PENRITH BLINDS TOOK a leap of faith around a decade ago when it moved into a new factory that had no showroom. Lance Kelly, who originally started the business with his wife Donna in 1995, was convinced that the firm would still be able to attract orders from a consumer market, despite being warned by many others that this strategy might be ill advised. "Some people said that going out of the combined factory-showroom environment was a mistake," he says. But Kelly remains convinced that the decision was a good one.

Among the key advantages, he claims, is that the staff are not required to spend time with customers who browse, and they can instead concentrate on the firm's priority tasks. "At the factory-showroom, people came in every day and were more of a hindrance than a help," he says. "We had to stop what we were doing to help people who were just asking for bits and pieces. Today, we run the business from our property, which is just 100 metres from our house." THE FIRST IMPRESSION MADE WITH A POTENTIAL CUSTOMER IS REGARDED AS CRITICALLY IMPORTANT AT PENRITH BLINDS, WHERE EIGHT OUT OF 10 LEADS ARE CONVERTED INTO SOLID ORDERS. DAWN ADAMS REPORTS.

The factory, situated in Orchard Hills around 50 kilometres from the Sydney CBD, is still often visited by customers who want to see finished product. "About 90 per cent of customers come here to place their order or to sight a made-up product," he says. "At their homes, we can only show them samples. I tell them we have a glorified factory and they can come and watch us make blinds." Kelly believes consumers appreciate this approach and see it as a useful alternative to establishing a showroom specially set up with extra features to create atmosphere such as lampshades or a throw rug. "That's not reality," he says, and he claims that his customers see it that way too.

Kelly demonstrates that he lives and breathes his business throughout the conversation, how he works days that begin at 5am and end at 6pm. "I've worked that way from day dot," he says. "It doesn't bother me at all. When you have a small business, you have to be happy to do what you do and people like that. I wake like a body clock at 4.15 and get to the office at 5am in time to have the paperwork set out so everything runs smoothly."

But after 16 years of running this business, there are certain things he just won't do. "I'll go to someone's house at six in the morning to do a quote but not at six at night," he says. When he explains that, just like them, he likes to be at home in the evenings, he says they understand. He is in a position now where he can say 'no' when it suits him after having built the business from a \$96,000 turnover in its first year to a \$960,000 turnover last financial year. It's a long journey since spending \$2000 to set up the operation in a garage at home. After four years, he leased a factory in the Sydney suburb of St Marys for five years and then bought acreage where he relocated the business near his home.

## A Steady Market

TODAY, THE COMPANY completes works for clients from Wollongong to Newcastle in New South Wales. Many of these clients are interior designers and builders, and the majority of the work is targeted at the domestic market. "We have had strong ties with good quality builders from the day we started," he says. We know confidently that every week we'll get work for three to five houses without doing anything."

He anticipates that the federal government's stimulus package, offered to stem the impacts of the recent global financial crisis, will continue to generate work in 2011. People who purchased land due to those incentives are now starting to have their development applications approved so they can start to build new homes and, as a result, will need window coverings.

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Enormous importance is placed on that first contact with a potential client. "We try to sell over the phone before we even have one foot in the door," he says. Kelly is convinced that a query that is treated as 'just another lead' has the effect of permitting the consumer to seek information elsewhere, to go to another company. "Our first contact is important; we find out what they want and about their budget, how much they want to spend. A lot of people want plantation shutters and we give them a rough quote for that on the phone. If they decide that's too expensive, we give them another option."

Part of that strategy is to avoid wasting the two-and-a-half to three hours it takes to measure a property the size of a modern home for plantation shutters. "We don't want to spend three hours and then be told they're not interested because the cost is somewhere between \$18,000 and \$30,000," he says.

Kelly also rarely charges for maintenance calls, even if they are made past the warranty period. "If I spend five minutes fixing something, even if it is after the warranty has expired, and say 'don't worry about it', they will recommend us," he says.

But he also observes that consumers can have expectations that are too high. "If they pay for plantation shutters and spend that kind of money, they expect a Rolls Royce," he says. "The product is Rolls Royce, but what you put it on can be different. There's no such thing as a square window."

## Generating Leads

KELLY IS WELL informed about the sources of leads, with plenty of jobs coming from referrals. Around 70 per cent of the firm's work is generated from the company's website and 30 per cent from the Pink and Yellow Pages. "We haven't advertised in a local paper or magazine for years — we haven't needed to," he says. "Most people go to the internet or will use our 1300 number, which is a free call. We generate six to eight leads a day for each person who quotes, and there are two of us at the moment: myself and my son Aaron. We are currently training Alistair, who will also sell. We fit, sell and make." Wherever possible, they try to ensure that the same person speaks to the client for each contact. "Customers want to speak to the person they've been dealing with for consistency," he says.

He regards knowing the product you're selling as vitally important to ensure good advice can be given to customers. Also important is forging good relationships with wholesalers.

Meanwhile, Kelly forecasts that vertical blinds will enjoy a resurgence at the expense of the now popular roller blinds. "When I first started, we only sold verticals, and I'd prefer that because we can turn them around quickly, which improves our cash flow," he says. "But roller blinds have been unbelievable. But then, you go back five or six years and the trend was western red cedar venetians, which lasted around three years."

He sees operating as a small business as a distinct advantage, in that clients deal with people who know and understand all aspects of the business, from selling to product and installation. "We don't use contractors," he says. "If your customers know you 'are' the business and that they don't need to go through this rep or that service department but can deal direct, they feel more comfortable."

And while setting in place plans that will allow for Aaron to take over the business at some stage, he also suggests he is not chasing after growth. "Growth is not important," he says. "If you have enough of a client base, they will grow your business; you don't need to put your name out there every day to get leads."

