

Home Service – HVAC Service Calls



Presented by Garry Upton • July 23, 2015



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Foreword



July 23rd 2015 HABITAT X Presentation:

- The HVAC Service Call studies from which this presentation was built were fielded in early July, 2010 and again in late June 2015. Tables were developed the second week of July and the presentation was delivered on July 23rd, 2015.

- All 2010 questions were asked again in the 2015 study. Questions were presented in the same order using the same phraseology in both years. A total of 500 respondents were included in the 2010 study and 510 respondents were included in the 2015 study.

- Questions were added in 2015 relating to full home service contractors (performance contractors). Those were asked following the questions asked in 2010.

- In addition to key findings from the 2010 and 2015 HVAC “Service Call” studies, this presentation includes key findings from several added HVAC syndicated studies.

Findings from the following studies were also included

- The 2010 American Home Comfort Study
- The 2010 HVAC Service Call
- The 2013 American Home Comfort study among homeowners with recent central HVAC purchases

- September 2010 completed a 10 year encyclopedic look at homeowner decision makers. That report, trends homeowner comfort and energy usage in the home. It also includes homeowner understanding of home service company offerings as well as homeowner satisfaction with contractors and local energy utilities.

- For this study we contacted and questioned a national probability sample of homeowners. To qualify they must have had an HVAC service call in their primary residence within the past 12 months.

- This presentation has been built to deliver actionable information for attendees to the 2015 HABIT X use in their businesses.

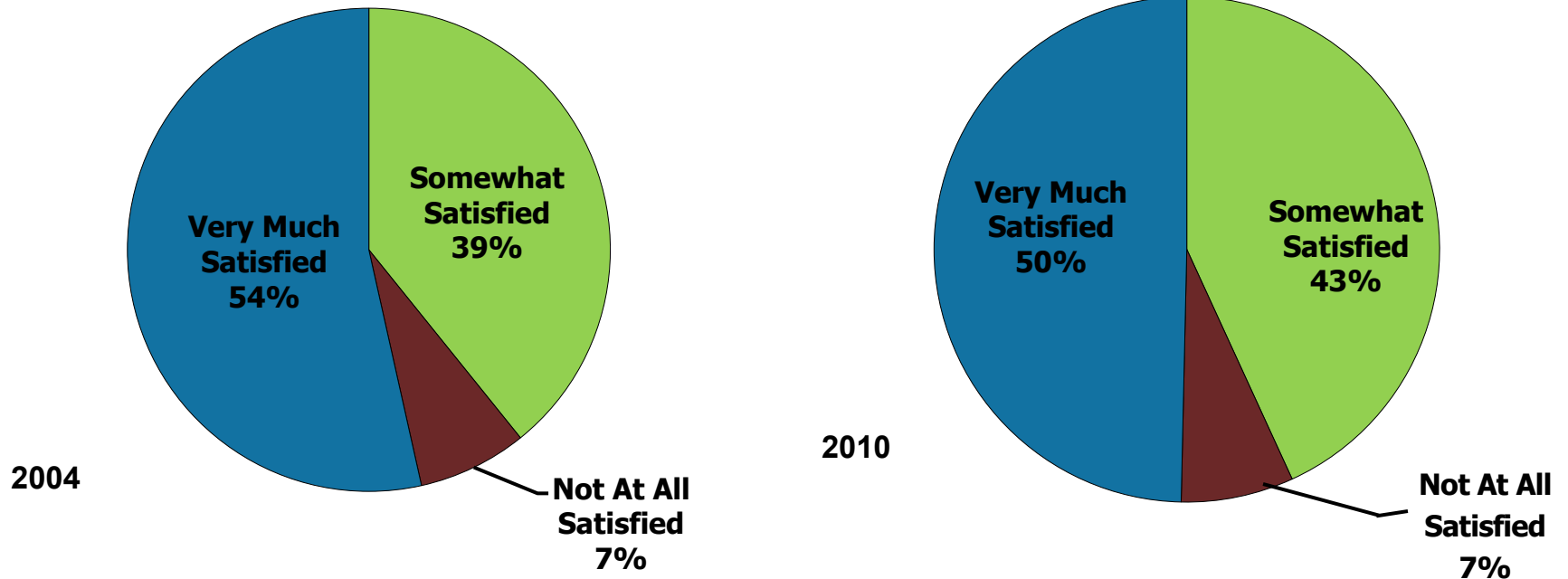
Residential HVAC Industry Introduction



Home Comfort System Satisfaction 2004 Vs. 2010



Source, 2010 American Home Comfort Encyclopedic study
Respondents = Homeowner decision maker



Most homeowners who will do something about their dissatisfaction and proactively call a contractor are those (7%) who are not satisfied.
Building a relationship with members of the “Somewhat Satisfied” group you will allow help to many more.

% of Homeowners

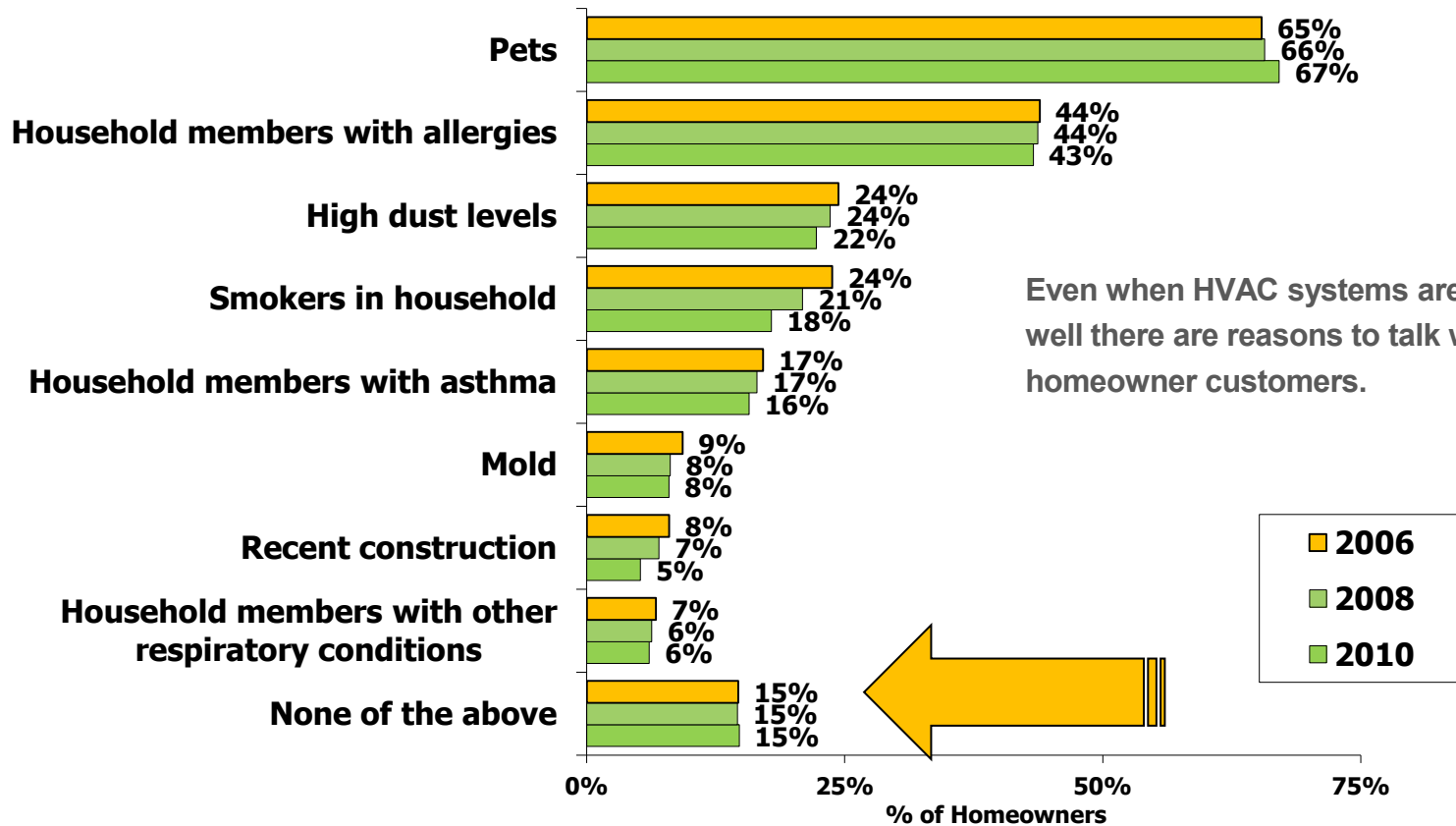
2010 Base = 34,738 Homeowners Who Rated System Satisfaction; 2004 Base = 18,549
S15: How satisfied are you with the central heating and/or air conditioning system in your primary residence?
Table 128-1.1 for 2010, 2008 and 2006 and Table 70-1.1 for 2004

Respiratory Irritants and Allergens in Primary Residence



Presence of Respiratory Irritants and Allergens In Primary Residence 2006 vs. 2008 vs. 2010

Source, 2010 American Home Comfort Encyclopedic study
Respondents = Homeowner decision maker



2010 Base = 35,676 Homeowners; 2008 Base = 30,060; 2006 Base = 27,278
S48. Do you have any of the following in your current primary residence?
Table 432-1.1 to 432-2.1



Importance to Better Air Purification Seekers

'Very Important' Factors 2006 vs. 2008 vs. 2010

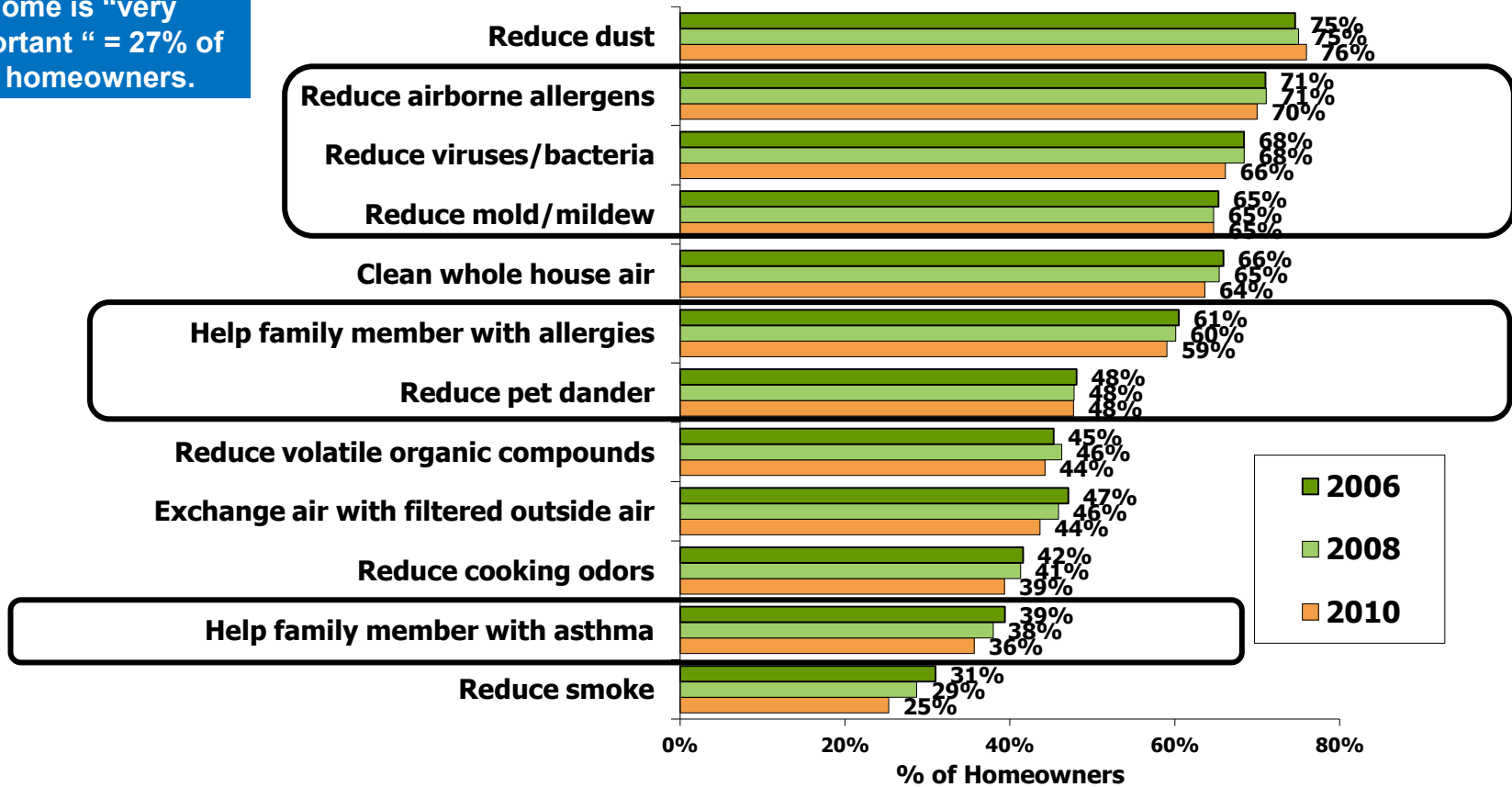
Importance to Better Air Purification Seekers



Homeowners who believe better air purification in their home is "very important" = 27% of all homeowners.

Source, 2010 American Home Comfort Encyclopedic study

Respondents = Homeowner decision maker



Base = 9,795 Homeowners Who Desire Better Air Purification As A System Improvement; 2008 Base = 8,740; 2006 Base = 8,011 S16c. Please rate the importance of each of the following improvements that could be made to the air purification of the central heating and/or cooling system in your primary residence. (Table 169-1.1 to 169-2.1)



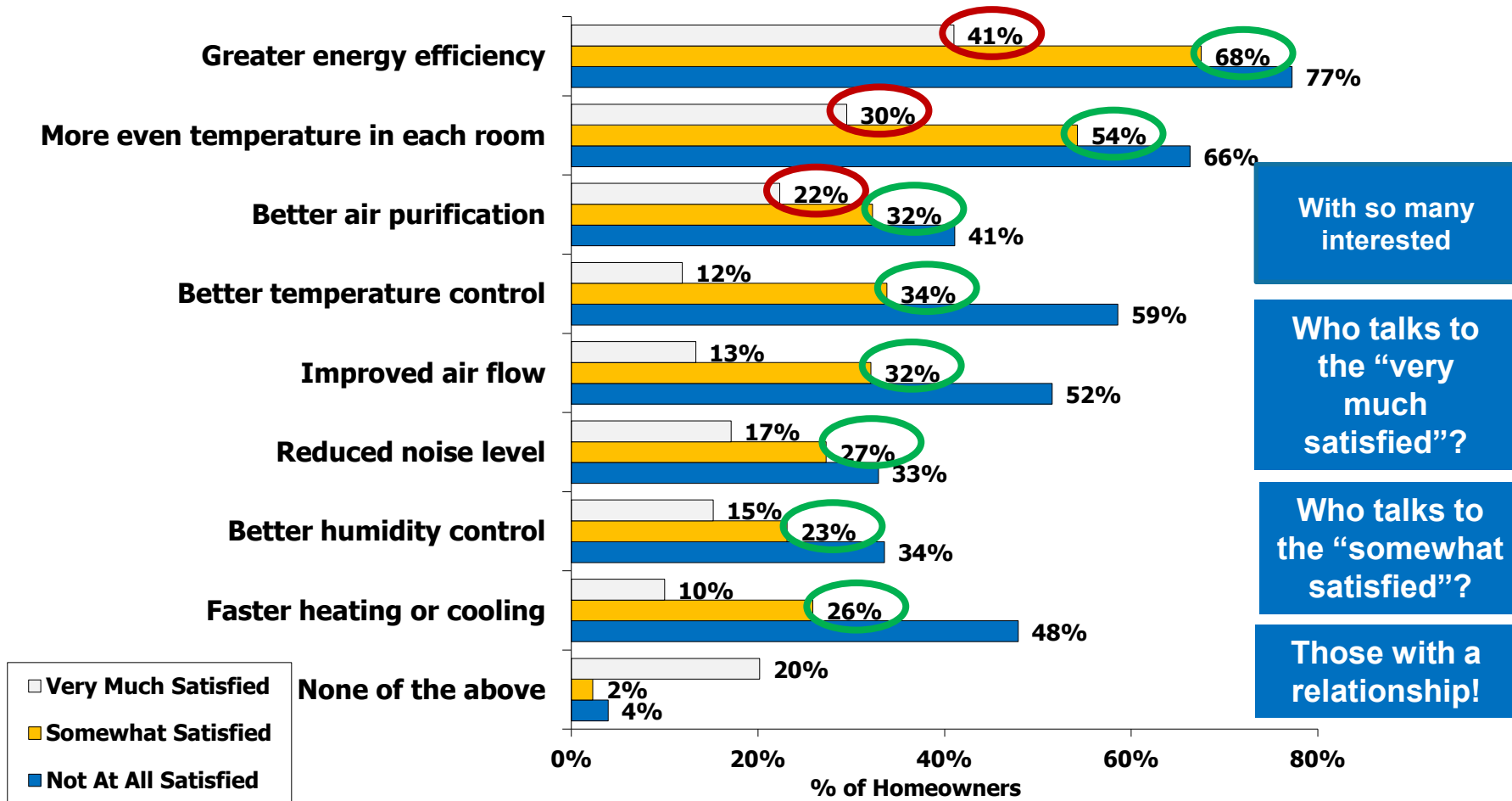
2010 Most Desired Improvements: System Satisfaction



Most Desired Improvements: Home Comfort System Satisfaction (2010)

Source, 2010 American Home Comfort Encyclopedic study

Respondents = Homeowner decision maker



Base = 35,676 Homeowners: 17,246 Very Much Satisfied, 14,991 Somewhat Satisfied and 2,591 Not At All Satisfied
 S16. What would you like to see improved about the central heating and/or air conditioning system in your primary residence?
 Table 129-1.4 to 129-2.4

Service Agreement Contractors Can



Consulting With Contractors Through

Trust

Over Half of the homeowners getting routine maintenance have a service agreement.

1

HVAC contractors who have a viable service and maintenance agreement program are viable consultants.

2

Contractors know the homeowner and home and can make recommendations based on that knowledge.

3

Homeowners who get to know the contractor trust the contractor and go to them for recommendations.

4

Service and maintenance agreement homeowners are rewarded for the process.

Among Consumers Who Had Routine Maintenance Service Calls
(2015 Service Calls)



A Quick Look at The Local Home Service Partners' World

Quick Review – Residential Home Services Future...

Home ownership is still in decline.

New home prices are again rapidly rising, yet existing home equity...

Demographics in U.S. are rapidly changing.

“Home Performance Contractors” are here.

What is the future for energy utilities and the home services businesses?

What do the best-of - the best HVAC contractors look like?

How can home service brands enhance contractor customer loyalty?

Manufacturers are international, but their channel partners succeed or fail by market.

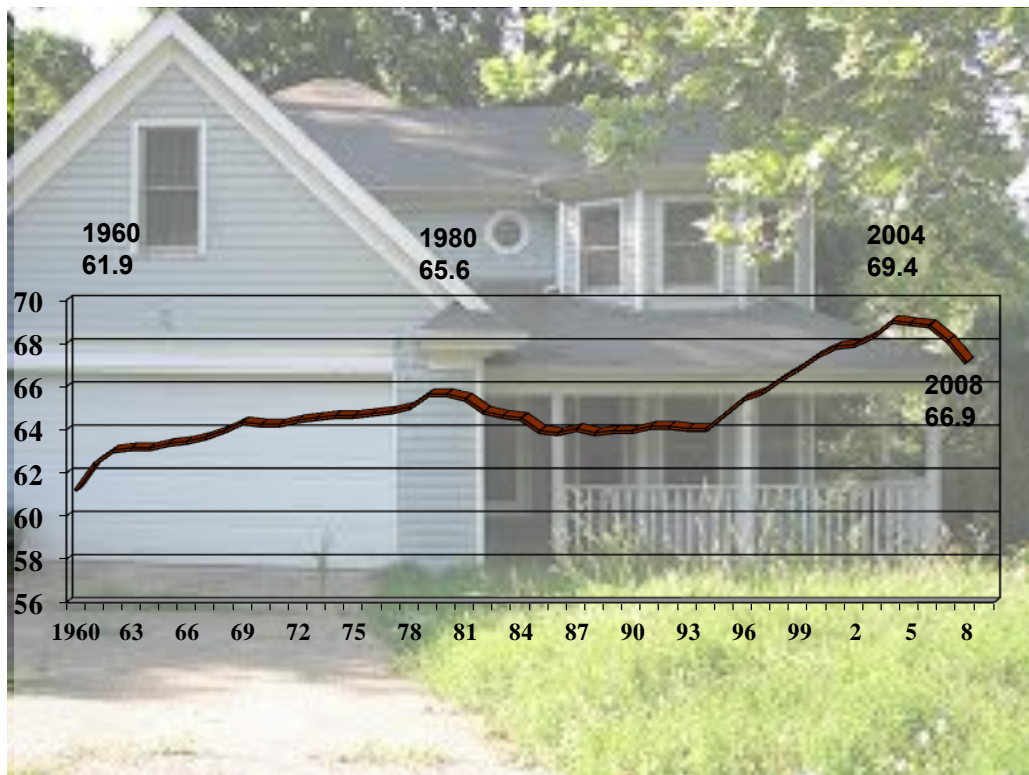
The Residential HVAC Industry Relies On a Local Robust Homeownership Market

Recent Homeownership Review





Homeownership 1960 - 2010



Census Bureau

Part of 2010 Contractor presentation

Forecast Dismal – 61.5 by 2012

Key MSA/CBSA foreclosures
unprecedented

USA Today Aug 26, 2010 – One (1) in 10
with a mortgage face foreclosure

Greatest losers – under 45 year olds

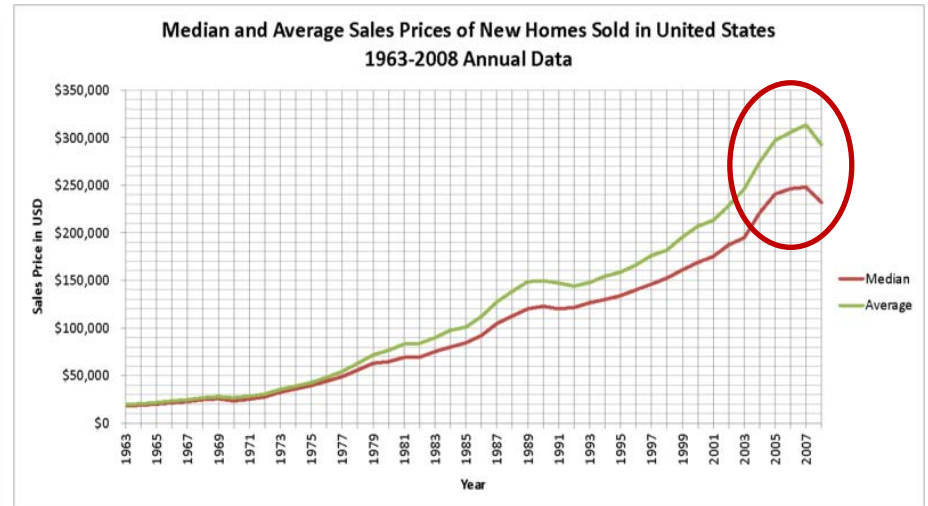
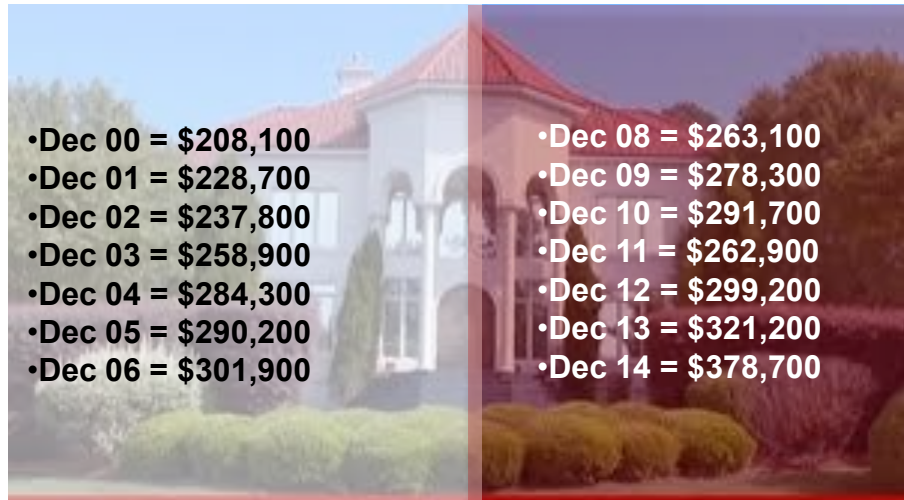


Average New US Home Prices

- New Home Price Trends Escalated Rapidly Just Prior To The Recent Recession

New Home Prices Have Again Expanded Rapidly:

New home pricing trends by market tended to parallel the degree of recession by market. Will they again?



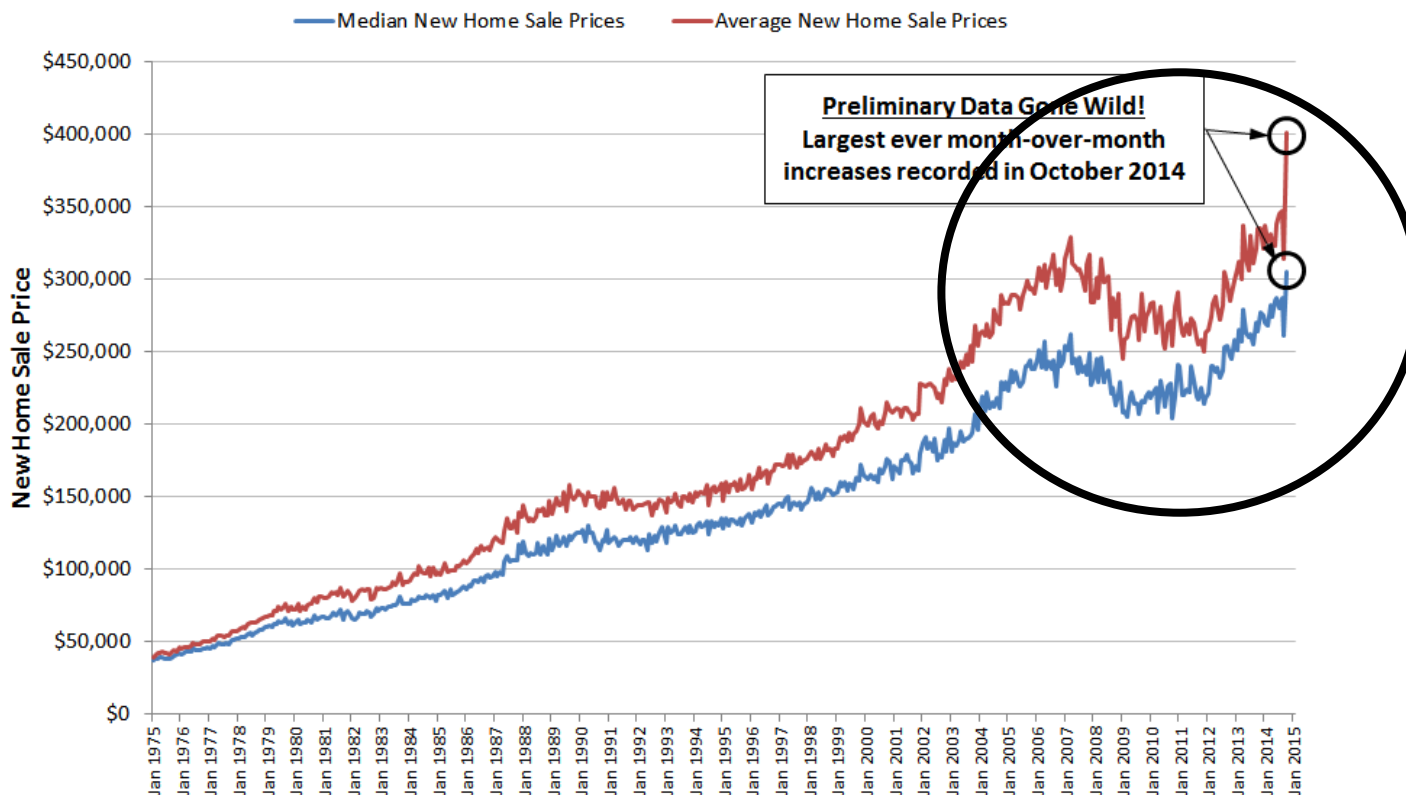
■ +45%

■ +44%



New - Home Buyers - Priced Out Again? How Soon?

Median and Average Monthly U.S. New Home Sale Prices,
January 1975 through Present



Source: U.S. Census Bureau

© Political Calculations 2014

Regional Map References



HVAC and Home Performance contractors succeed or fail based on their local economies. A series of maps were used to display the very different economies that exist in the U.S. today. While useful in the presentation, we have not asked permission to use them in this report. This reverences the sources of those maps.

- **Trulia**
 - Where homeownership is within reach of the middle class
 - Home price changes in the top 100 largest markets
- **Zillow**
 - Homes in negative equity today
- **Analysis of applied analysis by local initiatives**
 - 2013 Homeowner mortgage payments – serious delinquency rates

HVAC And Home Performance Industries



The HVAC Industry-Hunter Gatherers Or ...



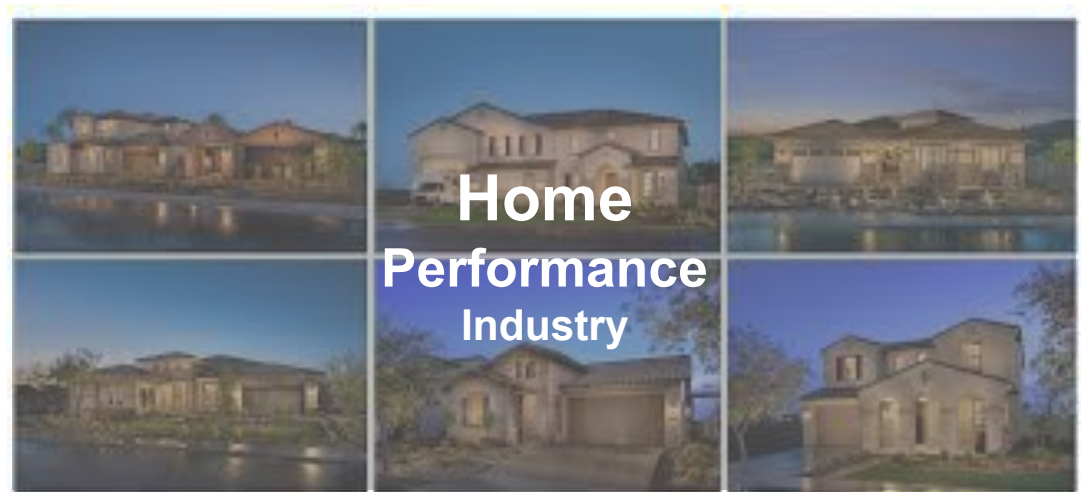
**A Market By Market
Industry
Coming Of Age?**



The Home Performance Industry Hunter Gatherers Or



A Market By Market Industry Coming Of Age?



HAVC Residential Industry



HVAC (Heating, Ventilating, and Air Conditioning) The three central functions of heating, ventilating and air-conditioning are related with one another. Contractors in this industry focus on providing thermal home comfort at effective energy usage and affordable cost.

Businesses at the contractor level (approximately 100,000 + in the U.S.) remain entrepreneurial. Home owned, their success is highly reliant on local weather and the local economy in which they succeed or fail.

Expansion to include other home services has been a path chosen by a number of contractors. Most added services in which they have expanded remain similar to their HVAC roots. They are close to the education and training needed to become a sought after and technically effective HVAC business.

HVAC home systems continue to account for a large portion of residential energy use. The industry has become high tech, producing many new energy efficient products consumers know little about. In addition, the industry has also become more and more regulated.. It is important that HVAC contractors find better ways to educate and sell their homeowner customers.

A large segment of contractors have moved from a business highly reliant on weather and aging central HVAC systems to include homeowner consultation.

Service agreements as a part of that consultancy have become a homeowner's trusted service. HVAC accredited technicians providing annual/semi-annual inspections of the home's heating, cooling ventilating have greatly improved HVAC contractor successes.

Home Performance Industry



Home performance is a comprehensive whole-house focused industry. Contractors look toward identifying and fixing all comfort and energy efficiency problems in a home. [energy audits](#)

Energy reviews are performed by energy auditors, (building analysts or consultants), which are usually certified by the Building Performance Institute (BPI) or the Residential Energy Services Network (RESNET).¹

[3|4](#)

The United States Environmental Protection Agency and Department of Energy initiated a national program "Home Performance with ENERGY STAR" to offer the comprehensive, whole-house approach to improving energy efficiency and comfort at home, while helping to protect the environment.¹⁵ There are 40 programs, to date, across the country which are administered by various utilities and state energy offices.¹⁶

Home performance applies building science covering the following issues:

- Efficient energy use
- Durability
- Health and Safety
- Indoor Air Quality
- Thermal Comfort
- Indoor moisture locations and solutions.

Diagnostic equipment includes:

- Blower door
- Duct leakage tester
- Thermal imaging camera
- Combustion analyzer
- Carbon monoxide detector.

Building Performance Contractors Are Here



An Example – From Internet Business Pages

- Many now include HVAC

Building Excellence

Logo: NABCEP
Logo: NIBS
Logo: NIBS

Free Estimates Fully Insured

SEPA

Services listed:

- Additions
- Insulating
- Remodeling
- Renovations
- Siding & Roofing
- General Carpentry
- Heating & Cooling Systems
- Energy Star Windows & Doors
- Concrete
- Drainage
- Tree Work
- Geothermal
- Energy Consulting
- Patios / Walkways / Decks
- Solar Electric Pv & Solar Thermal
- Energy Efficient Home Improvements

- Target customers based on multiple home improvement services
- HVAC must now compete internally with many added products and services.
 - Plumbing
 - Electrical
 - Insulation
 - Windows and doors
 - Security
 - Energy consulting
 - Home automation
 - Roofing/add-ons
 - Indoor air quality
 - Remodeling
 - Etc.

Many/most Homeowners are misinformed, uninformed, or not interested in their home heating and cooling systems until something happens which requires their focus.

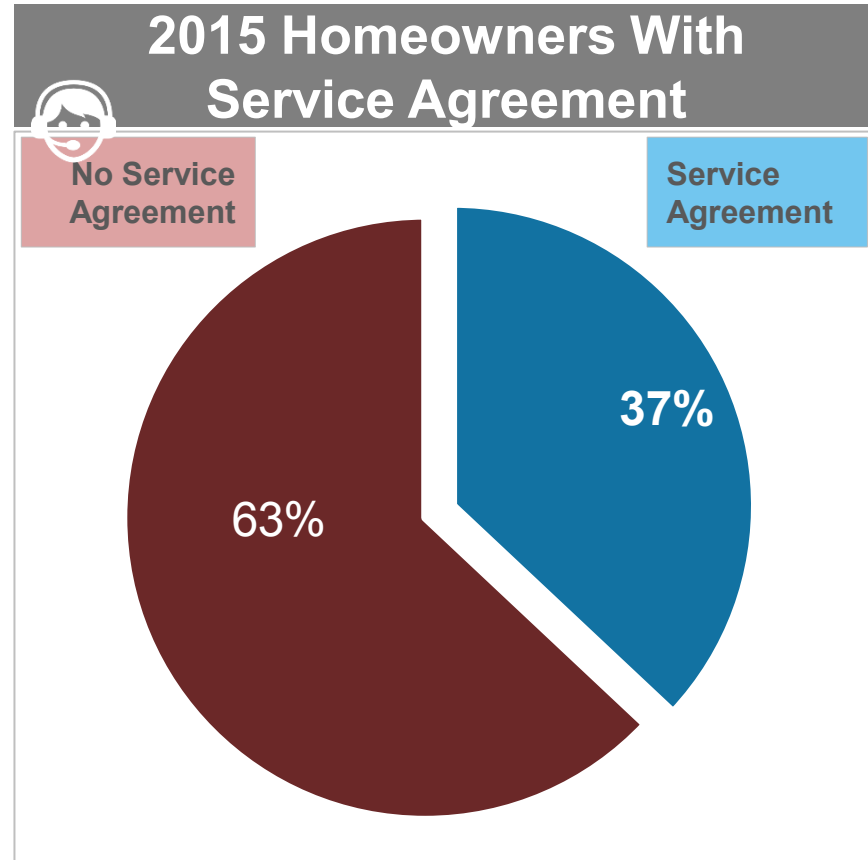
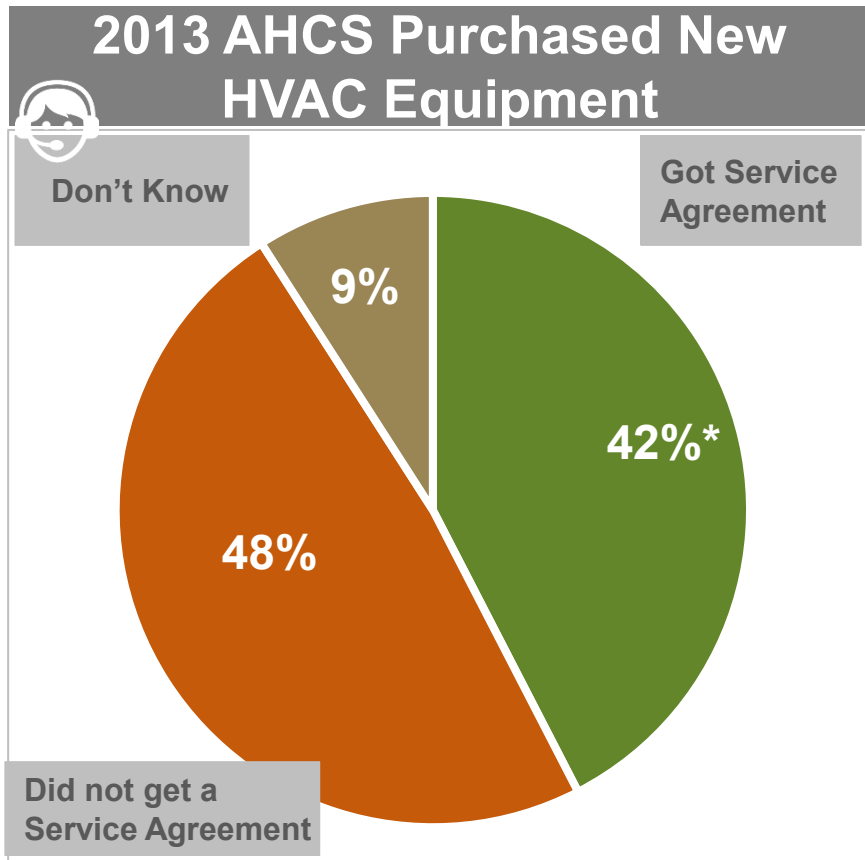
■ 2010/2015 HVAC Service Calls

All of the services/offerings within the HVAC and Home Performance industries are meaningless if we cannot find a way to consult with homeowner.

HVAC Service Calls - 2013/2015



Service Agreements – 2013 New HVAC Purchase Including a Service Agreement Versus 2015 Service Calls – Households With and Without Service Agreements



❖ *2013 Service Agreements

- One fourth of homeowners buying new central HVAC equipment also paid separately for their service agreement.
- Three fourths of the service agreements included in new HVAC equipment purchases were included in the price of the equipment.

2010 Base = 500 Homeowner decision makers. Q Did you receive a service agreement when purchasing your new central HVAC equipment?

2015 Base = 510 Q S3 Have you had either repairs or routine maintenance

performed by a contractor on your Central heating and/or cooling equipment in the past 12 months in your primary residence? Table 7 -1

The Homeowner – An Often Misinformed, Uninformed HVAC Expert



Homeowners are an important information resource. In some industries, like HVAC, highly specific instructions and definitions must often be used.

Within the HVAC industry, homeowners often do not fully understand the products and/or services they receive.

The questionnaires used in 2010 and 2015 included the following definitions

Service or maintenance agreement definition: A service or maintenance agreement with an HVAC contractor provides seasonal cleaning and system checks once or twice a year.

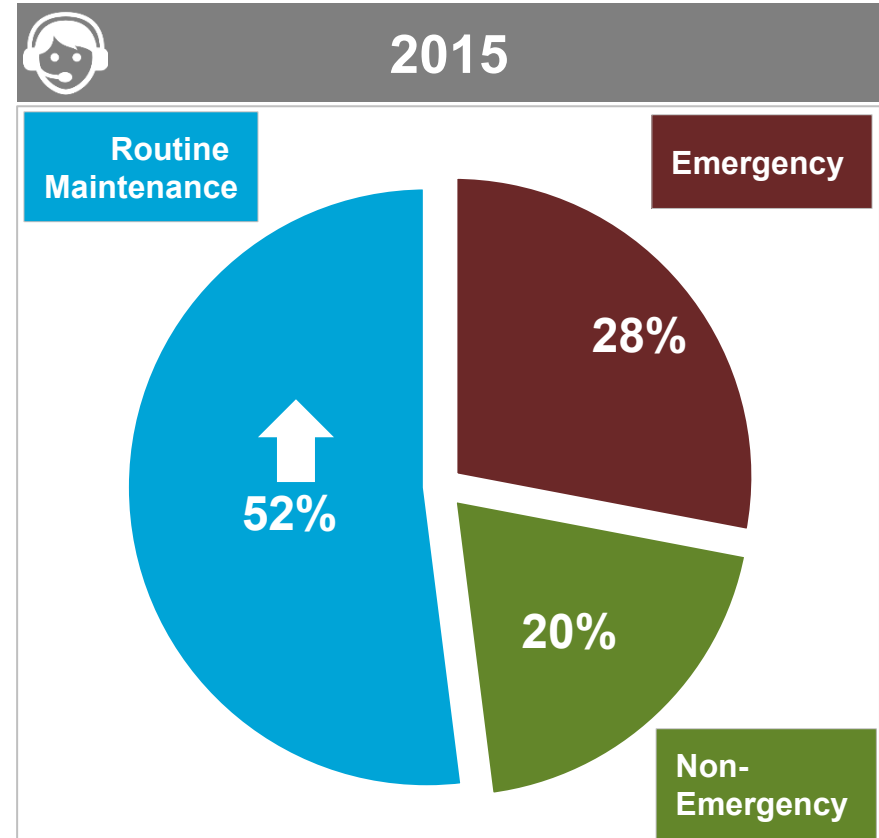
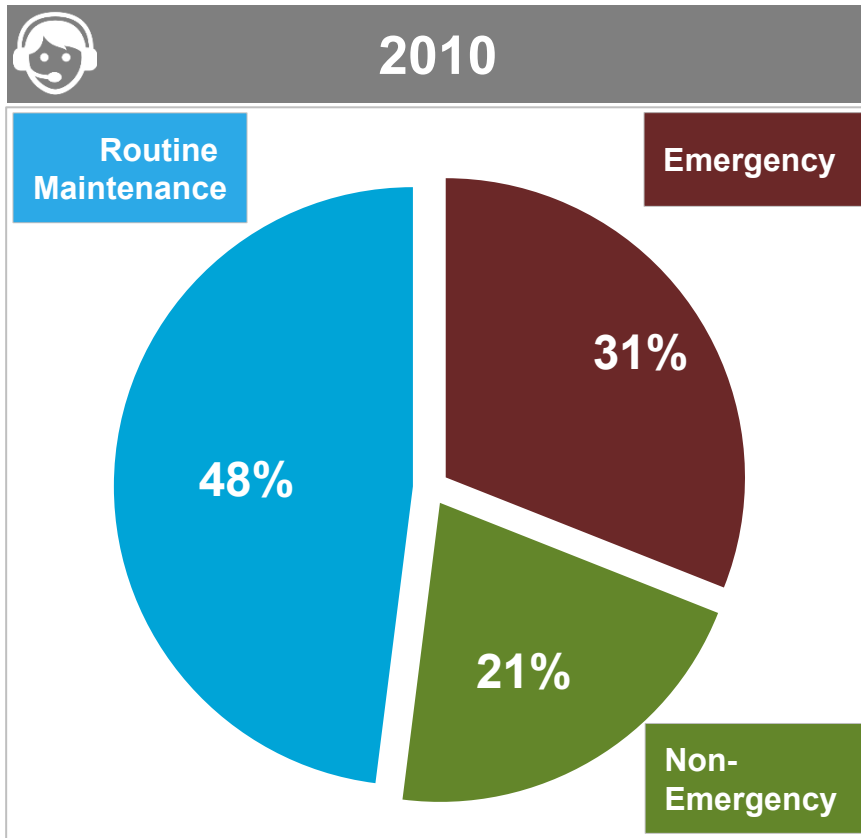
Homeowner's warranty: The definition used within this study states that "A homeowner's warranty covers major home appliances and systems, including central heating and/or cooling systems."

HVAC Service Calls



Past 12 Months

Routine maintenance now accounts for more than half of all service calls.

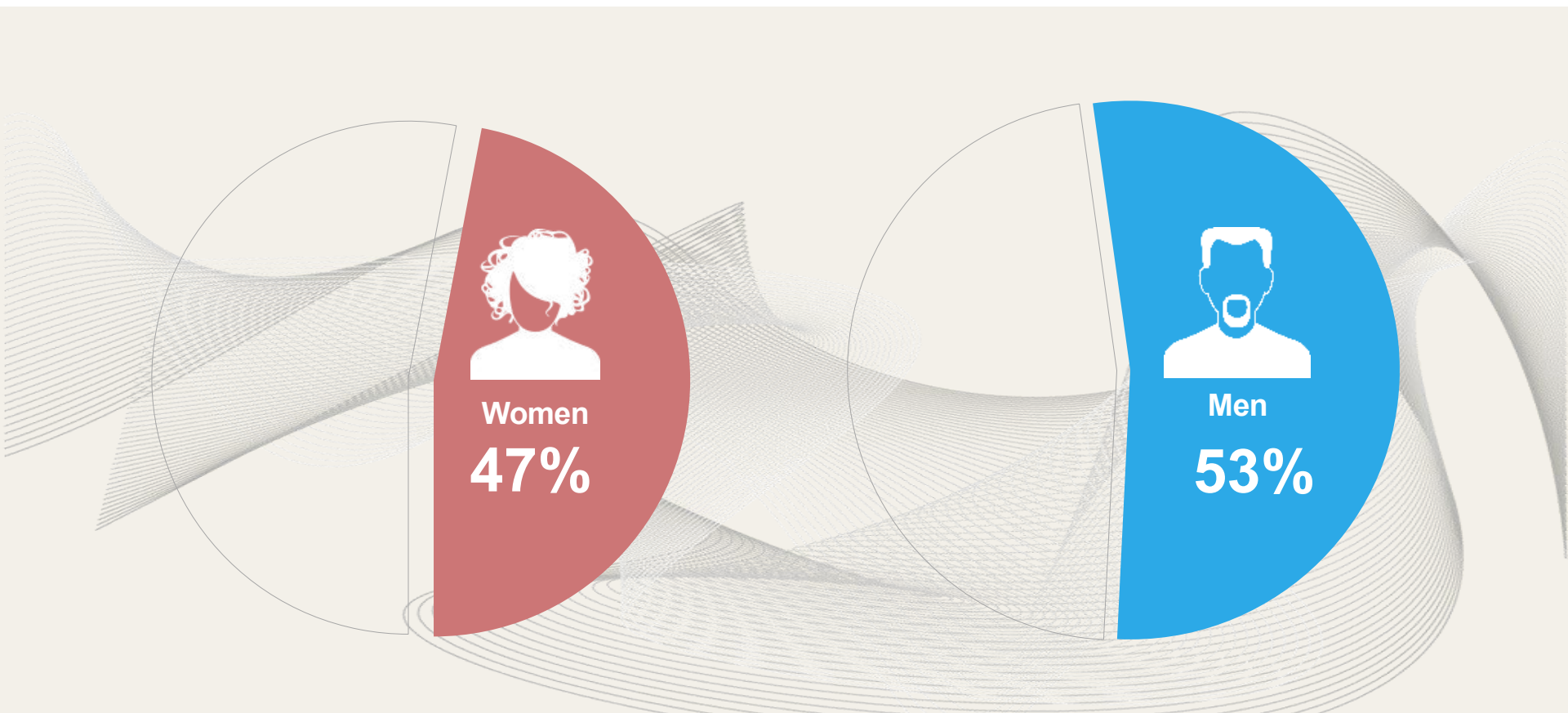


2010 Base = 500 Homeowner decision makers. 2015 Base = 510 Q S3 Have you had either repairs or routine maintenance performed by a contractor on your Central heating and/or cooling equipment in the past 12 months in your primary residence?

Customers Initiating the Service Call



2015 Service Calls



Base = 510, Q23 Are you male or female t.147,B1

Homeowner Decision Makers

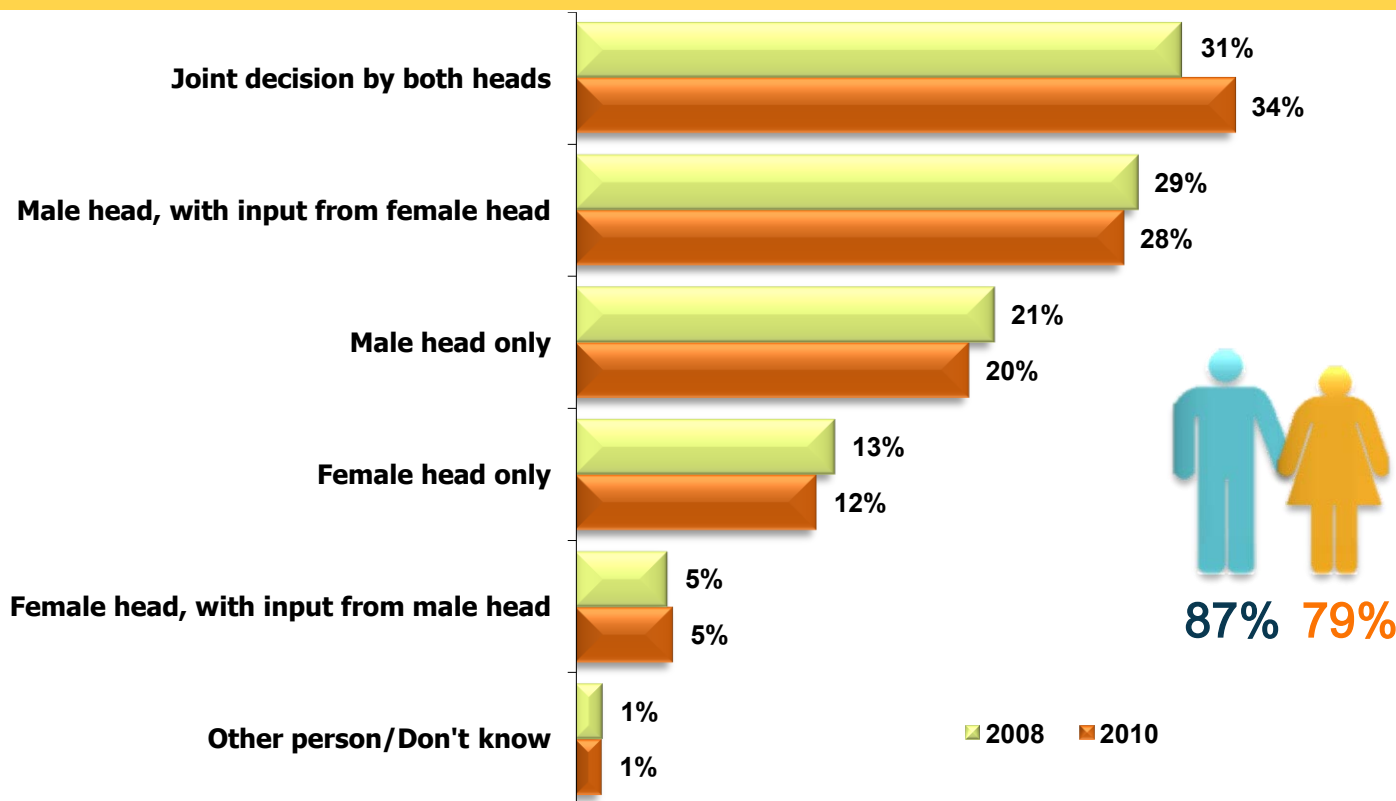


Should new equipment come under advisement, this interaction takes place

Source, 2010 American Home Comfort Encyclopedic study

Respondents = Homeowner decision maker

- The HVAC purchase (a complete system or part of a system) is made in a number of ways.

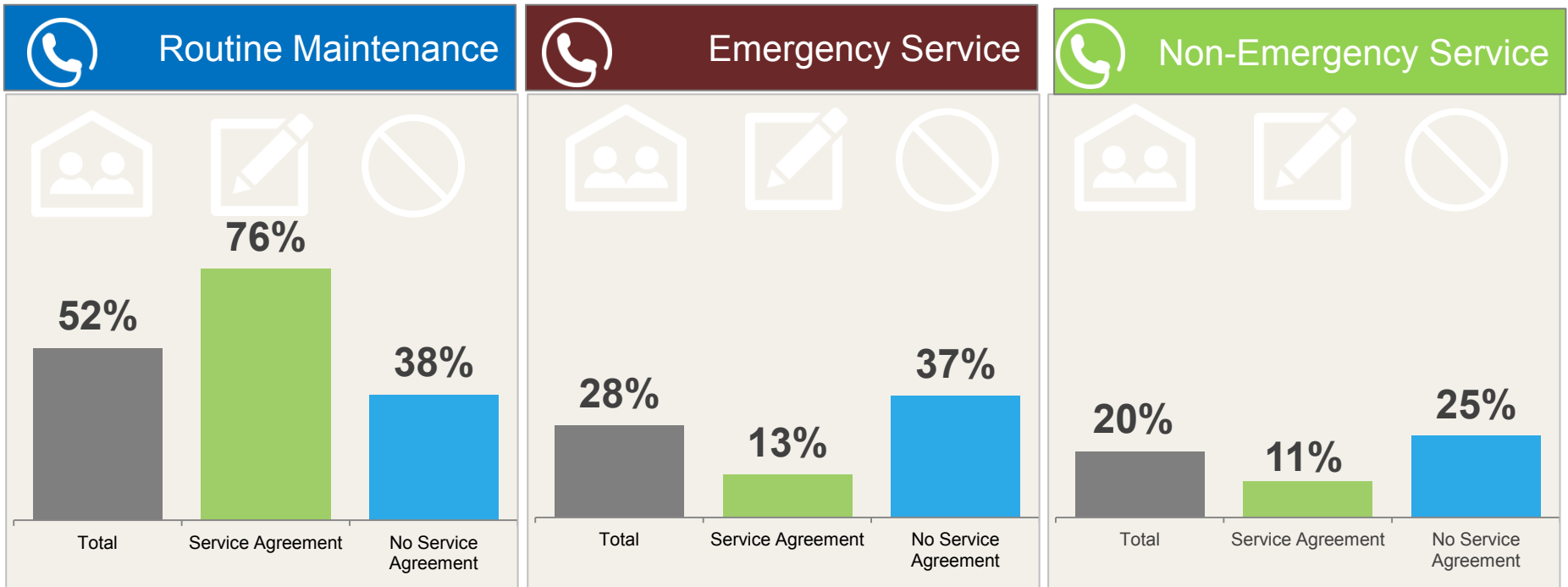
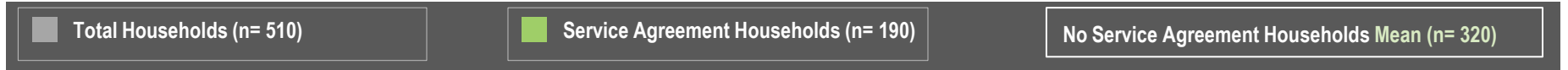


The decision process takes a number of scenarios. Those empowered should understand who makes the decisions and the best ways to help them understand the choices and their ramifications.

Service Calls 2015



2015 Total Households versus Service Agreement Households

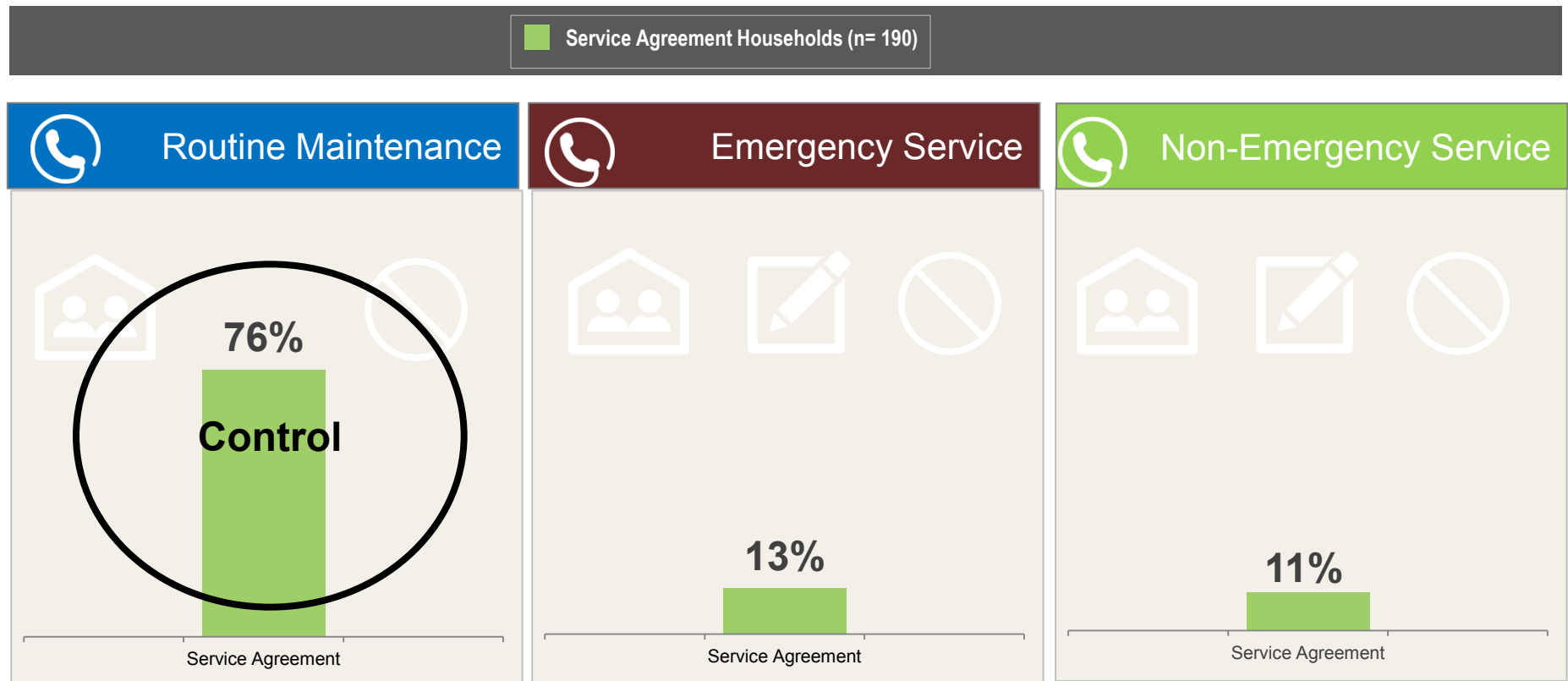


Q1. How would you describe the most recent service call on your central heating and /or cooling equipment?

Service Calls 2015



2015 Total Households versus Service Agreement Households



Contractors who build a robust service agreement component inside their business model become more in **Control** of their businesses. They are much more apt to take advantage of and succeed within local market economic conditions regardless of what those conditions are “feast or famine.”

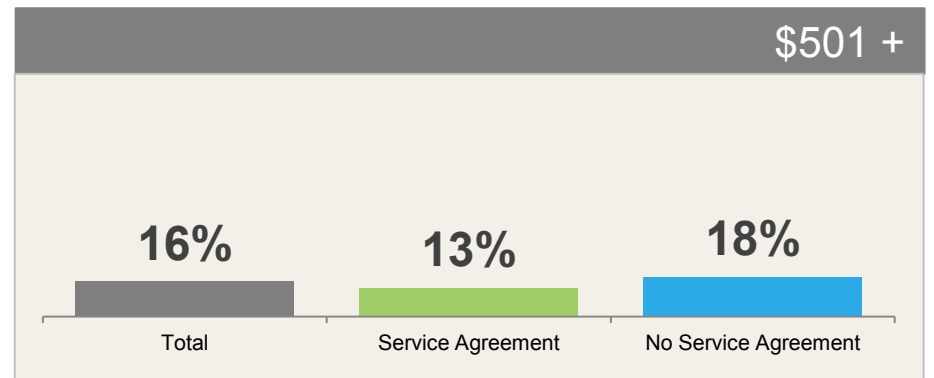
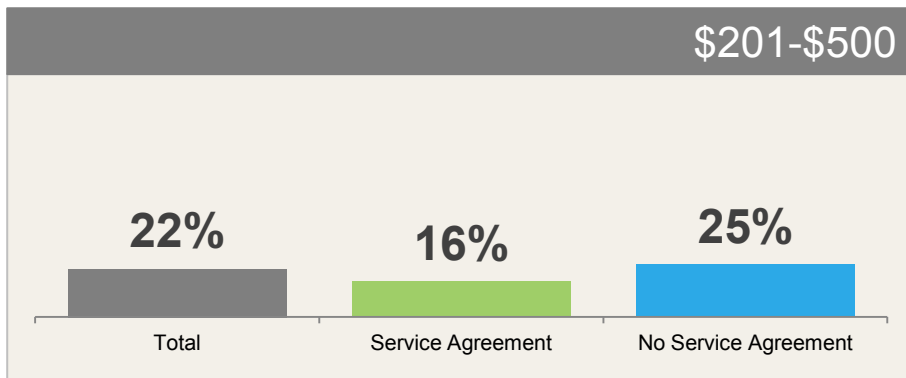
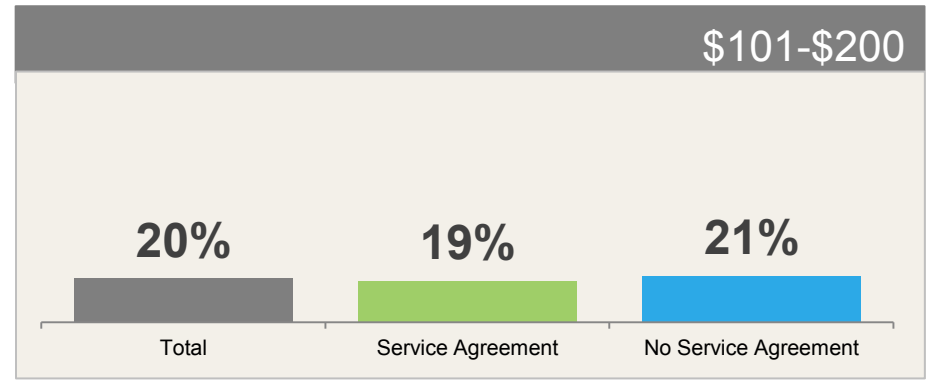
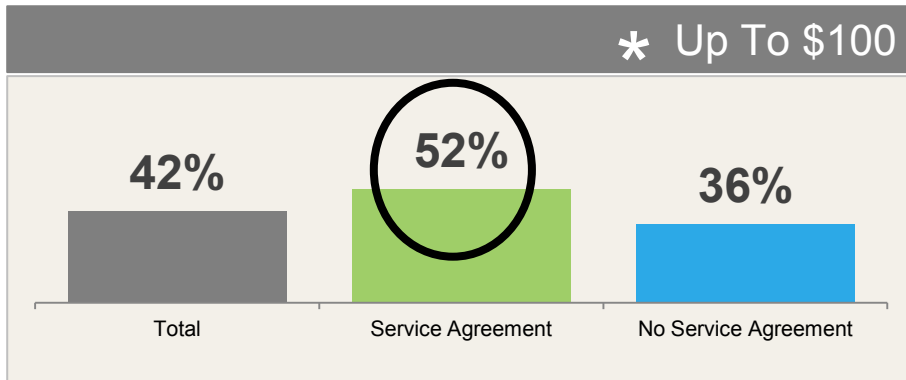
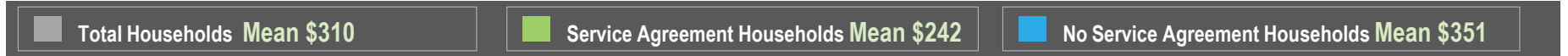
Q1. How would you describe the most recent service call on your central heating and /or cooling equipment?

Service Calls 2015



2015 Average Cost

Service Agreement Contract costs are often not included in homeowner thoughts or payment schedules...



* Service calls the homeowner feels they paid nothing for (Total = 15% - Service Agreement = 28% - No Service Agreements = 8%)

2015 Base = 510 home owners with recent service calls. 190 Service agreement homeowners. 320 Homeowners without a service agreement. 18. What was the final cost of your most recent service call?

Service Agreements – So Critical To Success, Yet So Different Based On Who You Talk To



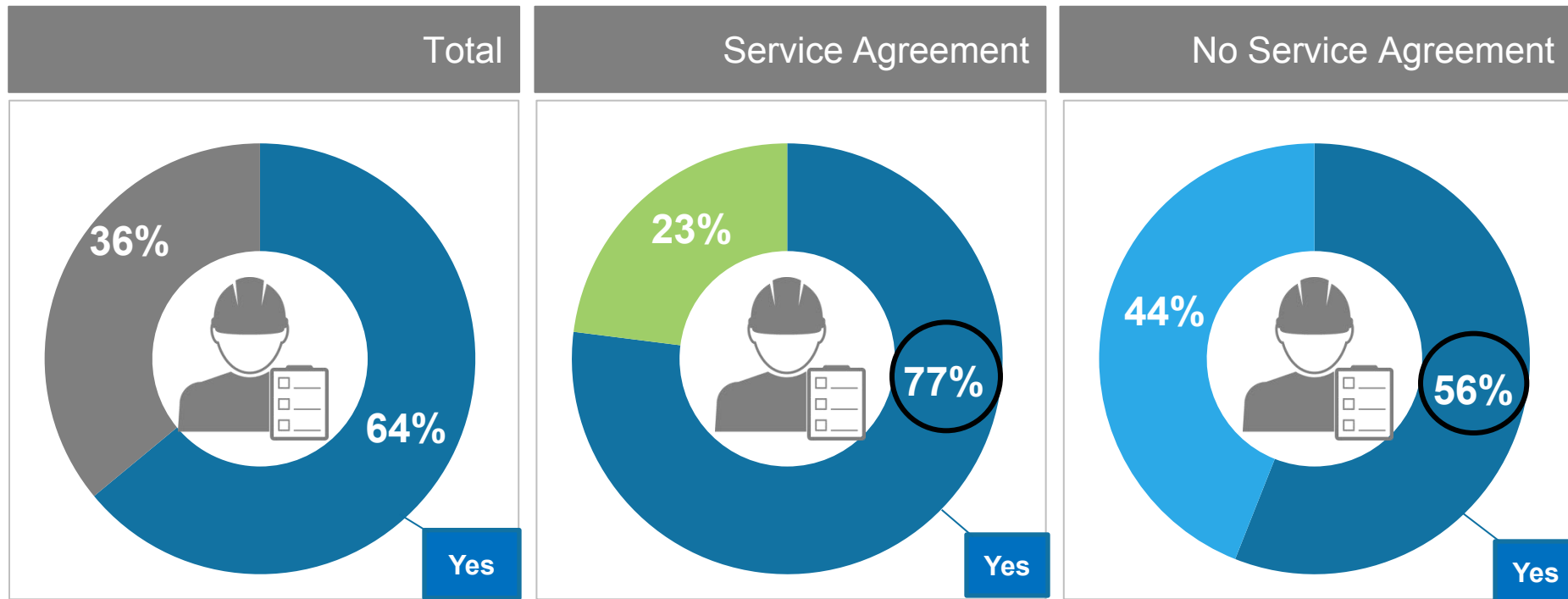
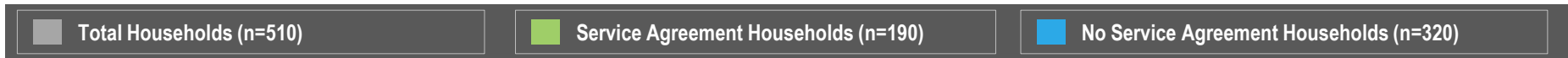
Why Do Service Agreement Contractors Make So Little Per Call?

1. Often contractors “give away” service agreements with the sale of new central system equipment. It gives them one to two service agreement calls in the home to prove the value of the service before the homeowner is billed for the next year’s service.
2. Service agreements are paid for annually, in some cases automatically – whether automatic or not, often homeowners consider the payment separately from the actual call. Many do not equate a cost to the service call. It becomes a relationship call!
3. Many service homeowners are security driven. The service call is doubly important, and payments for the calls go into their household security systems budget along with security alarms and home warranty payments.
4. Some contractors make money betting on the service call finding “for pay fixes.” They may lose money on a service agreement call when findings do not reveal a need for added work.

Service Call 2015



Remember Contractor's Name After The Service Call



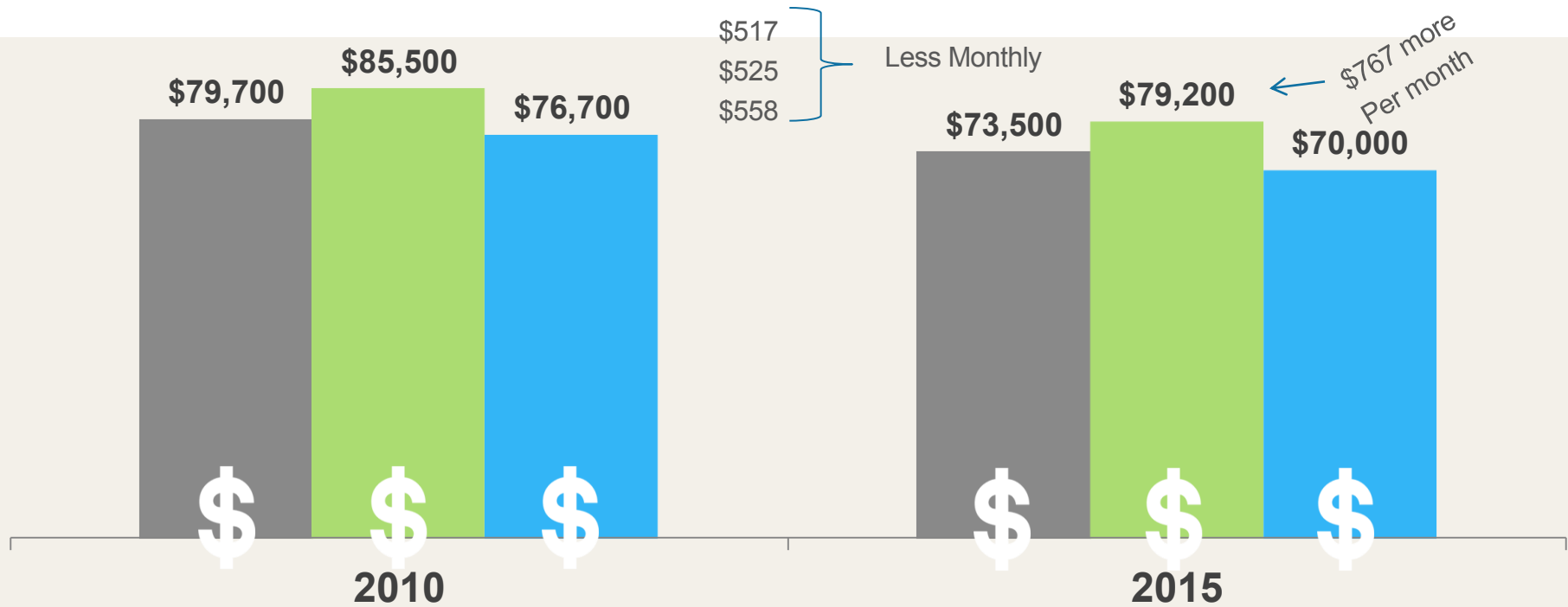
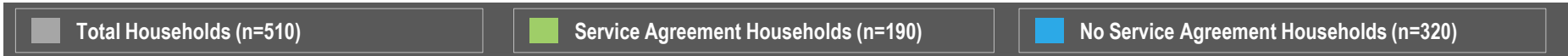
While long a “Hunter Gatherer” industry, this home service business is changing and service agreement contractors are leading the way. Relationships are developing. A full three fourths of service agreement homeowners know their contractor’s name.

Q22. Do you recall the name of the company that dispatched the contractor or technician to perform your most recent service call?

Average Household Income

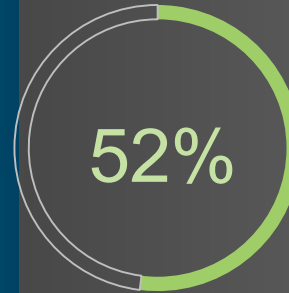


On average homeowner income is significantly lower than 2010



On average, homeowners with a service call this year had \$500+ fewer dollars per month than those in 2010.

2010 Base = 500; 2015 Base = 510 total homeowners; Q24. what is your household's approximate annual income before taxes?



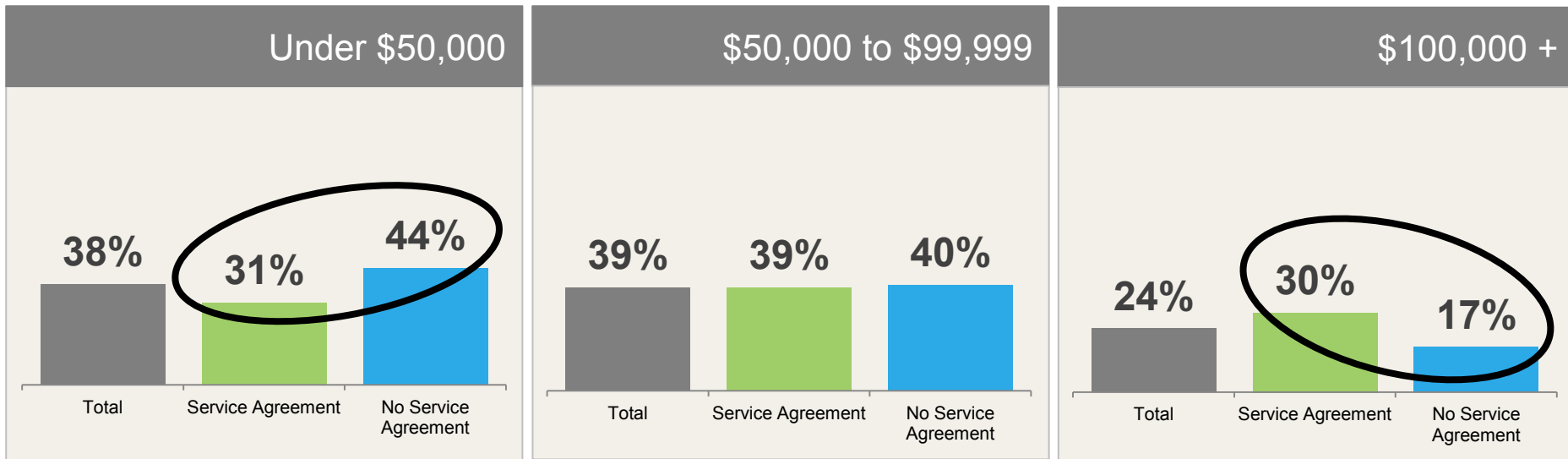
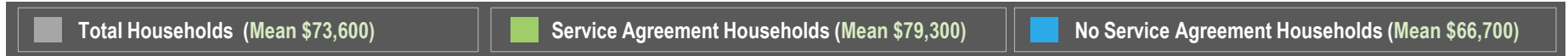
Routine Maintenance Service Calls



Household Income 2015



Among Consumers who had Routine Maintenance Service Calls



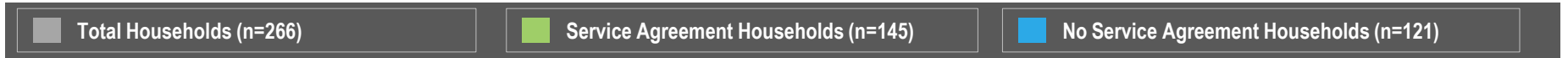
Service agreement contractors have better recruited the more affluent homeowner. Less affluent homeowners have more often used seasonal clean & check promotions.

2015 Base = 266; service agreement = 145; no service agreement = 121; homeowners who had a recent routine maintenance service call.
Q 24. What is your household's approximate annual income before taxes?

Age of HVAC Equipment 2015

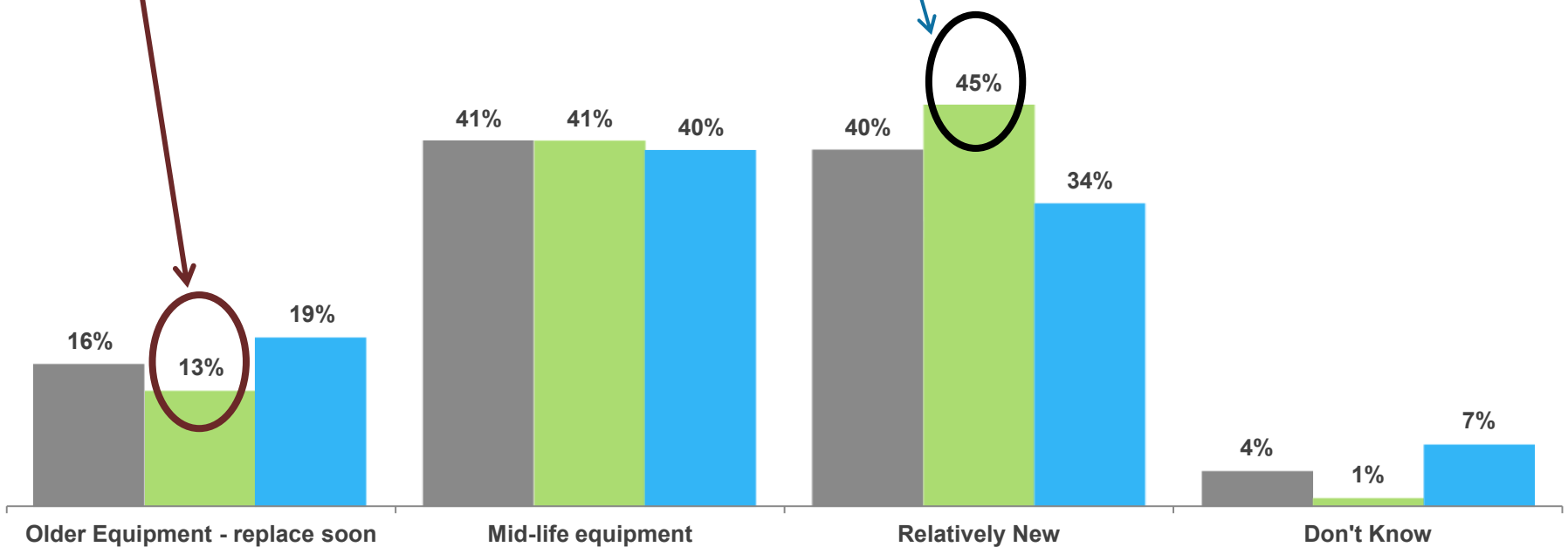


Among Consumers Who Had Routine Maintenance Service Calls



Added service agreement outreach is still needed here.

Contractor inclusion of service agreements within the sale of central equipment is reflected here.



2015 Base = 266 homeowners who had a recent routine maintenance service call.
 Q21. Would you describe the equipment that was serviced, repaired, or replaced during your recent service call as...?

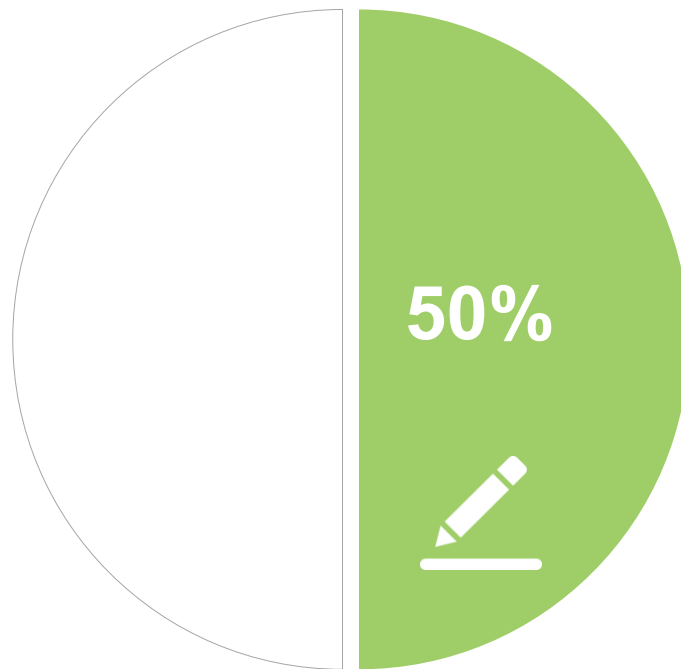
Service or Maintenance Agreement



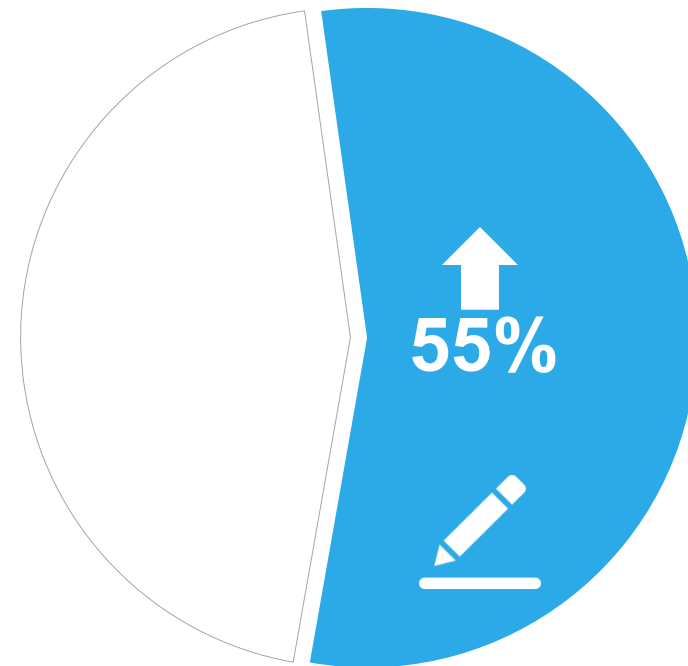
Among Consumers Who Had Routine Maintenance Service Calls

Has a Service or Maintenance Agreement With An HVAC Contractor

2010



2015



Service/Maintenance agreements continue to grow among homeowners wishing to check and clean their central HVAC systems prior to seasonal use.

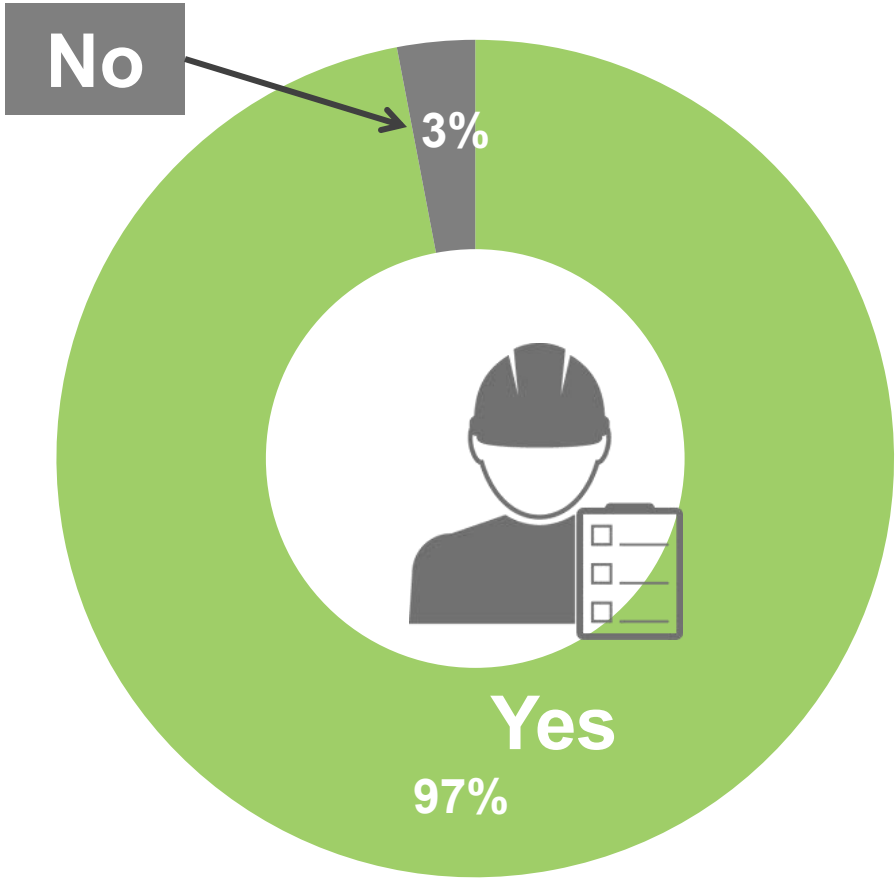
2010 Base = 239, 2015 Base = 266 homeowners who had a recent routine service call.
Q2 Do you have a service or maintenance agreement with a heating or cooling systems contractor?

Service Call With Same Contractor 2015



Among Consumers Who Had Routine Maintenance Service Calls

Service Call With Same Contractor Holding The Service Agreement



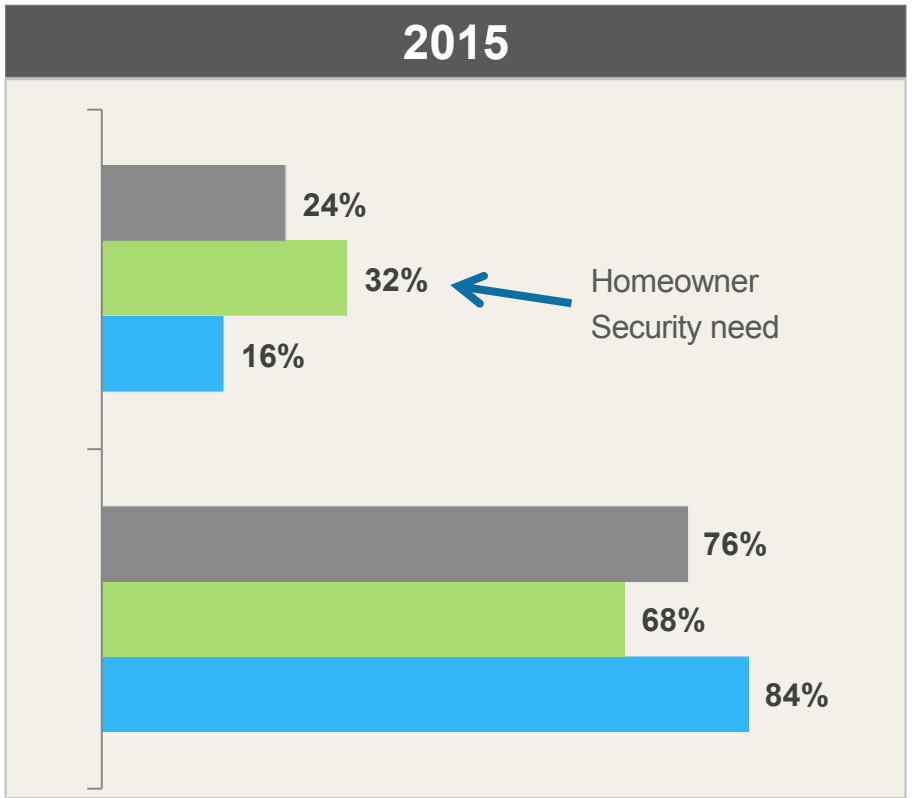
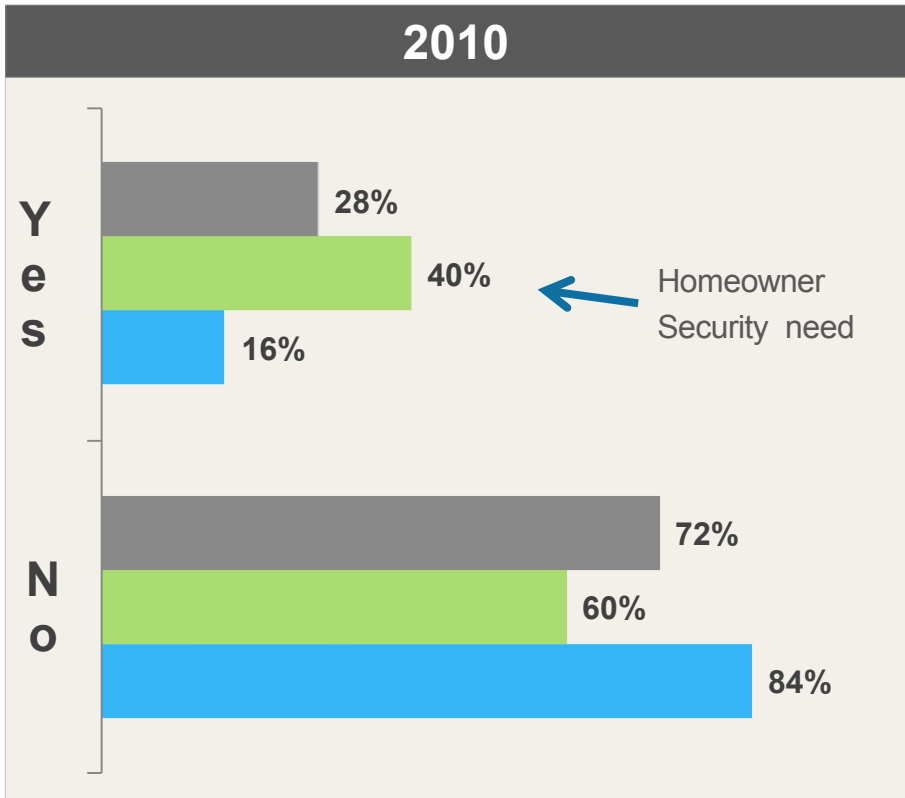
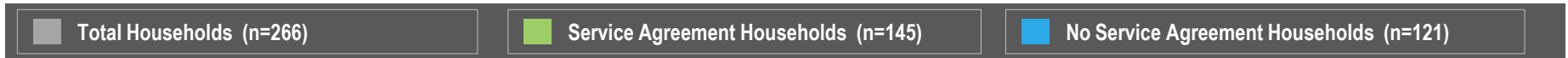
Most contractors complete their service agreement calls with their homeowner customers.

2015 Base = 145 homeowners who had a recent routine maintenance service call and have a service agreement.
Q3 Was your most recent service call conducted by the same contractor with whom you have a service agreement?

Has a Homeowner's Warranty



Among Consumers Who Had Routine Maintenance Service Calls



2015 Base = 266 homeowners who had a recent routine maintenance service call.
 Q2. Do you have a warranty that covers major home appliances and systems including HVAC?

2010 Base = 239 homeowners who had a recent routine maintenance service call.
 Q2. Do you have any of the following...A warranty that covers major home appliances and systems including HVAC?

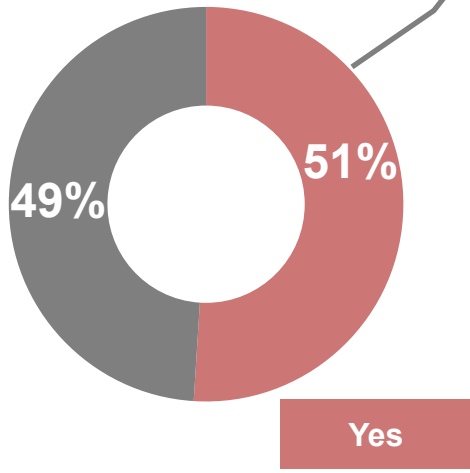
Homeowner's Warranty 2015



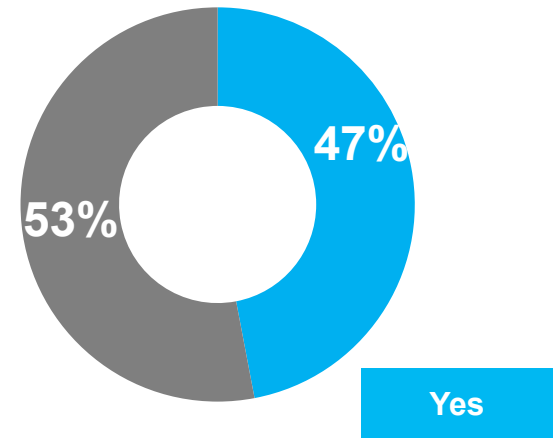
Among Consumers who had Routine Maintenance Service Calls

Service Call Claimed Under The Homeowner's Warranty

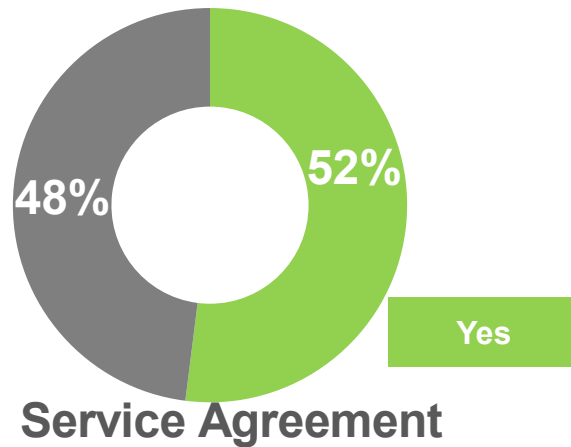
Note: 94% of those claims were approved.



Total



No Service Agreement



Service Agreement

2015 Base 266 homeowners who had a recent routine maintenance service call and have a homeowner's warranty
Q5. Did you claim the service or repair under your homeowner's warranty?

Contactor Selection Criteria



First Reason for Selecting Contractor 2015



Among Consumers Who Had Routine Maintenance Service Calls

Most Important Reason for Selecting Contractor Selected

Service Agreement (n=145)		No Service Agreement	
Have Service Agreement	38%	Has done good work	
Had done work from me in the past	15%	Made me feel confident in their quality of work	7%
Made me feel confident in their quality of work	10%	Member	7%
Offered 100% Satisfaction	5%		

Relationship

Relationship

Relationship

Sample = 266 homeowners who had a recent routine maintenance service call. Q10. What was the one most important reason why you selected the contractor who conducted your most recent service call?

All Contributing Reasons For Selecting Contactor 2015



Among Consumers Who Had Routine Maintenance Service Calls

First + Remaining Activities/Reasons That Homeowners Said Led Them To Service Contractor

	Service Agreement	No Service Agreement
Have done good work for me in the past	54%	58%
Made me feel confident about their work quality	33%	45%
Was helpful and informative	22%	29%
Had a service/maintenance agreement	57%	4%
Appointment best fit my schedule	22%	24%
Seemed most competent	13%	24%
Offered a service guarantee	26%	17%
Offered lowest price for service	16%	17%
Offered 100% satisfaction or money back	18%	12%

2015 Base = 266 homeowners who had a recent routine maintenance service call. Service agreement = 145, no service agreement = 121. Q10. What was the one most important reason why you selected the contractor who conducted your most recent service call?

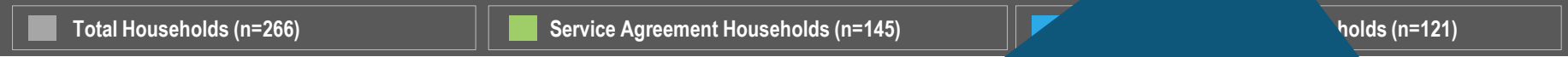
Contractor Professionalism



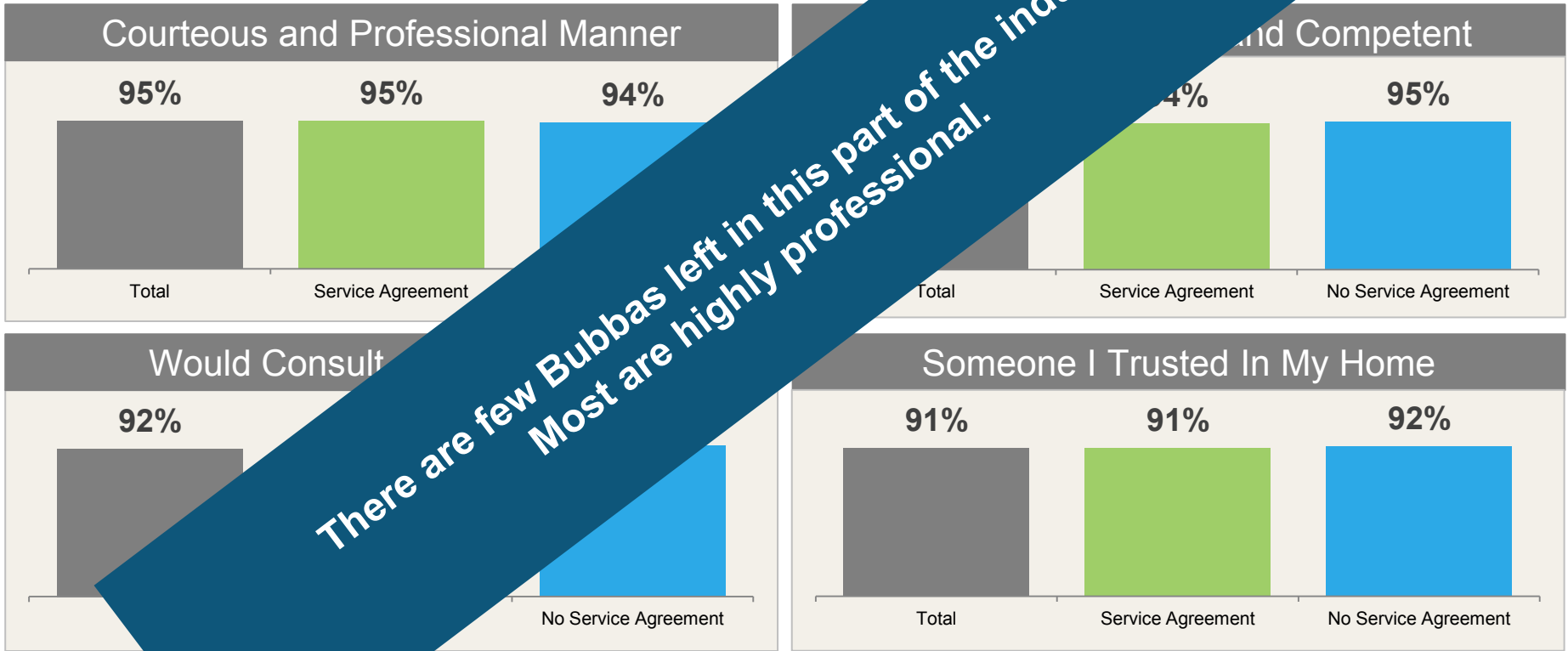
Contractor/Technician Assessment 2015



Among Consumers Who Had Routine Maintenance Service Calls



Top -Two Box



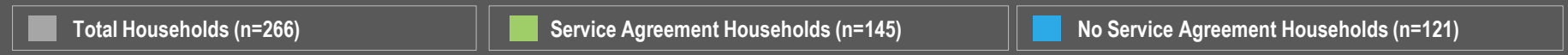
There are few Bubbas left in this part of the industry.
 Most are highly professional.

2015 Base = Homeowners who had a recent routine maintenance service call.
 Q14. Which statement best describes when the contractor or technician....

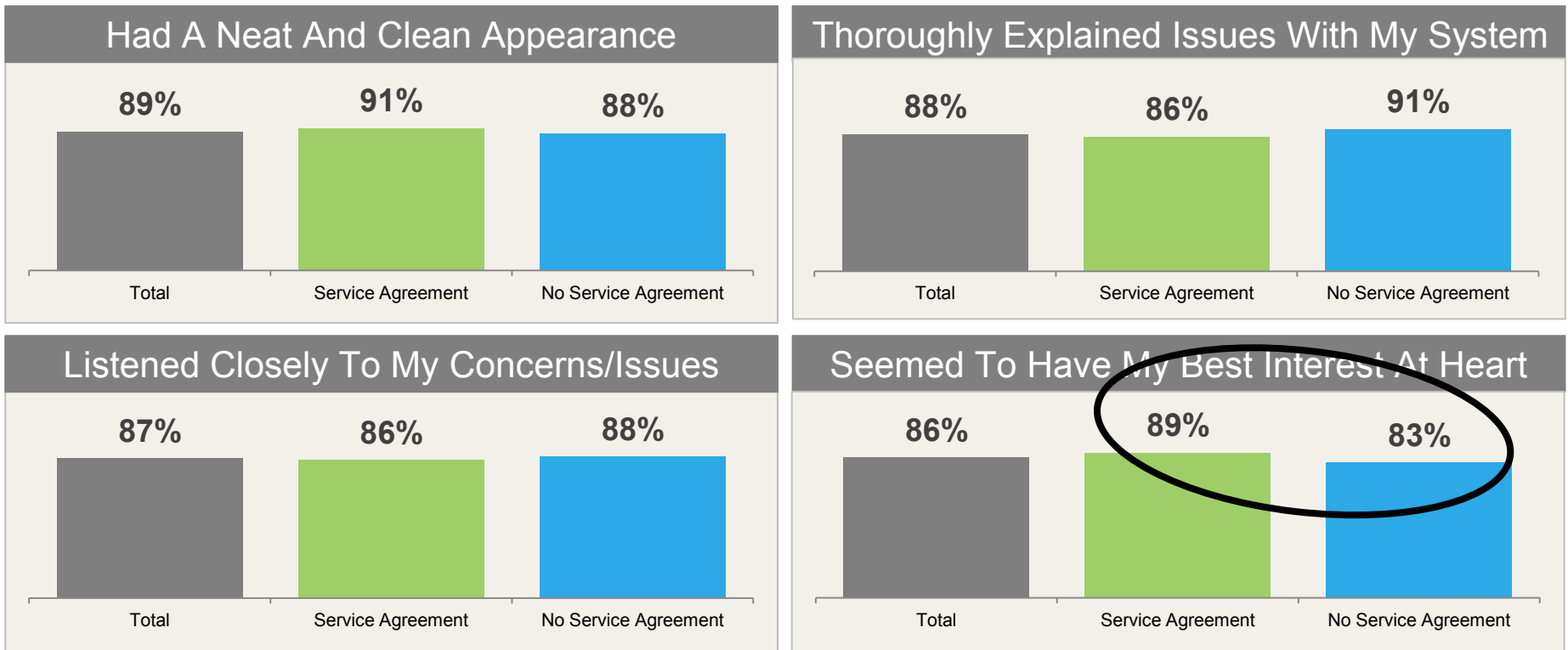
Contractor/Technician Assessment 2015



Among Consumers Who Had Routine Maintenance Service Calls



Top -Two Box



2015 Base = Homeowners who had a recent routine maintenance service call.
Q14. Which statement best describes when the contractor or technician.....

Solution and Price Quote 2015



Among Consumers Who Had Routine Maintenance Service Calls

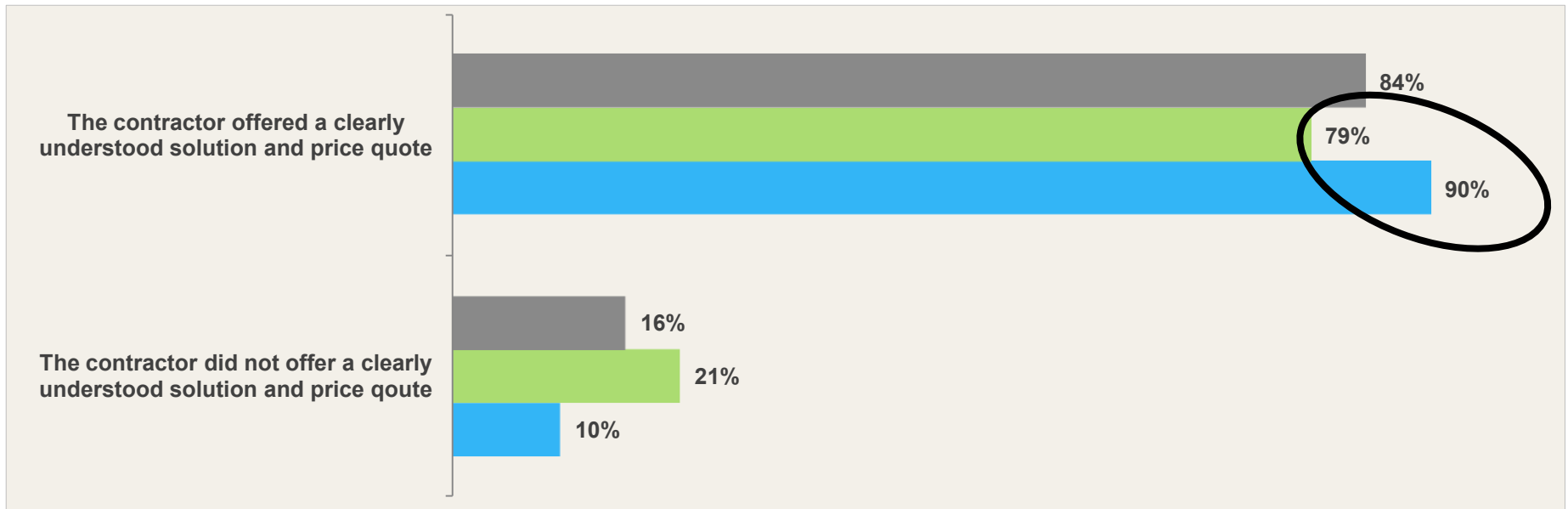
Offered Understandable Solution and Price Quote.

■ Total Households (n=266)

■ Service Agreement Households (145)

■ No Service Agreement Households (n=121)

Top - Two Box



2015 Base = Homeowners who had a recent routine maintenance service call.
Q14 How much do you agree or disagree with the following statements offered a clearly understood solution and price quote?

Contractor Demeanor 2015



Among Consumers who had Routine Maintenance Service Calls

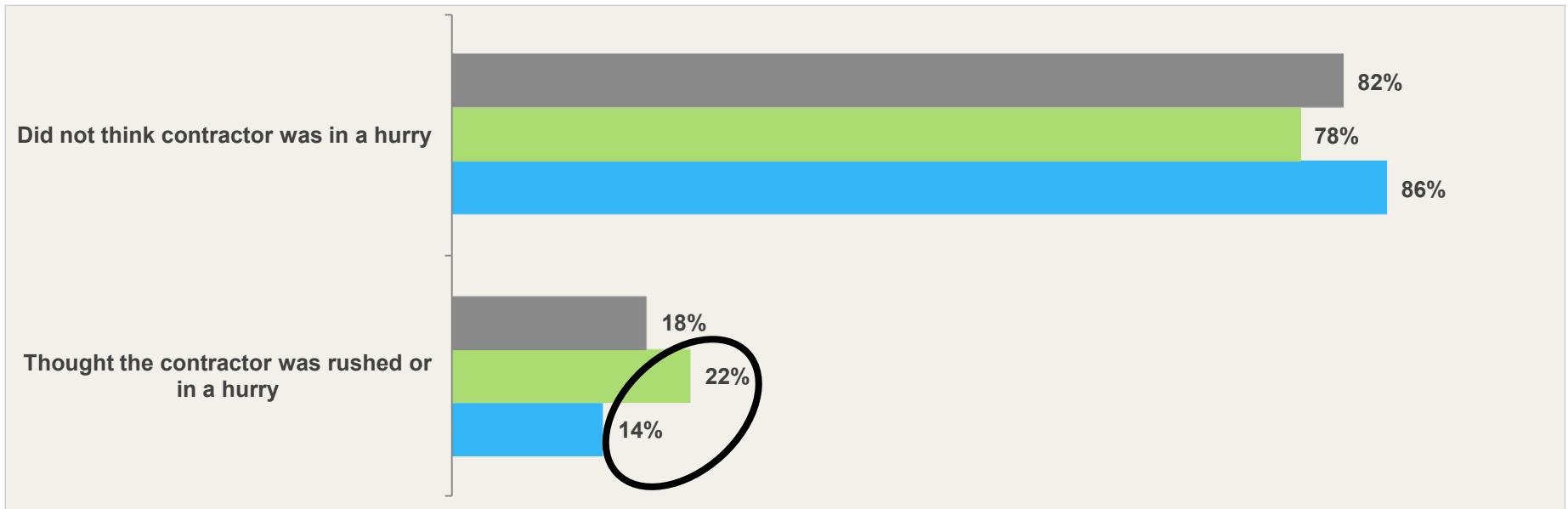
Rushed, In A Hurry

Total Households (n=266)

Service Agreement Households (n=145)

No Service Agreement Households (n=121)

Top Two Box



2015 Base = Homeowners who had a recent routine maintenance service call.
Q14. Which statement best describes when the contractor or technician.....

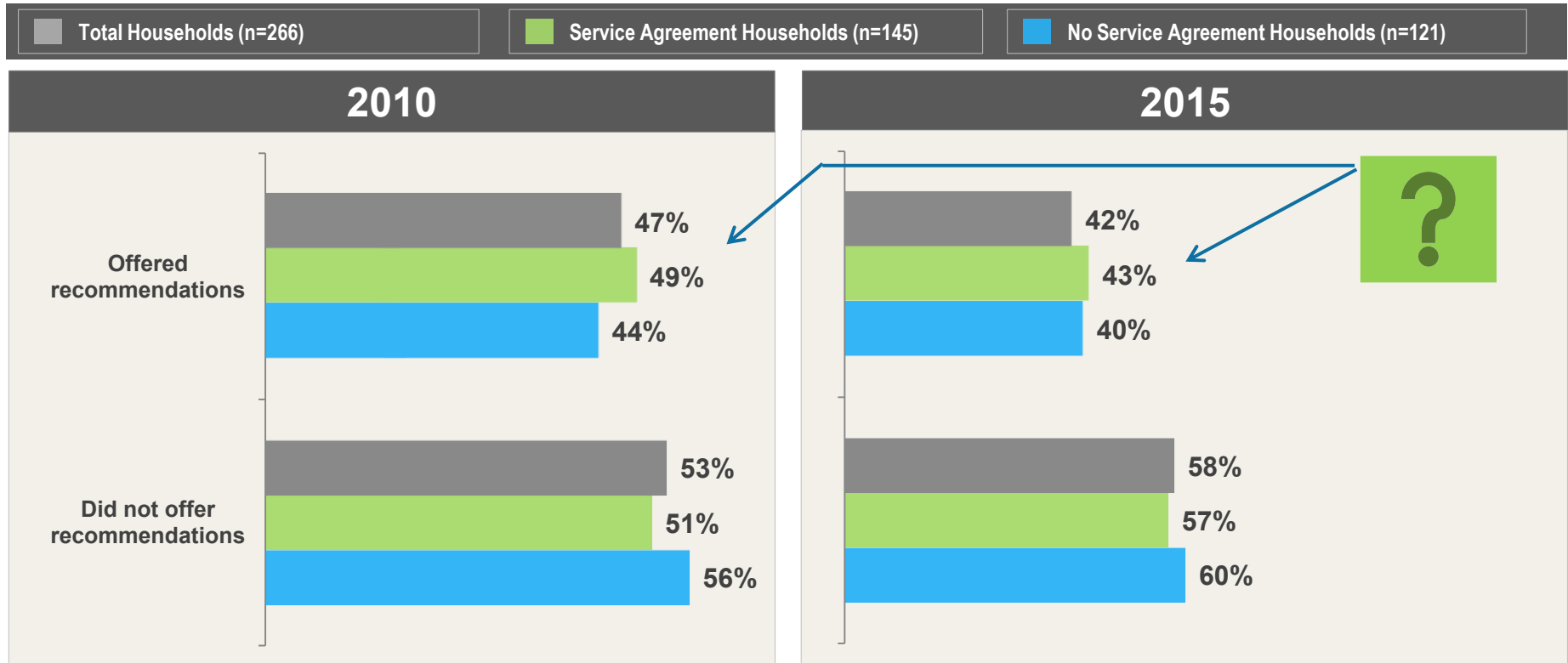
Contractor Consultation



Energy-Efficiency

Recommendations/Consultation

Among Consumers who had Routine Maintenance Service Calls



2010 Base = 239 - 2015 Base = Homeowners who had a recent routine maintenance service call.

Q19 Which of the following actions, if any, did the contractor or technician take regarding the energy efficiency of your central HVAC system?

Energy Efficiency Recommendations Made 2015



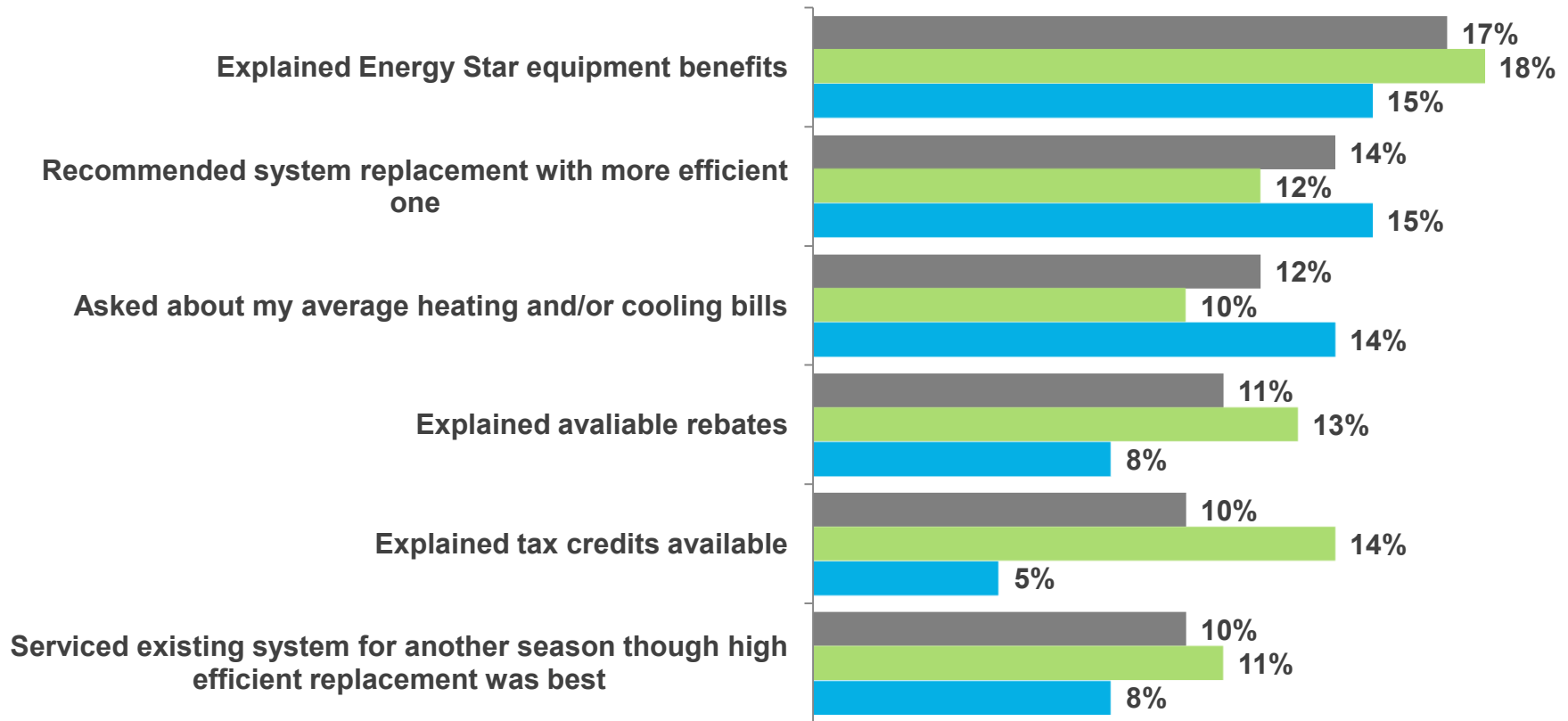
Among Consumers Who Had Routine Maintenance Service Calls

Selected Contractor's Energy Efficiency Recommendations

■ Total Households (n=266)

■ Service Agreement Households (n=145)

■ No Service Agreement Households (n=121)

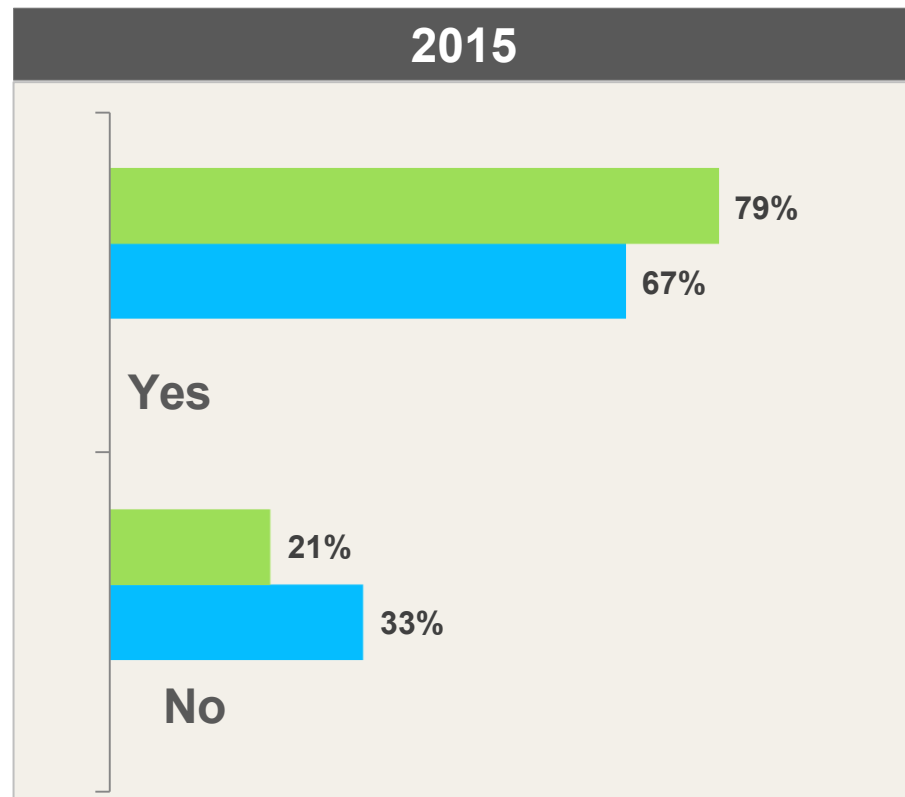
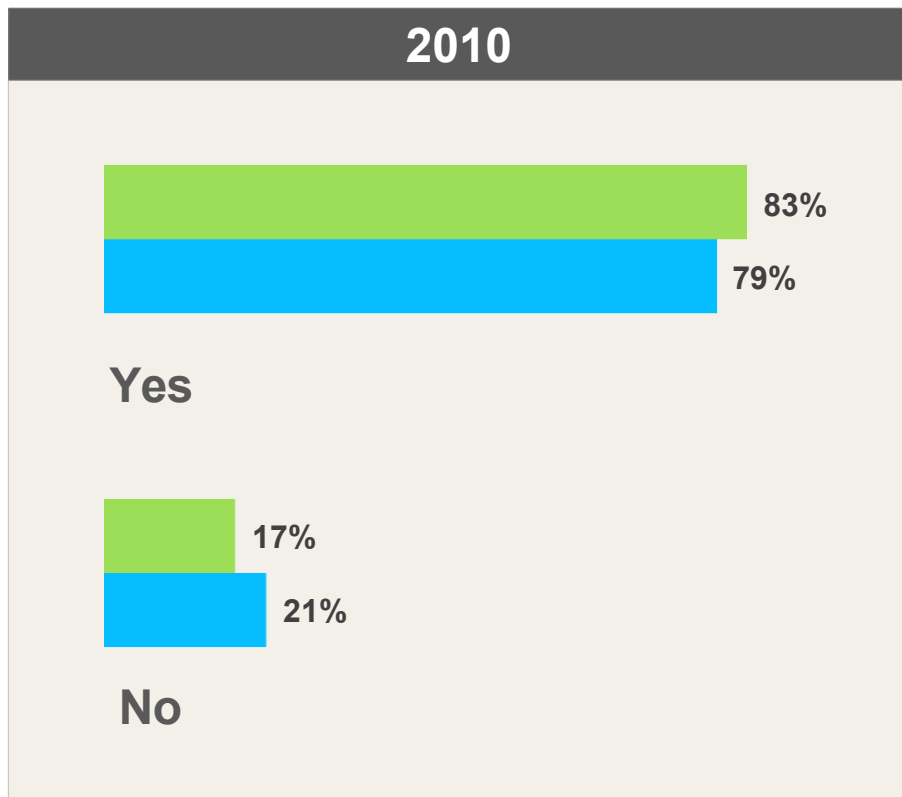


2015 Base = Homeowners who had a recent routine maintenance service call and took action regarding energy efficiency.
Q19. Which of the following actions, if any, did the contractor or technician take regarding the energy efficiency?

Homeowners Plan to Take Action Based on Recommendations



Among Consumers Who Had Routine Maintenance Service Calls



2010 Base = 112, 2015 Base = 195 homeowners who had a recent Emergency and Non-emergency service call.
 Q20. Based on the recommendations of your contractor, or technician, which of the following actions, if any, do you plan to take.

Homeowner Responses 2015



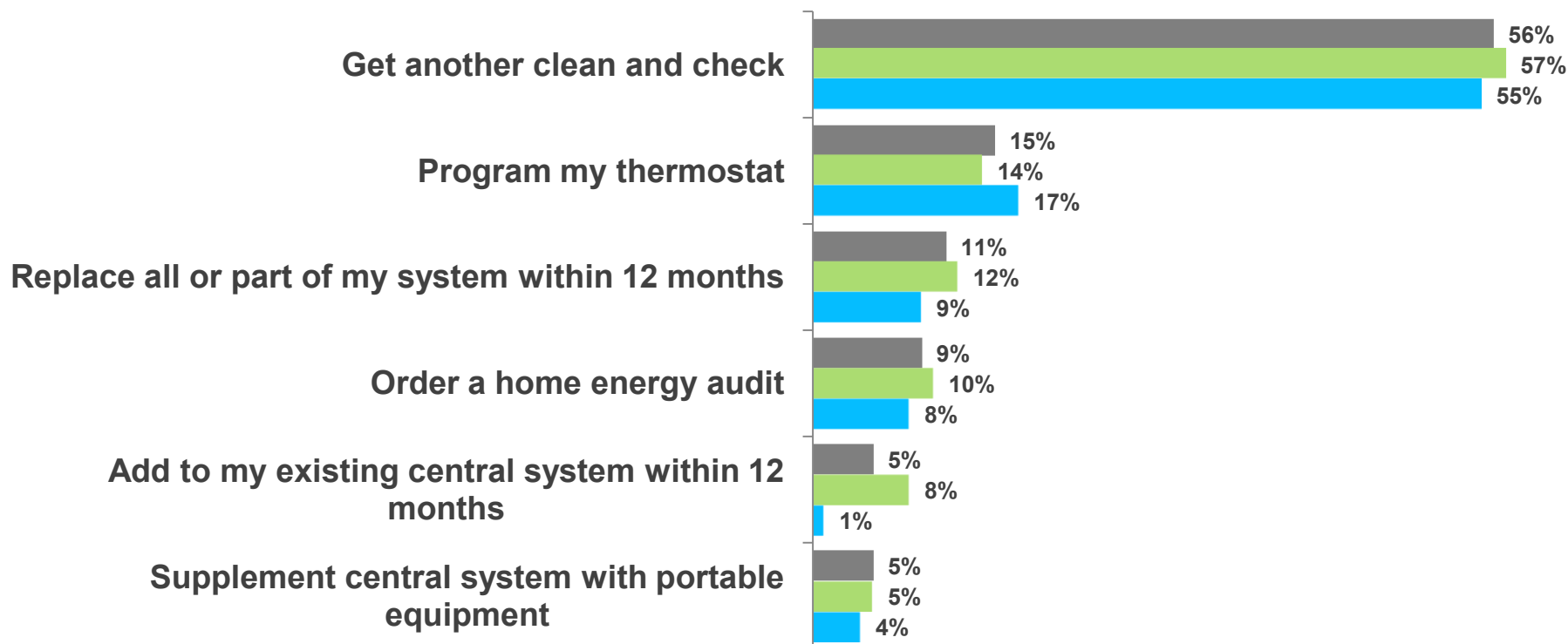
Among Consumers who had Routine Maintenance Service Calls

Selected Homeowner Responses To Contractor Recommendations

■ Total Households (n=266)

■ Service Agreement Households (n=145)

■ No Service Agreement Households (n=121)



2015 Base = Homeowners who had a recent routine maintenance service call and took action regarding energy efficiency. Q20. Based on the recommendations from your contractor/s or technicians(s), which of the following do you plan to do with your central heating and/or cooling system?

Contractor Ratings



Among Consumers Who Had Routine Maintenance Service Calls

Someone I Would ask for their Consultation and Hire Again

Total Households (n=266)

Service Agreement Households (145)

No Service Agreement Households (121)

2010

The contractor is someone I would consult with and hire for future work in my home

93%

94%

92%

The contractor is not someone I would hire for future work in my home

7%

6%

8%

2015

92%

90%

94%

8%

10%

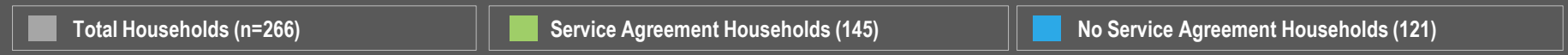
6%

2010 Base = 239 – 2015 Base = Homeowners who had a recent routine maintenance service call.

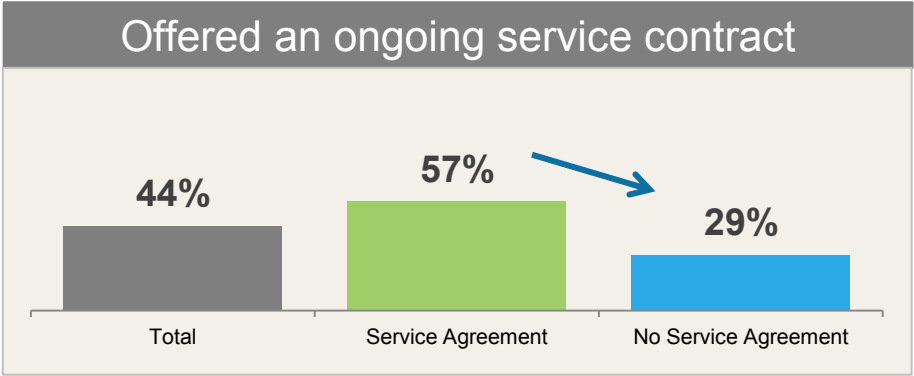
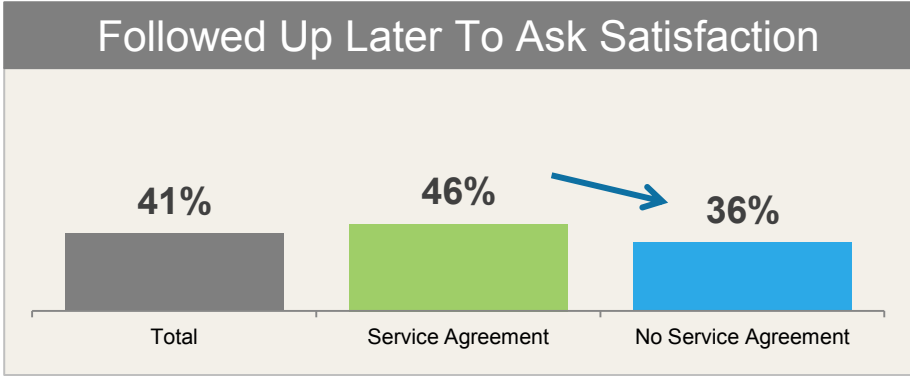
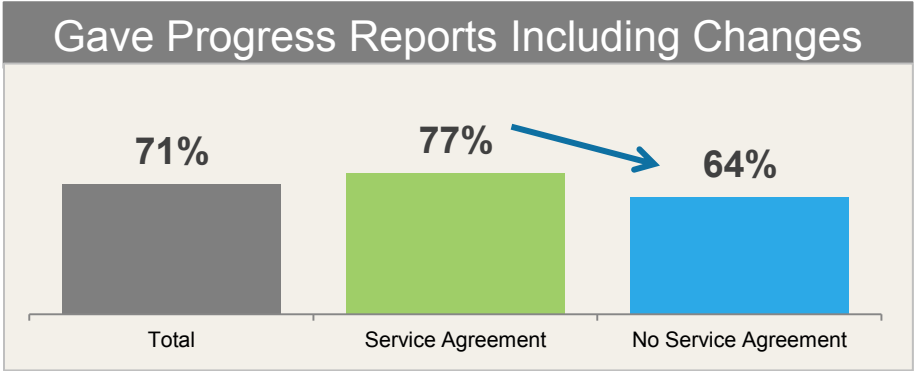
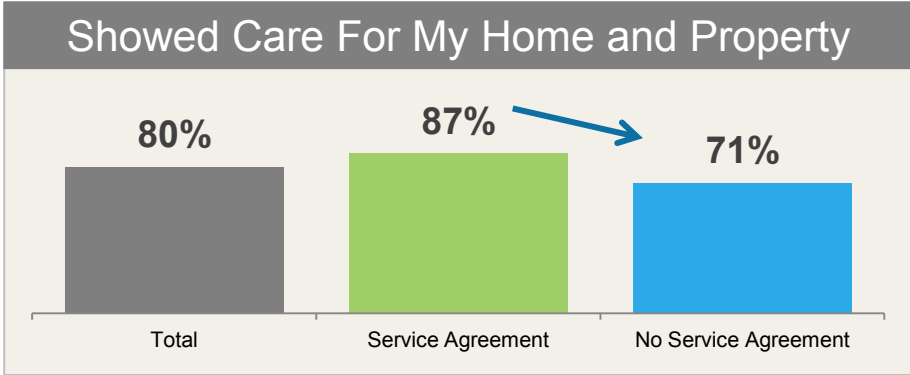
Q14. How much do you agree or disagree with the following statements: Is someone I would consult and hire for future work in my home?

Contractor/Technician Assessment 2015

Among Consumers who had Routine Maintenance Service Calls



Contractors offering service agreements are better trained in the following areas than are non-service agreement contractors.



2015 Base = Homeowners who had a recent routine maintenance service call.
Q15. Please tell us if the contractor/s did each of the following on your most recent service call.

Asked for My Email Address 2015



Among Consumers Who Had Routine Maintenance Service Calls

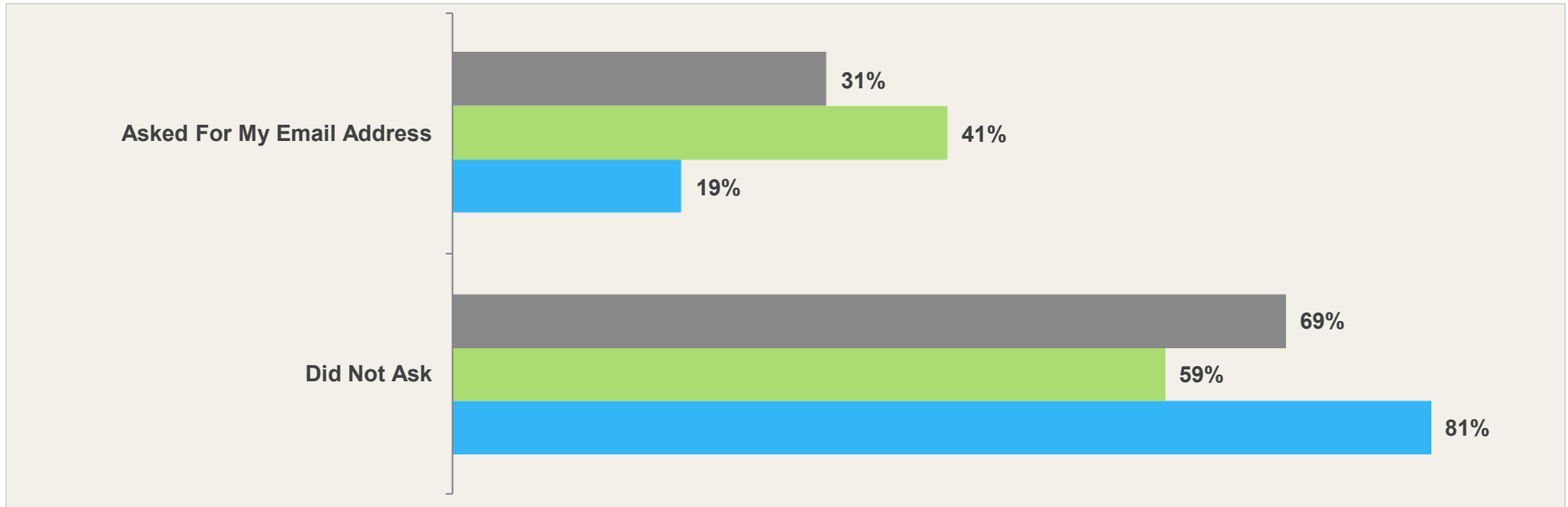
Contractor wanted to keep in touch with information and reminders

Total Households (n=266)

Service Agreement Households (n=245)

No Service Agreement Households (n=121)

- Still much work needed here. Service agreement contractors are very much leading the way though.



2015 Base = Homeowners who had a recent routine maintenance service call.

Q1. Please tell us if the contractor/s or technician/s did each of the following on your most recent service call.

Marketing & Outreach



Ongoing Maintenance/Service Agreement



Among Consumers Who Had Routine Maintenance Service Calls

Offered An Ongoing Maintenance Or Service Agreement

Total Households (n=266)

Service Agreement Households (n=145)

No Service Agreement Households (n=121)

2010

2015

Y
e
s

N
o

43%

57%

29%

56%

43%

71%

71%

The same as five years ago...mirror images

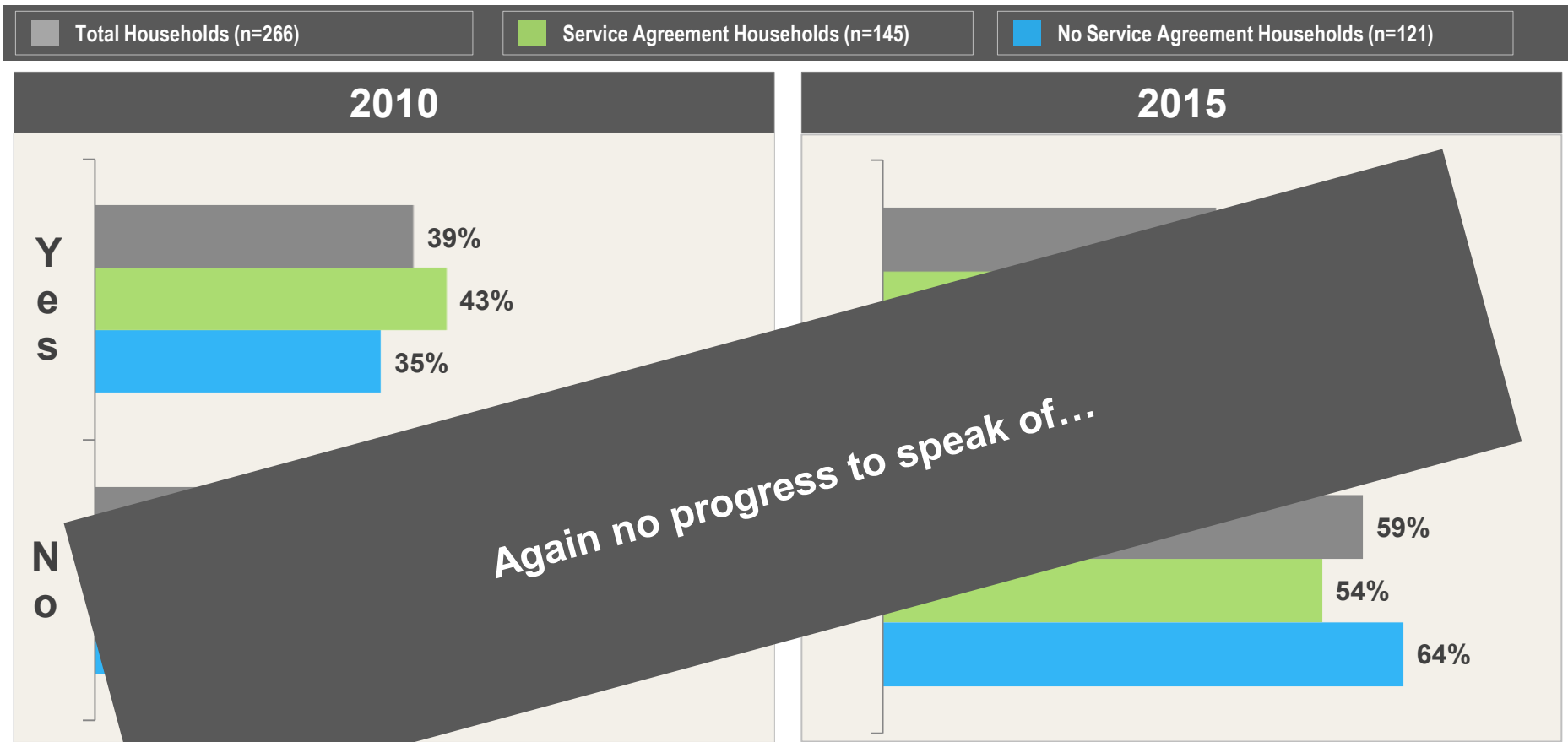
2010 Base = 239 , 2015 Base = Homeowners who had a recent routine maintenance service call.

Q15. Please tell us if the contractor or technician did each of the following: Offered me an ongoing maintenance or service agreement?

Follow Up After The Service Call



Among Consumers who had Routine Maintenance Service Calls



2010 Base = 239 – 2015 Base = 266 homeowners who had a recent routine maintenance service call.
 Q15. Please tell us if the contractor or technician did each of the following: Follow up...?

Home Service Contractor Summary

HVAC Contractor Overall Sales Call Satisfaction 2015



June/July 2015 Field Study – HVAC Contractor Home Service Study (0301)

2010

2015



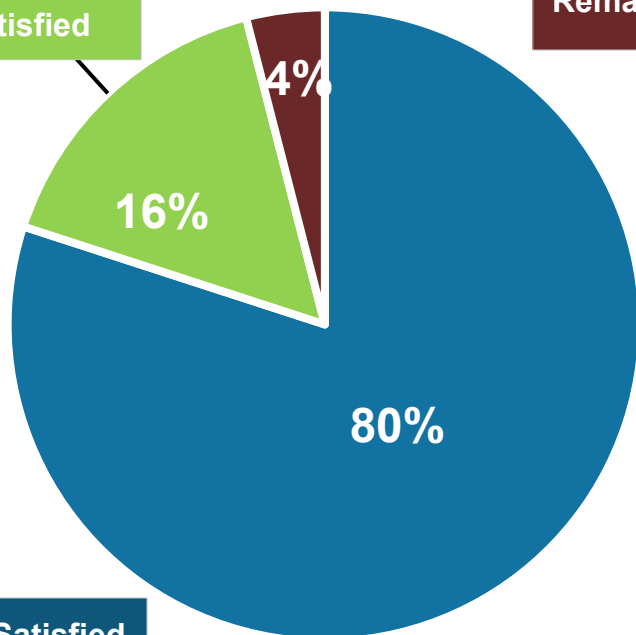
Maintenance Service Call



Emergency And Non-Emergency Service Calls

Somewhat Satisfied

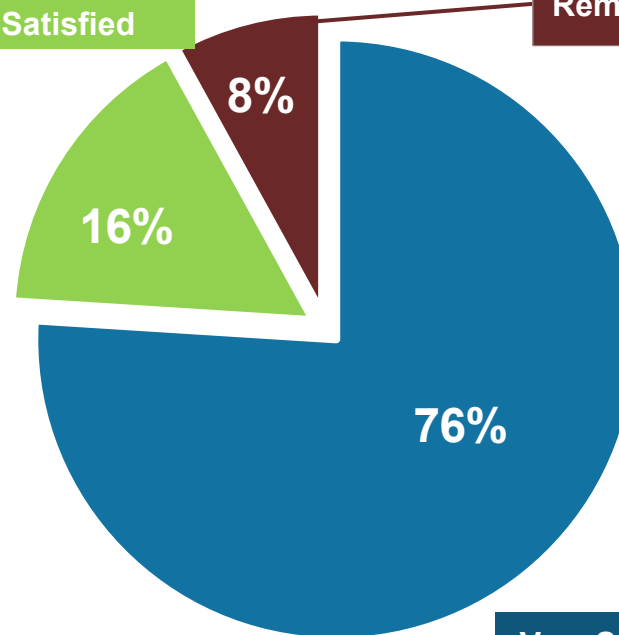
Remaining



Very Satisfied

Somewhat Satisfied

Remaining



Very Satisfied

2010 Base = 500 Homeowner decision makers. 2015 Base = 510 Q 16 Thinking about your most recent service call, from the initial contact to the completion of the work, please rate your level of satisfaction with the contractor/s or technician/s who performed the work in your home.

HVAC Contractor Sales Calls Service Agreement Contractors



■ 2010

Two in 10 (22%) of all calls include a service agreements (SA).

SA homeowners earn 11% more annually.

SA contractors are 24 percentage points more memorable.

SA homes are 14% more expensive than non-SA homes.

Four in 10 SA HH also had a warranty.

■ 2015

Three in 10 (37%) of all calls include a service agreement.

SA homeowners earn 13% more annually.

SA contractors are 21 percentage points more memorable.

SA homes are 17% more expensive than non-SA homes.

One third of SA HH also had warranty.

A national probability sample of homeowners were screened to recruit 510, with recent (past 12) month HVAC contractor service in their home.

HVAC Contractor Sales Call Service Agreement Contractors



■ 2010

SA homeowners on average, pay 19% less per call.

Four in 10 SA homes are between 11 and 25 years old.

SA homes experience only 14% emergency service.

SA homes are 50% of the Clean & Check Calls.

SA Contractors can become good consultants.

■ 2015

SA homeowners say they, on average, pay 12% less per call.

Three in 10 SA homes are between 11-25 years old.

SA homes experience only 13% emergency service.

SA homes are 55% of the Clean & Check Calls.

SA Contractors are becoming good consultants.

A national probability sample of homeowners were screened to recruit 510 with recent (past 12 month) HVAC contractor service in the home

Bonus Round

Home Service Contractors

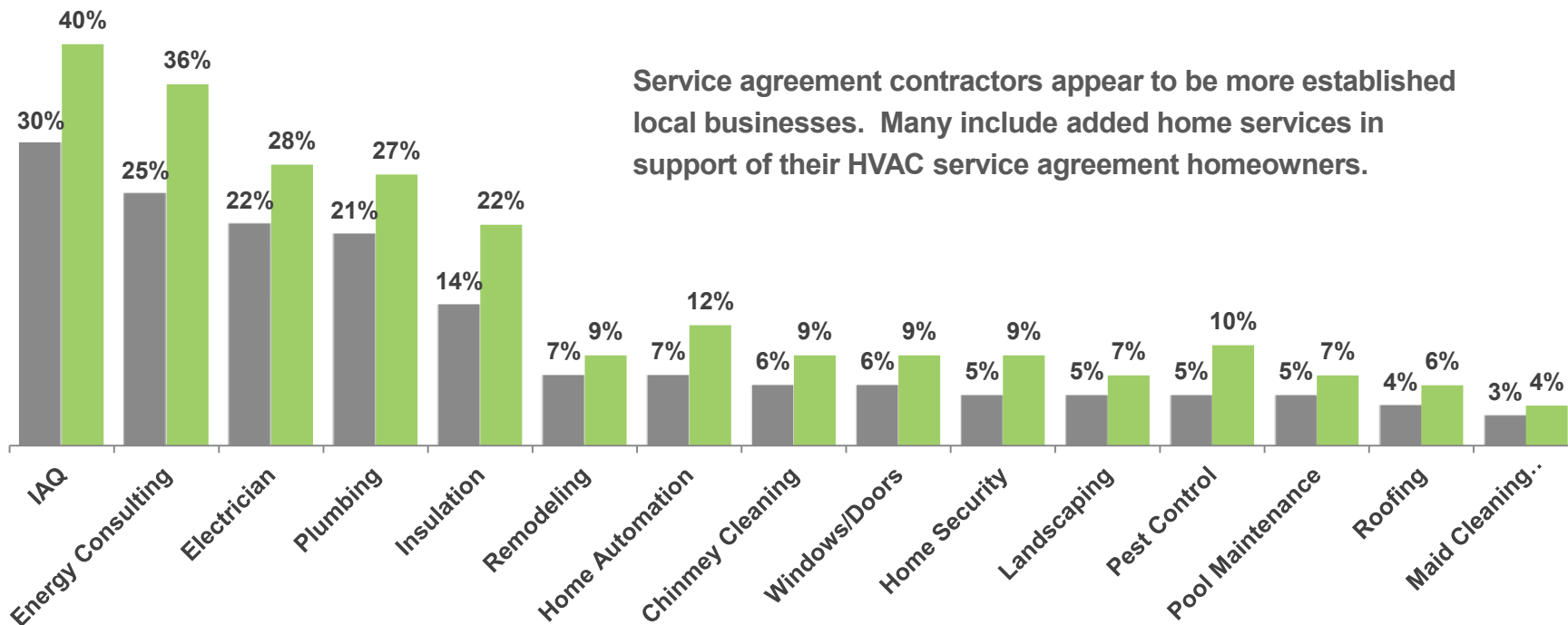


Does Your HVAC Contractor Provide Other Services? 2015



■ Total Households (n=510)

■ Service Agreement Households (n=190)



Service agreement contractors appear to be more established local businesses. Many include added home services in support of their HVAC service agreement homeowners.

2015 Base = 510 homeowner decision makers, Base =190 homeowners with service agreement who had a recent routine maintenance service call. Q 27 Thinking about the company that performed your most recent service call, what other home services do they also provide homeowners in your city.

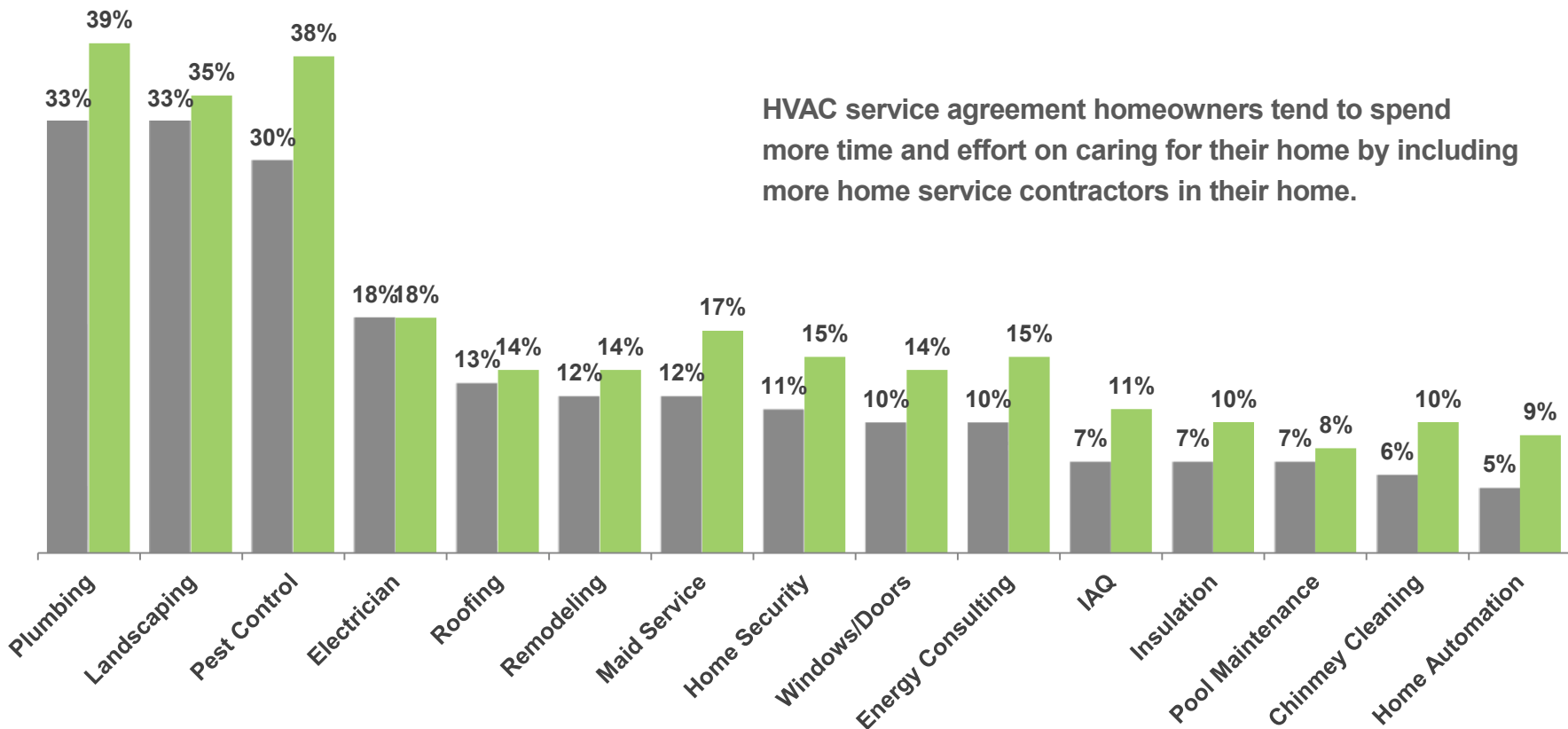
Another Home Service In Your Home Past 12 Months 2015



Total Versus Service Agreement Customers

■ Total Households (n=510) ■ Service Agreement Households (n=190)

HVAC service agreement homeowners tend to spend more time and effort on caring for their home by including more home service contractors in their home.



2015 Base 510 Total homeowners, Base 190 homeowners with service agreements.
Q. 29 Have you had a service company in your home/on the premises performing the following services in the past 12 months?

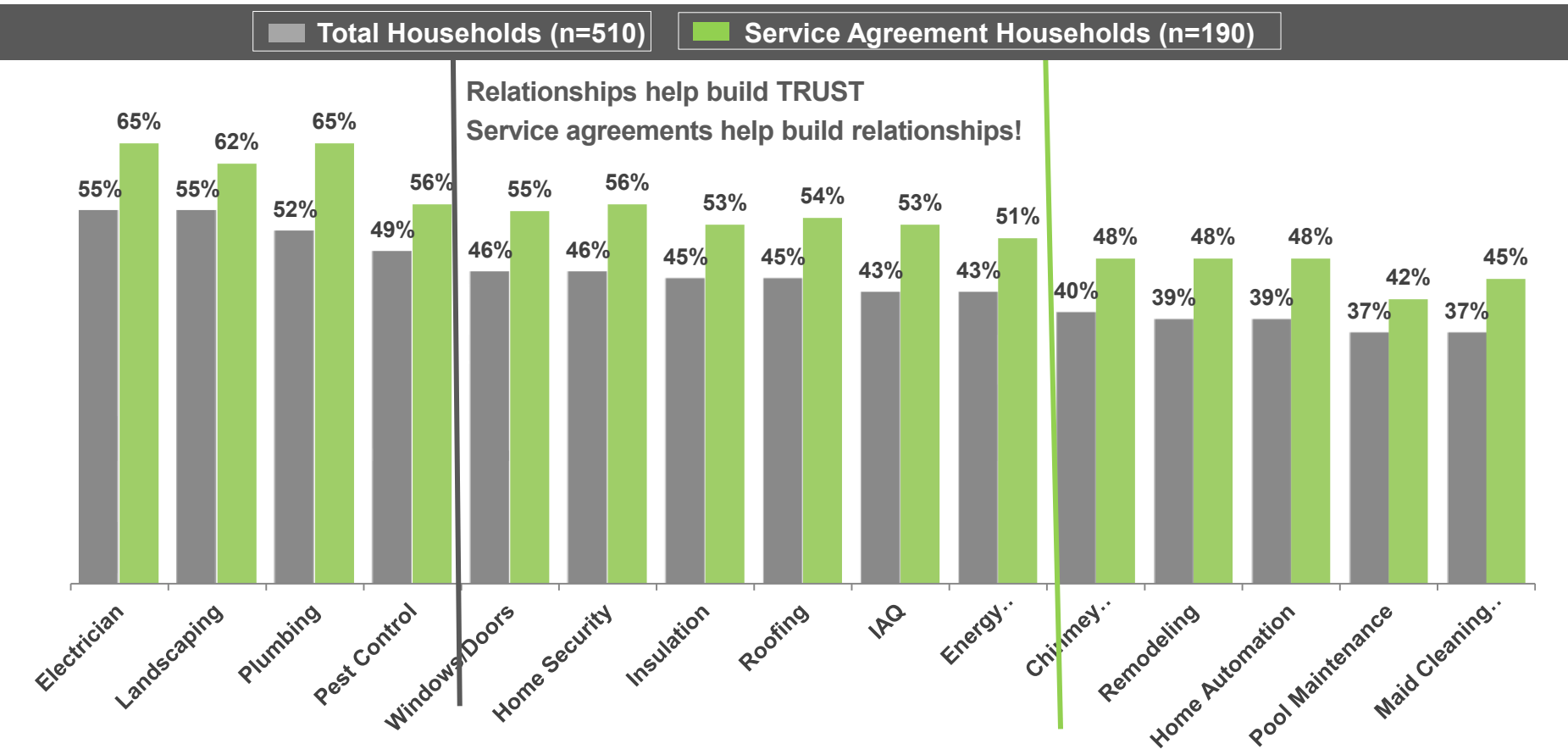


Home Services Trustworthiness by Group 2015



Total Respondents and Service Agreement Respondents

■ Top Three Box – 10 point scale



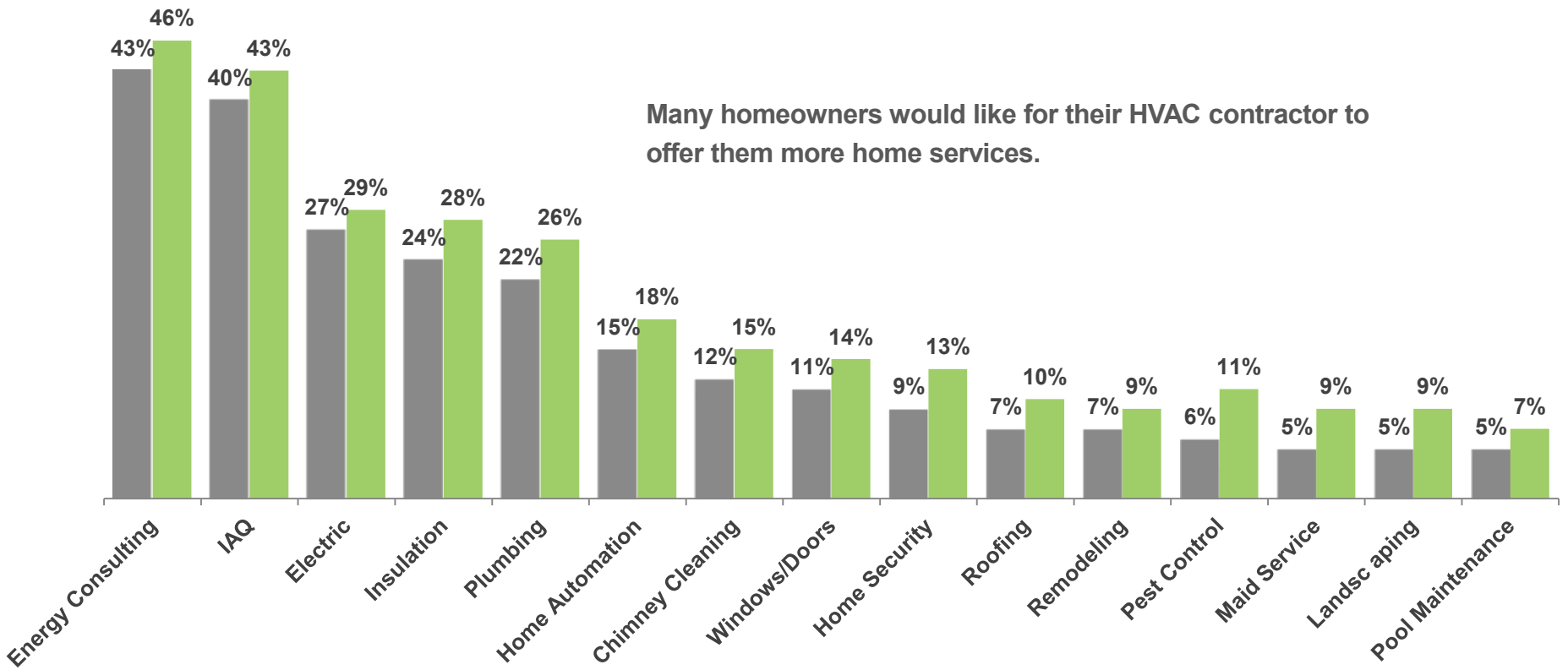
2015 Base= 510 total homeowners, Base 190 service agreement homeowners performed by a contractor on your central heating and air conditioning equipment in the past 12 months. Q. 30 Now please think in general about service providers who work in your home, whether or not you have experience with any specific companies or contractors. What is your general perception of the level of trustworthiness of each of these types of in-home service providers?



What Added Services Would You Want HVAC Companies to Provide? 2015



Total Households (n=510)
 Service Agreement Households (n=190)



2015 Base= 510 Total homeowners, 190 Service agreement homeowners who had a recent routine maintenance service call. Q28. If you were to select a different heating and/or air conditioning company to work with, which, if any, of the following services would you want this company to also provide?

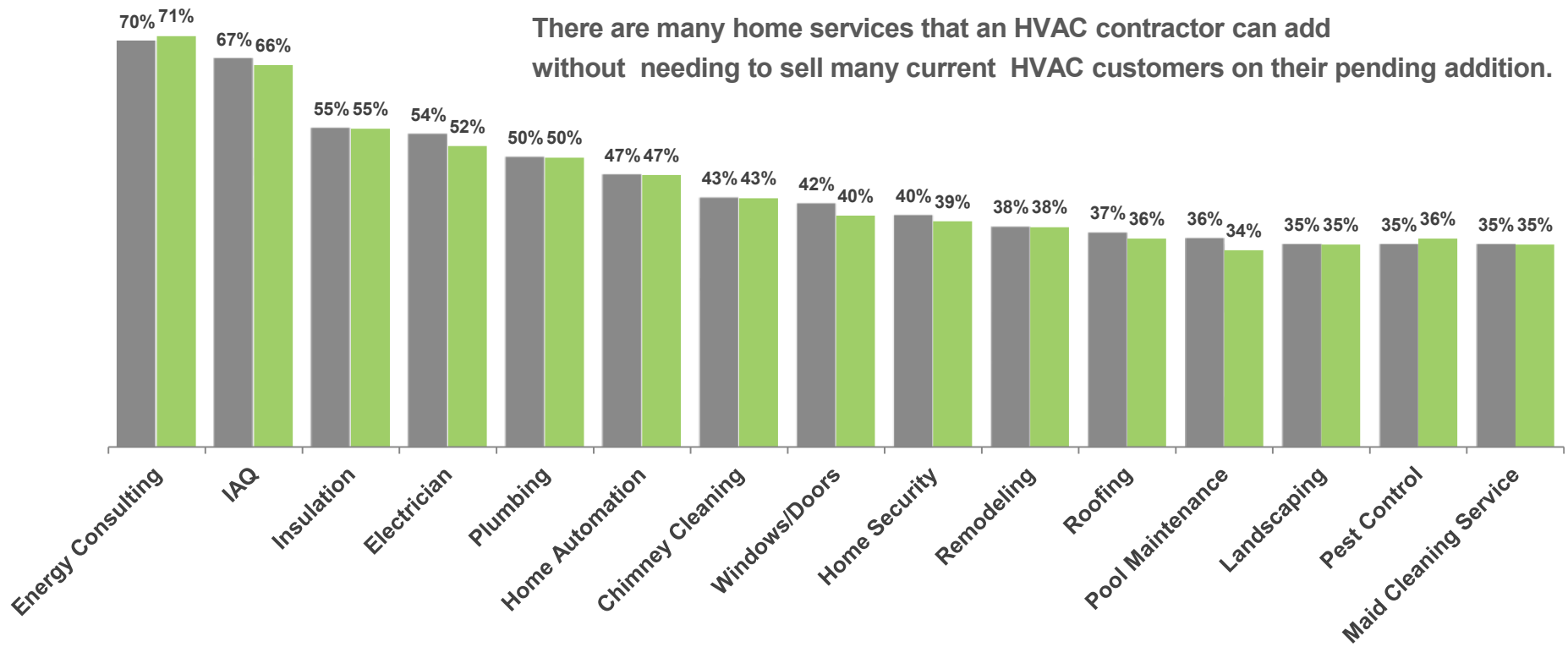


Want Your HVAC Contractor To Provide + No Opinion - 2015



Total Households (n=510)
Service Agreement Households (n=190)

There are many home services that an HVAC contractor can add without needing to sell many current HVAC customers on their pending addition.



2015 Base= 510 Total homeowners, Base=190 Service agreement homeowners who had a recent routine maintenance service call. Q28. If you were to select a different heating and/or air conditioning company to work with, which, if any, of the following services would you want this company to also provide?



Whether Home Performance Contractors Include HVAC As A Part Of Their Offering or Not, Affordable Consulting/Service Contracts Can Make the Difference Between Success & Failure

Homeowners Will Remain “Ignorant” Or Informed In Very Uninformed Ways Without a Home Performance or HVAC Consultant They Can Grow To

Trust In Their Lives!