Advice Shared On Addressing Home Builder Supply Chain Challenges

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Prior Lake, MN based Builder Lead Converter recently posted a video that explores how contractors may avoid the pitfalls of supply chain interruptions and material shortages. This video, available on the company?s Youtube channel and other platforms, is one post in an informative series that aims to educate the business community on ways to grow sales revenue, especially in these uncertain times. Their previous post covered the challenge of limited trade partners and staffing.

The company observes that supply chain issues and material shortages are of particular concern for remodelers and home builders, but they are pleased to share that businesses in this position still have versatile options that can help them get ahead. The solution they recommend is for businesses to change their sale and design process to backlog more leads with longer completion timelines. See more on the company?s Wordpress.

The hosts of the video, Rick and Daiana, begin by acknowledging that businesses will likely have difficulties meeting demand for quite a while. ?Never before,? says Rick, ?have we seen so much demand and had such a challenge at actually producing our products, which are new homes and remodeling projects. It leads us into lots of different challenges.? Among these challenges is the fact that contractors often need more time to complete projects, will not be able to source the materials they require (due to the prohibitive length of time it takes to obtain them) and so on. This ultimately means, according to Rick, that businesses are finding it virtually impossible to grow sales revenue simply by increasing their sales ? despite this previously being the norm across the industry.

The answer, it then follows, is to abandon this strategy and find ways to grow revenue and profit margins without trying to make more sales. While this does not strictly mean contractors should think solely in terms of quality over quantity, Rick?s advice is for them to look for projects and clients that have specific conditions, such as leads that have longer completion times.

To begin with, Rick says contractors should stop asking clients when they want to get started on their project

and instead ask how soon they want to enjoy the completed product. The idea is to begin with the end in mind, planning around a longer timeline since it is largely impractical to try starting projects at once due to the aforementioned challenges. Builder Lead Converter invites the community to follow their Tumblr profile for more on this.

Rick states businesses also need to stop chasing what are known as Ready, Willing and Able (RWA) leads ? buyers that wish to pay off the assumed project costs and get construction started immediately. He says, ?If somebody is not willing to delay starting ? to delay enjoying their project for a year or more ? they are probably not a good candidate right now, and that?s the type of person you want to say no to.?

Many will feel that this goes against their instincts. Daiana notes that avoiding such clients, people who are eager to have their project begin immediately, is counter-intuitive, especially if they are similarly willing to pay up front. However, this is the reality that many contractors are working with, and few will actually be able to stick to a rapid timeline even if they had every intention to. As a result, the client will be disappointed when a supply chain issue or similar challenge crops up that delays the work, especially if scarcity causes estimated costs to skyrocket.

Rick explains that businesses should instead go for what he calls Ready and Ready-Willing leads. Clients who want a project done at least a year from when they first make contact are excellent candidates because this timeline gives the contractor time to deal with supply chain issues as well as work on any projects in their backlog. When the time comes for the project to get underway, both client and contractor will be completely prepared to get going, and all activities can then proceed on schedule.

The full video offers several more tips and strategies for businesses to consider. Those interested can find the company?s advice and other work on Evernote as well. Alternatively, inquiries may be directed to Builder Lead Converter via phone or email.

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Builder Lead Converter is your perfect sales assistant and let's you and your sales team do what you do best - design, sell and build new home and remodelling projects.

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