

# Top 10 complaints

The top ten consumer complaints in the United States have recently been identified in a newly conducted survey; which was produced by the Consumer Federation of America (CFA), National Association of Consumer Agency Administrators (NACAA), and North American Consumer Protection Investigators (NACPI). Of great interest is the fact that the list of complaints has not changed much over the last six years. A dubious distinction, *Home Improvement and Construction* has remained in the Number Two Position, second only to the Auto Industry.

Most of the complaints, within the home improvement industry focused on shoddy work and failure to start or complete the job. Our research confirms these survey results and we cannot help but think that we can help both the contractor and the consumer's satisfaction. This was the primary reason for the founding of **Certified Contractors NetWork (CCN)**. In addition to consumers being upset with contractors, contractors themselves are dissatisfied with the performance of their own businesses as well as their failures which are at an all time high. Despite this, CCN has proven to be the highest quality, most effective contractor consulting service available for years; for both small and large contractors.

*"The biggest failing of contractors is that they get so busy running their businesses that they don't have the time to train themselves, their sub contractors, or employees. They often become prisoners of their business."*

— Scott Siegal, CEO,  
Certified Contractors NetWork

We believe that by providing this advanced training and consulting, we can train our members so that they will be able to educate consumers on how to make a successful construction investment. It is our belief that if properly educated, most consumers will make better decisions about who to contract with, and thus enjoy greater satisfaction.

A study was recently completed by management experts at The University of Pennsylvania's Wharton School of Management which considered the effects of satisfied and dissatisfied customers. The results confirmed something that we have told our members for years; bad news travels faster and further than good news. The numbers that they put on this fact are as follows:

An average consumer that has had a problem or is dissatisfied with a particular product or service tells an average of nine other people about this experience. Behavioral economists as well as these management experts have found that when these stories are retold, they

are embellished to seem more severe than they originally were.

Satisfied customers are much less likely to tell people about their experience. In fact, on average, satisfied consumers will only relay their experiences with five people. Average satisfied consumers have a fear of being responsible when something goes wrong, which may be the reason why they stay silent even when they have a positive experience.

Surveys have been completed each year, for the last five years, by Qualified Remodeler magazine with consumers who had remodeling projects completed on their homes. **Certified Contractors NetWork** and its member companies have also surveyed customers, through a strategic partner, Guild Quality. Although we cannot guarantee that the studies are entirely scientific, we do know that Qualified Remodeler claims to have surveyed almost 1000 recent consumers of remodeling projects through their partner RenovationsExperts.com. We have surveyed, through Guild Quality, over 1,700 CCN member companies' customers. We feel that this is a valid sampling and important information for all remodeling companies to read and judge.

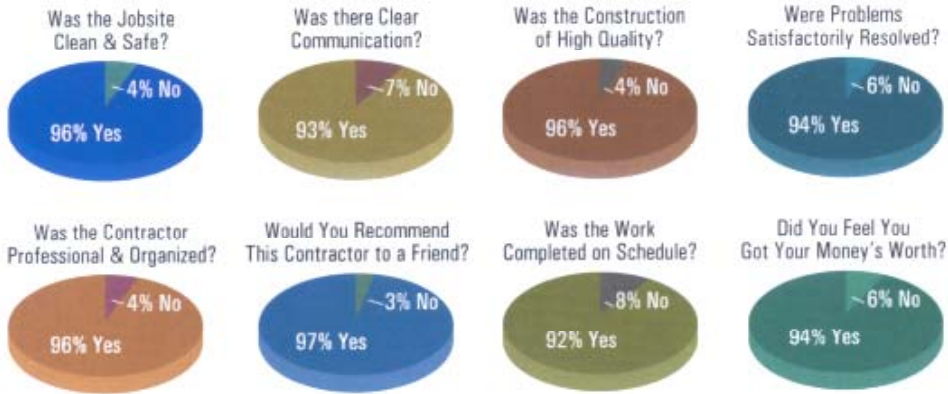
## CCN Mission Statement

The **CCN** mission is to enhance the professionalism, performance and perception of the construction industry. We promote ethics, education, leadership and innovation, so that the construction industry and the community achieve mutual benefit. All members are held to a Code of Ethics and strive to deliver 100% client satisfaction.

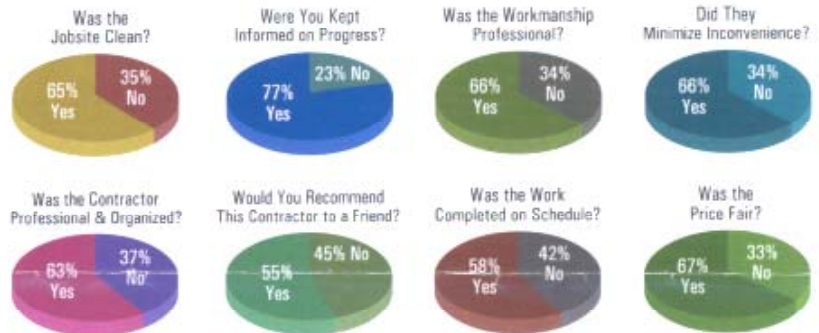
In addition, the **CCN** mission is to make its independent contractor members more successful and profitable, while helping them to provide better and more professional services and products for their customers.

These goals will be achieved by providing training, guidance, motivation and support, while serving as a catalyst for networking (sharing ideas between members) and arranging group purchase discounts when applicable.

### CCN CONTRACTOR CUSTOMERS SURVEYED BY GUILD QUALITY



### NON-CCN CONTRACTOR CUSTOMER SURVEYED BY NATIONAL MAGAZINE



What makes surveys so important is that most consumers will not provide feedback unless the contractor asks for it. Even then, according to Guild Quality, only 70% of the people will respond. It's no wonder most contractors don't really know what their customers think. That is the purpose of this article. The small business owner needs to get feedback if he is to achieve customer satisfaction, which (as contractors) should be his number one goal. Experts have found that only

four percent of all customers with problems complain to the company. The rest just do business with someone else or tell their friends, family, and neighbors about the company with whom they have these problems. With the cost of acquiring new customers being five to seven times greater than retaining an existing one, it is clear to see that this is something no small business can afford.

## The Results

The surveys that were conducted by both Qualified Remodeler and Guild Quality (on behalf of **CCN**) had the homeowners rate their contractors on items such as overall satisfaction, professionalism, timeliness, fairness of price, quality of workmanship, and whether they would recommend the contractor.

The results, which support our contention that being a member and receiving training from **CCN** are beneficial to both the consumer and the contractor, show that the non-CCN contractor had lower ratings on a year to year basis while the **CCN** contractor saw their ratings greatly improve. The low ratings for the non-member are reflected by the percentage of consumers who said they would recommend their contractor (52%) versus the extremely high ratings of the **CCN** member who would get the referral (97%). Clearly being a member of **CCN** and receiving educational training for best practices represents a huge payoff.

Through years of surveying consumers experts have found that there are some key indicators that will predict overall customer satisfaction.

**1. Jobsite cleanliness.** At the end of each day it is important to keep the project site clean and organized. Although most contractors focus on the actual production of the work, this

simple task will change the consumers' perception more than anything else. In fact, surveys have shown that the contractors that scored high in this question were twice as likely to get referrals as those that scored low.

**2. Timeliness.** Getting the job done on time is another good predictor. Consumers who were satisfied with their contractor rated their contractor higher in this area. In fact, consumers who are dissatisfied gave their contractor a score in the mid 30% range for this question.

**3. Expectations.** Setting the proper expectations about the entire job process is another key indicator. This has been shown by years of data that show the importance of providing a realistic and clear idea about the job prior to the start. Consumers who were given proper information said they were prepared for the issues that present themselves in most projects and gave high scores. On the other hand, consumers who were not given proper instructions awarded some of the lowest ratings.

**4. Communication.** It is imperative to communicate with the consumer in a realistic manner. As with most people, contractors tend to make overly optimistic statements about completion times, prices, and the quality of the product. Contractors who received high marks for communication were given overall ratings three to four times higher than those that got low marks for communicating.

## In Conclusion

In every category the **CCN** contractor had higher approval ratings than the non-ccn contractor. If we look at the predictors of what makes a satisfied customer, the following is what we should consider:

1. Job site cleanliness
2. Timeliness
3. Setting expectations and becoming informed
4. Communication

If we look at each of these items, we find that the **CCN** member had received a much higher rating than the non-member. In number one above, the non-member has received a 65% approval rating compared to a 96% approval rating.

Timeliness was surveyed at 58% compared to 92%, and expectations and becoming informed was 77% compared to 93%.

This all results in the non-members clients referring their contractor 52% of the time compared to the **CCN** members clients referring them 97% of the time. This clearly shows that **CCN** best practices results in an increased customer satisfaction. This benefits the consumer and the contractor. The consumer will get a better project and a more satisfying experience and the contractor will be rewarded with increased business through referrals and repeat business.

Now, if we could only make being a member of **Certified Contractors NetWork** a licensing requirement in all 50 states!

## Certified Contractors NetWork

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