



LOCAL SERVICES ADS: OVERHYPED OR GOOGLE GUARANTEED SUCCESS?

Peter Troast, Founder & CEO

Cassandra Hutcheson, Paid Search Manager

Energy Circle Webinar Series

April 20, 2022

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April 20 — Local Service Ads: Overhyped or a “Google Guaranteed” Success? With Special Guest Paid Search Manager Cassandra Hutcheson

May 4 — Preparing for a Summer Like No Other

May 18 — Is Google the Only Search Engine Worth Thinking About?





What We Learned From 8 Contractor Blog Posts That Caught Fire



By Cory Allyn | April 6, 2022

Energy Circle writes a lot of content for home performance, HVAC, and solar contractors—at least 600 to 800 blogs every year, by conservative estimates (and that’s not counting all the other types of content we create, from new website pages to emails, infographics, videographics, and more). That means we have access to content-related data for dozens of companies, some of which go back nearly a decade.

With all this information at our fingertips, we wanted to take an in-depth look at some of our clients’ best-performing blog posts and see what we could learn. Is there a magic formula to writing a killer blog? (Spoiler alert: No, there isn’t, but we still found plenty of useful takeaways that can point you in the right direction!)

Why You Should Be Writing Contractor Blog Posts

Blog posts are one of the best ways to drive visitors to your home services contracting business’ website. Writing high-quality blogs on topics and services that homeowners are interested in increases your website’s organic ranking (how likely Google or other search engines are to feature your website prominently on search result pages). This, in turn, can favorably affect your website’s [local search](#) rankings (including your Google My Business/Google Business Profile) and can even lower the cost of Google Ad campaigns.

What We'll Discuss

- 1 QUICK REVIEW: LOCAL SERVICES ADS (aka Google Guaranteed)**
- 2 CHALLENGES & PERFORMANCE RESULTS**
LSA LEAD ECONOMICS & EXPECTATIONS
- 3 EMERGING DATA ON OPTIMIZATION STRATEGIES**

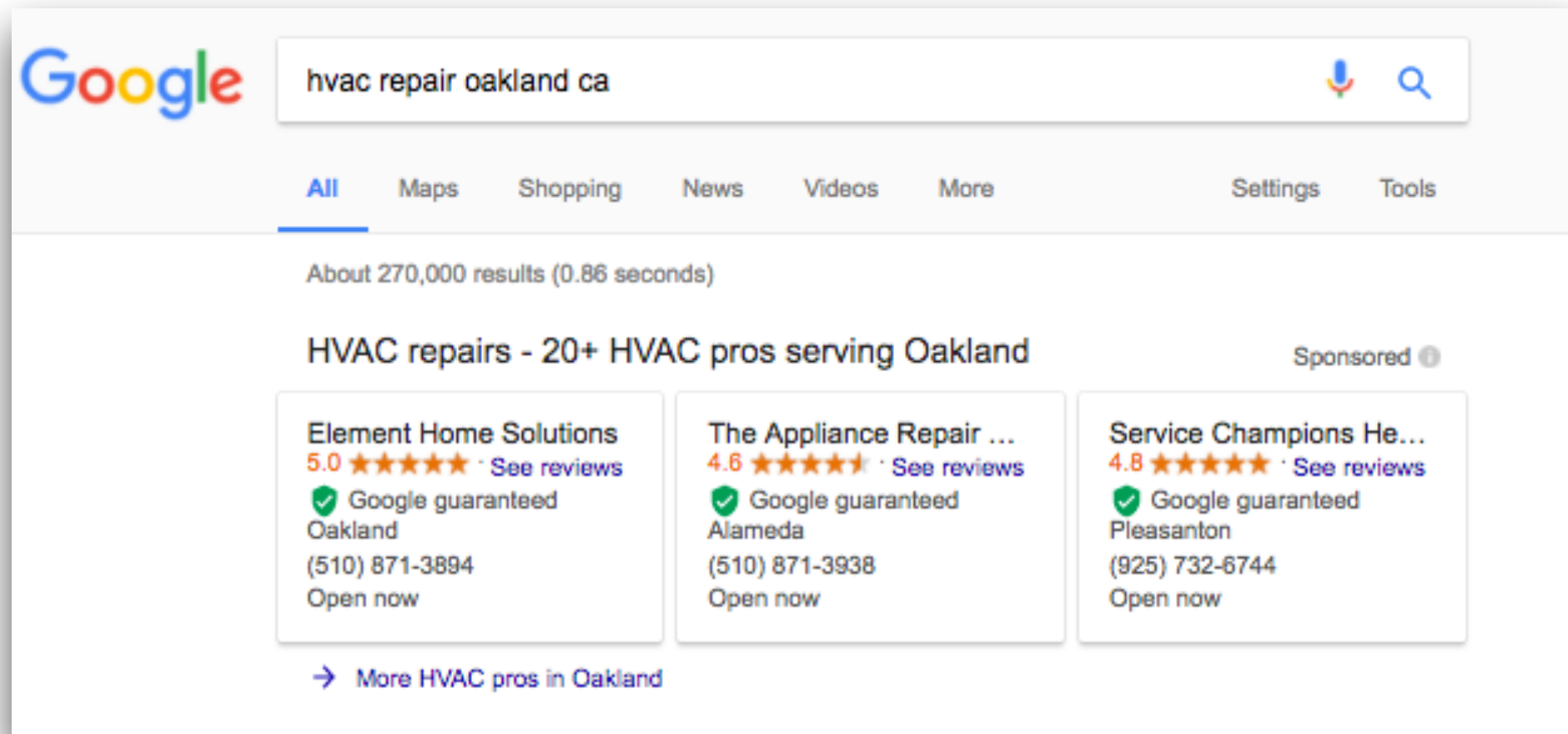




QUICK SUMMARY: LOCAL SERVICES ADS

(April 2022 Update)

Intro to Local Services Ads



The screenshot shows a Google search interface for the query "hvac repair oakland ca". The search bar is at the top, with the Google logo on the left and a search icon on the right. Below the search bar, there are navigation tabs for "All", "Maps", "Shopping", "News", "Videos", "More", "Settings", and "Tools". The search results indicate "About 270,000 results (0.86 seconds)".

The main heading for the results is "HVAC repairs - 20+ HVAC pros serving Oakland", with a "Sponsored" label on the right. Below this heading, there are three local service ads, each in a white box with a green checkmark icon and the text "Google guaranteed".

Business Name	Rating	Location	Phone Number	Action
Element Home Solutions	5.0 ★★★★★	Oakland	(510) 871-3894	Open now
The Appliance Repair ...	4.6 ★★★★★	Alameda	(510) 871-3938	Open now
Service Champions He...	4.8 ★★★★★	Pleasanton	(925) 732-6744	Open now

Below the ads, there is a link: [→ More HVAC pros in Oakland](#)

Pay Per Lead, Not Per Click

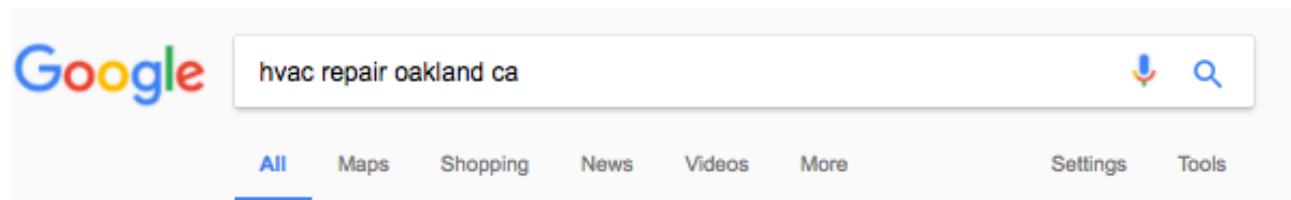


Local Services Ads

Google Paid

Google Local 3 Pack

Organic



About 270,000 results (0.86 seconds)

HVAC repairs - 20+ HVAC pros serving Oakland Sponsored

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	Service Champions He... 4.8 ★★★★★ · See reviews ✓ Google guaranteed Pleasanton (925) 732-6744 Open now
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→ More HVAC pros in Oakland

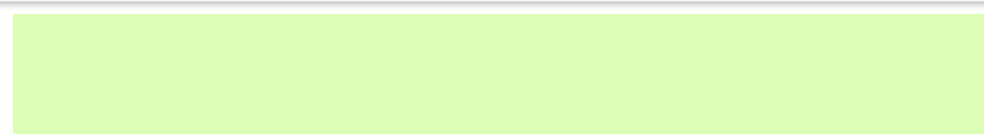
Oakland BBB A+ HVAC Technician - Diamond Certified Same Day Svc
[Ad](#) eb.onehour-heat-and-air.com/Oakland (510) 969-6777
Providing Quality, Service, Integrity, And Convenience. Call Now!
Locally Owned & Operated · 24/7 Emergency Service · Guaranteed Repairs · Licensed & Insured
Highlights: On-Time 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.

Rating ▾ Hours ▾

Atlas Heating and Air Conditioning Company 4.7 ★★★★★ (24) · HVAC Contractor 1451 32nd St · (510) 893-1343 Open until 7:00 PM	WEBSITE DIRECTIONS
Eco Systems Heating & Air 5.0 ★★★★★ (1) · HVAC Contractor 712 56th St · (510) 698-6219 Open until 11:00 PM	WEBSITE DIRECTIONS
Albert Nahman Plumbing and Heating 4.7 ★★★★★ (185) · HVAC Contractor 3333 M.L.K. Jr Way · (510) 843-6904 Open until 8:00 PM	WEBSITE DIRECTIONS

[More places](#)



Relevant Categories for Our Sector

HVAC

Plumbing

Electrician

Appliance Repair Service

Architecture Services

Carpenters

Foundations Services

General Contractor

Handyman

Siding Services

Roofer

Water Damage Services

Window Repair Services

Getting started

At this time, Local Services Ads are available only for certain service categories.

To see if Local Services Ads are available in your area, check your business eligibility on the [signup page](#).

[Check eligibility](#)

~~Insulation Contractor~~



Background, Insurance, License Checks

For this reason, HVAC professionals undergo an additional level of screening, including service professional background checks.

- Background check requirements:
 - Business check
 - Owner check
 - Service professional check
- Insurance requirements:
 - General liability insurance
- License requirements:
 - Business license on state level*
 - Owner license on state level*



Google's "Big" Differentiator

Google guaranteed

This pro is backed by the Google guarantee, which means they're licensed, insured, and pre-screened. Any job you book with them is guaranteed to be done right or your money back. [Learn more](#)

***Up to \$2,000 Lifetime**

Your Guarantee is Probably Better



Most Generic HVAC Categories

Job types
Control what types of leads you want to receive

HVAC Pro ▶	AC maintenance	<input checked="" type="checkbox"/>	Clean ducts & vents	<input type="checkbox"/>
	Ductless heating and AC ser...	<input type="checkbox"/>	HVAC maintenance	<input checked="" type="checkbox"/>
	Heating maintenance	<input checked="" type="checkbox"/>	Install AC	<input checked="" type="checkbox"/>
	Install ducts & vents	<input checked="" type="checkbox"/>	Install heating system	<input checked="" type="checkbox"/>
	Install thermostat	<input checked="" type="checkbox"/>	Other	<input type="checkbox"/>
	Repair AC	<input checked="" type="checkbox"/>	Repair HVAC	<input checked="" type="checkbox"/>

Note: Don't accept jobs you're not qualified or licensed to complete. You're solely responsible for maintaining compliance with applicable laws, regulations, and licensing requirements in each jurisdiction where you offer or provide services. [Learn more](#)

CANCEL SAVE





CHALLENGES & PERFORMANCE RESULTS

LSA Lead Economics

\$28 for a lead (HVAC average)

75% chance of quote worthy contact

Real cost/lead: **\$37**

Close rate: **33%**

Full Acquisition Cost/job: **\$112**

Minimum Job Size at 7% CAC: **\$1,600**



LSA's vs Google Ads



Cost Per Lead:

\$120

\$28

Contact/Appointment

85%

75%

Cost Per Appointment

\$141

\$37

Appointment/Quote to Close

60%

33%

Cost Per Acquisition

\$235

\$112



Saturated Markets: Significant Limitations

Overview

<p>Leads charged</p> <p>95</p> <p>Phone: 95 Message: 0</p>	<p>Budget spent</p> <p>\$2,450.00</p> <p>\$75.00 expected credits not included ?</p>
<p>To get more leads, add more service types and areas to your profile</p> <p>EDIT PROFILE</p>	<p>Adjust your budget at any time</p> <p>EDIT BUDGET</p>

Budget Allocated: \$6000

Average Leads/Month: 8



For the Most Part: Very Generic Categories

Produces LSA's

Heating and cooling
Furnace repair
Air conditioner installation
Thermostat install
Most generic HVAC terms

Does Not Produce LSA's

Mitsubishi Mini split
Furnace rebate
Whole house fans
Ventilation
Healthy home
Air quality test
Energy audit
Insulation
Smart thermostat
What is an efficient furnace?





EMERGING DATA ON OPTIMIZATION

LSA Ranking Factors

About ad rankings

Your ranking within the Local Services unit is determined by a number of factors that help Google match service providers to consumers.

Factors that can affect your ranking within the Local Services unit include:

- Your proximity to potential customers' locations
- Your review score and the number of reviews you receive
- Your responsiveness to customer inquiries and requests
- Your business hours
- Whether or not we've received serious or repeated complaints about your business

In addition to these ranking factors, Google will attempt to spread out the leads you receive over time. This is to prevent you from spending your entire budget early in the budget period. If your ad is generating leads more quickly than your budget can accommodate, you may see your ranking affected or your ad paused temporarily in order to more evenly spread out your leads.



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Our Tests of Bid Levels

How do you want to bid?

Maximize leads Recommended

Choose this option to let Google set your bid and get you the most leads for your budget.

Set max per lead

Choose this option to manually set your own bid, the maximum cost you want to pay for a lead.

HVAC Pro ▶	<input checked="" type="radio"/> \$23 (current max)
Plumber ▶	<input type="radio"/> \$28
	<input type="radio"/> \$30
	<input type="radio"/> Custom

How well your ad does depends on your reviews, customer service and more. [Learn more](#)



Automated Bidding Jumps Cost (but not badly)

				Jan 1, 2021 - Dec 31, 2021			
Category	Weekly budget	Bids	Reviews score / # of reviews	Lead charged (vs previous period)	Calls (vs previous period)	Connected calls (vs previous period)	Cost (vs previous period)
Hvac	\$1,000.00 USD	Automatic	0.0 / 0	157 22	210 72	115 0	\$4,062.05 USD \$484.00 USD
Hvac	\$225.00 USD	Automatic	4.6 / 347	67 20	88 50	61 0	\$2,407.49 USD \$448.50 USD
Plumbing	\$300.00 USD	Automatic	4.6 / 351	235 225	308 409	174 0	\$8,091.97 USD \$4,939.00 USD
Hvac	\$500.00 USD	Automatic	4.6 / 747	274 0	355 0	299 0	\$10,809.88 USD \$0.00 USD

\$26

\$36

\$34

\$39



Bidding Super High Works (and Isn't Too Risky)

				Jan 1, 2021 - Dec 31, 2021			
Category	Weekly budget	Bids	Reviews score / # of reviews	Lead charged (vs previous period)	Calls (vs previous period)	Connected calls (vs previous period)	Cost (vs previous period)
Electrical		\$14	4.8 / 1203	1038	1889	1136	\$30,255.14 USD
Hvac	\$100,000.00 USD	\$190		525	1157	0	\$9,668.68 USD
Plumbing		\$145					

Budgeted Spend: \$5,200,000 | Actual: \$30,255

Cost/Lead Bid: \$190 | Actual: \$29.15



Bids Apply to All Active Subcategories

Job types
Control what types of leads you want to receive

HVAC Pro	AC maintenance	<input checked="" type="checkbox"/>	Clean ducts & vents	<input checked="" type="checkbox"/>
Plumber	Ductless heating and AC ser...	<input checked="" type="checkbox"/>	HVAC maintenance	<input checked="" type="checkbox"/>
	Heating maintenance	<input checked="" type="checkbox"/>	Install AC	<input checked="" type="checkbox"/>
	Install ducts & vents	<input checked="" type="checkbox"/>	Install heating system	<input checked="" type="checkbox"/>
	Install thermostat	<input checked="" type="checkbox"/>	Other	<input type="checkbox"/>
	Repair AC	<input checked="" type="checkbox"/>	Repair HVAC	<input checked="" type="checkbox"/>



LSA Job Reviews (and Responses*) Count More

FILTER BY: All ratings ▼



A Google reviewer

Added 2 months ago · Serviced Feb 2022 · Gibsonia

★★★★★ Google verified job · Repair heating system

The weather was not good. Only company I could get to come at 11pm. Jake was a good guy, very knowledgeable. Appreciate his dedication.

***Speculation**



Demonstrating Responsiveness

- **Quickness from Lead to Response**
- **Communications within LSA Dashboard**
- **Requesting Verified Reviews from within LSA's**
- **Responding to Reviews (esp Verified)**
- **Marking Jobs as Booked & Completed**

Conversation

A Adam Buchbinder 4/6/22
✓ Incoming call [SHOW RECORDING](#) ▾

C Thanks for booking our services through Local Services Ads. Please leave a review to help us better serve our customers. 4/18/22



#1 Priority: Mark Jobs as Booked & Completed

New	Active	Booked	Completed	Archive
2	101	0	194	450

Customer	Job type	Location	Job time	Lead type	Last activity
<p>You don't have any jobs marked as booked. To see an accurate booking rate and ask for reviews, mark your lead as booked.</p> <p>MARK LEADS AS BOOKED</p>					

Booked = Job in Future; Completed = Job in the Past



Summary & Recommendations

- 1 SET HIGH BUDGETS (BUT MONITOR CLOSELY)**
- 2 SET HIGH BIDS (BUT MONITOR CLOSELY)**
- 3 SEEK LSA REVIEWS & RESPOND**
- 4 MARK APPOINTMENTS/JOB BOOKED**
- 5 IN GENERAL: SHOW RESPONSIVENESS WHENEVER POSSIBLE. ENGAGE!**





QUESTIONS?

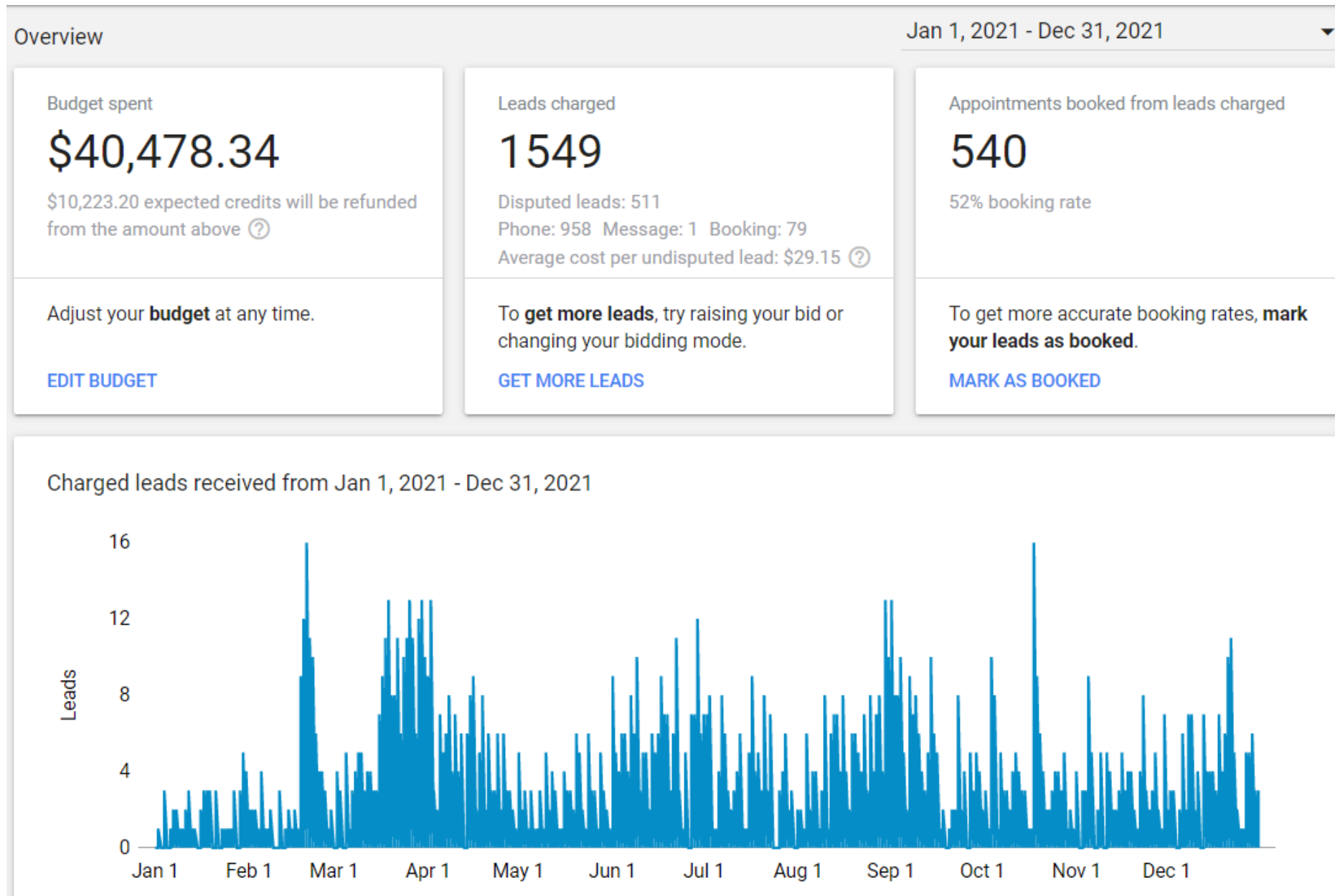
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High Bid/High Budget Results



HVAC + Plumbing + Electric

