

Four Ways You Can Differentiate From Large Competitors



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One way smaller local HVAC contractors are struggling to grow their business may be in the context of determining where they fit in the marketplace among their larger competition. With the right orientation of your focus and a clear understanding of all the benefits of operating a small business, you can advantageously position yourself and learn to grow without feeling overshadowed by larger, long-established enterprise companies. Let's take a look at the different ways you can grow your business as a single owner/operator or small team.

Be Different - Not Better | Four Ways You Can Differentiate

This strategy is commonly renowned as the #1 rule in marketing. Don't take that title the wrong way; by no means should you ignore your performance and customer satisfaction ratings for the sake of being unique. This strategy is here to take advantage of how you can be different and stand out amongst larger players.

1. **Be personal** - A common thread amongst all larger, name brand companies is their transient work force and management. As a result, they will always struggle with being personal and developing a personal brand. As a small team or single O/O, you have the advantage of being the face of the company and the brand you represent. By being reachable and accessible, you develop a personal and local brand that creates trust and affinity for your clientele.
2. **Know your customer** - Larger companies generally focus on the mid-level cheap equipment, but your clients are each different and your product offerings should be as well. By having a deep understanding of who your customer is, you can focus your profits toward what matches their needs and taste. Some clients are on a minimal budget and require entry level equipment, while others desire the high-end name brand equipment. You should be able to place your customer into a 2 - 3 tier bracket determining what product line to offer them. Take Able Distributors' furnace and A/C offerings as an example. We provide both Maytag, the premium flagship brand of Nortek, and Gibson, the economy level brand that offers the affordability your customers want without sacrificing the quality they deserve.
3. **Smarter marketing** - Bigger companies have bigger budgets. It's estimated that larger companies spend up to 20% or more on marketing alone. This leads to higher average prices to offset and justify marketing expenses. You may not be able to compete with them in regards to market exposure and customer acquisition, but you can do it *differently*. Think of how you can capitalize and maximize every dollar spent. How can you invest in customer acquisition

and retention methods that are both cheaper and more effective? With today's technology, sharing and distributing information has become incredibly inexpensive. Think of ways that you can connect with your audience online. Examples would include:

1. Your company website / blog
2. Company / Contractor review sites such as Angie's List and Yelp
3. Engaging and being personal with your audience on social media; Facebook, Twitter, Youtube
4. **Price Point** - A more appropriate word would be *Value*. Being one of the small guys, you have fewer departments and less overhead adding to your bottom line. It is true you have less buying power, but let's focus on what you have control over. You have more immediate influence over your team and your business. Finding ways to become more efficient and maximize your profits has a tremendous impact on your bottom line.

In conclusion, it's also beneficial to point out the immediate benefits of partnering with a local HVAC supplier.

Excerpt from our blog post *Why Do Wholesalers Matter*:

"Working with a wholesaler provides a number of advantages over dealing with manufacturers directly or purchasing from a storefront at near retail prices. When you work with a wholesaler like Able Distributors, it's a symbiotic relationship. Your success is our success; when we succeed there are direct, tangible benefits for you. This can be seen most easily in matters of pricing.

One of the most tangible, direct benefits of working with a wholesaler is that we can use our buying power as leverage to obtain deals that an independent contractor simply cannot find elsewhere. Of course, the more business you do with us, the more business we do with manufacturers, the better the deals get for everyone involved."

Excerpt from our blog post *Able's Outside Sales Staff Can Help You Land Big Clients*:

"Did you know that Able Distributors could help you land jobs even if you're not sure how to approach your potential customer's application? It's true! Our outside sales staff has been helping contractors size and design projects for years.

With over 130 years of combined industry experience between our four outside salespeople, you know that you will be getting the experience and dedication needed to sketch out and execute nearly any HVAC plan."