

State of LEAD GENERATION



 Housecall Pro

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SECTION ONE

Introduction

For home service businesses relying on lead generation sites to find new customers and increase their revenue, it can be difficult to know which sites to invest in, how much to invest, and how to most effectively use these sites to increase your return on investment (ROI).

To help answer these questions, we conducted an in-depth survey with over 140 home service professionals to find out about their experiences with lead generation platforms and what the results have been. The survey included questions about Angie's List, Facebook, Google, Home Advisor, NextDoor, Thumbtack and Yelp. ^[1]

WHO WE SURVEYED

50%

Service area population over 500,000

36%

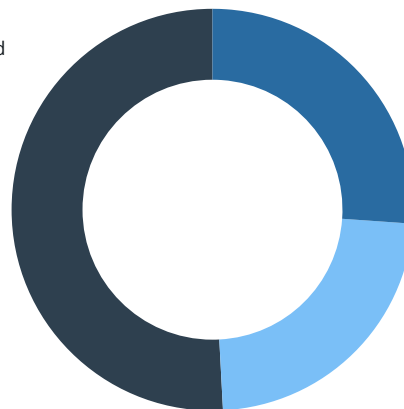
Service area population under 500,000

14%

Service area population (rural)

51%

Plumbing, HVAC, and electrical industries



26%

Other industries (auto detailing, lawn care, handyman, garage door, and piano tuning)

23%

Cleaning industry (home, commercial, carpet & window, or power washing)

^[1] In addition to the platforms compared in this report, we also asked respondents about Amazon Home Services, Porch, and Nextdoor; however, we did not receive enough responses to include them. We also asked pros which specific Facebook and Google services they were using, but did not receive enough responses to offer insights.

Key takeaways

- 1** From the survey, these are the lead gen platforms with the highest average monthly revenue and return on investment for our pros.

INDUSTRY	BEST RETURN ON INVESTMENT (ROI)	HIGHEST AVERAGE MONTHLY REVENUE
HVAC, Plumbing, and Electrical	Thumbtack	Google: \$86,751
Cleaning	HomeAdvisor	HomeAdvisor: \$5,089
Other Industries	HomeAdvisor	Google: \$21,604

Other important considerations include the average number of jobs and job size. For instance, HVAC, plumbing, and electrical companies using Thumbtack reported an average of **only four jobs a month** from the platform, which explains why even though it has by far the best ROI, it doesn't result in a large monthly revenue (average of **\$5,865 per month**).

Across sectors, fewer pros surveyed are currently advertising on Google than HomeAdvisor (**16-19%** compared to **25-30%**); however the pros that are investing in Google tend to spend significantly more, resulting in more jobs and a higher revenue. We offer a more complete comparison of these platforms per industry below.

- 2** **Not everyone is winning.** Almost 7% of respondents reported **losing money each month on a lead gen site.** Cleaning companies — including residential, commercial, and window — were the most likely industries to see a negative return on investment.
- 3** **Pros have a love/hate relationship with these sites: they don't always recommend platforms they make money from.** As one pro commented about Yelp, "Even though I do not like them as a company, they make us money."
- 4** **Pros are the most likely to recommend Google to other pros.** On a scale of 1 to 10 rating how likely they were to recommend a given platform, **Google scored the highest with 8.27** while **Angie's List scored the lowest at 3.17.**
- 5** **100% of pros reported finding jobs on at least one of these platforms without paying to advertise.** Over 70% of respondents reported earning jobs off of Facebook and Google organically.



Growing your home service business?

Housecall Pro can help get you more reviews, winning you more of the leads you're paying for. Set up automated thank you emails with review requests after you finish a job. Choose who to ask for reviews to focus on your best customers and not overwhelm recurring customers. Increase reviews to your Google My Business page via automation.

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SECTION THREE

Plumbing, HVAC, and electrical industry data by sector

We broke down our findings into three segments: HVAC, plumbing and electrical; cleaning industries; and all other industries.

OVERALL AVERAGES ACROSS PLATFORMS

\$3,211

Average spent per month

\$1,715

Average job size

11.72

Average number of jobs per month

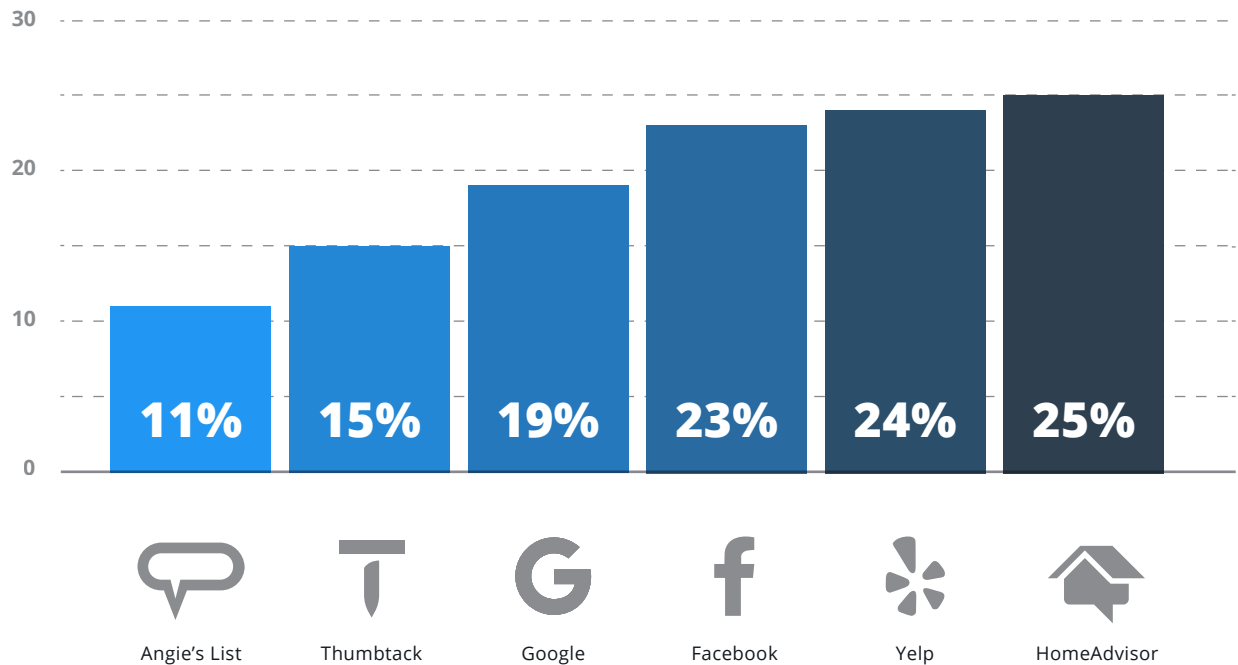
\$24,085

Average monthly revenue from lead gen

\$122

Average cost per lead

PERCENTAGE OF RESPONDENTS ACTIVELY ADVERTISING ON EACH PLATFORM



PLUMBING, HVAC, AND ELECTRICAL

The following showcases the various platforms' average cost per lead, average number of jobs per month, and average monthly revenue, **ranked from best to worst**.

AVERAGE COST PER LEAD	
Angie's List	\$393
Google	\$201
HomeAdvisor	\$90
Yelp	\$61
Facebook	\$58
Thumbtack	\$27

AVERAGE NUMBER OF JOBS PER MONTH	
Google	33.79
Facebook	10.22
HomeAdvisor	9.10
Yelp	8.61
Angie's List	4.70
Thumbtack	4.00

AVERAGE MONTHLY REVENUE	
Google	\$86,751
Yelp	\$16,915
Facebook	\$16,905
HomeAdvisor	\$12,787
Angie's List	\$8,504
Thumbtack	\$5,865

"HomeAdvisor can be a money pit if you don't know how to use it or have a system in place to excel in it. Which is why most are unsuccessful with it."

John Crossett



SECTION FOUR

Cleaning industry data by sector

Including residential and commercial cleaning companies, and window washing.

OVERALL AVERAGES ACROSS PLATFORMS

\$1,565

Average spent per month

\$276

Average job size

7

Average number of jobs per month

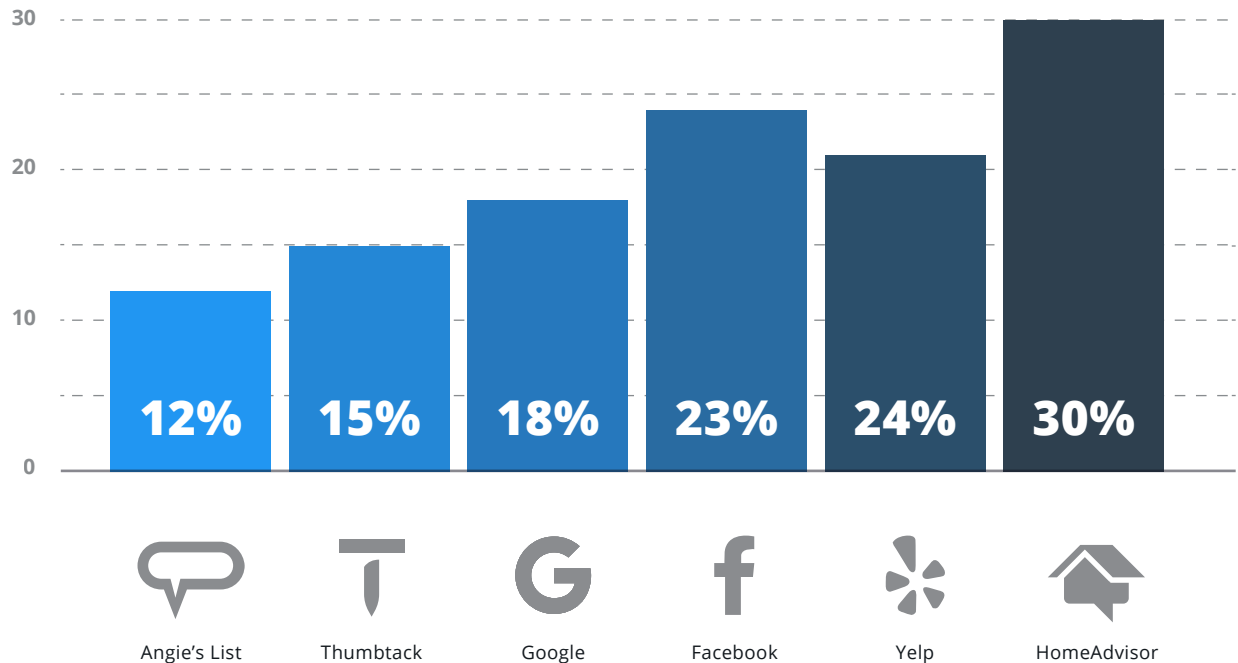
\$2,032

Average monthly revenue from lead gen

\$22

Average cost per lead

PERCENTAGE OF RESPONDENTS ACTIVELY ADVERTISING ON EACH PLATFORM



CLEANING

The following showcases the various platforms' average cost per lead, average number of jobs per month, and average monthly revenue, **ranked from best to worst**.

AVERAGE COST PER LEAD	
Facebook	\$14
Thumbtack	\$18
Google	\$22
Yelp	\$23
HomeAdvisor	\$26
Angie's List	\$32

AVERAGE NUMBER OF JOBS PER MONTH	
Google	12.83
HomeAdvisor	8.20
Thumbtack	6.57
Facebook	5.83
Yelp	4.13
Angie's List	3.60

AVERAGE MONTHLY REVENUE	
HomeAdvisor	\$5,089
Google	\$3,091
Thumbtack	\$1,244
Facebook	\$1,184
Yelp	\$999
Angie's List	\$583

"Angie's List doesn't need my money when they make a magazine with 17 other competitors in my neighborhood which 2 use the same name as ours"

Chad Kerkvliet



SECTION FIVE

Other industry data by sector

Including auto-detailing, lawn care, handyman, garage door, and piano tuning.

OVERALL AVERAGES ACROSS PLATFORMS

\$791

Average spent per month

\$1,113

Average job size

7.18

Average number of jobs per month

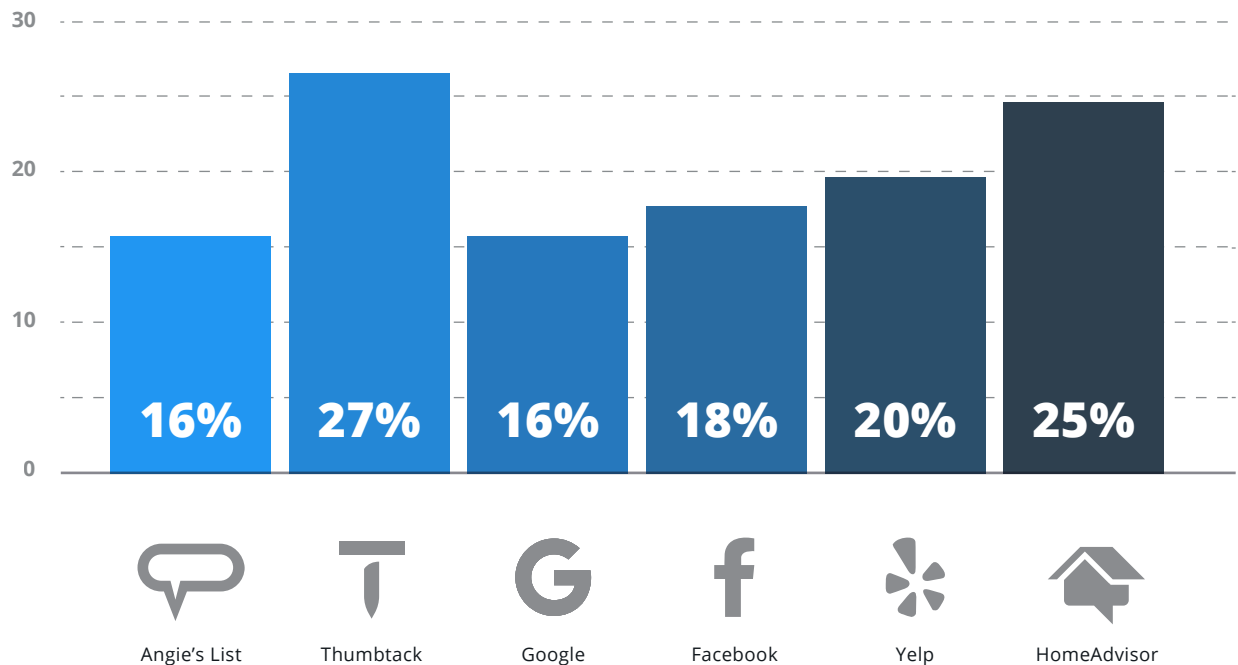
\$6,984

Average monthly revenue from lead gen

\$29

Average cost per lead

PERCENTAGE OF RESPONDENTS ACTIVELY ADVERTISING ON EACH PLATFORM



OTHER

The following showcases the various platforms' average cost per lead, average number of jobs per month, and average monthly revenue, **ranked from best to worst**.

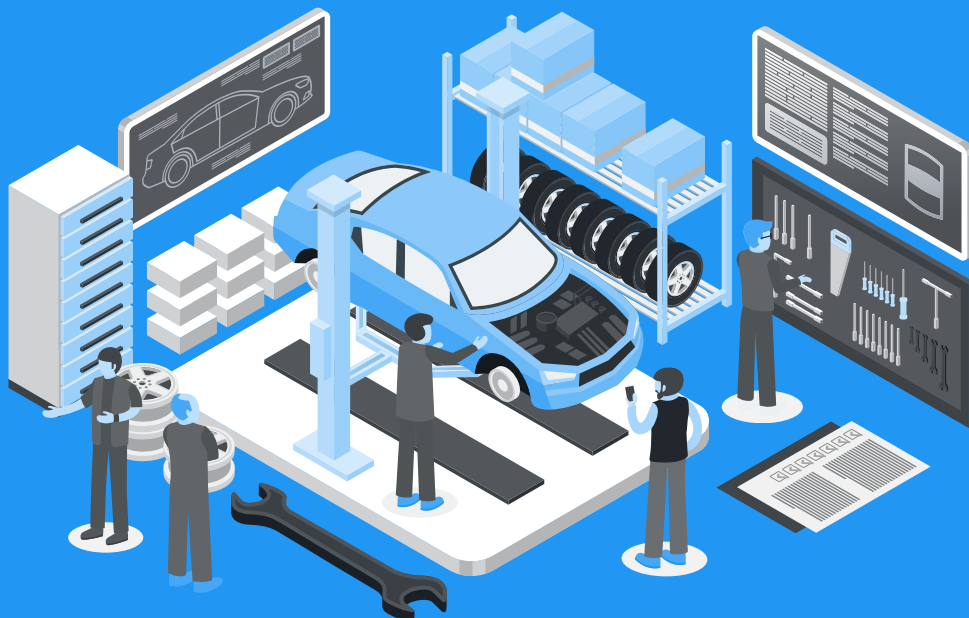
AVERAGE COST PER LEAD	
Facebook	\$15
Thumbtack	\$17
Angie's List	\$20
Google	\$21
HomeAdvisor	\$50
Yelp	\$53

AVERAGE NUMBER OF JOBS PER MONTH	
Thumbtack	10.58
Google	9.57
Yelp	7.55
HomeAdvisor	7.10
Facebook	5.11
Angie's List	3.14

AVERAGE MONTHLY REVENUE	
Google	\$21,604
Angie's List	\$7,348
HomeAdvisor	\$6,209
Facebook	\$3,762
Yelp	\$2,452
Thumbtack	\$529

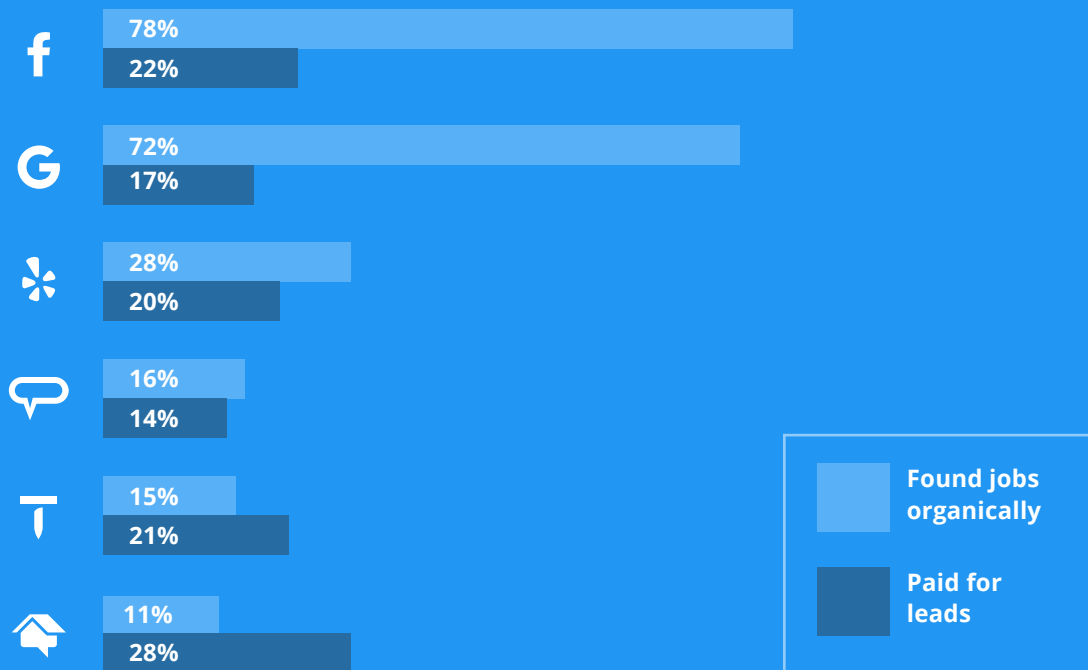
"HomeAdvisor set up a whole new account instead of reestablishing the existing. I would have to assume they got paid commission."

Peoria Lawn



Points of interest

- On average, pros are actively using **2.7 sites for free** while **paying to advertise on 1.2 sites**.
- Over **70% of pros found jobs for free** using Facebook or Google.



- Pros believe that most sites are going downhill — except Google. **Google was the only site** that more users believed had **increased the quality** of its lead generation services since they began using it.
- **37 - 52% of pros adjust their budget based on the season.** Cleaning industries polled included window washing companies, which frequently operate seasonally, and may have strongly impacted these results.



SECTION SEVEN

HomeAdvisor success story

98 Restoration

Industry: Carpet, floor cleaning, and restoration

Team Size: 6 (including one full-time office employee)

Owner: Curtis Buckelew

\$2,000

Monthly spend

\$15,000

Monthly return

650%

Return on investment

\$450

Average job size

\$30

Average cost per lead

30

Paying jobs per month

"I return calls immediately, which shocks a lot of my customers, because I'm calling them at night and on the weekends. My team sends a follow-up email if we don't get an answer. We do a lot of return phone calls.

I get about 80% of the jobs if I'm the first person to contact them. We call them twice in one day and then follow up with an email, and then we do the follow-up call on the second day.

I'm a little over 4.8 stars and have 55 or 60 five-star reviews out of my 68, and some of them are four stars. You're not going to get a perfect score from every single person but strive to do a good job and ask for that review, because that has really set me apart. I know when I talk to customers on the phone, they are looking at my site when they're talking to me. So seeing the reviews, they're looking it over and making sure that I'm a quality person."

Yelp and Google success story

Advanced Wildlife Removal

Industry: Wildlife, animal & pest control services

Team Size: 7

Owner: Frankie Ortiz

GOOGLE ADS

\$6,000

Monthly spend
(Google AdWords)

\$47,500

Monthly return

690%

Return on investment

100 – 125

Paying jobs per month

YELP

\$1,500

Monthly spend
(Yelp)

\$12,375

Monthly return

725%

Return on investment

\$500

Average job size

\$5

Average cost per lead

25

Paying jobs per month

"We have a really, really good reputation on Yelp. We have 97 five-star reviews on our Orange County page, and we have a really strong presence compared to the majority of the companies, so it benefits us a lot. I'm sure without advertising, we would still get about 40% of the calls from Yelp.

I hate Yelp as a company, they're the worst to deal with [...] They blame everything on their algorithm, and they're just not helpful, but then they'll call you every couple of weeks to try to get you to up your advertising. If they had better customer service, they'd be a great company. As far as the amount of work they drive us, it's great. But then as a company, it's horrible, and it's much better working with Google. I've never had an instance where I've had to even call them or talk to anyone from Google."

Frankie's advice about using Yelp: Don't spend money until you have enough reviews.

If you get around twenty five-star reviews, your advertising would be completely worth it after that point. That's what would make it worth it to start spending money with them.

Frankie's advice about using Google AdWords: Don't do it by yourself.

"I don't manage my ads," Frankie notes. They have an expert manage their ads and that's made all the difference for his company. According to him, "It's saved us money and generated more of a return on our spend on it."

SECTION NINE

Nextdoor success story

Tactical Outdoors

Industry: Lawn Care and Wildlife Management

Team Size: 7

Owner: Cory Keifer

\$0

Monthly spend

\$8k-\$10k

Monthly return

\$0

Average cost per lead

“About 98% of my business so far has come out of the Nextdoor app. It’s truly neighbor generated requests. I’ve never had to pay for anything because the word-of-mouth advertising from that alone has kept me more than busy this season.

There are different categories in Nextdoor and you can select which categories to monitor. I monitor anything that’s relevant to hardscaping, mowing or trimming, and that’ll pop up on a feed. The big difference that has got us the business with Nextdoor is the majority of the replies to a client’s request are, ‘Hey, give us a call at so-and-so.’ Everybody’s telling the client to come after them and that’s not going to work.

You’ve got to send them a private message right away: ‘Hey Mary, I saw your request for tree trimming. I would like to be able to come out and assess your property. We do free estimates. What would be a good time to do that? If you don’t feel like you need to be available, please provide the address and we’d be more than happy to come out and provide that service.’

Most of these people that are working say they can be available after 6:30. Well, we want to be home with our family, too. So what my wife and I found that has worked phenomenally is: ‘Hey, are you tech savvy? Do you have an iPhone? Greak. Let me call you on FaceTime, and I’ll virtually walk your property with you if you can carve out a few minutes.’ That has worked extremely well.”

Note: Less than one percent of the companies we surveyed paid money to Nextdoor over the past 12 months. Because of this, we did not have enough data to include the site in our platform comparison. However, 36% of respondents claimed to have gotten jobs on the site using their free listing.

Conclusion

We hope our findings gave you a better understanding of how other pros in your industry are using lead generation sites. Knowing the average cost per lead and number of jobs per month you can expect on different platforms will come in handy when you're deciding where and how to spend your marketing dollars.

We expect these results to continue changing. For example, this year, there weren't enough respondents using Amazon Home Services to include it in the results, and only 22% of respondents were using Google's paid services like AdWords and Google Local Services. We expect the number of companies utilizing these platforms to grow. This will continue to impact the practices and results of standard lead generation sites such as HomeAdvisor and Yelp. The ever-changing digital landscape requires home service businesses to be flexible, experimental, and attentive.



Growing your home service business?

Housecall Pro can help get you more reviews, winning you more of the leads you're paying for. Set up automated thank you emails with review requests after you finish a job. Earn more per customer with our sales proposal tool, recurring service plans, and consumer financing.

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