


The Key to Marketing Success: Understanding Your Consumer


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Insights Director

 Zillow GROUP | NEW CONSTRUCTION





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What we'll discuss



Buying new construction today

Who is the new construction buyer

How do they search

The role of the Sales Center

Why buy new construction (or not)



Understanding the attitudes and behaviors of home buyers

13,439 total interviews

- **3,000 key household decision-makers who self-identified as having purchased a new home in the past 12 months**



More research specific to new construction

QUALITATIVE



27 consumers who strongly considered new construction

QUANTITATIVE



1,016 consumers who purchased a primary residence in the past 12 months

CSAT



544 home buyers surveyed from Zillow on satisfaction with builders

Who is the

new construction buyer

Interested buyers, not enough homes

38%

of total buyers include
new construction on their
consideration list

11%

of total buyers purchase a
new construction home

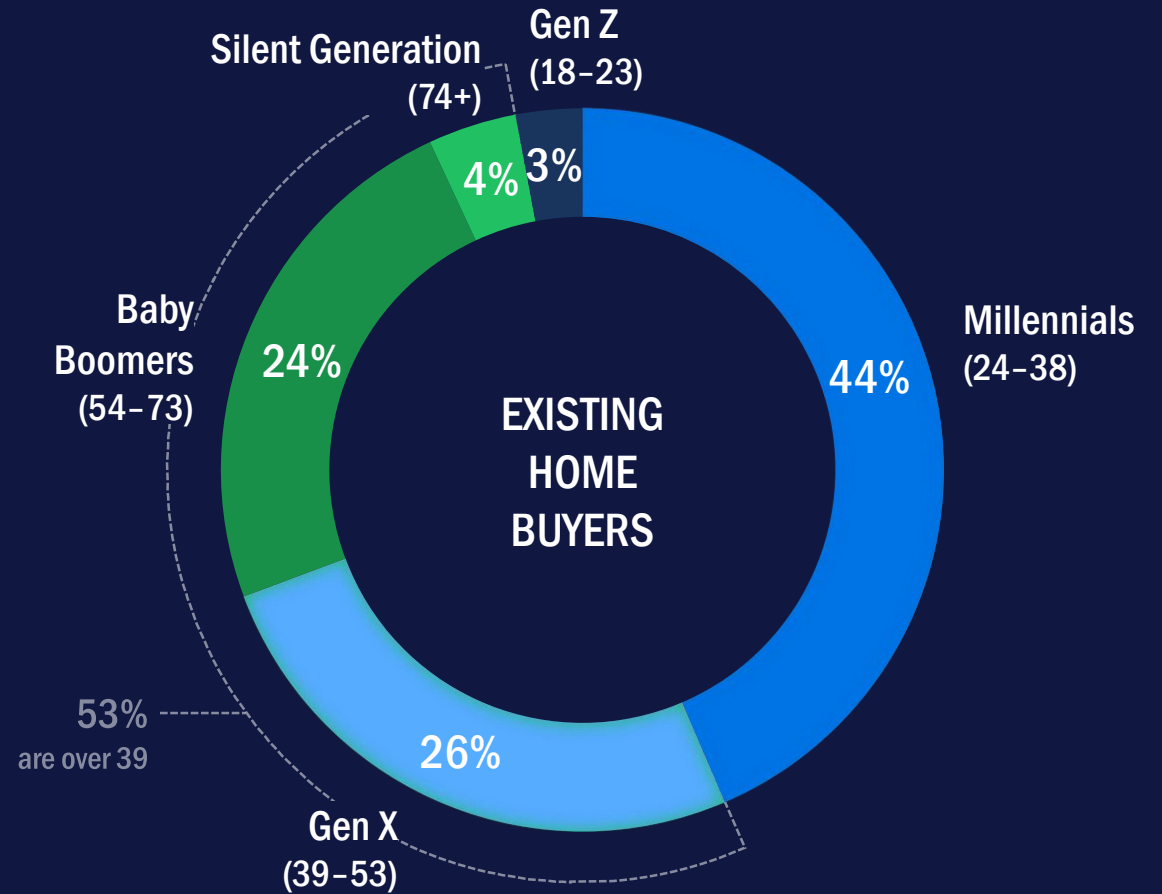
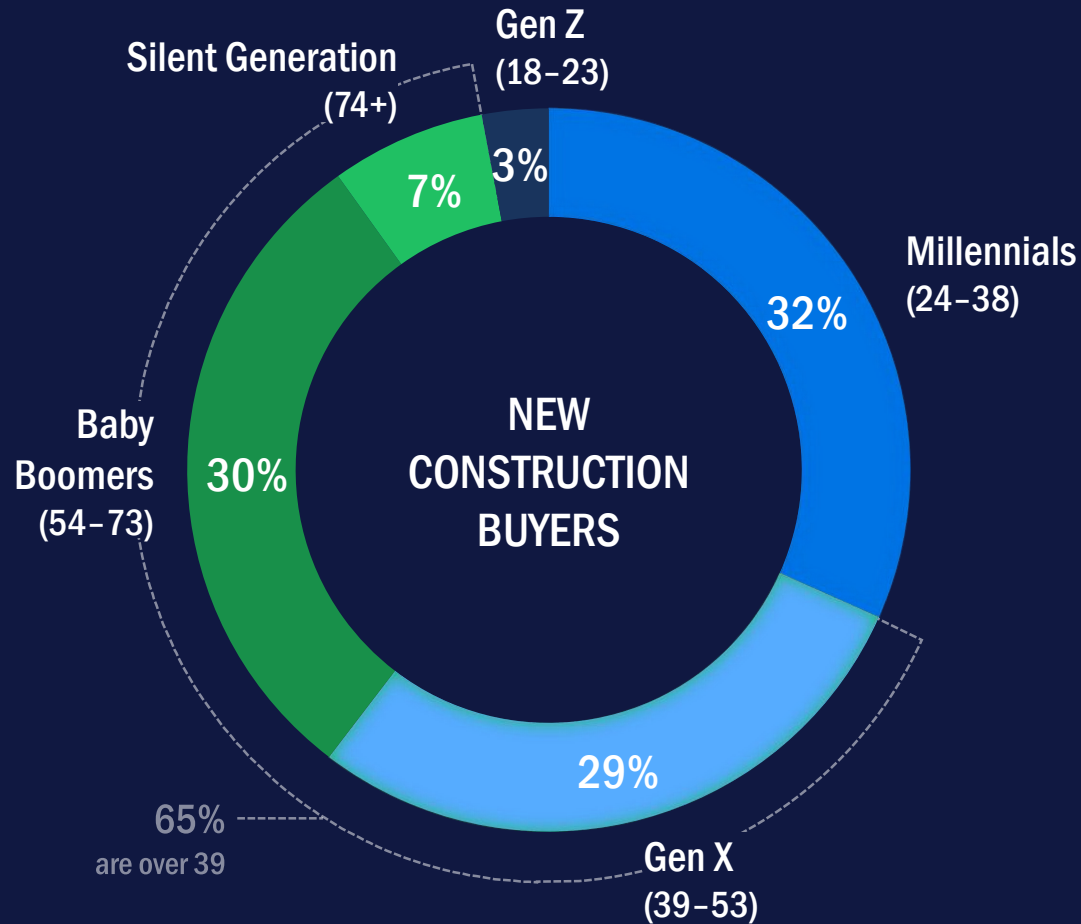
Source: Zillow Group Consumer Housing Trends Report 2018



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They tend to be older –

median age 47 vs 40



They are more likely to be repeat buyers

71%

of new construction buyers are repeat

Source: Zillow Group Consumer Housing Trends Report 2018



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More likely to be retired

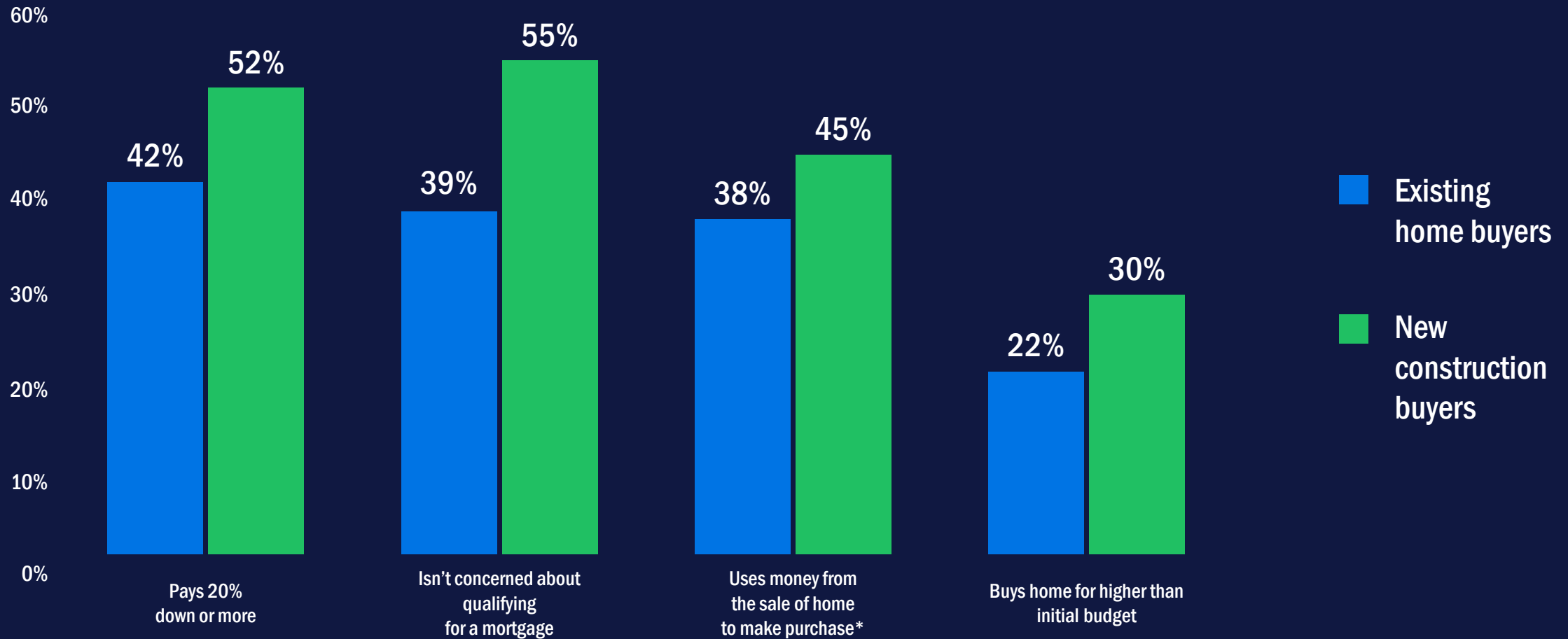
- **1 in 5** new construction buyers is retired
- **Nearly two-thirds** are still working

Source: Zillow Group Consumer Housing Trends Report 2018



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New construction buyers are willing to spend



*of those who used financing

Source: Zillow Group Consumer Housing Trends Report 2018

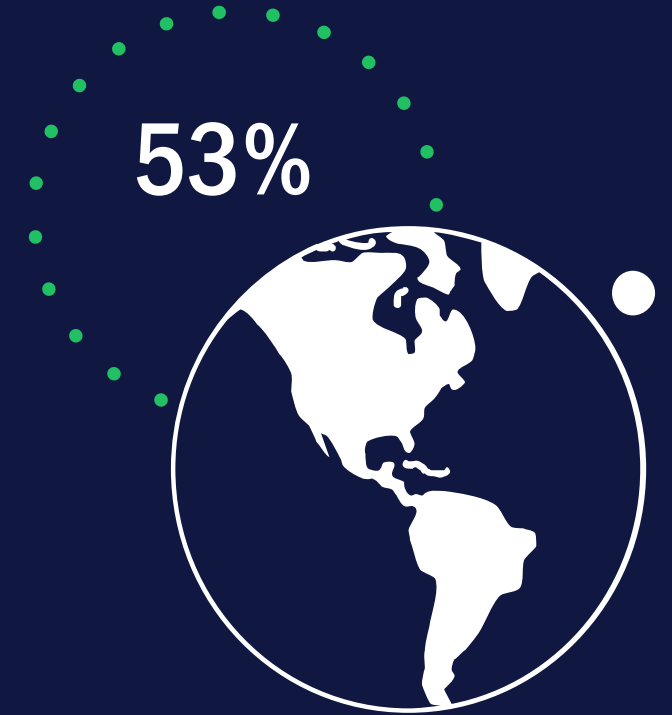
Willing to move farther



Same neighborhood

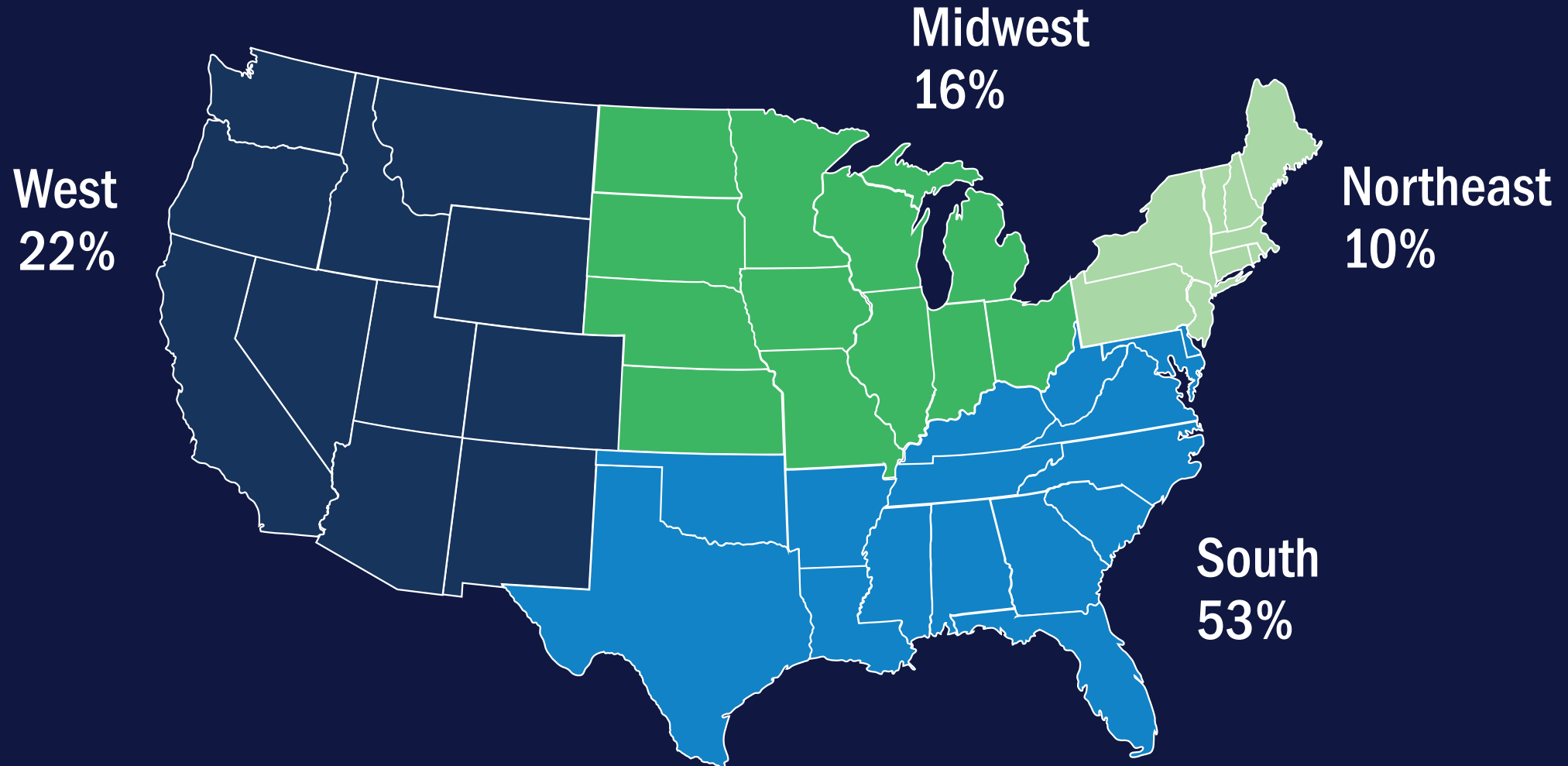


Same city, different neighborhood



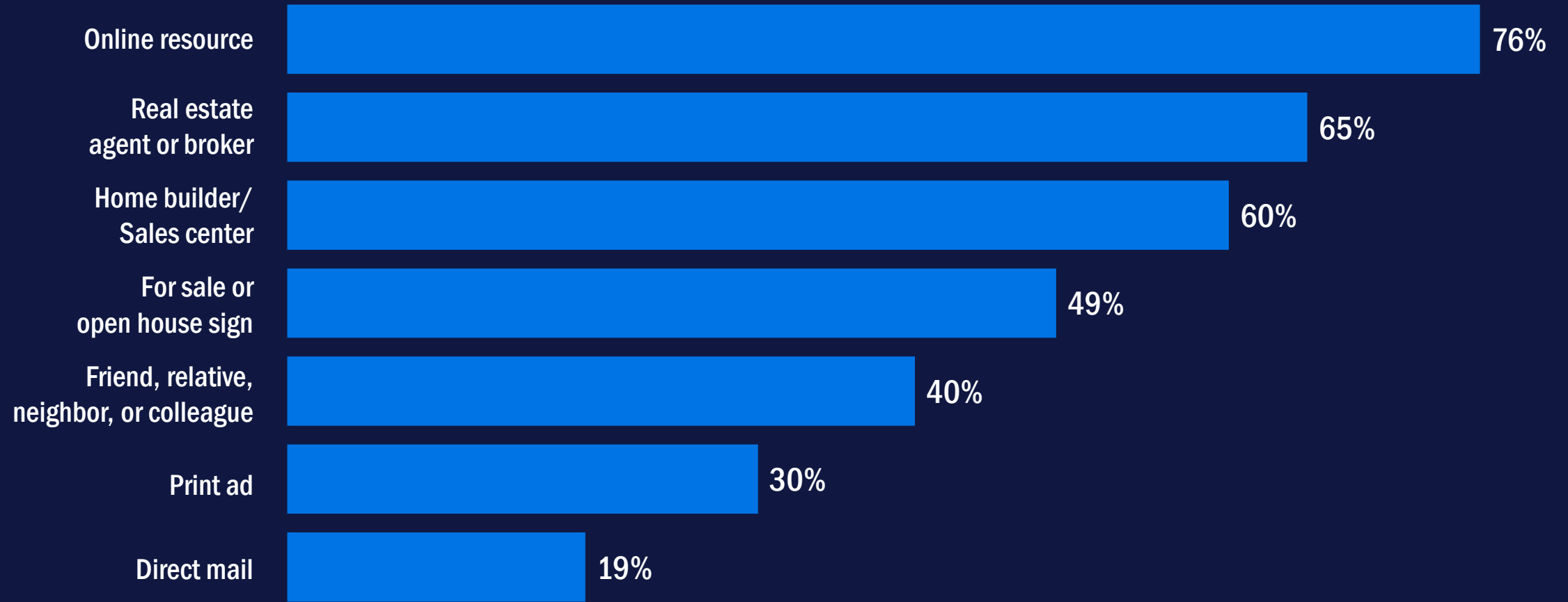
Different city, state, or country

New construction purchase geography



The search for new construction

Resources used by new construction buyers



**More similarities than
differences between
new construction
and existing buyers**



Value private tours

77%

consider very or extremely important*

*similar to 79% of existing buyers

Source: Zillow Group Consumer Housing Trends Report 2018



Value an inspection report

69%

say this is very or extremely important*

*similar to 74% of existing buyers

Source: Zillow Group Consumer Housing Trends Report 2018



Key Difference: Viewing floor plans

69%

say this is very or extremely important*

*significantly higher than 55% of existing home buyers

Source: Zillow Group Consumer Housing Trends Report 2018



The pivotal

Sales Center experience

Consumers hit road blocks when contacting builders



52%

unable to connect with
a builder after 24-72 hours*

*after submitting a lead on Zillow

Source: New Construction Buyer CSAT Study, July 2018, Zillow Group

They want to tour



52%

unable to connect with
a builder after 24-72 hours*

*after submitting a lead on Zillow

Source: New Construction Buyer CSAT Study, July 2018, Zillow Group

61%

who are contacted by a builder,
express interest in a tour

Tours are a positive experience



52%

unable to connect with
a builder after 24-72 hours*

*after submitting a lead on Zillow

61%

who are contacted by a builder,
express interest in a tour

89%

who go on a tour have a positive
experience

Source: New Construction Buyer CSAT Study, July 2018, Zillow Group

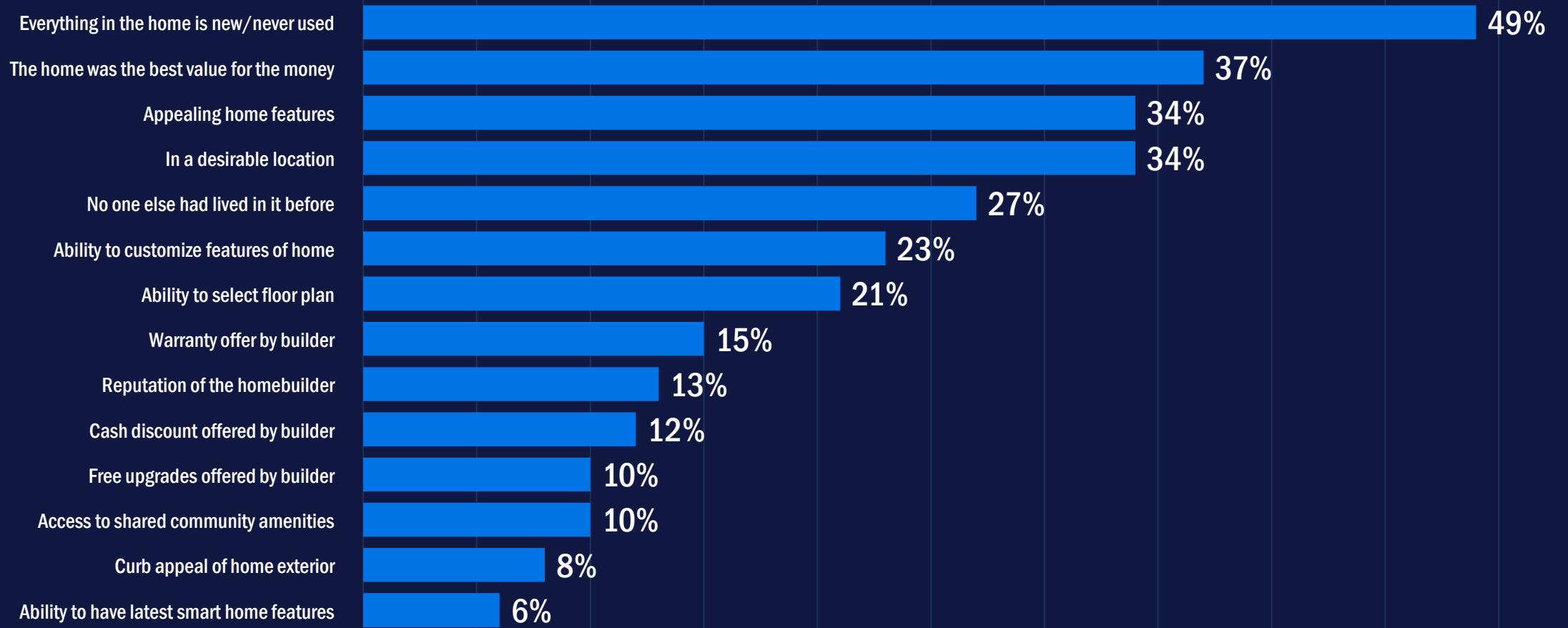
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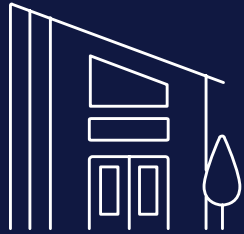
Why buy

new construction (or not)

Reasons for purchasing new construction



What deters people from considering



Location



Timing



Price

Myth 1: New construction is more expensive

➤ Educate buyers on the hidden cost of home ownership

➤ Promote your warranty

Source: GfK Custom Research, LLC research commissioned by Zillow, 2018



Myth 2: Existing homes have more proven value

- Promote your warranty
- Offer proof of craftsmanship
- Provide assurances of quality and that you're not cutting corners

Source: GfK Custom Research, LLC research commissioned by Zillow, 2018



A large iceberg floats in the ocean under a blue sky with light clouds. The iceberg's surface is textured and shows some internal layering. The water is a deep blue, and the horizon is visible in the distance. The overall scene is bright and clear.

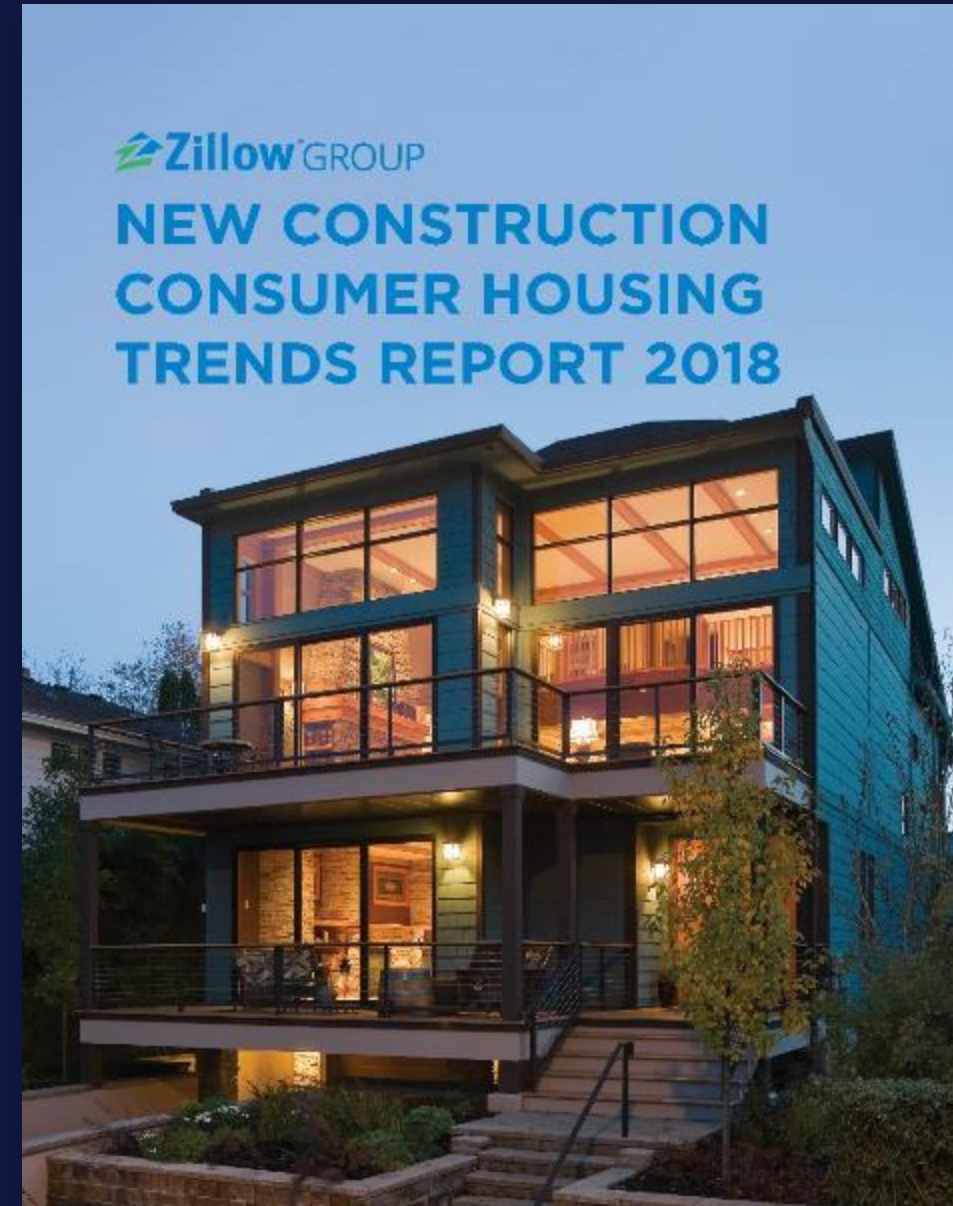
The tip of

the iceberg

Download the Report

Available for free on the
Zillow Group New Construction
Resource Center

zlw.re/buyerinsights18



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DFW's Consumers: Activation



+842,400 Jobs

January 2010 to December 2018



Source: Texas Workforce Commission

+947,829 People

2010 to 2017



Source: US Census Bureau

#1 New Home Market

34,586 Starts in 2018



Source: Metrostudy

Sales Pace Slowing

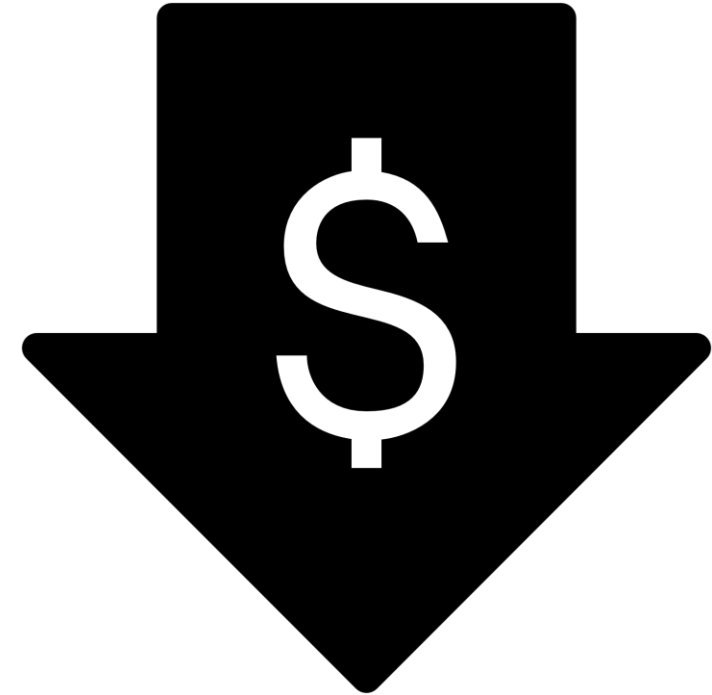
Monthly sales have been
down 7% to 23% YOY
since October.

Source: Zonda



Sales Prices Decreasing

Annualized price change of 0.2%
YOY through December 2018



Source: Metrostudy

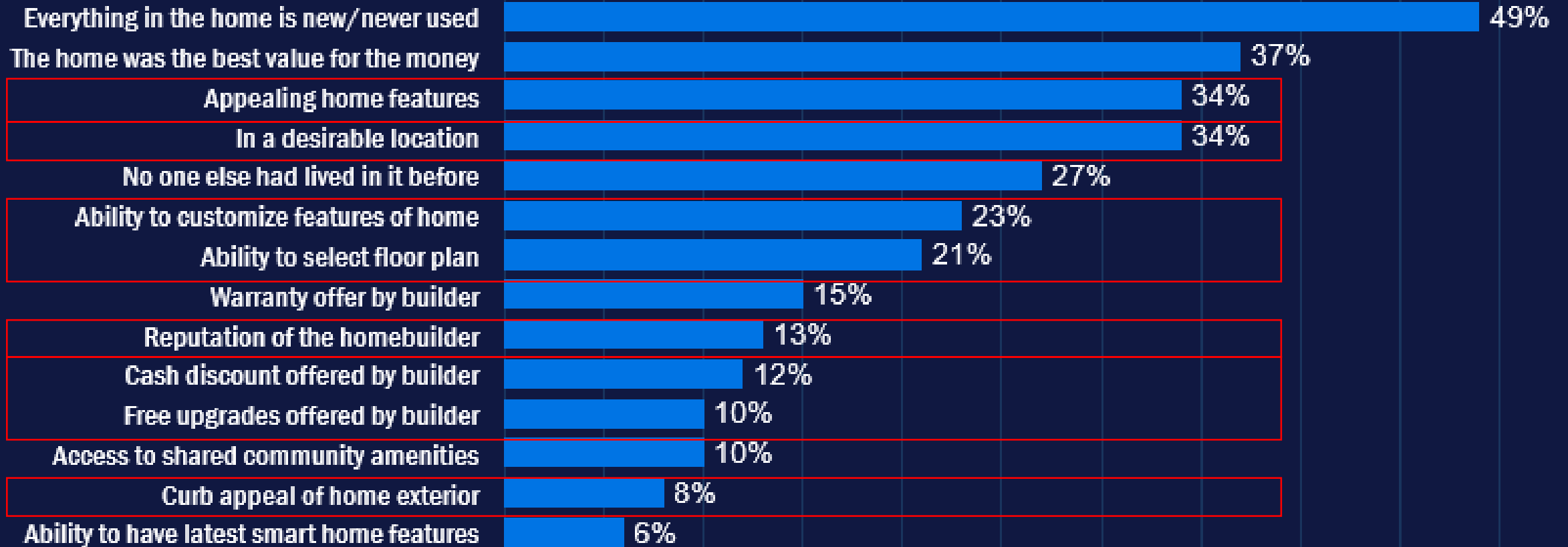
Sales Incentives Increasing



Source: Zonda

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Reasons for Purchasing New Construction

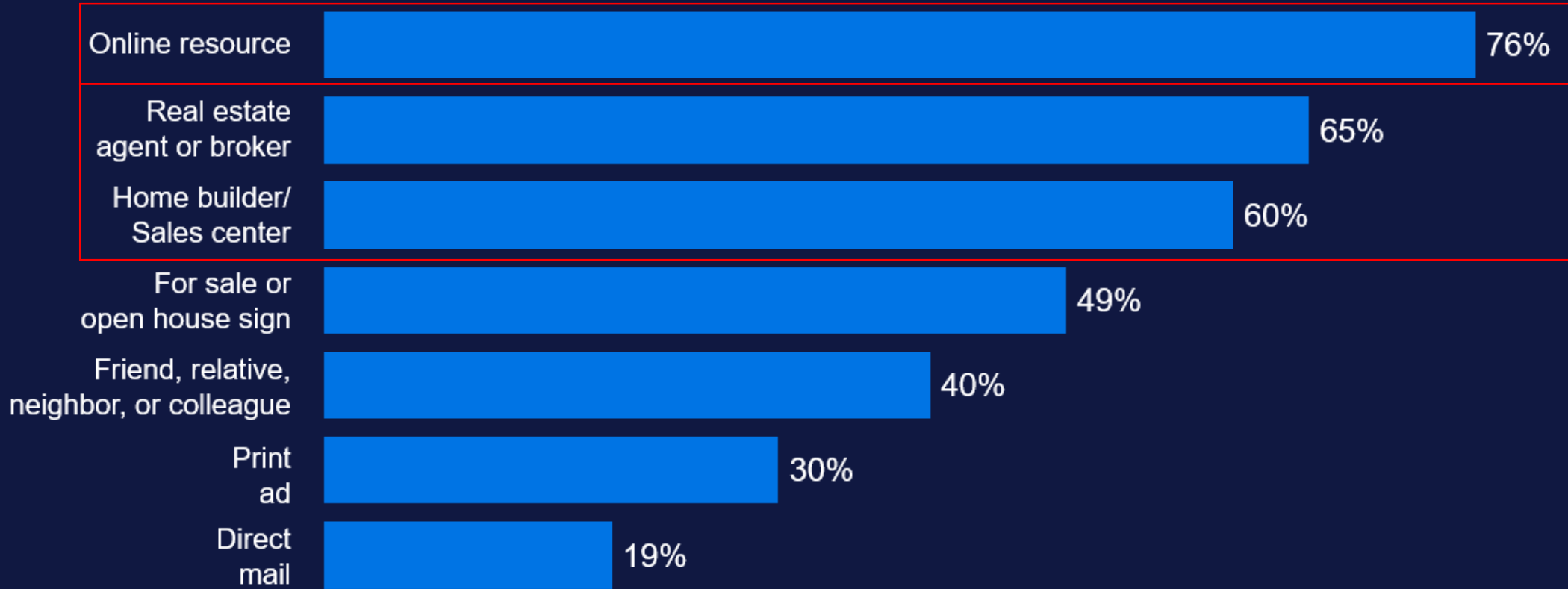


Source: Zillow Group Consumer Housing Trends Report 2018

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Resources Used to Buy a New Home



Source: Zillow Group Consumer Housing Trends Report 2018

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Transparency

Set Expectations

Appealing Home Features

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Appealing Home Features – Renderings vs. Reality



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Appealing Home Features – Renderings vs. Reality




DBA State of the Industry Summit Appealing Home Features – Online Floorplans



DBA State of the Industry Summit Appealing Home Features – Online Floorplans


Cook ✕

Galleries

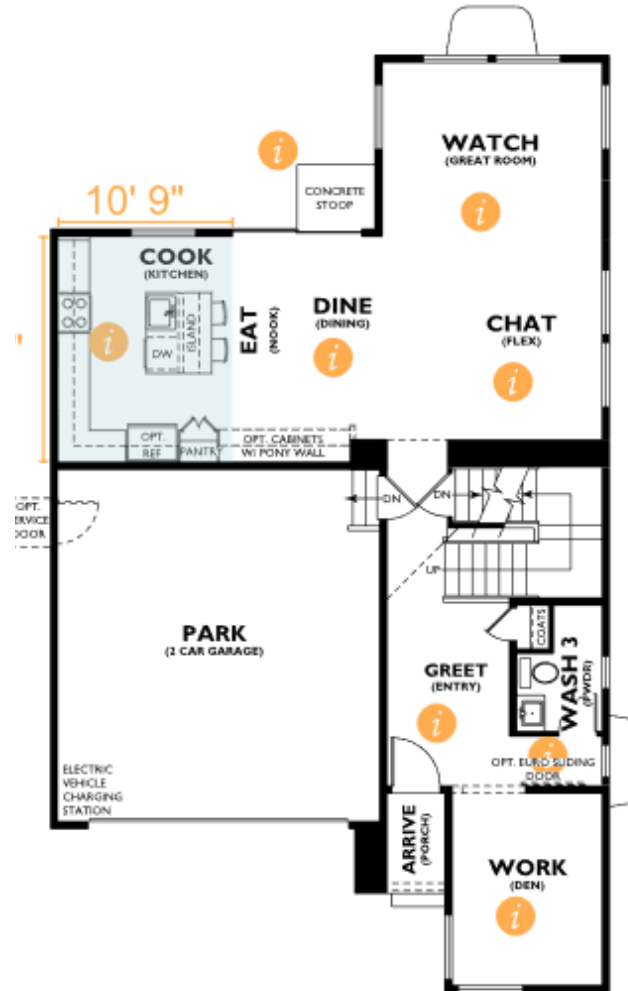


Cook

Features



Cook. Eat. Entertain.



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Appealing Home Features – Modeling Standard Features

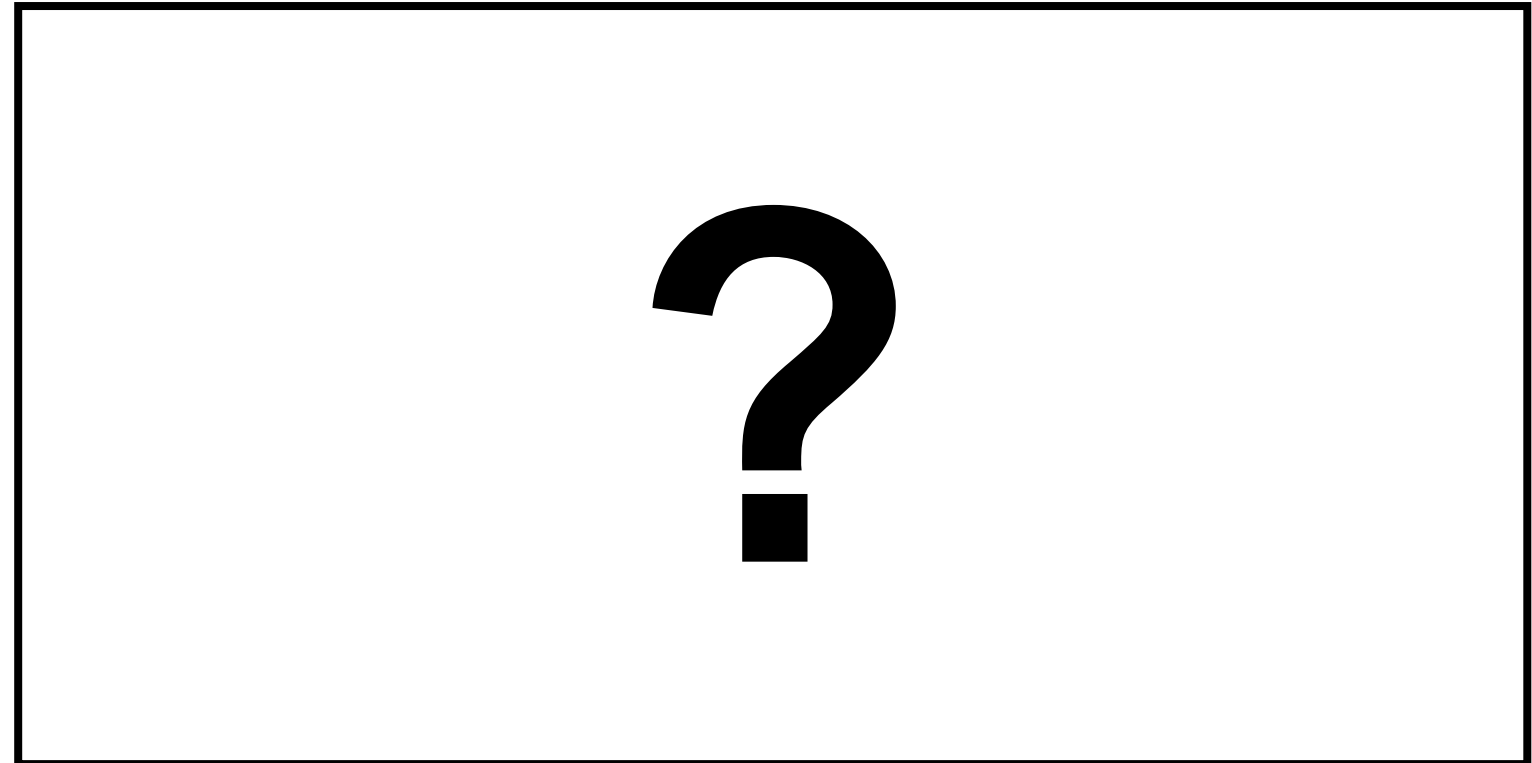
Significantly Upgraded Model



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Appealing Home Features – Modeling Standard Features

Standard Model



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Appealing Home Features – Summary

- Use real photos (not renderings) whenever possible
 - Website
 - Social Media
 - MLS
 - Zillow, etc.
- Assume Buyers cannot read floorplans
 - Photos first, then floorplan
 - Interactive floorplan with photos
 - 3D model – virtual walkthrough
- Model standard features

Location, Location, Location

DBA State of the Industry Summit Location, Location, Location – Directions



DBA State of the Industry Summit Location, Location, Location – Area Map



Area Details

OVERVIEW

ABOUT THE AREA

SCHOOLS

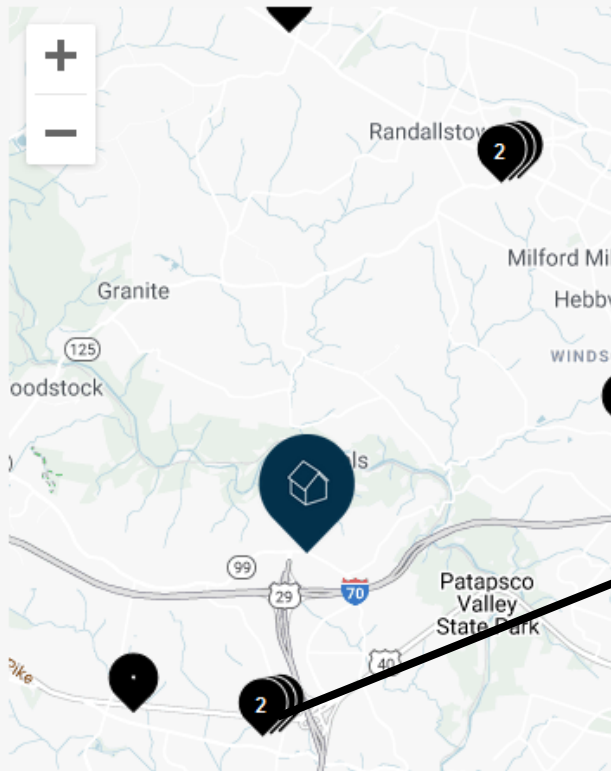
SHOPPING

TRANSPORTATION

MEDICAL

RECREATION

ADDITIONAL FEATURES



Shopping

Grocery stores and shopping centers are conveniently located less than 3 miles away. Head east towards I-695 to Security Square mall for some retail therapy.

Chatham Station Shopping Center

9180 Baltimore National Pike
Ellicott City, 2, Ellicott City MD
(410) 465-8435

DBA State of the Industry Summit Location, Location, Location – Directions



NEWPORT, MN

Bailey Meadows - Hans Hagen Villa Collection

Single Family Homes in Newport, MN

Catherine Drive and Military Road, Newport, MN 55055

Priced from: **\$369,990**

OVERVIEW

PLANS

QUICK MOVE-IN

MODELS

COMMUNITY INFORMATION

MAP

Contact Us

We do the maintenance so you can spend time enjoying more.

There's a reason (actually lots of reasons) people love Hans Hagen Villas. They feature easy, main-level floor plans customized to your individual's lifestyle. There are a number of elevations to choose from, and together they create an incredibly beautiful streetscape. And there's no exterior maintenance; we handle the lawn irrigation, mowing and snow removal so that you can spend your time enjoying everything the community and the surrounding areas have to offer. Walking trails abound. Wetlands, ponds and La Lake and Ria Lake surround the neighborhood. And easy access to major freeways means you can get wherever you want to go for shopping, dining, entertainment and recreation. When you're ready to escape the Minnesota winter and head for warmer climes, the Minneapolis-St. Paul that's less than only 20 minutes away.



Have Questions for Jenny?

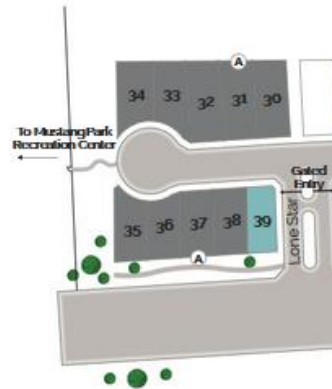
Ask about current offers or more details about this property. [Learn more about Jenny](#) or call (763) 586-7275

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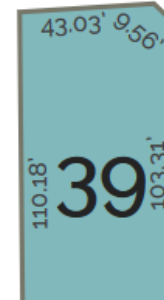
Location, Location, Location – Available Lots

LOT STATUS

- Available
- Sales Model
- Sold
- Closed
- Quick Delivery
- Unavailable
- Reserved



2110 Remington Drive



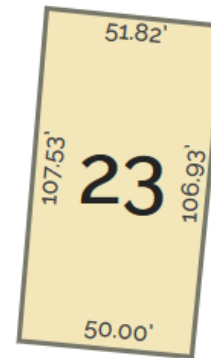
Home Design:

Elevation:

Swing:

Current Sales Price:

2040 Remington Drive



Home Design: **Summerwood IV**

Elevation: CS

Swing: **Garage Right**

Construction Status:
Flooring Complete

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Location, Location, Location – Summary

- Area Features
 - Map with links – directions and websites
 - Supplement with text and descriptions
 - Avoid static maps
- Mobile Directions – make it easy to find the model
- Online Directions
 - Top and center of landing page
 - Link to Google Maps in pop-out window
- Available Lots and Homes
 - Update in near real-time
 - Clear, user-friendly maps

Online Reviews



DBA State of the Industry Summit Reviews



This item COWIN E7 PRO [2018 Upgraded] Active Noise Cancelling Headphone Bluetooth Headphones with Microphone Hi-Fi Deep Bass Wireless Headphones Over Ear 30H Playtime for Travel Work TV Computer Phone - Red

Add to Cart

Customer Rating	★★★★☆ (1102)
Price	\$74 ⁹⁹
Shipping	✓prime
Sold By	COWIN
Color	Red
Headphone Fit	over-ear
Item Dimensions	6.65 x 3.7 x 8.07 in
Item Weight	0.85 lb
Additional Features	Noise Cancellation, Wireless, Built-in Microphones, Comfortable Over-ear, Hi-Fi stereo, Deep Bass, Lightweight, 30 Hours Playtime, Travel on the plane

Consider this a 4.5 star review. These are some pretty excellent headphones for the price, and I was pleasantly surprised when I received mine - they're a bit better than I expected in almost every way. They do have a couple of minor flaws - one of which seems not so minor to some people - and the sound quality isn't "quite" as good as the best headphones on the market. That said, the best headphones can run hundreds of dollars, and these are less than a single Franklin.

First, the sound quality without noise cancelling on. It's bass heavy, a little bit muddy, but still the mids and highs come through clearly. Most headphones with muddy bass are really muddy all the way through the frequency range, but these aren't - if you can deal with the bass, the rest of the music sounds great. I also haven't detected any sibilance in the high end, which cheap drivers can often give you.

I've learned that you need to be careful how you test audio output equipment these days because many modern recordings already sound like garbage, and garbage in gives you garbage out. My go-to track for testing is Boston's "Hitch a Ride" from the days when engineers knew how to record stuff and of a very old, unmastered CD produced before the "loudness war" was a thing. I know this recording itself sounds amazing. And it sounds pretty great through these headphones. The sound stage is spacious, very good dynamics, crystal clear guitars, drums and vocals, but just that muddy bass that's a bit overemphasized, and not really at the most pleasing frequencies for it to be overemphasized. Still, I expected worse for this price and with all the other features these headphones have!

Other recordings sound better or worse, of course - these headphones are definitely good enough to distinguish easily between good and bad recording. If a recording already has too much bass, though, then it's going to sound really boomy and kind of unpleasant with these. But, well, that's the same problem you'd have with a pair of Beats, and lots of people seem to like those.

Funnily enough, one way to kill the bass is by turning noise canceling on. I wouldn't necessarily recommend that just for audio quality because it does some other things to the sound as well, but they do still sound pretty good with the noise canceling engaged. I have a pair of Sony MDR-1000C wired noise canceling headphones, which I absolutely "love" for their noise canceling but not so much for their sound quality, and the E7 Pros sound a lot better with the noise canceling off than they do with it on.

The noise canceling itself seems to work pretty well, but you have to know why noise canceling exists on headphones at all, and that's for flying. That's it. Nobody's making noise canceling circuitry that's tuned for quieting your co-workers or muting a TV that your family's watching; I don't care what the product page here says. The circuitry is tuned for low frequencies, such as you'd hear from a jet engine inside a plane - that's where noise canceling was invented for and that's what it's still good at. I tested these phones against my Sonys using an app on my cell phone connected to a home audio system that gave me airplane-like low frequencies, and these seemed to do basically just as well from what I could tell. They really cut a lot of the low frequency noise, but I'm anxious to try them on an actual airplane now, but I might be able to just totally replace my beloved Sonys for travel.

But this is why some people say the noise canceling works and other people say it doesn't do anything. You have to understand the purpose of it, and use it for that purpose. It's not for shutting out life; it's for reducing fatigue caused by engine and wind noise on airplanes.

Ironically, there is a little added mid-frequency whine with noise canceling on. You don't notice this when you're in a noisy environment; in fact, my Sonys do it too and I didn't even know it until I tested them against the E7 Pros. It actually sounds like it may be the exact same circuitry in both sets of headphones, although I'm not sure if it is.

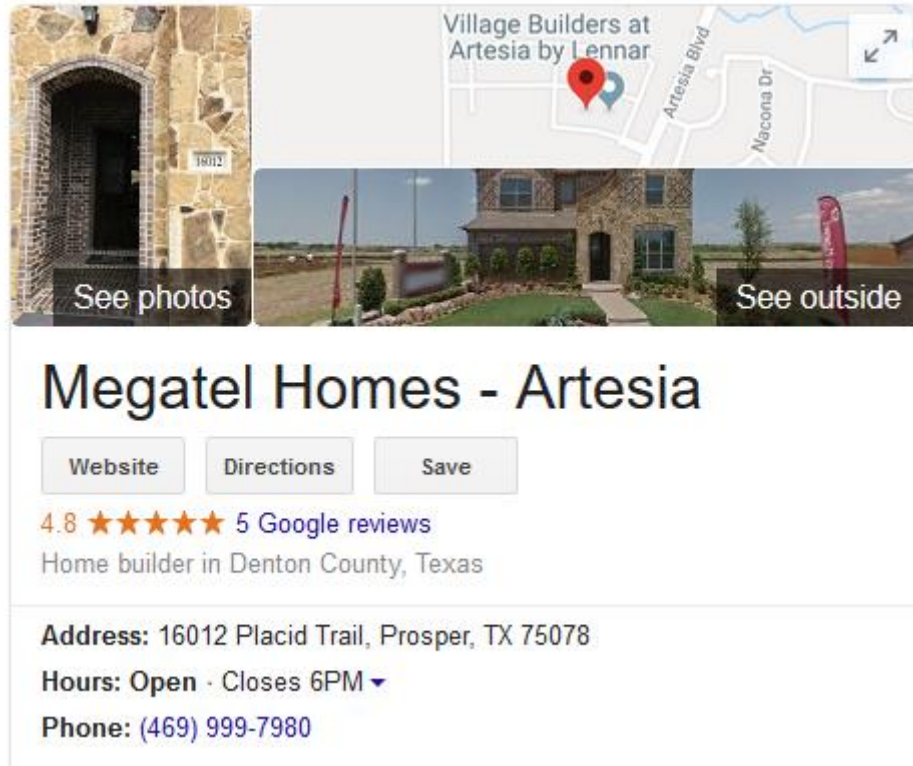
I do have the same problem as some have mentioned where quick turns of my head cut the sound out with noise canceling on. Honestly, to me this is not a dealbreaker because I really need to walk around for it to happen, and I just normally don't move that way - especially not when sitting in an airplane seat, which is where I'd be using the noise canceling. Many of the individual units are worse, but if you do want to use the noise canceling while jogging or something (which I wouldn't recommend), then even the way mine are might work for you. I do wish it wasn't a problem at all, but it's one of the few real operational flaws of these headphones and I can live with it.

As for the Bluetooth functionality, it seems to work as you'd expect. Turn Bluetooth on, wait for the pairing light to blink, then set your device to pair and that's it. It'll automatically connect each time from then on. The connection so far has been solid and stable for me, although on my desktop I did need to move my little Bluetooth adapter from the back to the front or I'd get small momentary dropouts. But I don't know if that's the headphones' or the Bluetooth adapter's fault. One minor thing is that I wish there was a manual way to pair and connect; it doesn't seem like there is. You just turn on Bluetooth and if there are no known devices to connect to, it goes into pairing mode. If there's a known device, it just connects. The problem is I want to pair with multiple devices, and I don't want to turn all the others (computers, tablets) off all the time when I use the headphones. We'll see how frustrating this ends up being over time. I'll update the review if I really have problems with connecting/pairing to the right device.

Lastly, the build quality on these seems pretty good; again, better than I'd expect for this price and with these features. Where are they cutting corners?? I guess they're slightly bulky and heavy, but not uncomfortably so. I have seen photos of the older (non-Pro) E7 and they have updated the casing to be metal on the outside, which looks and feels good, and the headphones themselves are comfortable and very softly padded. The quality isn't quite up there with my Sonys, but those were originally \$300 headphones, and these are relatively close in look and feel. They don't feel like they're in another class, at least. There are still a couple spots (the sides of the earpieces, for example) with shiny, cheap feeling plastic, but it's pretty sparsely used.

I do recommend these headphones if you're looking for an inexpensive set of Bluetooth headphones. They sound good (except for too much bass), look good, they're comfortable, noise canceling cancels the noise it's supposed to cancel, and they're wireless. I'd buy them again.

DBA State of the Industry Summit Reviews



Village Builders at Artesia by Lennar

Artesia Blvd
Nacoma Dr

16012

See photos

See outside

Megatel Homes - Artesia

Website Directions Save

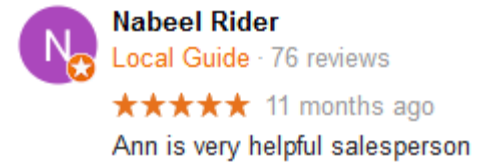
4.8 ★★★★★ 5 Google reviews

Home builder in Denton County, Texas

Address: 16012 Placid Trail, Prosper, TX 75078

Hours: Open · Closes 6PM ▾

Phone: (469) 999-7980



Nabeel Rider
Local Guide · 76 reviews
★★★★★ 11 months ago
Ann is very helpful salesperson

DBA State of the Industry Summit Reviews

The screenshot shows the TripAdvisor interface for 'Things to Do in South Pole'. The top navigation bar includes the TripAdvisor logo, a location dropdown set to 'South Pole', and utility icons for Cart, Trips, Inbox, Profile, and a Join button. A search bar is also present. Below the navigation, a breadcrumb trail reads 'Antarctica > South Pole > Things to Do in South Pole'. The main heading is 'Things to Do in South Pole'. A filter section asks 'When are you traveling?' with 'Start Date' and 'End Date' input fields and an 'Update Results' button. On the left, there is a 'View Map' button and a list of 'Types of Attractions' with radio button options: 'Sights & Landmarks (1)' (selected), 'Good for Adrenaline Seekers', 'Adventurous', and 'Good for Big Groups'. The main content area shows 'Sort by: Traveler Favorites' and 'Best Reviewed' (selected). The top result is 'The South Pole', featuring a thumbnail image of a snowy mountain range. The listing includes a bookmark icon, a 5-star rating (49 reviews), the text '#1 of 1 things to do in South Pole', 'Points of Interest & Landmarks', and a 'Learn More' link. A larger, detailed view of this listing is shown in a separate box on the right, highlighting the title, rating, and key text.

DBA State of the Industry Summit Reviews – Summary

- Don't ignore your online reviews. To do nothing with reviews, is like having your internet exposed without having virus protection and a firewall. Protect your brand – don't be attacked - be proactive
- Encourage and actively collect your customer feedback and reviews (third-party or independent). The more reviews/ratings the better for your online presence
- Benchmark your company to make sure you are among the best in your market
- If you are satisfied with the results (which will not be perfect - perfection does not stand here), then promote your reviews into search and social media

Source: Avid Ratings

Buying Experience – New vs. Resale

DBA State of the Industry Summit Buying Experience – Resale

MLS#: **13966532**

Active

1112 Highedge Drive

Plano

75075-8128

LP:

\$449,900



Category: **Residential**
 Area: **20/10**
 Subdv: **Cloisters 3**
 County: **Collin**
 Country: **United States**
 Parcel ID: **R049300800401**
 Lot: **4** Block: **8**
 Multi Prcl: **No**

Type: **RES-Single Family** Orig LP: **\$449,900**
 Also for Lease: **N** Lst \$ / SqFt: **\$137.33**
 Lake Name:
 Lease MLS#:
 Plan Dvlpmnt:
 Legal: **CLOISTERS NO 3 (CPL), BLK 8, LOT 4**
 MUD Dst: **No** Unexempt Taxes: **\$8,219**

Bedrooms: **4** Tot Baths: **4.0** Liv Areas: **2** Stories: **2**
 Fireplaces: **1** Full Baths: **4** Dining Areas: **2** Pool: **Yes**
 Sec Sys: **Yes** Half Baths: **0**

SqFt: **3,276 / Appraiser** Appraiser Name:
 # Gar Spaces: **2** Cvrd Park: **2** Hdcp Am: **No**
 # Carprt Spcs: **0** Garage Size: **20 x 20** Yr Built: **1999 / Preowned**
 Acres: **0.240** Lot Dimen:
 HOA: **Voluntary** HOA Dues:
 HOA Co: **Unknown** HOA Co. Phone: **111.111.1111** Will Subdiv: **No**
 Accessory Unit: Accessory Unit Type:

1 / 36

Classic curb appeal.



School Dist: **Plano ISD**
 Elementary School: **Shepard**

Middle School: **Wilson**

High School: **Vines**

DBA State of the Industry Summit Buying Experience – Resale

Schedule Appointments For Buyers

- 1 SEARCH LISTINGS**
use mls# or address
- 2 REFINE RESULTS**
in case of multiple matches
- 3 CHOOSE TIMES**
pick the times you want to show
- 4 CONFIRM TIMES**
verify everything is correct
- 5 DONE!**
get your showing instructions

1112 HIGHEDGE DRIVE - 13966532 - Appt Required X **\$449,900**
PLANO, TX 75075
Pick a Start Date

Type: Start Time: 8:00 AM End Time:

2nd Showing: Buyers Name:

<< Go Back Confirm Times >>

Tour Options



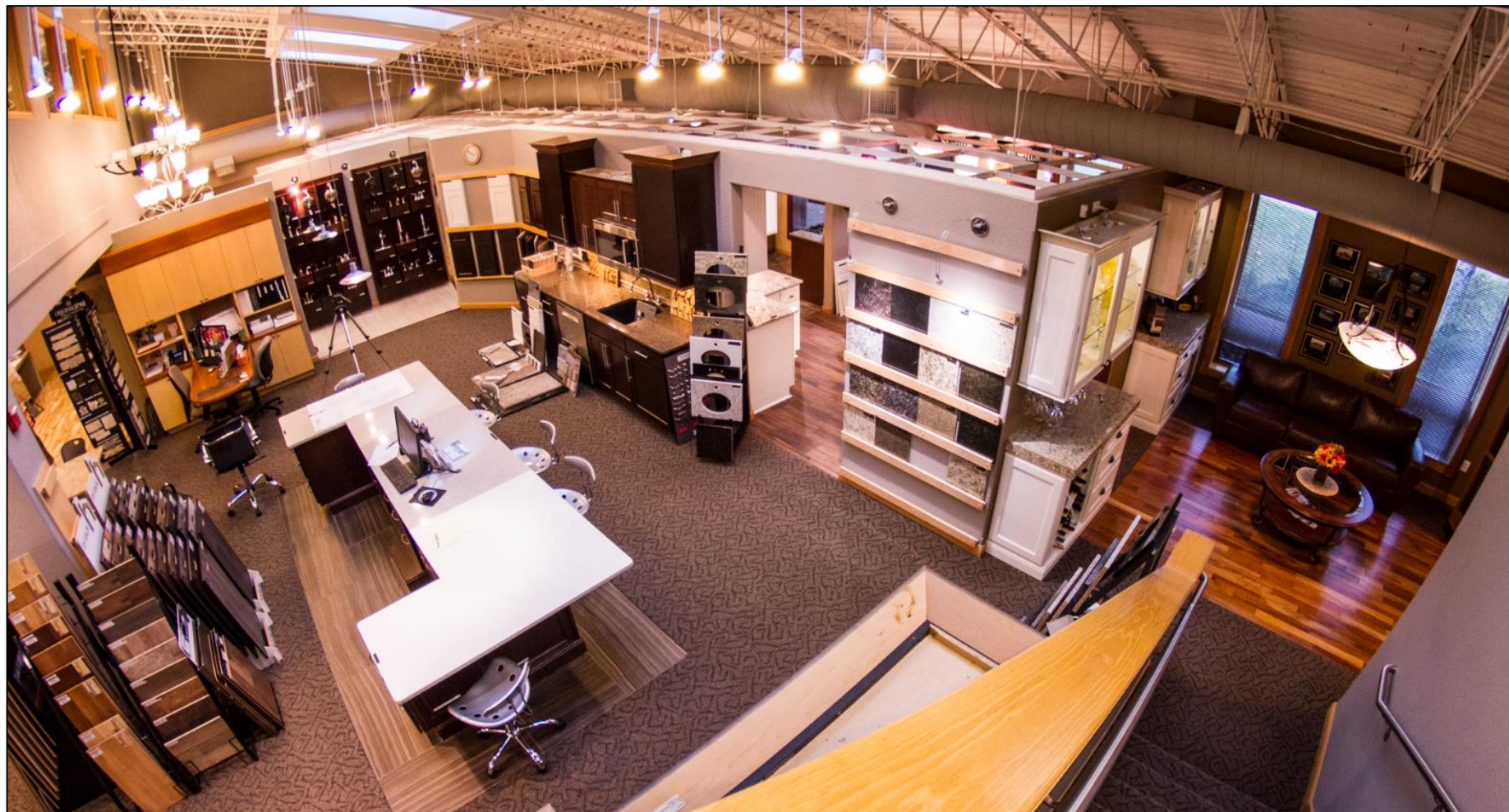


Sales Assistant

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DBA State of the Industry Summit Buying Experience – New



DBA State of the Industry Summit Buying Experience – New



DBA State of the Industry Summit Buying Experience – New



DBA State of the Industry Summit Buying Experience – New



DBA State of the Industry Summit Buying Experience – Interview!

Buyers and Non-Buyers



Real Estate Agents



Susan Bradley
susan@susanbradleyrealtor.com

**Allie Beth Allman™
& Associates**
A BERKSHIRE HATHAWAY AFFILIATE

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Buying Experience – Summary

- Specs
 - Approach marketing and sales process as if you are competing head to head with resales
 - Photograph the home as soon as possible and post pictures on MLS, Zillow, etc.
 - Make available to prospects as much detail about the home as possible
- To-Be-Built
 - Step back and evaluate all the stages of the buying process – transparency, setting expectations, ease of transaction, etc.
 - Consider modeling homes with limited upgrades



metrostudy



Paige Shipp

Regional Director, Dallas-Ft. Worth

Email: pshipp@metrostudy.com

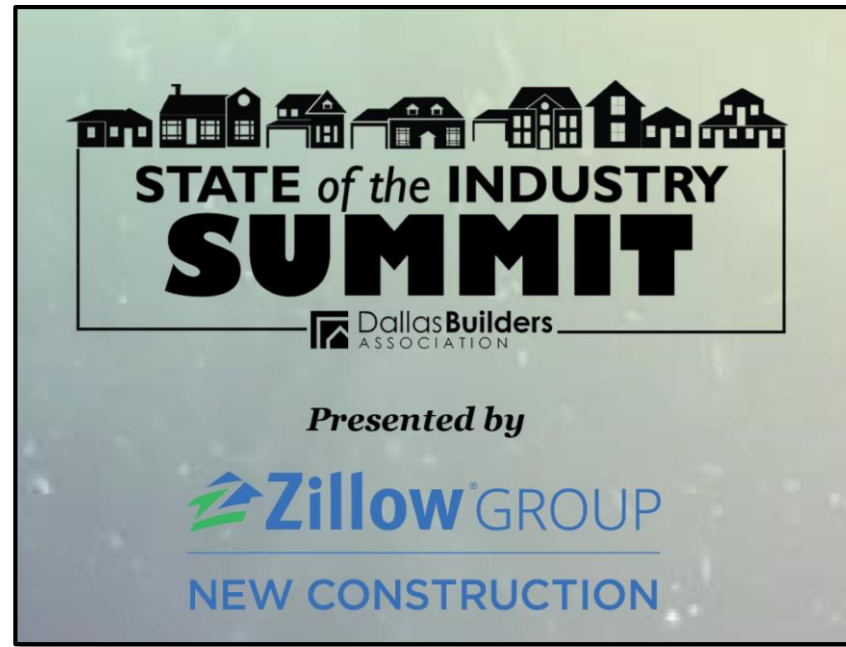
LinkedIn: [linkedin.com/in/paige-shipp-3765b510](https://www.linkedin.com/in/paige-shipp-3765b510)

Twitter: @paigeshipp

Instagram: paige.shipp

Snapchat: paigeshipp





Phil Crone
Executive Officer
Dallas Builders Association



Mary Kaye O'Brien
Insights Director
Zillow Group



Paige Shipp
Regional Director
Metrostudy | Zonda