

STACKS

BY NICK GROMICKO
CERTIFIED MASTER INSPECTOR®

A HOME INSPECTOR'S GUIDE TO
INCREASING GROSS REVENUE



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Contributors:

Olena Sepyahina and Kate Tarasenko

Editor:

Kate Tarasenko / Crimea River, LLC

Design & Layout:

Jessica Langer and Cherise Peterson

Cover Design:

Alexandra Ballenger

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A Home Inspector's Guide to Increasing Gross Revenue

by Nick Gromicko

As I travel around the country on tour for InterNACHI and the Master Inspector Certification Board, I'm often asked: "Nick, how do I get rich in the inspection business?" This book answers that question. Remember, the purpose of being in business – any business – is to make money. If you want to make a good living, don't go into business. Instead, get a good job. The only reason to be in business and take on all that it entails is to make a really, really great living and to pile up stacks of money for yourself and your family.

Albert Einstein once said that everything should be made as simple as possible, but not simpler. I'm not going to use anything more than basic math to demonstrate my concepts (so don't worry). I'll make everything as simple as possible. Let's start by understanding the miracle of math.

There are 10 basic factors to home inspector success, in my opinion. They are as follows:

FACTOR 1: How well you market your inspection services.

FACTOR 2: How good your marketing is at getting consumers to visit your website.

FACTOR 3: How good your website is at causing consumers to call you.

FACTOR 4: How good your phone conversation is at getting consumers to hire you.

FACTOR 5: How good you are at charging the most you can for your services.

FACTOR 6: How good you are at selling additional ancillary inspection services.

FACTOR 7: How good you are at getting your happy clients to refer additional consumers (leads) to you.

FACTOR 8: How efficiently you operate your inspection company.

FACTOR 9: How well you have limited your liability and losses.

FACTOR 10: How much you can reduce the taxes you pay.

The first seven factors have to occur for your inspection business to convert a consumer into a good-paying customer and increase your *gross* revenue. The last three factors deal with *net* revenue.

This book only addresses factors #1 through #7 (gross revenue). However, factor #1 is such a large topic, and one that I've written so much about, I'll only touch on it lightly in this book. The last three factors, #8 through #10, deal with net revenue, so each of them will be presented in separate books to be released soon.

Now, let's rank each of the first seven factors according to how well your inspection company executes them. We'll use a score of 0 to 10, with 10 being perfect. So, for example, if you convert every consumer who calls into a paying customer, assign a rank of 10 to that factor in the process. If you convert none of them, assign a rank of 0 to that factor in the process.

After you rank all seven factors, multiply their ranks to find their product (the final result). This final result represents your company's success (the higher, the better). This final result is merely a current reference point. You should perform this exercise regularly and compare it to your original reference point to see how your company is doing.

I'll create a rank for each of the seven factors used by a hypothetical company I'll call ABC Inspection Company: 2, 3, 8, 6, 4, 8, and 7. The product of these ranks is $2 \times 3 \times 8 \times 6 \times 4 \times 8 \times 7 = 64,512$. This final result, 64,512, represents the inspection company's success. It is just an internal measurement and only has meaning relative to the other results that the owner of ABC Inspection Company gets when this calculation is performed. It is a number that has a correlation to gross revenue. It's not a one-to-one relationship, but this final result is an indicator that tracks gross revenue. As this final result goes up or down, so does ABC Inspection Company's revenue.

Now, let's pretend the owner of ABC Inspection Company decided to try to improve each of the seven factors. Let's imagine that he was not very successful and only improved each factor a little bit. He did some work to improve his website, he found a way to convert more incoming calls into scheduled inspections, he found ways to charge more, etc. Like I said, he didn't improve each factor dramatically, but he did improve them all slightly. Let's say that he improved each of his factors by only 1 rank. The ranks of his

factors then go from 2, 3, 8, 6, 4, 8, and 7 to 3, 4, 9, 7, 5, 9, and 8. Not much of an improvement, but a little improvement in each area.

What effect do these small improvements in each factor have on the final result? If you think these small improvements had an overall small positive effect on the final result... you'd be very mistaken. Remember, prior to the improvements, his final result was 64,512. So, using the slightly improved ranks, let's do the math:

$$3 \times 4 \times 9 \times 7 \times 5 \times 9 \times 8 = 272,160$$

What? The result, 272,160, is more than four times greater than 64,512. Making a small improvement to each factor of a process can improve the final result dramatically. In this case, it improved it by 321%. That's miraculous!

This miracle is the secret to getting rich in the inspection business.

Actually, it's a secret that is well known in the e-commerce industry. If you double the number of visits to an e-commerce site, double the number of those visitors who purchase, and double the dollar amount they spend, you don't just double revenue. You multiply revenue by 8 ($2 \times 2 \times 2$). That's not a gross revenue increase of 8% (which would be whopping). It's an increase of 700%! Small improvements can make a big difference.

Now, imagine the effect that large improvements on each factor would have on your inspection business. Let me discuss how to make large improvements to your factors, which will dramatically increase your gross revenue.

THE CONSUMER

So, what makes a consumer consider hiring you? I'm not asking what makes them decide to hire you (that comes later). I'm not asking what makes them use you again after they know you (that comes later). I'm not asking what makes them refer you to their friends and family members (that comes later). But what makes a new consumer at least consider you at first? What do consumers want? I found out the answer by sheer accident. I was simply by sitting at the right place at the right time.

THE EXPERIMENT

Years ago, I was a top-producing REALTOR (don't shoot me) with RE/MAX. Being the office's top producer, I got the front corner office with a view of the street. But from my chair, I also got another view. My office door opened up out into the front lobby where the receptionists sat. In that lobby, opposite from my door, was a wall of brochure holders. Some had RE/MAX literature in them, some had bank rack cards with information about mortgages, but many contained brochures from home inspectors.

Now, in the real estate business, almost all consumers are home buyers. And many home buyers are also home sellers. And home sellers have to live somewhere when they move. So, most home sellers are local home buyers, too. Most often, people move locally. This means that nearly every consumer who came into our real estate office was a home buyer. The lobby is where they waited. They waited for the receptionist to get done with the phone call she was on, they waited for their agent to meet them, they waited for some paperwork to be copied, or whatever. They waited in our lobby with nothing much more to look at than a wall of home inspection brochures. And by sheer accident, I got to spend years watching them, like a scientist observing an experiment.

The experiment was a simple one. Every time a consumer looked at the wall of brochures, each brochure suffered one of but three possible fates:

- The brochure was not chosen by the consumer.
- The brochure was chosen by the consumer, studied, and put back in its rack.
- The brochure was chosen by the consumer, studied, and kept.

Now, before you think this is brochure design experiment, I assure you it is not. Brochures are merely representations of actual home inspectors, much like their websites are. But websites are complex. Conversely, brochures are typically only one tri-folded page. This was helpful, as a good experiment has as few variables as possible.

Note that this particular experiment doesn't help us learn how to command higher fees for inspection services or learn how to deputize our former clients so that they refer us to others. But it can help us dramatically improve the other factors outlined in the beginning of this book.

My aim was to try to understand the reasoning behind all three possible

outcomes for each inspector. Why would a consumer, right from the beginning, show no interest in a particular home inspector whatsoever? What causes a consumer to show some initial interest in a particular home inspector? What causes a consumer who researches a home inspector to decide to reject that inspector? And what causes a consumer to ultimately choose a particular home inspector?

Aside from being a REALTOR, I also owned a four-crew home inspection company, with two inspectors per crew. (And, no, I never sold the homes I inspected or inspected the homes I sold.) So, the answers to these questions were very important to me. If I could uncover the answers, I would stand to make a lot of money.

Again, this isn't about real estate offices or brochures. It's simply a controlled experiment – an experiment that revealed something much broader and more important: What causes consumers to take interest in certain inspectors, reject other inspectors, and choose to hire particular inspectors?

So, after years of observing my little experiment, it became clear that there were certain brochures that almost no one ever touched, and certain brochures that were looked at, but then returned to their holder. These brochures sat for months, even years, before we ran out. There were also brochures that every consumer would choose and take with them.

As a real estate agent, I recalled the Golden Rule: "Location, location, location." I wondered if it was true for brochure placement. I shuffled the brochure wall so that the most popular brochures were in the bottom corner, below some brochures that had nothing to do with inspections. And I relocated the least popular brochures to the center of the wall. Then, I watched. Consumers continued choosing (and not choosing) the same inspectors they always had. Location made no difference. I needed to find out what was going on to make consumers behave as they did... and I knew just how I'd do it.

QUANTUM MECHANICS

There I sat, watching consumers each day. Now, don't get me wrong – sometimes the popular inspectors weren't chosen and sometimes the unpopular inspectors were chosen. But most of the time, the winners won and the losers lost (seems like a law of the universe). And I wanted my home inspection company to win. I couldn't correctly predict what any particular consumer would do for certain. The best I could do was predict the

probability that a consumer would behave a certain way.

Déjà vu is the phenomenon of having the strong sensation that an event or experience currently being experienced has already been experienced in the past, and that's the sensation I had.

Before I was a REALTOR, I was a research analyst for a nuclear physics laboratory – specifically, a particle accelerator facility (an “atom smasher”). I recalled that in quantum mechanics, atoms behave unpredictably. The best one can do is accurately predict the probability that an atom would behave a certain way, just like I became able to predict the probability that a consumer would behave a certain way.

Could I use quantum physics to discover why consumers chose certain inspectors and not others? Maybe I was onto something!

The more I thought about it, the more similarities I found between sub-atomic particles and consumers about to hire a home inspector. I got so excited thinking about it one day, I ran all the way home. It hit me while running down the street: The fact that I could now predict consumer behavior regarding home inspector choice is meaningless. What good is being able to predict how often consumers will choose my competitor over me if I don't know why they are choosing my competitors over me?

HEY, EINSTEIN – WHY NOT JUST ASK THEM?

The tiny difference between sub-atomic particles and consumers about to hire a home inspector is that consumers can talk. I couldn't ask a sub-atomic particle why it did what it did, but I could ask consumers. And so, that's exactly what I did. Every time I heard any consumer in our real estate office bring up the subject of home inspectors, every time my own real estate consumers hired a home inspector, and every time a consumer took a home inspector's brochure from our lobby, I engaged that consumer to find out what made them choose a particular inspector over others. Their answers were consistent. They may have expressed their answers in different ways, such as, “I'm looking for an inspector who knows what he's doing,” or “Why? Do you know of a really good inspector?” But, in essence, all those consumers wanted the same thing: the best home inspector.

Simple enough. No Ph.D. in nuclear physics required, right?

So, how does one become the best home inspector in their town? There are

many paths to technical competency in our industry. No one way is the right way. I'm biased, of course. I personally recommend that all home inspectors complete every one of InterNACHI's many free, online inspection courses. They are packed full of photos, graphics, and even online training videos. They are the most robust courses in the inspection industry, and the most approved, with 1,400 governmental accreditations at the time of this writing. For more information about InterNACHI's online inspection courses, visit www.nachi.org/education Training will improve factors #7 and #9 explained in the beginning of this book.

OK, THEN – SHOW ME THE MONEY!

If all consumers want the best home inspector, and I'm the best home inspector in town, the cash in my bank account should be piling up, right? Well, it's not quite that simple. There is nothing a home inspector can do to guarantee that a consumer will act a certain way or choose to hire him or her. The best he/she can do is improve the odds that they're chosen. There was one little ingredient missing. And that ingredient could be found at a pizza shop in Boulder, Colorado.

MARKETING GIMMICKS

In 2016, InterNACHI launched a new project – The House of Horrors. It's an entire house with thousands of defects built inside InterNACHI's training complex and used for training home inspectors.

We had barely started construction, but upon seeing the time-lapse video of The House of Horrors being built, a longtime InterNACHI member, and one of the most competent inspectors in our industry, just couldn't wait. He simply jumped in his truck and started driving out to see it. It was a good 12-hour drive for him, and he'd periodically call me to give me his ETA and make sure I'd be there waiting for him when he arrived. As he got closer, I told him I was going to get some take-out for dinner, and for him to get something to eat somewhere as well, and to meet up with me at The House of Horrors so that we could eat dinner together and talk shop.

Now, this particular inspector is one of those who loves to take technical courses. But he's not big on marketing. He says things like "Marketing doesn't make me a better inspector" and "I don't need any marketing gimmicks." His calendar is booked solid more than half the time. But he isn't so swamped with inspection jobs that he feels comfortable raising his

prices. He does fine financially, but he doesn't make silly money. He isn't creating huge stacks of \$100 bills.

In the past, I've tried to explain to him that the purpose of marketing isn't to get more inspection work so that your calendar is full. The purpose of marketing is to reach a point where there are so many customers trying to book their inspections with you that it is utterly impossible to do them all. And that once you start turning down job after job after job, you'll have the courage to raise prices. The point of being in business isn't to do more work, it's to make more money. I often explained how being a Certified Master Inspector® would make him more money. But my words always fell on deaf ears – he tunes me out whenever I talk about marketing.

Later that evening, we met up at The House of Horrors. Upon seeing it, his jaw dropped. You'd think by his expression that he was looking at the Statue of Liberty for the first time. We enjoyed a great evening, with me eating Chinese and him eating pizza. I asked him if he wanted to return in the morning to meet InterNACHI's Member Marketing Department. (By the way, for more information about the Marketing Department, visit marketing.nachi.org) As I expected, he declined my offer, explaining again that he "isn't into marketing." He'd heard it all before from me, so he quickly changed the topic of our conversation to the food we were eating.

He said that he believed he had found the best pizza he'd ever tasted. He must have seen my smile appear instantly because he asked me, "What? What's so funny?" I replied, "So, you found the pizza shop." He again answered, "Yes, I found them on my way here." I asked him if he remembered the name of the pizza shop. He couldn't, but then a few seconds later, he flipped the lid of the pizza box closed and there it was. He said that he now highly recommends them, and he offered me a slice. I explained that I was familiar with the pizza shop because the owner is a friend of mine, and that I agreed, it is the best pizza I've ever tasted. It's also the most expensive pizza in town. I then wrote down six statements on the lid of the pizza box and asked him if he agreed with all six.

Here they are:

1. Being far from home, looking for something to eat in Boulder, Colorado, is a very rare event for you. True?
2. This is one of the best pizzas you've ever tasted. True?
3. The pizza wasn't cheap. True?

4. You think you discovered the pizza shop. True?
5. You did not choose that pizza shop because you recognized the company name. True?
6. You'd eat their pizza again and recommend them. True?

He replied "true" to all six statements.

I then asked him what magical powers he possessed to be able to know that a particular commercial building alongside the road he was traveling on contained a woman making really good pizza for sale. He said, "It had a sign, of course!"

"A sign?" I asked. So, it wasn't quite enough that you were in the market for good pizza and that she sold good pizza. Something was needed to bring you two together, right? He agreed. A consumer wanting good pizza and a building with someone inside making really good pizza for sale are useless to each other without a sign that brings them together. He smiled and said that he knew where I was going with this conversation and predicted that I was about to explain that without the sign (a marketing tool), he wouldn't have found that pizza shop. I was starting to reach him, but I wasn't there yet.

We continued eating, and I asked him what he wanted in a pizza and a pizza shop. I told him to take his time thinking about it and to distill it into just a few words. After some time and another slice, he presented his answer: "Fresh, hot, and fast." So, I asked him what was it about the company's sign made him believe their pizza would be fresh, hot and fast? He'd already admitted that he'd never heard of the company. He said he couldn't remember what the sign said exactly, but whatever it said made him feel that the pizza would be great. (Note his use of the word "feel.") As you can guess, we jumped in the truck and went back to the pizza shop to check out their magical marketing gimmick: their sign. That pizza shop sign would eventually change his inspection business forever and make him a wealthy man.

THE SIGN

We made our way back to the pizza shop to see this sign that worked so well to cause someone from out of town to stop and try their pizza. It was an interesting sign, to say the least. It didn't even include the word "pizza." The sign simply said, "Oven Is Hot!" My inspector friend noted that one of the

clever aspects of the sign was that it was only three words long, making it readable in the few seconds he had as he drove by.



OVEN IS HOT

So, why does this sign work so well? And why wouldn't "Pizza Is Hot!" work? The answer is subtle. The phrase "Pizza Is Hot!"

implies that the pizza has already been made but it might not be exactly what you want. The phrase "Oven Is Hot!" implies that your pizza hasn't been made yet, it's going to be made fresh, it isn't sitting around getting cold, and the shop's oven is pre-heated and ready to make you a fresh, hot pizza the way you want it, right now.

On the surface, the text of the sign doesn't sound like anything that needs to be followed by an exclamation point. Of course ovens are hot. But the message those three little words conveys is powerful – so powerful that it caused another new consumer to come in and try their pizza.

On the way home, I asked the inspector if he agreed that the pizza shop's sign was a very important factor in attracting new customers. He agreed and said it was especially instrumental in getting him to try their pizza for the first time because he rarely comes to Colorado. I then asked him if buying a home was also a rare event for most people. He explained that it was a very rare event for most people that only occurred a few times in a lifetime. I then asked whether, like the pizza shop, his home inspection company was the best in town. He said he thought it was. He then went on to state that his home inspection business needed the equivalent of the pizza shop's sign – three little words that say it all. I didn't respond. I stayed completely quiet and kept driving. A few minutes passed in silence, and then, all of a sudden, he began to laugh out loud and slapped me on the shoulder. Then, with a huge smile on his face, he said, "OK, how do I apply to become a Certified Master Inspector®?"

Becoming a Certified Master Inspector® immediately improved his factors #1, #2, #3, #4, and #5.

Now, before you think that being a Certified Master Inspector (CMI)® will make you rich, let me assure you that, by itself, it won't. It merely improves a few of the factors I discussed in the beginning of this book.

Here is what being a Certified Master Inspector® will NOT do for you:

- If you are a Certified Master Inspector® and no one knows it, it is

useless. It doesn't market your inspection business.

- If you don't have a website, it won't cause a single visitor to call you.
- If you don't answer your phone, it won't cause a single caller to schedule an inspection with you.
- If you don't raise your prices, it doesn't much matter that it helps you command higher fees.
- If you do a poor inspection and offer lousy service, it won't cause a single past client to refer you to others.

So, what good is being a Certified Master Inspector®? Provided a consumer finds you at all, it improves the odds that they'll contact you. It improves the odds that they'll consider you. It improves the odds that they'll ultimately hire you. And it improves your ability to charge a little more. I know – that doesn't seem like much of an effect, and certainly not enough to make a home inspector rich. But let's do a little math using dollars this time.



IS CMI WORTH \$1 MILLION?

I'll intentionally use round numbers to allow you, the reader, to change them as you like. Let's say your gross revenue is \$100K a year. And let's say that touting your Certified Master Inspector® professional designation causes the number of consumers who contact you to increase by 5%. And let's say that it causes the number of those consumers who ultimately hire you to increase by 15%. And let's say that it allows you to command higher fees by 10%. I'm using very conservative increases, and applying them to only three factors. So, what effect do these modest increases have on your total gross revenue? Let's find out: $\$100,000 \times 1.05 \times 1.15 \times 1.1 = \$132,825$. That's an increase of \$32,825 in just the first year. Over a 15-year inspection career, even without any further growth ever again, the increased revenue would add up to \$492,375, or nearly half a million dollars above and beyond what you'd bring in otherwise.

I used very modest increases in those percentages. In reality, it's likely that the increases would be more like 20%, 25%, and 15% respectively. So, how much extra money would you earn over my hypothetical 15-year inspection career now? Let's do a little math and find out. $\$100,000 \times 1.2 \times 1.25 \times 1.15 = \$172,500$. That's an increase of \$72,500 in just the first year. Over a 15-year inspection career, even without any further growth ever again, the increased revenue of being a Certified Master Inspector® would add up to \$1,087,500. Subtract from that the \$1,000 one-time, lifetime CMI fee and you net an additional \$1,086,500. That's more than a million extra dollars!

FIGHT LIKE YOUR LIFE DEPENDS ON IT!

In the many years I've worked in this industry, I've come up with a lot of marketing and business success programs for inspectors. Most of them didn't work, which is why you'll never know about them. The vast majority of the stuff I've come up with to help home inspectors has been dumb ideas and utter failures. What's left are the ideas that are really powerful in helping inspectors succeed. And, of those, nothing tops the Certified Master Inspector® professional designation. Those three little words have made more money for more inspectors than anything else in the industry.

I've studied consumers who are about to hire a home inspector. I've watched them as they viewed inspector marketing pieces, brochures and websites, and I've concluded that a home inspector has only five seconds to make his/her pitch to these consumers. That's how long a consumer spends looking at a brochure or visiting a website before deciding whether or not he/she is going to hire that inspector – five seconds. Five, four, three, two, one.... and you're either in or out. That's not much time to make your case that the consumer should hire you.

Imagine being a prizefighter. But instead of a normal boxing match, your match was only going to be one round long. Furthermore, the round was only going to be five seconds long. What would you do? You'd throw your best punches because the fight is going to be a very short one. Well, the same is true for marketing to consumers about to hire a home inspector. You don't have much time to win them over, so you'd better knock them out quickly with your best punch. For home inspectors, that knockout punch is Certified Master Inspector®.

Fight like your life depends on it because... guess what? It does.

THE AUNT PENNY EXPERIMENT

Earlier, I explained how my experiment showed that consumers wanted the very best inspector and that nothing sounds better to a consumer's ear than "Certified Master Inspector®." To consumers, it is instantly evident, without any need for further explanation or support, that a Certified Master Inspector® is the best. And when consumers come to a point where they think they have found the best, they do something wonderful: they stop looking.

The Certified Master Inspector® professional designation has been used in our profession for more than a decade, and Certified Master Inspectors® have testified over and over on industry forums and message boards that the professional designation works wonders to land more consumers, convert those consumers into clients, and command higher fees. I couldn't be happier. But don't take my word for it. Conduct the "Aunt Penny Experiment."

As I explained, most of the marketing and home inspection business success programs I've developed over the years have been utter failures, with Certified Master Inspector® being the rare exception that we all now know works great. But back when we first filed for a federal trademark (Certified Master Inspector® is a Registered Trademark in the U.S., Canada, and other countries), I was trying to confirm my belief that consumers who knew almost nothing about the inspection industry would view Certified Master Inspectors® as the best and choose Certified Master Inspectors® over all other home inspectors.

My elderly Aunt Penny, who knew nothing of the inspection industry, volunteered to be my experiment's guinea pig.

I had a huge dining room table at the time. (I later donated it to InterNACHI to use as a meeting room table.) I covered the table with everything I could find related to the inspection industry that might possibly cause a consumer to choose a home inspector. Among the clutter on my dining room table was an InterNACHI logo, other association logos, an IAC2 logo, inspector resumes, home inspection business licenses, numerous custom home inspection business logos, certificates of course completions, E&O insurance certificates, inspector qualifications briefs, inspection industry taglines, education transcripts, home inspection flyers, inspection advertisements, screenshots of home inspection websites, Continuing Education logs, a professional engineer's diploma, ads I custom-created that touted years in business and number of inspections performed, and even sample inspection

reports. Buried in that huge mess on my dining room table, I stuck a modest Certified Master Inspector® logo. Then I asked my Aunt Penny to look through the pile and pull out the one thing that would cause her to hire that inspector over all the others. You can imagine what she chose. I repeated this experiment with one person after another, and each time, the experiment concluded with the consumer choosing the Certified Master Inspector®.

Since then, several inspectors have conducted their own “Aunt Penny Experiment,” and all have reported the same result. I urge you to conduct your own “Aunt Penny Experiment.” I happen to already know what that result will be.

In the real world – a world where consumers who are about to hire a home inspector are looking for the best home inspector, but making their decision to hire or not hire each inspector within five seconds – Certified Master Inspector® works. Those three little words work great... with two seconds to spare.

THE AWARD

In the beginning of this book, I explained that one of the 10 factors of success is how good your website is at causing consumers to call you. Let's see what we can do to improve that factor.

Remember when we figured out what consumers are looking for when they are about to hire a home inspector? It was pretty simple. Consumers want the best home inspector. I assume you can write a thousand words explaining why you are the best home inspector in town and put that on your homepage, but, unfortunately, as we learned from the “Aunt Penny Experiment,” consumers give us only five seconds to assure them that we are the best. If we can do it in five seconds or less, the consumer will stop looking and dial the phone. So, we'll need something that works faster than a thousand words.

SMILE!

In 1911, long before Al Gore invented the Internet, a newspaper editor named Tess Flanders, while discussing journalism and publicity, came up with the solution we need when she said, “Use a picture. It's worth a thousand words.”

A picture really is worth a thousand words. But what image should a home inspector use to instantly convey that he/she is the very best? I'll reveal it

now. It is an image of you, the inspector, being presented with the Certified Master Inspector® award.

First, have a custom award built at any local trophy shop. It should clearly show the words “Certified Master Inspector®” in large letters. Alternatively, they are available at www.InspectorOutlet.com

Then, stage the photo shoot. Wear a nice shirt, preferably with your home inspection business logo on it. Perhaps have a fellow inspector, a local politician, or maybe a local real estate agent present you with the award. Make sure they dress up for the photo shoot. You may want the presenter to hand you the award while also shaking your hand. You should both be smiling into the camera.

Finally, smile and take the photo.

This image conveys two parallel messages at once. The first is that you are a Certified Master Inspector®, which means that you're the best. And the second is that you're such a good inspector, you're getting an award for it. It really is a killer image – concise and powerful!

Put this image on the homepage of your inspection business website. A picture is worth a thousand words, and a photo of you being awarded your Certified Master Inspector® professional designation says it all. It will stop visitors to your website from moving on to check out your competitors' websites by instantly convincing them that they've found the right inspector. This will decrease your website's bounce rate (the percentage of visitors to a particular website who navigate away from the site after viewing only one page) and will really improve your factor #3.

WORK EVERY LEAD TO DEATH!

In the beginning of this book, I explained that one of the factors of success is to get your website to cause the consumer to call you.

Often, a visitor to your inspection business website does something horrible – he or she leaves. Worse yet, you don't know why the visitor left your website. Maybe they left to get on their phone to call you. Maybe they left to search for other inspectors. You just don't know. Those visitors are hot leads. You likely spent good money on marketing to get them to visit your website, so don't take any chances. Try to capture and work each of those leads.

Is your home inspection business's website capturing inspection leads for you? Do consumers visit your website but find no compelling reason to contact you? Give them something irresistible and free.

Offer a copy of "The Safe Home Book" to potential home buyers who visit your inspection website. Whether you're a first-time homeowner or a veteran of residential real estate transactions, this free e-book is filled with essential tips and facts that every family needs to live safely and comfortably in their home. Brought to you by the Master Inspector Certification Board, the certifying body for the inspection industry's highest professional designation of Certified Master Inspector®, it's filled with informative articles about everything your website visitor needs to know, from child safety and home maintenance advice indoors, to landscaping recommendations and risk-free entertaining outdoors. This free 225-page book will become their go-to guide to help them protect both their investment and their family.

The following are instructions to use "The Safe Home Book" e-book to generate more inspection jobs:

STEP 1: You first have to decide which e-book to use and download it (whether generic or customized). This useful e-book is available to Certified Master Inspectors® for free at Inspector Outlet:

www.inspectoroutlet.com/safe-home-book.aspx

Certified Master Inspectors® who are also members of InterNACHI have access to custom versions of the book for free. Each book is unique in that it has the particular Certified Master Inspector's® name and contact information embedded within it. This additionally improves your search engine optimization. To download it, visit the Certified Master Inspector® website at **certifiedmasterinspector.org/find** Click on the "Download Safe Home Book" link (it takes a moment to download, as it is a large book). Note the first page. Under the title of the book, it says, "Brought to you by..." and automatically lists your name, city, state/province, website address, email address, and phone number. Every other page of the book has your name and inspection business website address at the bottom, as well.

Once you have chosen the e-book that is appropriate for you (generic or custom), move on to the next step.

STEP 2: Add the image of the appropriate e-book cover to your inspection business website. Most visitors never get past the homepage of your website, so you should add your e-book image to your homepage, rather than at a deeper page or link. You can just right-click the cover of the e-book and

capture it as a .jpg, or you can get fancier and create your own book cover for “The Safe Home Book” with your name as the author, and maybe even listing your city and state/province on the cover in order to attract the attention of home buyers in your local market. If you add your name to the cover as the author, add the words “Certified Master Inspector®” after your name.

Once you have captured or created the image of your e-book (generic or custom), move on to the next step.

STEP 3: Create a line of text to place under the image. For search engine-optimization purposes, the line of text should include your city and state/province. But search engine optimization aside, you already know a bit about your inspection business website’s visitors. You know that they are likely home buyers, and you also know that they are likely in your local market area. Therefore, you want to craft the text with that information in mind. You want to include the word “home buyer” in the text, as well as your town or city. Customizing the text in this way speaks specifically to the very visitors who are most likely in need of your inspection services and thus increases your click rate. For example, if you are inspecting in Toledo, Ohio, the line of text should read as follows:

What Every Home buyer in Toledo, Ohio, Must Know

Email me for your free copy!

Place this line of text under the image of your e-book cover.

Tip: The text should be very prominent in comparison to the image of the e-booklet cover, as the text should be customized (including your town/city) to particularly attract the attention of your site’s visitors.

Once you have your e-book cover image on your site, move on to the next step.

STEP 4: Hyperlink the image of your e-book cover and the line of text to your email address. For example, if your email address is Bob@ToledosBestHomeInspections.com, you would hyperlink the image and the text to:

mailto: bob@toldeosbesthomeinspections.com

Don’t forget to hyperlink both the image of your e-book cover and the line of text under the e-book cover image to your email address.

You might also want to pre-insert the subject line of your email to your site's visitors to read "The Safe Home Book request" so that it's easy for you to recognize what their incoming response email is about.

STEP 5: When you receive an email requesting your free e-book, email the consumer back with a link to the appropriate e-booklet. The link will open as a PDF.

STEP 6: This is the important step!

- Email your incoming leads some information about you and your inspection company.
- Email them information about the various inspection services you offer.
- Email them inspection-related articles. You can find InterNACHI's original articles, free for member use, at www.nachi.org/articles
- Email them a copy of your custom inspection business brochure (get your own custom-designed brochure at marketing.nachi.org)
- Email them a link to your custom inspection video ad. You can order one at www.InspectorOutlet.com
- You can ask them for their mailing address and send them a copy of InterNACHI's "Now That You've Had a Home Inspection" book with your business card stapled to it. You can purchase them for \$2.70 each at www.nachi.org/now
- You can send them a copy of your own customized version of "Now That You've Had a Home Inspection," with your logo and images on the front and back covers, at no extra cost.
- You can send them a "We'll Buy Your Home Back" Guarantee rack card, a Home Energy Inspection brochure, a Home Maintenance rack card, a Mold Testing rack card, a Radon Testing rack card, or a "Buying or Selling?" brochure, all available at www.InspectorOutlet.com
- And, of course, don't forget to send them a Certified Master Inspector® rack card, available at www.InspectorOutlet.com

You may want to systemize your drip-marketing campaign and keep track of the leads you're working so that you don't accidentally send a prospective client the same thing twice. This would improve your factor #8.

The secondary purpose of these “The Safe Home Book” e-books is to provide information to the visitors of your website. But the main purpose is to capture your visitor’s email address to give you an opportunity to engage that consumer, over time, until they are finally ready to hire a home inspector. It will really improve your factor #1, factor #3, factor #5, and factor #6.

Now that you have a constant stream of home buyer leads coming in... work them! Email them every week, even if it is only a brief personal message. It is not unusual to work a lead for many months until the consumer is ready to hire a home inspector. Work every lead forever, or until it converts into a client who is ready to hire a home inspector... you!

Remember the math back in the beginning of this book? If we improve each factor, we make more money. If we can double the number of visitors who we make contact with, even with leaving every other factor the same, including total number of visitors and conversion rate, we’ve doubled the gross revenue of our home inspection business!

CONVERSION RATES AND FEES

The inspection business is different from almost all other businesses. I’m a licensed septic system installer in my home county of Boulder, Colorado. Before I can schedule a septic system installation job, I have to go out to look at the project and meet the potential client. I meet the client first, sell the job, then schedule it. Conversely, a home inspector almost never meets the client before the day of the inspection (and sometimes the inspector and client never meet at all). When you get out of your inspection vehicle, walk up to the house, and introduce yourself to your client, they’ve already hired you, even though you’ve never met. In the inspection business, oddly enough, we meet our clients only after they’ve hired us. This means that the inspection business relies mostly on marketing and provides only a small window of opportunity to sell. That opportunity happens when the phone rings.

If you added up all the money you spent on marketing last year and divided it by the number of inspections you did last year, you’d discover how much it costs you to get a home inspection job. If you spent \$4,000 on marketing last year and did 100 inspections, each inspection cost you \$40 to procure ($\$4,000/100 = \40 per inspection). If you spent \$12,000 on marketing last year (at \$1,000 a month) and did 460 inspections, each inspection cost you \$26 to procure ($\$12,000/460 = \26 per inspection). You can calculate your marketing costs per inspection for your own business, but, needless to say, there is a cost to procuring inspections, so how you answer your incoming

phone calls is critical. You can field hundreds of incoming calls a week, but if you don't convert any into scheduled inspections, you aren't making money.

For inspection companies, there are only two types of incoming calls:

1. incoming calls that have zero chance of increasing your gross revenue, no matter what you do or say to the caller; and
2. incoming calls that have a chance of increasing your gross revenue, depending on what you do or say to the caller.

Examples of calls in the first category include those from existing clients asking a question about their inspection report, real estate agents that are simply booking an inspection for their client, or the dentist calling to remind someone about an appointment. These are not calls that give us any opportunity to increase our gross revenue, so they're not the types of calls we will discuss. Fielding them is simply one of the costs of doing business.

Examples of calls in the second category include consumers looking to hire an inspector, and real estate agents who are representing a consumer in need of an inspection. These are the calls that give you the opportunity to increase your gross revenue, if you can convert them into scheduled inspections. And if you do, you've improved your factor #4.

AT THE TONE, PLEASE HANG UP AND CALL MY COMPETITOR.

Most real estate sales agreements have inspection contingencies that give the home buyer only a limited amount of time to get the inspections done. As soon as these agreements are executed, these home buyers and the real estate agents who represent them have to act quickly. If they call your inspection company and get an answering machine, most will hang up and try your competitor.

That brings us to our first rule of converting incoming calls into scheduled inspections.

Rule 1: Make sure your phone line is answered... by a human being.

I know, I know – you want to do everything yourself. Many inspectors want to answer their phones themselves. I get that. But if you aren't going to allow anyone else to answer your phones, make sure you really do answer all your calls.

Some inspectors refuse to allow their cell phone to interrupt them on an inspection. I think this is a mistake. The client you are performing the inspection for is already sold. His money is in the bank. The customer calling you trying to schedule an inspection is new money. Get that new money. The first step to improving your factor #4 is to answer the phone.

When I first went into the inspection business, I had two cell phones. I had one for new business. All my ads, flyers, brochures, etc., contained this phone number. If it rang, it was most likely new business. I kept this phone with me on my inspections and always answered it. I had another phone for everything else. On my home inspection report, I would include this second phone number (not my “new business” number). That way, if my client had a question, they would call my second number, leaving my first number free for new business. Upon meeting a new client for the first time (on an inspection), I would ask, “If my cell phone rings during the inspection, would you mind if I answered it?” Nearly all my clients gave me permission to answer my cell phone during the inspection. Because I only carried my “new business” cell phone with me on the inspection, 100% of the calls that interrupted the inspection were new business.

Here's an added benefit. During a home inspection, your client is still sizing you up, so to speak. Your client is wondering if they hired the right inspector. I'm sure many of my clients thought, “Gee, this Nick guy looks too fat to fit in the crawlspace.” Having your cell phone ring during an inspection shows your client that others are seeking your services and that you are in demand. If someone calls you who is not new business, just explain that you're in the middle of an inspection and will call them back. If your wife calls you to bring home a gallon of milk, just tell her in front of your client, “I'd love to do that inspection for you – let me call you back.” But, of course, if it is new business... book it!

And if you have someone answering your phone for you, make sure that person can schedule the inspection on your calendar themselves. A message – even if it's taken by a human being – isn't the same as a booked inspection job. Until the job is scheduled, the caller might still be trying to schedule with your competitor. The person answering your phone shouldn't just be a human answering machine who can do little more than take a message for you.

That brings us to our next rule.

Rule 2: The person who answers your phone has to be someone who is able to schedule the inspection.

This rule means that your inspection calendar and schedule are going to have to be managed by the person who answers your phone. And they'll have to be good at estimating how long each project will take. InterNACHI has a free, online Inspection Time-Slot Estimator that is available to everyone. You need not be an InterNACHI member to use it. You'll have to set it up and experiment with it a bit to get it to work correctly for your specific inspection company. It adds extra time to the estimate if the house is occupied, if the client is accompanying you on the inspection, if the house is far away, if it's old, if it's large, and if you're providing additional ancillary inspections. Visit the Inspection Time-Slot Estimator at www.nachi.org/time-slot It's free. This will help improve your factor #8.

It also means that the person who answers your phone has to be able to bid jobs properly, the way you would bid them. InterNACHI has a free, online Inspection Fee Calculator that is available to everyone. You need not be an InterNACHI member to use it. Again, you'll have to set it up and experiment with the settings for your inspection company. It increases the estimated fee if the house is far away, old, large, or if you're really busy. Visit the Inspection Fee Calculator at www.nachi.org/fee-calculator It's also free. This will help improve your factor #5.

Both the Inspection Time-Slot Estimator and the Inspection Fee Calculator can help the person who answers your phone to schedule your inspections so that you have enough time, but not too much time, and for a fee that is profitable.

But there's more to answering an inspector's phone than just scheduling and bidding inspections jobs correctly. The person answering your phone should also sound pleasant and be easily understood. That means: no one with a raspy "cigarette" voice, poor grammar, or a thick accent. I'm partially deaf and have trouble communicating by phone. I would not hire someone who is hard of hearing to answer my inspection business phones, either. Perhaps one of these characteristics even describes you. If so, you should not be answering your own phone.

You only get one chance to make a good first impression.

That brings us to our next rule.

Rule 3: The person who answers your phone should be able to communicate clearly, professionally, and pleasantly with the caller.

Consumers use their senses to make snap judgments about everyone,

including home inspectors. Over the phone, the customer can't see you but can hear you. You have no ability to communicate your professionalism and enthusiasm visually. You only have your voice.

Here are some tips to help you master this rule:

- Record your script and listen to yourself. Ask other people to listen to it, too.
- Hang a mirror near your script and look into it when you answer the phone. Use the mirror to make sure you're smiling. Smiles can be transmitted through the phone line.
- Stand up when you answer the phone. You'll sound more energetic.
- Modulate your voice pleasantly. Try to get some resonance.
- Try to sound as though you're happy the caller called.
- Give your phone number or website address s-l-o-w-l-y, and repeat it twice.

All that said, the person answering your phone must also be able to answer basic questions about inspection-related issues, including ancillary inspections.

That brings us to our next rule.

Rule 4: The person who answers your phone should sound knowledgeable.

You'll notice that Rule 4 doesn't state that the person who answers your phone has to *be* knowledgeable. They merely have to *sound* knowledgeable.

InterNACHI has a free, online tool called SoundSmart that is available to everyone. You need not be an InterNACHI member to use it. It almost instantly permits anyone to be able to talk about any inspection-related topic intelligently. Keep the SoundSmart page open in a browser window on your computer screen so it's ready to use to convert incoming calls into scheduled inspections. Consumers often have particular concerns that they reveal when they call. Simply click on the issue and SoundSmart will provide you with short, concise talking points while you're on the phone. It's like having a little helper on your shoulder, whispering in your ear! Each set of talking points is followed by useful related links. Both the talking points and the links are ordered by their usefulness. To access the free, online SoundSmart tool, visit www.nachi.org/soundsmart This free tool also helps sell ancillary

inspections, which improves your factor #6.

But sounding smart or even actually being smart isn't quite enough.

I always say that, in life, one should be humble, except when selling. This means that the person answering your phone has to have the sales skills to command profitable fees. Anyone can sell inspections by offering to do them for less than everyone else. Work for nothing, and, after a long career, that's what you'll have to show for all your labor... nothing.

InterNACHI operates the largest inspection-related message board in the world, with roughly 1.5 million individual posts and 54,000 users (at the time of this writing). I often read posts from home inspectors who are bragging about how they refused to perform a home inspection because the caller wanted to pay too little. I've never understood this. Turning down low-paying work doesn't make the home inspector one red cent. Convincing the caller that it is in his or her best interests to pay more to hire the inspector answering the phone should be the inspector's goal.

That brings us to our next rule.

Rule 5: The person who answers your phone should be able to sell profitable inspections.

Any bottom-dweller can compete on price, sell unprofitable work, and stay very busy doing so. But the point of being in business isn't to be busy. The point of being in business is to make money. To make money, you have to learn to charge appropriately. This will improve your factor #5.

"Hello. I'm looking to get a home inspection. How much do you charge?"

You've probably received calls like this before from anxious price-shoppers. Forgive them. Most buyers have been pricing homes, comparing mortgage rates, calculating payments, and adding up closing costs. By the time they call for a home inspection, they have "How much?" on their minds. Here's how to handle it: Don't answer the question. Ask them a question back. Ask, "How much is the house selling for?" Note: I always ask how much a property is selling for rather than how much they are paying for it. List price is public information, whereas contract price isn't until after the closing. The caller will think you have some sort of formula whereby your pricing is based on the price of the home. It may be true, but that's not the purpose of asking them what they're paying for the home. The purpose of asking them how much the house costs is to get them to say the price. Force them to say it out

loud. Then repeat it back incorrectly so they have to correct you and repeat the price again. The purpose is to highlight the drastic relative difference between the amount of the product you're inspecting (the home) and the amount you are charging above your competitors.

The following is a sample conversation:

PHONE RINGS: [ring, ring, ring]

CALLER: "Hi. I'm looking to hire a home inspector. How much do you charge?"

INSPECTOR: "I'd love to perform a home inspection for you. About how much is the house selling for?"

CALLER: "Four hundred and sixty-five thousand." (At this point, the caller is likely thinking that the inspector must have a formula for calculating the inspection fee.)

INSPECTOR: "Four hundred and fifty-six thousand dollars?" (You may even intentionally repeat it back to the caller incorrectly, forcing them to say the price of the home out loud.)

CALLER: "No, four hundred and sixty-five thousand dollars." (We've now gotten them to say the price of the house out loud several times, thus emphasizing the dramatic difference between the cost of the home and the cost of inspecting it.)

INSPECTOR: "Wow. Four hundred and sixty-five thousand dollars is a lot of money." (No matter what a buyer is paying for a home, it's always a lot of money to them.) "I'm a Certified Master Inspector®, one of only a very few in this area. You'd better pay the extra \$150 I charge above and beyond my competitors and go with me."

CALLER: "So, you charge more than your competitors?"

INSPECTOR: "Yes. I'm a Certified Master Inspector®, so, on average, I charge about \$150 more than my competitors. It will be the best \$150 you'll ever spend. Of course, if you want a cheap inspector, I know who my cheapest competitors are. I would be happy to refer you to them. And, of course, you can save even more money by waiving the inspection altogether. That would be free. But if you are spending four hundred and sixty-five thousand dollars, you should spend that extra \$150. I'll do good job for you."

CALLER: “I’m spending a lot of money on this home and I want a good inspection. If you are only \$150 more than your competitors, I don’t mind paying a little extra.”

Notice that in this interaction, the inspector highlights the vast difference between the price of the home and what little extra he charges above his competitors, without ever mentioning the cost of the inspection.

Back in the beginning of this book, I explained that two of the factors you have to improve are to get more consumers to hire you, and to charge those consumers more. These two factors aren’t mutually exclusive. Americans firmly believe that you get what you pay for. If you are truly the best inspector in town, you can’t have a fee structure that conflicts with that contention. It makes no sense. Let your competitors say, in effect: “I am the town’s worst inspector and I charge less to prove it.” Support your claim that you are the best by touting that you are a Certified Master Inspector® and charging a fee that makes your claim believable. You’ll rise above your competitors. You’ll convert more incoming calls into scheduled inspections and command higher fees at the same time. This will improve your factors #4 and #5.

Again, answering your inspection business phone is no time to be humble. If you provide a good home inspection service, you have an ethical duty to allow as many of your fellow citizens as possible to enjoy the benefits of your good work.

THAT’S A LOT OF MONEY FOR ONLY A FEW HOURS’ WORK!

If you’ve been in the inspection business for a while, you’ve probably heard one of your clients say, “That’s a lot of money for only a few hours’ work!” As more and more home inspectors use time-saving report-generating software, including pictures (worth a thousand words), and even generate their reports on-site, they also start to make it look easy. When I was an inspector, I used to collect my fee at the appointment. I had a short but true story I printed on my letterhead and kept it with me to present to any client who questioned how much I was earning. The story goes as follows:

That’s a lot of money for only a few hours’ work!

Pablo Picasso, the painter, was dining at a restaurant in New York City. A fan introduced herself to him and gushed at how thrilled she was to meet the great artist, and how she loved his work. Encouraged by his polite acceptance, the fan begged, “Oh, Mr. Picasso, would you draw

me a sketch?”

Picasso grabbed some paper and, with a pen, promptly sketched the waiters walking by with trays of parfaits. As the woman reached for the sketch, Picasso said, “Madame, that will be \$10,000.”

Shocked, she replied, “But that only took you five minutes!”

“No, Madame,” replied Picasso. “It took me 50 years.”

Picasso priced his service to its value, not to the cost of manufacture. Picasso did not price his service based on the cost of the paper plus the cost of ink plus some hourly wage... and nor should a home inspector. Keep your pricing up.

LEMONADE AND UMBRELLAS

Years ago, I took my sons to an amusement park in Florida in the middle of summer. It was a hot, sunny day – a really hot, sunny day. My sons ran ahead to ride a particular roller coaster while I searched for the nearest bench to wait for them. There I sat, in the heat and humidity in Florida, one summer afternoon.

As I sat there, sweating, I noticed two vending carts. One was selling fresh-squeezed lemonade on ice. The other was selling umbrellas. With nothing to do but boil in the sun, I decided to make a study of these two carts.

The lemonade was selling like lemonade on a hot day. As fast as the employee working the cart made lemonade, it sold. The umbrellas weren't selling at all. Somewhat bored and sunburnt, I set out to figure out why such a disparity in sales existed between the two carts.

I decided to compare them:

- Both products were ancillary to the main purpose we came to the amusement park for. We didn't fly to Florida and visit an amusement park to buy lemonade or umbrellas. These were additional products offered by the park.
- Both products were similar in price.
- Both products were similar in size.
- Both products were marketed similarly from nearly identical carts, with

simple signs that merely identified the product they were selling.

- Neither vendor was aggressive in pushing their product. They each appeared to be college students working summer jobs, doing little more than collecting the money from park guests who wanted their respective products.

So, with nearly all things being equal, why was one product selling and the other not?

After much thought and deep analysis, the genius business mind of mine finally came to the conclusion that the lemonade cart simply had the right product and the umbrella cart did not. Proud of myself for having determined the reason for the disparity in sales between the two carts, I leaned back on the bench, laced my fingers behind my head, crossed by ankles, and said to myself, "In business, you gotta have the right product. The lemonade cart offered the right product and the umbrella cart didn't."

But then, something strange happened on this hot, sunny afternoon in Florida. Something I'm not used to, being from Colorado, where it is equally as sunny. Something I never expected would happen. It started raining. One minute I was sitting on a bench in the sun in the middle of the afternoon, and the next minute it was beginning to rain.

This was actually a nice surprise for me. I love rain, especially warm rain. But I was about to be surprised again. As I looked over at the two vendors' carts, I noticed that the vendor with the right product – the lemonade – had no customers. And the vendor with the wrong product – the umbrellas – had a huge line of customers begging to buy his product. As it turned out, my theory about the cause of the disparity in sales was as wet as I was. Clearly, having the right product wasn't enough. In business, you gotta have the right product at the right time and place.

Like the amusement park, which had two vendor carts prepared to not only offer ancillary products, but offer the right products at the right time and place, so should home inspectors offer ancillary inspection services at the right time and place.

ANCILLARY INSPECTIONS

An ancillary inspection is an additional service that many home inspectors offer. A few examples of ancillary inspection services include:

- Annual Maintenance Inspections
- Chimney Inspections
- Construction Project Oversight
- Energy Scoring
- Lead Paint Testing
- Meth Lab Testing
- Mold Testing
- Pool & Spa Inspections
- Radon Gas Testing
- Septic System Inspections
- Thermal Imaging
- Water Quality Testing
- WDO/Insect Inspections

Nearly all of them require the home inspector to take specific training before being able to offer them, much of which is available through InterNACHI University for free. And, depending on your jurisdiction, you might have to acquire a license to offer some of these. Don't let any required training or regulations deter you. You don't make money in the inspection business by avoiding training or by being deterred by government regulations. You get rich in the inspection business by letting your competitors get deterred from growing their businesses.

Remember, Steve Jobs once said that it isn't the consumers' job to know what they want.

There are six reasons to offer ancillary services:

1. Obviously, offering additional inspection services increases your gross revenue. I remember that just before I sold my home inspection company, the revenue we were generating from ancillary inspections surpassed that from general home inspections. Offering additional inspections will improve your factor #6.
2. Offering additional inspection services increases your net revenue. You've

already suffered the marketing costs, sales costs, and travel costs (in both directions) for the general home inspection you're performing for the client. While you're already on site, you might as well try to perform additional work. This will improve your factor #8.

3. Offering additional inspection services shows that you are a well-rounded professional in the inspection industry. Your client may not want every ancillary inspection service you offer, but merely offering many types of inspections demonstrates your mastery of the profession. This will improve your factor #2.
4. Offering additional inspection services may cause some real estate agents to favor you. Some real estate agents want to schedule with a one-stop shop. Their time is money, and having to schedule and arrange home access with numerous inspectors takes more time than working with one inspector who does it all. Offering additional inspections will improve your factor #3.
5. The more inspections you offer, the more efficient you can become. For example, your radon testing equipment has to be both placed and then later retrieved. You can do this before, after, during, or between your other inspections, forcing you to schedule this work in a geographically efficient manner. This will improve your factor #8.
6. And, finally, offering ancillary inspections all but eliminates your liability regarding those inspections. For example, if you offer mold testing and the client hires you to do mold testing, the consumer finds out whether he/she has mold. If you offer mold testing and the client doesn't hire you to do mold testing, the consumer can't later complain that you didn't do it. Do you know who gets sued for mold testing? Answer: Home inspectors who don't do mold testing. Offering ancillary inspections will improve your factor #9.

So, when should you offer these ancillary services? There are seven best times to offer ancillary inspection services (at points within your series of contacts with your clients):

1. In your marketing pieces and on your website. One of the best ways to do this is by offering inspection packages that include the most popular inspections in your local market.
2. When someone schedules an inspection. Once you book a home inspection on the calendar for a consumer, ask them if they are interested

in having you perform any other inspection services you offer. Often, the consumer intends to order these inspections anyway and isn't aware that you perform them. This is typically called the "point of sale" or "point of purchase" opportunity. It is akin to placing magazines and chewing gum in the checkout line at the grocery store. It's not what you came to the grocery store for, but you often add it to your shopping cart.

3. After your pre-inspection agreement is signed online. InterNACHI has an online agreement system that allows your client to read and sign your inspection agreement digitally via email. (Read more about it by visiting www.nachi.org/onlineagreement.htm) At that point, you can email your client information about the ancillary inspections you offer.
4. On site, during the inspection. This is especially true if you notice something during the home inspection. For example, if you see an old radon mitigation system that isn't running, you may want to suggest that your client hire you to do a radon test. Or, if you find some mold, you may want to suggest that your client hire you to do a mold test. My favorite soft-pedal approach to up-sell ancillary inspections is to hand your client either your customized brochure or a "While I'm Here" brochure during the inspection. An example of one is at www.inspectoroutlet.com/home-energy-inspection-brochure-while-im-here.aspx
5. Within your inspection report. The final page of your inspection report should contain offers, such as additional inspection services you provide. You may want to suggest that your client hire you to oversee any construction or remodeling projects they are having done to the home. More information about oversight inspections can be found at www.OverSeelt.com
6. After you send the inspection report to your client. You may then want to suggest that they hire you to perform a Move-In Certified inspection on the house that they're selling. You can find out more about Move-In Certified Inspections at www.MoveInCertified.com
7. When you market to your previous clients. As I'll explain in the last section of this book, you should get your former clients to sell additional inspections for you. But you should also use those opportunities to get your former clients to buy additional inspection services from you. For example, you may want to suggest that they hire you to do an Annual Maintenance Inspection in the fall.

If you're trying to grow your business, regularly work on becoming qualified

to offer more and more additional ancillary inspections, incorporate them into the services your inspection company offers, and make those offers at various points within the series of contacts you have with your clients. This will improve your factor #6.

WHEAT AND CHESS

The wheat and chess problem appears in different stories about the invention of chess. One version goes like this.

When an Indian mathematician named Sissa created the game of chess at the end of the 5th century AD, he presented it as a gift to his king. The king was so thrilled that he told Sissa to name his reward for the amazing gift — anything he had was his for the asking.

Sissa, perhaps in feigned modesty, asked the king merely for some wheat. The king thought he was getting the better end of the deal by far and asked Sissa how much wheat he would like. Sissa replied by saying that he would like to use the chessboard to count out his reward: one grain of wheat on the first square, then doubled to two grains of wheat on the second square, and then doubled again to four grains of wheat on the next square, and so on, until all 64 squares of the chessboard were accounted for. Amused, the king ordered his servant to retrieve a bushel of wheat to count out Sissa's reward.

What the king didn't realize until halfway through this exercise was that Sissa's reward was becoming so enormous that the kingdom was in threat of losing its entire wheat stores, and more. The king's accountant pleaded for him to reverse his promise, explaining that, with 64 squares on the chessboard, and doubling the number of grains of wheat on each successive square ($1 + 2 + 4 + 8$, etc.), the total number of grains would equal 18,446,744,073,709,551,615 — far more wheat than that held by the entire continent.

This story beautifully and simply illustrates the theory of exponential growth. Of course, there are limits to growth at this pace, as the king quickly discovered. And any home inspector would balk at the notion of growing his or her business year after year after year, *ad infinitum*. But you can also grow your business exponentially.

Here's how.

All you have to do is to get every past client to refer one inspection to you, on

average. If you can get 100 referrals from 100 former clients, you will have effectively doubled your inspection business in one year. If you do it again the next year, you will have quadrupled your gross revenue in two years.

Here is a marketing campaign to get your past clients to refer you.

Send each past client three copies of the “Now That You’ve Had a Home Inspection” home maintenance book with your business card attached to each one, your home inspection brochure inside each one, and a brief letter asking your former client to pass along each book to someone they know (friend, neighbor, co-worker or family member) who is buying, building, or selling their home, or even just planning to in the near future. Even if just one of these three books results in an inspection appointment, you’ll double your gross revenue in one year and quadruple it in two years.

The books cost \$2.70 each and can be customized with your images, name, company name, contact information, and home inspection logo on the cover. More information about the customized “Now That You’ve Had a Home Inspection” book can be found at www.nachi.org/now

And while you may be tempted to opt for a less expensive alternative, such as mailing out a half dozen of your brochures and business cards instead, the likelihood of those ending up in the trash is high, whereas no one, especially Americans, will throw away a book. The book could almost be written in Chinese (sorry – it’s only available in English and Spanish!) and this tactic would still work because its purpose isn’t to transmit information. Its purpose is to provide a physical anchor for your business card so that your contact information ends up in the hands of consumers about to hire a home inspector. This will improve your factor #1 and your factor #2.

But let’s make the success rate much more conservative. Let’s say that after you get your letters, business cards, and custom books into the hands of your past clients (the very people most likely and able to refer you to their friends, neighbors, co-workers and family members), only one in 11 books floating around out there results in a new inspection job for you. Now, how long would it take for you to double your inspection business?

Let’s make the math simple and pretend that you’re doing 100 inspections a year. If you send each past client three books, that’s 300 books (100 x 3 books = 300 books).

- If one in 11 of those books generates a new inspection job for you, that’s 27 new inspection jobs ($1/11 \times 300 = 27$ new jobs) the first

year that you implement this marketing campaign, for a total of 127 inspection jobs.

- The second year, the math becomes $(127 \times 3 / 11) + 127 = 162$ inspection jobs.
- The third year, the math becomes $(162 \times 3 / 11) + 162 = 206$ inspection jobs.

So, if only one in 11 books generates a new inspection for you, you will have more than doubled your gross revenue in just three years.

Now, let's figure out what this is really going to cost you in actual dollars. Three custom "Now That You've Had a Home Inspection" books (at \$2.70 each), three of your inspection brochures, three business cards, a cover letter, a mailing label, and postage cost about \$15. That's roughly \$5 a book, including shipping. Now, let's continue to pretend you're doing only 100 inspections a year. How much would your three-year marketing campaign cost?

- The first year, it would cost \$1,500 (100 clients x 3 books each x \$5).
- The second year, it would cost \$1,905 (127 clients x 3 books each x \$5).
- The third year, it would cost \$2,430 (162 clients x 3 books each x \$5).

Over three years, the total cost of this marketing campaign would cost \$5,835.

The total number of additional inspection jobs generated would be $27 + 62 + 106 = 195$ additional inspection jobs.

The marketing cost per additional inspection job would be $\$5,835 / 195 = \30 for each additional inspection job. Would you pay \$30 for an inspection job?

Now, let's say your average inspection fee is \$350. The additional gross revenue generated by this three-year, \$5,835 marketing campaign would be 195 additional inspection jobs x $\$350$ each = $\$68,250$. Would you spend \$5,835 to increase your revenue by \$68,250?

I made the math easy by pretending you do only 100 inspections a year. If you do 200 inspections a year, simply double everything. Your increase in revenue would then be \$136,500. And if you use your Certified Master Inspector® status to increase your average inspection fee through the techniques I described previously, that \$136,500 becomes \$195,000 in additional revenue. And if you can sell each customer an additional ancillary

inspection service (as I explained earlier), your additional revenue increases again.

If you're a savvy inspector, you're already giving the "Now That You've Had a Home Inspection" book to each of your current clients as a value-added bonus with their inspection report. But you could also reduce some of the future shipping costs of this marketing campaign by providing the books to the clients you meet in person.

I used to ask my clients if they'd give a "Now" book to anyone they knew who might need a good home inspector, and asked them how many they'd like. Often, when I made that offer in the presence of a real estate agent, the agent would ask for some. Local real estate agents handing out my customized book – now, that's target marketing! It will dramatically improve your factors #1, #2 and #3.

If you are a Certified Master Inspector®, you could also increase the success rate of the customized books by adding the Certified Master Inspector® logo to your customized book cover and by adding your personal name to the cover with the suffix "Certified Master Inspector®." The Certified Master Inspector® logo allows your past clients to refer you with greater confidence, and so will improve your factor #7.

In closing, I used to think it was difficult to increase a home inspection company's gross revenue. But now I think that by improving each factor that affects gross revenue, it is almost impossible to stop it from growing... exponentially.

By the way, Sissa's beleaguered ruler came to the conclusion that it would be less expensive to surrender his kingdom than to make good on his promise to pay out all that wheat. And that's what happened... Sissa was crowned king.

CONTRIBUTORS

Nick Gromicko is the founder of InterNACHI – the International Association of Certified Home Inspectors – which is the largest home inspector association in the world. He is a Certified Master Inspector® and is the Executive Director of the Master Inspector Certification Board. Author of more than 25 inspection textbooks, including the best-selling “How to Run a Successful Home Inspection Business,” as well as hundreds of informational articles for consumers and professionals, Nick promotes the home inspection industry and advocates for inspectors throughout North America and beyond through training and support.

Olena Sepyahina has a degree in Global Marketing and an MBA from the University of Seattle. She is a native of Ukraine and is fluent in six languages. She has traveled extensively throughout the world and has worked in international business.

Kate Tarasenko (Crimea River, LLC) is InterNACHI’s Editor-in-Chief. She holds undergraduate and graduate degrees in journalism. She has worked as a freelance writer, staff reporter, and photographer for more than a dozen publications, and has also been a ghostwriter, broadcast journalist, and college journalism instructor.

Jessica Langer is InterNACHI’s Director of Marketing. She has a Bachelor of Fine Arts from Columbia College in Chicago. She is responsible for the design and layout of all of InterNACHI’s 25+ textbooks and marketing pieces, and oversees a staff of graphic designers.

Cherise Peterson is a Graphic Designer for InterNACHI. She has a Bachelor of Fine Arts from St. Cloud State University in Minnesota. She designs marketing materials for InterNACHI members, and has been doing freelance art and design pieces for a variety of clients over her design career.

Alexandra Ballenger is a Graphic Designer for InterNACHI. She has a bachelor’s degree from the University of Colorado at Boulder. She designs a variety of marketing pieces for members. She is also a self-taught fine artist whose work has been shown and sold throughout Colorado and Florida.

www.NACHI.org

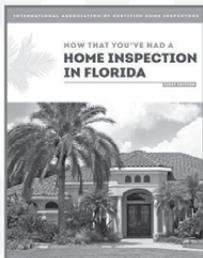
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