Date: 1.17.25

Name: Ross Chan

Stage: Closed Won

Company Size: Emerging

Number of Techs: 4

Job Title / Level: CFO and Supervisor

Speaker 1: Hi Ross, how are you?

Speaker 2: Good. Hey Drew. How are you?

Speaker 1: Good. Thanks for making time.

Speaker 2: Yeah, yeah, yeah. Apologize for Wednesday. Things got a little hectic and just, sorry.

Speaker 1: It happens. It happens. Lemme give some context. I run a market research company and service trade is one of my customers. They're trying to find out how to better serve their customers and earn the business of new prospects. So they're having me go interview a bunch of their prospects and customers to hear about their experiences and see, hear what's important to them. So I am doing a bunch of these conversations, probably 30 to 40 of 'em, and we'll record it if that's okay with you. And I use the transcript to build a report for them.

Speaker 2: Okay, cool.

Speaker 1: Cool. It's pretty casual. Just for 30 minutes we'll go back and forth and then within 24 hours you'll get compensation for your time over email.

Speaker 2: Sounds good.

Speaker 1: Cool. Do you mind starting just by introducing yourself and your role at the company?

Speaker 2: Yes. My name's Rus Chan. I'm supervisor. My main role at the company is CFO. So I mainly overlook the accounting and finance, but I also kind of overlook the software aspects of our company. So implementing new software to help streamline some things that we, previously, we were pretty old school company when I joined, and so I was just trying to update everything and everything from processes to technology. Yeah,

Speaker 3: It's kind of my mind.

Speaker 1: That's good that just so I have a better sense of scope for the company, can you talk to me about how many technicians you have and where their focus lie?

Speaker 2: Yeah, so we currently have four technicians. They range from different specialties. So we have refrigeration techs and electricians. The electricians kind of do refrigeration work also, but we service I guess large HVAC systems for potato and onion storages. And so it ranges from mainly dealing with refrigeration systems and ventilation systems on a large scale required usually a couple days of work to service or address any issues. At the same time, we also run a construction side of the business. So we build these storages and we install these systems into these storages. And so that's originally what our core business is. And over the last couple of years we acquired a service company to service these systems in a way. So now we're trying to launch, expand that side of things and one of the best ways is using a software because before we were kind of taking hand notes, paper notes, a makeshift type of note system to track everything that's going on in billing and stuff like that. And so that's kind of where we're at right now with the tax.

Speaker 1: Sounds good. And what percentage of the business revenue comes from construction versus service?

Speaker 2: Revenue wise? Service is about 20% of revenue currently, but percent of income, it's probably 40%. Our margins are a lot better on the service side and so constructions, constructions always have blue margins and stuff like that. But yeah, service pretty good.

Speaker 1: That's great. And you hope, is that an area that the businesses wants to invest further? Where do you hope to be in a few years in terms of that split?

Speaker 2: Yeah, so Splitwise we're probably want to be around the same, maybe a little bit higher on service, but I guess, yeah, revenue wise, I think last year we did a little under 2 million. Ideally we'd like to increase that by about half a million a year for the next five years and there's potential for that, but yeah. Okay,

Speaker 1: Cool. And then so you recently evaluated field service management tools moving from paper. What was the trigger that said, man, it's time to get one of these tools?

Speaker 2: Yeah, so back in 2021 we used, I forgot what it was, but right after that we were using Service Fusion and that was a good software in that the costs were lower, easy to get started, a good amount of custom ability on all aspects of things in service fusion. But then we, the pandemic hurt us at that point in 2021, and so we lost a good amount of our techs at the same time and then we lost office personnel admin. And so in order to use Service Fusion, it ended up not enough people to get up and running to its potential. And so we backtrack and went to a note taking app notion, have you ever heard of Notion?

Speaker 4: Yep.

Speaker 2: So it kind of created a little system within there and just had the text write down their notes for the day time cards for the day. And then we kind of figured out how to turn into work orders in Notion. We started getting busier towards the end of 2022 and then extremely busy 2023 and then finally added more techs in 2024 and got some office personnel. And so the way Notion was working was kind of catered to my way of thinking and so it's very efficient for when I'm the main user of it, but it's not for anybody else. So we needed to get away from Notion and just get more streamlined, more organized application to

Speaker 1: What criteria were important to you as you started evaluate Tools?

Speaker 2: One was how to take notes related to the job and how it was presented, separating certain aspects of the issues at the job. So in relation to service trade, he showed us ways to track issues with assets which were deficiencies with assets and stuff and able to see it on a higher parent level view of all assets and how many issues are with each asset. So that was really good. That was something we had been looking for because previously we'd have to do a little search and see what comes up and write a search of a keyword wouldn't bring up everything that was related to what we were looking for. So this is really good that it was structured in that we could assign work orders to an exact asset within a customer's location. I think we weren't really looking for that much detail, but when Service Train did show us that, that was actually a really big selling point for us because we have a lot of customers that have 30 storages and they're all in the same location somewhere. And so it helps us easier differentiate what we have been working on because at one point it all feels the same next to each other.

Speaker 1: Yeah. Who else did you look at?

Speaker 2: Well, we tried to look at ServiceTitan from the get-go sales rep was, I don't know, lack, there was a lack there of a sales rep, tried to reach with him, schedule a couple meetings, he flaked a couple times We were looking at going back to Service Fusion because some of us were familiar with it. But yeah, I think on the customer side of things on Fusion, there was a lot of lacking on presentation wise. It required a lot more, I think customization on our part.

Speaker 1: When you say customer side, you mean what you were going to send to the customer or

Speaker 2: Send to the customer? What the customer saw from us if we were using their system and we were planning to look at one or two more companies after we initially looked at service trade. But yeah, I mean it was a pretty good presentation and selling us, I guess Carl was the guy who was our sales rep, so yeah, he did a pretty good job in showing us the potential of service trade, so we kind of stopped there. We were planning to look at one or two more, but we

Speaker 1: Didn't. Cool. But you mentioned the one really big selling point. I'd love to just talk about strengths and weaknesses. What other strengths gave you enough confidence to move ahead without evaluating others?

Speaker 2: The interface was pretty easy to digest. It all kind of all makes sense and the layout of the system, there's a part in there that we don't currently utilize in our process, like the dispatching system, we work differently than most service companies just because of the type of work we're in and the length of work that it usually takes. The dispatch system was something that Carl showed us and so it was something of a new process that we're like, okay, there might be potential for us to use it and we might have to use it a little differently. But I think he kind of showed us there might be ways for us to utilize the dispatching system because currently we don't have a way of dispatching or scheduling because usually it's customer calls and we're typically out there within an hour or two or within the next day. So we could schedule at that point, but most of the time we're there pretty soon because during harvest season, or not harvest season, but during storage season, some being down for two hours can cost millions of dollars and potatoes. So things are kind of on a call by call basis, but we're slowly learning the dispatch system to try to incorporate.

Speaker 1: Yeah, but you mentioned that the user interface for you was pleasant is something you, because you yourself working in, you mentioned Service Fusion had a core customer interface. Can you talk about what you liked specifically about Service Trades customer interface?

Speaker 2: Well, it actually changed on us in the middle of the onboarding. I did a bunch of updates, but it, it's simple in that it makes sense on, I'm trying to remember, it's been two months, but service fusion versus service trade. The way they, I guess lay out the menu, the clicking their menu is that it kind of works in the order in which you should follow the steps. For instance, let's see, I got to pull it up.

Speaker 1: You feel free to share screen too if you want.

Speaker 3: Yeah, let's see. Got a thousand screens out.

Speaker 2: Let's see. Okay. Yeah, so just kind of the way things follow and that you should, well, I mean it is pretty simple that I could go to exactly where I needed to

Speaker 2: And see drill down to the more detailed stuff quickly instead of doing five, six clicks to get there. So for instance, I can be looking at a storage summary within three clicks. So it's good to know this exact location within our customer has currently just one job, but we're able to see multiple jobs for that one location that are open because sometimes we will keep three or four jobs open for a certain location at a time, and that can get confusing and juggling because we got to send different personnel to address those. So yeah, it was a quicker way to drill down to the details we needed, I think is kind of what I liked about it the most.

Speaker 1: Sure. Did anything about service trade give you pause or perceived concerns or weaknesses about the tool?

Speaker 2: Yeah, so I think some of the premium features that we didn't get to see all the premium features, but some of the premium features, the cost to get to use those I think was kind of a big pause was that didn't know the full capability of how they seem like good features we could utilize, but we didn't really get a good walkthrough of the premium features. And so there was a lot of uncertainty of do we need this, do we not, if we do need it. The other thing was it seemed a little bit pricey. Sure. At least for the size of our, we're just getting started in the size of the company. It just seemed like a big investment to be able to utilize some features that could benefit or not benefit us.

Speaker 1: Are there any features that fell into that category that maybe Service Fusion offered in their core package that you was hoping would be part of that core package

Speaker 2: In the corp? Well, in the core package, I think we're really satisfied with it, but a smaller detail is certain things on the customizability part is an issue because, so for instance, in Search Fusion, you could, well, the good thing was that you could, for categories for instance, let's see, let me show

Speaker 3: Items.

Speaker 2: So for instance, for assets, if we want to use a category for an asset in service trade, they have a set list of categories you can use and there's a lot of assets that we have that they're not specifically specified. They might have other versions of it. So let's say fans, they have actual fans and supply fans, but then we have a condenser fan and we'd like to list that out separately there. There's no way to create our own category in that sense. And that's the same with service lines within here. There's no way to add our own without going to a rep and they have to do it on the backside of things, but it'd be nice to be able to create our own service lines so that they match exactly our terminology. So in a way, we're having to adopt service trades terminology on certain aspects of things. And for some of it, it's fine. Some of it's like we just doesn't make sense for us honestly. Sure.

Speaker 1: Were there any integrations that were critical to you?

Speaker 2: There was nothing pressing. We are using QuickBooks integration, but that wasn't a selling point if it integrated or not.

Speaker 1: Okay. And as you guys evaluated and made this buying decision, it sounds like you were kind of the key person, but were there other people involved in evaluating and making the decision?

Speaker 2: Yeah, our president of the company was a key person, and then we have an office manager who, she manages kind of our service side right now. We took her input, but she's also kind of learning the process itself. So yeah, we were just making sure that really from her most things made sense. But for Chip it was, he wanted it so that he could quickly evaluate ongoing work orders, job orders, and from his standpoint, he was able to see that clearly. He just likes to look at a list of things and be able to quickly throw out comments and we're able to put 'em in or someone's able to put 'em in for 'em.

Speaker 1: Cool. Let's move a little bit more to the sales process to learn about how your experience was there. First of all, how did you even find out about Service Trade? I

Speaker 2: Through just the Google search. I think we looked at ServiceTitan and Service Fusion. Again, just quickly looking at the Google Service trade popped up under those searches even. And also it was a top search for just service software, but so we just clicked on the website and saw the interface and the possibilities, so it's just on their website, which seemed like a good starting point.

Speaker 1: Yeah. Cool. And what was your experience like with the sales team? Describe it as positive or negative and why?

Speaker 2: No, it was really good. It was really positive. Carl, he showed us some good capabilities. He tried to cater his presentation towards us, but I think if he had shown us just how a typical use from beginning to end of how service trade would be used from receiving a phone call, how it would be logged in all the way to invoicing, I think we would've probably pulled the trigger even faster just because we were kind of bouncing around and seeing bits here and there and it was great. But I think if we just saw for our case, a full walkthrough, that would've been, I think I talked to Chip about this, he's the president, and he's like, yeah, I think if he just showed us a quick beginning to end, we probably would've been sold even more.

Speaker 1: Interesting. Yeah, that's really great feedback. Thank you.

Speaker 2: And I don't know how for most of the things that we're sold on, if it is a pretty easy process from starting the beginning to end and it makes sense and it flows and it shows all the pertinent details that we need, we typically like those. And so yeah, we kind of took a gamble and that whole process would be in a way, worked the way we liked it and for the most part it adds.

Speaker 1: Yeah, that's really interesting.

Speaker 2: I will say though, Carl did schedule an additional meeting. We were interested in one of the add-on things like Service Manager. We weren't impressed with that sales pitch. Carl didn't present it, it was someone else, but that didn't really show us, we didn't see the full capability of that app Service manager, I think is what it was. It's more of, I guess the inventory side of things. We didn't really see any of the capabilities of it and that made us, we were very unimpressed by it. And then also with the price tag along with that, we definitely, we didn't even entertain the idea of wanting to add that.

Speaker 1: What did they show you if they didn't show you capabilities?

Speaker 2: It was kind of ask a question and say like, oh, you can see this, but I'm trying to recall, I just remember we left that meeting just like that's for how much that cost that we don't see what the use of that is for us.

Speaker 1: But it sounds like was there enough interest in not Service Trades offering, but there was some pain point there where if they had showed you something compelling, you might've been interested? Yeah,

Speaker 2: We were using a different inventory system, a different website for keeping track of inventory right now. But I think what we wanted to see more of and didn't see was how it works with service trade, how we can track inventory while looking at job orders or even when invoicing, seeing did we actually have that in stock? Just seeing all that information while using Service Trade or while being in service trade instead of, yeah, we didn't really get to see that.

Speaker 1: That's really,

Speaker 2: I'm sure there was a way to see that, but I think we asked, we tried to allude to that a couple of times or even asked to see that, but what we did see was not impressive on that point of things.

Speaker 1: That's really great feedback. I appreciate that. It sounds like, well, let me try not to ask a leading question from one to 10, how important was it to you that it all felt like an all-in-one solution, the same solution rather than these disparate pieces?

Speaker 2: It didn't feel like an all-in-one solution at that point. So yeah, I mean, in my mind, my goal is to try to minimize the amount of apps we have to use or websites we have to use. And I've come to the realization over the years that it's really, it's not possible yet. I haven't encountered anything that can utilize multiple things just yet.

Speaker 1: Yeah. Is there anything that Service Fusion did in their sales process that Service Trade could learn from to better serve someone like yourself?

Speaker 2: Yeah, there wasn't too much service using was cut into a while ago. The only thing I think the price of service using was about half or even two thirds less than service trade. I'd say that. And they offer monthly payments instead of a full on, and there was no implementation costs at Service Fusion, so that's another thing that we did contemplate was implementation costs plus an implementation costs to go up to the next level just because we're trying something new and we had no experience to that point as users in a robust service system, and so we just didn't want to throw in seven grand, 10 grand to not like It

Speaker 1: Sounds like you invested in service rate regardless, like it a branch. You talked about the customer experience and user interface as a big portion of that. What else made it worth

Speaker 2: It off? What Carl showed us, we were impressed and we were kind of in a time where it was coming up on the end of the year. There was a lot of frustration on our side internally on keeping track of job orders. We got to the point this year where a lot of things stayed open due to lack of communication, and then also we realized the potential of lost revenue because things stayed open too long and never followed up in time to get the pertinent information from the tech to be like, alright, okay, this. Yeah. So we got to the point internally where we just needed something. So it was kind of a bit of urgency to say, alright, this seemed a lot of people go with this already, so it should work for us. It seemed to step a couple steps above Service Fusion and so we decided to just take a gamble and

Speaker 1: Hope

Speaker 2: That it fits to our needs. It has.

Speaker 1: Awesome. Well, just one more question. We're run up on time. You mentioned that a bunch of other folks who use service trade and that influenced your decision gave you some confidence to move ahead. Did you talk to anybody else? Was it just on their website, the logos they had, what gave you that sense?

Speaker 2: Yeah, just other websites and I think looking at other random forms of people talking about seeing what their complaints could have been, but didn't really see anything like I'd seen on Service Fusion.

Speaker 1: Awesome. Ross, thanks for your time today. I hope you have an awesome day.

Speaker 2: Thanks Drew.

Speaker 1: Bye. Bye.

### Win/Loss Summary for Service Trade Implementation

#### Executive Summary

This summary serves to outline key learnings, growth opportunities, and red flags identified in an interview with Rus Chan, CFO of Service Trade's customer, related to their decision-making process regarding field service management tools. The conversation highlights Service Trade's strengths in ease of use, customer interfacing, and selling capabilities, while also uncovering areas for improvement, particularly concerning premium features, pricing, and customization options.

#### Key Points of Discussion

1. \*\*Company Background\*\*:

- \*\*Role\*\*: Rus Chan serves as the CFO and oversees accounting, finance, and software implementations for the company.

- \*\*Business Focus\*\*: The company employs four technicians and operates in the HVAC industry, focusing on large-scale refrigeration systems for agricultural storage.

2. \*\*Revenue Structure\*\*:

- \*\*Overview\*\*: Currently, 20% of the revenue comes from service, but it accounts for about 40% of income due to better margins.

- \*\*Growth Goals\*\*: The company aims to increase service revenue by half a million dollars per year over the next five years.

3. \*\*Trigger for Tool Evaluation\*\*:

- \*\*Need for Streamlining\*\*: The shift from using hand notes to a more structured system was accelerated by the pandemic's impacts, leading to a period of inefficiency. Rus stated, “...we were kind of taking hand notes, paper notes, a makeshift type of note system..."

4. \*\*Evaluation Criteria\*\*:

- \*\*Functionality\*\*: The features that stood out included the ability to track issues with assets and easily differentiate service details for numerous storages, as Rus noted, “...able to see it on a higher parent level view of all assets and how many issues are with each asset.”

5. \*\*Competitive Analysis\*\*:

- \*\*Other Tools Considered\*\*: The company considered ServiceTitan and Service Fusion. Concerns arose with the customer interface of Service Fusion, which lacked ease of use and customization.

6. \*\*Strengths of Service Trade\*\*:

- \*\*User Interface\*\*: The intuitive nature of Service Trade’s layout was a significant advantage. Rus remarked, "I can be looking at a storage summary within three clicks."

- \*\*Sales Experience\*\*: The sales representative's tailored presentation positively influenced their decision. Rus mentioned, “...Carl showed us some good capabilities. He tried to cater his presentation towards us..."

7. \*\*Weaknesses and Concerns\*\*:

- \*\*Premium Features Cost\*\*: Uncertainty regarding the cost versus the value of premium features raised red flags. Rus stated, “...it seemed a little bit pricey...”

- \*\*Customization Limitations\*\*: There was difficulty with custom categories and service lines, leading to concerns over adopting Service Trade's terminology. Rus expressed, “...there's no way to create our own category in that sense.”

8. \*\*Implementation Process\*\*:

- \*\*Onboarding Experience\*\*: The onboarding experience included adjustments to the interface mid-process, which caused some frustration as features were not fully explored during the sales phase.

9. \*\*Post-Sales Insights\*\*:

- \*\*Inventory Management\*\*: Concerns about integration with existing inventory management systems were noted post-decision. The company is currently using a separate system and struggled to understand how it integrates with Service Trade.

10. \*\*Market Positioning\*\*:

- \*\*Confidence from References\*\*: The decision was also influenced by positive feedback and confidence due to existing users of Service Trade. Rus noted, “...just other websites and I think looking at other random forms of people talking about seeing what their complaints could have been...”

#### Key Learnings & Growth Opportunities

- \*\*Enhance Presentation of Premium Features\*\*: Ensure complete transparency and visibility of premium features during the sales process, possibly through a full-case workflow demonstration.

- \*\*Focus on Customization\*\*: Invest in creating more customizable options for clients to tailor categories in alignment with their unique business needs.

- \*\*Clarify Integration Capabilities\*\*: Proactively address the integration of inventory management systems during the sales conversations to alleviate hesitations from prospects considering multi-app solutions.

- \*\*Sales Process Improvement\*\*: Explore enhancing the sales approach by offering a “full walkthrough” of the platform from start to finish, as indicated by Rus’ feedback.

#### Red Flags Identified

- \*\*Cost Sensitivity\*\*: The perceived high costs associated with premium features could lead to potential attrition or hesitance among small to mid-sized companies.

- \*\*User Onboarding Experience\*\*: Adjustments during onboarding can negatively impact the experience; considerations for a smoother transition or better preparation could be beneficial.

### Conclusion

The insights gleaned from this discussion can help sharpen Service Trade's approach in catering to client needs, refining the sales experience, and developing product offerings that are customizable and clearly beneficial to the user's context. By addressing these points, Service Trade can better position itself within the market and continue to grow its customer base effectively.