

FAQ

BY GARRY UPTON

Over the course of 2008, this space will identify opportunities within customers' homes that you may not have observed in the past. The opportunities are based on a recent homeowner survey conducted by Decision Analyst, Inc.

Business is still soft in my area. We've spent time looking at our market to see where the business may be improving, and believe this might be a good time to look at the remodeling market. Have you ever researched that part of the residential business?


Yes we have. The market is different, and requires different contractor talents and contacts to really succeed. We've included the remodeling sector in the American Home Comfort report. Historically we've found that remodeling tends to increase when new home costs become excessive. Of course, the new home market is far from that in most of the country right now. The newest trends have expanded the remodel business based on the successes of "fix it, and remodel."

We've seen an increase in remodeling to sell a home and/or remodeling after buying the next house. If remodeling is an area that you want to look at more closely, consider completing some local market research.

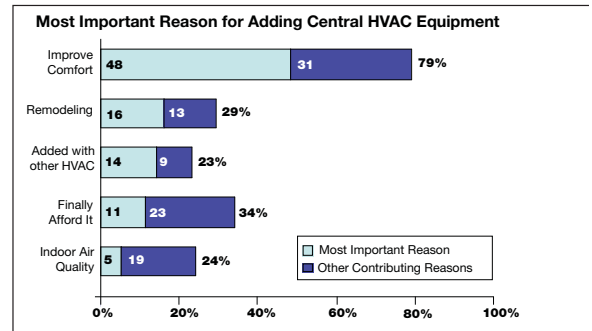
If work is slow, ask members of your company to "audit" the city halls in your market. Otherwise you can employ a college student to audit (review) permits in your market. The permits are public, and auditing city hall will help you understand how much is going on locally, and specifically where it's taking place. If you decide the market is for you, your next step is to develop a list of companies

in the remodeling business, which can be a great business partner in this area. This can be an added revenue

source, on top of what you're already doing. I will caution you, however: there are cities with great remodeling potential, but the HVAC opportunity in most communities as a part of remodeling is limited.

Add-on replacement is smaller than replacement, and within the add-on segment, remodeling HVAC sales are included in just one in three add-on HVAC sales. 

Garry Upton of Decision Analyst, Inc., shares his interpretations of its American Home Comfort Study of homeowners, and probes into what customers look for in HVAC contractors. To learn more about this study, or to purchase it, contact Garry Upton at gupton@decisionanalyst.com.



circle XXX on reader service card