

# Turning leaks into leads

In any sales effort, success begins with a steady stream of qualified leads. Service and maintenance work can be the most profitable category of work for commercial roofing contractors, with margins of up to 50 percent. Many roofing contractors are dedicating sales teams to this lucrative opportunity. Lead generation typically involves a lot of time, effort, and money: driving around



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looking at roofs, cold calling, direct mail, yellow pages, and lead-referral services. But one of the best sources of leads for roof repair is your own service department's "leak hotline."

## Every leak can be an up-sell

Contractors respond to dozens of leak calls each week. Nearly every roof that leaks has other critical maintenance and repair needs. Since properly managed roofs last longer and cost less over time, you can offer a valuable service by educating building owners about the condition of their roofs while making proactive recommendations for repair and maintenance. Building owners tend to have an "out of site, out of mind" mentality regarding their roof assets, so until you bring it to their attention, they may not even be aware that they have an extensive problem or an opportunity to manage their assets wisely. Many building owners don't even realize they need routine main-

tenance to protect their warranties.

So how many leaks does your company respond to each week? Imagine how your profits will snowball if you can follow-up even a fraction of those leaks with a roof condition assessment and then win the follow-up on repair and maintenance. Immediate, professional follow-up with the building owner is critical — studies have consistently shown that proposals for additional repair are much more likely to be accepted and funded when the proposal is delivered to the client within a few days of the initial repair. This rate drops quickly: proposals presented more than three weeks after the initial repair is completed are accepted less than one third of the time.

## Impact of timely, professional proposals

Professional proposals with photos and easy-to-understand descriptions of what's wrong, why it matters, and what should be done to fix it win a much higher percentage of the work and at much higher margins because they "educate" the need for a valuable service rather than selling at a commodity level. Presenting this kind of proposal quickly and consistently is challenging because of the time it takes to document roof conditions and put it all together in a professional format. Typically, contractors reserve this kind of effort for large re-roofing projects. But profit margins on repair work are much higher, and with the right approach you can win these projects at a higher volume and make it a banner year, even if new construction and re-roofing projects dry up due to recession. Negotiated repair work can generate 50 percent gross profit or more. If you respond

to 20 leak calls a week, and generate eight leads for roof assessments from those repair jobs, with an average of \$7,500 in recommended repairs per project, and if you convert 33 percent of those leads into projects, these leaks could lead to \$20,000 a week in revenue and \$10,000 a week in profit. That's almost \$1 million in repair work each year.

## Tools for success

The formula for success is simple: present recommendations for repair work clearly, with complete documentation while the current leak is fresh in their minds and before the next leak occurs. You need a consistent, efficient approach and savvy sales tools, with close coordination between your service technicians and your service sales team about which roofs merit a return visit. Presenting those building owners with an example of the kind of professional report you can provide them will help you get back on their roof for an assessment. Offering online access to their roof information is another perk. Many contractors are charging 3 to 8 cents per square foot for these assessments and reports. Implementing software tools and best practices geared toward streamlining the assessment and presentation process is one of the wisest investments a company can make and will lead to a speedy and considerable return on investment.

In future columns, we'll discuss overcoming hurdles and specific tactics that contractors can use to capture this opportunity. **RSI**

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