

ebook

THE FUTURE OF HVAC:

Smart Strategies for Growth in 2026 and Beyond





The HVAC industry is entering a period of sustained and significant growth, with the market projected to reach **\$35.8 billion by 2030**, according to the Air Conditioning Contractors of America (ACCA).

Yet for many contractors, growth has become harder to capture. Technician shortages, rising customer acquisition costs, and an outdated break/fix service model are putting pressure on margins, teams, and long-term viability.

This ebook is designed for HVAC business owners and operators who recognize that incremental fixes are no longer enough. To compete and win over the next decade, HVAC businesses must evolve their operating model. That evolution centers on smart technology and a shift from reactive service to proactive, data-driven customer relationships.

Inside this ebook, you'll discover how smart home technology enables HVAC companies to:

- Operate more efficiently with the workforce they already have
- Reduce dependence on expensive, algorithm-driven customer acquisition
- Build predictable, recurring revenue streams
- Strengthen customer trust and long-term value

\$35.8B

PROJECTED 2030
MARKET
GROWTH FOR
THE HVAC
INDUSTRY

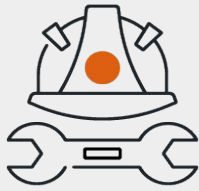
HVAC at a Crossroads: Why Change Is Critical

The opportunity ahead is real, but so are the obstacles. HVAC demand continues to rise, driven by aging housing stock, energy efficiency mandates, and consumer expectations for comfort and convenience.

At the same time, traditional HVAC business models are being tested by structural challenges that can no longer be solved with price increases or seasonal promotions alone.

Contractors who adapt their model will be able to capture disproportionate value. Those who don't risk falling into a cycle of higher costs, thinner margins, and growing talent constraints.





Reliance on Traditional, Inadequate Solutions

While the industry is poised for growth, the organizations that will win must overcome these shared HVAC service challenges:

Technician Shortages

The industry faces a persistent and widening labor gap. According to the **Bureau of Labor and Statistics**, there will be an average of 42,500 HVAC technician job openings every year for the next decade — nearly half a million roles that must be filled through recruiting and training.



Strategic Imperative: Prioritize skilled technicians for complex issues by proactively resolving problems before they become emergencies.

Rising Customer Acquisition Costs

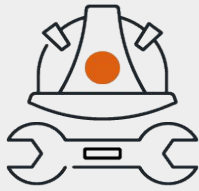
Acquiring a new customer has become increasingly expensive. According to Decision Analysts, contractors spend an average of **contractors spend an average of \$350 to acquire a new customer**, largely driven by competitive online search behavior. Reliance on paid search leaves contractors exposed to rising keyword costs and unpredictable algorithm changes outside their control.



Strategic Imperative: Find innovative methods to retain, engage, and monetize existing customers more effectively.

42K

ANNUAL JOB
OPPORTUNITIES
FOR HVAC TECHS



Reliance on Traditional, Inadequate Solutions (continued)

Limitations of a Break/Fix Model

Most homeowners don't think about their HVAC system until it fails — often during extreme heat or cold. When that happens, they turn to Google, choosing whoever can respond fastest rather than a provider they already trust. The result is higher repair costs for homeowners, intense seasonal demand for contractors, overworked technicians, and uneven revenue throughout the year.



Strategic imperative: Maximize the efficiency and impact of your existing workforce.

So how can HVAC contractors clear these hurdles and position themselves to reap the rewards of a growing market?

Let's look at some of the current strategies HVAC companies use and how these are proving inadequate.

\$350

COST TO
ACQUIRE
A NEW
CUSTOMER



Why Traditional HVAC Business Strategies Can't Solve Today's Challenges

To address these challenges, contractors have historically relied on two approaches: selling higher-priced equipment and repairs, and offering traditional maintenance plans. While both can increase revenue in the short term, neither solves the underlying business issues.

Maintenance Plans Are Often Inadequate

On the surface, traditional maintenance plans promise recurring revenue. But in practice, they often fall short for both contractors and homeowners.

Most plans struggle with:

- Low long-term renewal rates
- High administrative overhead from manual scheduling, reminders, and follow-ups
- Limited predictability, since breakdowns can still happen between visits

As a result, these plans rarely deliver ongoing value or build the kind of trust that keeps customers engaged year after year.

Why Traditional HVAC Approaches Can't Solve Today's Challenges (continued)

Technicians Typically Aren't The Best Salespeople

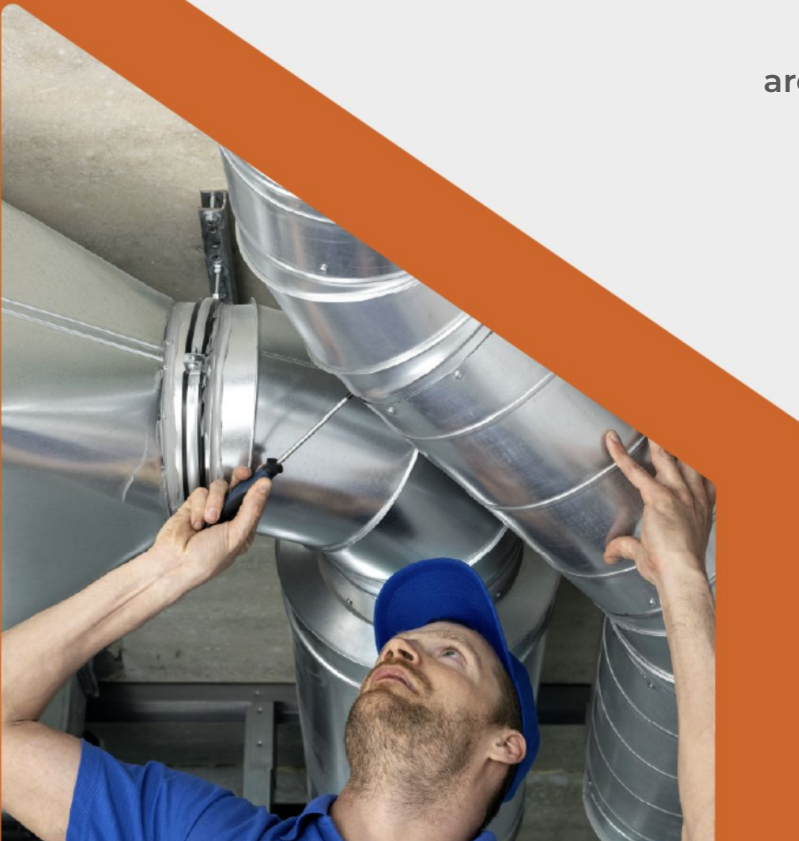
As growth gets harder to come by, many HVAC contractors lean on technicians to drive revenue. Unfortunately, that approach comes at a cost.

Making technicians responsible for upselling often leads to:

- Eroded customer trust, as recommendations feel transactional
- Lower technician satisfaction and engagement
- Increased difficulty attracting and retaining skilled, hands-on talent

Over time, the technicians-as-salespeople approach damages both customer relationships and workforce stability, reinforcing the very challenges it's meant to solve.

So, if these methods aren't the answer, what is?





The Smarter Way to Grow your HVAC Business

Smart technology is creating a new opportunity for HVAC contractors — and it's happening faster than many realize. The connected world we live in today feels inevitable.

According to Parks Associates, **45% of all homes today have at least one smart home device**, with adoption accelerating as homeowners look to reduce energy costs without sacrificing comfort.

At the same time, recent findings from ABI Research show that shipments of **smart energy-management devices are expected to more than double by 2030**.

For HVAC contractors, this shift is about more than technology. It's a chance to rethink how the business runs and address long-standing industry challenges.



The Smarter Way to Grow your HVAC Business (continued)

By integrating smart thermostats, temperature sensors, water valves, and other connected devices into service offerings, HVAC contractors can:

- Monitor system performance remotely
- Identify issues before breakdowns occur
- Automate maintenance workflows
- Maintain continuous engagement with customers

Smart home technology changes more than how HVAC systems are monitored; it changes how contractors support customers day-to-day. With ongoing visibility into system performance, proactive service becomes possible, relationships extend beyond emergency calls, and value shows up long before a unit breaks down.



A smarter strategy:

This connected approach delivers real, practical benefits — for contractors, technicians, and homeowners alike — and sets the stage for a better way of doing business.



The Advantages of a Connected HVAC Operation

When customers trust their HVAC provider and aren't met with a hard sell during stressful breakdowns, they're more open to new purchases. The result is new revenue built on stronger, longer-lasting relationships. Smart technology also enables automation of service reminders and maintenance appointments, reducing your administrative burden.

Employing smart tech helps your HVAC operation:

Move From Transactions to Relationships

Smart technology allows contractors to move from emergency responders to proactive partners in home comfort, staying connected to customers even when nothing is broken.

With real-time system insight, contractors can:

- Spot system irregularities early
- Address issues before they become emergencies
- Show customers they're actively looking out for their comfort

When customers know their contractor is paying attention, they're far more likely to call directly — rather than search online — when service is needed.



The Advantages of a Connected HVAC Operation (continued)

Balance Workload and Revenue Year-Round

Smart home automation and proactive maintenance make it possible to spread service work more evenly throughout the year, instead of riding extreme seasonal peaks and valleys.

This approach enables contractors to:

- Perform pre-season system checks
- Use remote and automated testing to catch issues early
- Reduce peak-season overload while improving off-season cash flow

The result is steadier demand, more predictable revenue, and less operational stress when temperatures spike.

Maximize Your Tech Team's Impact

While contractors can't control how many technicians enter the workforce, they can control how effectively their teams are deployed.

Smart technology helps by:

- Reducing emergency calls during peak periods
- Enabling smarter, skill-based dispatching
- Prioritizing technician time for complex, high-value work

This leads to higher productivity, less burnout, and a more sustainable approach to staffing as labor pressures continue.





HVAC Modernization Can't Wait

HVAC Contractors are at a Turning Point

If they choose to stick with traditional operating models, they'll face higher acquisition costs and slower growth.

If they choose to adopt smart technology, they'll create a more resilient, profitable, and scalable business built for what's next. That's because smart technology isn't just a tool — it's the key to unlocking a new era of growth.

Contractors who embrace this future will lay the foundation for:

- Predictable recurring revenue
- Lower acquisition costs
- Stronger customer loyalty
- Long-term competitive advantage

The transition won't be easy. It takes strategic thinking and a willingness to challenge long-held assumptions. But the alternative is shrinking margins and a growing talent gap that many contractors won't recover from. HVAC businesses who modernize now will be better positioned to grow, attract top talent, and protect their margins as the industry evolves.





Your HVAC Modernization Action Plan

Making the transition to a smart technology-centric business model requires careful planning, execution, and strategic changes to your operations:

AREA	ACTION REQUIRED
TECHNOLOGY	Select platforms you can brand and own, and that deliver daily value to customers.
WORKFORCE	Invest significantly in workforce training so tech teams can confidently deploy and manage connected systems.
CUSTOMER EXPERIENCE	Develop clear onboarding and education processes for new technology and service models.
PRICING & SERVICE PLANS	Redesign plans around proactive, data-driven service — not just reactive emergency repairs.
CULTURE	Commit to continuous improvement and stay informed about emerging technologies like AI and machine learning.

Your HVAC Modernization Partner

**We Provide the Tools.
You Provide the Service.**

Modernizing an HVAC business can feel overwhelming. Balancing technicians, retaining customers, marketing to new ones, and managing rising costs are constant challenges. Building36 makes it simple to modernize without adding complexity, turning everyday service into a proactive, revenue-driving operation.

The model is simple: install a white-labeled Building36 smart thermostat in every serviced home and enroll homeowners in a Smarter HVAC Maintenance Plan.

Whenever a system issue arises, automatic alerts are sent, and Building36's triage team provides clear, actionable insights — so your team can respond proactively, or customers can schedule service directly through the app.

This combination of technology and support lets contractors focus on service while driving measurable growth and operational efficiency.





HVAC businesses use Building36 to:

- Deliver proactive maintenance at scale
- Grow recurring revenue with smart service plans
- Reduce dependence on paid customer acquisition
- Strengthen long-term customer relationships

Our partners consistently see meaningful impact — lowering acquisition costs by 86%, improving service plan renewal rates by 93%, and increasing customer lifetime value by 5X.



Future-proof Your HVAC Business With Smart Tech

The HVAC world is changing fast, and contractors who wait risk getting left behind. Labor pressures, unpredictable seasonal demand, and higher customer expectations are forcing businesses to rethink how they operate.

Modernizing isn't just about keeping up; it's about building a smarter, more resilient operation that works efficiently and stays profitable for years to come.

At Building36, we can help you make that shift. We bring together connected technology and smarter service so your business runs smoother and your customer relationships last longer.

Curious to know how it works?

Connect with a Building36 expert and learn how easy it is to turn your HVAC operation into a proactive, connected business — one that cuts costs, boosts customer loyalty, and delivers predictable revenue year-round.



[CONTACT US](#)

PARTNER BENEFITS

86%

LOWER
ACQUISITION
COSTS

93%

RENEWAL
RATES

5X

LIFETIME
VALUE

About Building36

Building36 is pioneering the future of HVAC maintenance through smart home technology. The platform empowers HVAC professionals to transition from reactive repairers to proactive partners in home comfort. By leveraging real-time data and predictive analytics, Building36 helps contractors build stronger customer relationships, optimize operations, and navigate industry challenges.

For more information,
visit www.building36.com