

Qualified Remodeler

QualifiedRemodeler.com

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★ SPECIAL REPORT ★

Customer Satisfaction Leaders

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TRUST

The 4th annual *Qualified Remodeler* | GuildQuality customer satisfaction report ranks the factors that matter most in creating satisfied customers. It also highlights the best practices and techniques deployed by 60 of GuildQuality's highest-scoring remodelers.

THE remodeling and home improvement market has changed a lot in the four years since *Qualified Remodeler* and GuildQuality first teamed up to present this annual customer satisfaction report.

First, demand for remodeling services has grown dramatically, giving remodelers more opportunity to grow and, in some cases, straining labor and time resources to the brink. Second, continual improvement in communications technology has given remodelers new, faster and more consistent ways to interact with their prospects and clients—24 hours a day, seven days a week.

So while remodelers are certainly in expansion mode, the demands and expectations placed on them by their clients are going up. Photos of in-progress remodeling work, text messages from the jobsite, and on-demand renderings are all now increasingly baked into a generally higher set of client expectations. Not long ago these communication “extras” helped set remodelers apart from the crowd; but the world is changing, and top remodelers are keeping pace.

MEASURING CLIENT SATISFACTION

The tables and charts in this report quantify the top pain-points in the client relationship and offer remodelers a guide on areas of greatest importance to homeowners. The data is grounded in satisfaction survey feedback from tens of thousands of remodeling customers.

The information is presented in two ways: 1) In the Aggregate: This is a table of top attributes associated with happy clients across all types of remodeling jobs. It can be found on the opposite page. 2) By Job Type: Because client pain-points vary dramatically by type of job, the information is broken out across 40 different job types. For example, a major kitchen remodel places a higher need for jobsite cleanliness versus a window replacement job, where price and speed matter most. The resulting Heat Map of Customer Satisfaction Traits by job type is found on pages 50 and 51.

You will notice that the numbers used to represent the relative strength of a client attribute are presented as decimals. They are placed

on a scale called a Pearson Coefficient where 1 is the highest possible correlation to client satisfaction and -1 is the weakest possible relationship to client satisfaction.

A score of .850, for example, is very strong and correlates strongly to customer happiness. Any number under 0 is weaker. Most if not all of the client satisfaction drivers presented in this report are close to 1 and are, therefore, worth noting in your company's efforts to make clients happy.

Another way we are able to make the data more understandable is using bubble graphics. Larger bubbles indicate a higher Pearson Coefficient and a stronger correlation to client satisfaction. Smaller bubbles show a relationship, but one that is not as strong.

PROFILES AND TIPS

Many remodeling and home improvement firms excel when it comes to satisfying their customers. As in past years, we are highlighting the stories of 60 firms who are among the best in this area. With their listing you will find the percentage of their clients, both overall and scores specific to 2017, who say they are willing to recommend that company. How do they do it? That information is also included, featuring ideas and tips that may help you get more business from your existing client base. | **QR**

GUILDQUALITY

Since 2003, over 15,000 remodelers, homebuilders and home service providers have trusted GuildQuality to survey their customers and get honest, authentic feedback. Founded by Geoff Graham during his time as a real estate developer to be a surveying solution for small to mid-sized homebuilders and remodelers, GuildQuality's multitouch survey process, performance reporting and marketing tools make it easy for professionals in the residential construction industry to see their company through their customers' eyes, pinpoint their strengths and weaknesses, improve their online reputation, and generate more business.

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This report was edited and written by Kacey Larsen, Kyle Clapham and Patrick O'Toole, with the data and graphics collaboration of Alex Overall, Bailey D'Alessio, Erin Rosintoski Lewis and Robyn Hazelton at GuildQuality.

2017 TOP SATISFACTION DRIVERS

| SATISFACTION TRAIT | 2017 PEARSON COEFFICIENT | 2016 PEARSON COEFFICIENT | 2017 PERCENT CHANGE |
|---|--------------------------|--------------------------|---------------------|
| Trust "I trust remodeling company to follow through on commitments." | 0.808 | 0.777 | 4.04% |
| Problem Resolution "The staff at remodeling company addresses and resolves problems effectively." | 0.784 | 0.793 | -1.16% |
| Value "I feel I am receiving a fair value for my money." | 0.774 | 0.770 | 0.53% |
| Professional & Organized "My remodeling company is organized and professional." | 0.748 | 0.760 | -1.52% |
| Quality Of Workmanship "I am satisfied with the quality of the workmanship." | 0.701 | 0.691 | 1.40% |
| Communication "The staff at my remodeling company communicates with me effectively." | 0.674 | 0.681 | -1.11% |
| Punchlist "The punchlist was completed in a timely manner." | 0.671 | 0.623 | 7.56% |
| Work Done Right "My work was done right the first time." | 0.669 | 0.662 | 1.03% |
| Installation Crew "My remodeling company installation crew was organized and professional." | 0.658 | 0.627 | 5.07% |

| SATISFACTION TRAIT | 2017 PEARSON COEFFICIENT | 2016 PEARSON COEFFICIENT | 2017 PERCENT CHANGE |
|--|--------------------------|--------------------------|---------------------|
| Construction Quality "I am satisfied with the quality of materials and workmanship." | 0.648 | 0.661 | -2.05% |
| Expertise "My remodeling company had the necessary expertise to build my project." | 0.622 | 0.654 | -4.76% |
| Employee Professionalism "The employees of my remodeling company are professional and courteous." | 0.622 | 0.694 | -10.47% |
| Schedule "My remodeling company adhered to our agreed upon schedule." | 0.596 | 0.569 | 4.81% |
| Quality Of Materials "I am satisfied with the quality of materials used." | 0.581 | 0.576 | 0.96% |
| Budget "My remodeling company worked within our budget and kept costs in line." | 0.574 | 0.535 | 7.15% |
| Employees & Subcontractors "The employees and subcontractors of my remodeling company are professional and courteous." | 0.560 | 0.526 | 6.33% |
| Sales Knowledge "My salesperson was knowledgeable and helpful regarding my project." | 0.538 | 0.513 | 4.76% |
| Clean & Safe "The jobsite is kept clean and safe." | 0.501 | 0.496 | 0.93% |

| COMPANY | TYPE OF FIRM | CEO | RESPONSE |
|--|------------------------------|---|---|
| <p>Kotch's Windows N More Brighton, Mich. kotchs.com</p> <p>100% GQ All-time Recommend Rate 100% GQ 2017 Recommend Rate 125 Number of Jobs in 2017</p> | Home Improvement/Replacement |  Michael Kotch | <p>CHALLENGING JOB TYPE: All remodels or improvements can be tough to earn your customer's satisfaction. Just do what you say you're going to do, and do it with [an] attention to detail.</p> |
| <p>LEFF Construction Design Build Sebastopol, Calif. leffconstruction.com</p> <p>94.32% GQ All-time Recommend Rate 100% GQ 2017 Recommend Rate 23 Number of Jobs in 2017</p> | Design/Build |  Dave Leff | <p>CHALLENGING JOB TYPE: The projects that seem to be the toughest to earn high satisfaction are not of a specific type—rather they are projects for which finish material and fixture selections are not made prior to the project start. We encourage clients to work with our interior designers to make all finish selections in advance. If selections are not made in the beginning of the design process, problems can arise due to lead time issues or the need to rework a design because of particular requirements of the material or fixture, [so] delaying acts like a domino effect. Our solution is to make it a firm policy to not start a project until all selections have been made. If clients still insist on waiting, they must agree to accept responsibility for any impact on the budget or the schedule.</p> |
| <p>Legacy Builders Group Cincinnati, Ohio designbuildremodel.com</p> <p>100% GQ All-time Recommend Rate 100% GQ 2017 Recommend Rate 15 Number of Jobs in 2017</p> | Design/Build |  Bill Haussler (L) Chris Otte (R) | <p>CHALLENGING JOB TYPE: Additions are the toughest projects for us to earn high satisfaction. Additions are typically much more intrusive to our clients, with yards and driveways often completely out of commission; tie-in usually means a large portion of the house is opened up to the elements for a time; and the weather can wreak havoc on a construction schedule. During the design and planning stage, we talk about the intrusive nature of the project, and discuss and collaborate on ways we can make them most comfortable. Our project managers build upon this at the preconstruction meeting by talking about the roller coaster of emotions in the course of a remodel. We assure them we are here to serve and encourage them anytime they are starting to feel anxious about the project.</p> |
| <p>Leo Lantz Construction, Inc. Glen Allen, Va. leolantz.com</p> <p>100% GQ All-time Recommend Rate 100% GQ 2017 Recommend Rate 37 Number of Jobs in 2017</p> | Full-service Remodeler |  Leo Lantz | <p>USING RECOMMEND RATE: We suggest to potential clients that they examine our online third-party reviews and speak to our client reference list in addition to other contractor interview homework when selecting a contractor. We set our company to a higher standard by being certified as a NARI Accredited Remodeling Company. Their third-party review process thoroughly examined our company procedures, safety guidelines, financials, professional development and job performance. We were the second company in the country to receive this designation and the only one in Virginia.</p> |
| <p>Lovette Construction Birmingham, Ala. lovetteconstruction.com</p> <p>98.77% GQ All-time Recommend Rate 100% GQ 2017 Recommend Rate 17 Number of Jobs in 2017</p> | Design/Build |  Clint Lovette | <p>CHALLENGING JOB TYPE: I think window replacements are probably the toughest job simply because there seems to always been that unknown of rot repair, etc., and there is no real "wow factor" for the client when the job is complete like there is in a kitchen remodel. We try to set expectations with the client and prepare them for the unknowns.</p> |