

The Silent Revenue Killer: A Deep Dive Into the 2026 Home Services Lead Handling Study (Q&A)

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IN [Q & A INTERVIEW](#)



3 KEY PERFORMANCE INDICATORS

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OF AT LEAST \$1,000,000
- AVERAGE PROFITS**
OF AT LEAST \$100,000
- AVERAGE SALES-TO-INVESTMENT RATIO**
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In the high-stakes home services sector, the gap between a captured lead and a lost opportunity is narrowing. Pied Piper's newly released 2026 Lead Handling Effectiveness™ (LHE™) Home Services Industry Study delivers a wake-up call to franchisors: despite elite performance from top-ranked brands like Precision Garage Door Service, the industry faces a staggering 42% lead failure rate.

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When I owned a UPS Store, I learned firsthand how much your ZIP code shapes your outcome. I sold my store at a premium because my territory was in a high-value area. The best areas go first, and once they're gone, they're gone. [Enter your ZIP code to see which franchises are still available near you.](#)

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Whether it is a phone call left ringing or a dead-end AI interaction, nearly half of all prospective customers are slipping through the cracks before a business even realizes they've reached out. In an era where digital marketing costs are at an all-time high, these missed connections represent a massive revenue leak.

Pied Piper has been a leading authority on retail performance for more than 15 years, developing their proven methodology through hundreds of thousands of measured customer interactions. While they are a dominant force in the automotive industry, their expertise extends across diverse sectors including motorcycles, outdoor power equipment, and heavy equipment, helping brands and franchisors in any high-stakes retail environment identify and correct performance breakdowns.

We sat down with Cameron O'Hagan, Vice President of Metrics & Analytics at Pied Piper, to discuss how top performers are winning the "speed-to-lead" race, the hidden pitfalls of AI-to-human handoffs, and the tactical changes every franchise owner must make to stop the silent drain on their profitability.

Franchise Chatter (FC): Cameron, the study reveals a startling 42% lead failure rate across the home services sector. To put that in perspective for a franchisor, what does that actually cost a typical business?

Cameron O'Hagan (CO): It is the ultimate "invisible drain" on profitability. In home services—whether it's roofing, plumbing, or garage door repair—the Cost Per Lead (CPL) is often quite high due to intense digital marketing competition. When 42% of those inquiries result in an LHE™ score below 30, meaning the phone isn't answered or there's zero follow-up, you aren't just losing a customer, you are literally throwing away your marketing budget.

Customers today typically contact three companies. If you are the first to answer and offer a clear next step, you've likely won the job. If you wait even an hour, you've likely lost it. By the time a company realizes they've missed an opportunity, the customer has already committed to a competitor.

FC: Precision Garage Door Service took the #1 spot this year. What is the "secret sauce" that keeps them at the top while others are failing?

CO: Consistency beats brilliance every time. Precision Garage Door Service, along with brands like Mister Sparky and Mr. Electric, achieved LHE™ scores above 70 more than one-third of the time. These top performers treat every call like an emergency. Precision answered customer questions and offered appointments more than 75% of the time. They've built an operational culture where the lead is treated as the most valuable asset in the building.

FC: You noticed a performance gap between "Urgent" services and "Lifestyle" services. Why are the plumbers beating the pet groomers?

CO: It's a matter of operational DNA. Brands in urgent industries—plumbing, electrical, garage doors—are built for "on-demand" response. Their infrastructure is designed to handle crises.

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In contrast, "lifestyle" categories like pet services (Camp Bow Wow) or lawn care (Lawn Doctor) showed much more inconsistent performance. In those sub-industries, we saw significant breakdowns where phone calls simply went unanswered. The takeaway for "lifestyle" franchisors is that they need to adopt the "emergency" infrastructure of their repair-oriented peers. A lawn care lead might not be a "crisis" but to the customer, it is a priority that needs an immediate "next step."

FC: AI is the buzzword of 2026. About 10% of customers in your study encountered it via chat or phone. Is it helping or hurting the conversion rate?

CO: Right now, it's a high-risk, high-reward tool. About 27% of AI interactions are performed at a human level, which is impressive. But 73% eventually required human assistance. This is where the breakdown happens. One-third of those transfers failed—dropped calls, long holds, or being sent to a dead-end voicemail.

On average, a customer spends 93 seconds interacting with an AI before the handoff. If that call is dropped after a minute and a half of effort, the customer feels their time was wasted. AI should be a tool for efficiency, not a crutch for understaffing. If you use AI, the handoff to a human must be seamless.

FC: Follow-up performance was another weak point, with 72% of locations doing nothing at all. What does "elite" follow-up look like?

CO: "Elite" is the 20% who use "multi-path" outreach. Brands like Safelite, Orkin, and Mighty Dog Roofing don't just rely on a single phone call. They follow up via two or more channels—email, text, and phone—within 24 hours. If you only use one channel, your message is easily buried. By maximizing outreach across different platforms, you dramatically increase the "success" rate of that lead.

FC: If a franchisor wants to move their LHE™ score from a 30 to a 70 today, what are the three things they must mandate in their "script"?

CO: Here are the three main things you must mandate as part of the communication process:

Be live, or if not, quick. Be sure—by measuring what's really happening—that customer phone calls are answered live when possible, or calls returned promptly if not. That if chat is offered, it's staffed, and quick, personal responses are sent to web leads.

Propose a next step. Don't wait for the customer to ask for an appointment. Offer it.

Immediate confirmation. Follow-up through multiple paths—just phone, just text, or just email isn't enough.

FC: For franchisors or local business owners who see these results and realize they might be part of that 42% failure rate, what is the first step toward improvement?

CO: You can't fix what you aren't tracking. The first step is to move from "assuming" your team is handling leads well to "knowing" how they perform. We built our Lead Handling Effectiveness™ (LHE™) Monitoring Service specifically to give managers that real-time visibility. It's not about complex spreadsheets; it's about getting a text alert with a 90-second audio summary when a lead is mishandled so you can save the sale before that customer calls a competitor.

FC: Where can readers go to see the full rankings or request a deep dive into their specific brand's performance?

CO: We encourage anyone looking to improve their conversion rates to visit us at [www.piedpiperpsi.com](#). We are always happy to provide a presentation of the industry study results to help brands identify their specific gaps and opportunities.

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