**Stochastic Marketing’s Monthly State of the Residential Industry Report**

Stochastic has analyzed over One Billion Residential HVAC, Plumbing & Electrical contractor visits to homes across the United States. Every month, our customers provide us their invoices for financial and advertising analysis of their performance versus their peers. This is what their invoices tell us about the state of this segment of the Home Service Industry and the impact of record temperature lows in much of the US.

**Through the end of February 2019, key industry performance breaks out like this:**

Total Replacement Transactions February 2019 vs February 2018 – Up 21%

Total Replacement Transactions February 2019 vs January 2019 – Up 5%

Average Replacement Home Value February 2019 - $9064 (an $809 increase from the previous month)

Total Service/Repair Transactions February 2019 vs February 2018 – Up 4%

Total Service/Repair Transactions February 2019 vs January 2019 – Down 22%

**The all important, indicator of lead quality and sales team performance, The Replacement Efficiency ratio is equal to the number of Service or Repair households visited PER Replacement Installation Household visited.**

Average Replacement Efficiency February 2019 vs February 2018 – Degraded 7%

Average Replacement Efficiency February 2019 vs January 2019 – Degraded 14%

**Among New HVAC Customers**

**Typically, New Customers are twice as likely to buy a replacement system as customers that were put on the contractor’s books more than 12 months prior to the installation**

Total Replacement Transactions January February 2019 vs February 2018 – Up 22%

Total Replacement Transactions February 2019 vs January 2019 – Up 7%

Total Service/Repair Transactions February 2019 vs February 2018 – Up 18%

Total Service/Repair Transactions February 2019 vs January 2019– Declined 17%

The Replacement Efficiency ratio is equal to the number of Service or Repair Households visited PER Replacement Installation Household visited.

Average Replacement Efficiency February 2019 vs February 2018 – Improved 12%

Average Replacement Efficiency February 2019 vs January 2019 – Improved 5%

**Trends:**

Based on actual HVAC contractor’s invoices in 2019, the Average contractor saw a slight decline in service/repair households visits from the previous month. Replacement systems sold compared to the same period last year increased significantly. New customers have been more likely to buy replacement systems than they were in the same period last year. The value of the replacement systems sold averaged $9064 with significant regional differences in system values.

**For a comparison of your sales/advertising monthly sales results over the most recent seven years contact:**

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