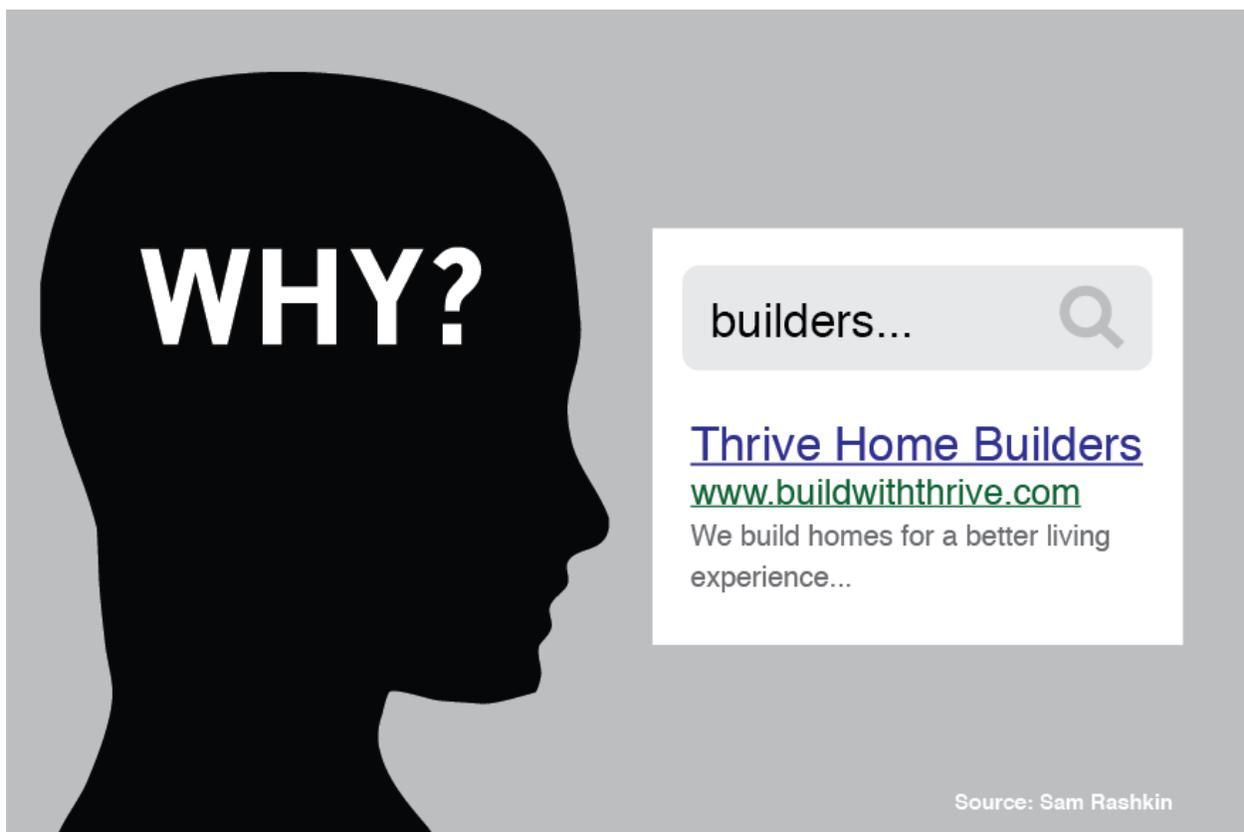


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So What's Your Story?

A Sam Rashkin case study in how the power of words can set you apart in the minds of home buyers.

Sam Rashkin – Founder, Retooling the U.S. Housing Industry



Here's an important experiment. Go look at lists of builder names. Any list. There are tens-of-thousands of builders across the U.S. Then put yourself in the position of a homebuyer and decide how to choose among them. Okay, the names don't help much because they don't mean anything. Yet, attracting consumer interest is huge because market data suggests homebuyers will limit their search to only seven builders before becoming overwhelmed. So let's try something different. Go ahead and search local builders on the internet and visit a sampling of their web sites. Also check out local builder billboards where available in your area.

Sad to say, this is what I do for fun and it's painful. Painful because the predominant builder story appears limited to design, location and price. All important, but there's so much more to tell. Occasionally things get really exciting and you'll see a 'trust me' claim thrown in like we're a 'Quality' or 'Value' builder. A claim that means nothing in absence of contrast. But employing contrast is a topic for a future column.

This 'not having a story' issue is particularly significant where buyers lack trust. The only related research study I could find suggests about 30 percent of homebuyers don't trust builders. But I wouldn't believe this study. I've personally mystery-shopped projects representing 1,000's of homes where I've carefully observed homebuyers. In addition, I've spoken endlessly with friends and family about their home buying experience (okay, so I'm not the most entertaining dinner guest). Admitted this is not exactly a scientific study, but based on all this experience, I would be surprised if more than 30 percent of homebuyers trust builders. It's just natural not to trust them.

A home builder is a business consumers rarely engage in life. They have no clue how the transaction works and how builders price their product not to mention the constant price changes. Meanwhile, too often people hear multitudes of horror stories about experiences working with contractors from friends and family. And the production builder sales process only makes it worse. Ads, billboards, and brochures advertise a specific price range, but buyers quickly find out it applies only to a bare bones version of the home that looks nothing like the model decked out with all the upgrades and 'spare-no-expensive' interior decorating. The actual purchase price for the home configured as most buyers would want it is often up to \$100,000 or more than advertised. Think 'bait-and-switch'. And, even lay consumers quickly realize upgrade prices entail exorbitant margins.

This is not a pretty picture. Sorry to be blunt, but it's hard to get better if we don't start with an objective assessment. I remember when discussing this sales experience at my first Retooling executive workshop that the attending builders became very defensive. Then a woman representing one of our sponsors chimed in that she just bought a production builder house a month ago and that I was actually being kind in my description of her sales experience. But changing the sales process is a topic for a future column.

The focus of this column is on how builders can begin pecking away at this sales experience challenge by telling their 'story' better. And this begins by first knowing your story. To that point, I start every Retooling workshop asking each builder to tell why they build homes in one sentence. To understand the power of understanding this 'Why' message, I encourage all readers to listen to the Simon Sinek TedTalk on this subject. He explains that people are interested in 'What' you do and 'How' you do it, but are emotionally connected to the 'Why'. The lecture is full of examples linking effective 'Why' messaging to some of our nation's most successful companies. I'll suggest that this is also the critical consumer message for home builders. I'll give one example of a builder who does an outstanding job telling his 'Why' story.

One of my favorite builders I've loved getting to know well is New Town Builders. They evolved from a solid regional builder who delivered a quality product on par or better than their competition to one who realized their 'Why' was to build homes that delivered a better living experience. Their evolution began with becoming an ENERGY STAR Certified Home builder and then to a DOE Zero Energy Ready Home builder. And in that process, they realized that the name 'New Town Builder' didn't tell their story effectively. They got together as a company and brainstormed a marketing solution that would convey the experience delivered to their buyer. Now New Town Builders has become **'Thrive Home Builders'**. And I encourage all readers to study their web site and powerful marketing message visitors read before they see a location, price, or design. To quote from their web site, **"Your home should help pay your energy bill. Ours does. Your home should make you healthier. Ours does. Your home should be built by your neighbors. Ours does. Your home should help you thrive. Ours does!"** That's a powerful story. And if I'm looking at list of builder names, would **'Thrive Home Builders'** stand out better than 'Acme Homes'?

(or you pick a name)? I predict that within five years, the rest of the housing industry will have to be just as effective branding their company and telling their story to be relevant. And that's because the homebuyer is getting exponentially smarter with exponentially more information before selecting a builder. But smarter homebuyers is a topic for another column.

An advertisement for Thrive Home Builders. The background is a bright blue sky with white clouds. In the foreground, a family of four (a woman, a man, and two children) are sitting on a couch, smiling and looking at a large blue house plan held by the man. The text 'Your home should make you healthier.' is written in white on the left side of the sky. On the right side, 'Ours does.' is written in red. Below this, the text 'New Town Builders is now Thrive Home Builders.' is written in black. Further down, a paragraph of text explains the company's focus on healthy homes. The Thrive Home Builders logo is shown, consisting of a blue square with 'thrive HOME BUILDERS' and a red square with 'NEW TOWN' and 'evolved' below it. At the bottom right, the slogan 'Homes that do more.' is written in blue, with the website 'ThriveHomeBuilders.com' below it.

Your home should make you healthier.

Ours does.

New Town Builders is now Thrive Home Builders.

Beautiful, thoughtful designs and the highest energy efficiency are what we've been known for. But we're changing our name to reflect a new, innovative focus; new homes that can be a healthier place for your family to live. We build healthy homes that improve well-being and help families thrive. Why do we do it? Because your home should do more.

thrive
HOME BUILDERS

NEW TOWN
evolved

Homes that do more.

ThriveHomeBuilders.com

This article is part of a series on housing innovation based on the author's book, 'Retooling the U.S. Housing Industry: How It Got Here, Why It's Broken, and How to Fix It.' This book examines opportunities to transform the homebuyer experience relative to five key components: 1) Sustainable Development, 2) Good Design, 3) High-Performance, 4) Quality Construction, and 5) Effective Sales. Each article features one innovation or business principle covered in workshops with builder executives. Find out more at www.SamRashkin.com.