

# Conway Services builds HVAC business on customer focus

BY DOLORES BELL

John Conway was only 16 years old, working at AutoZone after school at Frayser High, when he learned and took to heart the old adage he uses to guide the business he runs today.

"The customer is always right," Conway says in his earnest, low-key style. "Even when he or she is wrong, the customer is still right."

Conway believes it's his stubborn commitment to satisfying customers — plus working like heck to get the job done right the first time — that have enabled him to build Conway Services Heating and Cooling LLC from a one-man heating and air conditioning business started by his late father 14 years ago into one of the largest HVAC contractors operating in the Memphis market.

What Raymond Conway Sr. began in 1990 with one truck and a pole barn as the company warehouse, his son John has parlayed into a company with 45 employees and a fleet of 22 vans operating out of a 6,000 square foot facility at 6426 Summer Gale near Bartlett. Today, about 70% of Conway Services' business is in new home construction, with 30% in repair, replacement, and maintenance services for homeowners. Gross sales in 1990 were approximately \$250,000; in 2004, the company grossed \$5.4 million.

While many heating and air conditioning contractors see their job as setting and repairing units, Conway has led his company to look beyond the technical and focus on the people using their products and services.

"We aren't really selling heating and air conditioning," Conway emphasizes in numerous employee training and motivation sessions. "We're selling comfort. We're selling peace of mind."

The company's focus on customer satisfaction is evident in ways large and small. Conway's Emergency Response Service involves a sophisticated communications system that enables the company to assure customers they will hear from a Conway supervisor within 15 minutes any time they call, including nights, weekends and holidays. If a customer hasn't heard from someone in 30 minutes, the next call rings through to John Conway.

To better serve homebuilders, Conway employs a superintendent who visits a job site before work crews begin a rough-in, then throughout the job, providing an extra layer of expertise and detail-checking that can save headaches later.

When Conway technicians visit a home, they wear red surgical-like shoe covers and may stretch a red plastic runner from the front door to the pull-down stairwell to keep the homeowner's carpet clean. After a technician's visit, the company "happy calls" every customer to check satisfaction. Every Conway service van has a GPS system that helps technicians locate addresses faster.

"You call 10 heating and air conditioning companies and they are all going to tell you that they offer 100% customer satisfaction guaranteed," John Conway says. "What does that really mean? For some people, it's just words. Not with us. We're willing to spend money to make it real. We will sacrifice profits to satisfy customers."

Conway went to work in the auto parts business directly after high school, climbing to a management-level position with a Texas-based auto parts company in five years.

"Then my wife and I had our first son, and I got tired of traveling all the time," Conway says. "So in 1994, I joined my dad, just as an employee. But I had learned in those five years with big companies about how to grow a business. I learned I have a knack for driving revenue."

After four years of serving as company sales manager and helping increase gross revenues eight-fold, John purchased Conway Services from his father in 1998.

In the past five years, Conway has worked to diversify the company's customer base, with less emphasis on new construction and more on individual homeowners.

"The new housing market has been good for us," Conway says, "but we all know that at some time it will slow down."

One area of company growth has been in service maintenance contracts; Conway now has approximately 500 homeowners participating in its "Comfort Club" program.



ALAN HOWELL / MJB

**John Conway owns one of the largest HVAC businesses in the Mid-South.**

The key to delivering the level of customer satisfaction that will enable the company to continue growing, Conway says, lies in hiring top-notch employees, particularly service technicians.

"We may interview 50 to 60 people to get one technician," he says. "Our philosophy is 'Hire Slow, Fire Quick.' We are a member of Drug Free Tennessee. Our service manager has come up with our own 20-question application test that uncovers what an applicant really knows, not what he says he knows. And because we know that a technician who can diagnose the problem correctly the first time is worth a good salary, we pay well too."

While there's no MBA diploma hanging in his office, the 34-year-old Conway has successfully implemented a variety of sophisticated management concepts he learned as a member of Nexstar, a national member-driven organization of independent contractors in the electrical, heating and air conditioning, and plumbing trades.

"It's been my college," Conway says.

In the first quarter of 2005, he will spend over \$10,000 to enable his technicians to participate in Nexstar-sponsored customer satisfaction training.

"They won't be learning how to repair an air conditioning unit, they'll be learning how to carry out a service call for greater satisfaction," Conway says. "Things like where should you park the van at a customer's house? How close should you stand to the front door when the customer opens it? Training in those kinds of issues are what will help us deliv-

er on our promise of the best service in town."

David McLemore is a partner in Sovereign Homes, which builds about 50 new homes a year in the Memphis market. Conway Services has handled Sovereign's heating and air conditioning work for the last three years. The fact that Conway employs its own superintendent to keep a close eye on your job makes the company special, McLemore says. Sovereign also appreciates Conway's 24-hour answering service that takes care of customers so they don't end up having to call the builder.

"John Conway is constantly looking for little things that can make a difference in the job he does for you," McLemore says.

Conway has a five-year plan that calls for gross revenues of \$10 million before the end of the decade, with some of that growth coming from increasing the company's service and replacement businesses. Competition in the years ahead, Conway believes, will increasingly come from "big box" stores that can offer low prices but will falter in the delivery of follow-up services.

"We'll have to keep changing to stay competitive," Conway says. "But what's not going to change is that people want a job done right. They want honest, dependable service. It doesn't have to be the cheapest, just the best. That's our market—people who expect the best."

**CONTACT** freelance writer Dolores Bell at dolobell@bellsouth.net