

# Marketing Trends 2008

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### Beyond the New Homeowner

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By Dale Filhaber

**W**ater dealers have traditionally marketed the heck out of new homeowners. In fact, in 2006 there was a one-to-one correlation between the number of POU systems shipped with the number of new home sale transactions in the US.

While dealers have been fortunate in previous years to have large numbers of new homeowner prospects to choose from, in 2008 those numbers are down 50 percent. Water dealers who fail to branch out and market to other key groups, maximize their own customer base and invest in new technologies will be left in the dust. The marketing trends for 2008 are:

- Existing homeowners
- Higher end customers
- Maximize existing customer base
- Introduce new technologies and products
- Enhanced new homeowner outreach
- Utilize credit-scored data
- New emphasis on business clients

Let's look at each and see what they can mean to dealers in the second half of this year.

#### **Existing homeowners**

Segmentation is key. Each dealer must slice + dice the existing homeowners in their marketplace into distinct market groups and market to them with specific messaging geared to the specific market segment. The top segments include homeowners with children, homeowners with new babies, golden homeowners, baby boomer homeowners and homeowners with ailments.

Messaging and offers need to conform to the market segment. The dealer

who markets to homeowners with children needs to incorporate a testimonial message that says something like, "Johnny and his friends came to our house yesterday after baseball practice. They asked for water instead of soda, because my water tastes so good". What a message! It conveys pride of ownership of a water system. How much better can that kind of testimonial be? Those dealers who use the incentive or closing tool appropriate for that homeowner with children prospect (coupons, shopping sprees, IPOD for little Johnny) will also increase their closing ratio.

Homeowners with ailments is another key segment which merits testing. These individuals must have quality water. This is not a group for whom a tasty drink is a nice thought! These health-challenged individuals must have quality water to ensure their continued physical well-being. Messaging should be respectful; bear in mind that studies and statistics resonate well with this group.

#### **Higher end customers**

Lists can be segmented by age, income and home value. Reach out to golden homeowners and baby boomers; they have disposable dollars and will spend them for a better lifestyle. The message to this market group is healthy lifestyle; have it your way. Premiums are health- and/or travel-related.

#### **Maximize existing customer base**

Dealers need to invest in appropriate software—or go through their filing cabinets and track their own clients by installation date and type of product or

service provided. This is a wonderful opportunity to cross-sell and up-sell people who already know your company. Email is a wonderful tool for customer retention management, for keeping in touch with customers and letting them know what's going on in your dealership. One of the beautiful parts of the water quality industry is the people, the family-owned and operated dealerships. The message here is, "From our family to yours".

#### **Introduce new technologies and products**

Many dealers are incorporating air quality products and services into their offerings. Air and water quality products go hand-in-hand and dealers can offer air systems and services to their current water systems users and vice-versa. Ailment sufferers, pet owners, golden homeowners and baby boomers are wonderful prospects for air quality products and services. Boomers with pets will spend whatever it takes to protect their health, keep pet dander out of their lungs and ensure that Fido continues to be a cherished member of their family.

#### **Enhanced new homeowner outreach**

Every new homeowner buys a system. It might not be within the first week in their new home; it might not be in the first month either. But they will buy. New homeowners are wonderful prospects, because when they move into their new home, the water never tastes like it did in their old home. Dealers need to invest in getting every single new homeowner name they can get. The dealer who abso-

lutely has to be the first in the door needs to go down to the county courthouse himself. Not everyone can be first and every dealer has their own favorite time to reach out to this key market group. Consider this: the new homeowner who purchased a system when they bought their home in 2000 is now a prime prospect for a new, more modern system. What a great new set of prospects!

### ***Credit-scored data***

Nothing is more frustrating than going through the entire process of marketing, setting the appointment, visiting a home and making the presentation, then losing the sale because they don't pass credit. Dealers can take advantage of lists where they select prospects by credit score and thereby market only to those homeowners with the credit score their finance company requires.

### ***Business clients***

Those dealers who do no commercial business need to investigate the possibility of reaching out to businesses. Marketing to new businesses and to those business categories that rely on water, can help dealers get a lift and expand their businesses in new directions. New business lists are available on a monthly ba-

sis and dealers can reach out to them continuously.

In terms of existing businesses, restaurants, bars, spas and beauty salons are great water quality prospects that dealers should consider. These are good for POU systems, as well as for bottled water routes.

### ***Going green***

The environment will begin to play a bigger-than-ever-before role in marketing and dealers need to jump on the bandwagon in terms of the public's outcry for sustainability. Plastic water bottle use will begin to decrease as the demand for environmentally consciousness consumption practices increases. Dealers need to emphasize the importance of using refillable containers and maximizing the POU system. This can be very good for the environment—and the dollar savings can be enormous!

### ***Conclusion***

2008 need not be a down year. Dealers who focus their energy on fine-tuning their marketing strategies with market segmentation, well-thought out messaging and using appropriate offers, will increase their business to greater levels than ever before and position their

business for an even more profitable 2009.

### ***About the author***

◆ Dale Filhaber is President of Dataman Group Direct Mail & Telemarketing Lists, a direct marketing company based in Boca Raton, Fla. Dataman Group was founded in 1981 and has provided thousands of clients across the country with accurate, high-quality direct mail and telemarketing lists. Filhaber is President of the Florida Direct Marketing Association and has been active in the direct marketing industry in south Florida for many years, serving as a member of the Florida Direct Marketing Association Board of Directors for the past 18 years. DataDale, as she is called in the industry, is well known in the water quality industry, where she has been a guest lecturer at several WQA conferences, as well as many national and regional water conferences. In addition, she lectures at many local colleges, industry and marketing events including the Direct Marketing Association, the Florida Association of Non-Profits, American Marketing Association. Filhaber has published numerous articles about marketing in the water and home industries and is the author of "Ask DataDale", a popular blog for the direct marketing community. She can be reached at [dale@datamangroup.com](mailto:dale@datamangroup.com).