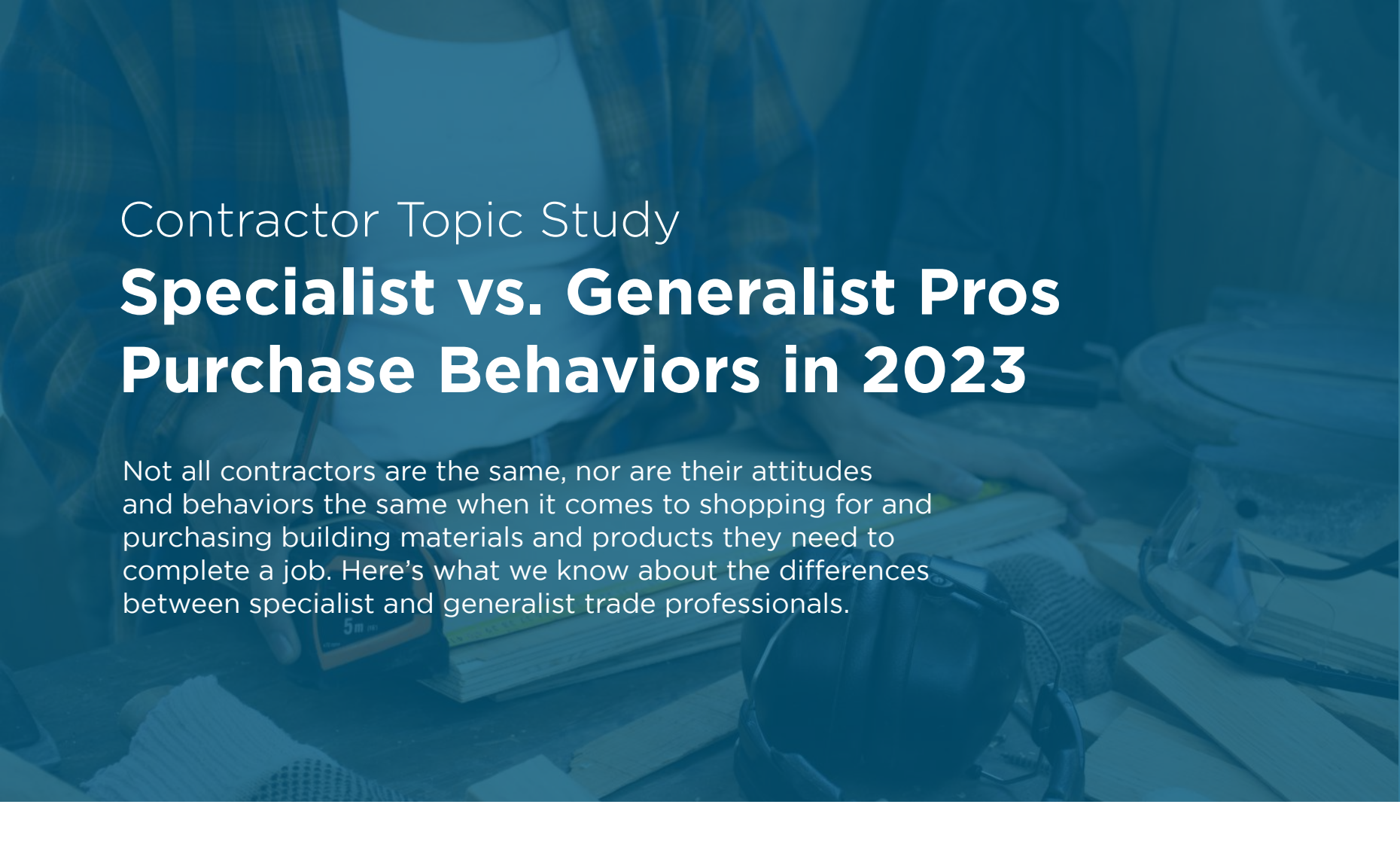


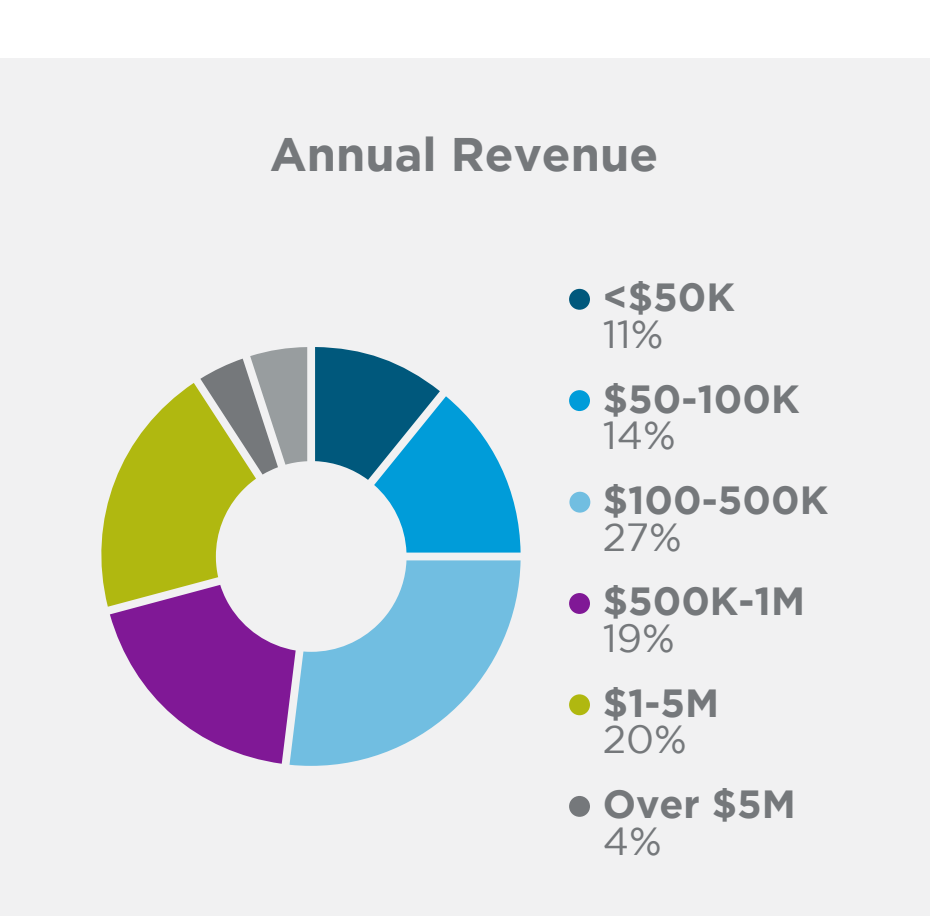
Contractor Topic Study

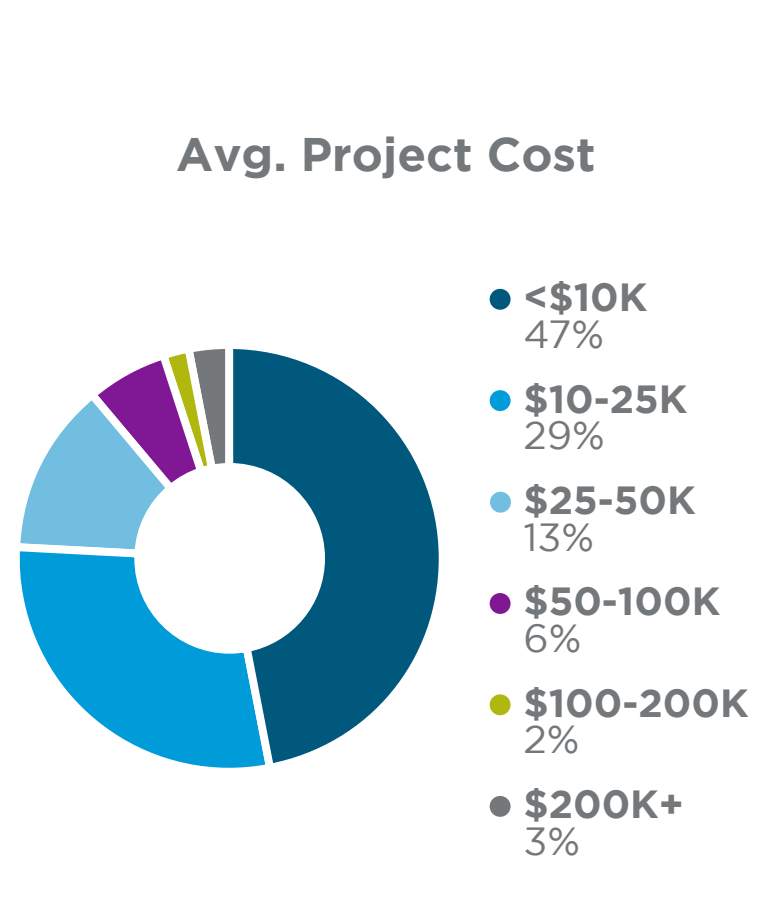
Specialist vs. Generalist Pros Purchase Behaviors in 2023

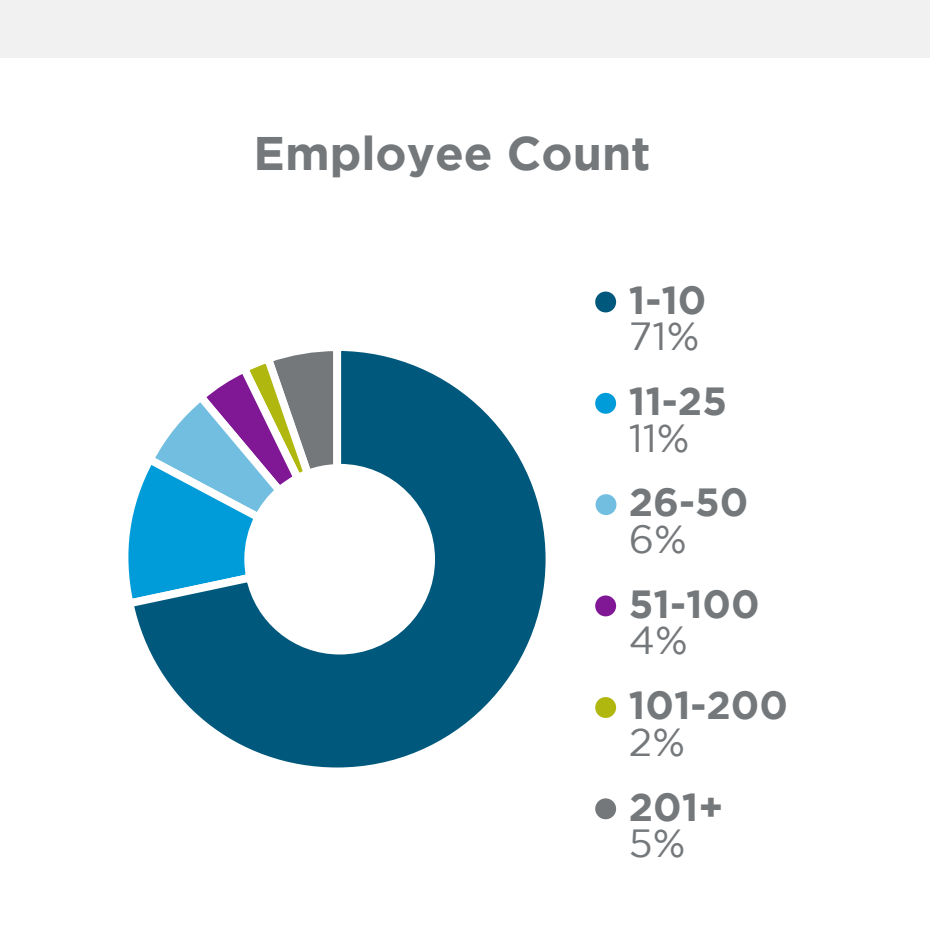
Not all contractors are the same, nor are their attitudes and behaviors the same when it comes to shopping for and purchasing building materials and products they need to complete a job. Here's what we know about the differences between specialist and generalist trade professionals.

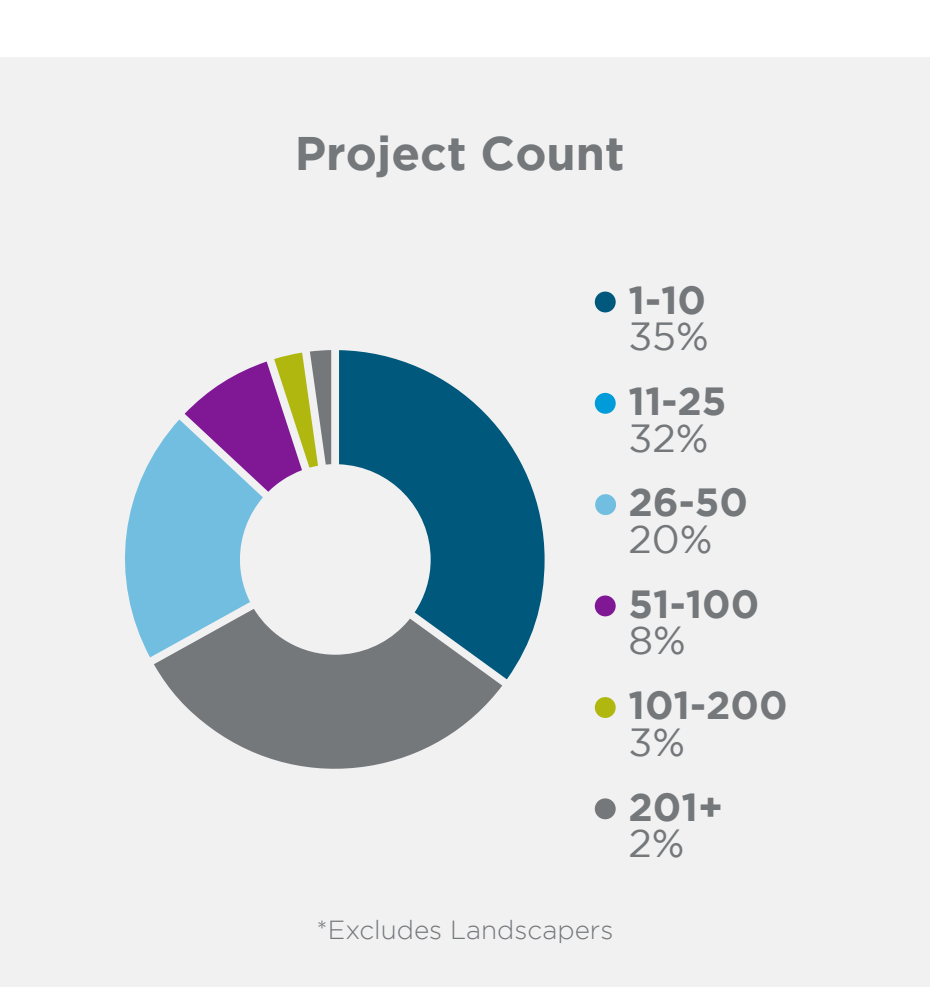
Specialist Pro Fast Facts

The majority of specialist firms earn less than $500K in annual revenue and tend to operate with 10 employees or less. Among specialist firms, the lion's share of revenue (76%) is coming from small remodeling projects, costing under $25K, regardless of scale of the firm. Generally speaking, most specialist firms are growing annual revenue by closing more small remodeling projects, rather than landing bigger projects.









*Excludes Landscapers

Specialist Pro Use of Subcontractors

89%
Do Most of the Work Myself and Using Own Crew

6%
Hire Subcontractors for Most of the Work

5%
Act Primarily as a Subcontractor

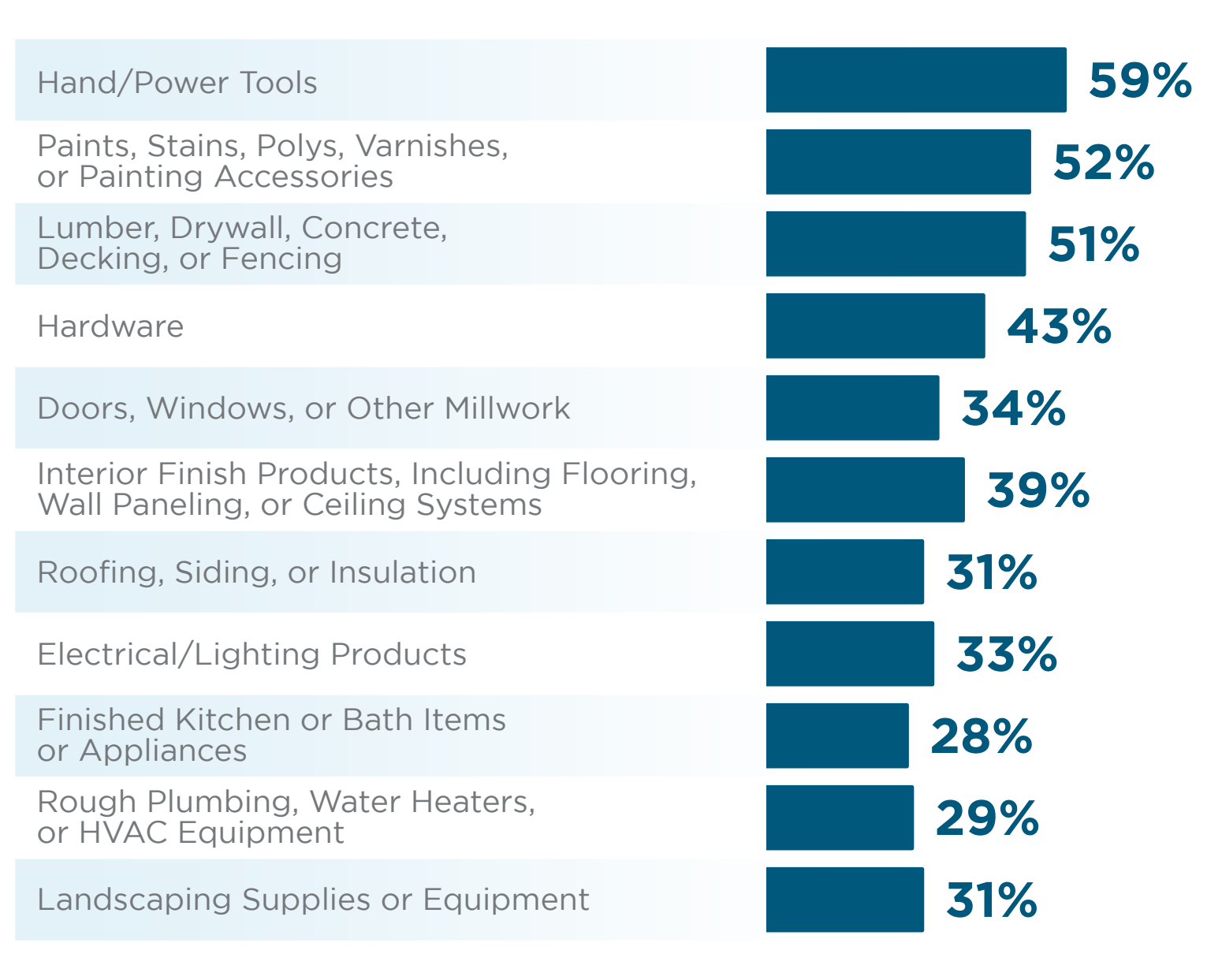
Specialist Project Involvement

68%
We Do Installations Arranged by a Retailer for Their Customers

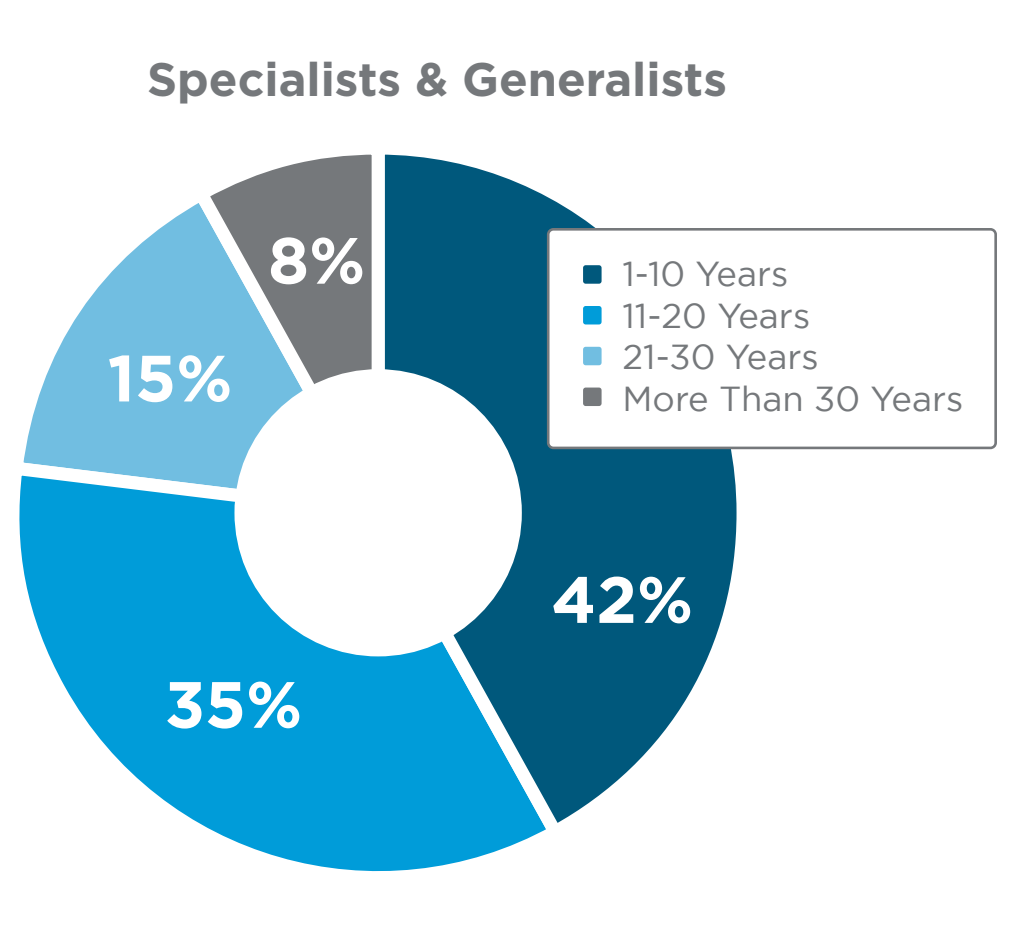
65%
We Install Products Purchased by the Homeowner

33%
We Buy Products That We Then Install in Existing Homes

Specialist Category Purchase Incidence

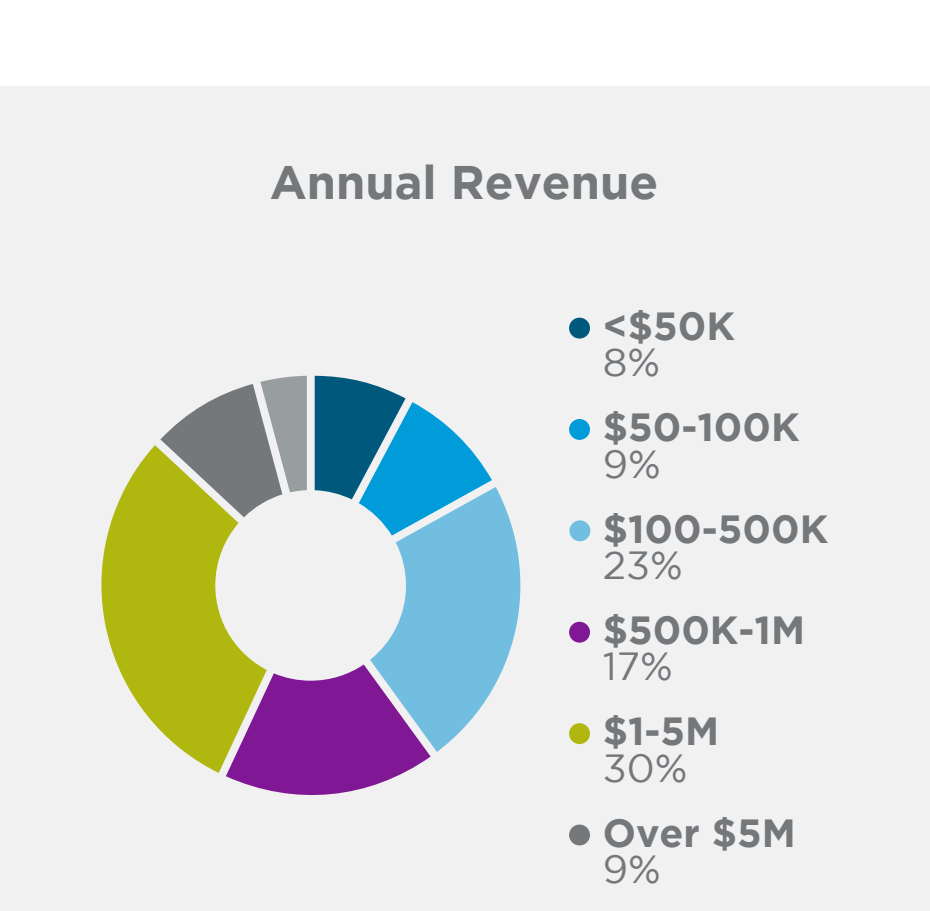


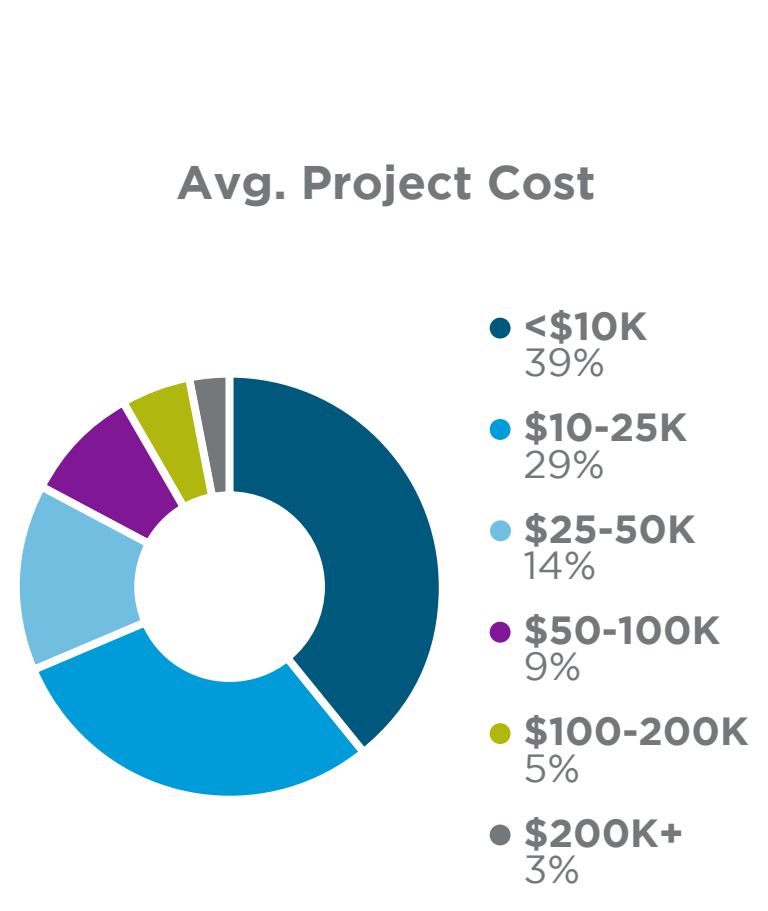
Years in Trade

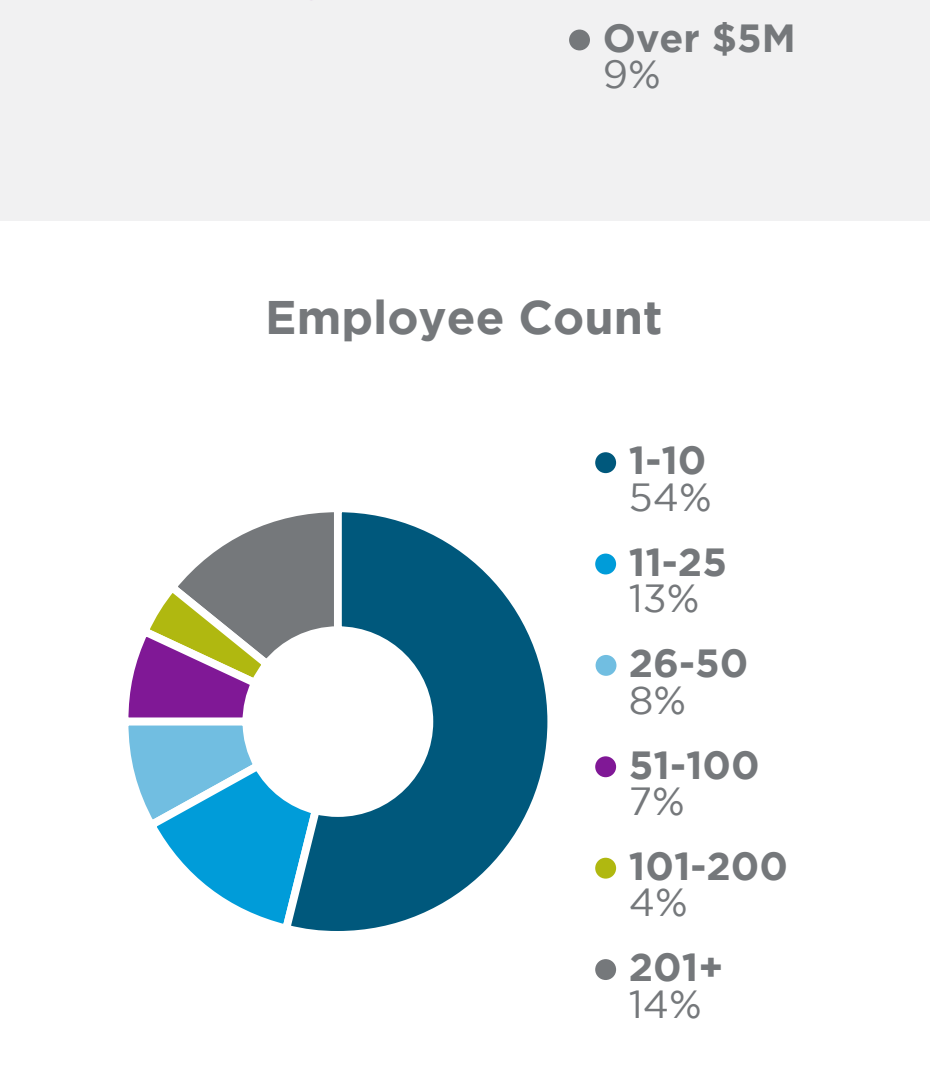


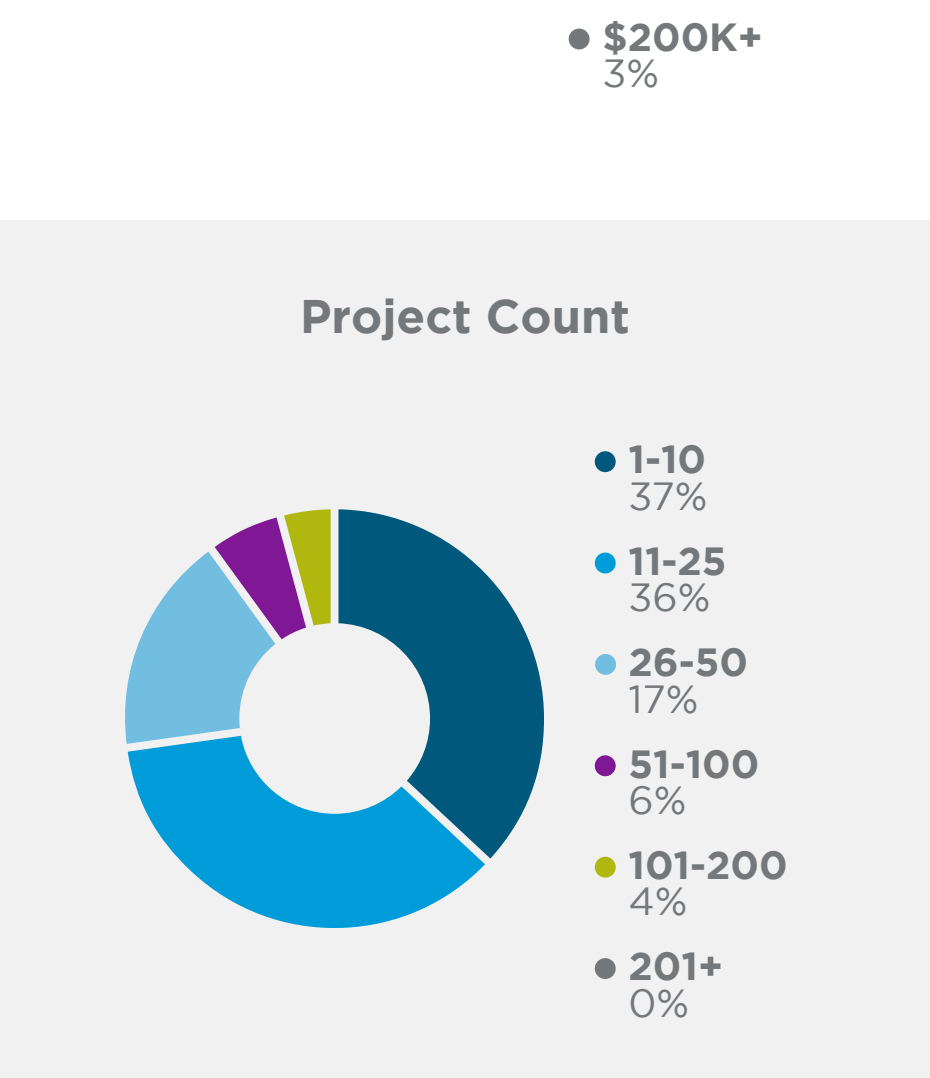
Generalist Pro Fast Facts

The total annual revenue earned among generalist firms trends slightly higher than that among specialist firms, with nearly one in three generalist firms earning between $1 to 5 million annually. More generalist firms have higher employee headcounts, but 1 in 2 still operate with 10 employees are less. Generalists tend to complete less than 50 projects per year, just like specialists, with two-thirds of revenue coming from projects under $25K, and one-third of revenue coming from larger projects.









Generalist Pro Use of Subcontractors

89%
Do Most of the Work Myself and Using Own Crew

6%
Hire Subcontractors for Most of the Work

5%
Act Primarily as a Subcontractor

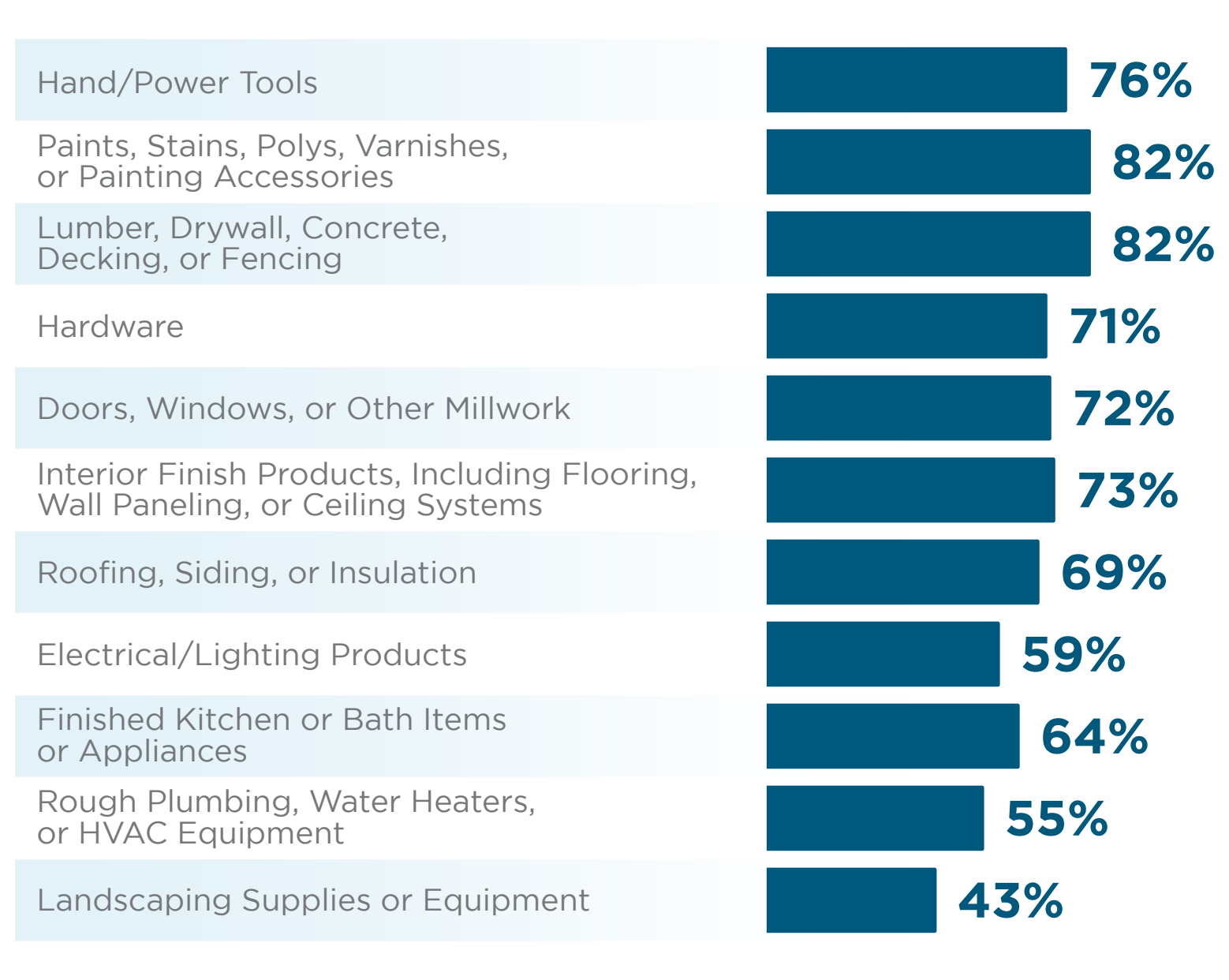
Generalist Project Involvement

76%
We Do Installations Arranged by a Retailer for Their Customers

72%
We Install Products Purchased by the Homeowner

38%
We Buy Products That We Then Install in Existing Homes

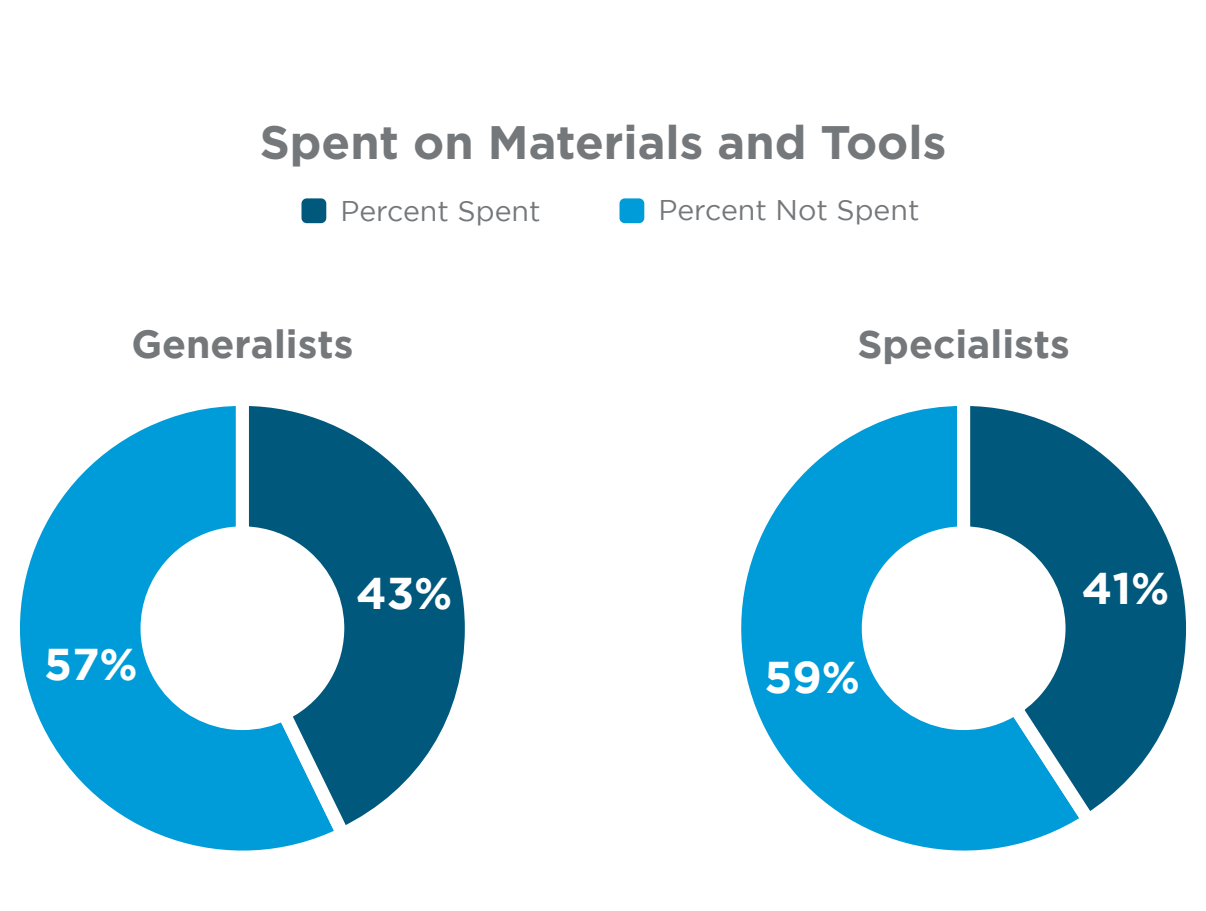
Generalist Category Purchase Incidence



Where Do Loyalties Lie?

Nearly half of Pros revenue is spent on materials and tools, which greatly impacts how they think about options when shopping for building materials, tools, and products.

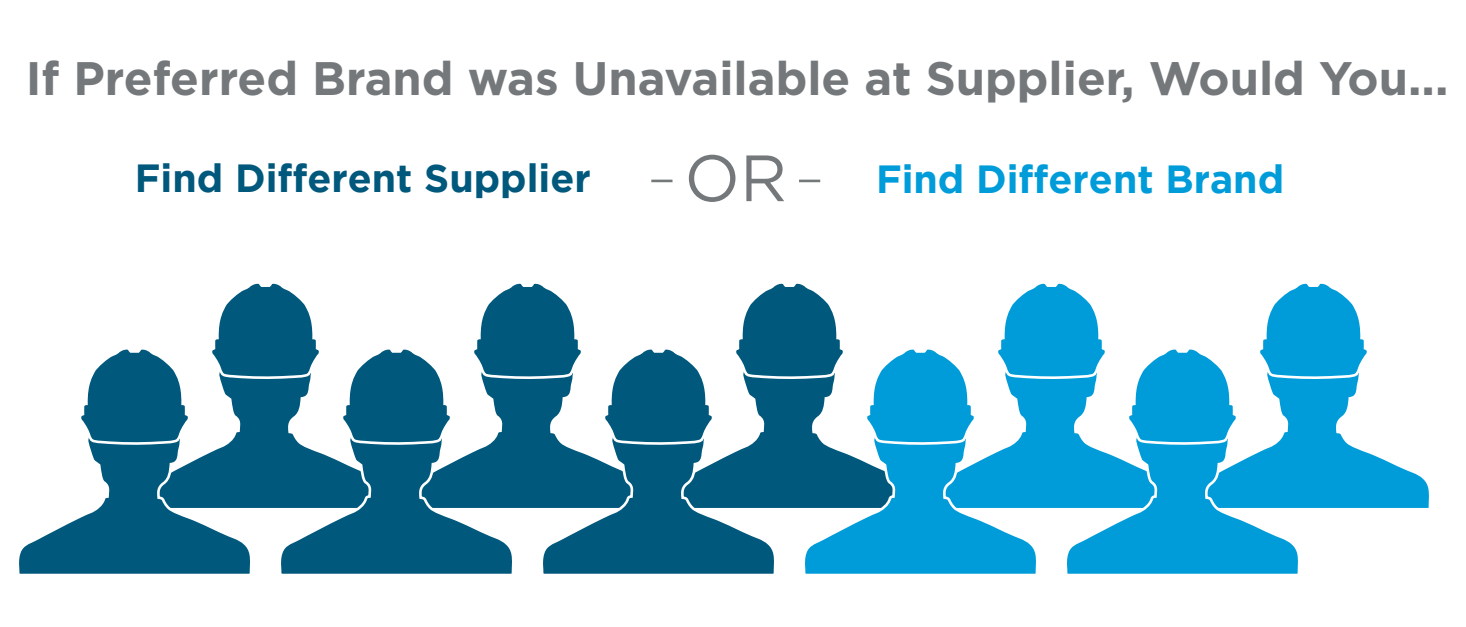
Spent on Materials and Tools



Overall, 14% of contractors express being "extremely concerned" with switching brands and exhibit a higher willingness to switch suppliers, over switching brands, in order to get a better price.

If Preferred Brand was Unavailable at Supplier, Would You...

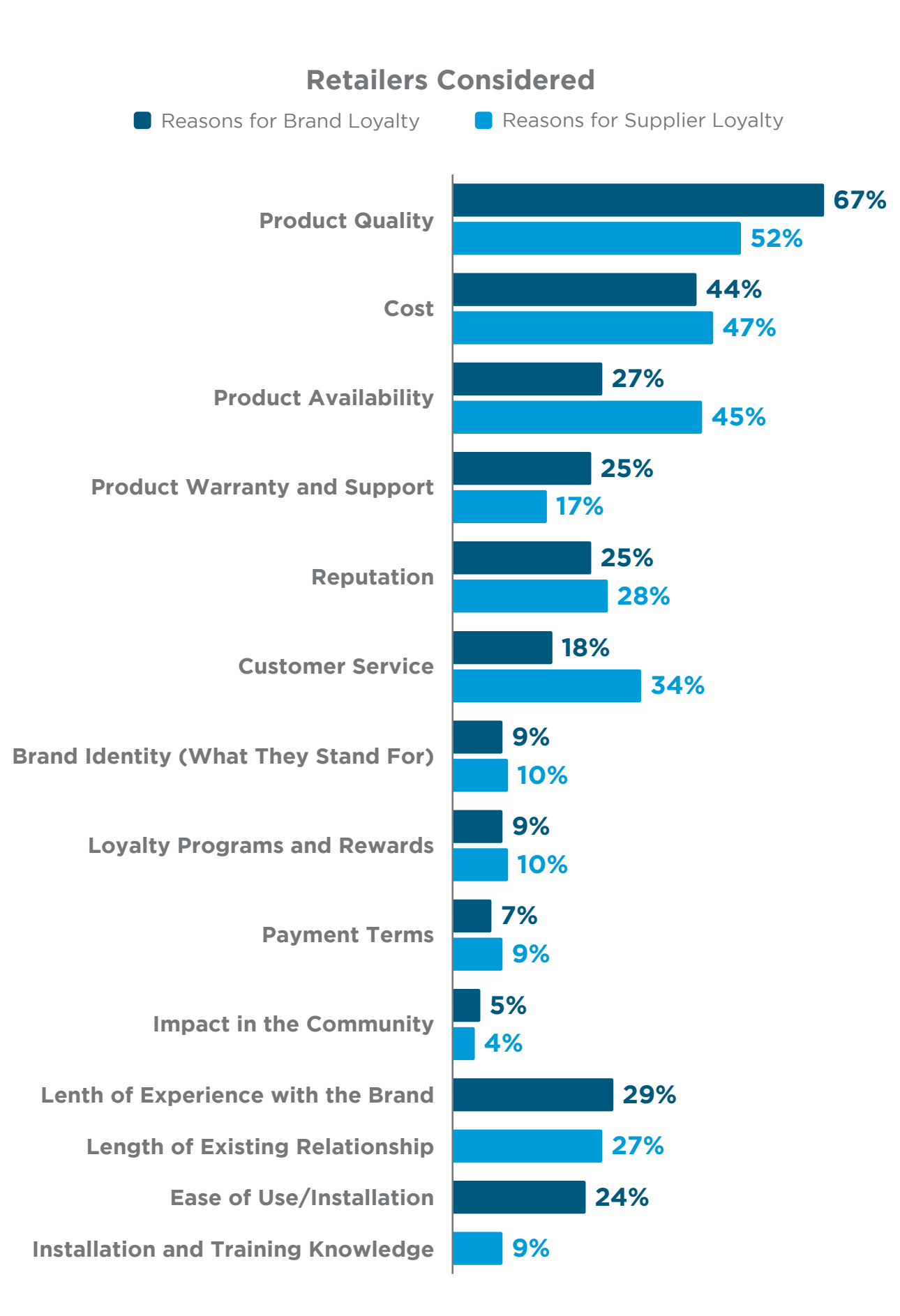
Find Different Supplier – OR – **Find Different Brand**



59% would find a different supplier while 41% would find a different brand.

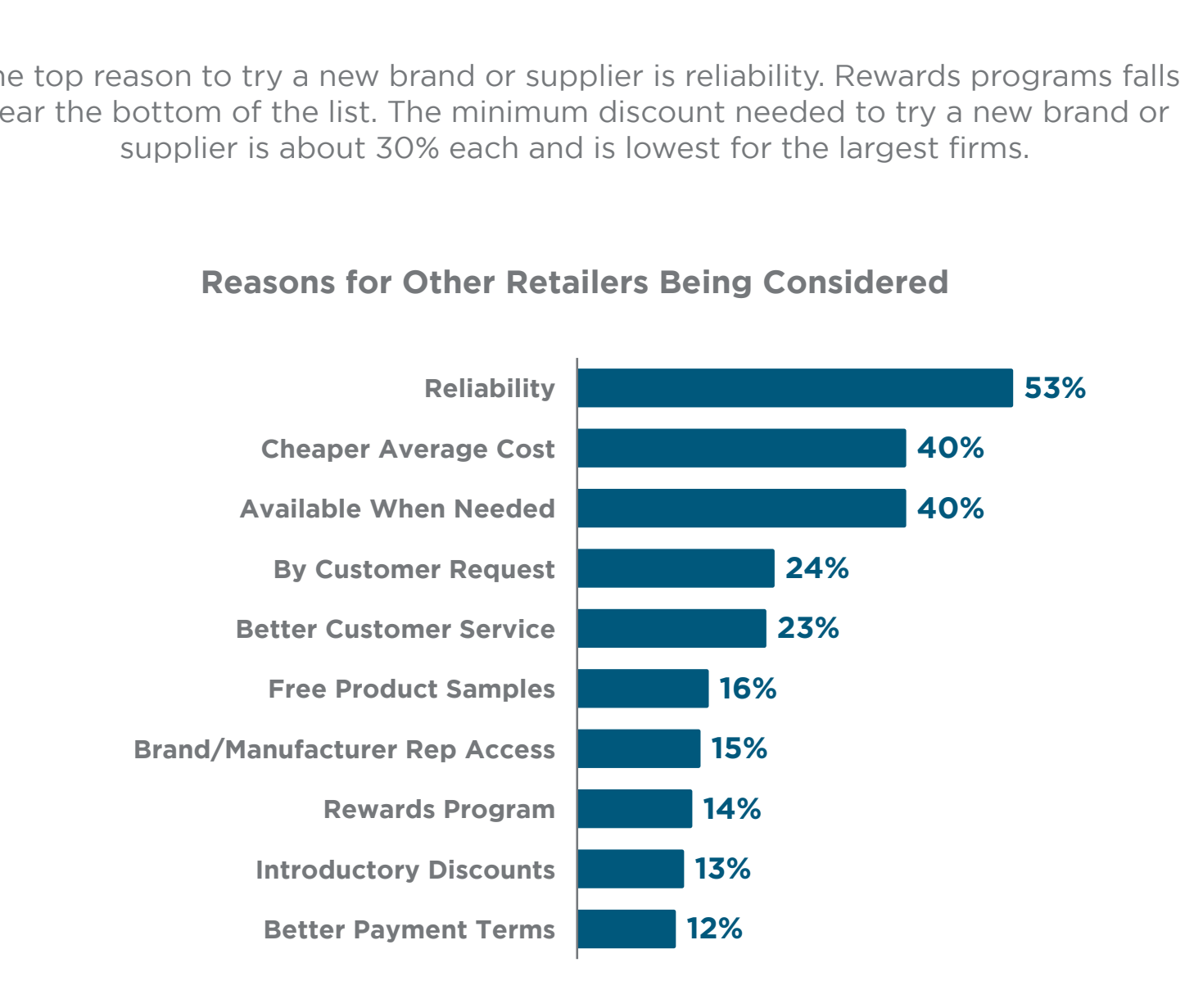
Product quality and cost are the top reasons for both brand and supplier loyalty. Product availability is also important to both brand and supplier loyalty. Matters of brand identity, loyalty programs, payment terms, and impact in the community are not very important for loyalty.

Retailers Considered



The top reason to try a new brand or supplier is reliability. Rewards programs falls near the bottom of the list. The minimum discount needed to try a new brand or supplier is about 30% each and is lowest for the largest firms.

Reasons for Other Retailers Being Considered



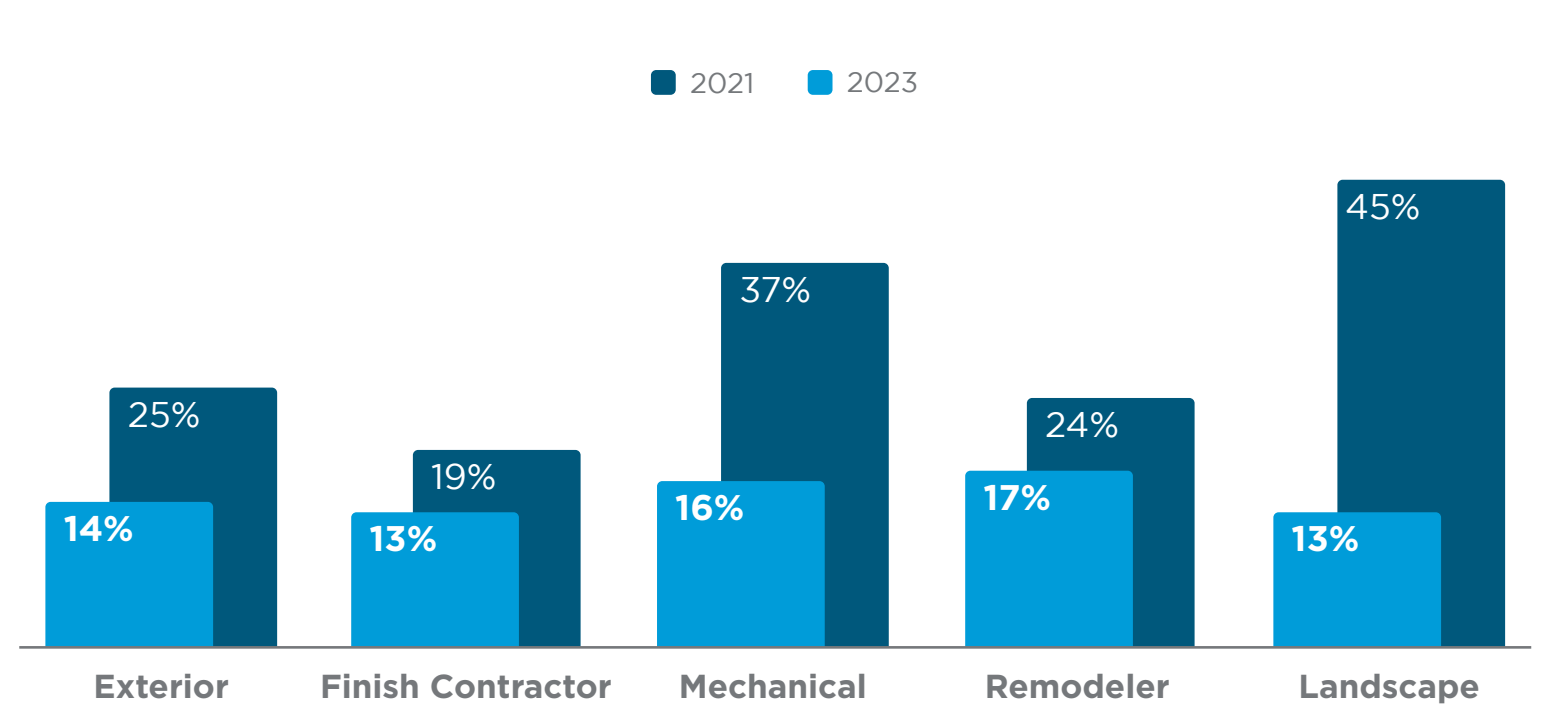
Minimum Discount Needed to Try a New Brand

Channel Switching

The shopping experience accounts for half of the top ten drivers of where Pros shop for their materials. Generalists are overall more satisfied with their experiences at retailers. Generalists are looking for retailers that have sales reps who are knowledgeable in their needs and the industry and treat them as a valued customer.

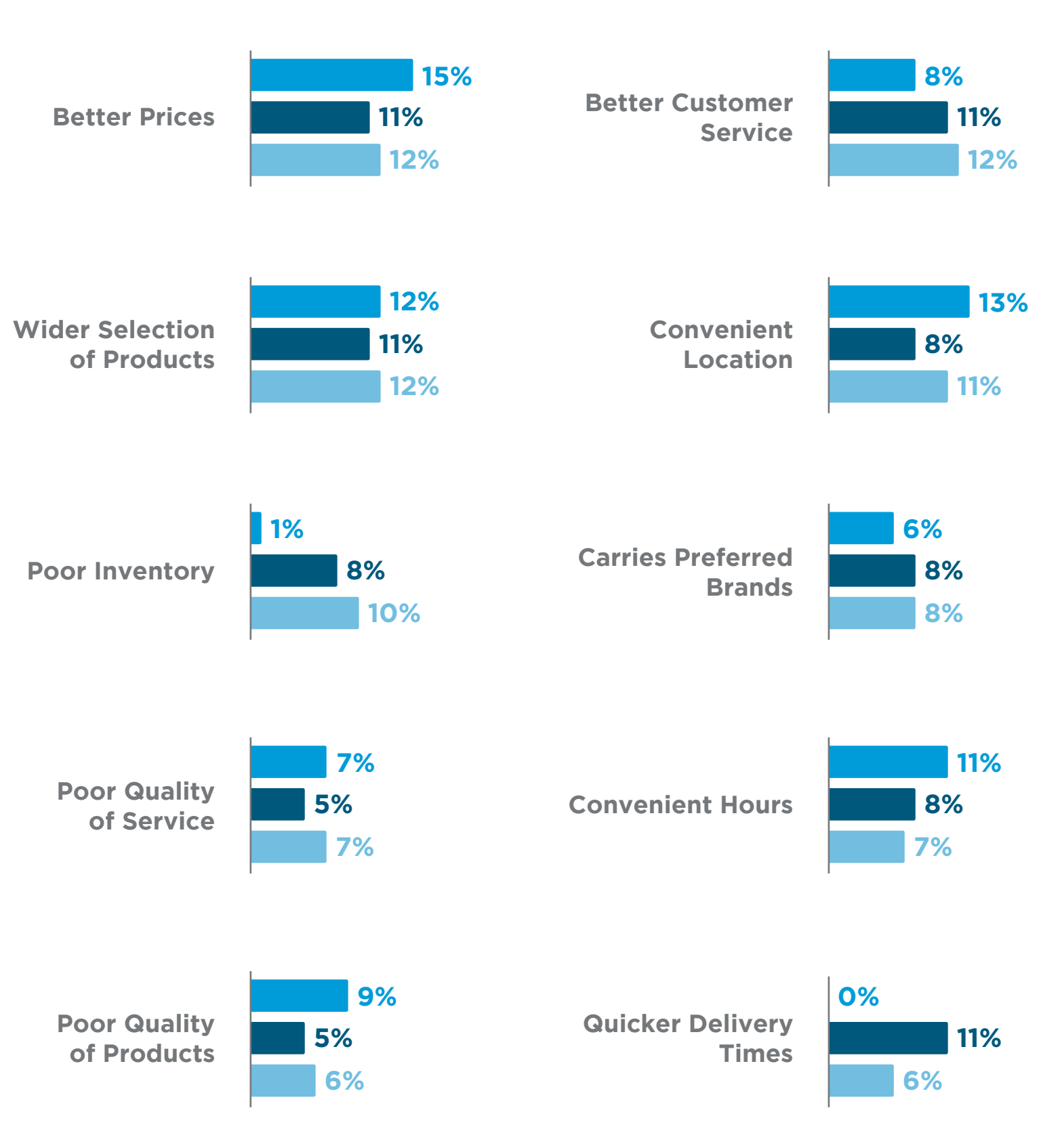
Fast checkout, warranty claims, and product returns in 2020 used to be high impact but are now a minimum expectation for this group. Around one out of ten contractors, regardless of their trade, said they switched their primary retailer in 2022, about half the rate overall as 2021. Those that switched retailers in 2022 largely made shifts to big box retail competitors.

Primary Retailer Shift in Past Year

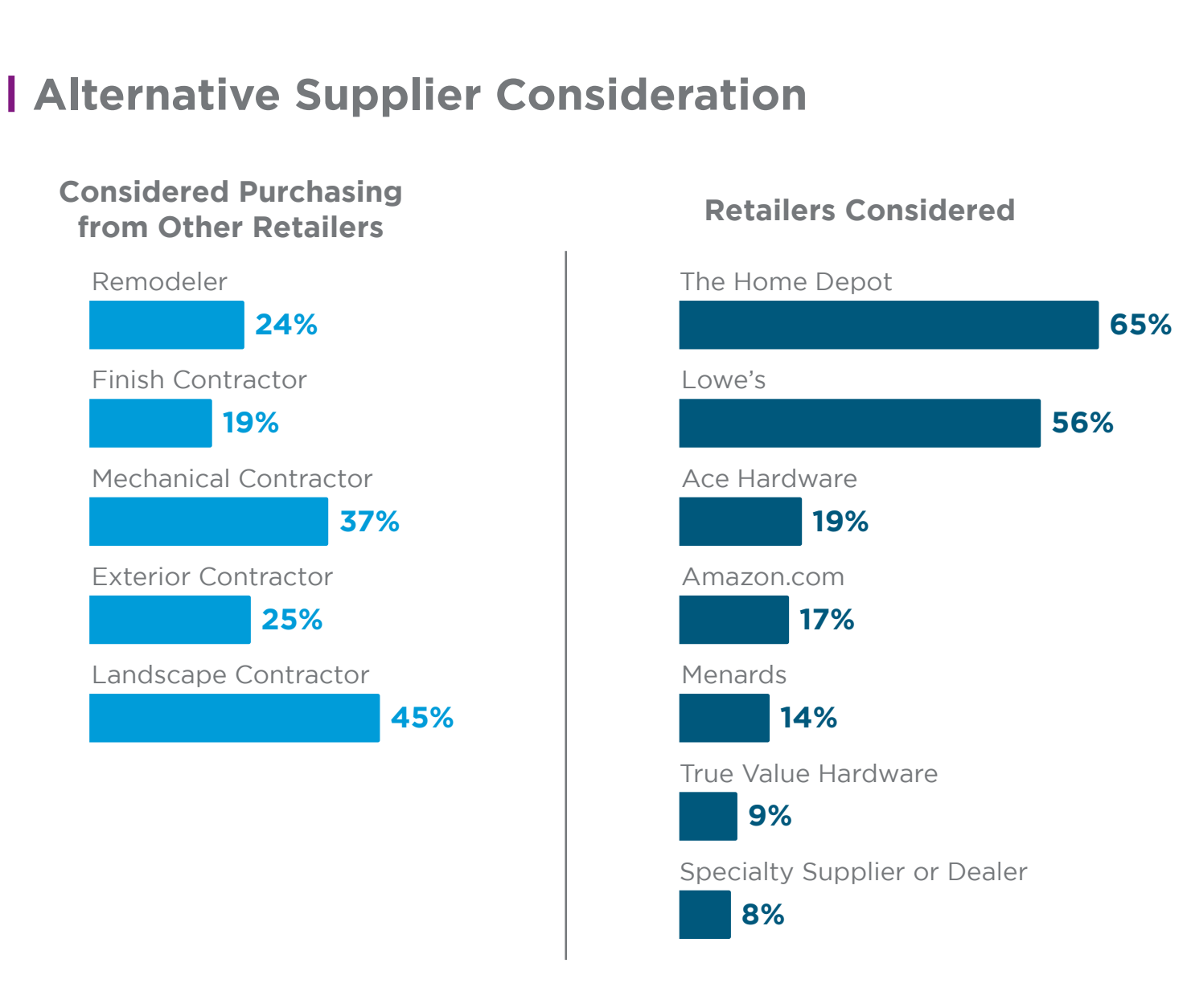


Reasons For New Retailer

There was no one definitive reason for switching primary retailers, but the top three were for better prices, customer service, and a wider selection of products.

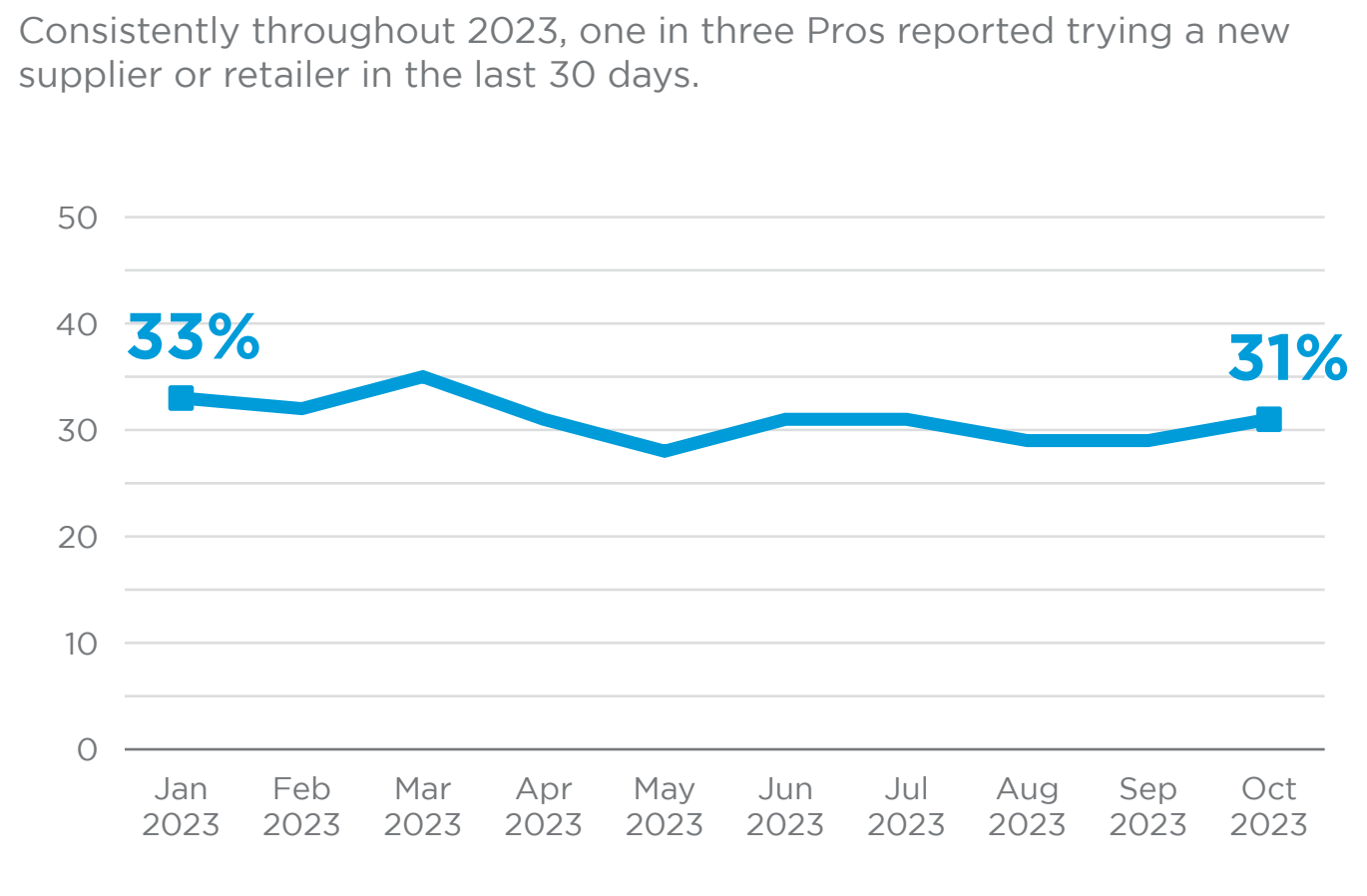


Alternative Supplier Consideration



Pros Who Tried Using a New Supplier/Retailer in the Last 30 Days

Consistently throughout 2023, one in three Pros reported trying a new supplier or retailer in the last 30 days.



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Pro Monthly Tracker - as of October 2023
Contractor Topic Study | Skilled Labor Shortage and Financial Health - as of April 2023

About HIRI

As the only nonprofit organization dedicated to home improvement research, HIRI empowers our members with exclusive, ongoing home improvement data and information for making better business decisions. Members are the leading manufacturers, retailers and allied organizations in the home improvement industry.

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