



Canadian construction industry builds on SaaS

Most warranty information is still stored in paper binders, but a Vancouver firm is tapping into the software-as-a-service model to change business processes. A Calgary condo builder is among the first users

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Fumbling about the junk drawer for that washing machine warranty is one of the major headaches of being a homeowner, but Vancouver company Conasys has made in-roads in the notoriously tech-averse construction space with its software-as-a-service offering, The Warranty Resource.

The Vancouver-based company spun out of the British Columbia leaky condo crisis, according to executive vice-president Greg Stolz, who started thinking about the connection between software and warranties when putting together binders of warranty information for builders.

Conasys CEO James Christensen said, "The construction industry is highly fragmented. To catch up to where the manufacturing industry is technologically, they need all that information accounted for in one spot."

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Said Stolz: "Builders and developers are our clients, and, for them, it can be painful to gather up all the warranty information in one place and keep it up to date."

Instead, the Conasys team would collect the information, which would be placed into its online database of warranty and product information in PDF form, including model and colour numbers and contact information for inquiries. The software-as-a-service model would allow customers to use a unique log-in to access their customized warranty page filled with all the warranties for their home components. (They would access this through the builder's own Web page, to maintain the same look-and-feel.)

"That way," said Christensen, "if two years later something goes wrong, you have all that information in one place."

Calgary-based luxury condo builders Statesman Group used to employ a cumbersome proprietary system that often booted users out and didn't notify administrators when changes had been made. "People just usually ended up e-mailing me directly," said warranty and customer service manager Tamzin Horan.

"This takes a lot of pressure off us," according to Horan, who said the software will be implemented with Statesman Group's Web presence in early 2009. The Warranty Resource records are also refreshingly specific (from grout colours to contact names), and also account for the human habit of losing binders full of warranty information once the house is built. It is also organized by section, which is an improvement over the higgledy-piggledy nature of many on-site product warranty binders.

"Most builders feel, 'If I never have to look at another product binder again...'" laughed Canadian Contractor editor—and former contractor—Robert Koci.

Using a software-as-a-service model is a clever way to keep maintenance costs and infrastructure headaches at bay, said Forrester Research principal analyst Chip Gliedman. He said, "The builders can provide this service to their customers much more cheaply, as they don't have to maintain anything, and it's not a big technology leap. They're builders, not Web site builders."

This type of documentation will come increasingly in handy as the industry regulates itself more, Christensen said, and will require honouring repairs.

Said Horan: "That way, if something goes wrong, there's a record and it's not so much he-said-she-said."

Associate lead analyst Tim Hickernell of Info-Tech Research said, "[Builders can be the most behind when it comes to technology](#). An opportunity like this for them could help when manufacturers fail—usually, the

builders bear the brunt of the dissatisfaction, but if the warranty information is built-in, then it's easy to see who's at fault."

It could also act as a differentiator, said Gliedman—especially in a less tech-savvy field. "They're all selling competitively priced products, so they have to stand out in the soft factors," he said.

The next iteration of the Warranty Resource application will include the ability to actually initiate a service request through the portal, according to Christensen. "It will also allow us to track product performance," said Stolz.

Koci said that buyers might not take to this online process as well. He said, "Buying a house is such a visceral thing, so I'm not sure they'd want to have to send a complaint. They might rather pick up the phone and get in touch with someone right away." He said, however, that the younger generation of buyers might become more comfortable with this online process than the older generation more used to telephone communication. Such a portal could also lead to a boost in warranty extension purchases, said Hickernell. It could also perhaps reduce service calls if users are able to keep up-to-date on their warranty and product information better, he said.

Better troubleshooting is one of the ongoing goals of the ever-competitive customer service space, and such a portal could offer a chance to add state-of-the-art troubleshooting tools as well, said Hickernell: "Here they could put in a service portal with dynamic interactive guides and discussion forums about the various products. With Web 2.0 tools, you can drive a lot of customer reviews, and the Internet is becoming such a strong part of the product research process."

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