

10 Pieces to Solve the Service Sales Puzzle

Most installing security contractors are mindful that service is fundamental to the well-being of their business. Alas, some companies lack the marketing expertise to take advantage of this RMR opportunity. Learn how skills sets required to effectively market service are far different from technical product sales.

Many security systems integrators have experienced subpar performance or outright failure marketing and selling service. Some company operators believe they are getting the most out of their service sales effort, but in reality their performance is mediocre. Others feel helpless as they watch their installations fall into the hands of competitors.

Too many companies do not capitalize on the recurring monthly revenue (RMR) opportunity and simply move on. Every company and market niche has its own unique challenges and issues, but the formula for service sales success is consistent. Contributing factors to current, past or future service sales efforts are usually found in the following list.

1 Unrealistic expectations — Grow revenue, increase margins, win more jobs, sell more equipment, grow market share and improve customer satisfaction are all realistic expectations of a successful service marketing program.

Achieving one, maybe two, or even three of these goals may be possible. Success in all of these areas is chal-



lenging, if not impossible. The first step is setting realistic goals and objectives. Goals may range from ensuring every installation is pursued for a service agreement, to bundling security and fire alarm offerings, or generating more revenue from your customer base, or even approaching prospects for a service agreement on systems installed by others. Not taking proactive measures to tap the thriving service market is a risky proposition that could have lasting consequences.

2 Part-time players — It is unrealistic to ask systems sales personnel or technical staff to support a service sales program when they are being pressured to make their other numbers monthly, weekly or even daily. Introducing and nurturing a service marketing strategy takes a dedicated and focused effort. The chance for success is far greater with dedicated resources rather than part-time contributors.

The strategies and tactics required to sell service agreements are very different from bidding installations. Rarely is an individual gifted with the skills to do both.

3 Mediocre offering — Trying to market what other companies are already selling is a difficult task. Repackaging existing offerings that mirror competitors usually results in failure. If a company doesn't have something special to offer, they are relegated to "selling" a commodity, rather than marketing a service solution.

Selling testing-and-inspection or time-and-material services are not solutions in today's marketplace. Not having a well-packaged service agreement can be the difference between success and failure.

Salespeople and internal resources need to believe what they're selling is exciting and important. If the people on the frontline are not convinced they have something special to offer, it too often becomes apparent to the prospect.

4 Flawed selling strategy — Most companies lack individuals with service marketing experience. Far too many companies struggle to understand the difference between a marketing strategy and a selling strategy.

This normally results in sending the wrong individual to call on the wrong

person at the wrong time, and offering the wrong services. Needless to say, the results are usually less than desired.

5 Inadequate service sales training —

A service marketing program should always include service sales training. Everyone involved with the program must be versed on the marketing strategy, sales strategy, and implementation plan.

Far too many shortcuts are taken in this area. It amazes me how much revenue companies lose by underselling, discounting and missing opportunities due to salespeople who are improperly trained. Their people don't possess solid qualifying skills and lack full understanding on how decisions are made across different building types. Too often their only response when hearing any type of objection is "discount."

This situation is particularly frustrating when knowing the cost required to train everyone in a company to sell service is usually recouped with one new sale being made.

6 Sabotage — Typically there are important individuals who will not fully support an aggressive service sales initiative. They may say the right things publically, but when the boss isn't around their actions say otherwise. They fear if the program is a success it will negatively impact their situation or create more work within their area.

It's not unusual to hear from someone in operations expressing the reasons why they can't sell service "right now," because "we're too busy." This problem can't be overlooked. These individuals must be enlightened on how the success of the program is very important to them and the company.

Who loses in the end? In most cases it's the security integrator owner/operator who misses out on revenue available today that may not be available tomorrow.

7 Intimidation — Companies that confidently boast about their design and installation prowess far too



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often speak with less confidence when addressing service. For many their feeling of inferiority is caused by a lack of knowledge and preparation.

Typically installers are intimidated by the large, nationally branded service providers. In almost all cases, the security installer's perception of the "big guys" is out of line with reality. Doing some solid research and interviewing some of the competitors' customers can pay huge dividends when formulating an effective sales strategy.

8 Lack of patience — Like a double-reverse on the football field, a service marketing effort may take time to develop. But when it works, it's a big gainer. Far too many companies panic when projected sales numbers don't reach fruition. Selling service is a relationship sell. Building trust with prospects takes time and effort. Most service sales agreements are negotiated if sold properly.

The decision schedule is not as clearly defined as bidding a job specification. Patience is usually required. Typically a good service sales person is at full throttle in three to four months.

9 Poor execution — This is a broad category that covers many areas. The most common mistakes include: improperly supervised salespeople; no feedback and correction mechanism; operations is not prepared to handle

new business; overlooking the role of field employees; lack of coordination between groups within the company, etc.

Selling service can be a frustrating task. Having to deal with post-sale administrative and delivery issues affects a salesperson's productivity and morale. To effectively implement a service sales program, operations and sales need a close, if not direct, working relationship.

10 Unwilling to seek help — Reluctance to recognize that marketing service is different than marketing products may be the most common mistake. Companies continue to try to leverage their current marketing resources with limited success.

Security integrators deserve the benefits created by the ongoing relationships and revenues generated by aftermarket service. Losing *your* job to another service provider is both painful and unnecessary. Not selling a service agreement on your installation is just as bad. If your company doesn't have individuals with experience in implementing service marketing initiatives, go out and get them or provide training to your in-house resources. ■

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