

By Ric Harry

Water: An Essential Service

In times of a slowed economy or recession, consumers' spending behaviors change. We have already seen a reduction of luxury, impulse and large capital purchases. Knowing this, we need to understand what our customers need and how they will spend their money relevant to our business.

Why service
should be
a profit center
at every dealership

The credit crunch or reduced credit availability has put some capital purchases out of reach for many consumers. In light of the impact of the circumstances coupled with dissolving pensions, savings and investments, then compounded by the various crippled industries that fuel our economy, such as the auto industry, consumers have become more cautious regarding how they spend their money.

Be that as it may, in every economic state there are essential products and services that consumers will pay for, and those providers continue to grow and profit. Water treatment is a priority industry that adds value to the general public.

Opportunities

Beverage industry statistics prove a majority of people do not drink water from the tap. Bottled water is a top-seller, which provides continued opportunity for our industry. Taste, convenience and confidence in quality are key motivators and our water utilities are not likely to make major changes to alter consumers' buying behavior any time soon. For the millions of consumers who enjoy improved water—whether it is from a bottle or a treatment system—it is safe to say they will continue this trend.

There are millions of consumers who count on various benefits of water treatment systems and it is highly unlikely that they are going to revert back to spending more money on detergents, soaps, lotions and other chemical alternatives.

We are confident that homeowners, hospitals, health care facilities,

recreation centers, dry cleaners, Laundromats and a host of other facilities will continue to expect the many benefits of soft or filtered water for their hot-water heaters, boilers, steamers and other appliances.

There are hundreds of thousands of homes and businesses that rely on neutralizers, oxidizers and other filters to address odor, staining and other water chemistry issues that create numerous problems. Without disinfection or sanitization, water would simply not be safe, causing illness and even death.

Our products and services go beyond delivering better tasting water or improving the lifestyles of those with disposable incomes—we provide the key ingredient to almost every other product that is dependant on clean water. Recession or otherwise, water treatment is an essential service to government, industry and consumers alike.

When we think of all the places that have water treatment equipment or products—farms, factories, retail outlets and residences—then consider their need for service and consumables, this is a great business to be in.

The Yellow Pages in any service area are filled with hundreds of qualified leads that need service. When looking at the businesses listed, consider what they do and how water is used in operating their business.

Service Over Sales

When times are tough, people will repair what they currently have before they buy new. Those occasions in the past where prospects were

weighing a vacation over a new water softener will be less frequent now. It is suggested that now and in the coming months consumers will be conscientious, spending their money on essential services.

This being the case, we might shift some of our focus and attention from trying to create new sales of water treatment equipment to servicing the equipment that is already out there. During times of a spending slowdown and lack of credit availability, consumers who have already invested in the benefits of healthier living will be looking to safeguard their investment by maintaining it.

Service does not have the stigma of spending money nor does it require credit. There is a consumer perception that a service call is far more affordable than a sales call. Furthermore, even during the best of times, consumers may go to great lengths to avoid salespeople.



editor's emphasis

It is often reported that customers require reassurance from a technician that their purchase was the correct application and right decision, suggesting the customer did not have full confidence in the salesperson.

Service people, on the other hand, are generally well received, held in higher esteem and are believed to

be more knowledgeable and credible than a salesperson. There is a sense that they have the consumer's best interest at heart.

We are also seeing trends of service people generating more profit to the bottom line and their contribution is more sustainable than some traditional salespeople.

Service Sells

Companies come and go for various reasons. A common reason is that they fail to build recurring income from service that would have gotten them through tough times. There are many companies in our industry that do not operate a service department and rely solely on new sales. In times

of recession, service prevails. There are also companies in our industry that generate a high percentage of revenue and profit from service—it is these companies that fare well during tough times.

Service should be a profit center at every dealership. Consider how many reverse osmosis systems are in the market that need filter changes. There are ultraviolet systems that need prefiltration maintenance and bulb changes. Chemical feed pump injectors need cleaning or exchanging. There are brine tanks that need cleaning, unit rebedding and bed sanitization. These customers, for the most part, are already interested, qualified buyers who have an expectation of service from us. There are also equipment rentals, service agreements, consumable replenishment, warranty work and more.

Service should provide the company with ongoing revenue year after year. There are a host of products, accessories, sundries, consumables and service functions that can be provided to existing and new customers without the additional cost of sales. These revenue-producing activities also serve as a great source of add-on equipment sales, referrals and other new sales opportunities.

Water is an essential service and consumers rely on our expertise. Our customers need to maintain their equipment or they will not continue to receive the benefits they expect. We can effectively reduce cost and increase revenue by providing service in our immediate market area. We owe it to them and to ourselves to be profitable service providers, particularly at a time when our industry provides an essential service. *wqp*

Ric Harry is director of Sales and Management Support. Harry can be reached at 905.734.7756 or by e-mail at info@richarry.com.

For more information on this subject write in 1011 on the reader service card.

Aquabond™
Particle Bonded Media

Aquabond technology allows you to custom design a granule media to solve your water contamination problems. You can combine any combination of dry powders such as bituminous coal, coconut shell and wood based activated carbons and add heavy metal sorbents as well as bacteria inhibiting media to create a multi-functional media to meet your needs.

Create custom formulations to meet hard to solve applications:

customize your filter media... **Activated Carbon**

Arsenic Sorbent **Lead Sorbent** **Antimicrobial**

For example, you can bond antimicrobial or bacteriostatic inhibiting media onto carbon to create dual functionality. In this case, the activated carbon reduces the organics and the bacteriostatic media inhibits the growth of bacteria.

...or bond heavy metal sorbent onto carbon to reduce:

- *Arsenic
- *Cadmium
- *Chloramines
- *Chlorine, taste, and odor
- *Chromium
- *Color
- *Lead
- *Mercury
- *THM's
- *Uranium
- *Volatile Organic Compounds (VOC's)

Minimal fines compared to other granule products.

Customize a granule media that can be sized to fit your application. Standard mesh sizes (12 X 40 and 20 X 50) are available.

OMNIPURE
FILTER COMPANY

1904 Industrial Way, Caldwell, Idaho 83605
T: (800) 398-0833 F: (208) 454-0026
sales@omnipure.com

U.S. Patents: 5,637,550 and 5,603,987

WEBresources >>>

Related search terms from www.waterinfolink.com: dealers, business, service

For more information related to this article, visit www.wqpmag.com/lm.cfm/wq020901

write in 763