



THE STATE OF

SPEED TO LEAD

IN HOME SERVICES

A STUDY ON LEAD MANAGEMENT AND LEAD RESPONSE

valve+meter



The slowest response
time from a home
services company
after a service request:

**5 days, 19 hours,
9 minutes**

Allow that to sink in.



OVERVIEW

The world of lead management for the home services industry is rapidly changing. Speed to lead has taken hold.

The problem you are facing today, whether you realize it or not, is your team is not getting back to leads fast enough—or at all. And it's costing your home services business hundreds of thousands of dollars in revenue your competitors are gobbling up every year.

As the owner or sales leader of a home services company, you are likely investing thousands, in some cases millions, of dollars to generate leads, optimize your website, and build a lead management strategy with the hopes it produces more revenue for your business. The problem is, you are wasting the vast majority of those investments due to poor speed to lead.

Here's a scenario... Someone fills out the contact form on your website, or starts a live chat, or someone asks for availability from your company's Facebook page. How quickly is your team responding to every request, every message, every chat? And how much revenue are you losing when a competitor beats you to the punch and schedules the appointment your team was too slow to make?

SPEED TO LEAD MATTERS IN HOME SERVICES

This is why...

Speed to lead is the ability to successfully get in contact with the person requesting information on your products or services in as short an amount of time as possible. According to the Harvard Business Review, calling a new lead is the single largest driver of lead conversion within the first two minutes of after a lead is generated ¹. In the competitive home services industry, speed to lead is the most critical piece to converting online prospects to sales.

Consumers today live in a digital age where speed is everything. More homeowners are on the web, window shopping in their browsers, searching for solutions and enlisting services through forms and live chat bots. That means home services companies need to make it simple for consumers to engage with your sales team online, and be there ready to respond in a timely fashion to their digital requests.

As you know, the majority of home services leads come from inbound phone calls. You run ads, either online or offline, and most people call you. They call you because you've built a great, responsible, conversion-friendly website. You also have a solid SEO strategy and Google thinks you're the best choice. Consumers call you because you pay a search engine using PPC to be seen, or they call you because you've done the right things to optimize your local directories to be found. They call you because you put your name in front of them using a variety of outbound channels.

(At least we hope that's how they find and call you. If not, we should talk...Valve+Meter leads the way to transformational growth for home services business owners every day.)

But not everyone calls you. Across our home services clients, we typically see 20 percent of leads coming from web forms. That's 20 inbound web leads for every 80 times your office phone rings. Think about it for the following examples...

Let's say a home services company generates 6,000 total leads, and 1,200 of those are inbound web form leads. For this example, we'll say the company's conversion rate on leads is 14 percent.

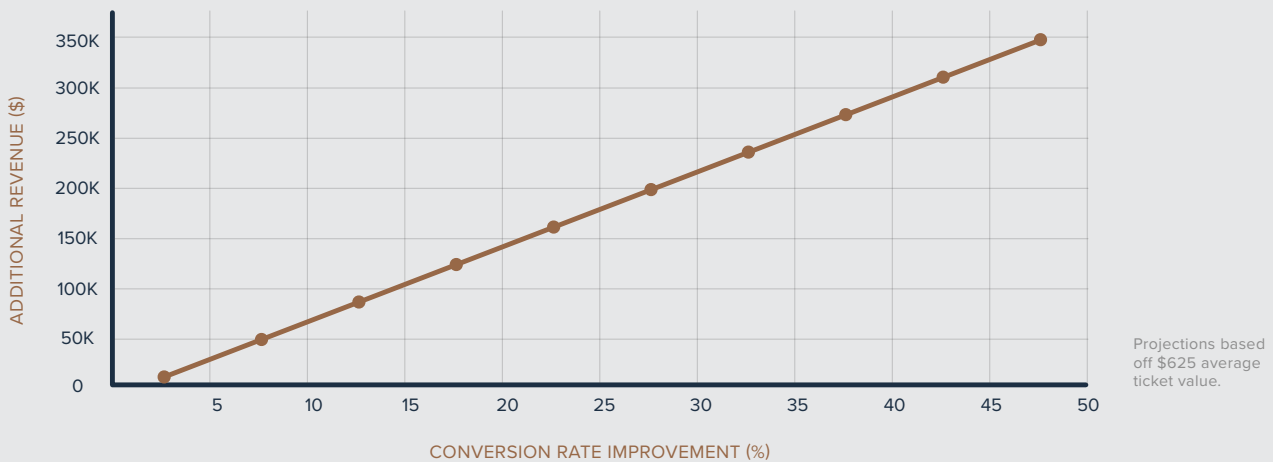
If this company shortened their speed to lead gap by improving their conversion rate 26-36 percent, they would experience an increase in revenue between \$200,000 and \$275,000. That's hard to ignore especially when these leads recognized their brand, did their research and read reviews, came to

their website, and specifically requested this company to service their home.

IF THEY IMPROVED THEIR WEB CONVERSION RATE BY 46 PERCENT, THEY COULD EXPECT AN ADDITIONAL \$350,000 IN REVENUE -- ALL BY SIMPLY ANSWERING THEIR WEB LEADS FASTER. See the chart below.

So how does the home services industry treat people in a world where buyers expect responses in real-time? We were curious. The results of our independent study made it abundantly clear: When it comes to lead response time, the home services industry is falling short.

PROJECTED REVENUE GROWTH FROM IMPROVED WEB LEAD CONVERSION RATE



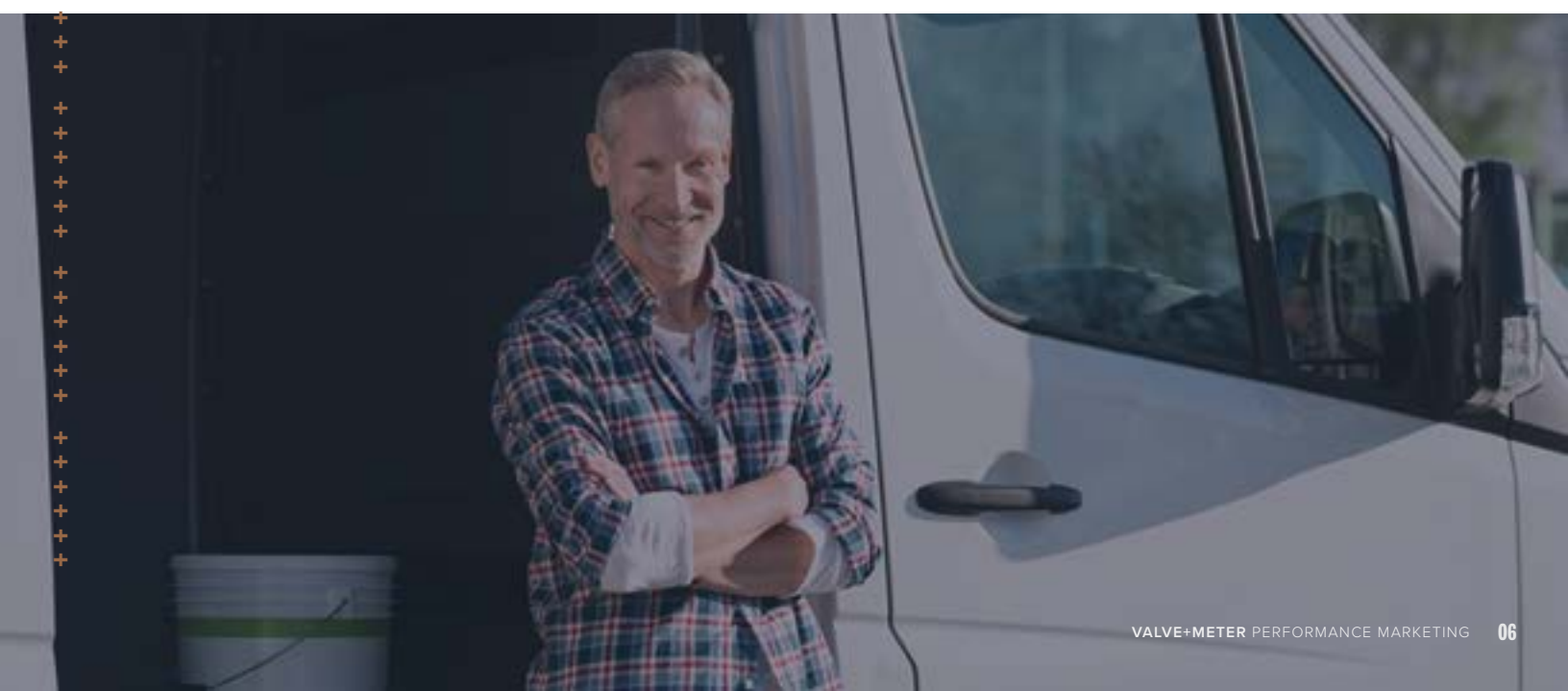
OUR METHODOLOGY

Using a secret shopper, our test entailed submissions of lead forms, appointment requests, quote estimates, and any other service inquiry forms for 466 home services companies across the United States.

We included a wide range of home services companies that serve large metropolitan cities, smaller rural areas, and all the other market sizes in between. We also looked at number of employees and annual revenue generated at each company, in an attempt to keep a balance of large companies and smaller operations.

We tracked the response time from these 466 companies over five days (if they didn't get back to us in five days, they were counted as not responding at all). We also researched what kind of lead generating tactics these home services companies implemented to track and measure their inbound marketing efforts.

We've compiled the results from our research in this report, and here's what we found.



We tracked the
response times from

466

HOME SERVICE

COMPANIES

over five days.

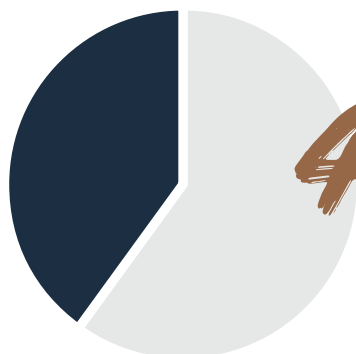
WHAT WE LEARNED FROM TRACKING LEAD TIMES

Of the 466 home services companies we surveyed, only 60 percent responded within the five-day timeframe. With the abundance of technology available to provide instant, one-to-one engagement with leads, it seems nonsensical to make leads in dire need of services wait multiple days to hear back from a sales team.

But wait, it gets worse.

While 60 percent of home services companies ultimately responded to our request, 40 percent never responded at all. We repeat: two out of five companies completely ignored our request for service.

These results are especially shocking given how quickly online leads go cold—a phenomenon we explored in a separate study, which involved 1.25 million sales leads received by 29 B2C and 13 B2B companies in the United States ¹. Firms that tried to contact potential customers within an hour of receiving a query were nearly seven times as likely to qualify the lead (which we defined as having a meaningful conversation with a key decision maker) as those that tried to contact the customer even an hour later—and more than 60 times as likely as companies that waited 24 hours or longer.



40% OF COMPANIES

never responded to our service request.

Why are so many leads in need of home service being disregarded by hungry sales teams? The reason why many struggle with speed to lead is they are married to outdated, highly manual practices that build incredible delays into lead response time. Here are a few examples:

#1 *NOT TRACKING ANY PART OF THE SALES RESPONSE PROCESS*

Outdated CRM, phone systems and lack of email automation can bog down speedy lead response. Companies need to invest in new tools, technologies, and processes that align with the expectations of the digital age while moving at the speeds customers expect.

#2 *NOT IMPLEMENTING CROSS-CHANNEL RESPONSE STRATEGIES*

There is a balance of asking for too much lead information on a contact form, but inherently home services companies need more information from a lead at the point of submission. Not just phone number, but email address and home address. Use these as additional ways to follow up with lead nurturing campaigns or social media retargeting campaigns.

#3 *NOT HAVING THE RIGHT PERSONNEL, TRAINING OR SALES PROCESSES IN PLACE*

If sales people don't know how important it is to quickly respond to new leads, they're not going to drop what they're doing to get them on the phone. Even worse is when it's the responsibility of the office manager or someone else not related to sales that manages this process. If there isn't automated lead routing in place, sales people won't know the exact second a new prospect converted to a lead and that it's their responsibility to respond.



5 STEPS

To Shorten The
Home Services Lead
Management Gap



Start Tracking Your Lead Response Time

There are two major problems that typically stem from poor lead response time: most companies don't actually know how quickly they respond and most companies think they respond faster than they really do.

According to a study from Harris Interactive, the odds of connecting with a new lead increase 21x when calling back within the first five minutes versus 30 minutes ². And inbound marketing leads, like those you get from your website, close 22x more often when contacted within five minutes.

The first step to improving your company's speed to lead is understanding your actual baseline call response time.

The only way your team will get faster is to start timing how long it takes to make that first contact with a new lead. Record the amount of time it takes and document it in your CRM. You can also keep a board in your office showing the average time for your team. Keep it top of mind with them and they'll continue to work on improving their response times.



2 MIN

Fastest Response Time from a Home Services Company

8,349 MIN

Slowest Response Time from a Home Services Company
(5 Days, 19 Hours, 9 Minutes)

THE BREAKDOWN

OF HOW QUICKLY COMPANIES RESPONDED

95%

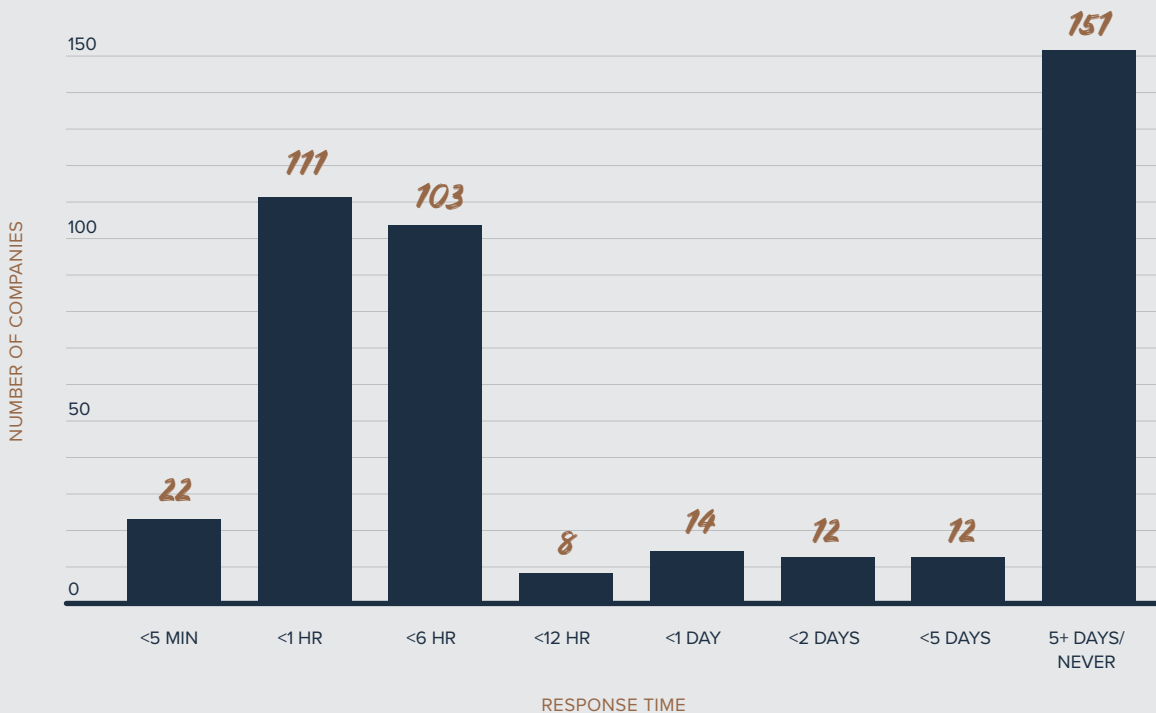
of All Home Services Companies Didn't Respond in Under Five Minutes

71%

of All Home Services Companies Didn't Respond in Under One Hour

55%

of All Home Services Companies Didn't Respond in Under One Day

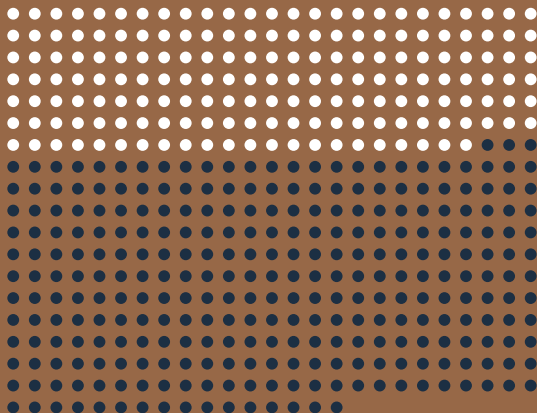




Create An Automated Lead Response System

Here's a fair question to ask your sales team: How are new inbound leads routed to dispatchers and service reps to schedule and serve? If your answer isn't some form of automated system, you're only adding more water into your leaking lead management strategy. According to Aberdeen Group, companies that implemented an automated lead follow-up process saw a more than 25 percent jump in lead-to sales conversion rate year-over-year ³.

There are many ways you could automate responses to new leads. CRMs allow you to create a lead distribution system for your sales teams and assign any new contacts to a specific member of your team to follow up. You could also outsource to sales development teams who are standing by to make initial contacts with leads while your sales team works deals already in process.



ONLY 37%

of Companies Picked Up
The Phone to Attempt
Calling Us Back



Contact Leads Multiple Times

Whether it's busy work or a lack of discipline, there are a multitude of reasons why sales people quit calling leads after one attempt. According to Marketing Wizdom founder Robert Clay, only one in 50 sales are closed with a first contact ⁴. You shouldn't stop after one attempt to get a new lead on the phone. The same report shows that 80 percent of sales are made after the fifth sales call.

We tell all of our clients to institute a response cadence for all inbound leads. For example, schedule calls in your CRM for as soon as the lead is created, then try again in 10 minutes, and again in 30 minutes, 60 minutes and so on. Successful salespeople use persistence to win more sales. It's how salespeople stay top of mind with the leads when they're ready to schedule service.

PRO TIP: Follow up with leads over the weekend.

Just because it's the weekend doesn't mean your sales team should stop attempting contact with new leads. Responding to leads over the weekend is a great opportunity to get them on the phone because they may have more availability to discuss, meet, or make a decision on products or services than during the week. Some teams leave one sales team member on call to handle any new leads that come in over the weekend.



85%

Of Companies Did Not Try to Call Us Back A Second Time



8 CALLS

Most Attempts Made Back to Us by One Company in Five Days



4 MIN

Shortest Time Between First and Second Call Made by One Company

SUCCESSFUL RESPONSE CADENCE

DAY ONE

📞 1 MINUTE
after submission

📞 4 MINUTES
after submission

✉️ 7 MINUTES
after submission

📞 1 HOUR
after submission

📞 4 HOURS
after submission

DAY TWO

📞 MORNING

✉️ AFTERNOON

DAY THREE

📞 MORNING

✉️ AFTERNOON

DAY FOUR

📞 MORNING

DAY FIVE

📞 MORNING

✉️ AFTERNOON



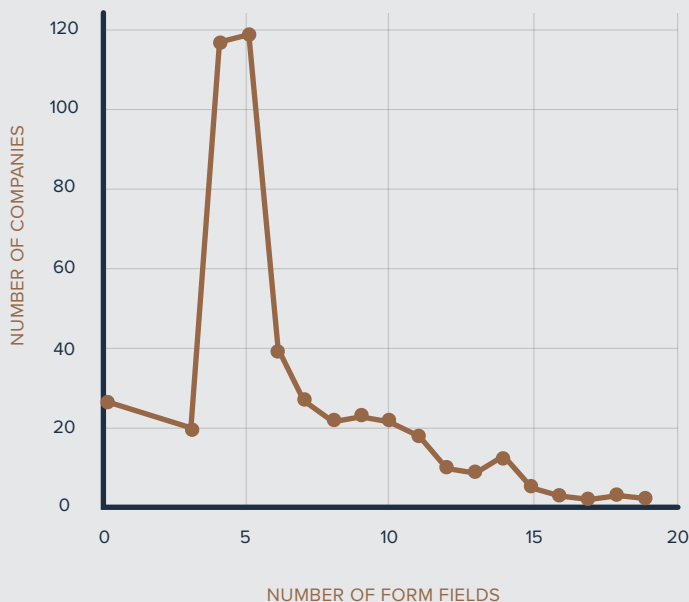
#5

Incorporate Best Practices to Your Website

Google now warns its browser users if a site doesn't have an SSL certificate. A prominent warning may affect how secure users feel and may cause some visitors to leave a site. Over 50 percent of Internet browsers worldwide are Chrome ⁶, meaning this change may negatively impact a site's bounce rate, and keep you from generating online leads at all.

DID YOU KNOW? 41 percent of companies don't have an SSL certificate for their website.

It's also important to be mindful of the number of fields you ask leads to fill out on your website forms. The length of your form can be as daunting as the number of fields you ask leads to fill out. Make the important fields required, like name, email address, and phone number. Other fields can be optional and left up to the lead to fill in or not.



3

Fewest Number for Fields on a Company's Form

6.1

Average Number of Fields on a Company's Form

19

Most Number of Fields on a Company's Form

OUR CONCLUSION

Customers expect more from you than ever before. Home services companies are not quick enough to keep up with increasing demands for instantaneous responses, while losing sales opportunities to competitors that are faster, and more technologically equipped to respond in real-time.

About the Agency

Valve+Meter is a high performance team focused on delivering growth to those who want it most in the home services industry. Our philosophy is simple: know your marketing cost per acquisition, commit to growth strategies, harness technology, test and scale, and make data driven decisions. This keeps us accountable, and your results, transformational.



Copyright © 2018 Valve+Meter Performance Marketing

All rights reserved. No part of this publication may be reproduced, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written permission of the publisher, except in the case of brief quotations embodied in critical reviews and certain other noncommercial uses permitted by copyright law. For permission requests, contact Valve+Meter Performance Marketing at valveandmeter.com.

¹ Oldroyd, James B; McElheran, Kristina; Elkington, David (2011 March). The Short Life of Online Sales Leads.
Retrieved October 2018 from: <https://hbr.org/2011/03/the-short-life-of-online-sales-leads>.

² Oldroyd, James B; Elkington, David (2009). The Lead Response Management Study.
Retrieved October 2018 http://www.leadresponsemanagement.org/lrm_study

³ Bailor, Coreen (April 12, 2007). Conversion Rate Success.
Retrieved from <https://www.destinationcrm.com/Articles/ReadArticle.aspx?ArticleID=41513>

⁴ Clay, Robert (Publish Date Not Available). Why You Must Follow Up Leads.
Retrieved from <https://www.marketingdonut.co.uk/sales/sales-techniques-and-negotiations/why-you-must-follow-up-leads>

⁵ Bridge Group Inc. (2018). Sales Development (SDR) Metrics & Compensation Report.
Retrieved from <https://blog.bridgegroupinc.com/sales-development-metrics>

⁶ Stat Counter (2018). Browser Market Share Worldwide.
Retrieved from <http://gs.statcounter.com/browser-market-share#monthly-201806-201806-bar>