

THE SUPPLY TRAIN



Builders, architects, and designers share what they want from new products, sales pitches, and manufacturer relationships

By Mike Beirne, Senior Editor

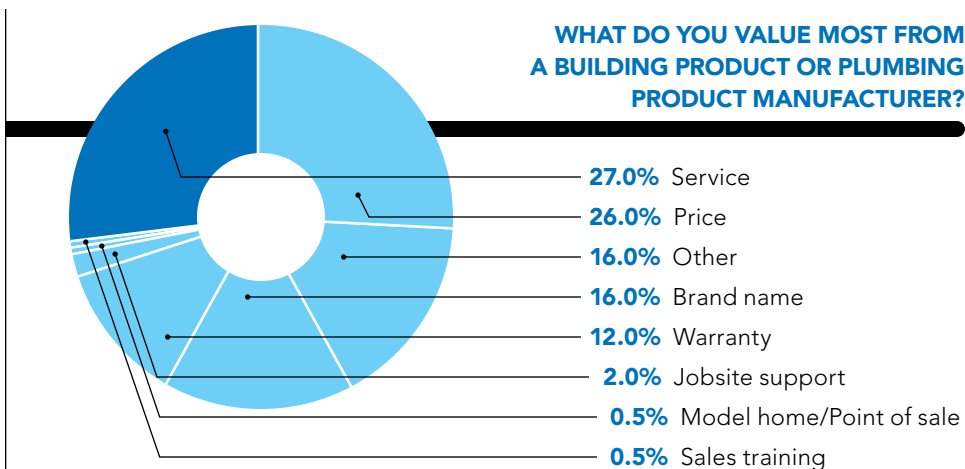
New products must offer a benefit to the homebuyer; that's the price of entry. If those products also can deliver better quality while costing less, then builders may be inclined to try them. But among the barriers to adoption is fear that the product won't perform, resulting in spending more money on callbacks or, even worse, defending against a lawsuit.

Builders prefer products with a track record, as expressed in one Arizona custom home builder's mantra, "Be not the first or the last (to try something new)." They want more education, whether it's easy-to-understand product literature, how-to videos, or reps who can guide builders through installation.

The holy grail is a personal relationship. "I want to know that there is someone who can help me solve any problem," an Arizona architect wrote. "Too often we find that products can be purchased for less (cost), but when there is an issue, it is difficult to find a solution from a call center." More findings about what builders, architects, and designers want from new products and manufacturers follow:

METHODOLOGY & RESPONDENT INFORMATION

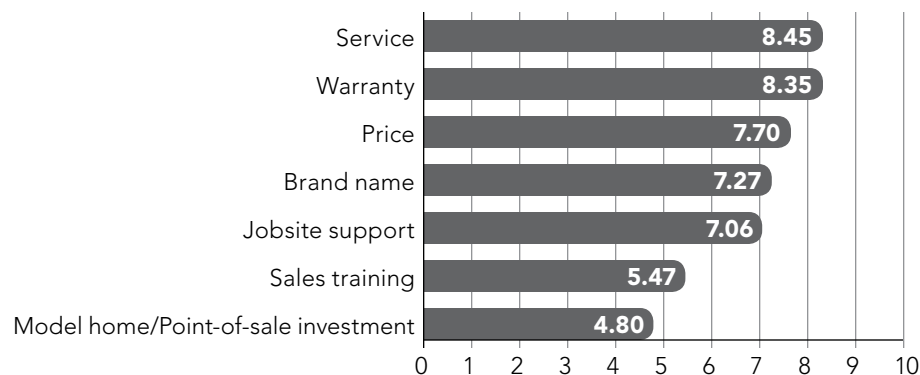
THIS SURVEY WAS DISTRIBUTED BETWEEN JUNE 23 AND JULY 21, 2015, TO A RANDOM SAMPLE OF PROFESSIONAL BUILDER'S PRINT AND DIGITAL READERS. NO INCENTIVE WAS OFFERED. BY CLOSING DATE, A TOTAL OF 200 ELIGIBLE READERS RETURNED COMPLETED SURVEYS. RESPONDENT BREAKDOWN BY DISCIPLINE: 32 PERCENT CUSTOM HOME BUILDER; 32 PERCENT DIVERSIFIED BUILDER/REMODELER; 11 PERCENT PRODUCTION BUILDER FOR MOVE-UP/ MOVE-DOWN BUYERS; 6 PERCENT ARCHITECT/DESIGNER ENGAGED IN HOME BUILDING; 4 PERCENT PRODUCTION BUILDER FOR FIRST-TIME BUYERS; 2.5 PERCENT LUXURY PRODUCTION BUILDER; 2 PERCENT MULTIFAMILY; 1 PERCENT MANUFACTURED, MODULAR, LOG HOME, OR SYSTEMS BUILDER; AND 9.5 PERCENT OTHER. APPROXIMATELY 58.5 PERCENT OF RESPONDENTS SOLD ONE TO FIVE HOMES IN 2014, AND 14.9 PERCENT SOLD MORE THAN 50 HOMES.



BASE: 200; PROFESSIONAL BUILDER 2015 SUPPLIER SURVEY

Service, price, and brand name were the top three, and quality was the attribute most mentioned in the "other" answer by builders, designers, and architects.

ON A SCALE OF 1 TO 10, RANK THE FOLLOWING TRAITS YOU WANT IN MANUFACTURER PARTNERS



BASE: 199; PROFESSIONAL BUILDER 2015 SUPPLIER SURVEY

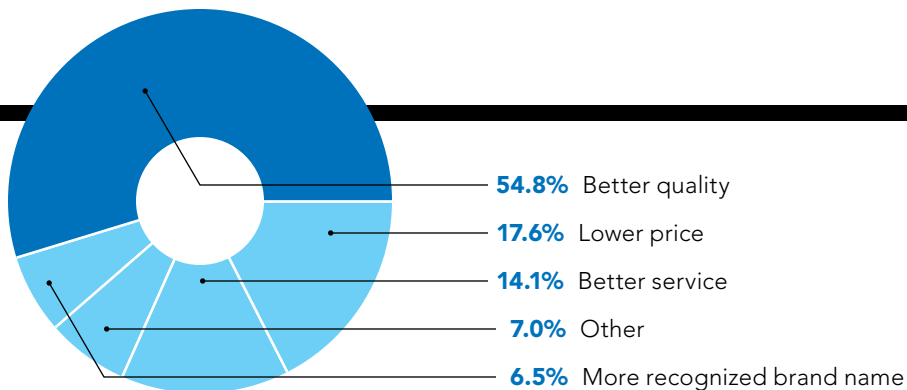
As expected with service being the most valued attribute in the previous question, it was also ranked highest among builders, while warranty did better than pricing.

[SUPPLIERS]

WHICH IS THE BEST WAY FOR A MANUFACTURER TO CONVERT YOU FROM ANOTHER BRAND?

BASE: 198; PROFESSIONAL BUILDER 2015 SUPPLIER SURVEY

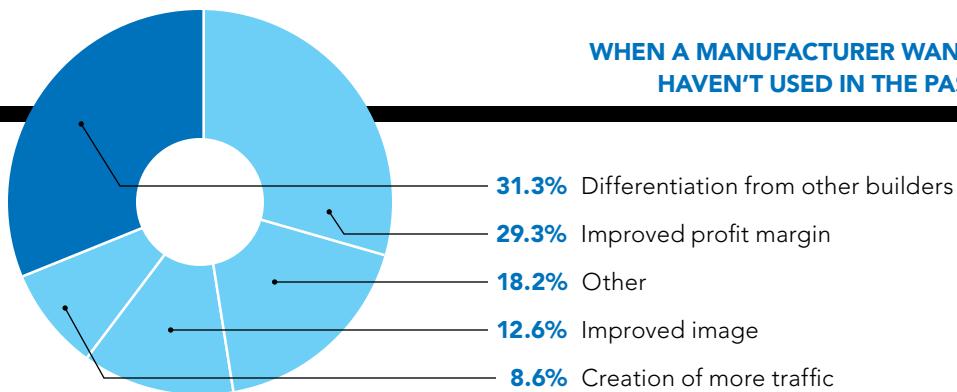
Quality of product and lower prices are the top factors that survey participants said would motivate them to switch, and many respondents added "better value," which is code for: better quality at a better price.



WHEN A MANUFACTURER WANTS TO SELL YOU A NEW PRODUCT THAT YOU HAVEN'T USED IN THE PAST, WHAT IS MOST LIKELY TO INTEREST YOU?

BASE: 198; PROFESSIONAL BUILDER 2015 SUPPLIER SURVEY

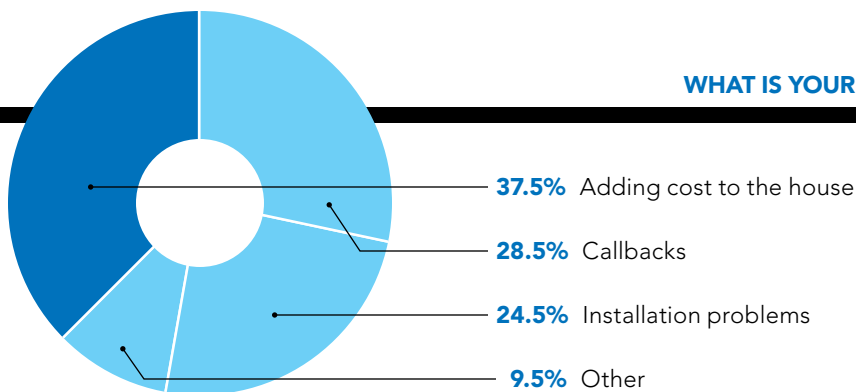
"I will not use my clients as guinea pigs," a Wisconsin builder/remodeler wrote. Other builders stated that they would like to see demand for a new product from others before they try it.



WHAT IS YOUR BIGGEST CONCERN IN ADOPTING A NEW PRODUCT?

BASE: 200; PROFESSIONAL BUILDER 2015 SUPPLIER SURVEY

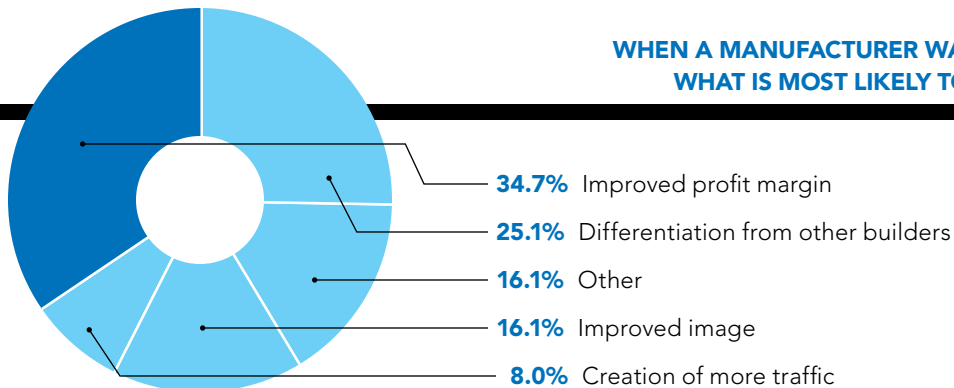
The common concerns expressed in the "other" comments were: Will the new product work? Will it bring a return on investment? Will it add more cost but not add value? Will it work as promised? And is it building-code certified?



WHEN A MANUFACTURER WANTS TO SELL YOU AN UPGRADED PRODUCT, WHAT IS MOST LIKELY TO CONVINC YOU TO MAKE THE PURCHASE?

BASE: 199; PROFESSIONAL BUILDER 2015 SUPPLIER SURVEY

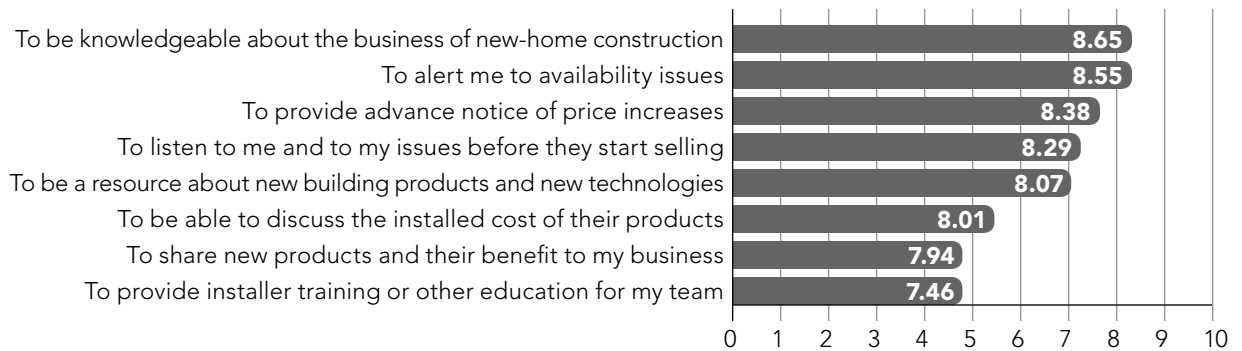
When deciding whether to upgrade from a product/building material they're currently using, the question that builders, designers, and architects want answered is, "Will it benefit my customer?"



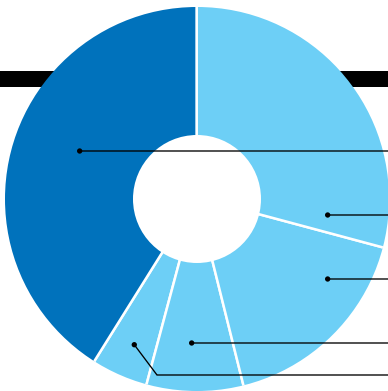
ON A SCALE OF 1 TO 10, RANK WHAT YOU WANT FROM A SUPPLIER/MANUFACTURER SALES REP

BASE: 197; PROFESSIONAL BUILDER 2015 SUPPLIER SURVEY

Builders want reps who understand their business and will be available to help solve any problems with their product/service.



WHAT IS THE BEST WAY FOR A SUPPLIER/MANUFACTURER TO PRESENT A NEW PRODUCT TO YOU?



- 41.2% By providing me with product to try at promotional pricing
- 29.2% By sharing how other builders are successfully using the product
- 17.1% By helping me differentiate myself in the market and command a greater profit
- 8.0% By making a joint call with the installing contractor
- 4.6% Other

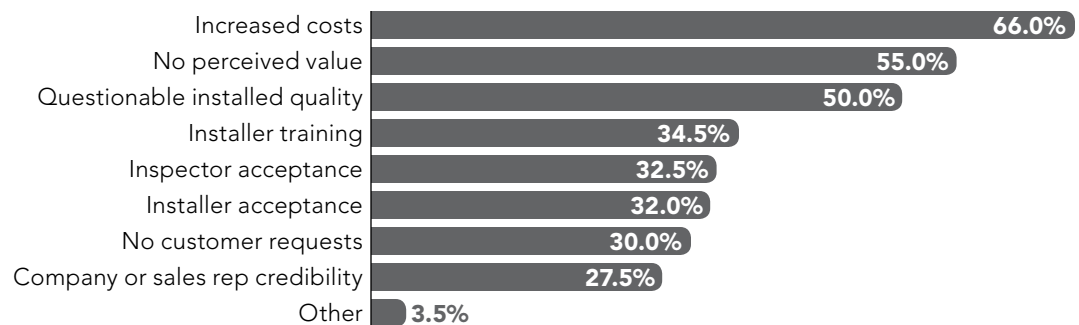
BASE: 199; PROFESSIONAL BUILDER 2015 SUPPLIER SURVEY

A hands-on trial at a discounted price is the most popular way to get builders to try a new product/service.

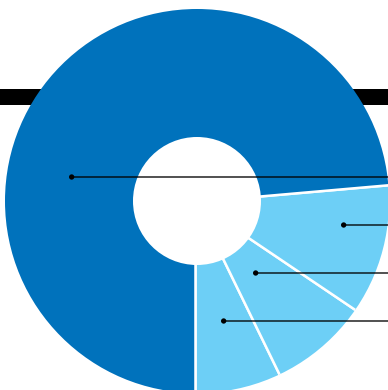
WHAT ARE YOUR CONCERNS ABOUT ADOPTING A NEW PRODUCT?

BASE: 200; PROFESSIONAL BUILDER 2015 SUPPLIER SURVEY

Price and quality were consistently mentioned as top concerns for adopting a new product, and open-text comments mentioned worries about long-term durability and warranty issues.



WHAT IS THE BEST WAY FOR A SUPPLIER/MANUFACTURER TO CONVERT YOU FROM A CURRENT SUPPLIER?



- 73.9% By job
- 10.8% By subdivision
- 8.2% Other
- 7.2% By region

BASE: 195; PROFESSIONAL BUILDER 2015 SUPPLIER SURVEY

Most participants in the survey build fewer than 50 homes annually, so a hands-on demo at the jobsite was the most popular answer.