

# THE HOME SERVICES INDUSTRY ON THE MOVE-UP!

Here's a look at what's bolstering this industry.



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By Lynne Shelton, Esq.

The home services industry is certainly on fire and has been booming since 2020. The segment includes different business types such as residential cleaning, roofing, painting, plumbing, home improvement, decorative

finishes and everything in between. The home service industry is currently valued at \$506 billion and is expected to see an overall growth of 53% by 2024. So why is this industry so hot right now? Well it's because of very solid sales performances. That along with the fact that these businesses were deemed to be essential during

the Covid lockdowns, which has allowed them to continue to grow. "Coming out of Covid, people are continuing to spend a lot of time in their homes and are realizing updates they want or need to make sure the home is clean, safe, and really comfortable", as reported by *1851 Franchise* author Katie Porter.



DecoArmor Designs

*You should always do your due diligence on how a brand specifically relates to what you want out of your franchise business.*

Let's take a look at one of the verticals that is bolstering this industry. The home improvement segment has had a fabulous year. We see franchise brands such as Archadeck Outdoor Living booking in an impressive 35.7% sales growth increase followed by a whopping 28% and 26% increase for Screen Mobile and the Flying Locksmiths. Budget Blinds has the largest total number of units reporting 1,279 franchisees at the end of 2021, and still showed a 19.8% increase in their sales growth percentage.

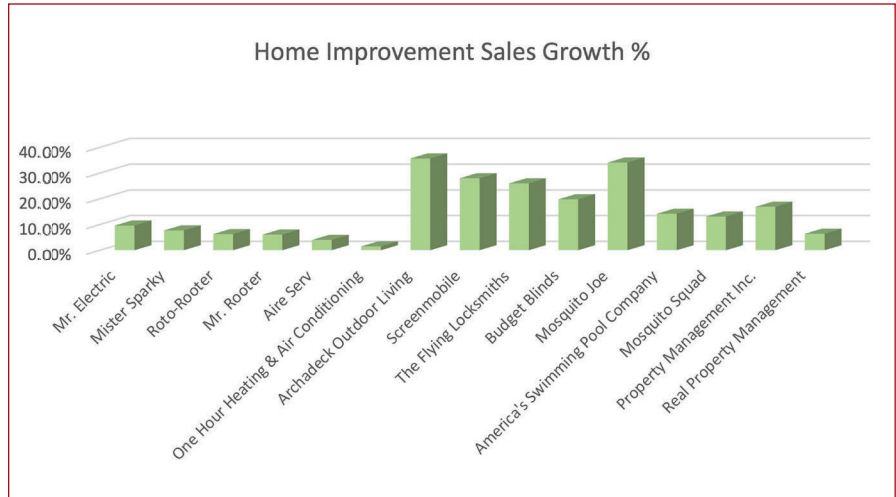
**Newcomer DecoArmor Designs** provides patented decorative finishes that look like stone, woodplanks, brick, and stacked stones but are actually made out of polyurea which is lightweight and almost indestructible. It reported its final "soft opening" type testing for over 200 units rolling out this year; the vertical does not show it slowing down any time soon.

**THE HOME IMPROVEMENT SEGMENT HAS HAD A FABULOUS YEAR.**

The outdoor services vertical saw similar incredible growth with Mosquito Joe's booking a 34.1% sales growth

with an amazing second place for Property Management Inc booking a 16.9% growth rate, and a not-so-distant third also having an incredible year with a 14.2% sales growth for America's Swimming Pool Company.

In most years a single-digit sales growth rate was expected and certainly still applauded. This year these growth rates seem small compared to the other verticals when evaluating the electrical / HVAC and plumbing franchise systems. However, we saw a 9.6% increase for Mr. Electric, a 7.7% for Mr. Sparky, a 6.3% for Roto-Rooter, and a 6.1% for Mr. Rooter, which are all still incredible growth rates for franchise systems. Roto-Rooter made it up to the ranking of number 67



in the top 400, last year and had a total of \$1.468 million in global sales.

Franchise consultants the International Franchise Professionals Group (IFPG) produces a weekly top report. For a recent week, IFPG uses its internal data collected from its portal to identify which home service franchises had the most activity in the past week. This ranking system does not base its top rankings on franchise sales, franchises success rates, or number of units open. They use the ranking system to help identify new and upcoming franchise systems. They showed top interest rankings for EverLine Coatings, followed by Koala Insulation, Superior Fence and Rail, Floor Coverings International, and All Dry to be in the top five.

Whether it's a brand new rising franchise system or one that has over 1200 franchises across the globe, you should always make do

your due diligence on how that brand specifically relates to what you want out of your franchise business.

Christina McAmis, attorney at Shelton Law & Associates reports that franchise disclosure document reviews are up as well. "This is a good thing for the industry. Entrepreneurs are becoming smarter about protecting their investments Before they ever get started, they are ensuring that their counsel and other trusted advisers are weighing in on protecting their futures. That is just smart business no matter what brand you are looking at." 📌



**Ms. Shelton** was the chief operating officer of a large franchise system and is currently the senior attorney for Shelton Law & Associates (SLA) franchise law firm, as well as a franchisor owner in an international franchise system, and chief executive officer of an international nonprofit company specializing in training entrepreneurship to young adults.

SLA attorneys have 50+ years' business consulting, franchise, and trademark experience. Their knowledge facilitates an understanding of a large variety of businesses, services, site selection, and technologies. They help businesses protect their brands through trademark, copyright, and business contractual transactions. These services allow SLA to "Expand their Brand®" through franchising. For franchisors, SLA provides full outsourced in-house counsel services for a flat monthly fee.

SLA additionally works with entrepreneurs buying franchises by assisting with business creation, industry evaluations, franchise disclosure document review, fairness factors, site selection, opinion letters, and negotiations.

For more information or to schedule a customized consultation for your business, you can write to [franchising@SLA.Law](mailto:franchising@SLA.Law) or call (866) 99-FRANCHISE.

