the experience as well as

the finished product. The homeowner's confidence in you will have grown, not diminished through the project.

Sometimes we give away the store by making too many compromises. Why are some contractors charging moderate-to-high prices and have more business than they can handle? It's the experience of the remodeling job that gives these contractors' customers a level of satisfaction that yields strong word-of-mouth referrals.

In today's world, service is expected. Satisfaction is value-added. If we want to build a strong relationship with our customers, one that will garner referrals and repeat business, focus on the relationship. And like any relationship, being clear on what each party expects, and managing those expectations will yield us more business. Taking the time up-front to state what you will do and not do is an insurance policy, a way to manage your customer's expectations, your reputation, and your business.

Susan Stasiak, of Stasiak & Associates, presents customer service and communications topics for Central Ohio and Miami Valley NARI. She was the speaker at the March meeting. Contact her at 614/781-1075.



July 25 Dinner Meeting

Bellbrook Chocolate Shoppe
101 E. Alex-Bell Road, Suite 144
Betty Blose, Bellbrook Chocolate
"Customer Appreciation Gifts"

August 22 Dinner Meeting

Dayton Marriott
Nicole Crouse, ID Solutions
"Marketing a Remodeling Company"

September 19 Sales Seminar

Manchester Hotel, Middletown
David Hiatt, Hiatt & Associates
"Sales and the Professional Remodeler"

September 26 Dinner Meeting

Yale Industries

October 24 Dinner Meeting

Dayton Marriott
Jess Meloche, Safety Systems
"OSHA Legal Issues"

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