

# Home Builder **Follow-up**

in 2016: How Do You Stack Up?



# The Current State of Online Follow-up

Our 2015 study results of over 234 communities shopped showed that less than 3% made 2 phone calls and sent 3 or more emails in a 30 day period. It also showed that an amazing 39% never sent any emails at all, and 69% never made a single phone call. Despite advances in technology and constant education of the importance of follow-up, these numbers were fairly steady in every research study done since 2012.

The upside is that there is still HUGE opportunity for those dedicated to meeting and exceeding their prospects' expectations.



## A New Goal

Many of the builders in the top 150 of Professional Builder's Giant 400 list have either created an online sales program, or have put processes in place to try and allow their onsite teams to manage online leads better. We wanted to take an in-depth look at their programs to uncover any new best practices that these builders with significant resources (the smallest builder had over \$79 million in revenue in 2015) might have put in place.

In particular, we wanted to see the quality of the follow-up. Did they simply check the box on follow-up, or did they truly see it as a competitive advantage and build a world-class system? This year's study was designed to be narrow and deep – focusing on only 30 home building companies – as opposed to previous year's approach of shopping over 200 communities. This would allow us to go beyond response rate to an entirely new level of insight.

*The builders shopped were broken down into the following categories:*

**Top 10 Builders** (5 shopped)

**Top 11 - 50 Builders** (9 shopped)

**Top 51 - 100 Builders** (8 shopped)

**Top 101 - 150+ Builders** (8 shopped)



# A New Metric

## The Conversion Quality Score

Our new method demanded the creation of a new metric to be studied – The Conversion Quality Score. This straightforward system of scoring the quality of each and every follow-up received has a 3-point ranking:

1

### A SCORE OF 1

The follow-up was done, but seemed cold and lifeless. It seemed more like a task that was checked off as complete by the builder.

2

### A SCORE OF 2

The follow-up included a reference to some piece of information **personal to the prospect** or their initial questions. This made it feel significantly more personal and would also allow advancement of the sales process.

3

### A SCORE OF 3

This follow-up truly stood out from the crowd. It included not just references to personal information or questions – but **conveyed genuine excitement at the prospects situation, needs, or a belief that they were a perfect fit for the prospect.**

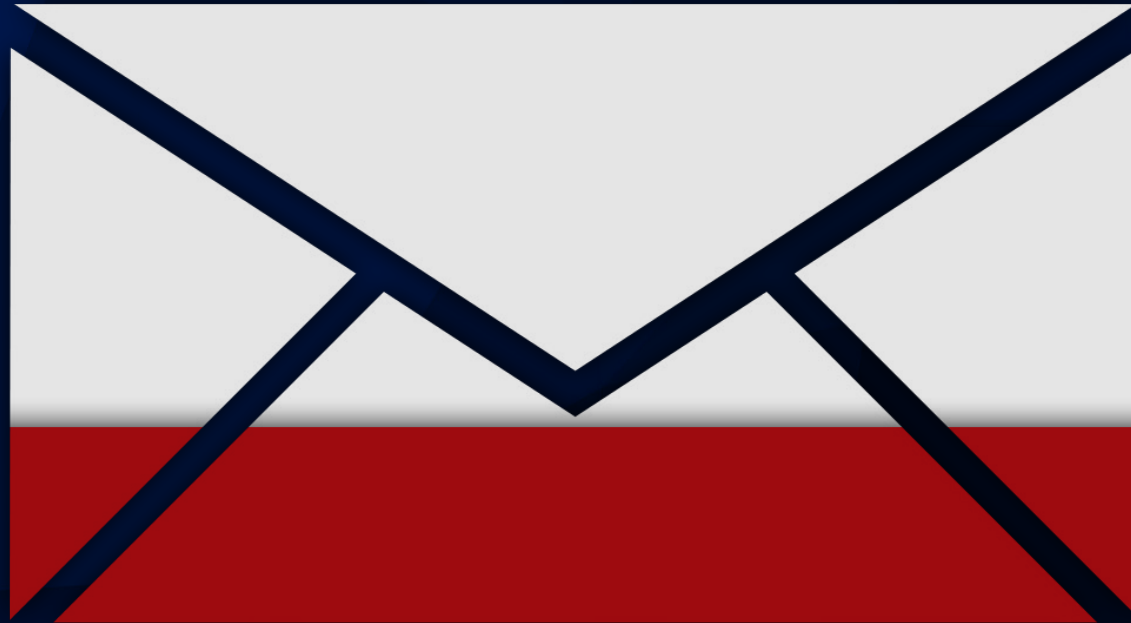
## THE METHOD

We filled out complete registration forms on each builder's website. If the builder asked for a square footage or price range, one was given. Both an email address and phone number were included. A particular community was also specified so the builder would know that some pre-filtering on the shopper's end had already occurred.

In addition, we included the following comments and question on each form:

**"We are relocating from Montana to be closer to family. Looking for the best value in a 3 to 4 bedroom home. Do you have homes that we could move into quickly, or how long would it take to build one?"**

Responses were tracked for 45 days.



**33% NEVER EMAILED**



80% **NEVER CALLED**



# INITIAL RESPONSE TIME

(INCLUDES ALL RESPONSE TYPES)





# TOTAL RESPONSE COUNT

(INCLUDES ALL RESPONSE TYPES)

3

Only **27%**  
followed up **3 times**  
or more in 45 days

6

Only **14%**  
followed up **6 times**  
or more in 45 days



Only **7%**  
of all builders used **video email**  
as part of their follow-up mix



Only **50%**  
of builders sent **"mass emails"**  
within the 45 days

ONLY

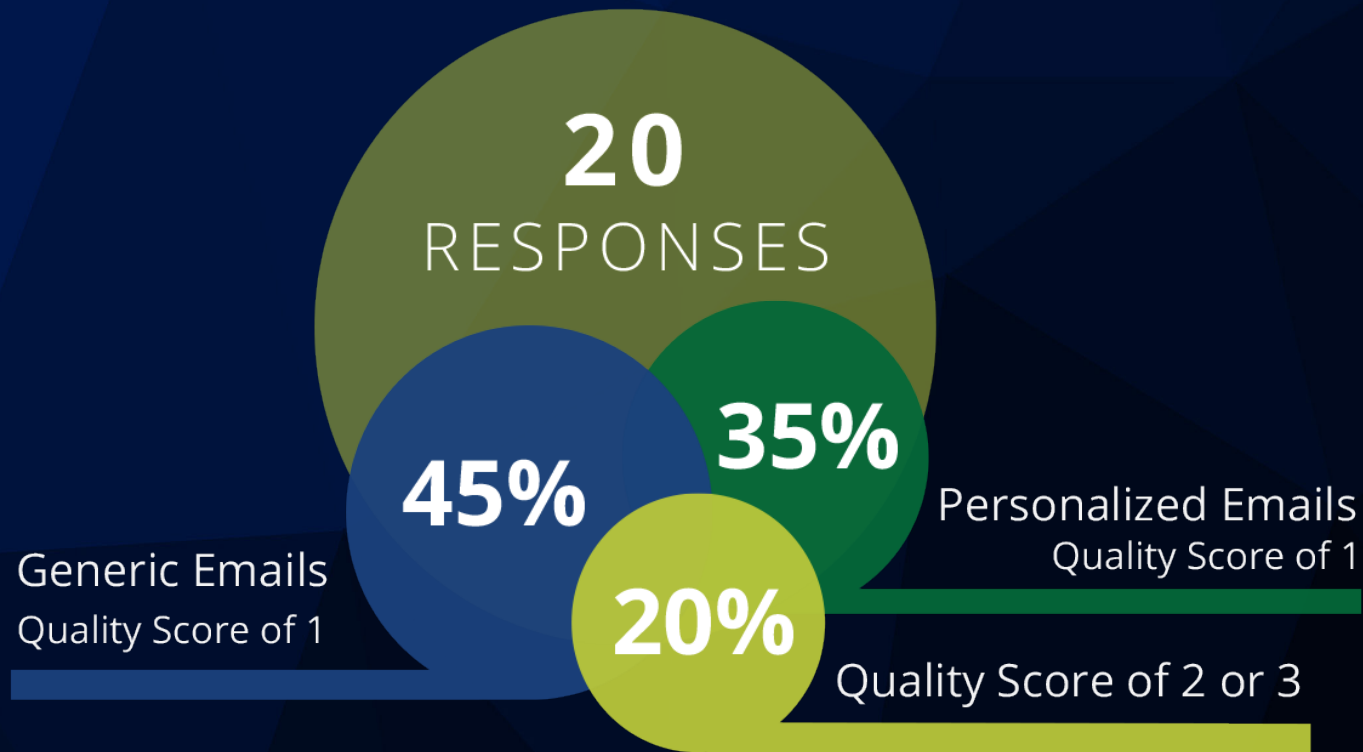
3%

MADE MORE THAN **1 PHONE CALL**  
& MORE THAN **2 EMAILS**

Despite a change in the total number of home builders shopped, this results was exactly the same as previous years. This leads us to believe that the results we will review next would also be consistent if the sample size was increased.

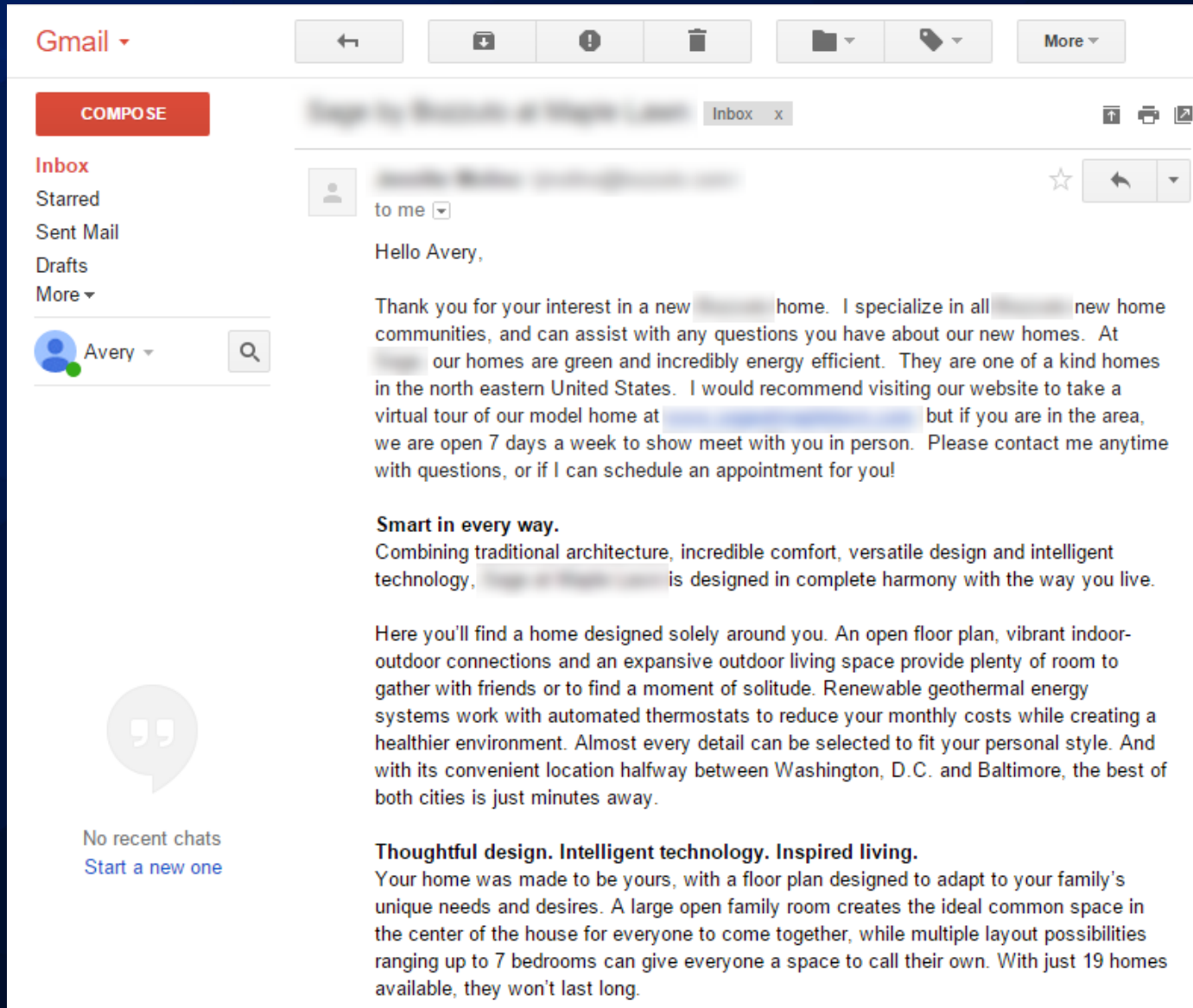


# INITIAL RESPONSE QUALITY



In the following pages, we will dive deeper into examples of specific emails to show you more clearly what caused the different scores to be applied.

# ANALYSIS: Generic Emails

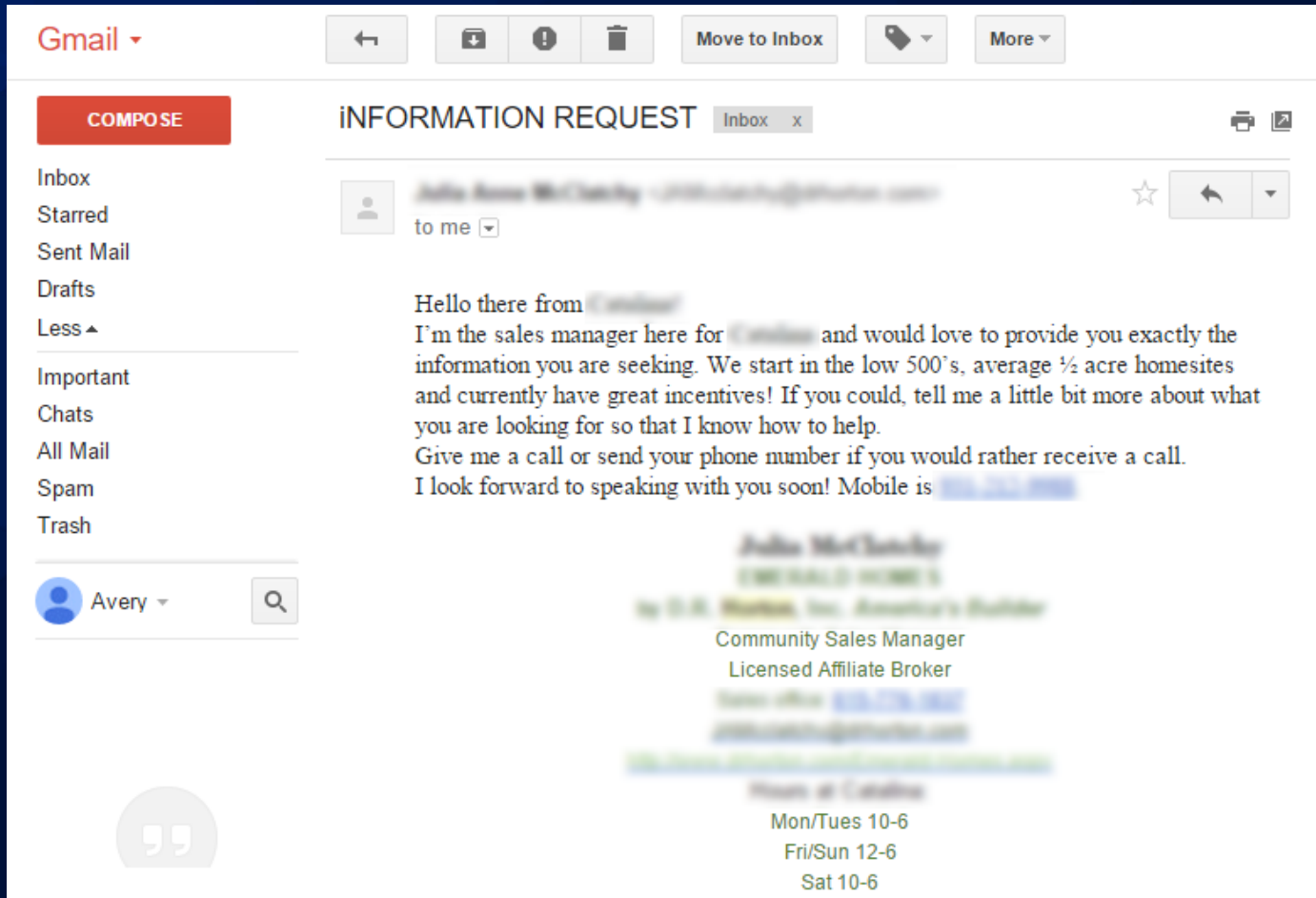


We labeled emails that were obviously not personal, but were attempting to look like they were.

This example is only HALF of the full email. Real people don't talk - or write - this way.

Generic emails always received a quality score of 1 because they can actually be damaging to your potential of success. The individual sending them may come across as disingenuous - lowering the amount of trust from the prospect.

# ANALYSIS: Personal Emails

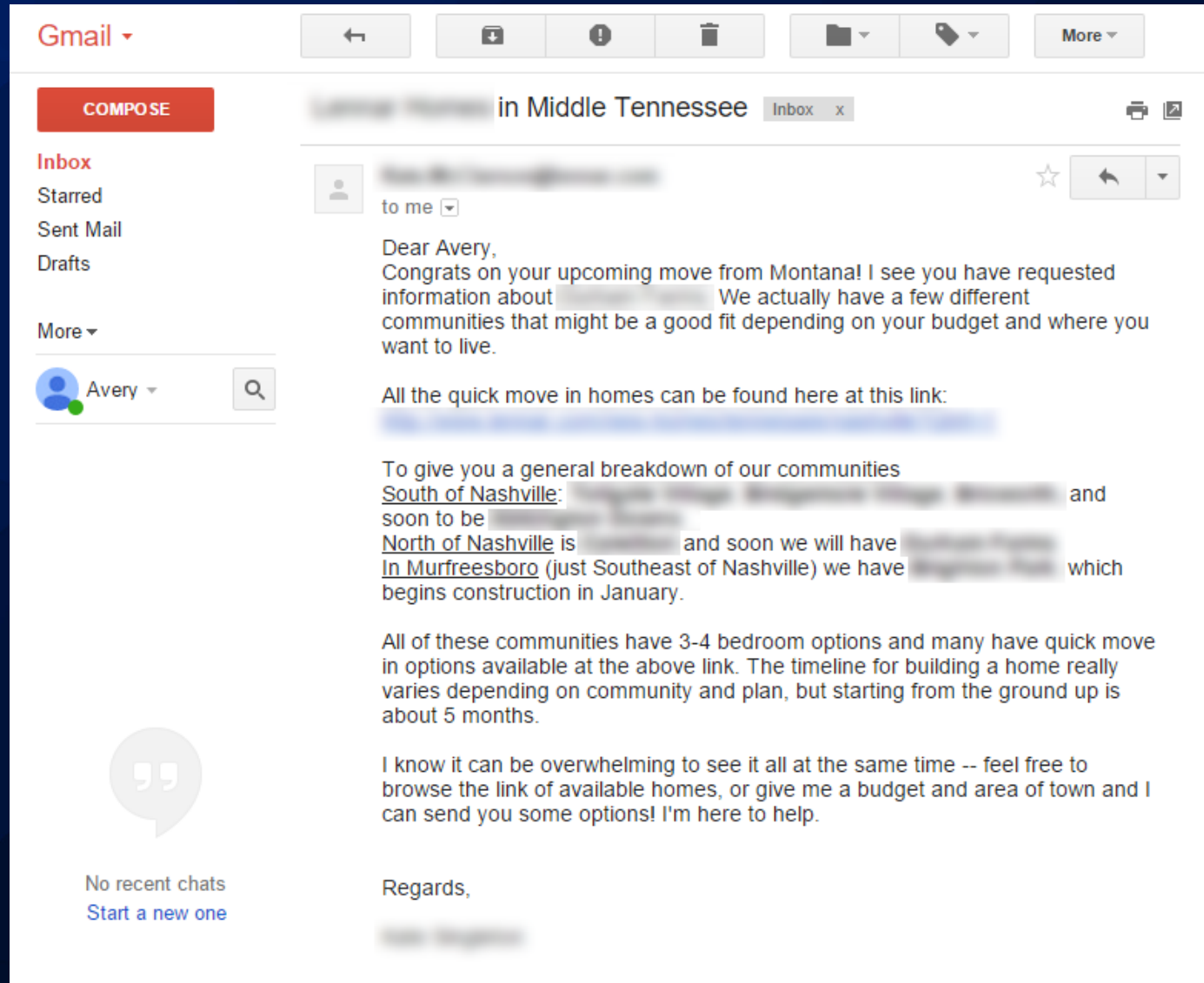


Emails were considered personal if **it appeared** that it could have been personally written by an individual. The quality of personal emails varied widely, and so we will show you two extreme examples.

This email received a conversion quality score of 1. While it appears personal, it ignores every detail given - and every question asked - by our shopper.

It also includes several formatting errors, and includes an unprofessional looking email signature.

# ANALYSIS: Personal Emails



This is hands down the best email that we received. It opens with an acknowledgement that the personal details the shopper shared were listened to - and a congratulations.

The email is well formatted and looks professional. It also addresses each question and specific detail the builder had to work with.

This is the kind of email that cuts through the follow-up clutter and truly connects with people.

## ANALYSIS: Phone Calls



You can click the image above to hear an example of very typical voicemail. There isn't anything wrong with what is said, however it doesn't really add any value to the prospect or attempt to begin a relationship. **It feels cold and transactional.**

## ANALYSIS: Phone Calls



Click the image above to hear an example of **the very best kind of voicemail**. The online sales counselor expresses genuine interest in the prospect even though they haven't yet connected. She even shares how she once was in a similar situation - perfection!





# AVERAGE QUALITY SCORE

0.8

OUT OF 3

Our overall average score of all follow-up received shows that even if other companies may have a process in place to respond to leads, you can still easily stand out from the crowd by connecting more deeply with those prospects that provide you additional details or ask specific questions.



# Quality Must Improve

While a lot of companies have put online sales processes and people in place, they often over-rely on technology to be as effective as possible.

There are simply too many generic, pre-written messages in place that do not address a prospect as an individual looking to make a large purchase with unique needs. Rather, **the majority of follow-up ignores nearly all details the individual has shared, and instead asks them to re-qualify themselves as a “real” lead** by answering the same questions again.

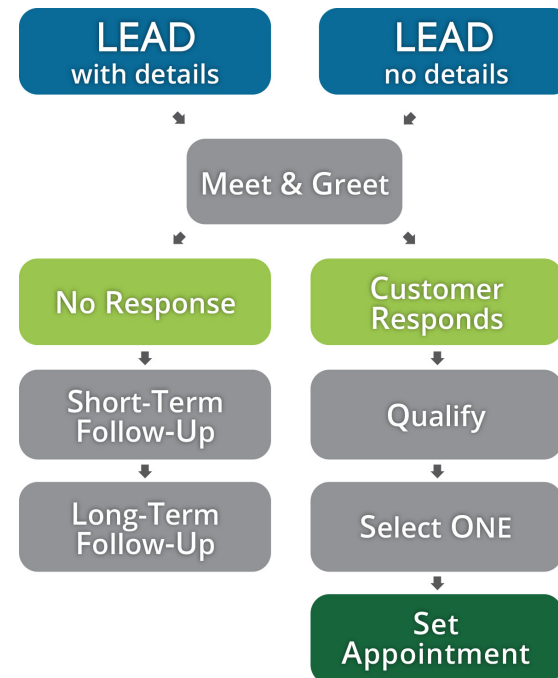
Ultimately, these results convey a lack of overall conviction that online leads are as qualified—or often more qualified—than walk-in traffic.

## RECOMMENDATIONS

# Personalize Your Process

All leads are valuable, but not all leads are equal. **We need to be more intentional with our first 5 points of contact before we drop someone into any kind of automated marketing campaign.** We can base these decisions on where the lead comes from, or the amount of information shared.

Looking at the simplified follow-up process to the right, **the Meet & Greet (or initial follow-up) must be adapted** based upon if the lead shares personal details or asks specific questions. A one-size-fits-all approach is not effective.



# Your Opportunity



## Be **RESPONSIVE.**

Speed matters. Commit to responding in less than 15 minutes.

## Be **PERSONAL.**

Treat each prospect as an individual based on the data you have.

## Be **PERSISTANT.**

Join the 3%. Follow-up with more than 1 call and 2 emails.

## Be **EFFECTIVE.**

Efficiently checking off tasks is not the goal. Making connections is.



## The #1 New Home Sales CRM Solution

Wherever you go - **we'll be there.**

Elegantly designed to work on the widest range of devices possible to keep your team productive wherever they go.

Effortless to use. **Easy to personalize.**

Our goal is to make CRM technology accessible, relevant, and more personal to you - and your customers.

We're **#1 in service** too.

Current Lasso users are our #1 source of referrals. We're there for you throughout deployment, training, and beyond.

“Our sales have increased roughly 44% since we've implemented Lasso.”

**Chris Hartley**  
VP of Sales & Marketing  
Dunhill Homes



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