



ABOUT LENNOX

Lennox Industries is built on a heritage of innovative firsts, from the introduction of the riveted-steel furnace in 1895 to some of the most efficient air conditioners available today.

INDUSTRY

Residential heating, ventilation and air conditioning

GEOGRAPHY

Worldwide

CHALLENGES

- No reach to the local and regional builder segment
- Limited sales force and administrative resources
- No developed incentive program for local builders

SOLUTIONS

- Builder incentive and discovery platform
- LEADPLUS builder lead program
- HomeSphere's marketing reach
- HomeSphere's robust local market presence

RESULTS

- Continued relationships with over 2,100 builders
- 40% year-over-year increase in market share with local builders
- 26% product conversion rate on builder leads from HomeSphere

In the mid-2000's Lennox recognized a significant shift in the new residential construction market. As large national builders abandoned markets and closed operations, smaller local and regional builders gained share of the total available market. To strengthen their own market share and stay ahead of the decline, Lennox knew they needed to extend their sales and market strategy to the local home builder. Because Lennox lacked the sales force resources and expertise in the local builder segment, they turned to HomeSphere's products, programs and team to position themselves for growth.

Challenges

Lennox's strategy was to maintain market share with national builders while also growing their presence in a new market segment – the local home builder. To accomplish this, the team had several hurdles to overcome. They needed to quickly and successfully penetrate the local and regional builder market without increasing the size of their sales force, but a limited knowledge of local and regional builders posed the risk of a decrease in market presence. The team also needed a platform to quickly identify builders not using Lennox products, offer an incentive, and ultimately convert the builder. Incentive programs in the HVAC market are typically established in-house direct to the builder, but Lennox needed a vehicle to easily offer an incentive program without incurring administrative costs.

Solutions

To overcome these hurdles, Lennox decided to seek out a partner to help grow their reach into this new market segment. Lennox turned to HomeSphere's builder discovery platform, builder lead and marketing services programs, and unparalleled team presence in local U.S. construction markets. "Once we partnered with HomeSphere, we saw a paradigm shift," said John Webster, Director of Residential New Construction for Lennox. "This shift helped us quickly grow our market share and position ourselves for the future. We were able to replace the shrinking volume our national builders were experiencing."

Results

HomeSphere's market specialists and the Lennox sales team have built a strong partnership which results in profitable relationships with new and existing builders for Lennox. "The HomeSphere team gives our team reach and access into the local builder market that we could not have achieved on our own," stated Webster.

Lennox experienced 40% year over year growth in the local and regional builder market with real-time builder leads from HomeSphere LEADPLUS. "Our sales cycle has been shortened and we can easily monitor the progress of each builder lead," said Webster. "Measuring the ROI of the HomeSphere program is simple."

With HomeSphere as their partner, Lennox was able to increase their overall incentive amount to builders by bundling their offering with incentives offered from HomeSphere's other manufacturing partners, which provided them with an immediate competitive advantage. "By bundling Lennox's HVAC incentive with additional incentives on other brands and products, the Lennox rep and I work together to overcome price objections and offer the builder a more lucrative incentive package," said Mike Ashby, a HomeSphere Market Specialist.