

### FUNDAMENTALS OF DIGITAL MARKETING: CHOOSING THE RIGHT STRATEGY FOR YOUR COMPANY

Peter Troast, Founder & CEO, Energy Circle

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Building Performance Association Board Member

#### **Energy Circle Webinar Series**

Weekly\* Wednesdays 5-5:30 eastern BPI CEU's







### The Lens I See Through

Marketing & Lead Generation Services for 350+ Better Building Contracting Businesses

HVAC, Home Performance, Solar, Insulation, Auditors/Raters, Builders, Remodelers

50 States, some Canada & Countless Climate Zones

An Inside View of Many Business Models and Their Success

Deep Dataset on What is Making the Phone Ring (601,232 recorded calls)

Our Mantra: More Successful Contractors = More Retrofits







### What We'll Discuss Today

# **1** THE HOME PERFORMANCE MARKET IN THE TIME OF COVID



## FUNDAMENTALS OF HIGH PERFORMANCE/HOME PERFORMANCE MARKETING



METRICS FOR LEAD & CUSTOMER ACQUISITION COST

# 4 DETERMINING THE RIGHT DIGITAL STRATEGY FOR YOUR COMPANY

HOW STRONG IS YOUR FOUNDATION?







# HOME PERFORMANCE MARKETING IN THE TIME OF COVID



# McKinsey's Five Big Changes (Mid June)

#### COVID-19 has affected consumer behavior in five key ways, many of which will have a lasting impact



#### Shift to value and essentials

- More than 50 percent of Americans believe it will take longer than 6+ months for the economy to recover, and that the crisis will continue to impact them for another 4+ months
- · This sentiment has made consumers evaluate what they are spending on and where more carefully
- · Spending on essentials is the only category with positive intent even as many categories are beginning to rebound since March



#### Flight to digital and omnichannel

- Most categories have seen 15–30% growth in consumers shopping online and most of those consumers say they will continue after the crisis
- · Many digital and low-contact services (e.g., delivery, self-checkout) have also seen an increase

#### Shock to loyalty

- As consumers struggle with limited access, brand loyalties are being challenged, and 75% of consumers have tried different stores, websites, or brands through the crisis
- More than 70% of consumers who made these changes expect to integrate these places to shop and brands in their post-COVID-19 life



#### Health and "caring" economy

- · Consumers are actively looking for safety measures when deciding where to shop in-store such as enhanced cleaning, masks, and barriers
- · Companies' actions in this time (e.g., showing care for employees) will be remembered for a long time and can lead to goodwill

#### Homebody economy

- · Even as many regions reopen, more than 50% of consumers are waiting for milestones beyond lifting restrictions to return to out-of-home activities
- Many consumers have found at-home solutions to regular out-of-home activities and >50 percent intend to continue some habits post-crisis

McKinsey & Company

McKinsey & Company COVID-19 US Consumer Pulse Survey 6/15-6/21. n=2006





# McKinsey's Five Big Changes (Mid June)



McKinsey & Company COVID-19 US Consumer Pulse Survey 6/15-6/21. n=2006



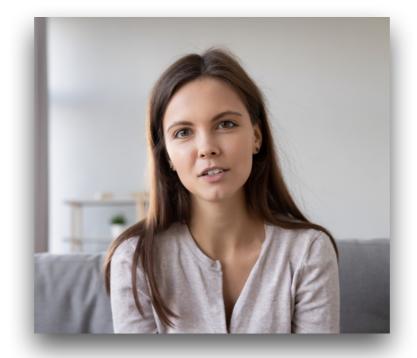


### The New COVID-era Homeowner Personas



#### C'mon in Jim

Unperturbed No outward signs of concern



#### **Cautious Kristina**

Expects new protocols Respects overcommunication Will put you to the test



#### Hell No Helen

<u>Nothing</u> is important enough to let you in my house





### Marketing & Lead Generation Shifts

#### TACTICS

Digital Marketing Online Presence Traditional Advertising Direct Mail Email Active Referrals Events Open Houses Community Speaking Tabling Canvassing

#### IMPLICATIONS

- Door-to-door, events, fairs dead for now
- Far fewer opportunities for face-to-face relationship & trust building
- Increasing competition in digital will require excellence
- Digital approaches to first touch meetings will be the norm—zoom is your new friend
- Increased burden on company brand strength, online reviews





# **Energy Circle Search Marketing Dataset**

#### • HVAC & Home Performance

Volume & demand remains strong in most places Covid hot spots —> Market slowdowns Heat pumps remain strong

#### • Healthy Home/Indoor Air Quality/Purification/Filtration

Testing demand is down

Specific services & ventilation trending—but massive homeowner confusion

More volume, more competition, rising CPC's

#### High Performance New Construction

Demand accelerating, especially around healthy home

# Time at Home = Attention to Home



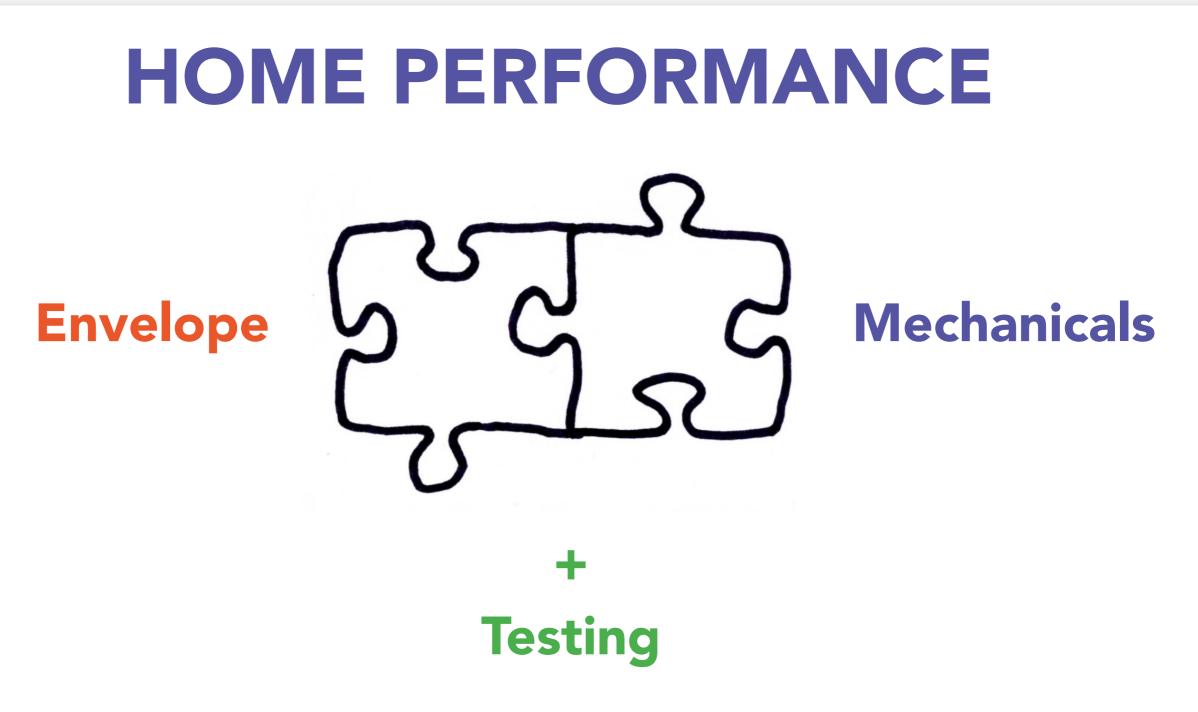




# **DIVERSIFYING BUSINESS MODELS**

# HOME PERFORMANCE SUCCESS







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# **Residential Retrofit Business Models**

#### **Envelope** (Shell or WX)

Insulation Contractor

Spray Foam Contractor

Cellulose Installer

New Construction Insulator

Mixed New & Retrofit Insulator

Air Sealing Specialist

Weatherization

Crawl Space Repair

**Basement Waterproofing** 

#### Mechanical

Traditional Heat and Cool Geothermal Heat Pump Specialists Plumber/Furnace Ventilation

#### **Other & Related**

Solar

Mold Remediation

Healthy Home

Handyman

Connected Home (Home Automation)

#### **Consultant/Technician**

**Energy Auditor** 

Pure Auditor

Auditor/Recommender

Auditor/Construction Manager

Network

Auditor/Inspector

Rater

Production Home Rater

Solo Rater

Passive House Rater

Certified Passive House Consultant

**LEED** Rater

Indoor Air Quality Tech



# Where I'm Seeing Growth

#### **Envelope** (Shell or WX)

**Insulation Contractor** 

Spray Foam Contractor

Cellulose Installer

New Construction Insulator

Mixed New & Retrofit Insulator

Air Sealing Specialist

Weatherization

Crawl Space Repair

**Basement Waterproofing** 

#### Mechanical

Traditional Heat and Cool

Geothermal

Heat Pump Specialists

Plumber/Furnace Ventilation Electrification

Other & Related	
Solar	
Mold Remediation	
Healthy Home	
Handyman	

Connected Home (Home Automation)

#### **Consultant/Technician**

**Energy Auditor** 

Pure Auditor

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Production Home Rater

Solo Rater

Passive House Rater

Certified Passive House Consultant

**LEED** Rater

Indoor Air Quality Tech



# **Commonalities of Thriving Contractors**

#### **Service Diversity**

Seasonal Balance Emerging Categories

#### **Recurring Revenue**

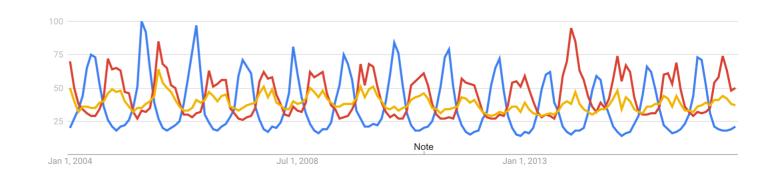
Service Contracts Staged Retrofit Plans

#### **Strong Brands**

Homeowner Preference In the Real World & Online Third Party Reviews

#### **Quality Operations**

First Touch to Last Touch









# POLL

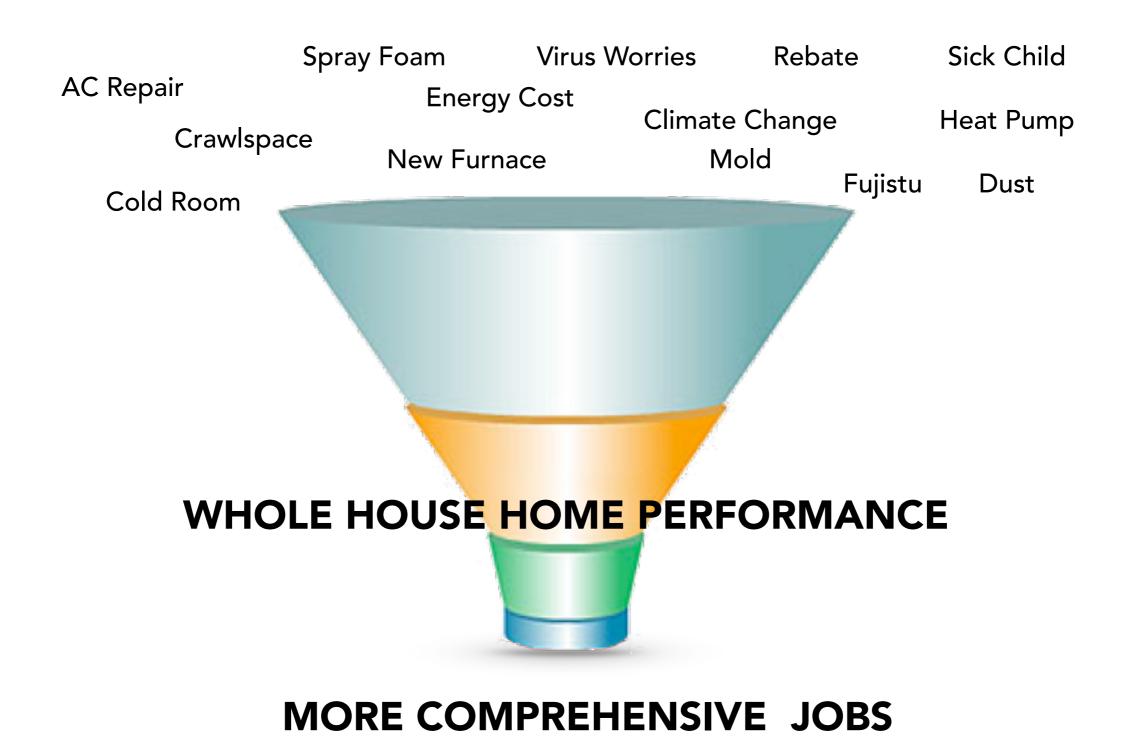




# FUNDAMENTAL TRUTH OF HOME PERFORMANCE MARKETING



# Fundamental Truth of HP Marketing







**Gateway Concept** 

# Homeowner concerns start with a single trigger.

# Successful contractors pivot the homeowner mindset to system thinking & high impact, whole house jobs.





### **Core Premise of Performance Contracting**

# First Touch is Critical

Most Leads are Single Measure You are Selling Something Different Experience Has to Be Better Right From Start





# Good Gateways, Challenging Ones

initial triggers that are more easily converted to comprehensive jobs

Good	Improving?	Difficult
Crawlspace Repair Discomfort	Healthy Home IAQ	Windows Solar
Home Electrification	Heat Pumps/Mini Splits Ventilation	
Net Zero Spray Foam	HVAC Service	

Data Sources:

Search Volume (proxy for interest level) Website Conversion Rates (Visit to Lead) Customer Acquisition Cost (Client Provided) Average Job Size (Client Provided)





# **Exceptional Incentives**

Available Rebat	tes		
Refer to the table below fo	or available rebates:		
Upgrade Type	Upgrade	Sponsor	Double the Rebate Value
	<u>Central Air Source Heat Pump Rebate (Tier 2</u> <u>only)</u> HSPF ≥9.3, SEER ≥16	CleanBC	\$6,000
Switch from natural gas, propane or oil heating to electricity	<u>Mini-Split or Multi-Split Air Source Heat Pump</u> <u>Rebate</u> HSPF ≥9.3, SEER ≥16	CleanBC	\$6,000
	Dual-Fuel Central Air Source Heat Pump Rebate	CleanBC	\$6,000
	Air-to-Water Heat Pump Rebate	CleanBC	\$6,000
	<u>Combined Space and Hot Water Heat Pump</u> <u>Rebate</u>	CleanBC	\$8,000 + \$300 Two Upgrade Bonus
	Electrical Service Upgrade Rebate	CleanBC	\$1,000
	<u>Central Air Source Heat Pump (Tier 2 only)</u> HSPF ≥9.3, SEER ≥16	CleanBC	\$4,000







# WHAT SHOULD YOU BE PAYING FOR A LEAD?



# "Half the money I spend on advertising is wasted; the trouble is I don't know which



half."

### John Wanamaker





# Everyone's Challenge is Different

- **Quantity of Leads**
- **Quality of Leads**
- Cost of Leads
- **Conversion Problems**
- **Diversity of Leads**
- **Mix of Tactics**
- **Competitive Pressure**
- Pricing

25



# Working Backwards From Your Goals

Revenue Goal:	\$750,000	
Average Ticket:	\$4,500	
# of Jobs:	168	
Close Rate:	30%	

# YOU NEED 556 LEADS





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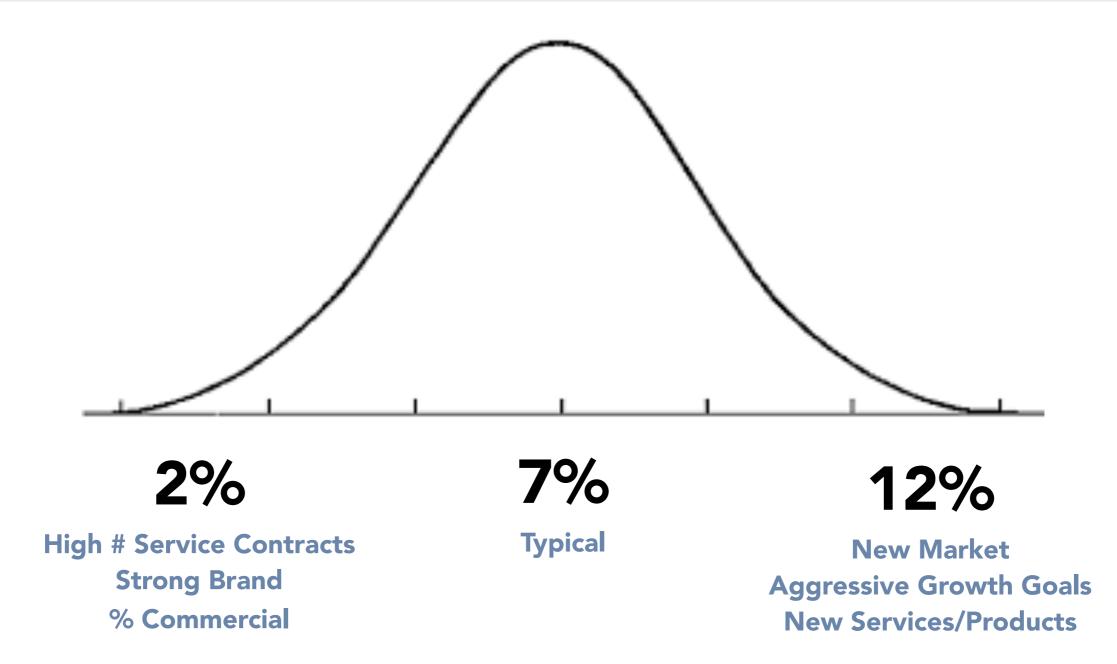
# YOU NEED 556 LEADS

Marketing Budget @ 7%:	\$52,500
<b>Cost Per Acquisition:</b>	\$313
Cost Per Lead:	\$94





### What Should You Spend on Marketing?





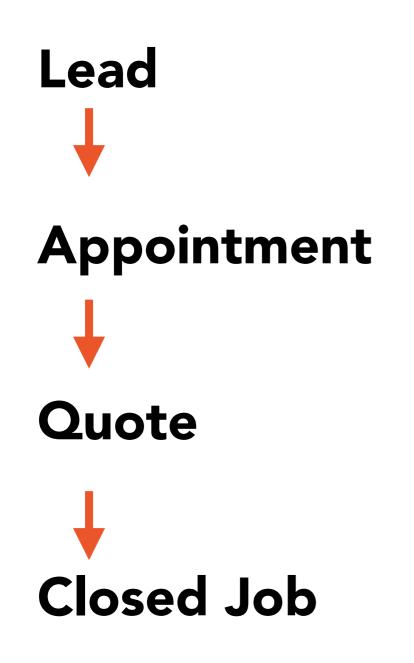




# POLL



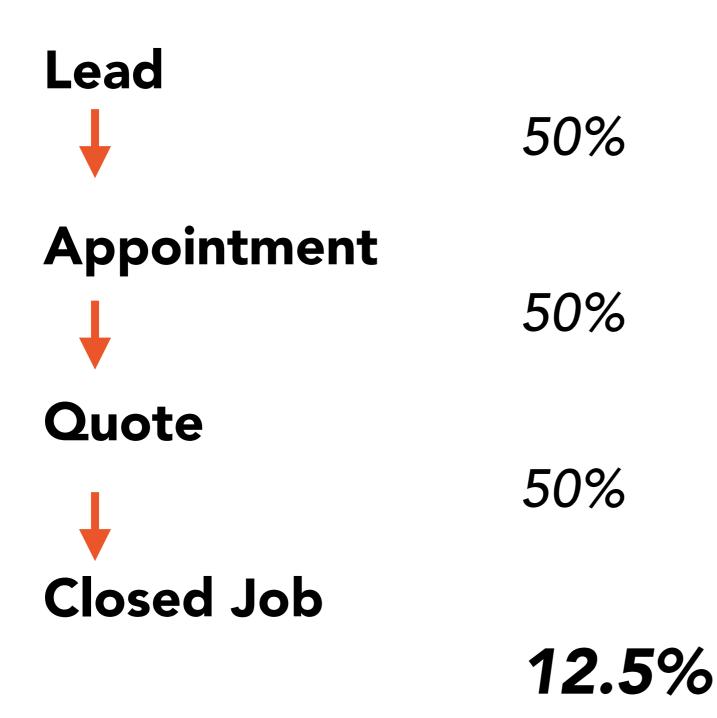
### **Conversion Rates Drive Lead Cost**







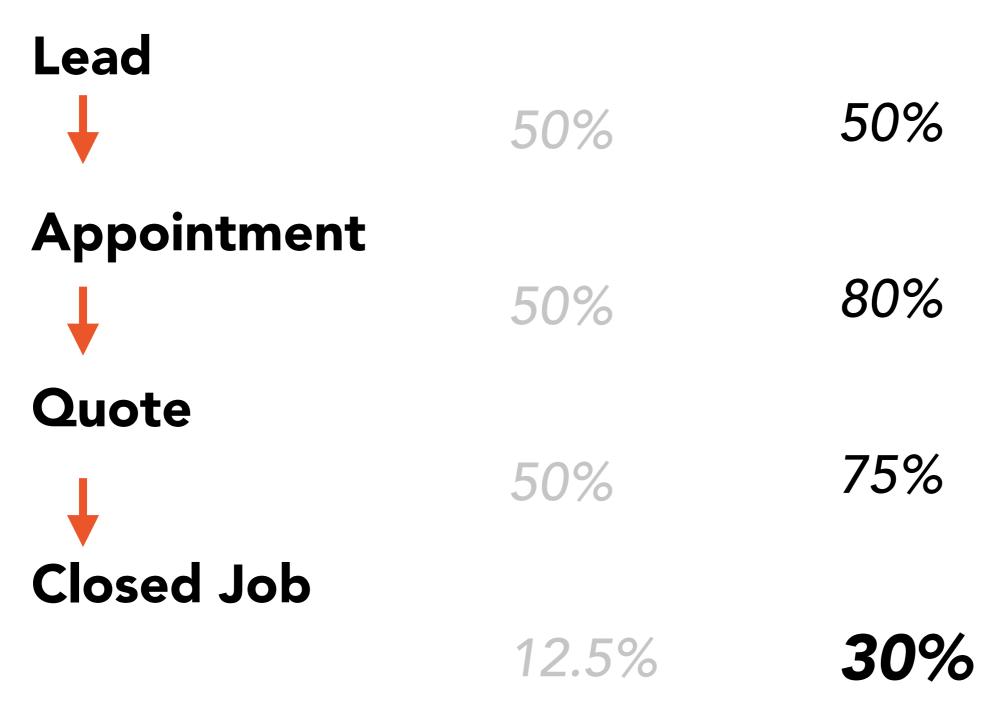
### **Conversion Rates Drive Lead Cost**







### **Conversion Rates Drive Lead Cost**







## Cheap Leads/Expensive CAC

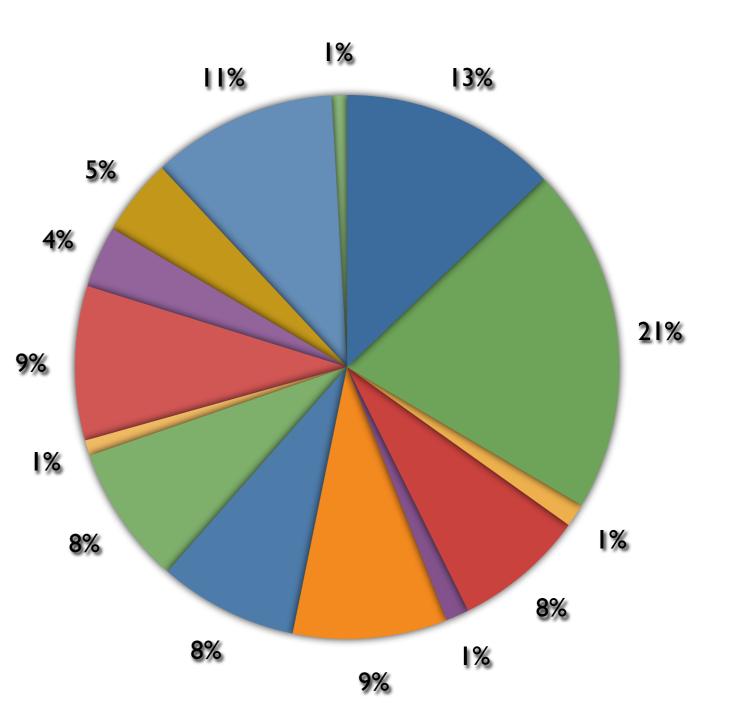
	Home Advisor	Google Ads
Cost Per Lead:	\$25	\$120
Lead to Appointment	15%	85%
Cost Per Appointment	\$166	\$141
Appointment to Quote	50%	75%
Cost Per Quote	332	188
Quote to Close	30%	60%
<b>Cost Per Acquisition</b>	\$1,106	\$313





# **Typical 2019 Marketing Mix**



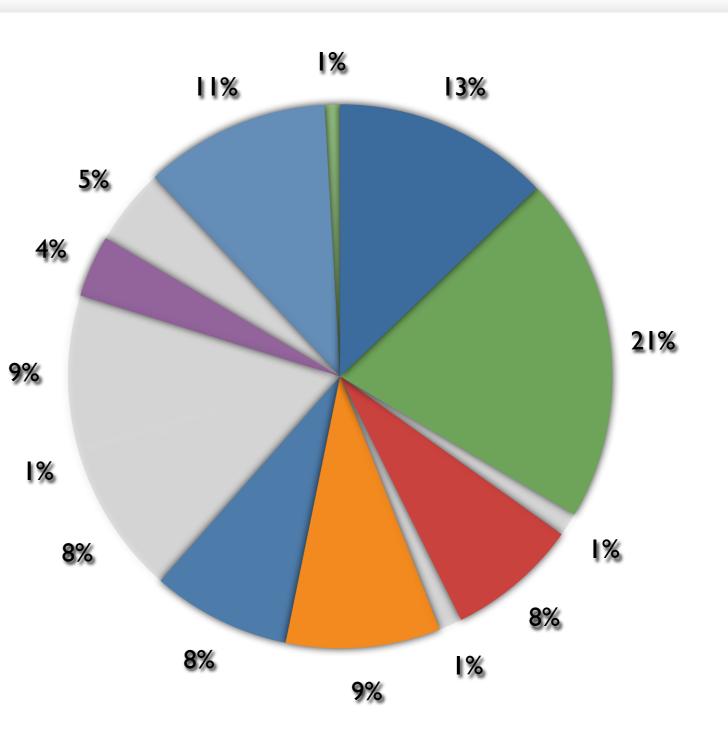






# **Growing Importance of Digital: 75%**

Organic Search Paid Search **Direct Mail** Paid Social Print Ads Referring Traffic **Online Directories** Email Home Shows Community Organic Social Past Customers **Referral Program Purchased Leads** 









# POLL





# HOW TO DETERMINE & PRIORITIZE THE RIGHT DIGITAL MARKETING STRATEGY FOR YOUR COMPANY



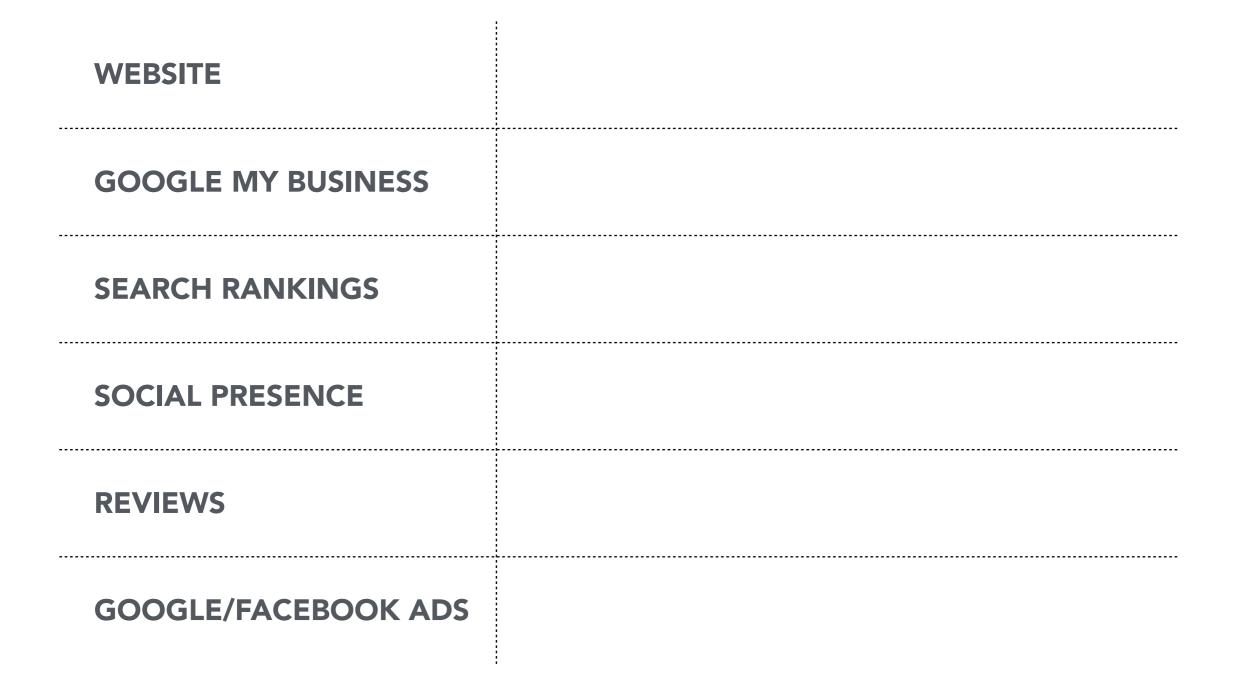
### Two Sides of the Marketing Equation

Strong Digital FOUNDATION	Active LEAD GENERATION
Strong Website	Google Ads
Google My Business	Google Local Services Ads
Reviews	Google My Business
Local Search Success	Facebook Ads/Audiences
Content & Video	Purchased Leads
Digital Systems	Video Marketing





## **Organizing Your Focus**







## Many Objective Tools & Metrics

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WEBSITE	Trust DA, # Pages, Freshness, Core Analytics
GOOGLE MY BUSINESS	Traffic from Insights, Completeness, Reviews
SEARCH RANKINGS	PlacesScout Rankings, Presence of Localized Content
SOCIAL PRESENCE	# of Sites, Activity, Engagement, Traffic
REVIEWS	Quantity in Google, Averages, Diversity, Content
GOOGLE/FACEBOOK ADS	100% Measurable Performance







# POLL



## Simplifying the Self-Audit

• WEBSITE: Does it tell your story well?





## A Simple Website Content Audit

**Does it Tell your Company Story?** 

**Does it Help Build Trust?** 

Is Your About Us Page Great?

**Are All Your Services Represented?** 

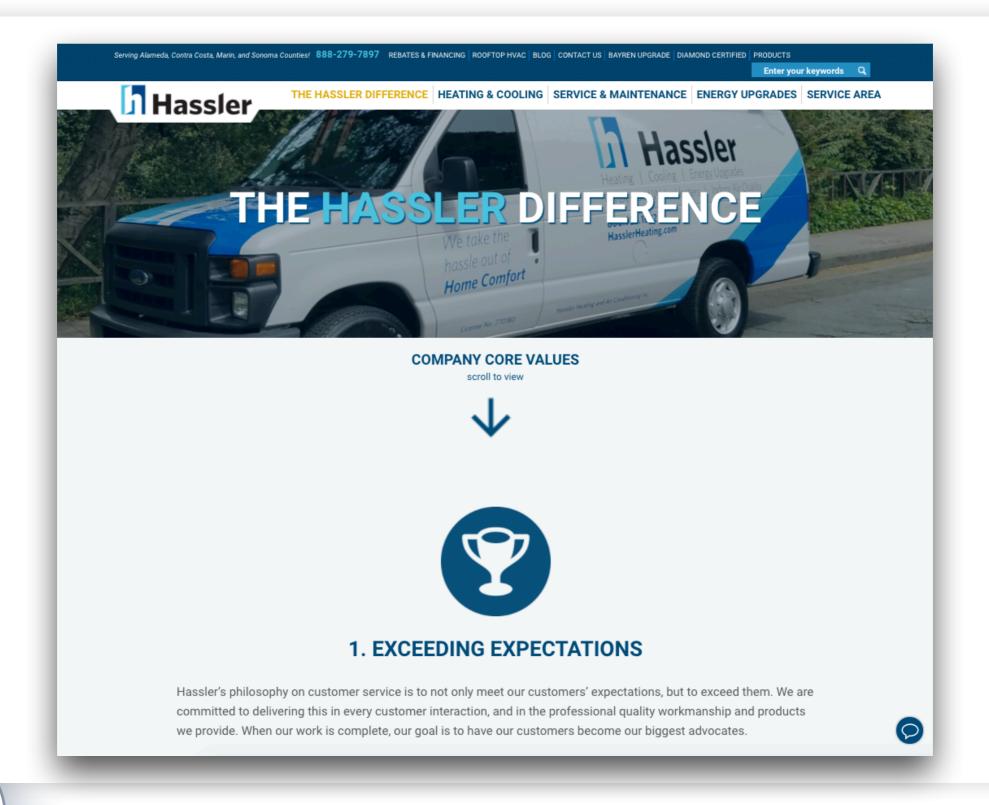
Are Educationally Intensive Pages Detailed?

How Fresh (or Stale) is Your Content?





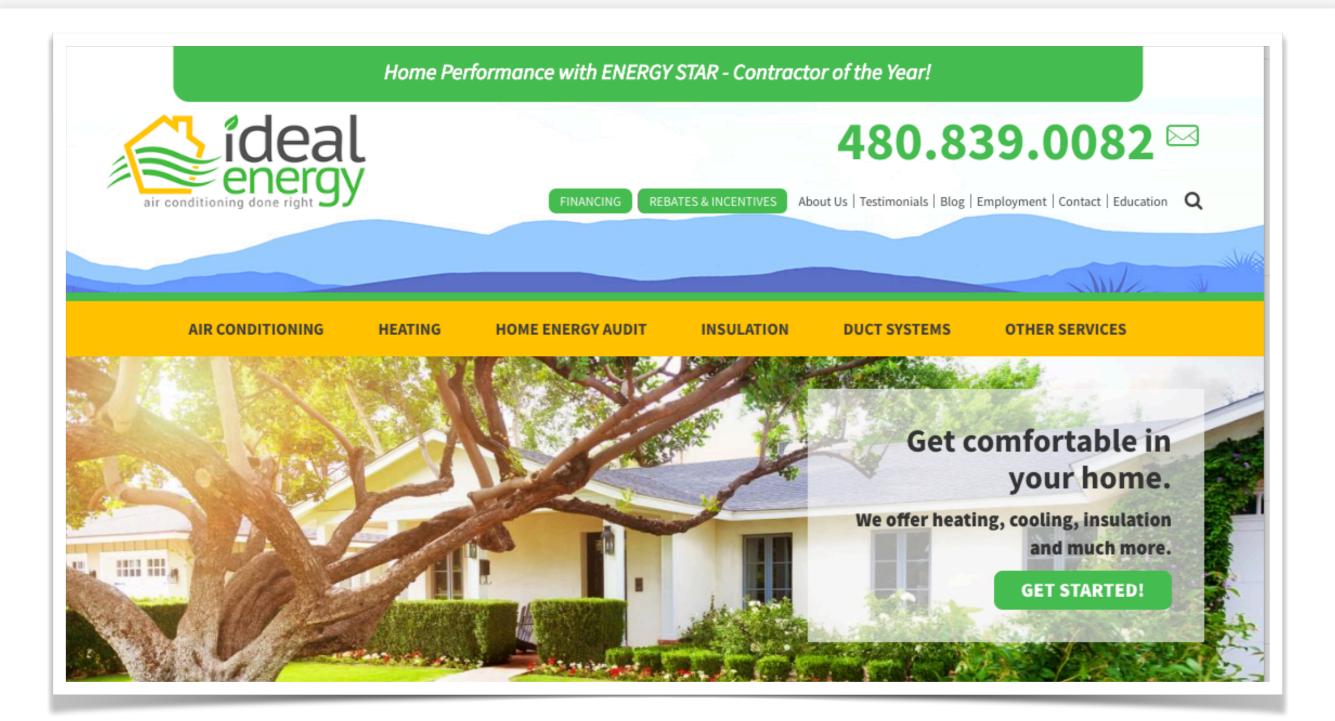
### The Story of Your Company







## The Workhorse of Human Trust Building







## **Building Trust Through Association**







### How We Connect the Dots: Education





#### Is Your House Making Your Family Sick?

Without a whole-home approach, issues can arise that may lead to health concerns, like mold growth, poor ventilation, radon gas infiltration, and poor indoor air quality, issues like these can affect the health of your entire family. Symptoms may vary from person to person, so it's important to know about the many symptoms associated with poor home health.

#### Physical Symptoms

- Skin irritationFatigue, weakness & lethargy
- Frequent sickness

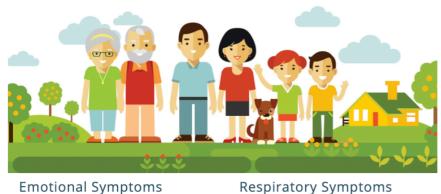
Mood changes

· Worry or anxiety

· Feeling agitated or depressed

#### Cognitive Symptoms • Frequent headaches • Foggy thinking or short term memory loss

Difficulty sleeping and waking up



#### Respiratory Symptoms Coughing or shortness of breath

- Sinus congestionIncreased asthma symptoms
- moreadou adama dympto









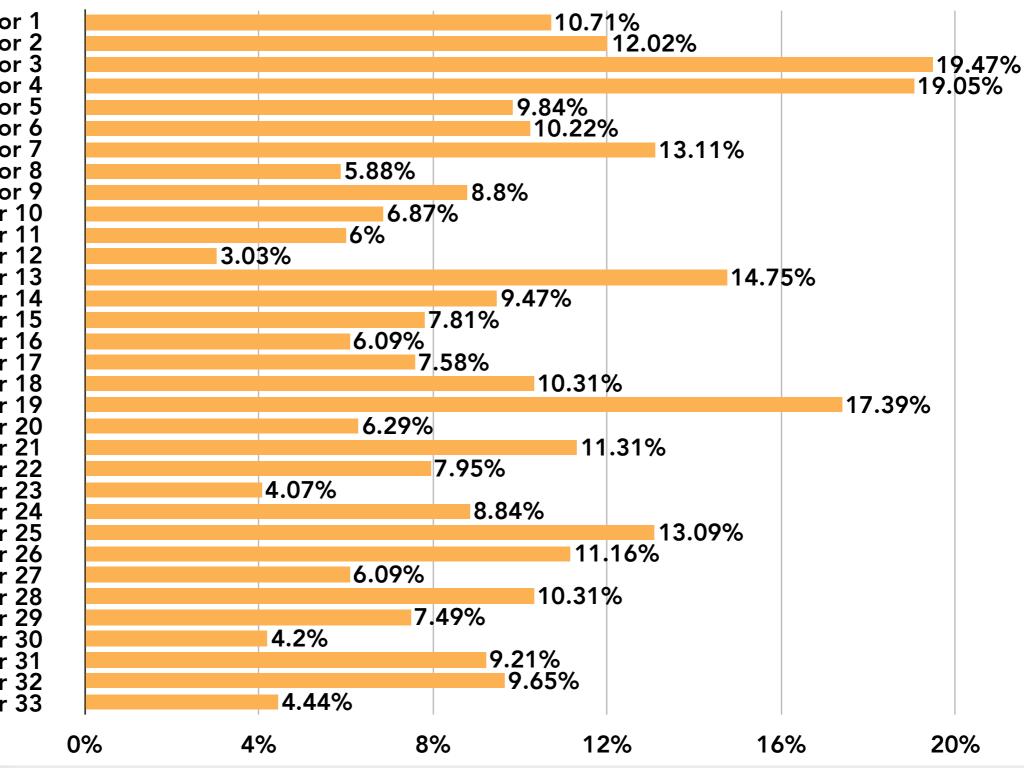






### **Conversion Rates: The Holy Grail**

Contractor 1 Contractor 2 Contractor 3 Contractor 4 Contractor 5 **Contractor 6** Contractor 7 **Contractor 8** Contractor 9 Contractor 10 Contractor 11 Contractor 12 Contractor 13 Contractor 14 Contractor 15 Contractor 16 Contractor 17 **Contractor 18** Contractor 19 Contractor 20 Contractor 21 Contractor 22 Contractor 23 Contractor 24 Contractor 25 Contractor 26 Contractor 27 Contractor 28 Contractor 29 **Contractor 30 Contractor 31 Contractor 32 Contractor 33** 







## Simplifying the Self-Audit

- WEBSITE: Does it tell your story well?
- GOOGLE MY BUSINESS: Is it complete & active?





### What Story Does This Page Tell?

#### Energy Efficiency, AC Repair, & Home Energy Audits | Ideal Energy ... https://www.idealenergyaz.com/ \*

Providing APS and SRP \$99 home **energy** audits, air conditioning repair and replacement, insulation, and home performance upgrades in Phoenix, **AZ**.

Contact · About Us · Financing · Rebates & Incentives You've visited this page 3 times. Last visit: 11/18/18

#### Meet the Team | Ideal Energy | Phoenix, AZ

#### https://www.idealenergyaz.com/about-us/meet-team -

**Ideal Energy** specializes in energy auditing, heating and air conditioning, ... League of **Arizona**, the **Arizona** Registrar of Contractors, Energize Phoenix, and the ...

#### Ideal Energy - 30 Photos & 59 Reviews - Heating & Air Conditioning ... https://www.yelp.com/biz/ideal-energy-phoenix

★★★★★ Rating: 5 - 59 reviews

59 reviews of **Ideal Energy** "Here's the short version: My experience with Ideal ... It seems like more than a few guys know we live in **AZ** and pretty much have no ...

#### Ideal Energy | Better Business Bureau® Profile

https://www.bbb.org/us/az/phoenix/profile/home.../ideal-energy-1126-1000016297

BBB accredited since 3/29/2011. Home Performance Contractor in Phoenix, **AZ**. See BBB rating, reviews, complaints, request a quote & more.

#### Ideal Energy - Home | Facebook

https://www.facebook.com > Places > Phoenix, Arizona > Home Improvement

#### ★★★★★ Rating: 5 - 14 votes

Ideal Energy - 4127 E University Dr, Phoenix, Arizona 85034 - Rated 5 based on 14 Reviews "I am so glad I decided to circumvent my home warranty company...

Ideal Energy | Tempe AZ | Read Reviews + Get a Free Quote ... https://www.buildzoom.com > ... > Best HVAC/Mechanical Contractors in Tempe

**Ideal Energy** LLC, 822 W Orion St, Tempe, **AZ** holds a Specialty Residential license and 2 other licenses according to the **Arizona** license board.



#### Ideal Energy

 Website
 Directions
 Save

 4.9 ★★★★ 64 Google reviews

Air conditioning contractor in Phoenix, Arizona

Address: 4127 E University Dr, Phoenix, AZ 85034 Hours: Open · Closes 5:30PM -

Phone: (480) 839-0082

Suggest an edit

#### Know this place? Answer quick questions

Questions & answers Be the first to ask a question		1	Ask a question		
De the hist to ask a	question				
Reviews from the w	eb				
Facebook			Trane		
5/5			4.9/5		
14 votes			5 votes		
원 Send to your pho	one			Send	
Reviews	Write a	review	Add a	photo	
C "He was extre about what hi		-		nonest	
R "You will receind service from I			and gre	at	
🚽 "Or be easiest	to push	onto a <b>c</b>	ustomer)	."	
View all Google revi	ews				

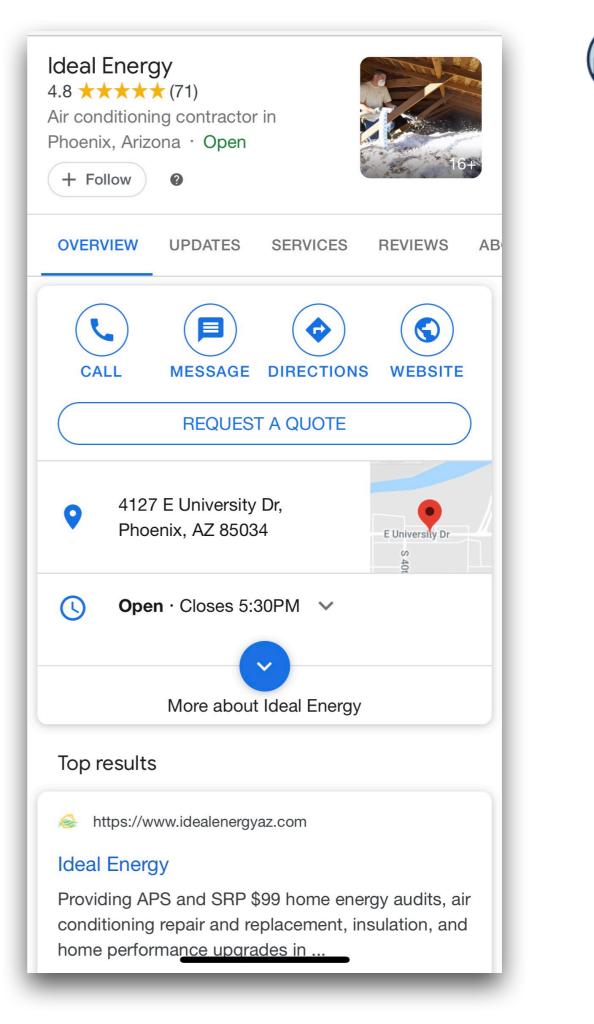
From Ideal Energy

"Ideal Energy is a full-service home energy efficiency

Google Business Profile (aka Knowledge Panel)

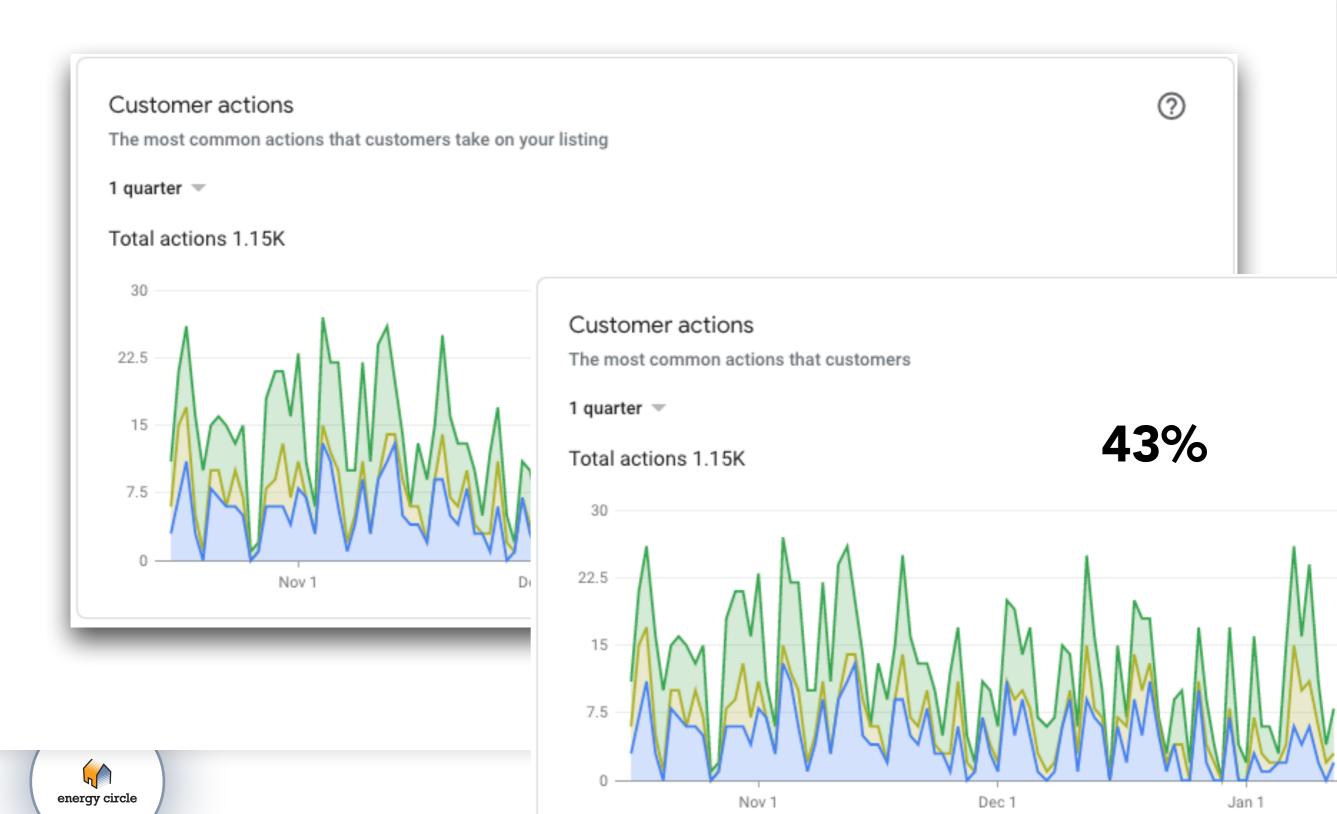
energy circle

### Google My Business More Dominant in Mobile





### The "Zero Click" Contact





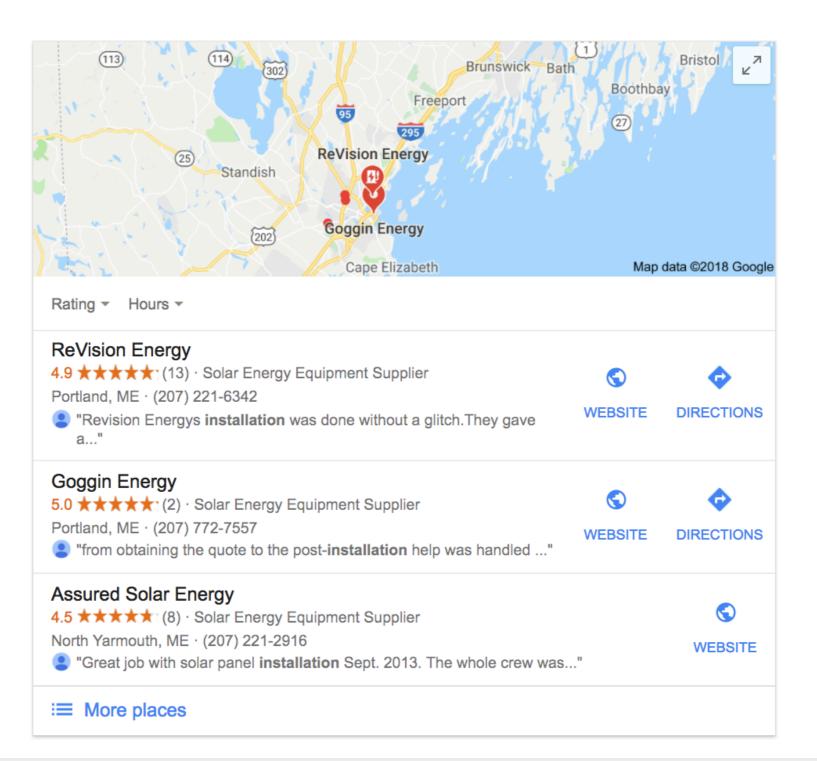
## Simplifying the Self-Audit

- WEBSITE: Does it tell your story well?
- GOOGLE MY BUSINESS: Is it complete & active?
- **SEARCH RANKINGS:** How strong are we throughout our service area?





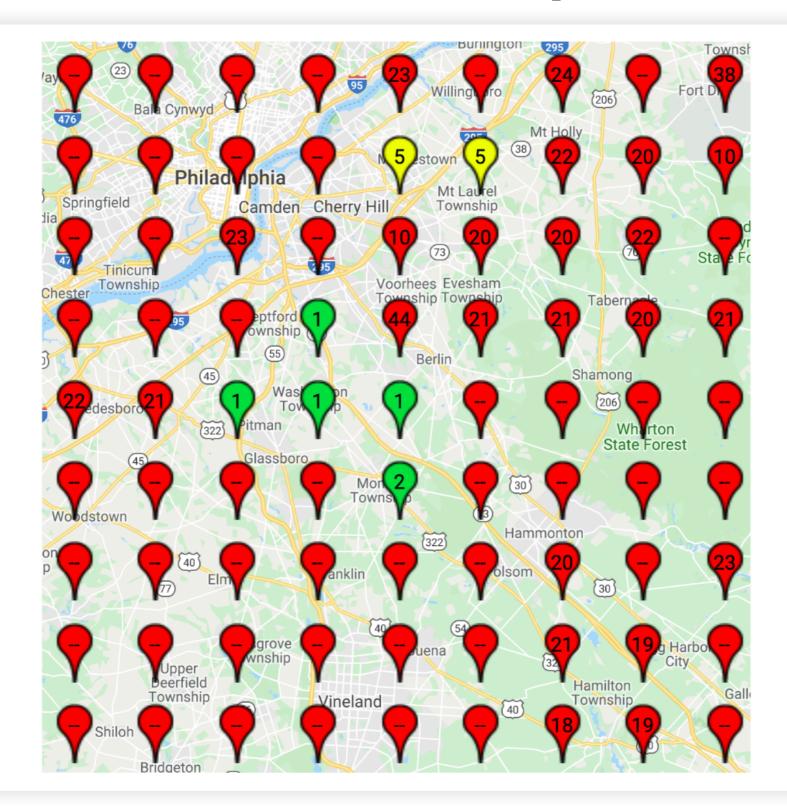
### Do You Show in the 3 Pack?







### **Google's Unfortunate Proximity Bias**







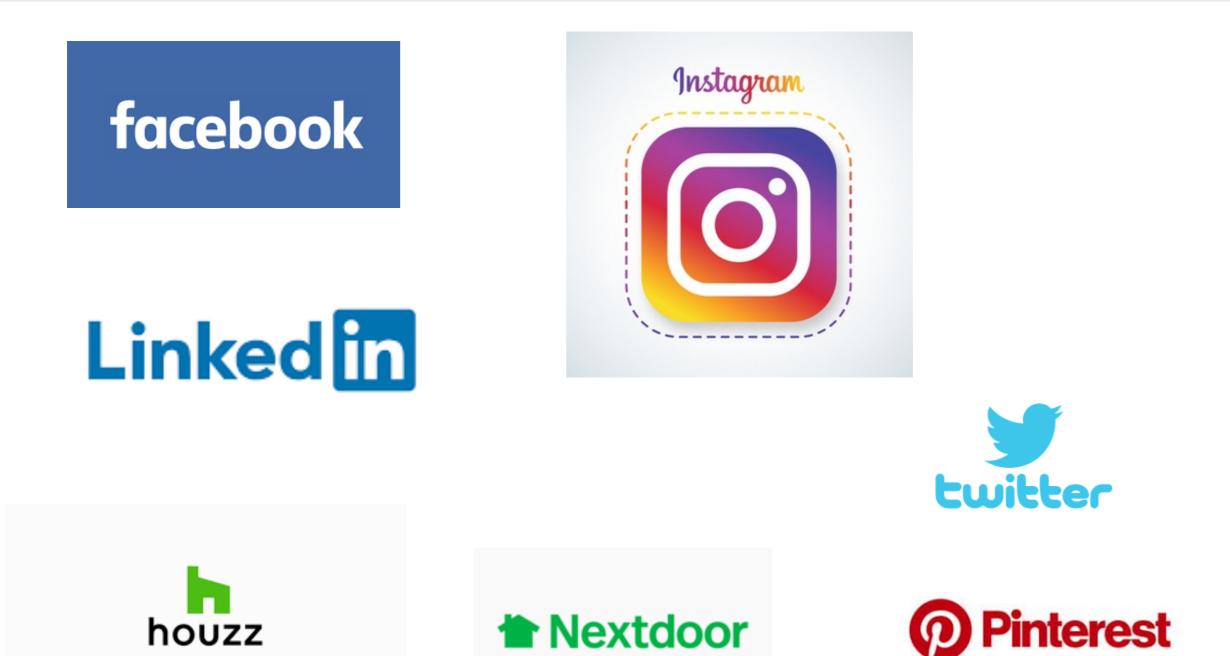
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- WEBSITE: Does it tell your story well?
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- **SOCIAL PRESENCE:** What's our visibility in social media?





### Shore Up Social Presence







## Simplifying the Self-Audit

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- **REVIEWS:** An accurate and diverse representation of your quality?





### What is New Heading in to 2021:

Google is King

#### **Quantity & Consistency Critical**

Diversity still counts (Facebook, Yelp & Beyond)

AND

# Review Content More Important Than Ever





### Our Guidance—Google Review Quantities

	June 2019	January 2020
Solar	50+	100
HVAC	40+	75
Home Performance	25+	40
Insulation	15+	30
Builder	10+	30
Remodeler	25+	50





### **Review Content Matters More**

#### **About the Customer Experience**

Great work from a great company! Very professional and responsive!

if you live in the Pines, you need this done! noticed a change in days!

Great quality work. Very competitive pricing. Management and all employees are polite and willing to help you. PROFESSIONAL operation

#### **Experience AND the Work**

They are a very professional organization. I can tell immediately that the *extra insulation they placed in the attic* is doing its job by *reducing our utility bills*.

\_\_\_\_\_ is my trusted source for *mold*, *moisture, crawlspace, attic* and related issues. They have done multiple projects for me to improve my recently purchased *historic home*, which had numerous *moisture and mold problems* resulting from years of neglect and improper work.





## Simplifying the Self-Audit

- WEBSITE: Does it tell your story well?
- GOOGLE MY BUSINESS: Is it complete & active?
- **SEARCH RANKINGS:** How strong are we throughout our service area?
- **SOCIAL PRESENCE:** What's our visibility in social media?
- **REVIEWS:** An accurate and diverse representation of your quality?
- AGGRESSIVE LEAD GENERATION: The case for Google Ads & Facebook?

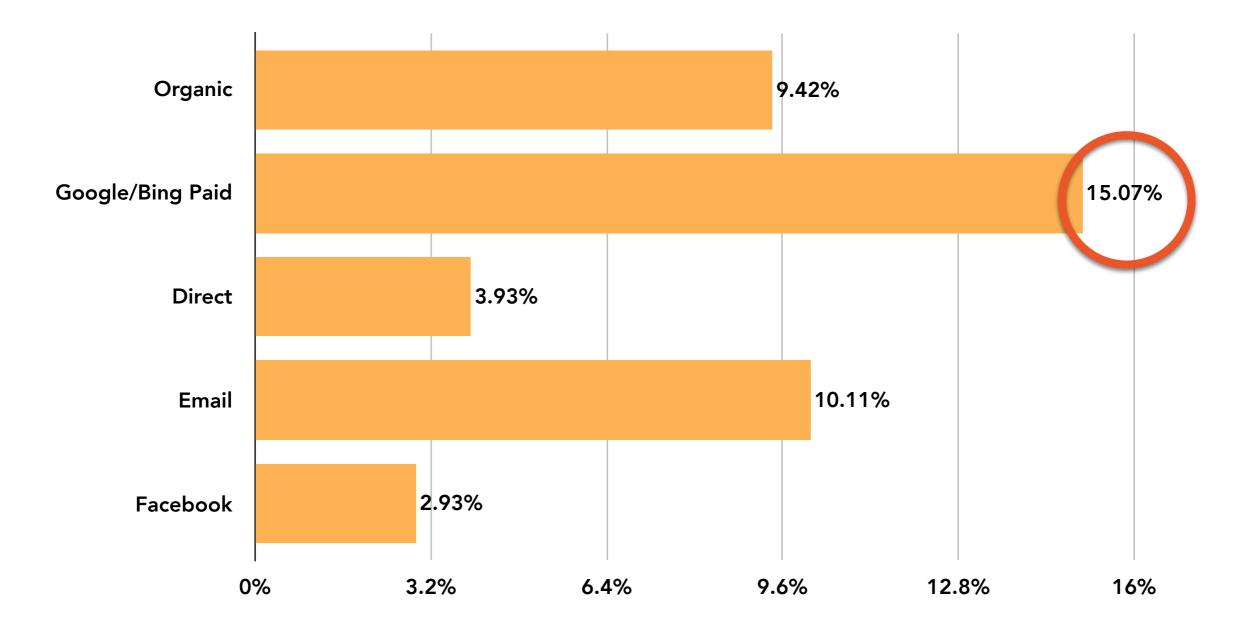


	Google	hvac repair oakland ca		<b>پ</b> م
		All Maps Shopping	News Videos More	Settings Tools
		About 270,000 results (0.86 sec	onds)	
		HVAC repairs - 20+ HV	AC pros serving Oakland	Sponsored 💿
Local Servic Ads	es	Element Home Solutions 5.0 **** See reviews Google guaranteed Oakland (510) 871-3894 Open now	The Appliance Repair 4.6 **** See reviews Google guaranteed Alameda (510) 871-3938 Open now	
		→ More HVAC pros in Oakland	đ	
Google Paid		Oakland BBB A+ HVAC Technician - Diamond Certified Same Day Svc Ad eb.onehour-heat-and-air.com/Oakland  (510) 969-6777 Providing Quality, Service, Integrity, And Convenience. Call Now! Locally Owned & Operated · 24/7 Emergency Service · Guaranteed Repairs · Licensed & Insured Highlights: On-Time Service, Straightforward Pricing		
		HVAC Repair - Quality Work - No Surprises - airmenheatingandair.net Ad www.airmenheatingandair.net/  (888) 259-7783 Call Our HVAC Repair Experts. Make An Appointment And Save.		
		P TREASLER ISLAND TREASLER TRE	Albert Nahman Albert Nahman Jumbing and Heating Temeryville Conditioning Co Jum Mest OAKLAND	stems g & Air Piedmont
Google Local	Atlas Heating and Air Con 4.7 * * * * (24) · HVAC Co 1451 32nd St · (510) 893-1343 Open until 7:00 PM		WEBSITE DIRECTIONS	
3 Pack		Eco Systems Heating & A 5.0 *****:(1) · HVAC Con 712 56th St · (510) 698-6219 Open until 11:00 PM		WEBSITE DIRECTIONS
		Albert Nahman Plumbing 4.7 ***********************************	ontractor	WEBSITE DIRECTIONS
		i≡ More places		

#### Organic



### **Buying Intent = High Conversion**



Data from 65 Energy Circle Clients, 12 months of 2019





### Paid Search as Core Lead Driver

# **71%** of <u>All</u> Leads from Paid Search

\*Energy Circle clients; mix of HP, HVAC, Insulation, New Construction, Solar





### Facebook Ads





Since we first opened our doors in 2009 in Denver, the CAM Solar team has helped thousands of businesses and homeowners achieve solar independence.



#### GOCAMSOLAR.COM

#### Ready To Make The Switch To Solar?

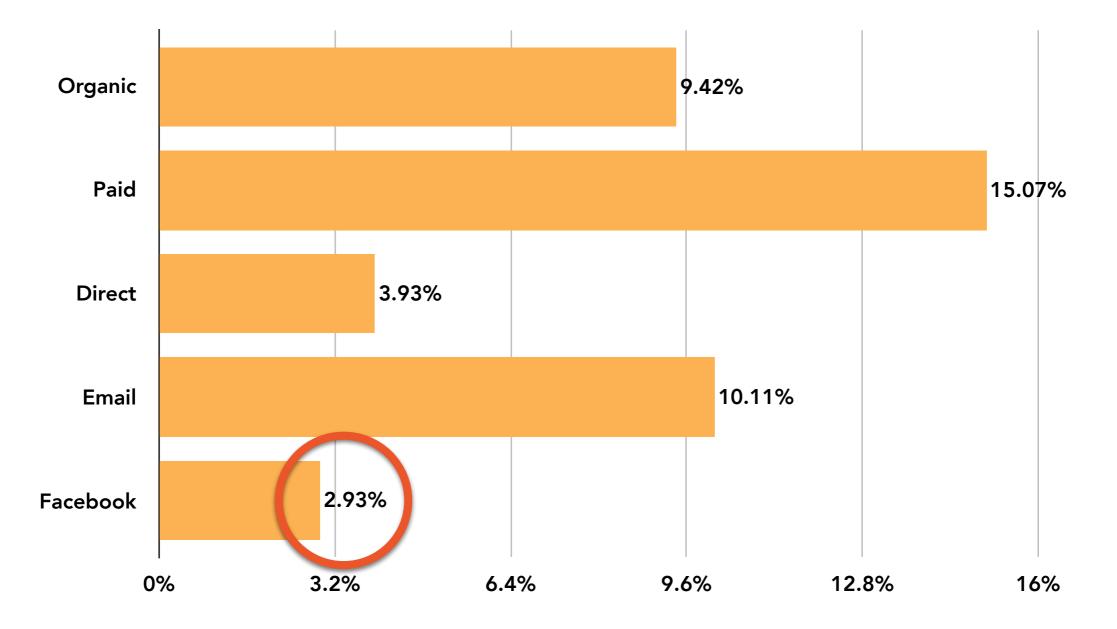
Save money with Solar. Get a free solar evaluation for your home from our solar experts.

Learn More





### Role of Facebook: 1. Awareness; 2. Conversion



Data from 65 Energy Circle Clients, 12 months





## **Incredibly Precise Targeting**

### Interests

Ventilation Sick Bldg Syndrome Mold Growth Radon Mitigation **SEER** ASHRAE Handbook **R-Value** SIPs **HRV** Allergen Thermal Comfort

## **Behavioral**

Length of Residence Recent Homebuyer New Mover Charities Enviro Home Renovation Green Cleaners AOL email Gmail email Primarily Cash Home Improvement

## Demographic

Expectant Parents Recently Moved Very Liberal Donate to Liberal Conservative <del>Year Home Built</del> <del>Square Footage</del> <del>Home Value</del> Friends of Recently Moved <del>Liquid Assets</del> <del>Net Worth</del>





No Cost Benchmark Analysis

#### **Peter Troast**

peter@energycircle.com

207.847.3644





# **END OF PRESENTATION**