

Home Services in 2020 and the Changing Role of Logistics



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Home Services in 2020: A Brief Overview

We're living in a smart world today! Powered by smartphones, high-speed internet, and smart applications, the customer is well and truly the king. Whether it's ordering food, booking a cab, or shopping bestselling furniture and apparel, everything is accessible at just fingertips.

Home services too, once a luxury is now a necessity. Gone are the days when home services were confined to domestic help and cooks. The home services market is a diverse industry today with wide-ranging services under multiple categories.

The [global home services market](#) was valued at USD 281.65 Billion in 2018 and is expected to witness a growth of 18.91% from 2019-2026 and reach USD 1,133.40 Billion by 2026. At the same time, the global [online on-demand home services](#) market will grow up to \$1,574.86 billion during 2020-2024.

The Coronavirus pandemic has given a big boost to online shopping of not only essentials but also home services. And, thanks to the rising demands of home-stuck consumers, the market is booming like never before.

Confined to their homes due to lockdowns and work-from-home norms, people have started taking home repair and home improvement projects seriously. The demand for other at-home services like salon treatments and healthcare diagnostics has also spiked this year.

But at the same time, the competition in this [on-demand service industry](#) is rising too. The pressure on home-service providers to deliver excellent customer experience at all times is huge. Fast, on-demand, and professional logistics is a key differentiator among players in the home services market now.

In this e-book, let's look at the current state of the industry, the trends that are shaping up the future of home services, and the changing role of logistics and digitization in ensuring high-quality home services and happy customer experiences.

The People's Choice: Most Popular On-Demand Home Services

A report by Harvard Business Review states that the on-demand industry is attracting 22.4 million customers annually, who spend \$57.6 billion on them. These services, besides taxi booking and food delivery, include grocery, healthcare, home services, and other [hyperlocal services](#), etc. This growth and activity will continue for the coming years too.

The new-age consumer is time-poor and loves convenience. Placing on-demand home service orders is a buzzing new trend among consumers all over the world.

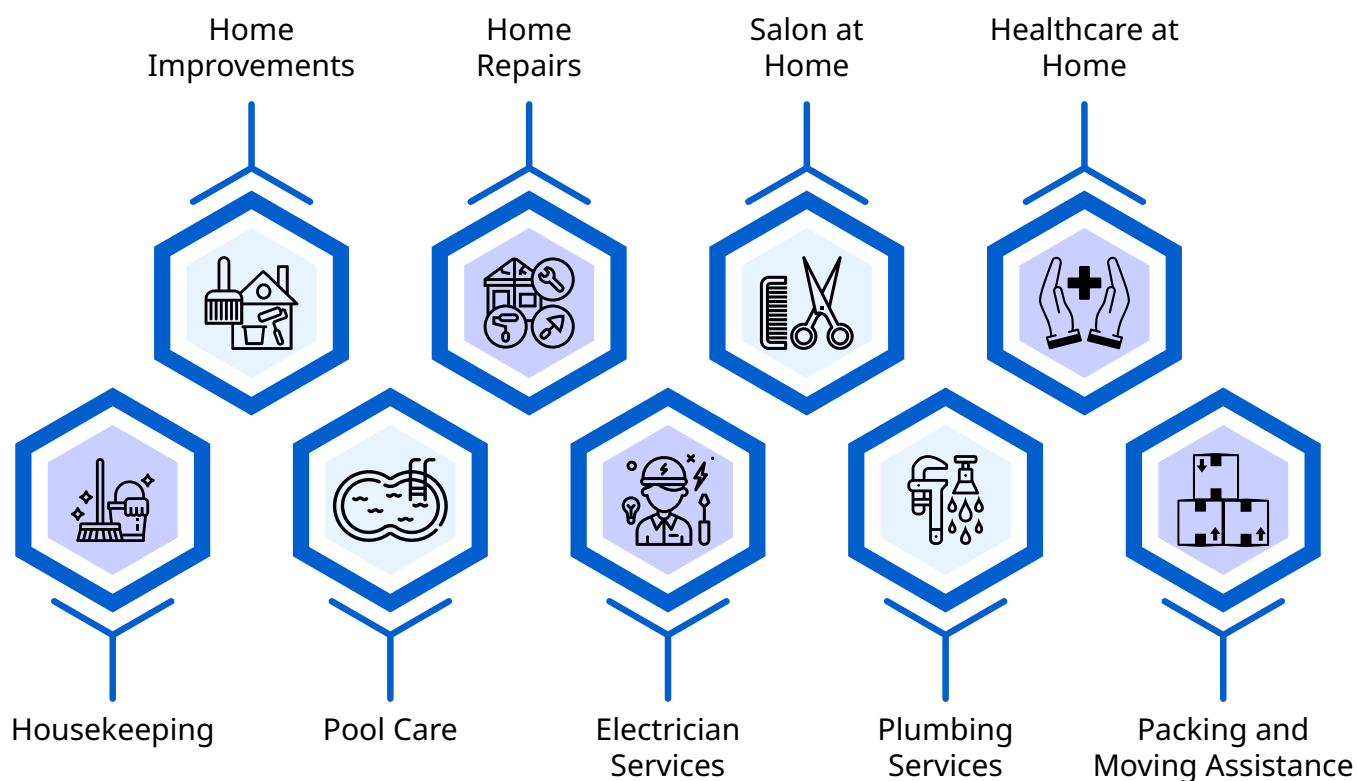


What are Home Services?

Home services are typically “right to your door” services that are managed from end-to-end by an agency or company, that helps customers in seeking and connecting with the right agents for their desired tasks. Service providers then send fully equipped professionals to the customer’s doorstep at their preferred times to complete the assigned tasks.

A few years ago, most of these home services were managed manually, with limited capabilities. But advancements in E-commerce and online marketplaces, and smartphone penetration among consumers has benefited the market tremendously, digitizing the entire landscape of home services.

Most Popular Home Services in 2020





Home Improvements

Often home-owners rely on trusted and skilled professionals when they want to renovate or remodel their houses or wish to give their home a new look. Home improvement services include upgrading rooms with luxuries, such as adding gourmet features to a kitchen or adding a hot tub spa to a bathroom. It could also include turning marginal areas into livable spaces such as turning basements into rec-rooms, home offices, or lounging spaces, or implementing emergency preparedness safety measures such as fire alarms or burglar alarms in the house.



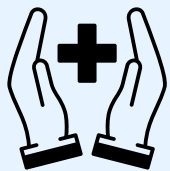
Home Repairs

Homes need maintenance and fixtures from time to time. Home repair services include a range of offerings from flooring, tile fixing, ceiling, countertops, door, deck, patio repairs, sinks, bathroom faucets, drain repairs, and more. Stuck at home, many people are now turning to expert repairmen to take care of their long-awaited home repair projects.



Salon at Home

Home salon services have been trending for a while now, and more so in 2020. From hair and makeup to pedicure, manicure, and relaxing spas, everything that a salon offers, the customer can avail at home with the help of well-trained professionals who carry all types of salon equipment to fulfill any on-demand customer requests.



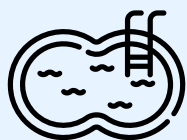
Healthcare at Home

Traveling to hospitals for treatment/check-up is difficult for some patients, especially the elderly and specially abled. Also, ever since the COVID-19 outbreak occurred, hospitals have become the most vulnerable places to catch the infection. Healthcare-at-home services include professional medical assistance such as doctor visits, nursing, and midwife care, medical check-ups, diagnostics, laboratory, and X-Ray imaging accessible to patients at the comfort of their homes.



Housekeeping Services

Home cleaning and housekeeping is often a task, especially with tight work schedules and busy lifestyles. Housekeeping services are therefore quite popular among busy urban customers. Housekeeping services help with basic and deep cleaning of homes and offices, tile scrubbing, carpet cleaning, and even janitorial cleaning, on a one-off or regular daily/weekly/monthly basis.



Pool Care Services

Having a pool at home is quite an attraction, but maintaining and managing a pool regularly is difficult. Home-owners often employ pool care services to keep their pools clean and well-maintained. Pool care typically includes testing and balancing the water chemistry, vacuuming, brushing the sides of the pool, emptying skimmer baskets, cleaning the filter as needed, and ensuring that all equipment such as the timer and pump are working efficiently.



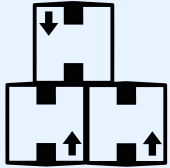
Electrician Services

Household and office electrical equipment such as refrigerators, dish-washers, washing machines, air conditioners, fans, lights, and fixtures need certified professionals for installation, repair, cleaning, and maintenance. Electrician services are therefore one of the most popular home services among consumers.



Plumbing Services

Plumbing emergencies are not so easy to handle without the help of experts. Professional plumbing services include fixing faucets, sinks, toilets, boiler, and water heater repairs, sump installations, bathroom leakage fixing, and drain cleaning services, where trained plumbers carry out even the toughest plumbing projects in a hassle-free manner.



Packing and Moving Assistance

Moving from one location to another is a tedious and time-consuming task. The modern consumer finds it easy to appoint professional packers and movers to assist with fast, resourceful, and safe packing of household belongings and loading them in moving trucks for transportation. These packers also take care of garbage and waste disposal after the packing is done.

What Makes a Good Home Service Experience: Meeting Customer Expectations in 2020 and Beyond

“It is all about meeting the ever changing, ever evolving expectations of the new-age consumer.”



The on-demand home services market is ruled by some big players such as Alfred Club Inc., Amazon.com Inc., ANGI Homeservices Inc., AskforTask Inc., Cleanly Inc., Helping GmbH & Co. KG, MyClean Inc., ServiceWhale Inc., Serviz.com Inc. and TaskRabbit Inc. But it is also a highly fragmented space as a number of big and small omni-channel vendors have come up to cater to the growing home service demands of the consumer. The competition in the market is hence intense, now more than ever before.

It is therefore essential for home service providers to understand what really makes a good home service? Is it the services you offer? Is it the ability to schedule orders online, or is it the speed and efficiency of your service executive?

The answer is, it is all about meeting the ever changing, ever evolving expectations of the new-age consumer. So, what does the consumer expect from home service providers, and are you offering enough?



A Fully Functioning Online Service Marketplace

Just like the customer expects an online shopping app to have wide-ranging product catalogues from multiple brands and smooth online payment gateways, he/she expects an end-to-end digital marketplace for home services too. In order to beat the rising competition, it is an absolute essential for home service providers to have an online presence, through either a website or a mobile application. Listing your business with an on-demand service platform is also a great way to expand your business online.

On-demand service applications should also have some crucial features, such as seamless browsing, filter-based searchability for required services, technician profile visibility, self-scheduling of service tasks, status notifications and the ability to leave feedback after service. These small but important features make a quality online marketplace for home services.





Personalized Home Service Offerings

According to research conducted by Forrester, 77% of consumers have chosen, recommended, or paid more for a brand that provides a personalized service or experience. A personal touch to your services can set your business apart. Millennials are especially impressed with companies that deliver excellent service and are even willing to spend 21% more on them.

Personalizing home services could be tricky, but a little preparedness and understanding the customer's requirements exactly can help businesses offer personalized home services. Additionally, having agents use their own name when speaking to customers during home visits adds more value. Other simple things such as collecting your customers' birthdays, wishing them a happy birthday or giving them a home service discount on such an occasion is also a thoughtful way of valuing customers on a more personal level.



Fast and Seamless Last-Mile Operations

People are now busier than ever, and expect home services to be quick and easily laid out for them. “If Amazon can [deliver a package within 24hrs or the same day](#), why can’t home service businesses deliver on the same time frame? This is the mindset the home-service industry will need to take. You can bet the traditional ways of operating will not be tolerated by homeowners in the years to come,” says Matthew Kanas, Partner Marketing and Developer Relations Leader, Intuit Canada.

Moreover, customers want to be able to select their preferred service timings, so that they’re available at home to supervise and ensure that the tasks are carried out properly. There is therefore greater demand for faster response to service queries, real-time allocation of resources to cater to these on-demand tasks and faster and more efficient logistics in the home services market today.



Professional and Hygienic Service Experience

The customer expects a professional service experience, right from the point a task is scheduled till the time the task is finally completed. Professionalism is the key to building trust with customers — well-dressed, polite and punctual technicians, who are fully equipped with the right tools and skills to carry out the task is a must.

The importance of clean, safe, and hygienic home services has grown tremendously, since the COVID-19 pandemic erupted. Beyond timely and professional services, the customer expects technicians to carry a [white-glove attitude](#) in performing every activity with highest quality, safety, and cleanliness standards.



Prompt and Omnichannel Communication

Clear and effective communication is perhaps one of the most essential elements of successful home service management. The customer does not only want quick, professional, and satisfactory response to queries or complaints, but also multiple channels to communicate.

Not just that, the customer wants to be on top of exactly what's happening with his/her order and expects the service provider to send regular status updates via app notifications or SMS — Is a service agent assigned for the task, has the technician left to reach the customer's house, what is the expected time of arrival? The customer's demand for crystal clear and real-time communication cannot be overlooked by home service providers. It is, in fact, a key differentiator among brands today.



Last-Mile Challenges and the Changing Role of Logistics

“Logistics is not just a cost center anymore, it’s a key differentiator.”

- Krishna Khandelwal, Chief Business Officer, Locus.



Last-mile operations mean different things for different sectors. For E-commerce, it means delivering packaged orders to customers' doorsteps within the promised time-window, for food delivery businesses it means delivering freshly cooked food within a short time to the customer in the safest way possible.

For home service providers, last-mile operations mean the whole process of allocating service tasks to the right agents, planning daily service task dispatches, routing service agents to customer addresses and ensuring that each activity is carried out professionally. However, a number of last-mile challenges often come up unannounced, causing either delays in planned day-to-day services, or other on-ground inefficiencies.

Last-Mile Challenges in the Home Service Market



On-Demand
Scheduling of Tasks



Handling
Resource Shortage



Route Planning
Inefficiencies



Catering to Customer-
Preferred Time-Slots



Tracking and Monitoring
On-Ground Staff

On-Demand Scheduling of Tasks

Managing hundreds of orders in a day across multiple service categories is a complex activity. Managers have to assign tasks in real-time to the right executives, and make sure they're available to take up the assigned tasks at the time most suitable to the customer. Scheduling of service tasks accurately in real-time is not possible without the right software and tools.

Handling Resource Shortages

In the on-demand home service market, ensuring that enough resources are available for every order is essential to cater to the dynamic demands of customers spread across multiple locations. Even in specific scenarios such as a [peak season](#) or in emergency times like COVID-19 lockdowns, companies must have the ability to handle order volumes with limited resource availability.

Route Planning Inefficiencies

Planning day-to-day service task assignment involves picking the right executives for the right tasks, and then planning task routes, and then dispatching daily/hourly tasks to executives accordingly. [Route planning](#), if not done accurately and efficiently, leads to unnecessary delays, extra miles driven, and thereby, an increase in fuel costs. Manual route planning is not the best way to go for businesses in the on-demand home services market.

Catering to Customer-Preferred Time Slots

One of the most common challenges faced by home service providers is managing [customer-preferred time slots](#). Oftentimes, resources may not be available at the time suitable for the customer, and even if they are, planning tasks within specific time windows is not easy with human intelligence alone.

Tracking and Monitoring On-Ground Tasks

Throughout the duration of a service task, it is important to keep track of the ongoing progress to ensure that every step in the journey is completed smoothly and in a timely manner. Lack of visibility in the home services supply chain makes it difficult for logistics managers to monitor on-ground activities and resources effectively and communicate real-time status updates to the customers.

For home service providers, the definition of last-mile logistics has changed dramatically. It is not just confined to limited orders coming in from a particular source. Orders pour in throughout the day for various tasks, from different locations, via multiple sources such as mobile apps, web browsing, and the good old traditional calling. Catering to these diverse on-demand service requests in real-time while battling with these [last-mile challenges](#) is not easy.

A smart and efficient logistics management system is the true game changer for businesses in the home services sector today. “Logistics is not just a cost center anymore, it’s a key differentiator,” says Krishna Khandelwal, Chief Business Officer, Locus. AI-based logistics solutions are now transforming supply chains across various industries. Adopting logistics technology can go a long way for home service providers in [improving customer experience](#) and standing out from competitors.

Have You Considered Implementing AI in Your Home Service Logistics?



*“Artificial Intelligence
will be rampant in the
digital supply chain.”*


- Dave Waters

In the coming years, especially in the post-pandemic world, the home services market will be ruled by players who play by the rules of speed, personalization, and responsiveness. “There are still a lot of people who haven’t embraced any technology on the business-side of their company, and the amount of time saving they could achieve by looking at how they run the administration side of their business. There are a lot of archaic systems in place that haven’t been updated, and people are afraid of technology and change to some degree,” says Matt Davis, Owner, Adair Tree Care.

With the growing popularity of home services among consumers, and the rising competition in the market, adopting technology is the best strategy to ensure excellent customer experiences and sustainable long-term growth.

[Artificial intelligence and machine learning](#) technologies are playing an important role in digitizing and automating the home service industry with innovative new solutions in supply chain and logistics management.

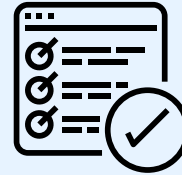
Locus offers best-in-class logistics automation solutions powered by data science and AI to businesses in the home services industry, optimizing end-to-end logistics management, and bringing in more efficiency, consistency, and transparency in the supply chain.





Service Dispatch Planning Automation

Locus' AI-powered [dispatch planning software](#) simplifies day-to-day task management for logistics managers by automating the entire process of finding the right executives for the right tasks and scheduling tasks to meet customer-specified time windows. With negligible dependency on human intelligence, the dispatch planner technology leaves no room for planning errors, and improves the quality of task management and scheduling of services.



Intelligent Task Allocation

With the help of data intelligence tools, service providers can allocate the right resources for the right activities, based on several parameters such as availability at the right time, proximity from customer location, and the rider/executive's preferred region of work. Smart allocation of resources reduces the problem of high cancellations and rescheduling by customers, while simultaneously improving the work experience for field executives.



Dynamic and On-Demand Route Planning

In an on-demand and hyperlocal landscape, home service providers have to deal with hundreds of orders popping up in a day, and many orders come in at the very last minute. Locus' advanced route optimization solution plans service routes optimally, taking into account on-ground constraints such as traffic congestion and route restrictions. The [dynamic routing](#) feature allows businesses to accommodate last minute service requests on the go, thereby increasing tasks per executive and improving customer satisfaction.



Live Tracking and Real-Time Alerts

Logistics managers can remotely track each and every activity in the home service journey, right from the point a task is assigned to an executive, till the point it is successfully completed. The Locus [live tracking solution](#) improves supply chain visibility by providing a complete overview of on-ground activities to logistics managers on a single-screen live view dashboard. The predictive alerts feature notifies managers in real-time whenever there is a deviation from the planned schedule or unnecessary delay. This improves overall efficiency of on-ground staff and increases transparency for customers, as live task status can be shared with them via SMS/app notifications.

Do you wish to [optimize your home service operations](#) with smart and efficient logistics? Get in touch with our experts for a quick tour of our solutions.

[Get in touch with our experts now!](#)

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