

In September, EGIA surveyed its network of contractors on Service Tech Sales. Below is a summary of the results.

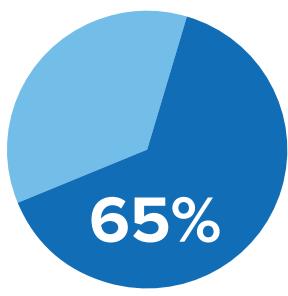
Nearly every home services company employs salespeople – roles specially trained to reach out to customers and close sales. But no matter how many are on staff, no matter how skilled they are, at some point the service technicians will be put in a position where they can potentially make a sale. This month, we asked our members about service tech sales to get an idea of what's working within the industry – and what's not.

Does your company have an established policy for the service tech's first impression (appearance, greeting, business card ready, etc.)?

Be it a potential sale or a standard service call, the service technician's visit always starts with one thing: the first impression. That can be comprised of a number of things, from uniform and personal grooming to a specific greeting with a business card in hand. First we asked our network of contractors if their company has an established policy for that first impression. Overwhelmingly, **79%** responded yes, with just **21%** offering a no. Of course, you only get one chance to make a first impression, so it makes sense to formalize exactly how it will go – it could be the difference between beginning a business relationship that goes on for years and a call that's never repeated.



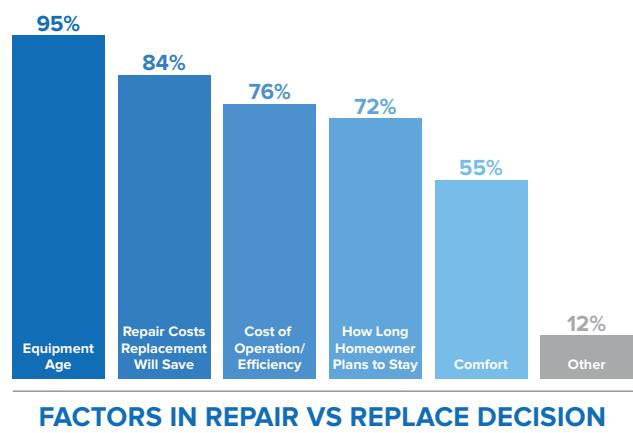
Does your company have an established policy for when a service tech should advocate repair vs replace to homeowners?



Next, we wanted to know about the decision of when to present a replacement option to homeowners, rather than simply quoting a repair option and getting started. Companies can generally earn more revenue through a replacement decision, but if they unnecessarily push that choice regularly they can violate the trust they've built with a customer, thus costing them future business. To avoid putting service techs in a position where they must decide on a whim whether to offer a replacement or not – a decision that can have severe ramifications on that customer relationship – it can be wise for companies to establish a formal, data-backed policy that technicians can merely adhere to, taking off the pressure and allowing them to focus on the more fundamental parts of their job. By and large, our respondents agree: **65%** indicated their company has an established policy of when to advocate repair vs replace, while **35%** leave it in the hands of the technician.

What factors are considered and presented to the customer in the repair vs replace decision?

Where there's an official repair vs replace policy, there are elements that go into it. Next, we asked which factors the service tech considers when presenting the repair or replace option. Far and away the leading answer was age of equipment at **95%**, but a majority also cited the costs of today's repair that would be saved by replacement (**84%**), efficiency or cost of operation (**76%**), how long the homeowner intends to live in the home (**72%**) and overall comfort (**12%**). Some also mentioned considering what rebates and tax credits are presently available, while still others indicated they only talk replacement if the customer asks first.



What is the closing rate on equipment quotes by service techs?

Every company has salespeople, but many homeowners and other consumers have a natural distrust of anyone in sales. Because their job involves entering the home and working with the homeowner's comfort, service techs can occupy a unique position of trust with the customer. As such, they can be in a unique position to sell to the customer. To understand that relationship better, we asked our respondents what the closing rate is on equipment

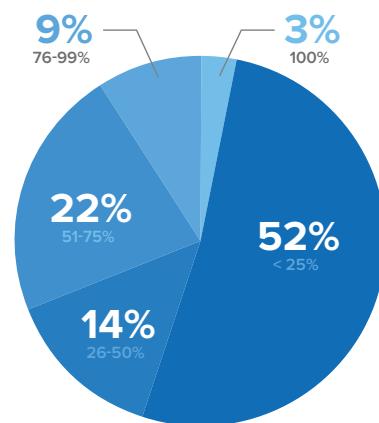
We train all of our techs to sell, however there is a structure in place that provides guidance on what opportunities are appropriate to hand off vs what opportunities they can pursue. We track leads and closing rates accordingly.

-HVAC Contractor in British Columbia

quotes by service techs. The leading response was less than 25 percent (**24%**), but impressively 56 to 70 came in second (**22%**), followed by 46 to 55 percent (**17%**), 26 to 35 percent (**16%**), 70+ percent (**12%**), and 36 to 45 percent (**9%**). That means that **51%** of respondents reported that their service techs have a closing rate on equipment of at least 46%, underscoring the fact that service techs may indeed have a better rapport and trust with homeowners. In turn, even if you don't intend for your service techs to sell, they do need to be trained to know how to respond when that opportunity arises.

What percentage of your overall company equipment sales are made by service techs?

After asking about closing rates, we wanted to know about total revenue shares. In particular, we asked what percentage of company equipment sales are made by techs. Predictably more than half (**52%**) pointed to a relatively low number – less than 25 percent – while **14%** reported 26 to 50 percent of sales and **22%** claimed 51 to 75 percent. Interestingly, there were some companies who derive a big chunk of sales from service techs – **12%** fell between 76 and 100 percent of sales. Some of those high sales percentages, of course, are surely the result of smaller companies with employees that wear many hats, but many respondents did indicate that they treat all techs as selling techs and train and support them with that end goal in mind.

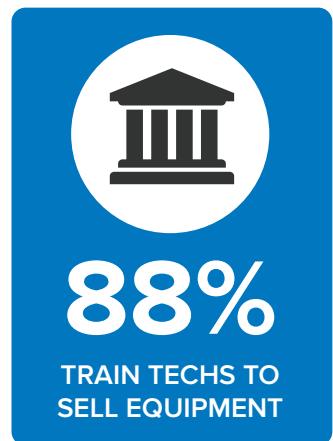


Does your company train techs to sell equipment?

Finally, we asked one question to bookend the service tech sales theme: Does your company train service techs to sell? Overwhelmingly they do, with **88%** responding yes against **12%** no. While it can't hurt for techs to be trained to sell just in case, many in the industry believe they should avoid it whenever possible. "Customers call your company for your expertise -- contrary to popular belief, they do not want things fixed or a quote," said Drew Cameron, acclaimed consultant and EGIA Contractor University faculty member. "They want good information to make a good decision. Techs are experts on repairing and maintaining equipment and do not typically have expert level communication and people skills, product knowledge, design skills, passion, or time as expert comfort advisors to properly serve customers when it comes to quoting replacement equipment. Thus, techs should turn over leads to a qualified expert comfort advisor. Provide a world-class service experience by allowing your **appropriate expert** to give good information to the right people at the right time, so your customer makes the decision to buy from your company."

“ Our company position is for the techs to call the office to coordinate a no-obligation quote to be performed by the Comfort Consultant. The tech receives a \$25 spiff for the turn over. When that client invests in a new comfort system, the tech receives 1.5% of the sale as a bonus. **”**

-HVAC & Plumbing Contractor in Northern California



Learn More About Service Tech Sales

Technician Communication and Selling Training is one of the ten core areas of focus for EGIA Contractor University, which aggregates all of the tools, educational resources and training programs that contractors need to take their business to the next level. To learn more about Technician Communication and Selling Training best practices and strategies, as well as the other nine core topics, visit EGIA.org/University. And visit EGIA Contractor University's online Contracting Best Practices Library for a deeper dive into videos, how-to documents, usable templates and more on service tech sales.

You can learn more about the EGIA Snapshot Survey program at:
www.egia.org/SnapshotSurveys