

Economic changes: management tips to protect your business

The global health crisis has impacted our way of living and forced us to adapt our behaviours and working tools. COVID-19 will also have lasting economic consequences. Necessary lockdown measures have led to a recession in many parts of the world and economic growth has slowed. To protect your business from the economic downturn, Houzz has created 7 tips to see you through a recession and help your business prosper in the long term.

Plan and act early

It could be a bumpy road out of a recession; by creating an action plan with downturn-ready processes today, you can protect yourself now and for the future. Prepare your finances, marketing and prospecting strategies to gain efficiency. By streamlining your core operations and leveraging new technologies, such as Houzz Pro, you can optimise your business instead of relying on cutting budgets elsewhere.

With Houzz Pro you can grow your business with better lead management. Easily manage follow-up, schedule meetings, share files and turn more leads into jobs.

Get paid faster! Schedule payment requests and update fees to keep your finances up to date.



Reduce your risk

With most home renovation or design projects, there's a lot on the line financially, so do some due diligence to ensure your clients will be able to pay their bills. Screen for clients who aren't serious about the project or may default on their payment. Now, more than ever, might be the time to insist on partial payment upfront to ensure you aren't at a loss for materials and your time should unexpected changes come up.



Levels of response to downturn



Keep thorough documentation

Increase the likelihood of quotes turning into projects by giving detailed estimates. Providing estimates can help you prevent a dispute with your client because they know what to expect. Tracking hours, variations, and receipts that deviate from the estimate can support you when it comes time to bill.

Did you know that with Houzz Pro, you can create professional quotes and proposals in seconds? Head to the Manage section of Houzz Pro and start creating those for your upcoming projects!



Manage your expenses strategically

Hiring staff can make a big impact on your business growth, but keep in mind that you can contract a freelancer or consultant on an ad-hoc basis depending on your project's calendar instead of going for a full time employee. Don't forget to check your utility providers and see if it's worth changing: every penny counts!



Stay connected

Even if you can't meet with clients or colleagues in person, make sure to keep networking! There are plenty of digital tradeshow and events to attend. It is also important to keep your online presence up-to-date by adding new projects to your Houzz profile, sourcing reviews and even being active on social media to let contacts know you're still available.

No time to keep your website looking its best? Houzz can create and manage a customised website for you, linked with all your Houzz images, reviews and projects to strengthen your online presence.



Invest in marketing

Preparing for a downturn doesn't mean you stop investing. Marketing is key to promote your activity, increase your online visibility and bring new clients. During an economic slowdown, it may seem sensible to cut back on advertising and marketing, however, research has shown that companies that advertise during an economic downturn actually expanded their market share, and maintain their image. This benefited them significantly in the long run and put them in a better position when markets begin to grow.

With Houzz Pro, you have a dedicated Account Managers to help you build a strong marketing strategy and target the right clients in your chosen areas.



Keep the pipeline full

Offering multiple services or products can help capture more leads with different needs, thus adding to your pipeline and possibly preventing a slowdown. Consider learning another in-demand skill in your area of expertise, offering additional services or products.

