



PREMIERE ISSUE

**BUILDER DESIGN CENTER MAGAZINE**

*Exteriors*

# THE FOUNDATION OF CUSTOMER SERVICE – Education!

BY JAIMI JULIAN THOMPSON

*Design Centers today are the critical venue for managing new home buyer expectations throughout the construction process.*



Educating the design center consultants and educating the homebuyers constantly raises the bar – laying a strong foundation for customer service and satisfaction.

"My designer never told me that!" Too often this refrain can be heard by a builder's customer service team. Year after year, many home builder customer surveys struggle in the design center category. Design Centers themselves evolved as a marketing and customer satisfaction tool – after all, just like fast food, coffee and cars, buyers wanted it their way. Why then was the design center itself scoring on the low end in customer surveys? Time and time again the root of the problem was a mismatch between homebuyer expectations and the end result – of the home, the process or the products.

As design centers and options selection processes evolved over the last twenty years, the design center itself has become increasingly pivotal in managing homebuyers' expectations and creating satisfied home owners. Educating the design center consultants and educating the homebuyers constantly raises the bar – laying a strong foundation for customer service and satisfaction.

## EDUCATING YOUR DESIGN CENTER PROFESSIONALS

The design center environment is not a standard retail setting. Making selections for almost every finish in a home, in a short period of time, with so many additional factors weighing

on the process (mortgage qualification, selling an existing home and relocating, to name just a few) can be overwhelming and frustrating. It is critical that design consultants are well versed not only in the products, but also with the communications skills to make the process enjoyable and successful for their clients.

Lisa Dawson, Design Center Manager for DR Horton's Design Center in New Jersey, takes a three pronged approach to educating her design consultants. "First and foremost, we have constant and repetitive product training. With the large number of products each consultant must speak of, we need frequent refresher courses. All of our consultants also participate in model walkthroughs for each community, so they can accurately explain how the selections appear in the model, and how they will appear in the client's home."

Dawson also works with her designers to make sure the homebuyers hear critical information several times, even confirming information by having the homebuyer reaffirm what they have heard. "It varies in each appointment, depending on what the client selects, but we will frequently ask if they are able to visualize what certain selections will look like together. If they hesitate, we pull out more visual aids ... samples, room scenes, photos, etc.

At the end of the appointment, we also have written product disclosures that they sign, which reiterate what they have heard throughout the appointment. We show variations that occur in products such as granite by displaying several pieces of each color so that the homebuyer is not disappointed at time of install. If they are not comfortable with the variation, we advise a more consistent granite or Zodiaq so that their expectation is met."

Lastly, Dawson feels it is absolutely critical that her consultants are trained to be straightforward and not avoid the issues. "Many times a homebuyer is upset over a small item that would be a non-issue had they been told up-front." Toward those ends, she works with both the sales team and her consultants to manage buyers' expectations about what they will and will not be able to do in the process from the time they sign their contracts. "It is imperative to educate sales, design and construction for fluidity as to what the builder is willing to do related to floor plan changes. This expectation must be set at the time of deposit and carried through design center and construction for ultimate homebuyer satisfaction. We've been spending more time explaining the why and how of the process so the homebuyer will understand how hard we are working to create the home of their dreams, and still meet the quality and schedule promises we have made."

#### EDUCATING YOUR CUSTOMER

The most vital element in educating your homebuyers is helping them understand the "three Ps"—process, products and prices. Almost every disappointment can be tracked back to a misunderstanding about the process, the performance of the products they chose or the perceived value of their selections.

Not knowing what to expect once you go into escrow for your new home when your only frame of reference is the lavish model

home you fell in love with can lead to numerous disappointments for a new home buyer. Toward this end, — models that clearly identify standard features, upgraded features and designer items is a definite first step. Consider the old-style created dental appointment that seemingly never ended, leaving you wondering when you would be able to close your mouth. Compare that to the approach of successful dentists today: they tell you what they are doing, what to expect and how long it will take for each step of the process. Builders who educate their buyers with model walkthroughs upon purchase, escrow timelines and preview packages, done in person by builder representatives, find the homebuyers better prepared for the process and more satisfied after they move in.

"In the design center, the most important thing is finding the balance between the fun, creative process and drilling down to how they actually live and what will perform best for them," says Angelique Baez, Design Center Manager for John Welland Homes. "Our clients need to have a good understanding about their choices and how they will perform for them. Take carpet as an example, several years ago we found many of our buyers were expressing dissatisfaction with their carpet selection. In the last couple of years we have focused on educating them on carpet expectations. Instead of starting with color or fashion, we began with the features and benefits of the different styles, which would start an open discussion about how they lived and what would serve their needs the best. The results have been incredible... an 80% increase in satisfaction levels and a 50% increase in upgraded carpet sales!"

Pricing needs to be thoroughly explained. Beyond the premiums attached to customizing a production home (it does cost money to run a program like this for the customer's convenience of providing a turn-key home when they move in), design

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consultants frequently shy away from explaining the "hidden" costs of all the trades that go into the pricing, and all the trades they will need to "do it themselves" afterward. According to Baez, "You can see an awareness in the customers' eyes as they start to realize everything that goes into it, and that our prices are in line after all."

There is also the advantage of putting the upgrades into the mortgage. Scott Thompson, Vice President of Artisan Design Group, observes, "While the add to loan option is frequently offered in most design centers, the majority of new homebuyers still do not fully understand the several levels of benefits provided when a homebuyer rolls the costs of upgrades into their mortgage."

#### RAISING THE BAR

In the "Creating the Peak Customer Experience" workshop at the Design Center Forum 2006, the majority of participants still rated "managing customer expectations" as the

critical key in the homebuyers' satisfaction with their experience. Once the homebuyer websites, browse hours, flow charts and preview packages are done, is that enough? Personal contact before the appointment, whether through pre-appointment telephone calls or in-studio orientations, enabling the designer to customize the appointment before it occurs has proven invaluable in design centers across the country. In a consumer focused world, builders are also offering their buyers everything from cappuccino bars, personalized welcome signs in the reception area, fashion runway events for new color lines, concierge and limo services to shopping bags with coupons, pens, waters and their sample finishes inside in an effort to enhance the Design Center experience. These additions do make the experience more memorable, but the foundation of customer satisfaction — meeting and exceeding expectations — lies firmly in educating your buyers. ■

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