



# 2015-16 HOME BUYER CONVERSION REPORT

**Bōkka**<sup>®</sup>  
G R O U P

*Produced by the Bokka Group*

*Conducted by Home Innovation Research Labs*

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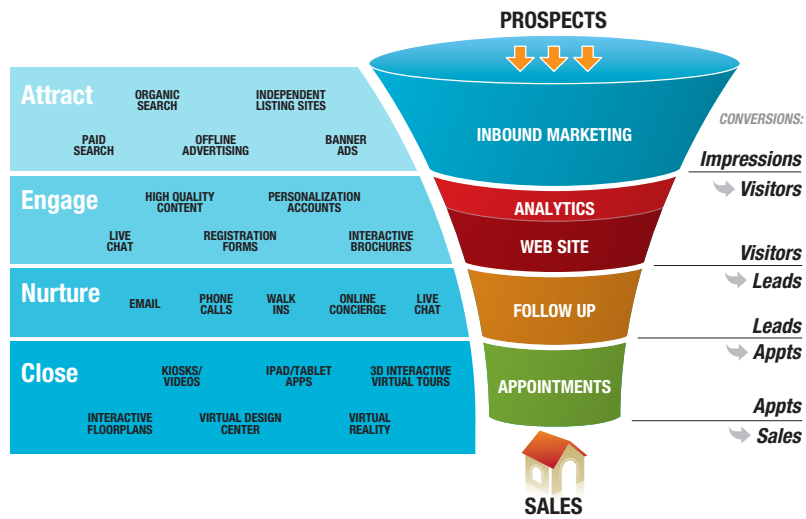


FIG 0 - THE SALES CONVERSION FUNNEL: Homebuyers enter as prospects and progress toward becoming buyers through conversion methods illustrated above.

**THE AIM OF THIS STUDY** is to focus on the digital tools and technologies used to facilitate conversions in four distinct areas of the new home marketing and sales process:

**ATTRACTION PHASE** - Inbound marketing strategy needs to produce a high number of quality marketing impressions that are converted to visitors.

**ENGAGEMENT PHASE** - Visitors to the builder’s web site are intrigued by compelling visuals, videos and rich content.

**NURTURING PHASE** - Buying is about relationship cultivation. Phone conversations, email correspondence, online concierge and chat services all reach out to assure prospective purchasers that customer satisfaction is the builder’s highest goal.

**CLOSING PHASE** - At the sales center, online perception meets reality. Visitors may use community videos, interactive kiosks and virtual design centers to verify their interest.

## SALES FUNNEL CONVERSIONS

*“Fifty percent of all marketing works, the problem is that nobody knows which fifty percent.”*

—UNKNOWN

**THE BOKKA GROUP’S HOME BUYER CONVERSION STUDY** underscores the importance of digital tools designed to guide prospects through the Sales Funnel. By positioning the web site and analytics software at the core of the funnel (fig. 0), it’s possible to determine which marketing and sales tactics are effective and which are not. The *Home Buyer Conversion Study* specifically relates to the use of these tools to convert prospects to buyers.

### THE PURPOSE OF THE RESEARCH:

- Provide home buyer data to new home builders that do not currently exist regarding digital tools and their influence on sales funnel conversions.
- Improve sales efficiencies and customer experience through the use of the most effective digital tools.

### THE STUDY ANSWERS THE FOLLOWING QUESTIONS:

1. What attracts visitors to a particular builder’s web site?
2. What tools and web site components influence buyers’ decisions to provide their personal information to builders?
3. What tools and web site components influence buyers’ decisions to visit builders’ sales centers/model homes?
4. What tools and digital components (as well as content) within a sales center influence prospects’ decisions to buy?

# What's new in this year's report?

**AFTER OVER 3 YEARS OF CONVERSION REPORTING**, new tools and technologies have gained widespread acceptance with home buyers. Also in this period of time, builders' needs have evolved, requiring data that enable them to prioritize spending on these technologies.

In order to accommodate this, the study has expanded to include important *new technologies, prioritized ranking for tools and content, and new demographic profiles.*

As a result, much of the historical data can not be included on the charts, since the questions and demographic profiles are not the same as previous years. However, the authors of the study believe it a worthy trade-off to have the newer, more applicable information for builders and marketers to use.

## NEW TECHNOLOGIES

As technologies have emerged and evolved, some have begun to change the new home buying and building experience. The following have been significant enough for inclusion in this year's report, including:

- Interactive feature changes
- Virtual design center
- 3D interactive tours
- Virtual reality tours

## TOP-RANKED TOOLS AND CONTENT

In some cases, multiple tools or content were considered equally influential to many buyers. In order to give builders better information for prioritizing budgets, the study incorporates rank data to give deeper insight into what is MOST important or influential to buyers.

## NEW DEMOGRAPHIC PROFILES

As Millennial home buyers have become a major force in the industry, the demographic profiles within the report have been adjusted to better align with generational attributes:

- Millennials (age 18-36)
- Generation X (age 37-51)
- Baby Boomers and up (age 52+)

These new profiles can be found on the following page, as well as in the demographic break-downs for each question of the study.

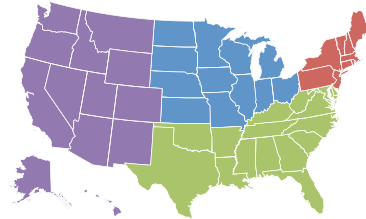
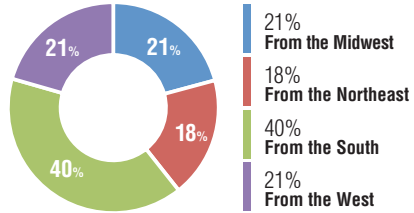


## AUDIENCE DEMOGRAPHICS

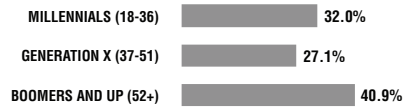
THE STUDY FOCUSED ON RECENT NEW home buyers throughout the United States. The largest number (40%) of respondents were from the South, as indicated in Fig. 1 below. The majority of buyers (83%) stated they were married at the time of the survey.

FIG 1:

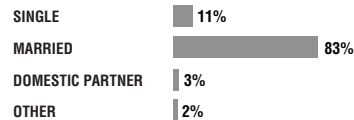
### Geography



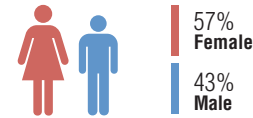
### Generation (Age in years)



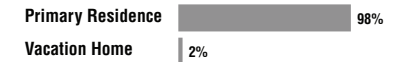
### Marital Status



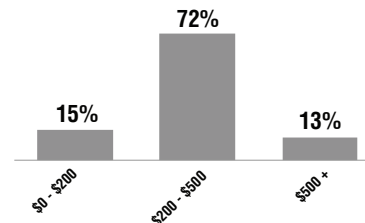
### Gender



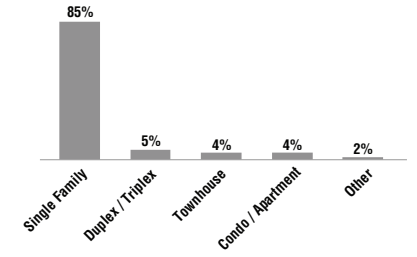
### Purpose



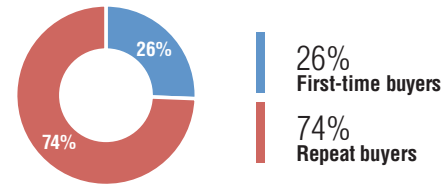
### Home price (in thousands)



### Home type



### First-time / Repeat buyer

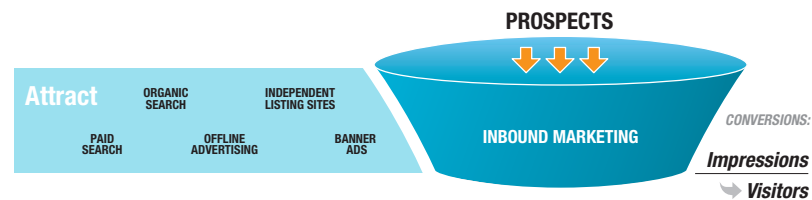


### AUDIENCE HIGHLIGHTS:

- 74% were repeat buyers, 26% first-time buyers, 83% were married
- 85% purchased single family homes
- 57% female, 43% male respondents
- 87% purchased homes under \$500,000
- All respondents were qualified as being involved in the decision-making process of the home purchase.

# 1. Tools for attracting buyers

## THE TOP OF THE FUNNEL

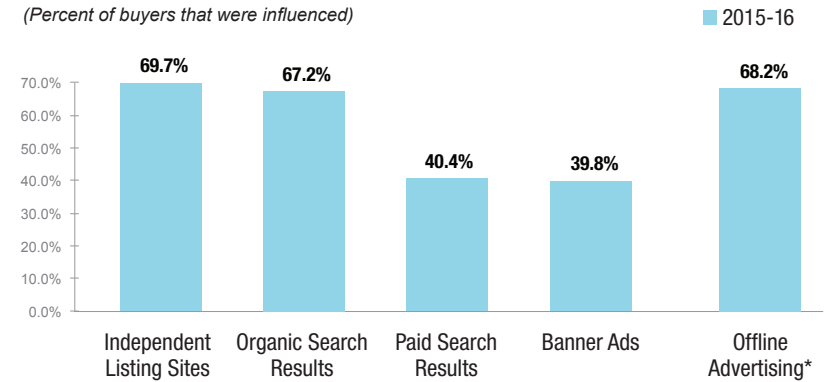


**THE ATTRACT PHASE OF THE NEW HOME SALES FUNNEL** is often where most builders' marketing budgets are spent - especially as it pertains to offline advertising (print, outdoor, tv, etc.). The goal of this stage of the funnel should be to convert brand impressions into actual web site visitors. This study identifies what the top tools are for achieving these impression-to-visitor conversions.

FIG 3:

## Marketing Channel Influence in Attracting Buyers to Home Builder Web Sites:

(Percent of buyers that were influenced)

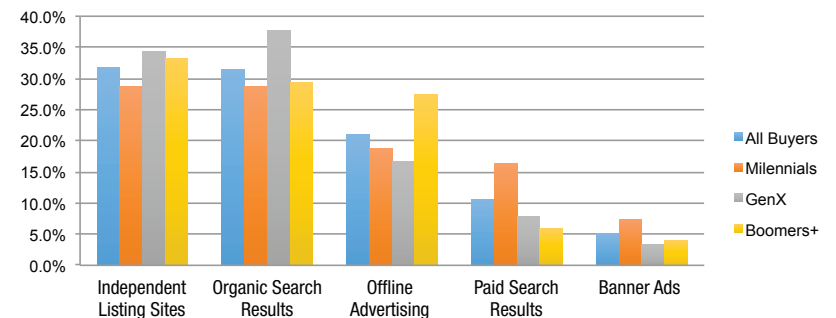


**FIG 3:** The influence and effectiveness of various marketing channels in drawing buyers to builder web sites. These are primarily digital methods which are commonly used by home builders. \*Offline advertising (such as print, TV, radio, etc.) is very broad category and cannot be compared accurately with the digital channels here, but was included in the study for a baseline reference comparison of offline/online media.

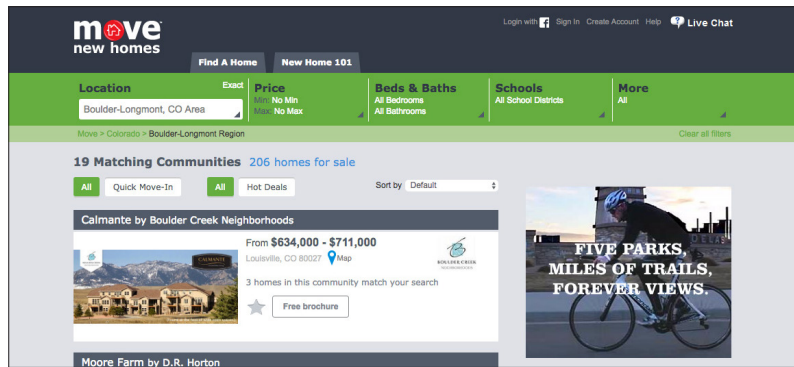
FIG 4:

## Most Influential Marketing Channel when Researching Home Builder Web Sites:

(Percent of buyers that stated channel was most influential)



# INDEPENDENT LISTING WEB SITES

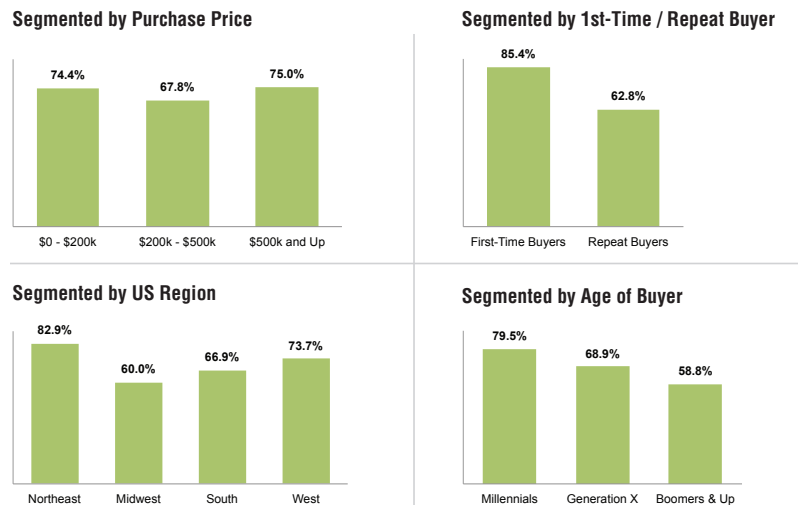


LISTING WEB SITES such as Move.com, Zillow, Trulia, etc. aggregate new home listings for display online. Some are paid subscription sites that charge builders to list homes. Visitors can view pricing, model information, elevations, floor plans, community information, etc. Listing web sites are portals through which visitors are introduced to builders and their homes.

FIG 5:

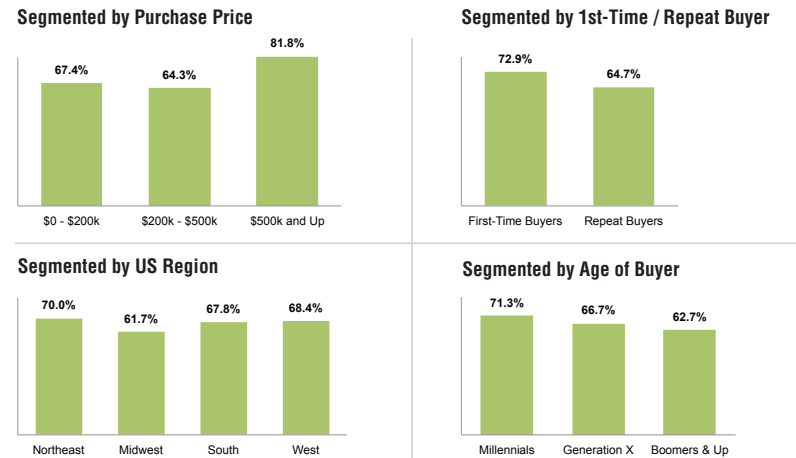
## Influence of Independent Listing Sites in Attracting Buyers to Home Builder Web Sites:

(Percent of buyers that were influenced) 2015-16

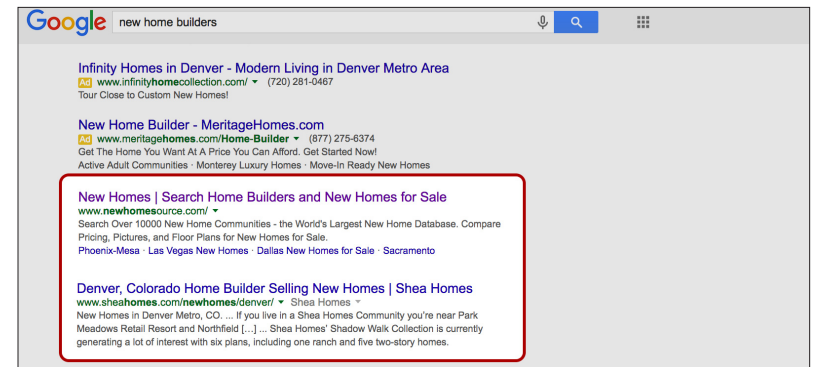


## Influence of Organic Search Results in Attracting Buyers to Home Builder Web Sites:

(Percent of buyers that were influenced) 2015-16



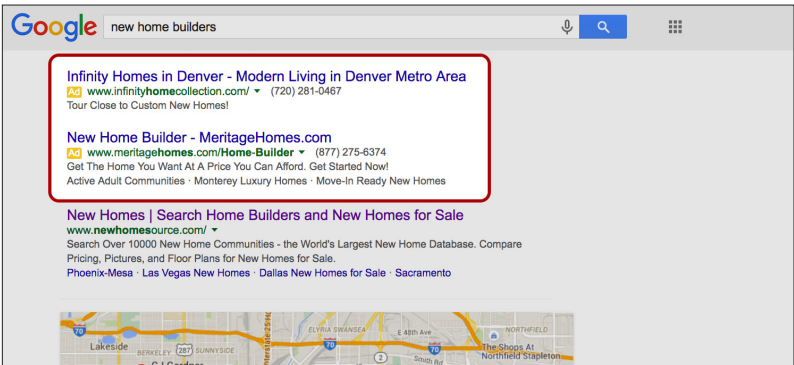
## ORGANIC SEARCH RESULTS



ORGANIC SEARCH: Organic search results display web sites served by search engines such as Google and Bing based on the relevancy of their content to the search criteria entered. (NOTE: many listing web sites are well-indexed and show up at the top of the results pages).

FIG 8:

# PAID SEARCH ENGINE RESULTS



**PAID SEARCH ENGINE RESULTS:** This includes advertising based on a pay-per-click (PPC) model targeting search words and phrases entered in search engines such as Google and Bing. This is an quick way for builders to pay to have their web site show up at the top of search results.

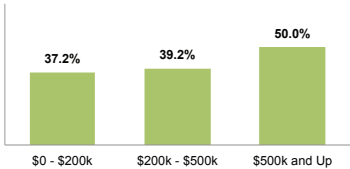
FIG 7:

# Influence of Paid Search Results in Attracting Buyers to Home Builder Web Sites:

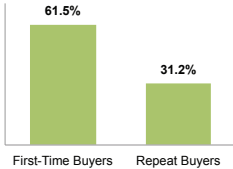
(Percent of buyers that were influenced)

2015-16

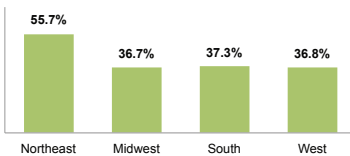
Segmented by Purchase Price



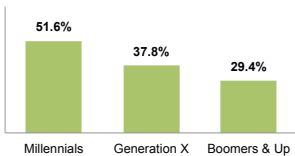
Segmented by 1st-Time / Repeat Buyer



Segmented by US Region



Segmented by Age of Buyer

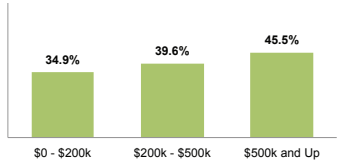


# Influence of Banner Advertisements in Attracting Buyers to Home Builder Web Sites:

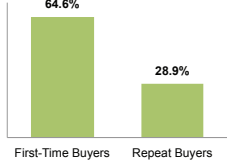
(Percent of buyers that were influenced)

2015-16

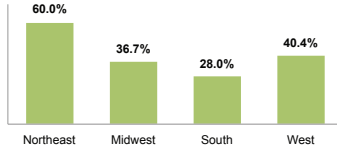
Segmented by Purchase Price



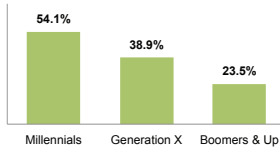
Segmented by 1st-Time / Repeat Buyer



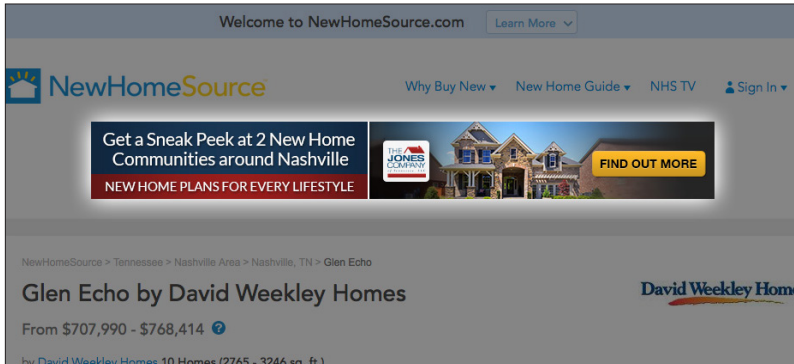
Segmented by US Region



Segmented by Age of Buyer



# BANNER ADVERTISEMENTS



**BANNER ADS:** Also called “display ads,” banners entice prospective home buyers to seek more information. As one of the starting points in the Attraction Phase, these ads measure performance in terms of impressions and click-throughs. They can also “retarget” users that have previously engaged with the builder’s web site or digital marketing.

## DIGITAL TOOLS THAT INFLUENCE BUYERS DURING THE RESEARCH PHASE

IT IS ESTIMATED THAT BETWEEN 1-3% of web site visitors engage on a home builder web site by subscribing to a newsletter, requesting more information, scheduling an appointment, or other form of opt-in. That means that for every 1,000 people who visit your site, as many as 990 leave the web site without any opportunity for a sales person to engage, qualify and nurture that lead.

Online tools that engage buyers and provide high-quality information valuable to a potential home buyer's research process increase the amount of time a visitor spends on a builder web site, as well as the likelihood that a buyer will register for more information.

So which tools do buyers most rely on when researching a home builder's web site and how do we create engaging online experiences that move buyers through the sales funnel?

We asked recent home buyers to review six of the most popular home builder web site tools and tell us which one(s) they considered important during their new home research.

### The six tools included:

- Photo galleries
- Interactive floor plans
- Interactive Feature Changes
- 3d Interactive Tours
- Videos
- Virtual Reality Tours

FIG 9:

## Items Considered Important when Researching Home Builder Web Sites:

(Percent of buyers that considered item important)

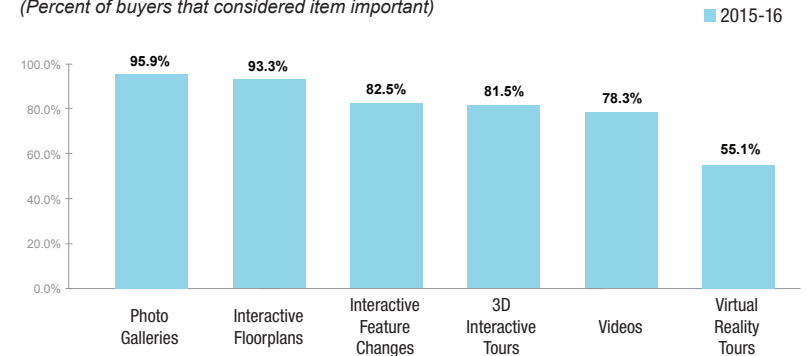


FIG 8: Many of the tools were considered important by buyers during the research phase of the home buying process. New to the list is Virtual Reality Tours (requiring special VR goggles), which is gaining in use among builders and buyers, although it is not yet as widely accepted.

FIG 10:

## Most Important items to Buyers when Researching Home Builder Web Sites:

(Percent of buyers that stated item was most important)

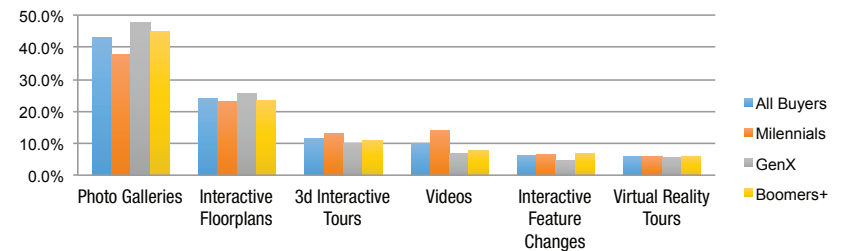
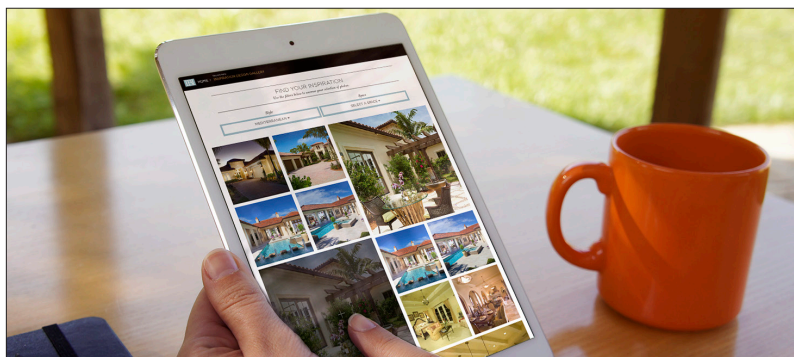


FIG 8: Since so many of the tools are considered "important" to buyers, how should builders prioritize when on a limited budget? Photo galleries clearly rank as the most important item to invest in, across every demographic.

## PHOTO GALLERIES



**PHOTO GALLERIES:** Builder photography should be of the highest quality and include multiple perspectives that invite buyers to learn more.

FIG 11:

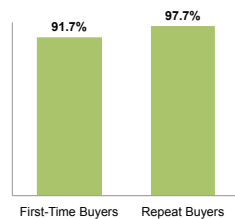
## Importance of Photo Galleries when Researching Home Builder Web Sites:

(Percent of buyers that considered item important)

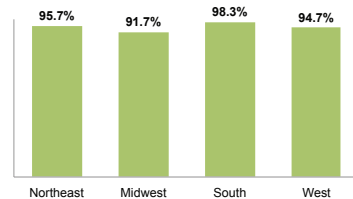
### Segmented by Purchase Price



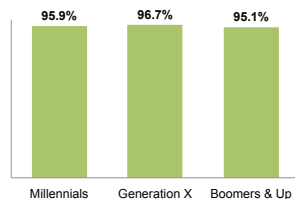
### Segmented by 1st-Time / Repeat Buyer



### Segmented by US Region



### Segmented by Age of Buyer

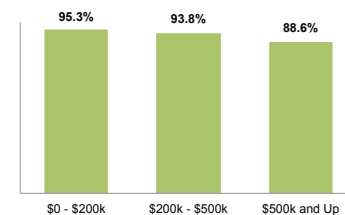


## Importance of Interactive Floor Plans when Researching Home Builder Web Sites:

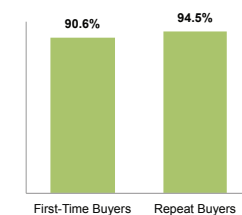
(Percent of buyers that considered item important)

■ 2015-16

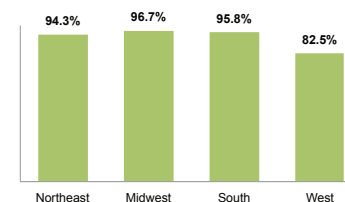
### Segmented by Purchase Price



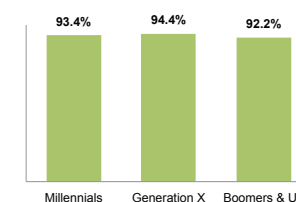
### Segmented by 1st-Time / Repeat Buyer



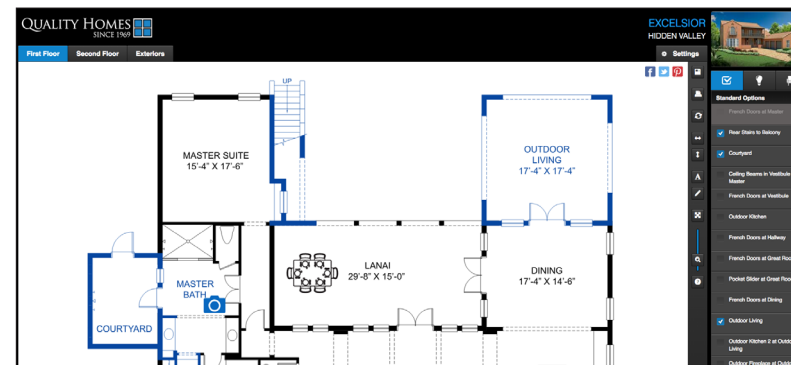
### Segmented by US Region



### Segmented by Age of Buyer



## INTERACTIVE FLOOR PLANS



**INTERACTIVE FLOOR PLANS** allow prospects to visualize/customize plans they are considering. With different options, plan configurations, elevations and photos, users can save their plan to bring into a sales center. This adds value to the experience for both buyer and builder.



## INTERACTIVE FEATURE CHANGES



**INTERACTIVE FEATURE CHANGES:** Current technology allows home shoppers to customize features of the home such as kitchen/room configurations and see high-quality renderings of their changes before committing to purchase.

FIG 13:

## Importance of Interactive Feature Changes when Researching Home Builder Web Sites:

(Percent of buyers that considered item important)

■ 2015-16

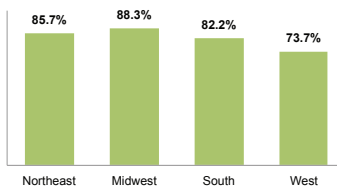
### Segmented by Purchase Price



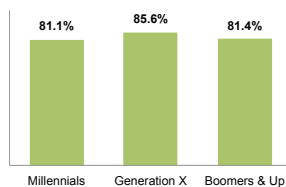
### Segmented by 1st-Time / Repeat Buyer



### Segmented by US Region



### Segmented by Age of Buyer

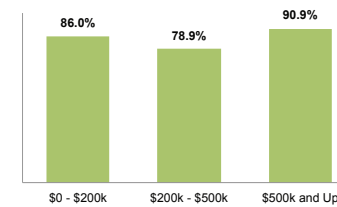


## Importance of 3D Interactive Tours when Researching Home Builder Web Sites:

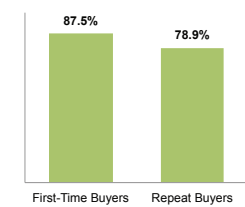
(Percent of buyers that considered item important)

■ 2015-16

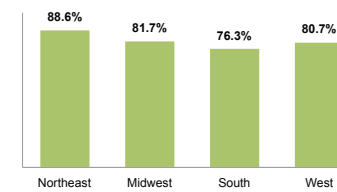
### Segmented by Purchase Price



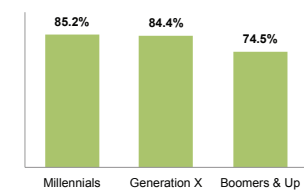
### Segmented by 1st-Time / Repeat Buyer



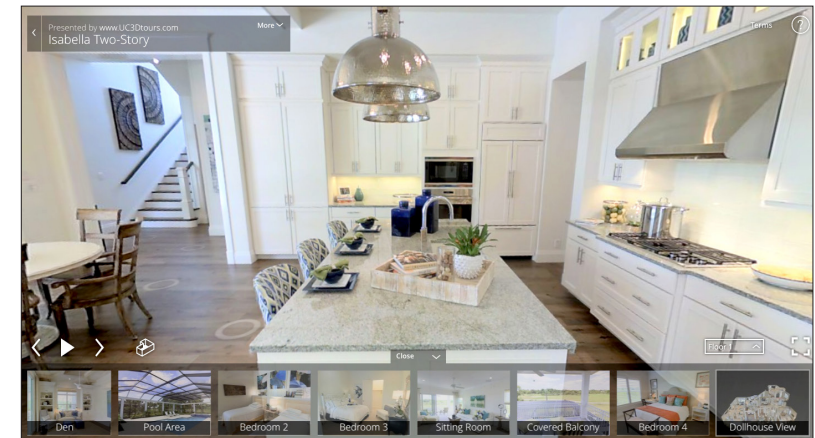
### Segmented by US Region



### Segmented by Age of Buyer



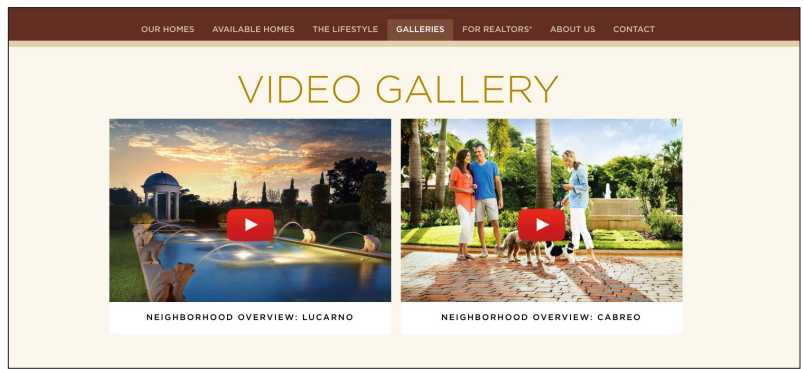
## 3D INTERACTIVE TOURS



**3D INTERACTIVE TOURS:** These are web site tours controlled by the user. The user has the ability to navigate from room to room and look around 360 degrees, as if they were inside the home.

FIG 16:

# VIDEOS



**VIDEOS:** As online video has become the norm, users of all ages expect to see video on a builder's web site (or YouTube channel). Videos are a good way to keep visitors engaged with web site content, instead of expecting them to read large amounts of copy.

# Importance of Virtual Reality Tours when Researching Home Builder Web Sites:

(Percent of buyers that considered item important)

2015-16

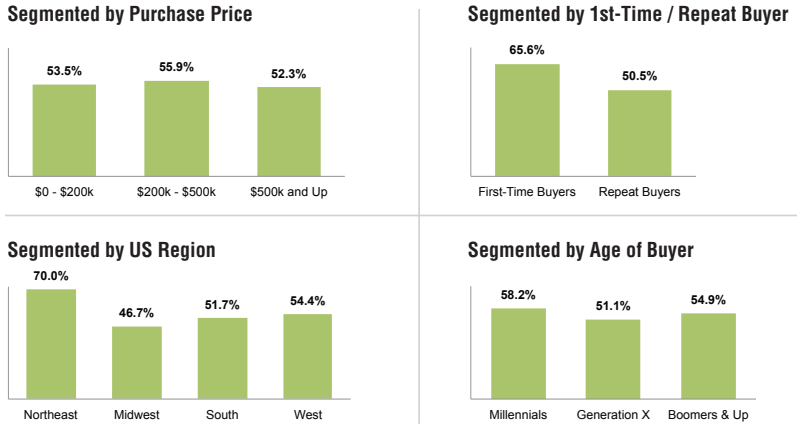
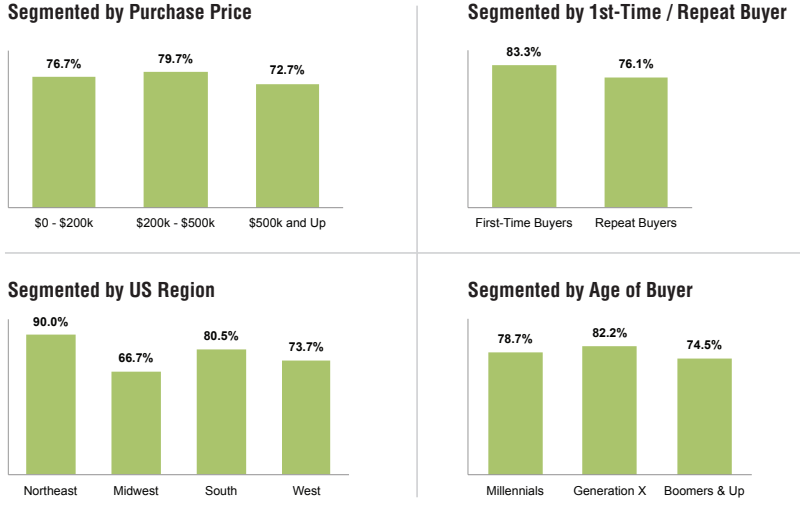


FIG 15:

# Importance of Videos when Researching Home Builder Web Sites:

(Percent of buyers that considered item important)

2015-16



# VIRTUAL REALITY TOURS



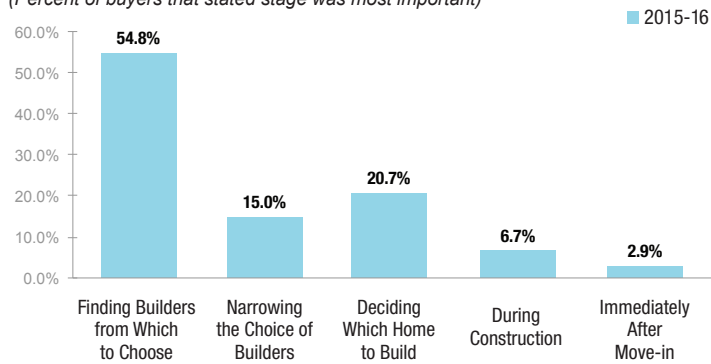
**VIRTUAL REALITY TOURS:** With technology such as Google Cardboard, virtual reality is now available to anyone with a smartphone. Builders can create virtual reality versions of their homes and models for prospects to tour without leaving their own homes.



FIG 17:

## Stage of the Home Buying Process Considered Most Important for Using Social Media:

(Percent of buyers that stated stage was most important)

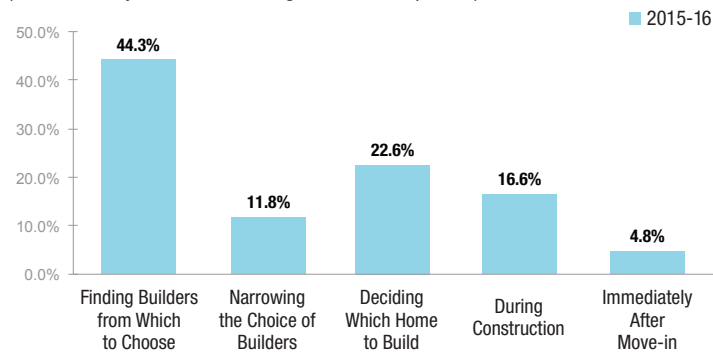


**SOCIAL MEDIA USAGE:** When considering how to invest in social media, builders should first consider which phases of the home buying experience are most important to the customer.

FIG 18:

## Stage of the Home Buying Process Considered Most Important for Using Smart Phones:

(Percent of buyers that stated stage was most important)



**SMART PHONE USAGE:** Designing experiences for mobile should also consider the context in which users are using their phones. When conducting user testing for mobile experiences, it's best to start with the phase considered most important to the customer.

# 2. Tools for engaging buyers

## ENGAGING AND ANALYZING



**WHEN POSITIONED AS THE HUB OF A BUILDER'S FUNNEL**, the web site becomes the most valuable tool for engaging prospects and converting them to leads. This method is extremely accountable in terms of tracking the sources of leads and optimizing the conversion rate.

**IN THE FIRST SECTION WE LOOKED AT THE SALES FUNNEL AND THE TOOLS USED FOR ATTRACTING** potential home buyers. In this section, the report explores how builders can engage web site visitors and lead them into a relationship based on providing valuable, targeted content in ways that suit today's buyers.

Just as different prospective buyers who visit your sales office are at different stages of the buying process, prospects who visit your web site are also at different stages of the process. The tools that attract them to your web site (SEO, listing sites, paid search) and initial engagement tools (photo galleries, interactive floor plans) may be the same, but that is where the similarity ends.

Buyers will opt-in and engage on a home builder web site for very different reasons based on where they are in their own decision making process. Different buyers need different types of information, different methods of contact and different forms of lead nurturing after they register.

Because of this, it is essential for builders to be aware of the Sales Funnel and where their prospects are within it. Once this is done, they can select the appropriate tools to build a lasting customer experience for prospective buyers, wherever they are in the process, whether online or on-site.

What things influence potential buyers to risk their anonymity and provide all-important contact information? Let's find out...

FIG 19:

## Items that Influence Buyers to Provide Their Contact Information to Home Builders:

(Percent of buyers that are influenced)

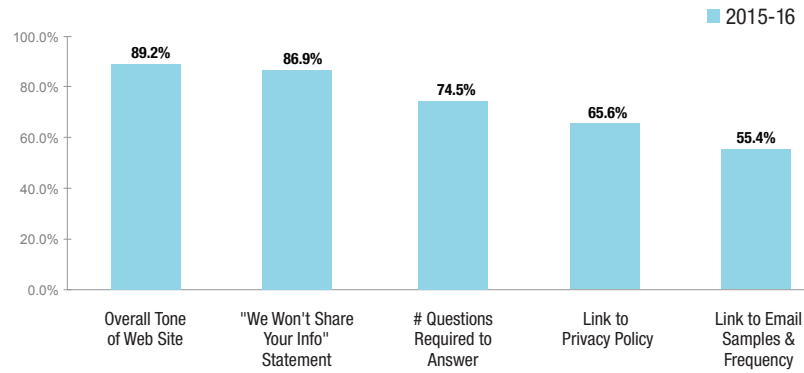


FIG 8: Many of the above items are considered "best practices" for creating forms that capture lead information from a web site visitor, and all are worthy of inclusion to optimize conversion.

FIG 20:

## Most Influential item when Deciding to Provide Contact Details on Home Builder Web Sites:

(Percent of buyers that stated item was most influential)

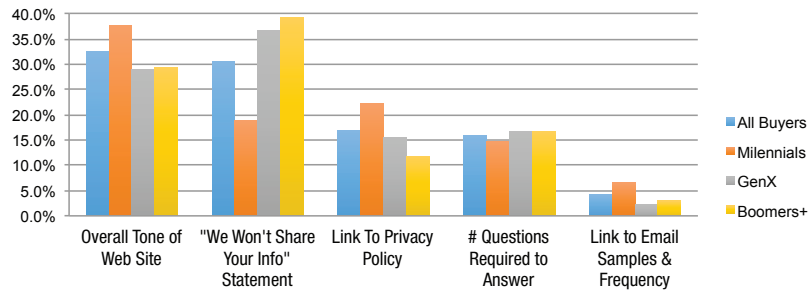


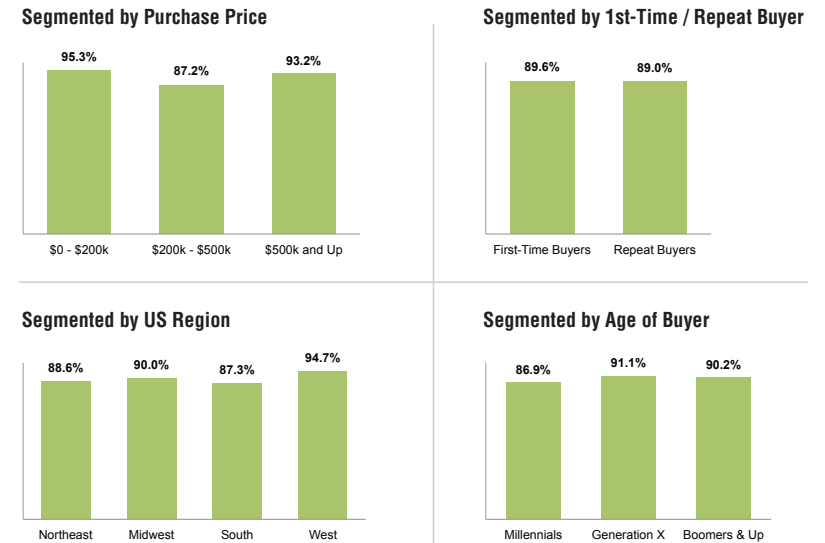
FIG 8: Although most buyers consider the web site tone as highly influential, it's apparent that older buyers place the highest value on knowing that their personal information will not be shared with others.

FIG 21:

## Influence of Web Site Tone on Buyers' Decision to Share Contact Info with Home Builders:

(Percent of buyers that are influenced)

■ 2015-16

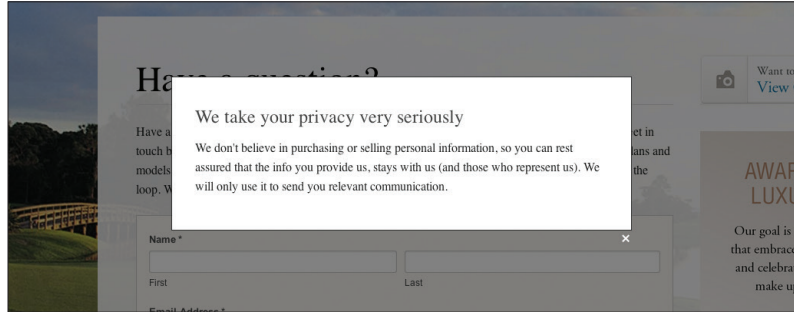


## OVERALL TONE OF WEB SITE



OVERALL TONE OF WEB SITE: A trustworthy and professional tone is highly influential in converting visitors to leads. User testing with prospects and buyers can reveal many quick-fixes to improve the overall tone and trustworthiness.

## “WE WON’T SHARE...” STATEMENT



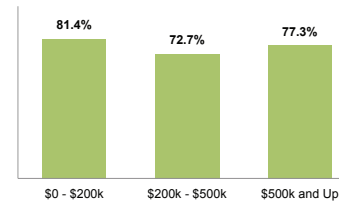
“WE WONT SHARE”: A builder’s commitment to data privacy continues to be very influential in a prospect’s decision about whether or not to share their contact information.

## Influence of Form Length on Buyers’ Decision to Share Contact Info with Home Builders:

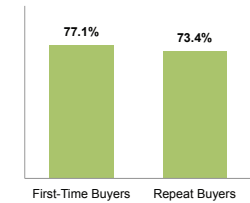
(Percent of buyers that are influenced)

■ 2015-16

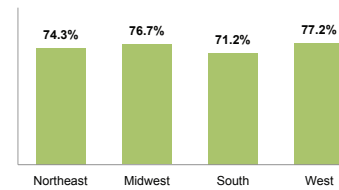
Segmented by Purchase Price



Segmented by 1st-Time / Repeat Buyer



Segmented by US Region



Segmented by Age of Buyer

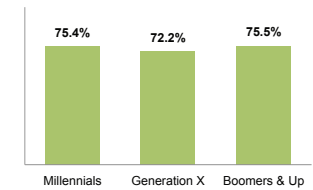


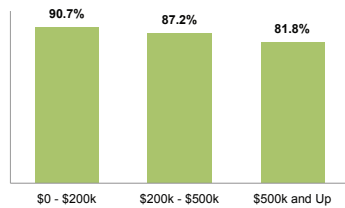
FIG 22:

## Influence of “We Won’t Share...” Statement on Buyers’ Decision to Share Contact Info with Home Builders:

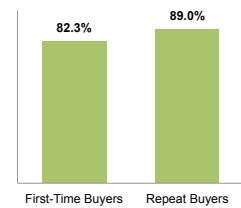
(Percent of buyers that are influenced)

■ 2015-16

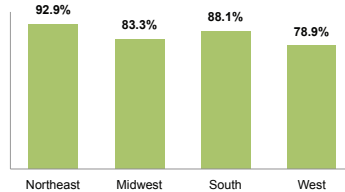
Segmented by Purchase Price



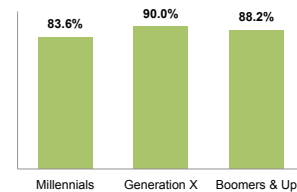
Segmented by 1st-Time / Repeat Buyer



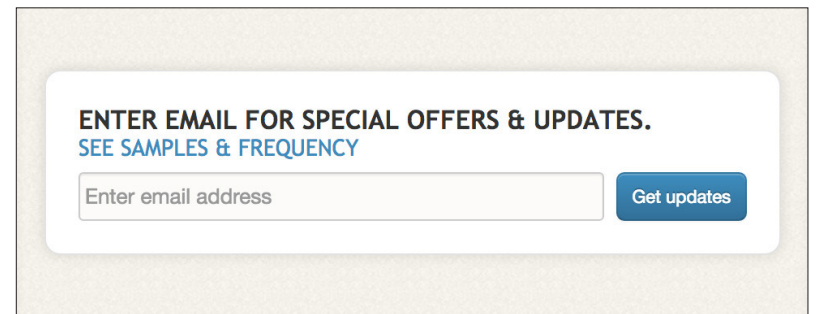
Segmented by US Region



Segmented by Age of Buyer

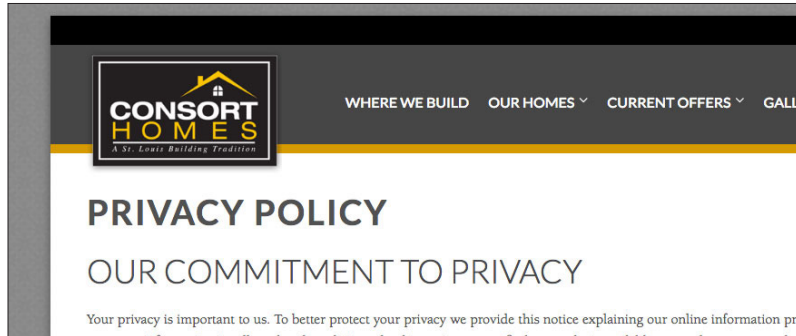


## NUMBER OF QUESTIONS REQUIRED ON FORM



Today’s web users prefer the path of least resistance. Creating easy-to-read, easy-to-navigate forms that are designed to capture minimal information reduces friction and increases leads.

## LINK TO PRIVACY POLICY



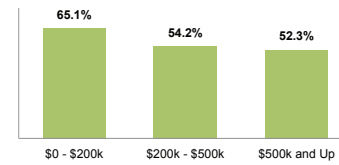
**LINK TO PRIVACY POLICY:** The influence of a prominently placed privacy policy link gives prospects peace-of-mind that a builder is committed to their privacy.

## Influence of Link to Email Samples/Frequency on Buyers' Decision to Share Contact Info with Home Builders:

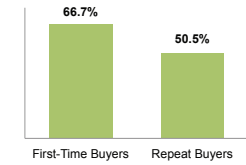
(Percent of buyers that are influenced)

■ 2015-16

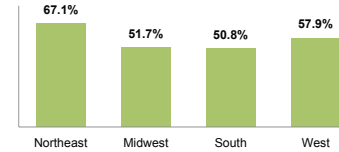
Segmented by Purchase Price



Segmented by 1st-Time / Repeat Buyer



Segmented by US Region



Segmented by Age of Buyer

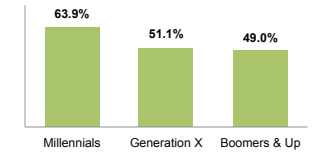


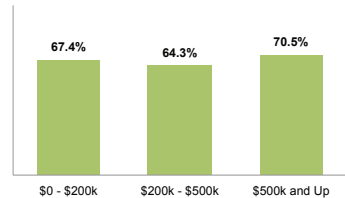
FIG 24:

## Influence of Prominent Privacy Policy Link on Buyers' Decision to Share Contact Info with Home Builders:

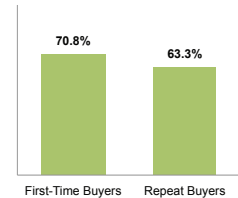
(Percent of buyers that are influenced)

■ 2015-16

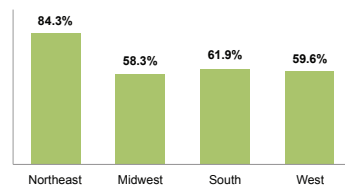
Segmented by Purchase Price



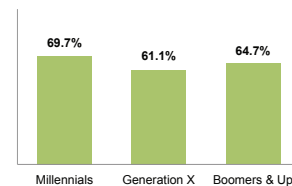
Segmented by 1st-Time / Repeat Buyer



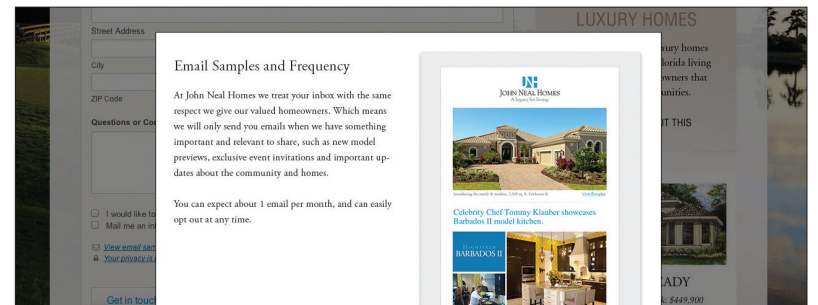
Segmented by US Region



Segmented by Age of Buyer



## LINK TO EMAIL SAMPLES AND FREQUENCY



Links to email samples and disclosures about frequency are an easy way to set proper expectations with potential home buyers. Engaging and nurturing prospects is dependent upon their acceptance of how they will be contacted and how frequently that is likely to occur.

## REASONS TO REGISTER ONLINE

Beyond the seven trust building tools that represent best practice standards for home builder web sites, buyers also indicated that the ability to immediately access high value information was very influential in determining whether or not to register on a home builder web site.

Unlike the home builder best practice tools in the previous section, buyers' definitions of high quality information will vary significantly based on the type of home they are purchasing, their own level of home buying experience and the market in which they are purchasing.

To help us better understand how each of these factors can help builders target their lead conversion and lead nurturing strategies, we asked buyers in all categories to consider five different types of information for which they would be willing to share a name and email address to access.

### THESE INCLUDE:

- Email updates about plans, pricing and promotions
- Gaining access to restricted features
- Personalized follow-up with more information
- Creating an online account to save favorite homes/plans
- Immediate access to a high-resolution, interactive brochure

FIG 26:

## Reasons for Which Buyers are Likely to Register on Home Builder Web Sites:

(Percent of buyers that are likely)

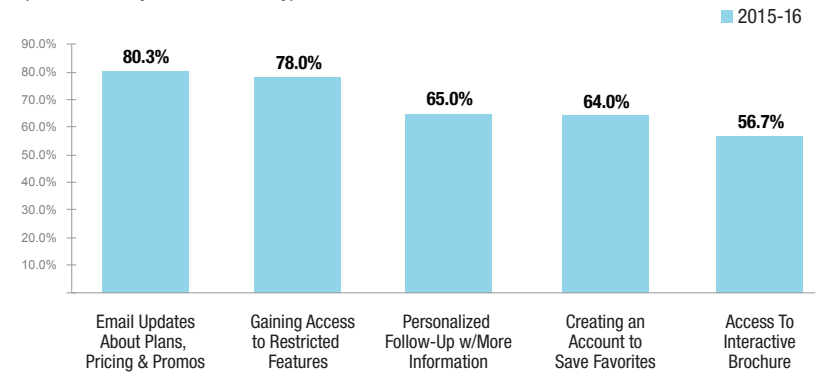
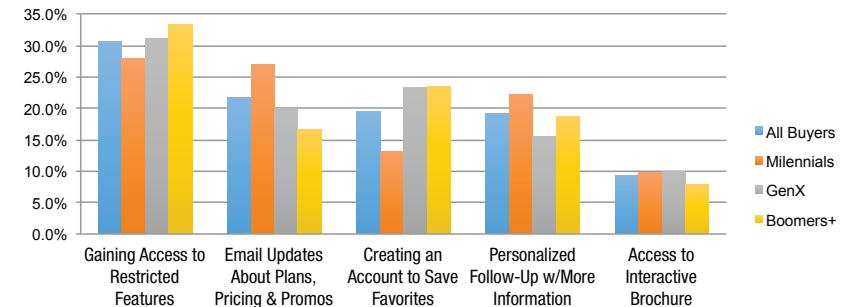


FIG 27:

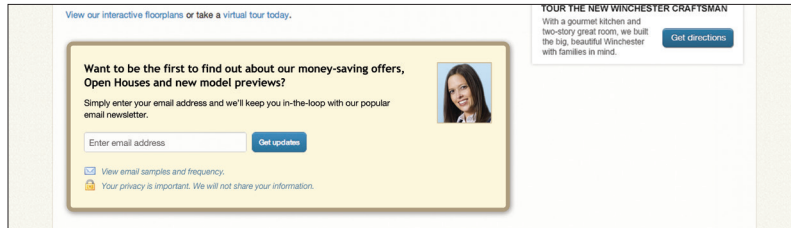
## Reason for Which Buyers are Most Likely to Register on Home Builder Web Sites:

(Percent of buyers that stated item was most likely reason)



When creating a lead conversion point on a web site, it's essential to consider what the user will be getting in exchange for providing their contact information. There are certainly other value propositions a builder can consider, but these are some of the most popular.

## EMAIL UPDATES ABOUT PLANS, PRICING OR PROMOTIONS



With ever-changing market conditions and a longer sales cycle, new home buyers are very willing to give their personal information in exchange for email updates from builders. The more relevant the information is to the buyer, the more likely they are to register.

FIG 28:

## Likelihood that Buyers Will Provide Their Contact Info in Exchange for Email Updates:

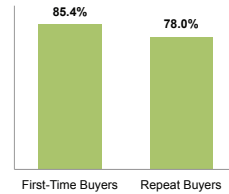
(Percent of buyers that are likely)

■ 2015-16

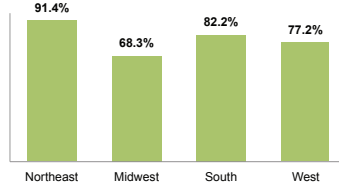
### Segmented by Purchase Price



### Segmented by 1st-Time / Repeat Buyer



### Segmented by US Region



### Segmented by Age of Buyer

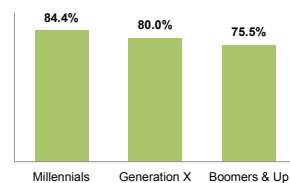


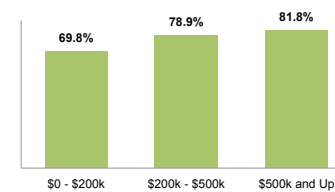
FIG 29:

## Likelihood that Buyers Will Provide Their Contact Info in Exchange for Instant Access to Restricted Features:

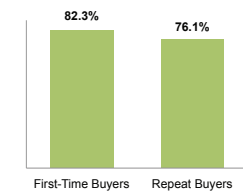
(Percent of buyers that are likely)

■ 2015-16

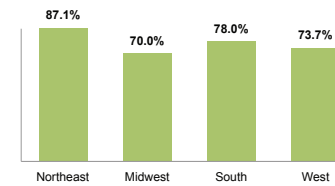
### Segmented by Purchase Price



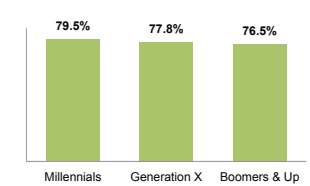
### Segmented by 1st-Time / Repeat Buyer



### Segmented by US Region



### Segmented by Age of Buyer



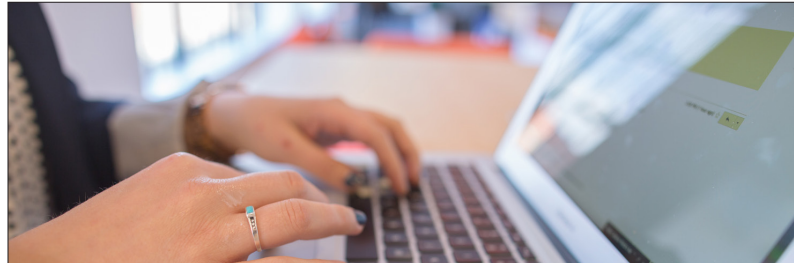
## ACCESS TO RESTRICTED CONTENT



Giving buyers access to restricted content on a web site such as special pricing, virtual tours and digital information kits is another popular way to create value in exchange for a prospect's contact information.



## PERSONALIZED FOLLOW UP FROM A SALES AGENT WITH MORE INFORMATION



Personalized follow up is the most common item builders offer in exchange for their prospects' contact info, (e.g. "Contact us for more information"). It should be offered to all prospects visiting the web site, but isn't the most valued lead conversion point by home buyers.

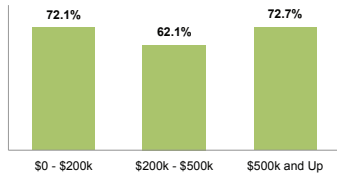
FIG 30:

## Likelihood that Buyers Will Provide Their Contact Info in Exchange for Personalized Follow-Up:

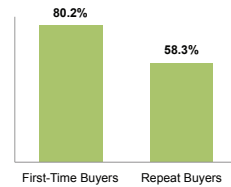
(Percent of buyers that are likely)

2015-16

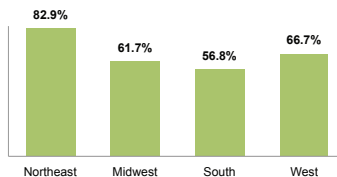
### Segmented by Purchase Price



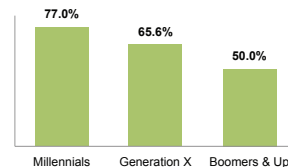
### Segmented by 1st-Time / Repeat Buyer



### Segmented by US Region



### Segmented by Age of Buyer

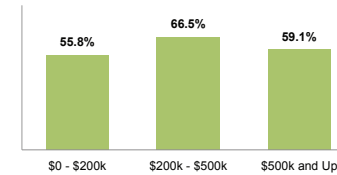


## Likelihood that Buyers Will Provide Their Contact Info to Create an Account for Saving Favorites:

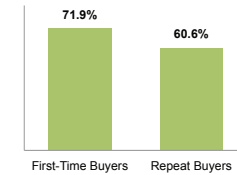
(Percent of buyers that are likely)

2015-16

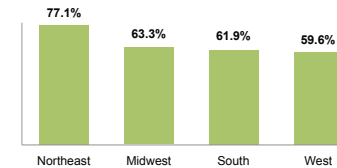
### Segmented by Purchase Price



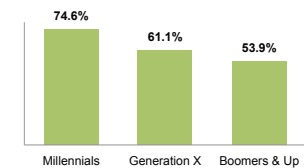
### Segmented by 1st-Time / Repeat Buyer



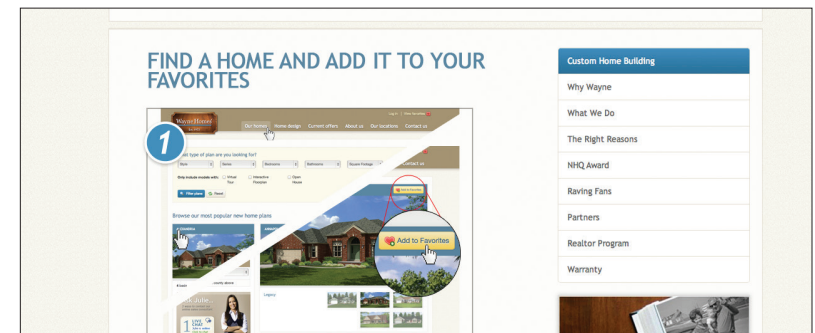
### Segmented by US Region



### Segmented by Age of Buyer



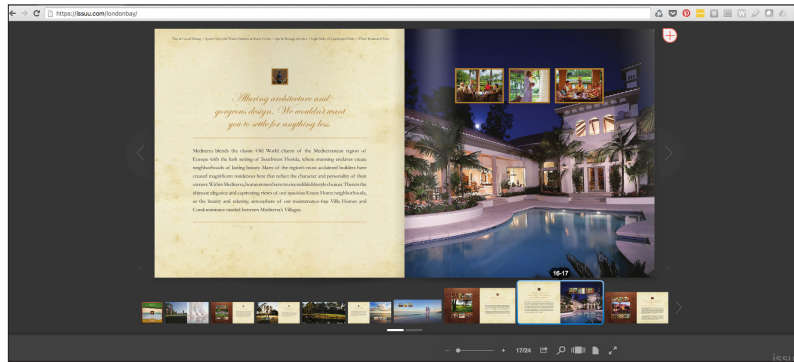
## CREATING AN ACCOUNT FOR SAVING FAVORITES



**ACCESS TO PERSONALIZED CONTENT:** Data shows that prospects are likely to provide contact information in order to create an account to save favorites (e.g. favorite homes, customized rooms/floor plans, etc.).



## ACCESS TO INTERACTIVE BROCHURE



This is a simple way for builders to treat web traffic similar to walk-in traffic. By converting an existing brochure into a digital “flipbook” version, the interactive brochure can be emailed to a prospect who might ordinarily be skeptical of giving out their personal information.

## FREQUENCY OF EMAIL UPDATES

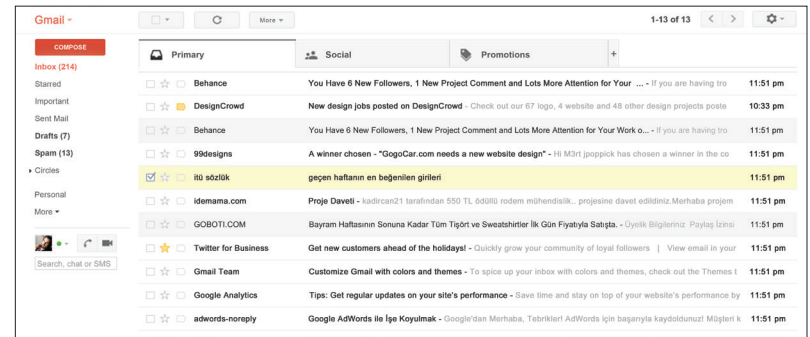
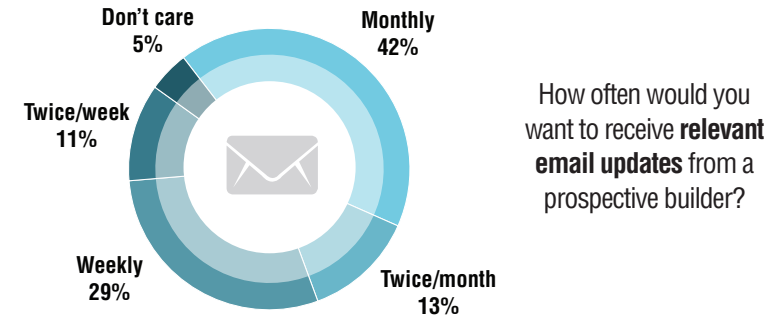
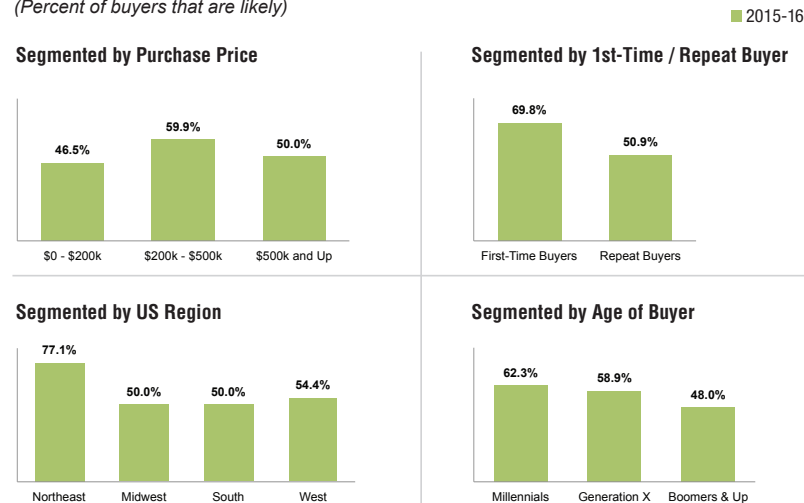


FIG 33:

FIG 32:

### Likelihood that Buyers Will Provide Their Contact Info in Exchange for an Interactive Brochure:

(Percent of buyers that are likely)



How often would you want to receive **relevant email updates** from a prospective builder?

FIG 30: Email is a powerful tool for staying in front of prospects no matter where they are in the sales funnel. Generally speaking, however, the more qualified the lead, the more frequently prospects prefer to get email updates from a builder.

## PREFERRED METHOD FOR REQUESTING MORE INFORMATION

**BUYERS ENGAGE WITH A HOME BUILDER THROUGH THE** builder's web site differently based on where they are in the decision making process. A prospective buyer who is just starting to search for a new home may spend more time viewing photo galleries and join a builder's social media page. A buyer who is already pre-qualified with a lender may be looking for specific pricing and current availability information.

By understanding online engagement patterns based on where a buyer is in their buying cycle, home builders can better measure the quality of their traffic. By examining how those buyers are most likely to take the next step based on the type of home they are buying and the market they are buying in, builders can improve the online user experience and make it easier for engaged buyers to take the next step.

In this section, we asked survey participants to tell us which methods they would be likely to use to request more information from a home builder web site. Respondents provided feedback on the following five methods of contact:

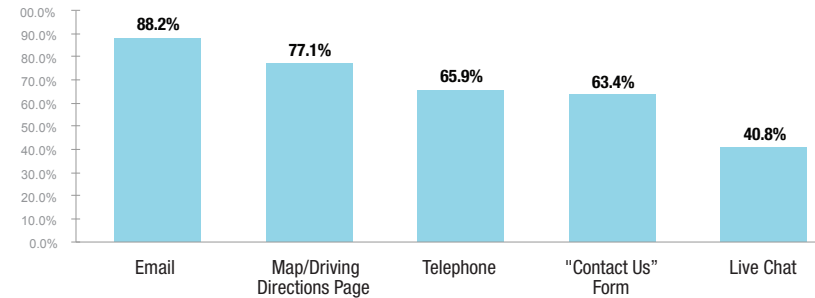
- Email
- Map and driving directions to a specific location
- Telephone
- "Contact Us" form
- Live Chat

FIG 34:

## Methods Home Buyers are Likely to use for Initial Contact when Visiting Builder Web Sites:

(Percent of buyers that are likely to use method)

■ 2015-16

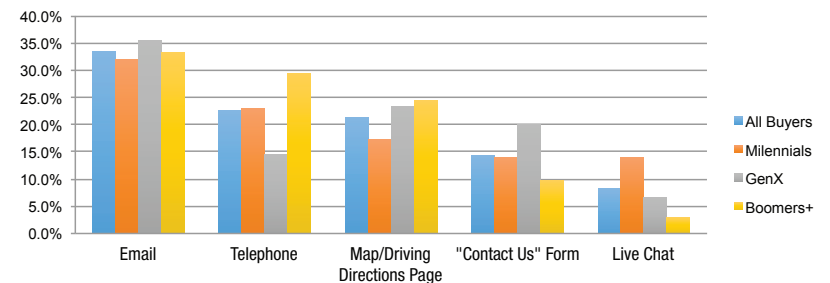


**FIG 31:** There are many ways for a buyer to take the next step and convert to a lead on a builder's web site. This data shows how likely a buyer might be to use each of the most common touchpoints.

FIG 35:

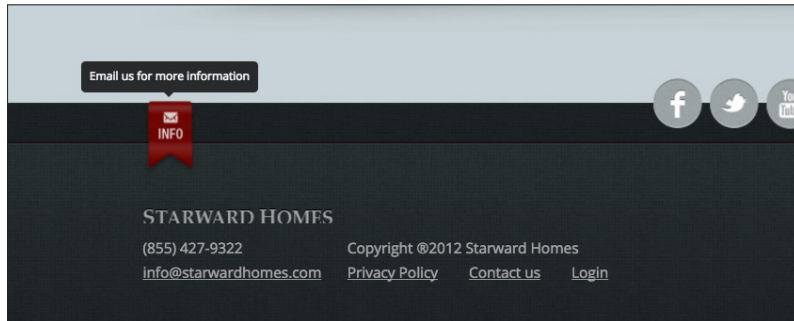
## Method Home Buyers are Most Likely to use for Initial Contact when Visiting Builder Web Sites:

(Percent of buyers that stated method was most likely for them to use)



**FIG 8:** Home buyer contact preferences naturally vary with age and technology adoption. All methods should be used to keep the top of the funnel open, but buyer preferences should be taken into consideration when prioritizing touchpoints.

# EMAIL



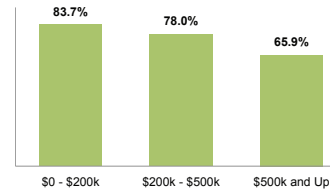
Email is a fast, convenient way for prospects to get in touch with a builder. Although somewhat more difficult to track and qualify, email can be a top source of lead generation for builders.

# Buyers Likely to Use Map/Directions Page as Method of Getting More Information when Visiting Builder Web Sites:

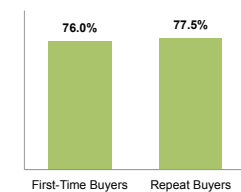
(Percent of buyers that are likely)

■ 2015-16

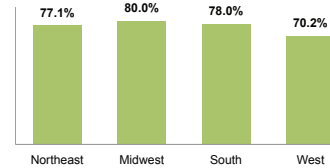
Segmented by Purchase Price



Segmented by 1st-Time / Repeat Buyer



Segmented by US Region



Segmented by Age of Buyer

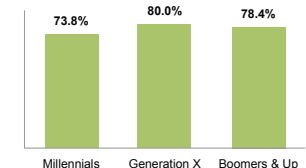


FIG 36:

# Buyers Likely to Use Email as Method of Getting More Information when Visiting Builder Web Sites:

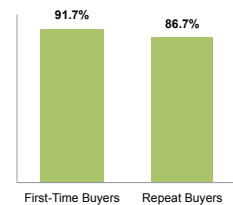
(Percent of buyers that are likely)

■ 2015-16

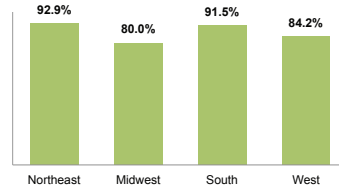
Segmented by Purchase Price



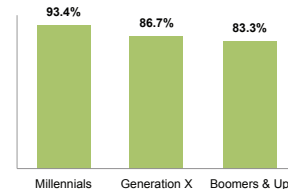
Segmented by 1st-Time / Repeat Buyer



Segmented by US Region



Segmented by Age of Buyer

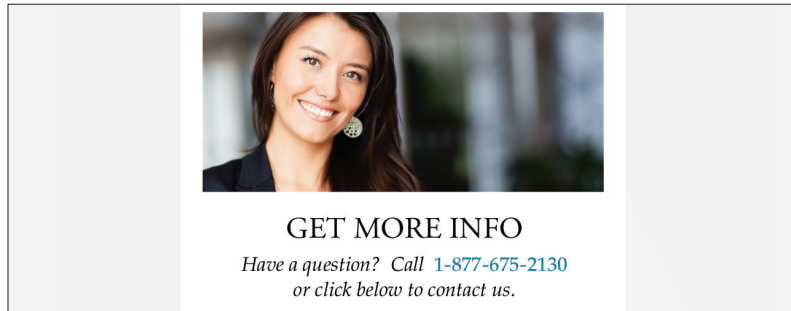


# MAP/DIRECTIONS PAGE



**MAP/DIRECTIONS PAGE:** Since location is so important, many buyers are likely to drive directly to a model or sales center to get initial information. Having this as a prominent page on your web site is critical for driving traffic, and is especially important for mobile users.

## TELEPHONE



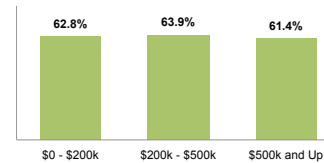
**TELEPHONE:** Often, users prefer to simply pick up the phone and call to get more information. Builders that don't show a phone number prominently throughout the web site are missing key conversion opportunities. This is especially important for mobile users.

## Buyers Likely to Use Contact Form as Method of Getting More Information when Visiting Builder Web Sites:

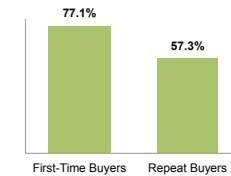
(Percent of buyers that are likely)

2015-16

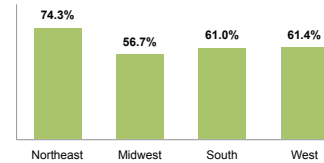
Segmented by Purchase Price



Segmented by 1st-Time / Repeat Buyer



Segmented by US Region



Segmented by Age of Buyer

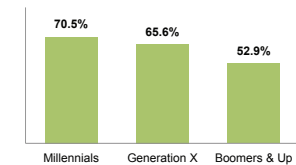


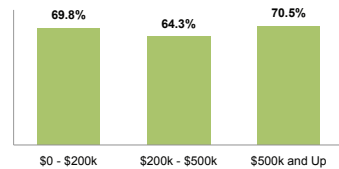
FIG 38:

## Buyers Likely to Use Telephone as Method of Getting More Information when Visiting Builder Web Sites:

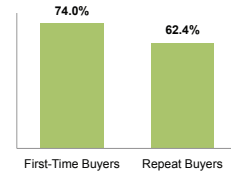
(Percent of buyers that are likely)

2015-16

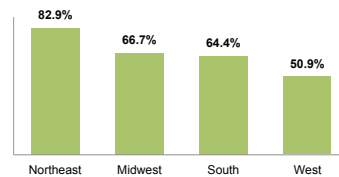
Segmented by Purchase Price



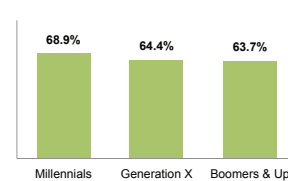
Segmented by 1st-Time / Repeat Buyer



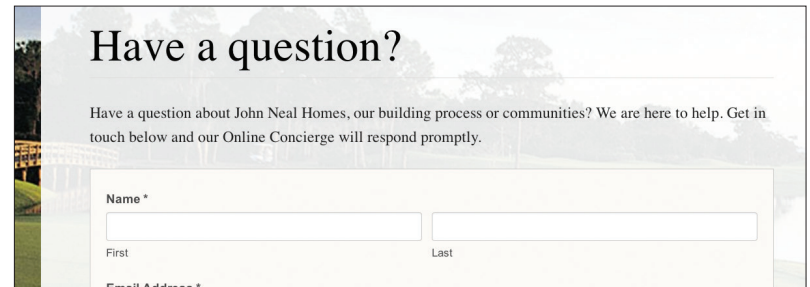
Segmented by US Region



Segmented by Age of Buyer



## “CONTACT US” FORM



**CONTACT US FORM:** A basic contact form is an essential component of any builder web site. Links to the contact page should be very obvious for all users.

## LIVE CHAT

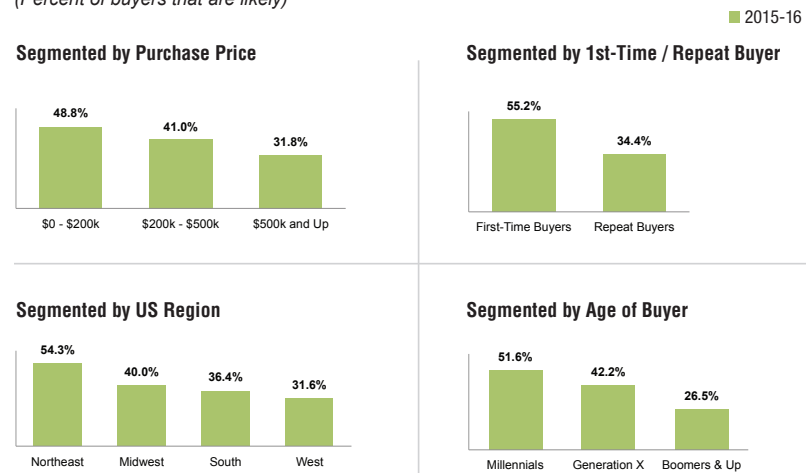


**LIVE CHAT:** Live chat is often overlooked as an opportunity to convert visitors to leads, but it can be a powerful tool to both generate and qualify leads early in the buying process.

FIG 40:

### Buyers Likely to Use Live Chat as Method of Getting More Information when Visiting Builder Web Sites:

(Percent of buyers that are likely)



# 3 Tools for nurturing buyers

## DIGITAL TOOLS FOR NURTURING LEADS

The highest level of conversion online is a web site visitor that contacts a builder to schedule an on-site tour or appointment. Buyers who schedule an on-site visit have typically completed the process of narrowing down home builders, neighborhoods, plan types and features.



**THE NURTURE PHASE:** One of the most important components of the sales funnel for building trust, the nurture phase consists of many tools for converting leads to appointments. This is typically the longest phase of the buying cycle, with many potential interactions.

FIG 41:

## Methods Home Buyers are Likely to use for Scheduling Sales Visit from Builder Web Site:

(Percent of buyers that are likely to use method)

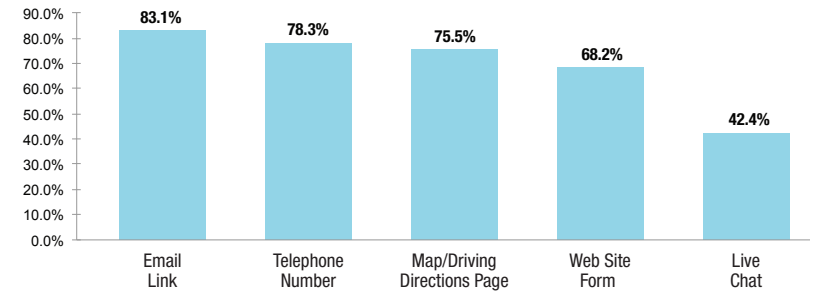


FIG 31: Survey participants were asked to provide feedback on whether they were likely to use the above methods to schedule an on-site appointment from a builder's web site.

FIG 42:

## Method Home Buyers are Most Likely to use for Scheduling Sales Visit from Builder Web Site:

(Percent of buyers that are most likely to use method)

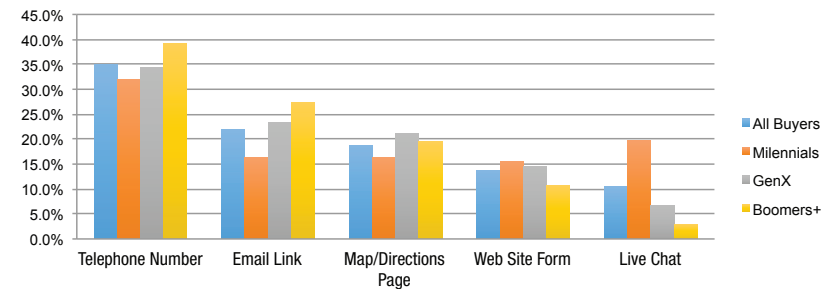


FIG 31: The data underscores the importance of prominent placement of contact information on builder marketing materials.

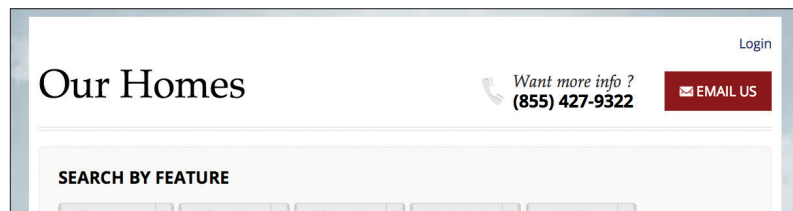
FIG 43:

## Buyers that are Likely to Use Email Link as Method of Scheduling a Sales Visit from Builder Web Site:

(Percent of buyers that are likely)

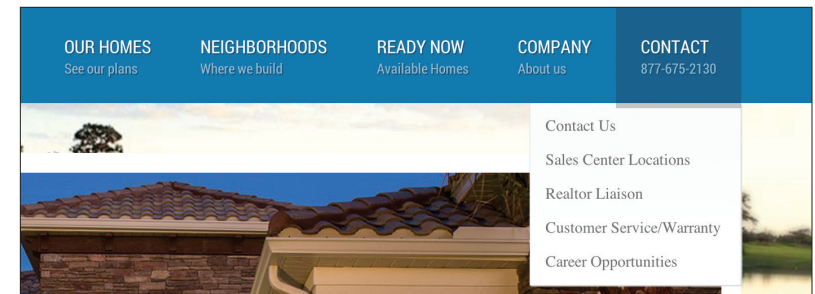


## EMAIL LINK



**EMAIL LINK:** An email link is one of the simplest touchpoints for prospects to schedule an appointment with a home builder's sales agent.

## TELEPHONE NUMBER



**TELEPHONE NUMBER:** With all the technological advancements, buyers are still likely to pick up the phone and call a builder to schedule an on-site appointment.

FIG 44:

## Buyers that are Likely to Use Telephone as Method of Scheduling a Sales Visit from Builder Web Site:

(Percent of buyers that are likely)

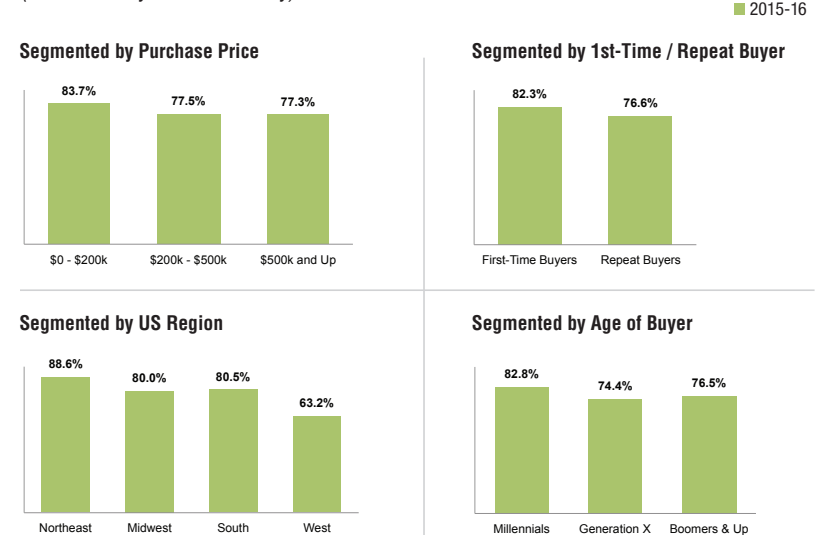




FIG 45:

## Buyers Likely to Use a Map/Directions Page as Method of Scheduling a Sales Visit from Builder Web Site:

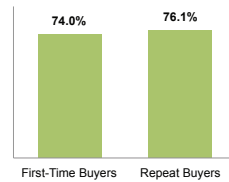
(Percent of buyers that are likely)

■ 2015-16

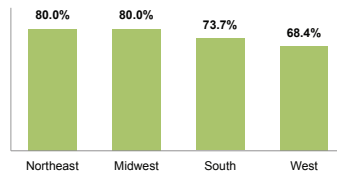
### Segmented by Purchase Price



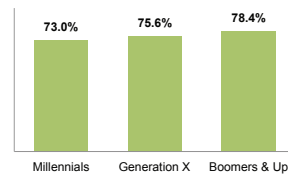
### Segmented by 1st-Time / Repeat Buyer



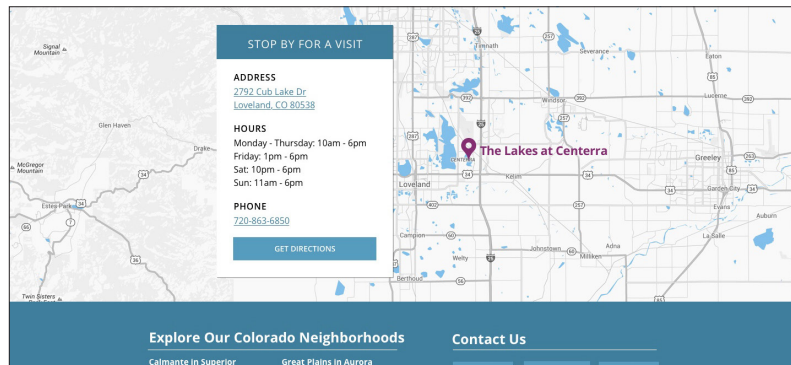
### Segmented by US Region



### Segmented by Age of Buyer

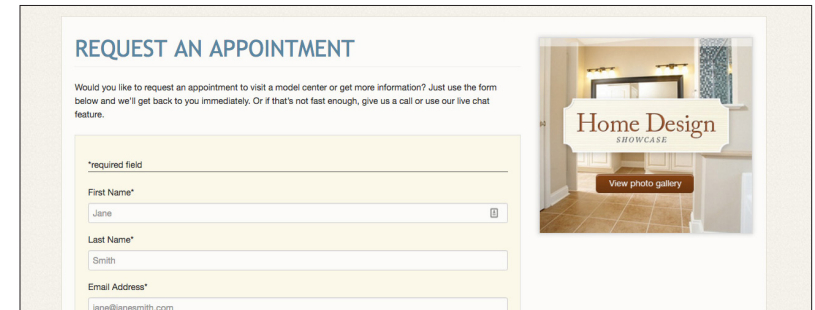


## MAP/DIRECTIONS PAGE



**MAP/DIRECTIONS PAGE:** When scheduling a sales visit, many buyers expect detailed maps and directions on builder web sites. Hours of operation and other essential location information should be provided to the buyer on this page.

## WEB SITE FORM



**WEB SITE FORM:** Customized web forms give buyers the ability to request an appointment with a sales office directly from the builder's web site.

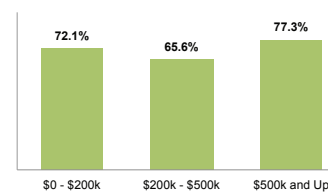
FIG 46:

## Buyers that are Likely to Use a Web Site Form as Method of Scheduling Sales Visit from Builder Web Site:

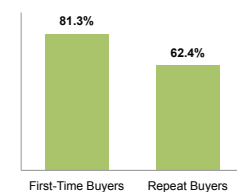
(Percent of buyers that are likely)

■ 2015-16

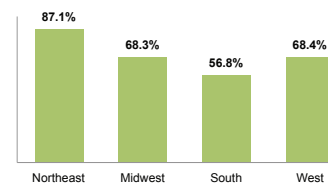
### Segmented by Purchase Price



### Segmented by 1st-Time / Repeat Buyer



### Segmented by US Region



### Segmented by Age of Buyer

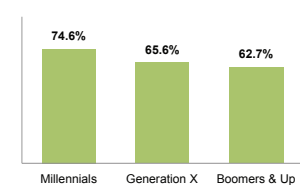




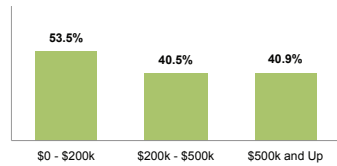
FIG 47:

## Buyers that are Likely to Use Live Chat as Method of Scheduling Sales Visit from Builder Web Site:

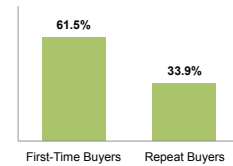
(Percent of buyers that are likely)

■ 2015-16

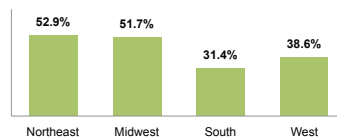
### Segmented by Purchase Price



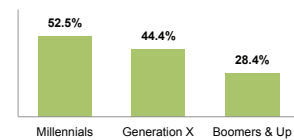
### Segmented by 1st-Time / Repeat Buyer



### Segmented by US Region



### Segmented by Age of Buyer



## LIVE CHAT

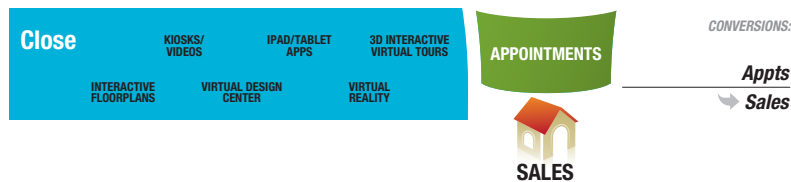


**LIVE CHAT:** When managed well, Live Chat can be a very powerful tool for interacting with prospects online and setting home tours in real time.

# 4 Tools for closing the sale

## DIGITAL TOOLS FOR CLOSING THE SALE

AS WE'VE SEEN IN THE PREVIOUS SECTIONS, DIGITAL TOOLS ARE HIGHLY INFLUENTIAL among buyers in all phases of researching a new home purchase and in all categories. Although preferences may vary between buyers in different geographical regions, price points and age ranges, the data underscores the importance of digital tools in attracting and engaging home buyers online.



## But what about offline?

AS THE DATA IN THIS SECTION SUGGESTS, technology plays an important role not only in attracting and engaging buyers but in closing the sale as well. On-site Sales Center digital tools and displays have become as important to the sales presentation as well-merchandised model homes and professional, knowledgeable Sales Agents.

## SALES CENTER TOOLS: THE HANDS-ON HOME BUYER

At each stage of the new home purchase, buyers have the information they need at their fingertips. They research builders, neighborhoods and amenities online. They tour model homes, customize floor plans and ask questions in real time by Live Chat – all without ever leaving their home or office.

The ability for buyers to easily access this kind of information often makes them feel empowered and in control of their research and decision making process.

As buyers move through each stage of the sales funnel and transition to an on-site visit, it is just as important for them to feel in control and able to access the information they need. Whether clicking, swiping, or scrolling, buyers rely on interactive tools to engage with a product, neighborhood and community.

By defining the influence of each of these tools for buyers in specific categories, home builders can invest in the appropriate Sales Center tools and adapt sales presentations to effectively integrate personal technology with personal consultative selling.

## SALES CENTER DISPLAYS: INTERACTIVE OR INTERACTION?

IN THE LAST SEVERAL YEARS, TECHNOLOGY in Sales Centers has advanced from static floor plan and builder story displays to videos, interactive floor plans and other advanced selling tools.

Until now, there has been no data available about how effective these tools are among buyers nationally, from the home buyer's point of view. Do these digital tools influence a prospect's decision to buy? If so, which digital tools are most likely to assist a buyer in getting the information they need to make a confident buying decision?

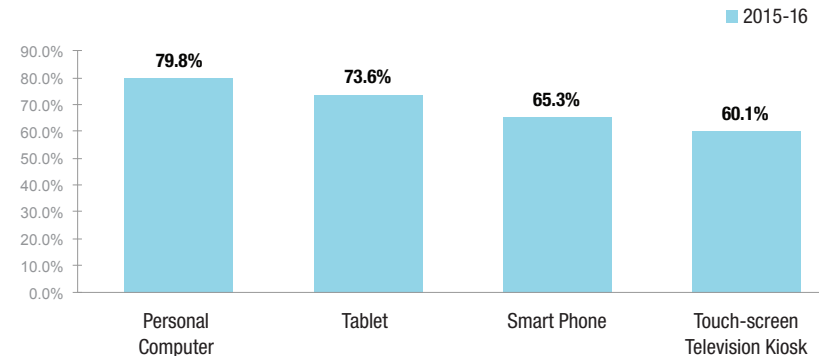


**SO HOW IMPORTANT IS THE INTERACTIVE ENGAGEMENT AT THE SALES CENTER?** We asked recent home buyers to consider the influence of digital interactive tools during their Sales Center visits. *Photo: Esencia Visitor Center, courtesy of Rancho Mission Viejo*

FIG 48:

## Influence of Devices (Available at a Sales Office) on Decision to Buy from that Particular Home Builder

(Percent of buyers that considered it helpful in decision-making process)

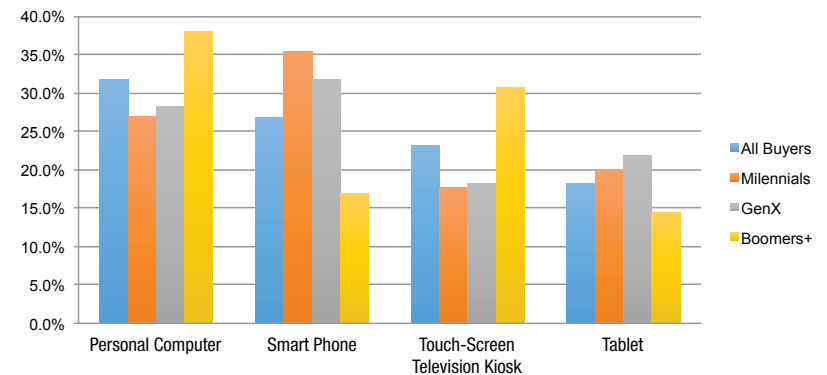


By understanding the influence of each of these tools for buyers in specific categories, home builders can invest in the appropriate sales center tools and adapt sales presentations to effectively integrate personal technology with personal consultative selling.

FIG 49:

## Most Influential Device (Available at a Sales Office) on Decision to Buy from that Particular Home Builder

(Percent of buyers that considered it most influential device in decision-making process)



On-site technology plays a major role in influencing prospects to buy. Millennials and GenX are more reliant on their phones, while older buyers tend to prefer a guided tour by a sales agent via computer or kiosk.

## PERSONAL COMPUTER



**PERSONAL COMPUTER IN SALES OFFICE:** One of the simplest and most common devices used in sales presentations, computers easily showcase plans, photos, options, etc. at a low cost.

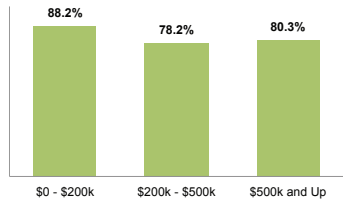
FIG 50:

### Influence of Personal Computer (Available at Sales Office) on Decision to Buy from that Particular Home Builder

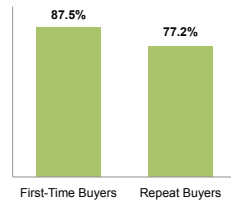
(Percent of buyers that considered it helpful in decision-making process)

2015-16

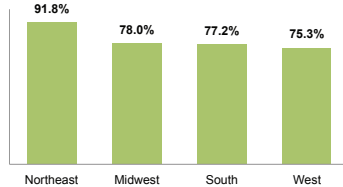
#### Segmented by Purchase Price



#### Segmented by 1st-Time / Repeat Buyer



#### Segmented by US Region



#### Segmented by Age of Buyer

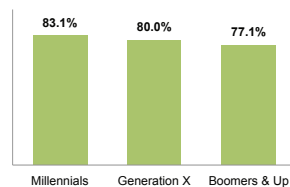


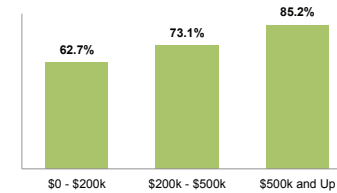
FIG 51:

### Influence of Tablet (Available at Sales Office) on Decision to Buy from that Particular Home Builder

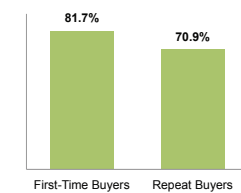
(Percent of buyers that considered it helpful in decision-making process)

2015-16

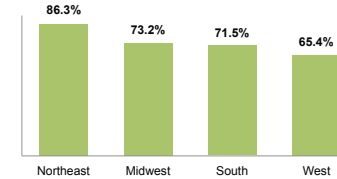
#### Segmented by Purchase Price



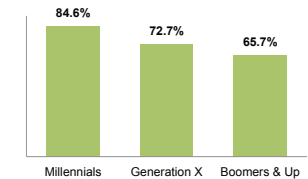
#### Segmented by 1st-Time / Repeat Buyer



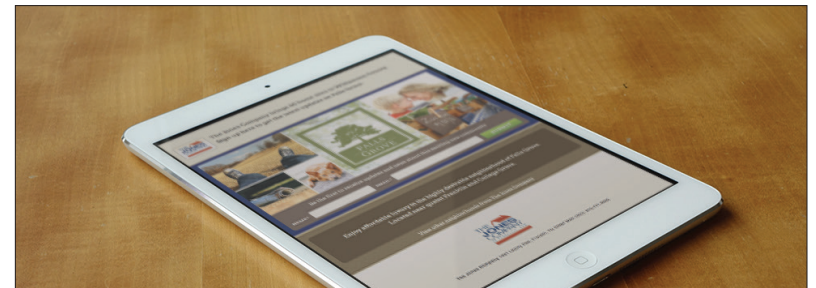
#### Segmented by US Region



#### Segmented by Age of Buyer

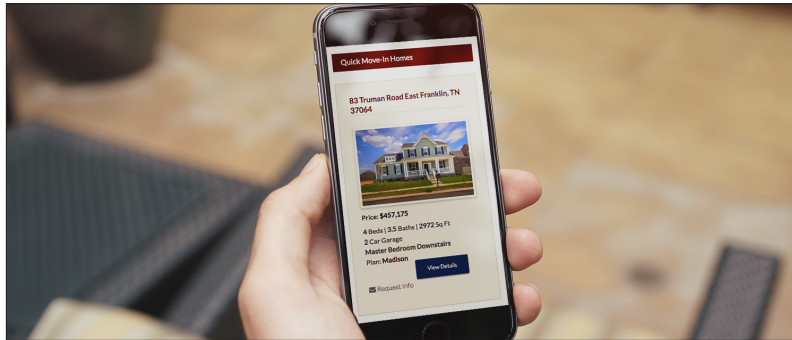


## TABLET



**TABLET (IPAD OR SIMILAR):** The prevalence of tablets has brought with it a variety of apps designed for home builder sales centers. These can be sales agent- or self-guided, allowing the buyer to explore home and community features.

## SMART PHONE USAGE ONSITE



SMART PHONES are enabling buyers to take control of the sales experience. With instant access to information about a builder (and it's competitors), a savvy buyer can retrieve favorite photos, plans, reviews and more – sometimes supporting, and sometimes derailing, a sales pitch.

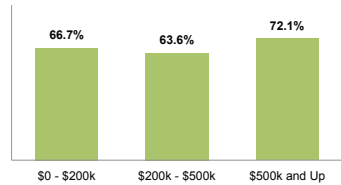
FIG 52:

## Influence of Smart Phone (Used in Sales Office) on Decision to Buy from that Particular Home Builder

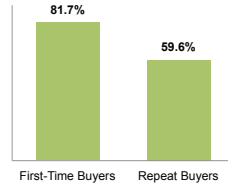
(Percent of buyers that considered it helpful in decision-making process)

2015-16

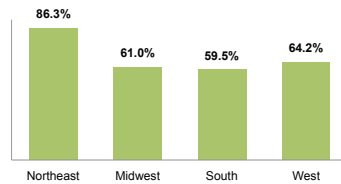
Segmented by Purchase Price



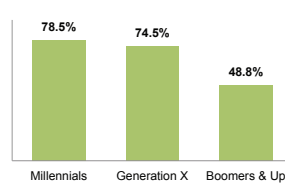
Segmented by 1st-Time / Repeat Buyer



Segmented by US Region



Segmented by Age of Buyer

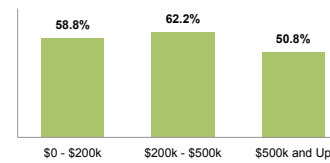


## Influence of Touch Screen Kiosk (Available at Sales Office) on Decision to Buy from that Particular Home Builder

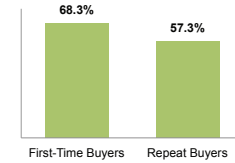
(Percent of buyers that considered it helpful in decision-making process)

2015-16

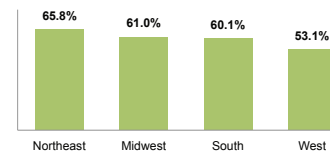
Segmented by Purchase Price



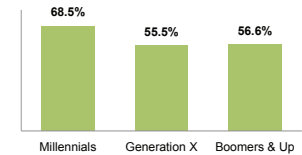
Segmented by 1st-Time / Repeat Buyer



Segmented by US Region



Segmented by Age of Buyer



## TOUCH SCREEN TELEVISION KIOSK



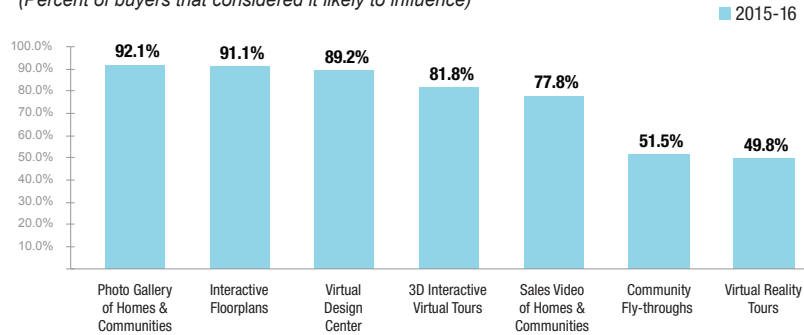
TOUCH SCREEN TELEVISION KIOSKS can be a focal point of the sales center experience, allowing the user or sales agent to explore interactive content provided by the builder. Photo: Esencia Visitor Center, courtesy of Rancho Mission Viejo.



FIG 54

## Influence of Digital Content (Available at Sales Office) on Decision to Buy from that Particular Home Builder

(Percent of buyers that considered it likely to influence)

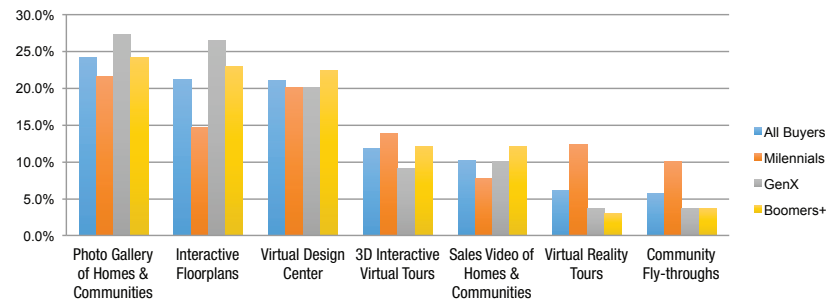


**DIGITAL CONTENT:** While devices play a significant role in the sales center, so does the content that is displayed on them. These are the most popular types of content and how influential they are from the home buyer's perspective.

FIG 55:

## Most Influential Digital Content (Available at Sales Office) on Decision to Buy from that Particular Home Builder

(Percent of buyers that considered it most influential)

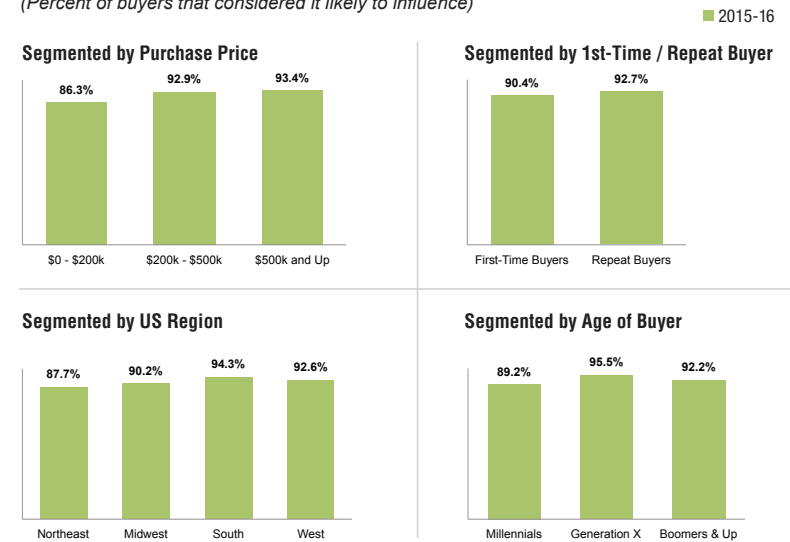


Home buyers were asked to rank the content they considered most influential when presented on-site. Some of the content is relatively new to the industry, yet is quickly gaining acceptance.

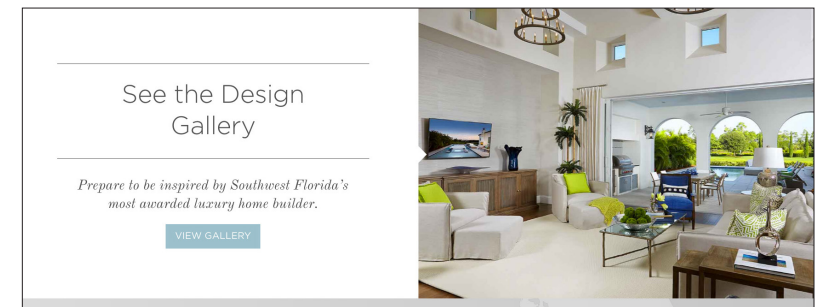
FIG 56:

## Influence of Digital Photo Gallery (Displayed at Sales Office) on Decision to Buy from that Particular Builder

(Percent of buyers that considered it likely to influence)



## DIGITAL PHOTO GALLERIES



**PHOTO GALLERIES** are visually-oriented sales content with a very high degree of influence over home buying decisions. High quality galleries connect buyers emotionally with homes and communities, and are one of the easiest types of content to produce.

## INTERACTIVE FLOOR PLANS



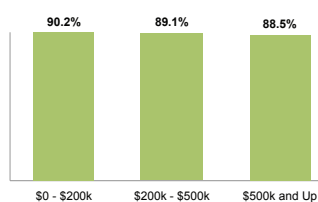
INTERACTIVE FLOOR PLANS give users the ability to interact with a plan, selecting options, configurations, lighting, furniture, hotspots and more.

## Influence of Virtual Design Center (Available at Sales Office) on Decision to Buy from that Particular Builder

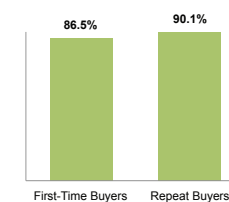
(Percent of buyers that considered it likely to influence)

■ 2015-16

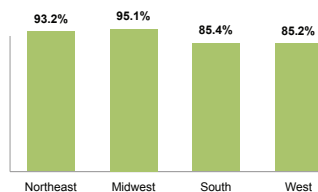
Segmented by Purchase Price



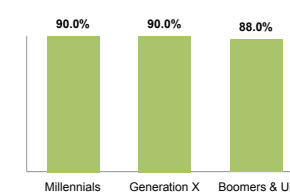
Segmented by 1st-Time / Repeat Buyer



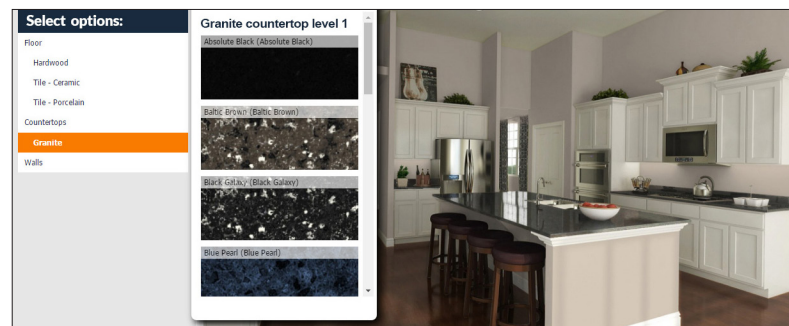
Segmented by US Region



Segmented by Age of Buyer



## VIRTUAL DESIGN CENTER



VIRTUAL DESIGN CENTER appeal has improved significantly with technology. Buyers can use these room designers to select finishes such as cabinetry, surfaces, paint color, etc. and see them rendered in photorealistic quality on nearly any device.

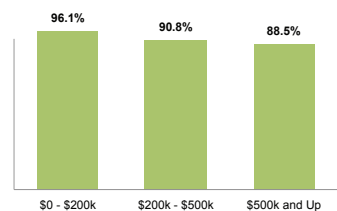
FIG 57:

## Influence of Interactive Floorplans (Displayed at Sales Office) on Decision to Buy from that Particular Builder

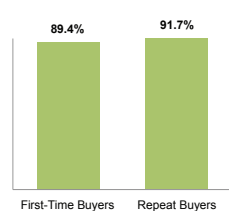
(Percent of buyers that considered it likely to influence)

■ 2015-16

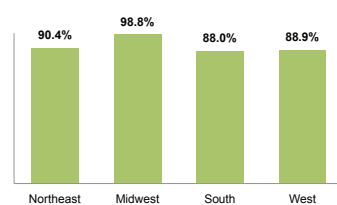
Segmented by Purchase Price



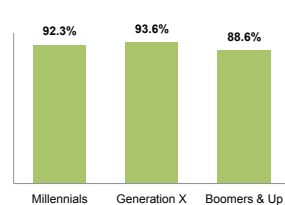
Segmented by 1st-Time / Repeat Buyer



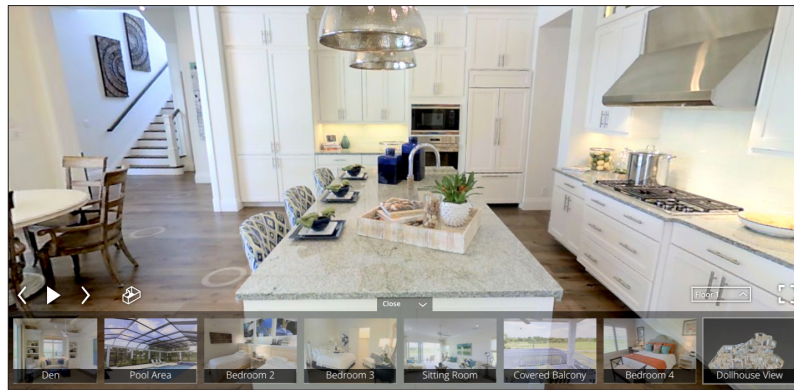
Segmented by US Region



Segmented by Age of Buyer



## 3D INTERACTIVE TOURS



3D INTERACTIVE TOURS allow users to virtually walk through a home, navigating seamlessly from room to room, turning to see every detail. Many are web-based, and can be viewed from any device with internet access.

## Influence of Sales Video (Displayed at Sales Office) on Decision to Buy from that Particular Builder

(Percent of buyers that considered it likely to influence)

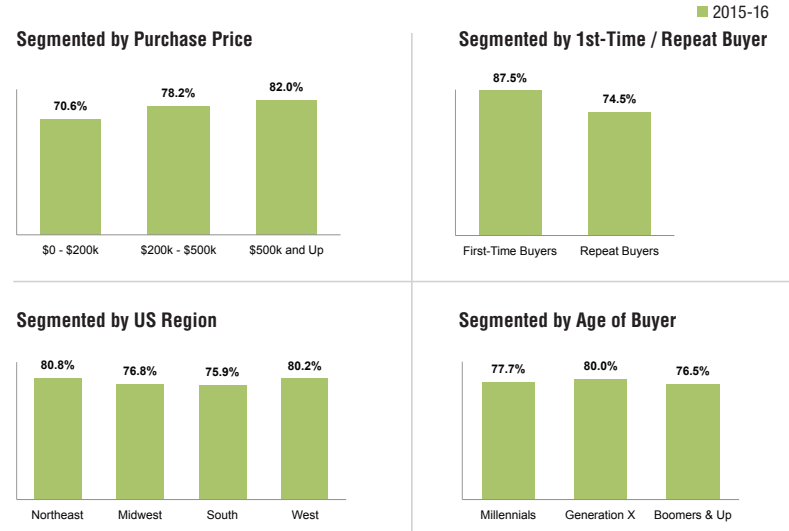
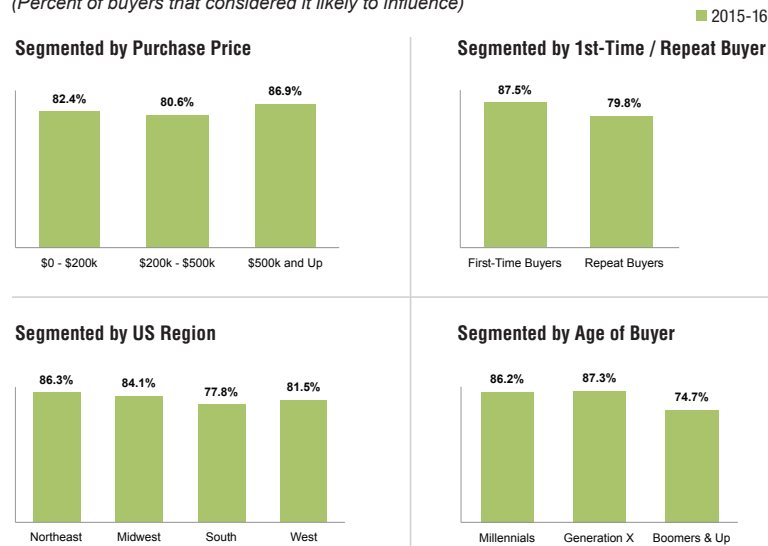


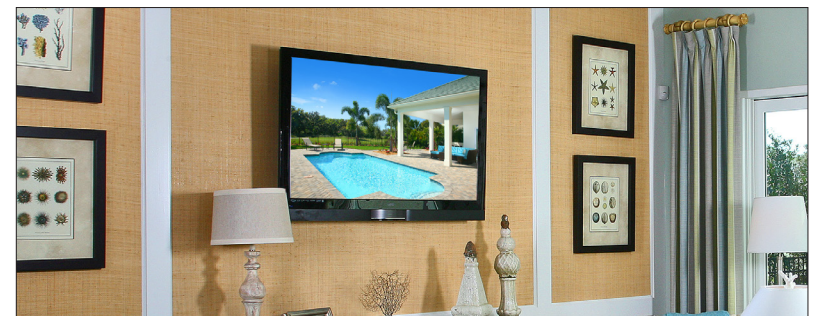
FIG 59:

## Influence of 3D Interactive Tours (Displayed at Sales Office) on Decision to Buy from that Particular Builder

(Percent of buyers that considered it likely to influence)



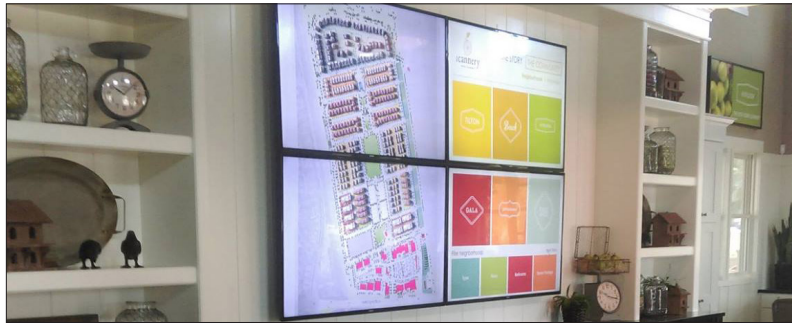
## SALES VIDEOS OF HOMES AND AMENITIES



ONSITE VIDEOS have been used for years to showcase homes and community features within a sales center or model. They are still very influential to home buyers.



## COMMUNITY FLY-THROUGHS



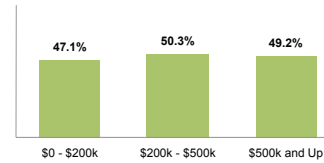
COMMUNITY FLY-THROUGHS help buyers visualize homes and communities which have yet to be built. They are often used to show a macro view of the community's location, a critical component of an effective sales presentation. *Photo courtesy of The New Home Company; ©Christopher Mayer Photography.*

## Influence of Virtual Reality Tours (Displayed at Sales Office) on Decision to Buy from that Particular Builder

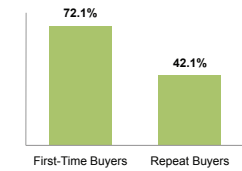
(Percent of buyers that considered it likely to influence)

■ 2015-16

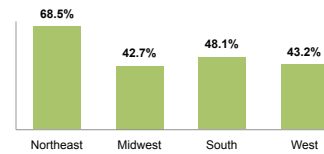
Segmented by Purchase Price



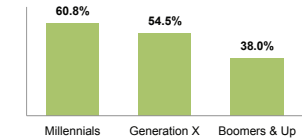
Segmented by 1st-Time / Repeat Buyer



Segmented by US Region



Segmented by Age of Buyer



## VIRTUAL REALITY TOURS



VIRTUAL REALITY TOURS, which require special goggles, are one of the fastest growing technologies used in a sales center. As the realism improves and goggles become more comfortable, users feel like they are actually viewing a home simply by looking around.

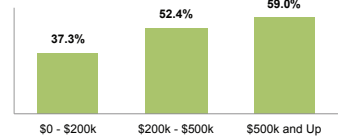
FIG 61:

## Influence of Community Fly-Throughs (Displayed at Sales Office) on Decision to Buy from that Particular Builder

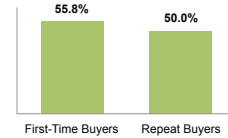
(Percent of buyers that considered it likely to influence)

■ 2015-16

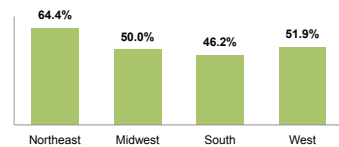
Segmented by Purchase Price



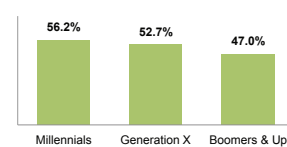
Segmented by 1st-Time / Repeat Buyer



Segmented by US Region



Segmented by Age of Buyer



## TECHNOLOGY AND ITS EFFECT ON THE HOME BUYING EXPERIENCE

TODAY, TECHNOLOGY INFORMS RELATIONSHIPS both on and off the web. Often people spend more time texting than talking, more time interacting on Facebook than face-to-face, and more time communicating through devices than body language. Technology is an integral part of how we form and nurture relationships, both personal and professional. As technology continues to become inherent in our relationships, it should come as no surprise that technology plays a vital role in the relationships that sales professionals build with prospective buyers in the sales office.

Today's buyers have more control over how they access, assimilate and process information and all of that has changed the role of the Sales Agent. Once the gatekeeper for information that influences a buying decision (i.e. pricing, availability and upgrades) the Sales Agent today must play a new role. Sales Agents now partner with prospective buyers in the sales office – many of whom have already gathered significant amounts of information before their visit – to create high quality interactions by personalizing the technology and translating it into the buyer's specific needs and wants.

As the data suggests, technology that specifically enables buyers to personalize their own home with digital tools such as customizable, interactive floor plans and virtual design centers is very influential and is dramatically changing the way buyers experience the home buying process.

## HOW BUYERS CURRENTLY FEEL ABOUT THE BUILDERS DIGITAL EXPERIENCE

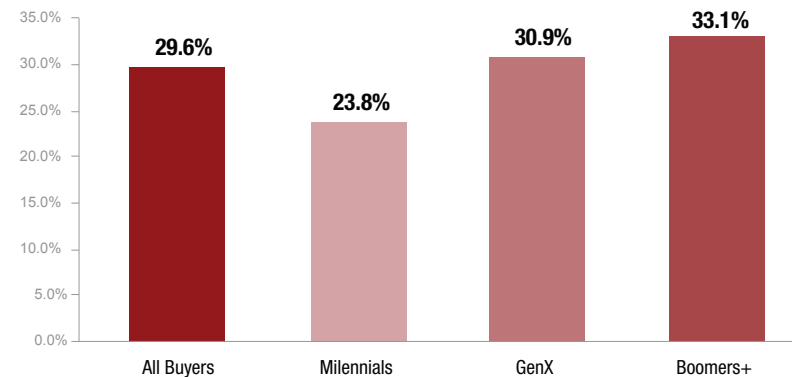
Technological advancement is certainly improving the home buying experience. Yet the industry is slower than most when it comes to embracing these new technologies. A new addition to the study attempts to benchmark how well the industry is doing. Nearly 30% of all buyers spoke negatively about the experience, indicating we have a long way to go, even with the digital tools now in use.

But home builders *are* listening, and as competition and commoditization increase, they are beginning to realize the importance of using technology to create better experiences for new home buyers.

FIG 63:

### Percentage of Buyers that Perceived their Builder's Digital Experience to be Poor:

(Percent of buyers that stated digital tools were used Poorly or Very Poorly)



Nearly 30% of all buyers considered their experience with the tools and content in this report to be poor. Surprisingly, Millennials seem to be more forgiving than older generations.

## BACKGROUND & METHODOLOGY

*The 2015–16 study was designed and written by the Bokka Group. Home Innovation Research Labs (formerly the National Association of Home Builders Research Center) fielded the study in March 2016 as a third-party research company and provided tabulated results. This report (including all charts, graphics and descriptions) was produced by the Bokka Group.*

The primary objective of this study was to develop a better understanding of the use of technological tools and content by new home buyers. The Bokka Group set out to conduct a survey of recent home buyers to learn more about their use and preferences of online tools in their new home search and buying process. The Bokka Group developed the questionnaire which was fielded as a web-based survey to recent home buyers (purchased within the last year) to obtain statistically reliable and credible data on this topic to share with the industry as a means of improving the home buying process for both buyer and seller.

The Bokka Group provided e-mail addresses of recent new home buyers to Home Innovation Research Labs, who augmented the list with respondents of their most recent Consumer Practices Survey who indicated they purchased a new home in 2015. There were 406 survey respondents.



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## ABOUT THE BOKKA GROUP

The Bokka Group consists of industry experts focused on researching and improving the home buying experience, specifically regarding online lead generation, prospect cultivation and sales conversion. The Bokka Group's Builder Evaluation is the industry-leading tool for assessing performance of top home builders. They help clients innovate to maximize conversion potential and increase sales while creating processes that will improve the customer experience for generations to come.

For more details visit <http://bokkagroup.com>

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