

Block Party Plan

An Alternative Plan for Lead Generation with Comprehensive Cross-Department Efficiencies

Great ideas are killed by the "why it won't work" mindset.

This document includes "out of the box critical thinking" and is intended as a base to build, evolve, and achieve a more comprehensive efficiency between departments. Please approach this presentation with the "merits of its benefits" and "how it could work better".

Background:

This document explains how and why Lead Generation Efficiency will comprehensively benefit every department cascading across Earth Development Inc.

The base concept is to generate leads by geographically targeting concentrated High Profit Margin Areas through deliberately researched lead lists 'HPM Block List(s)'. The success of this approach will be directly linked to an above average closing rate of HPM Block Lists which will be aggressively prioritized and pursued by top sales individuals on the sales team. These targeted areas will be designated and named 'Block Party(ies)' and 'Block Party Area(s)'.

Current methods of generating leads are primarily demand driven through consumers searching for snow removal services via online keyword searches, and contacting our office through various channels. The Block Party Plan concept offers an additional method of generating leads that focuses on the efficiencies of a supply side driven agenda by grouping consumers into concentrated Block Party Areas. The majority of these leads are through an expensive paid service. While this shows a higher chance of closing a particular client account compared to cold contacting, or even securing multiple locations for one client, it leaves a scattered pattern across any given geographic area (see Appendix A). This scattered pattern poses an additional burden on Service Partners as well as our Operations Department.

Providing services over a scattered area is not only inefficient, but adds additional challenges for Service Partners and Operations to administer timely and consistent service due to the distance between Customers. This creates additional overhead during snow events by increasing the time service partners will arrive on site to start services, increasing the number of calls from Customers requesting an ETA for service, and increasing the time of arrival for a Service Partner to return to a site and complete an uncompleted service task. It also limits the number of pre-season walkthroughs for sales and management to complete in a workday, and increases the sunk costs of visiting each site.

Overall, the distance between sites is directly proportional to the cost and efficiency of servicing Customers, the workload on our Service Partners, and the overhead costs of the Sales and Operations Departments. Decreasing the distance between Customers and increasing Customer density within Block Party Areas will result in lower overhead costs and a higher profit margin.

Sales:

The success of the Block Party Plan will largely depend on the HPM Block List closing rate KPI of the sales staff. Customer Density Saturation is the key driving factor of the Block Party Plan and this will be achieved by a passionate, aggressive, don't take no for an answer, ABC (always be closing) sales mentality. "What would it take to sign you as our client?" will be a standard goto for every communication pushing to pull targeted clients from competitors. This is absolutely necessary because the key advantages of this plan stem from the efficiencies of CDS.

Pre-sales staff and sales staff will use detailed deliberate pre-built geographic HPM Block Lists to "grow leads by dropping seeds" about Block Party advantages. This will be in the form of physical flyers delivered by hand, USPS mailings, direct email, consumer social media account messages (i.e. facebook, twitter, etc.), and any other means of communication available. The purpose of redundant outreach is to convey the message that we are willing to hunt, we are hungry, we want their business, and we are the best solution to their needs.

HPM Block Lists can be generated in several ways. Using publicly available property owner contact information to generate property owner lists via municipal and county GIS Portal resources when available. Connecting with Main Street and Business Improvement District organizations are also a valuable resource to construct HPM Block Lists. Both of these resources should target commercial corridors, industrial parks (see Appendix B), and concentrations of existing clients (see Appendix A). Any existing clients in the designated Block Party Area should be contacted to inform them of the advantages of the Block Party concept plan and to ask for the customers assistance through neighbor outreach and direct contact information.

Sales support materials will be designed to assist sales staff in the Block Party Plan targeted marketing. Some supporting ideas to generate promotions and promotional materials are as follows:

- Minimum threshold for block party discounts or upgrades
- Contract discounts for Block Party Clients due to efficiencies passed through to Customers
- Service package upgrades for reaching critical Block Party Client saturation
- Potential to brand as a "greener" option because of Service Partner Fleet optimization reducing distances between sites
- Referral bonus to get Customers to recruit neighbors through word of mouth
- Cooperation discounts for pooling Block Party Resources such as using adjoining lots for storing snow piles instead of hauling off site

Operations:

Service Partner Management:

The Operations Department will benefit from the Block Party Plan due to the efficiency of locating clients within close proximity. The most important part of servicing a client is timely, efficient, and consistent service. This efficiency will be shown by KPI measured by timely and consistent service especially and specifically during major weather events. Pooling or sharing of Block Party Area Resources such as local space to pile, haul, or store excessive snow or shared on-site equipment could substantially reduce the burden on the Operations Department to provide out-of-scope services.

The Service Partner Management part of operations is a vital part of capitalizing on the investment of time and resources into the sales part of the client procurement and management pipeline. “A client saved is a client earned” should be the main focus concerning the Block Party Plan due to the direct correlation of client density and the success of the Block Party Plan. Every effort should be made to provide proactive service management to each and every client as well as prompt issue resolution to create an image of immaculate professionalism.

Additional advantages to Block Party density can be seen in scheduling pre-season “walkthrough events”, prioritizing service schedules between clients, and generating Service Partner site priority lists. In some cases it may be possible to start chat groups for specific Block Party Areas to provide real time updates to clients on when they can expect service to their site expanding on proactive client service communication. Designating a “Master Contact” within the unique Block Party Areas as an ambassador could also work as an efficient means of communicating with individual Blocks with the advantage of having an annual Block Party Ambassador meeting to share ideas and concerns. Pre-season walkthrough events can double as opportunities to invite potential neighboring clients in the same Block to connect and show the process and quality of the services we provide while also giving the sales department another avenue to connect with potential clients. Deliberate conversations about coordinating service priority and scheduling will also be much easier if they are custom tailored to Dense Block Party Areas due to the diversity of businesses serviced.

Customer Service:

The Customer Service part of operations will benefit from a reduced number of Customer service calls during snow events due to the added coordination of the Block Party Plan. Many of the calls Customer Service currently receives are to request an ETA of plowing and salting services. In some instances Service Partners will be in visible range of the Customer due to the close proximity of other Customers. Additional coordination in the form of Group Block Party text notifications containing pre-storm plans and estimated area service times will give an added layer of communication with Customers within each Block Party Area.

Outside of snow events, a Master Contact for each Block Party can outsource some of the time taken to coordinate the services (scheduling, snow hauling, etc.) within a Block Party. Much like a Customer manager on the business side, the Master Contact on the Block Party side can ease the burden on Customer Service Staff to coordinate and communicate with Customers within the specific Block Party Areas.

Accounting:

The Accounting Department can potentially benefit from the Block Party Plan by consolidating billing for each Block Party Area outsourcing collections to the Master Contact as a condition of the Block Party Advantages. Customers already have an internal accountant on their staff and have the capability of distributing invoices, collecting and consolidating payments for services provided within the Block Party Area. Consolidated Billing through the Master Contact would ease the accounting workload of tracking down and collecting from individual Customers within the Block Party and can be incentivized by an additional discount passing the reduced overhead savings directly to the Customer.

Advantages:

Additional advantages are seen in collecting additional information by marking properties that competitors service, oppo-research about their service levels, oppo-research on pricing, etc. that can be collected during the pre-sales and sales pipeline. This could prove to be useful to indicate market changes in pricing, give an advantage on lead generation if a competitor leaves the market, etc.

There will also be an added incentive for Customers to stay loyal because of the service advantages over competitors due to the buy-in with the Block Party. The additional coordination and “community” generated by consolidating several Customers within a Block Party Area will be difficult for competitors to replicate once the Block Party is in place.

Disadvantages:

It is important to note potential disadvantages of the Block Party Plan to mitigate their likelihood or impact on the overall company. The following is a list of potential disadvantages to the Block Party Plan:

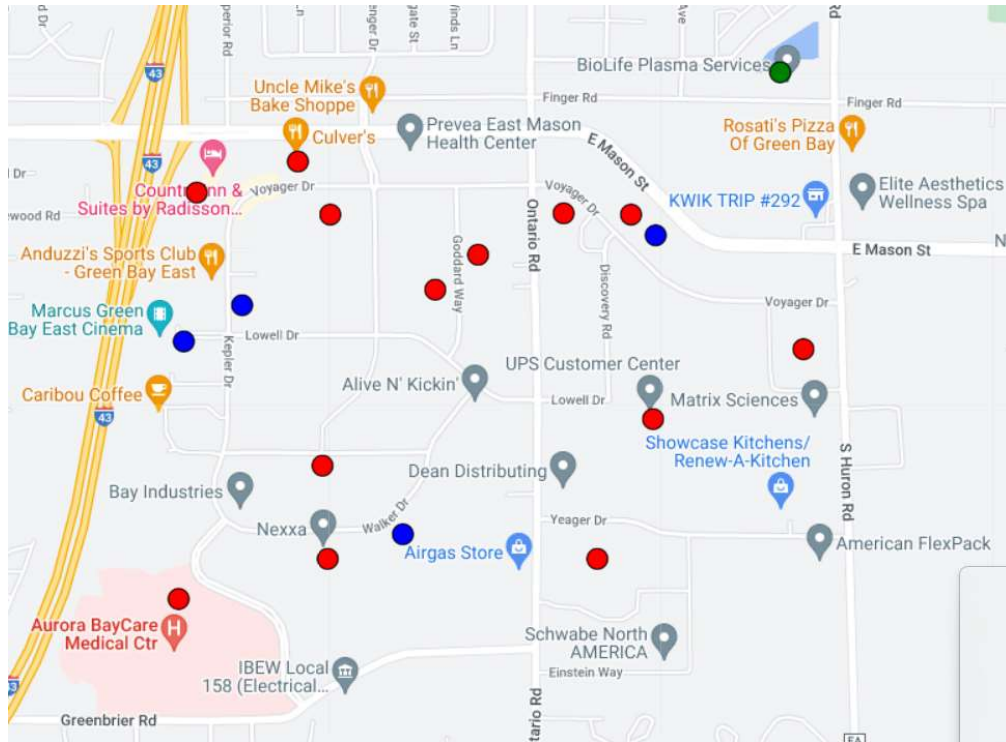
- customizing service levels will not be possible taking away from a key bargaining tool of the Sales Department →Customers within the Block Party Areas will need to have the same service level
- poor service can and will be easily communicated between Customers because of the “community” generated within the Block Party Areas
- competitors may copy the Block Party Plan and “steal” whole blocks through underbidding or other competitive means

Conclusion:

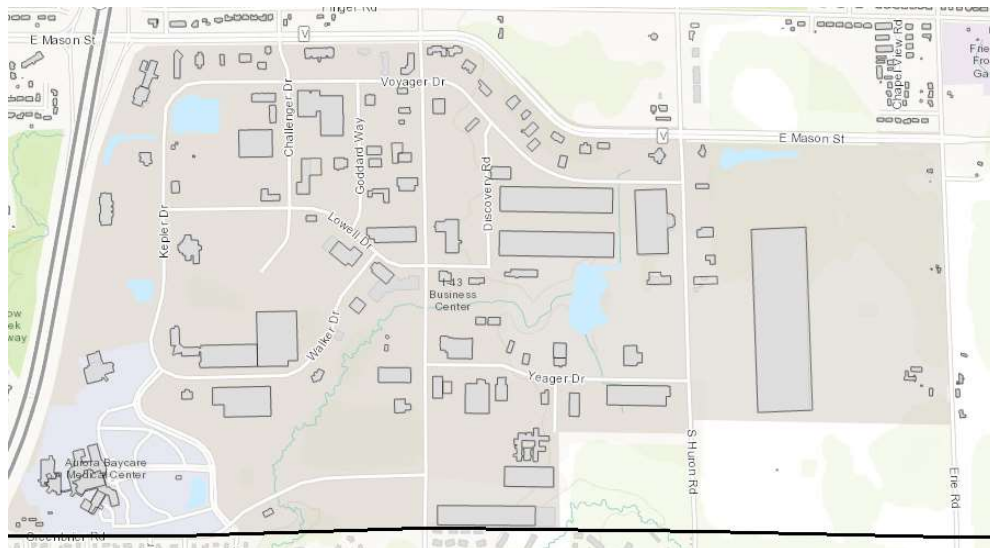
In Conclusion, an increase in the density of Customers in a concentrated Block Party Area through the use of HPM Lead Lists will reduce the overhead costs to generate leads as well as reduce the workload for the Operations Department, Accounting Department, and Service Partners. The Block Party Plan will increase the level and quality of service by creating efficiency opportunities not possible with our current demand driven lead generation, and effectively increase profit margin by reducing overhead costs due to inefficiencies associated with geographically scattered Customers.

Appendix A

I-43 Industrial park

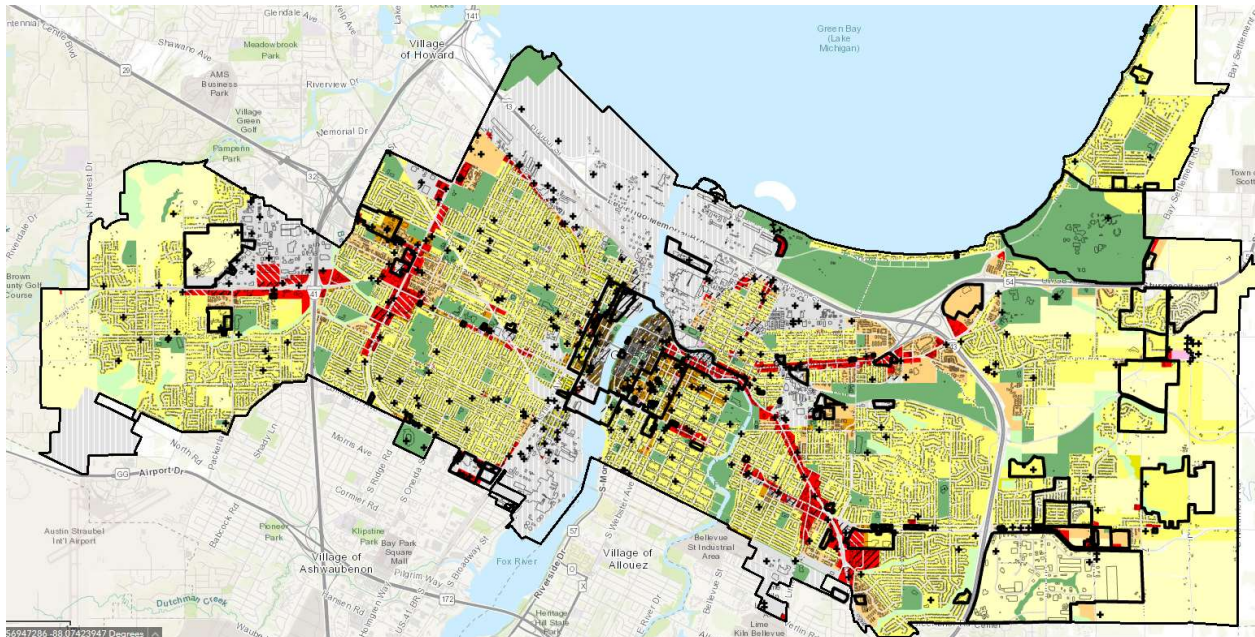


The above photo shows a spot map of our current clients within the I-43 Industrial park in Green Bay, WI. When matched with the photo of the same area seen below, the scattered nature of our clients is clearly seen.



Appendix B

Zoning map and key



Zoning

Zoning

-  OR - Office Residential
-  NC - Neighborhood Commercial
-  C1 - Commercial One
-  C2 - Commercial Two
-  C3 - Commercial Three
-  D1 - Downtown One
-  D2 - Downtown Two
-  GI - General Industry
-  S-RII - Special District Light Industry
-  LI - Light Industry
-  BP - Business Park