

## **Episode 28 - Chatting with Trevor Flannigan [00:22:00]**

**Intro:** Welcome to Profiles In Prosperity with your host David Heimer.

**David Heimer:** Hello everybody, this is David Heimer. Welcome to Profiles In Prosperity. Today, our guest is Trevor Flannigan. Trevor is Chief Operating Officer of Home Service Chats, which is as the name suggests, a website chat company for the home services industry. Trevor has a services background in our industry. He was Director Of Operations for a residential plumbing, HVAC and ruder business in Kansas City. In that role, he helped the company grow to over 75 trucks and more than 21 million in revenue, very impressive. Under Trevor's leadership, Home Service Chats has also experienced stellar growth. I'm very eager to hear about that growth and also to talk to Trevor about why website chat is so popular and what a contractor can do to make it more effective. So Trevor Flannigan, welcome to Profiles In Prosperity.

**Trevor Flannigan:** Good to be here.

**David Heimer:** Tell me, just to get this thing started, how did you get into this industry and what is your experience in it?

**Trevor Flannigan:** Yeah, great question. It's kind of funny. So I get called on a regular basis for like, okay, I'm hiring a general manager, operations manager, and I want to hire somebody like you, and I don't know if I'm replicable, because I applied on Craigslist. Like I just saw an ad for Craigslist, for a service manager of a plumbing and HVAC shop. And, you know, I came from an extremely large retail outfit, a grocery store called Aldi. And it sounded fun to go into small business. And so I saw the ad and I was getting my masters at the time and I was like, I think that would be fun. And so I applied for it. With the retail giant - so I basically worked there - I quit to go back to school. It didn't seem like a full-time program so I was looking for some jobs and I saw this.

## Episode 28 - Chatting with Trevor Flannigan [00:22:00]

At the retail job though, my job was to take a district and take an unprofitable bunch of stores and make them profitable again. So I did that in multiple states all over the Midwest. And what I found was that there's a procedure manual at this big retail giant that basically says, this is what a profitable store looks like. And everything was accounted for. So it's kind of like a how-to manual for how to make a successful retail store. And I just went and if there was something broken, I'd find it in the manual and be like, well, this is broken and this is how to do it right. And I ended up firing a lot of people and hiring a lot of people in that process, but it was really easy for me. So I went to this plumbing and HVAC shop to do the interview and the owner said that they already filled the position internally. And I was like, okay, well, unfortunate.

And he said, but they would like to hire me to manage the office. And so I didn't become a service manager, I became an office manager right out of the gate, which was interesting. And I was getting my MBA at the same time so I was happy just to have a job, to make some extra money while I was going to school. And I thought it was just going to be temporary. I had no idea how much I would love it. On the first day I went in and they told me my primary job was to get customer service reps to call service agreement customers and to keep the technicians busy. Basically making sure that we had the service agreements. We probably had 500 at the time, call those customers, and say, hey, we need to come to your house and do our system check.

But then they said my second job was to find jobs around the warehouse to have technicians do while they were on standby, like make a training room and things like that. I figured that if I was just really good at the first assignment of calling out, then I wouldn't have to worry about the second thing. So we really transformed the way we did outbound calling. And, you know, by the time I was done there, we were booking about

## **Episode 28 - Chatting with Trevor Flannigan [00:22:00]**

200 outbound calls a week on service agreement customers, which definitely made technicians busy. I did that really well at that shop. And soon after I started, I became the owner's right-hand man and ended up - you know, the company sold last year for a gaggle of money, and I wasn't really all that interested in working for the new owner. So I was looking for new options and kind of kept my ear to the ground.

**David Heimer:** And so is that how you ended up starting Home Service Chats?

**Trevor Flannigan:** Yeah, pretty much. So my buddy from church, he started chatting for orthodontists. And I was pretty active in groups around town and I'd love to meet with entrepreneurs and stuff, and he went to my church and we went and had coffee and he told me about it. And we had coffee months before I was even considering leaving the company. And he told me, yeah, live chat for orthodontists. And he was really excited about it. I wasn't very excited about it. Whenever we met, I was kind of like, good for you. You know, I was thinking it's going to be another failed company in Kansas City, honestly, whenever we were done. I was like, but it sounds like a fun little project for him to do. Which is funny in hindsight, looking back on that, because then I tried it myself probably in the fourth quarter of 2016 and I failed. And I don't like failing at anything.

**David Heimer:** So when you say you tried it yourself, are you saying that you tried starting Home Service Chats? Or you started -

**Trevor Flannigan:** Good Question. So I tried to do chat inside the company I was running. So I tried to do chat by myself with my customer service reps at Bob Hamilton, and I failed miserably at having my own people do it. I just figured I had seven or eight customer service reps at a time, and surely with that much manpower, I can just figure out how to do this myself. Because there's a lot of software you can buy for free, you know, that allows you to kind of do that. However, one of the things, as I said, that I was

## Episode 28 - Chatting with Trevor Flannigan [00:22:00]

really good at, was my outbound process with my customer service reps and I noticed immediately that began to suffer because I was giving this tertiary project - which really didn't have a whole lot of volume, ultimately, even at 21 million.

So we weren't making as many out bounds because they were focused on trying to chat with people, anybody they could. And we weren't as responsive as we probably should have been in the chat because we were trying to talk on the phone and chat at the same time and that was kind of a mess. And the last thing is we definitely couldn't do 24/7. I had employees in the office until 1:00 AM. But I still had a gap of time that I would have to shut down chat, which is just inconvenient for me, and I might miss somebody. And I figured at that point after I failed - you know, I'm pretty good at identifying failure. I'm kind of used to it in my life. I'm pretty good at seeing it. And so I figured there was a lot of meat on that project if I couldn't do it at a shop that was doing over \$20 million in revenue.

So that's whenever I went to Scott and then, you know, he came to an agreement, he brought me on as a business partner and I launched Home Service Chat. So we were still chatting and we still chat for, you know, some orthodontists. But Home Service Chats definitely took over as the main stage of what we do here. Just because, you know, being a large orthodontist, you might be maybe a million dollars in revenue, but being a large home service company, we have some \$80 million shops that use our service. And obviously the amount of traffic we get from that large of a shop takes a considerable amount of our people's time. So we got kind of niched into home service more than anything else.

**David Heimer:** Can I rewind for just one second here? This is fascinating stuff. But, you know, you said you tried it internally and I've always wondered about this. Is the skill-set

## Episode 28 - Chatting with Trevor Flannigan [00:22:00]

of somebody talking on the phone different from somebody doing website chatting?

**Trevor Flannigan:** To some degree. I helped out a lot with call center training whenever I was running Bob Hamilton and a lot of the scripting is very much the same. However, we're doing three chats at a time. And so that's the biggest difference. It is when you're on the phone with somebody, you're having to be really good for one person at a time and understand one conversation at a time. And it's really easy to be empathetic and know where you're at and get all the information when you only have one person you're dealing with. Our chat specialists have three people sometimes that they're having to communicate with. And so being able to deliver an empathetic response is much more difficult. Where I've gotten really good - and I think why Home Service Chats is the premier chat partner for the industry - is because of all the experience I have in the trades. As far as understanding what creates a convertible call, that's the same.

And a lot of that comes down to speed to lead, which is how fast a person booked for this appointment. The next thing is how much information do you gather from somebody. So if you get first name and phone number, the likelihood of you being able to convert that to a technician in the house goes down significantly, as compared to first name, last name, phone number, email, and physical address. So the more information you get, the more invested they are in the organization. And so I learned that in my call center at Bob Hamilton and kind of moved that over to what we're doing now. And then empathy. Empathy is the same, it's just delivered in a different way.

**David Heimer:** So a follow on question then, why should someone put a chat option on their website? I think that I've heard from a lot of contractors who'll say something like, well, if they want to talk to us, all they have to do is pick up the phone and dial. And you

## Episode 28 - Chatting with Trevor Flannigan [00:22:00]

know, we've got someone who will answer the phone 24 hours a day, seven days a week. I really don't get what the difference is. So what is the difference? Why should you do that?

**Trevor Flannigan:** Yeah, I think that that's valid. And I hear it all the time too, because they hang out and I used to do all the sales here too, so I hear that complaint. And I think it really comes down to - we're not in charge of how our customers communicate with us. You know, residential service is very much a sales process. Although some people wish it wasn't, it's unfortunately true. And you know, the more options we can give, all of those little pieces make a difference. And if your customer wants to chat, then you have to let them chat. If they wanted to book appointments through a fax machine, I'd encourage every person to buy a bunch of fax machines. Because at the end of the day, as much as we want to force them into one form of communication or another, we have to adapt to what they want.

And beyond that, I'd say there's three primary reasons people see the benefits. One: 40% more leads from an existing website. The act of popping up and engaging somebody on the website is huge. So it's not a click to chat option. We actually pop up after 15 seconds. And it's like having someone at the front desk of your digital office. If you think of your website as your digital office, for years it's been acceptable to leave nobody there. And to have an empty digital office that people walk in and out of all day long and never say anything and hope they just ring the bell or call the number that's on the wall. Like we've all been in offices before with nobody sitting there so it's a pretty good illustration of what that would look like. We would never let somebody walk into our physical office without a conversation, so we don't want to have people ever have that happen in their digital office.

## Episode 28 - Chatting with Trevor Flannigan [00:22:00]

And what we find is the act of us popping up and saying, hey, how can I help you? Or what questions do you have, with every single person that comes to the website, gets us that 40% more leads. It's also customized to the company and that makes us look like we are employees. So it's easier to ask, you know, Joe's plumbing, if they handle leaks via chat, than having to search through the website and see if they're in the right place. The second reason is brand protection. We have intentionally not branded ourselves as a lead generation company. And we do that because we care about the brand. It's not just about the people that are looking for service, it's the people that have existing customers or want their invoice. All of those people really matter.

On a regular basis, we have people leave complaints or they'll come in and they'll say, hey, I had somebody come out to my house and I hate you guys, how do I get to Yelp? And it's terrible, but it's so true. I think that it's just like an intermediary. They go to a website and they try to find the link to Yelp, but then they see us and they're like, oh, I'm going to complain to this person and see if they can do anything. And we'll spend 45 minutes trying to mitigate some bad situations so it doesn't end up on Yelp or Facebook. Because it's way easier for us to try and protect the brand and kind of usher in a more positive experience than for us to have a manager from the company beg that person and do anything possible to get it off.

And that kind of leads me to the third thing - which again, it's not leads, it's hiring. We find that 2% of the chats that we handle are people looking for jobs. And I've heard that it's difficult to find recruits; plumbers and HVAC technicians. 2% of the chats that we handle are people looking for jobs. And it started because we accidentally helped Stanton Plumbing - actually was the person that got lucky with this - we hired two plumbers for them down in California and Eric called and he was like, hey, ROI is great

## Episode 28 - Chatting with Trevor Flannigan [00:22:00]

from the leads, but the return on investment from two \$400,000 trucks is incredible. And then we're like, oh my goodness, we can definitely make this better too. So, you know, being that front desk person that's ready to have that conversation that builds the value for working at that company, we've kind of started doing scripting that's customized to each company that's like, yeah, you'll love our Christmas parties. Because again, we look like a customer service rep.

And so if the customer service rep is like, you're going to love the Christmas parties, you know, we pay better than anybody else, whatever the value propositions are for whatever specific company, we can kind of pour into that relationship. And it leads just like the customer into a better engagement down the customer roadmap. And so that's been really fun.

**David Heimer:** That's very cool. I hadn't thought about that part of it. What a great value proposition. And what a great return on investment for Dutton, right? Amazing. Is there also some set of people that just would rather chat, rather not pick up the phone, not have a conversation? Does that seem like that is a growing segment of the population? Any idea about that?

**Trevor Flannigan:** Yeah, it's actually incredible. We find that a large portion of our chats come in in the middle of the day. And you'd be like, well, that doesn't make any sense. Like you'd think that it would come in at night or whatever. But it's actually when people are sitting in their cubicles, pretending to be working of course, and it's easier for them to pretend to be working and book their plumber or their HVAC technician or electrician for later in the day via a chat on a website than it is for them to make what's considered a personal call to try and get that taken care of. So that happens all the time. It's the same approach even at night. So there's, you know, mom puts the kids down

## Episode 28 - Chatting with Trevor Flannigan [00:22:00]

and she's got a growing list of things that she needs to take care of. One of those things is to get the toilet fixed.

She can easily go to the website, see the pop-up chat and say, you know, I can't talk right now, but I need to have a plumber come out. We can get all their information, shoot it over to the office and say, awesome, our scheduling coordinator will reach out first thing in the morning and then we'll get this taken care of for you. Like what a fantastic experience that is. And beyond that, it's a time-saver. And my grandpa told me a long time ago, if you can get into the business of time, then you'll be a very rich man. Meaning that if you can give people time back, like McDonald's did with the drive-through, like Uber does with people with taxis - if you can give people back their time, they're going to love your service. And that's what live chat, not just us, but any live chat service has been for people.

**David Heimer:** So you mentioned other chat services. You guys are specifically Home Service Chats and I'm guessing that is what differentiates you. You are specifically focused on this industry, is that right?

**Trevor Flannigan:** Yes. That's definitely a large differentiator. But I'd say even bigger than that - so, you know, that's a pretty big one, knowing what a water heater is, is kind of ideal - but we're not outsourced. And a lot of chat services are outsourced. And not only that, if you do find one that's US-based, it's likely that they work from home. And not to say that that's bad, it's just not as high quality. We did pilot it here, and we had some people work from home. But you know, the response rates weren't as high and the conversion wasn't as high as we have chat satisfaction scores, and they weren't as high. And I'm very much a KPI based person and each of our people has numbers that they're held to as far as the standard.

## Episode 28 - Chatting with Trevor Flannigan [00:22:00]

And I think it comes down to the fact that if you don't need to wear pants, you just don't work as hard. We are a little bit more expensive at Home Service Chats, so back to what differentiates us, but we have significantly higher ROI, which is all that matters. Like if your return on investment is higher because of all the little nuances that matter - like we know what an AC or a furnace or a heat pump or a mini-split is - but also because we get more information. And we do what's called a call connect, which we found that if we just send an email lead over to a company, they might wait 15, 20 minutes to call that customer. This in itself is not inherently bad, it's just that we want to improve conversion.

So what we do is we actually have a call center in our building here too. We have a bunch of people that call the customer as if they are the company and say, hey, it's Trevor at Bob Hamilton, I'm so sorry about your water heater. Let me get that taken care of for you. I need to get you over to our scheduling coordinator. We put the customer on hold, we call Bob Hamilton Plumbing or whatever client and we tell the CSR, hey, you've got the email with all the information, transferring them now. So then the business is talking to that customer within minutes of the chat ending, which shuts down that shopping process. So largely, instead of waiting for, you know, 30 minutes for them to call and having three other bits lined up, you are hopefully the only one that's going out to that house.

**David Heimer:** Right. So how many people are you employing now?

**Trevor Flannigan:** This time last year we had 9 or 10 people. And now we have one hundred or there about.

**David Heimer:** So that's 100 people right here in the USA too. You're hiring and putting

## Episode 28 - Chatting with Trevor Flannigan [00:22:00]

Americans to work. I love it.

**Trevor Flannigan:** Thank you. We definitely believe in it. So many people have come to us from outsourcing services, there's services in India that have 450,000 full-time employees. And the way they work is you go, and you're like, hey, I have a chat company and I want to have you guys do all the chatting for me, and you basically lease some of their workforce. And they obviously manage them. So we've had those people come to us quite a bit and they've wanted to, you know, have us do that with them. And it's like, that's just never going to be our style.

We're in this for the people. And, you know, Kansas City is kind of an awesome market for what we do. Because we can pay significantly better than minimum wage here and it's very livable and, you know, we can really make an impact in this city because it's a little bit smaller. And in fact, we just leased out another 10,000 square feet because we expect, and we're planning, to be at 200 employees by the end of the year.

**David Heimer:** That's great. Let me ask - I know from my days of software implementation that, you know, you can put in the best software in the world and if the team that is putting it in or the business just doesn't want to use it, it just won't work. And so I've got to believe that when a company chooses to work with you, there is something that the contractors - the business side needs to do as well to help make website chatting more effective. What can a contractor do to make this website chat best?

**Trevor Flannigan:** Yeah, absolutely. So I, you know, obviously come from this world and I remember every time I'd add a vendor, it'd be like taking on a second job. Because largely, a lot of vendors need a lot of assistance from a company to make

## Episode 28 - Chatting with Trevor Flannigan [00:22:00]

something successful. We need about 15 minutes of their time. And they need to tell us information for that customized profile. That's always up whenever we're chatting for a company that tells us kind of the details and allows us to look and sound like them. I am completely opposed to sales friction, which is like, alright, well, let's get this going and you're just going to be working on this with me for the next 40 days. Like that's not fun. So to make us successful, give us 15 minutes of your time. Because the documents that we're kind of living off of to look and sound like a contractor are a living document. And all the time we get, you know, hey, I just saw that you talked to somebody and we service this zip code now, or we're just expanding our service or, you know, now we do plumbing too, can you go ahead and change that? That's easy for us to do.

But we want to be running in the background as much as possible. We want to be, like, what I consider to be the best employee anybody's ever had. It's the one that you can hold accountable and tell them what they're doing well and what they need to improve upon and they do it. And that's always been my goal. I want people to just be like, wow, you guys are so easy. And so we can be as hands-on or hands-off as somebody wants us to be, but we're going to treat it like it's our company. So as far as what our contractors can do, 15 minutes and we will give you the most stellar website experience you've ever seen.

**David Heimer:** Fabulous. Totally turnkey. That's awesome. You're going to be speaking at the Service World Expo, aren't you?

**Trevor Flannigan:** I am, yeah. I did not see that coming. I submitted for it, obviously, but then I see the lineup and I'm like, I am just not qualified to be on this list, but I'll take it.

## Episode 28 - Chatting with Trevor Flannigan [00:22:00]

**David Heimer:** Oh yeah, you will be great. Everybody's going to be excited to hear from you. It will be a great event and it will be great having you there. It's great information. If someone wanted to reach you, what would be the best way to do it?

**Trevor Flannigan:** Email is really the best way. It's [trevor@homeservicechats.com](mailto:trevor@homeservicechats.com) or Trevor at professional chats is kind of our parent company. Either way will get to us. It's T-R-E-V-O-R @homeservicechats or @professionalchats.com. And honestly, even if you just want to talk about, kind of, my experience in the trades or, you know, digital communication in general. I honestly love talking to customers more than anything else. And I love being able to have the flexibility and the leadership team here that gives me the latitude to have the time to be able to do that. Also, you can call our front desk. It's just 816-282-0406 and you know, you'll get people answering at all times of the day. So that's fun. And then always, obviously, you can chat on our website and you can give them a hard time too.

**David Heimer:** Of course. Alright. Well, Trevor Flannigan, thank you so much for doing this. This was fabulous. It's fascinating stuff. Congratulations on the growth of your company. I think you guys have provided great value, obviously, or you wouldn't be growing the way you are. So thank you. It's great stuff. Look forward to talking to you in the future.

**Trevor Flannigan:** Thanks Dave.

**Outro:** We're always looking for good ideas and interviews for our podcast. If you have an idea, or maybe you think that you should be interviewed, just shoot an email to [profiles Prosperity@serviceroundtable.com](mailto:profiles Prosperity@serviceroundtable.com). That's [profiles Prosperity@serviceroundtable.com](mailto:profiles Prosperity@serviceroundtable.com). If you think what we're doing has any value, it would be very helpful if you would give us a great rating on iTunes. Thanks for

## **Episode 28 - Chatting with Trevor Flannigan [00:22:00]**

your support. Hope to see you again soon. Bye.