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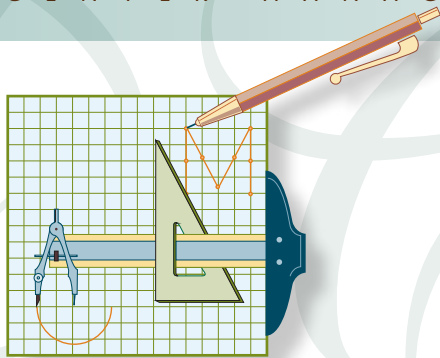
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It's TIME to start Thinking **LIKE A** DONKEY

BY CHARLIE SCOTT • WOODLAND, O'BRIEN & SCOTT

Many years ago, a farmer could not locate his donkey. (I know, not the normal way to start a management column. It's a fable – stay with me here.) The farmer depended on this donkey to provide much of the labor needed to feed his family and earn a living and was much distressed by its absence. While searching for the donkey, the farmer heard a wailing sound. He investigated and was shocked to find that it had fallen into an abandoned well.

The farmer worked frantically to extract his faithful donkey to no avail; the well was too deep for any possible rescue. The donkey whined and screamed in fear and misery. Sadly, the farmer realized the donkey was destined for a long and painful death. The farmer determined that the most humane course of action was to bury the donkey as quickly as possible to shorten its suffering. (Very old fable – no rifles back then.)

The farmer, along with his family and neighbors, shoveled dirt into the well as fast as they could. At first, the donkey screamed in panic and fear as the dirt fell on him. Soon, however, the donkey's screaming ceased. The grief stricken farmer looked into the well and was amazed at what he saw. With each shovel of dirt thrown his way, the donkey had shaken the earth from his back and taken one small step up instead of panicking at his impending doom. Eventually, the determined donkey stepped out of the now-filled well and went on to live a full and productive life.

Having the determination and courage to shake off each problem, then using that obstacle as a stepping stone to higher performance is the mark of a winner.

Granted, I may have an odd way of looking at things, but to me this fable parallels today's homebuilding industry. It seems many people want to bury us when we're still very much alive. Every day, a lender or the mainstream press shovels tons of dirt onto our industry. If we're smart, like our determined donkey, the most resilient home builders will shake each shovel of dirt off and step up...and one day be freed from this market and live a fuller (and more appreciative) life.

I believe this message is even more important to design center personnel than it is to other disciplines in our industry because they catch customers at one of the most critical times in the home buying process. The design center experience happens approximately 2 to 4 weeks after the purchase of the home, coinciding with the customer's tendency fall into buyer's remorse.

Buyer's remorse is a natural emotional cycle experienced by most homebuyers, even during healthy real estate environments. When this buyer's remorse is combined with today's negative headlines on declining home values, absurd discounting practices, and doomsday foreclosure predications, buyer's remorse is severely exaggerated. No wonder some homebuilders are suffering from 40-plus percent cancellations.

The design studio experience can be a true antidote to buyer's remorse in today's gloomy market. How? Design consultants can actually be a "beacon of light" for homebuyers during this potentially tough process. Here are three ways to shine:

First, the design center staff can help customers shake off their anxiety and concentrate on the positives by designing a personalized home specifically tailored to their needs. By doing this well, the design studio staff can actually help increase customers' emotional attachment to their new homes. I read customer satisfaction surveys regularly where customers voice regret that they did not buy more personalized features. Unfortunately in today's soft market, customers are often afraid to spend extra, even to increase the value of their home. A successful design staff needs to make every effort to help liberate the customers from their anxiety-induced shackles. The more homebuyers personalize their home, the more attached they will be to it, and the harder it will be to cancel or walk away from this emotional investment.

Second, the design center staff can help bond customers to their new home by taking photographs of the customers with their selections. Give homebuyers three prints of these photographs. Why three? Well, one to go on the home refrigerator, serving as a daily reminder of the beautiful, personalized home they are building thus making their existing home look even older in comparison. The remaining two photographs can go to work or to show family and friends. Sharing photographs of their new home creates even more ownership and emotional attachment; not to mention the possibility of leading to referral sales!

Third, the design center staff can share with their customers all the good news not covered

in today's press. The design staff could show their in-process customers all the positive feedback the design center is receiving through customer satisfaction surveys, shared testimonials, and arrangements to meet-the-neighbors night at the design studio, etc. Be creative; any activity the design studio can plan to help bolster excitement can save future cancellations by 10, 20 or even 30 percent. Look at your design center as a source of customer service and excitement both during and after the customer selection process. It's a waste if you only use your company's design studio investment to make selections; consider it also as a gathering place or an amenity.

Our customer research at Woodland, O'Brien & Scott indicates that homebuyers regularly wish they had invested more in the design studio by a 100 to 1 margin. Unfortunately, in spite of this truth, many design center consultants are

fearful about appraisals and mortgage approvals. As a result, they actually serve as a governor at the expense of builder profits, instead of a beacon of light drawing customers to their dream homes.

One day, shovels of dirt will stop burying us alive, and the real estate market will rebound to its former glory. Like the determined donkey, those who shake off the dirt and step up with every challenge will keep themselves and their companies alive, and have many satisfied customers in the process.

Every fable has to have a moral, and the moral of this story is that screaming and whining about a tough situation may get you noticed, but it won't get you out of your predicament. Having the determination and courage to shake off each problem, then using that obstacle as a stepping stone to higher performance is the mark of a winner. Every day offers you the opportunity to choose, Winner or whiner? It's up to you. ■



Charlie Scott worked for a national award winning builder for 19 years. He recently became a partner at Woodland O'Brien & Scott, joining fellow ex-homebuilders John Woodland and Keith O'Brien. Woodland O'Brien & Scott specializes in helping homebuilding companies improve their homebuilding operations, enhance customer (and employee) satisfaction and increase referral sales. He is also an author, columnist and frequent speaker at industry events.

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