

ARRIVING at Customer Central

TRAINING TIPS FOR DESIGNERS: LEARN TO PUT PEOPLE FIRST
AND SELL ROOMS, RATHER THAN COMMODITIES.

NEW HOME BUYERS EXPERIENCING STICKER shock. People pressed for time. Stressed-out spouses who can't agree. These are scenarios that design center salespeople encounter each day on the job. Unlike the leisurely shopping experience of a retail environment, new home buyers come into design centers feeling overwhelmed by the options, edgy about their budget, and preoccupied with selling their current house. Is it any wonder that in surveys by J. D. Power and Eliant, design centers consistently rate lower on customer satisfaction than other parts of the home buying process?

Big builders are bent on improving those scores. Their response: train design center consultants to emphasize people skills and show how to sell overall value, rather than simply to push fancy refrigerators. "Our design consultants could get their contractor's license, be interior designers, and be psychologists," says Joan Marcus-Colvin, vice president of sales and marketing for the luxury division of John Laing Homes in Newport Beach, Calif. "People skills are very high on the needs list."

Indeed, the new conventional wisdom among builders is to judge selections center staff on their attentiveness and design talent rather than on the dollar volume of upgrades they sell. A two-week training class for U.S. Home's new home consultants, for example, includes reading body language and building trust. Atlanta-based Beazer Homes, which calls its employees ambassadors, teaches listening skills. Pat McCleve, vice president of design studios for Beazer, says that although the company does track sales revenues on studio appointments, staff performance is ultimately judged on how well the designer sets and meets buyer expectations. "Our goal is to help our home buyers have an enjoyable experience and sell options that are important to them within their budget," McCleve says.

A TRUSTED ADVISER

In order to sell value versus mere material goods, designers must initiate the rapport-building process with customers even before they meet them face-to-face. In her seminars, Jaimi Julian Thompson, a design center consultant and the founder of *(see page 18)*

ILLUSTRATION: RANDY POLLACK

| B Y C H E R Y L W E B E R |



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—Jaimi Julian Thompson, founder, Artisan Design Group

Artisan Design Studio in San Diego, urges salespeople to call home buyers and talk about what’s important to them in terms of function, colors, performance, design, and lifestyle, inviting them to bring fabrics and photos to the appointment if they wish. “Everyone is concerned about how grueling the appointments are,” she says, “and if you can do some of these things in a five-minute phone call beforehand, you’re sending a message that you’re putting them first.”

At the time of a home sale, new home consultants at U.S. Home must fill out a buyer information sheet that funnels along to the design center consultant prior to the selections meeting. It includes details such as whether the buyers have built a home before, names and ages of the kids, the pets they own, and the recreational activities they enjoy. “It’s a get-to-know-you period,” says Gina Savino, a U.S. Home trainer who runs a classroom facility in Clearwater, Fla. “Most design centers are only interested in what buyers are going to purchase. We want the customer to say, ‘Wow, I felt so important.’”

With background data in hand, Savino teaches designers to assess the need. She says it’s all about asking questions—precise ones—and letting customers do the talking. She urges staff to draw out buyers by asking what they like and dislike about their current home. If they could have remodeled, what would they have changed and what products would they have chosen? Will they be bringing any special pieces of furniture with them? When salespeople ask questions about what

buyers would like to accomplish, Savino says, they open up. And rather than tell and sell, the designer creates solutions that are unique to the customer’s budget and style.

SELLING AGAINST FREE

A big challenge for designers, of course, is that they’re selling against what is perceived as free of charge, i.e., what comes standard. When buyers shop retail, they know they won’t walk away with something for nothing. But at the design center, home buyers can simply choose standard options. “The crux of the issue is helping the owner set priorities,” Thompson says. “If they do go over budget, help them see tremendous value in it.”

Often, comparing quality across products can accomplish that. It might also mean digging down into the financial implications of their investment. Under certain mortgage conditions, for instance, buyers might expect to pay \$6 a month, or \$72 a year, for every \$1,000 they add in upgrades, Thompson says. And if they sell within five years, they’ll get a return of, say, about 40 cents on the dollar. Armed with such calculations, homeowners can clearly see the way to do it right the first time.

Selling against standard options also means that designers must disclose the pros and cons of what owners are getting “free.” If the design center consultant doesn’t make a buyer aware that a standard-issue carpet comes with only a one-year warranty and no stain protection, that buyer may later feel ripped off and try to sue the builder for nonperformance. “You never want to discredit standard materials, but if you

don’t disclose accurately, it can come back to haunt you,” Thompson says. She heads off resentment by explaining that builders include a certain grade of product to keep house prices competitive, while allowing buyers to customize. Even in upscale homes that come with top-quality products, she points out, buyers still choose to upgrade.

Another hurdle for buyers is that prices tend to be higher at design centers than they are at big-box retailers. Thompson recalls a buyer who had become difficult over a \$180 charge for an extra outlet. She defused the situation by explaining that builders pass on economies of scale to their buyers. Because they put up hundreds of houses, they can ask \$350,000 for a house that might cost \$500,000 custom. The consequence of those efficiencies: premiums on custom options. Weighed against losing a day of work to stay home and wait for the electrician, the price makes sense. “I tell buyers that we’re not here to strong-arm them into buying an outlet, but we’re making it available if they want it,” Thompson says. Another point she makes in training is that builders pay roughly 10 times more for insurance than retailers do, so the cost of doing business is higher. “Design center staff people don’t necessarily know this,” she says. “If you can create a situation where the buyers understand that there are reasons things cost more, and weigh it against the long run, they can see great value.”

MANAGING THE RESULTS

San Diego-based sales trainer Michael Moore of Options Online likes to use an analogy that puts this whole process in perspective. He says if he gets a bad cup of coffee at Starbucks, he’ll complain that the cup leaks or the line was too long. But if the coffee is up to snuff, the line experience goes away. Likewise, builders forget that it’s the experience of the finished home that buyers are rating them on. “We forget to tell the buyer that the model has \$200,000 in upgrades,” he says. “The No. 1 complaint I get from buyers is that their house doesn’t