

Retail Principles in New Homebuilding

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Fulton Homes



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Retail Principles in New Homebuilding



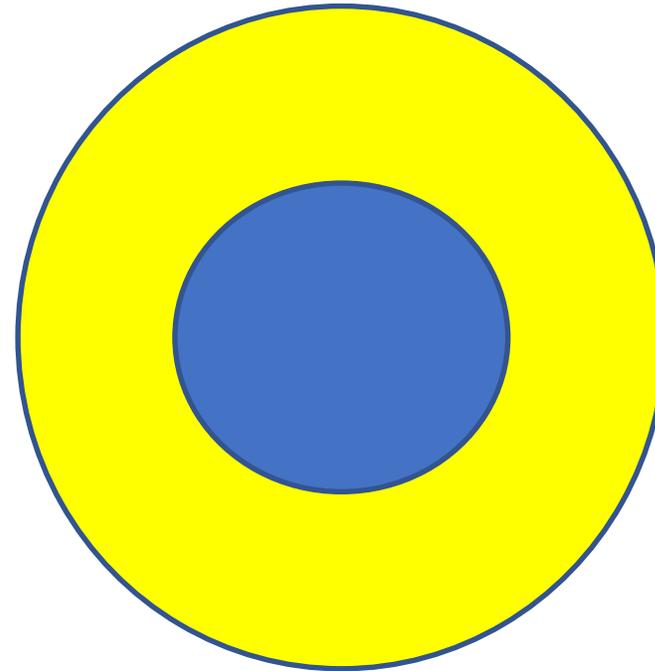
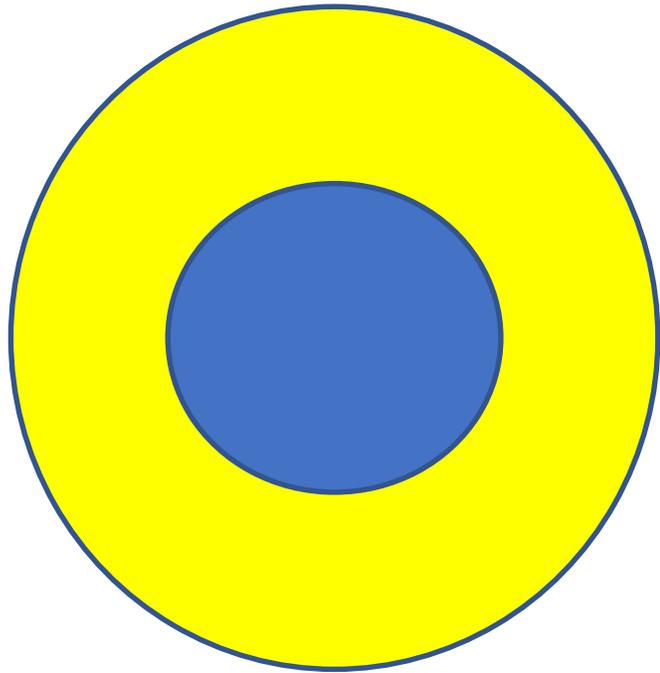
Retail Principles in New Homebuilding



Retailers are Customer Centric, Builders are Product Centric

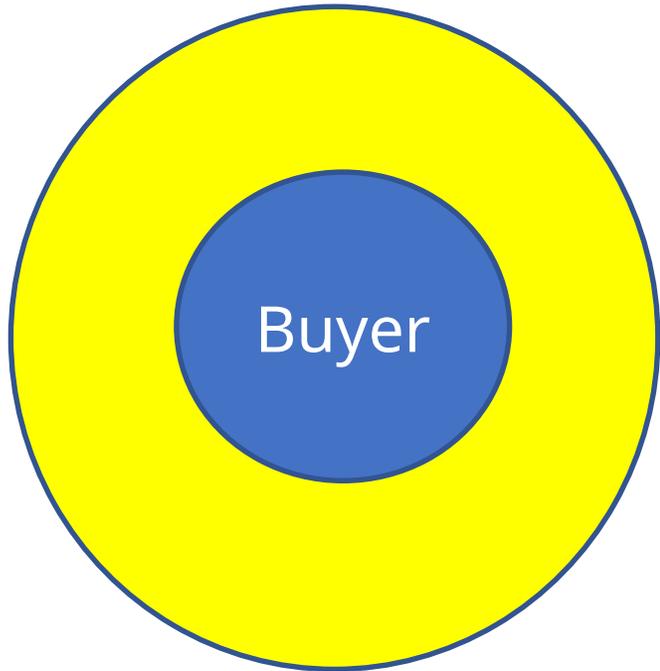
Retailers are Customer Centric, Builders are Product Centric

Find out what your customer wants and give it to them.

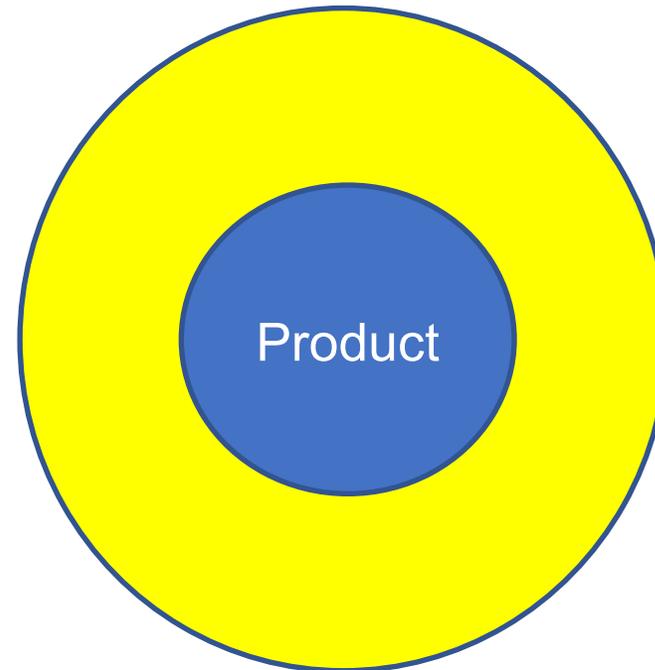


Retailers are Customer Centric, Builders are Product Centric

Retail



Builder



Retail Principles in New Homebuilding

Retail Metrics that can be applied to Homebuilding

Retail Marketing Plans to drive buyers to builders

Retail Planning that you can deploy to have successful projects

The 5 P's of retail that translate well into Homebuilding
Product, Price, Promotion, Place, People

The customer is the most important part of your business

Retail is Detail

Just as in Retail, metrics must be measured in every aspect.

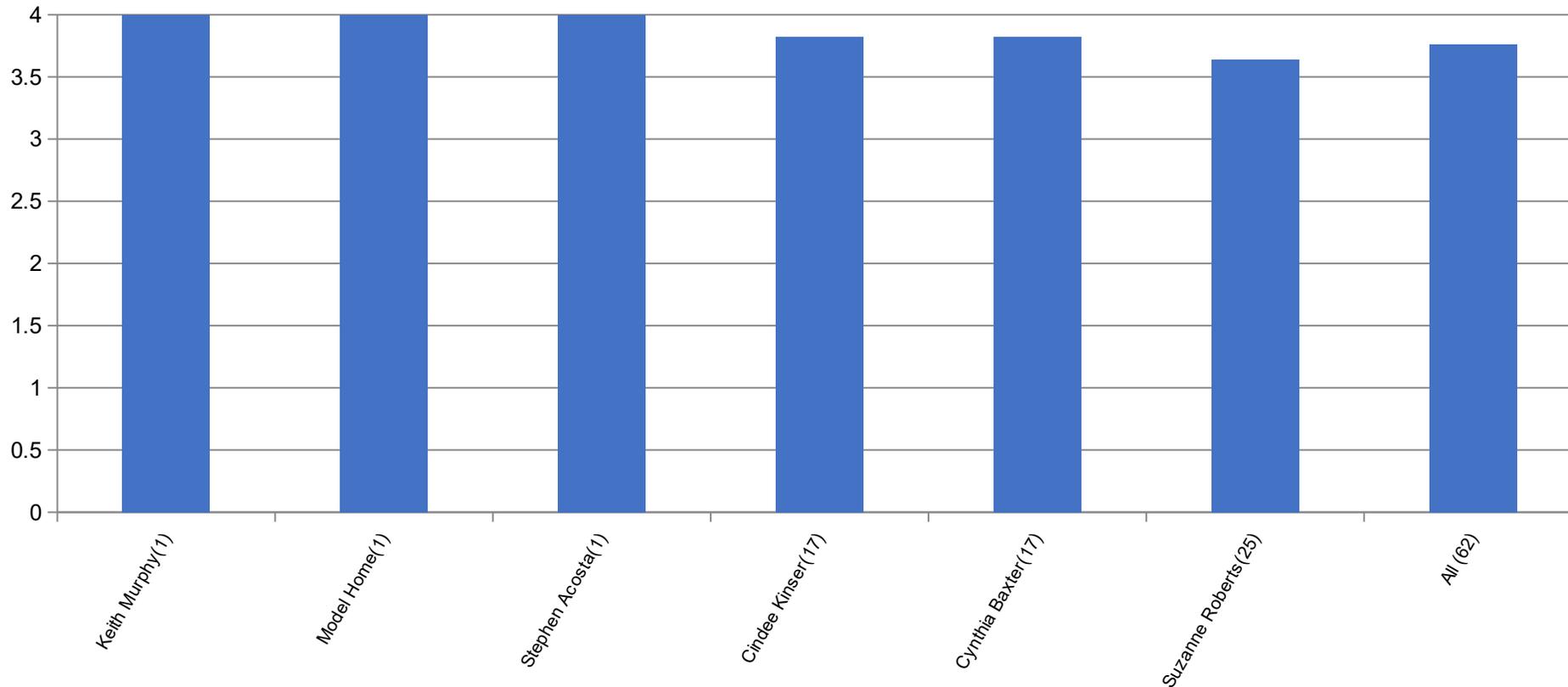
Retail is Detail

Just as in Retail, metrics must be measured in every aspect.

Are you using data to measure your performance?

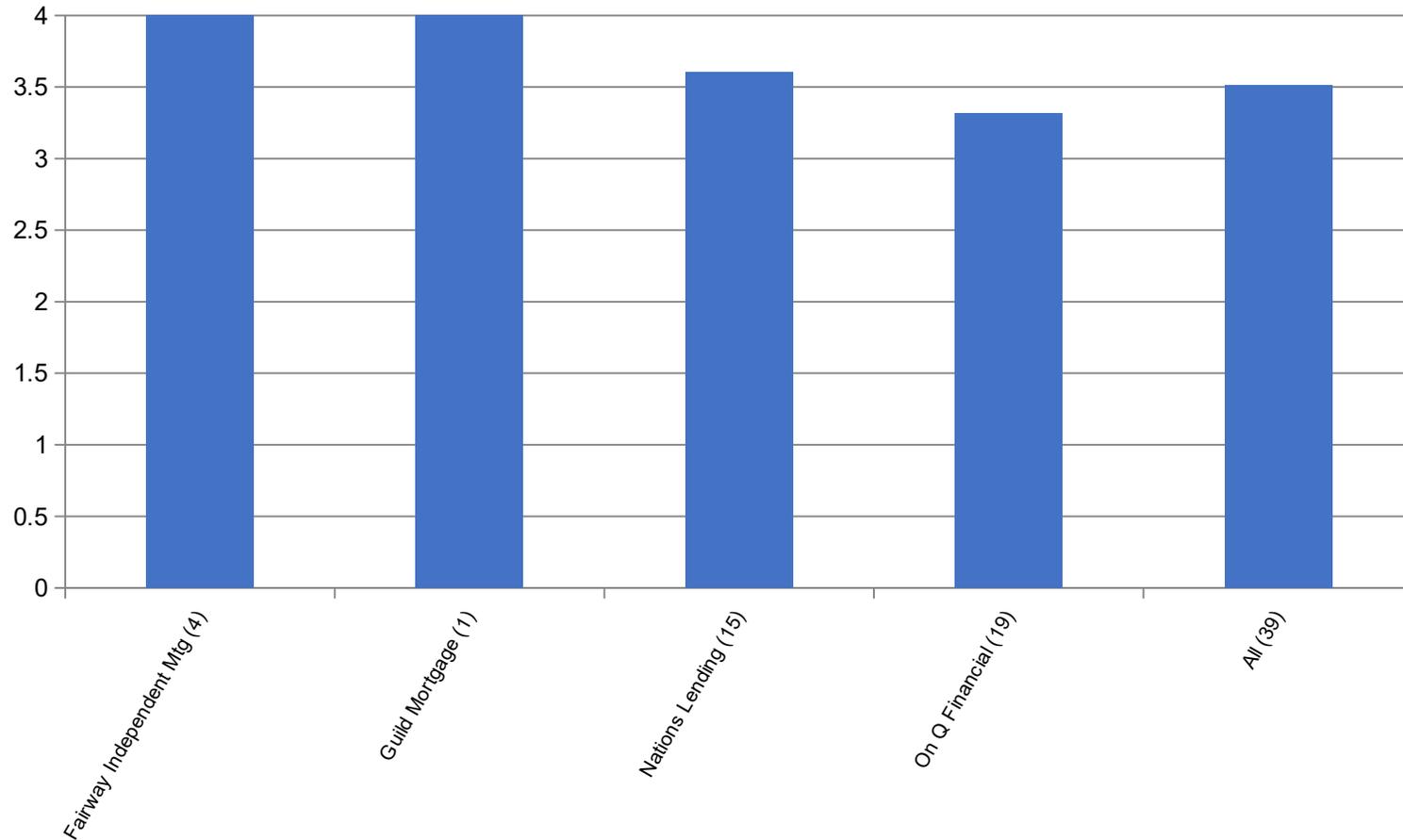
Survey Your Customers (People)

Designer Rating
Closings: 5/1/2023 - 4/30/2024
Results based on 62 survey answers



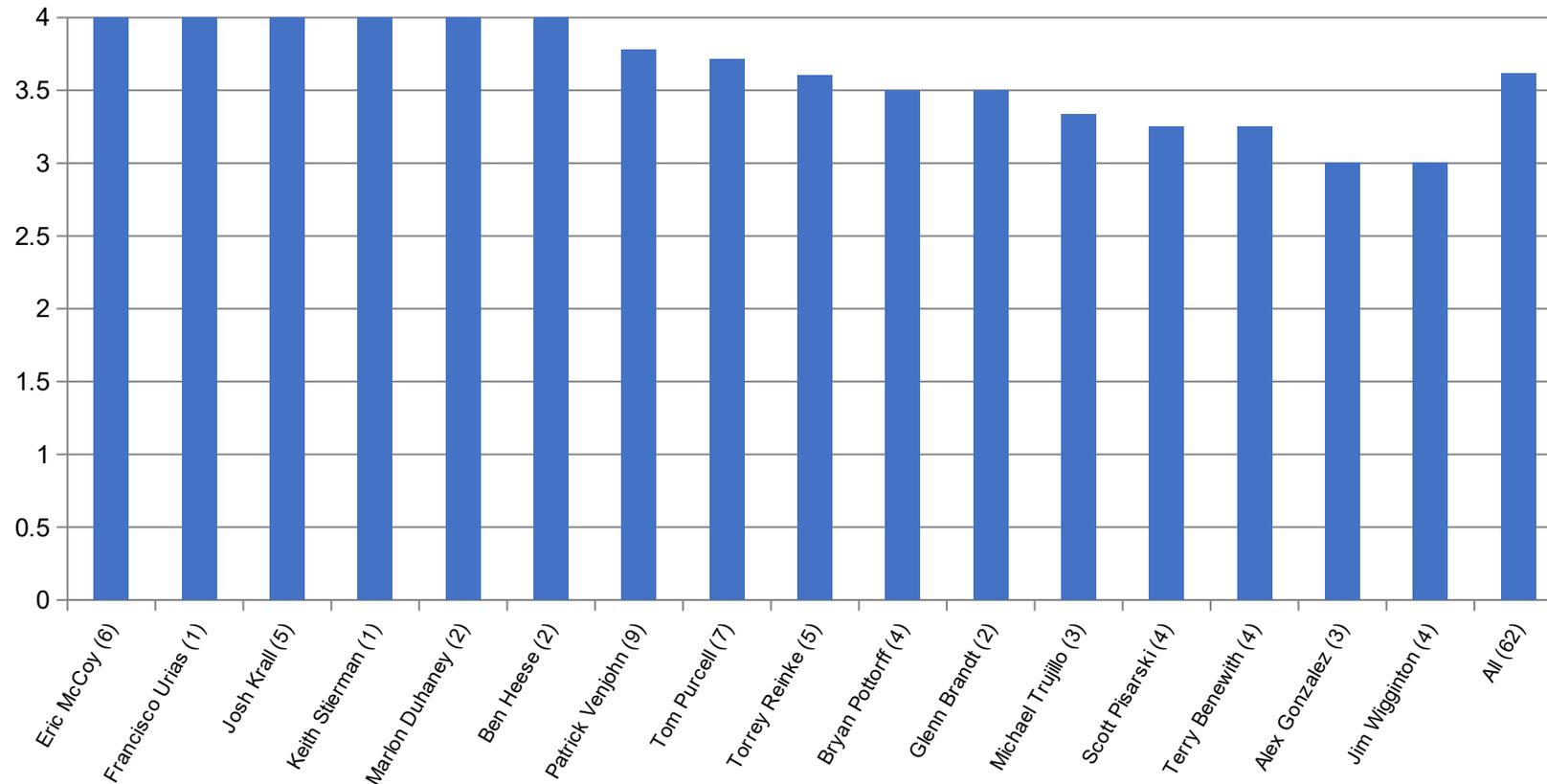
Survey Your Customers

Lender Rating
Closings: 5/1/2023 - 4/30/2024
Results based on 39 survey answers



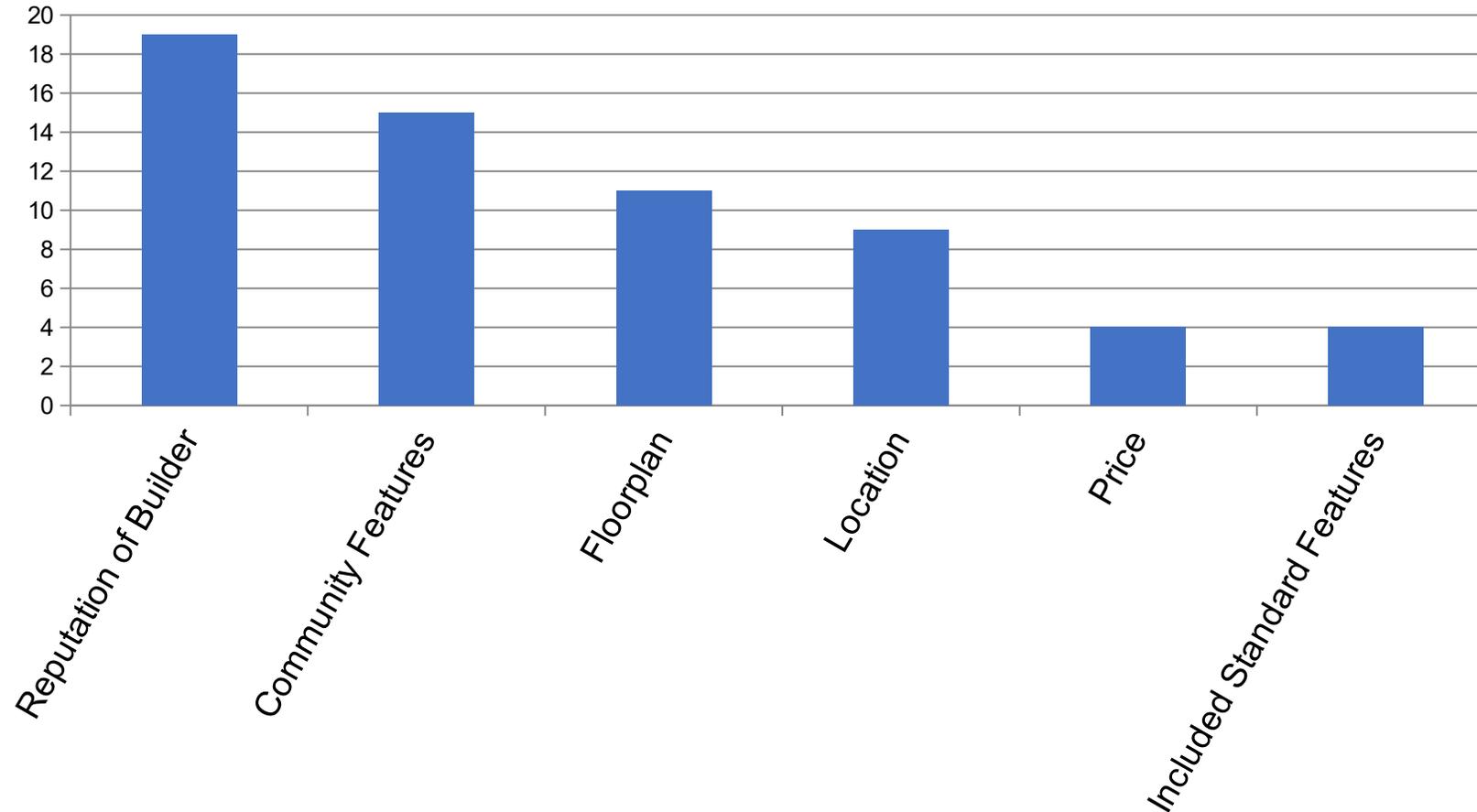
Survey Your Customers

Project Manager Rating
Closings: 5/1/2023 - 4/30/2024
Results based on 62 survey answers



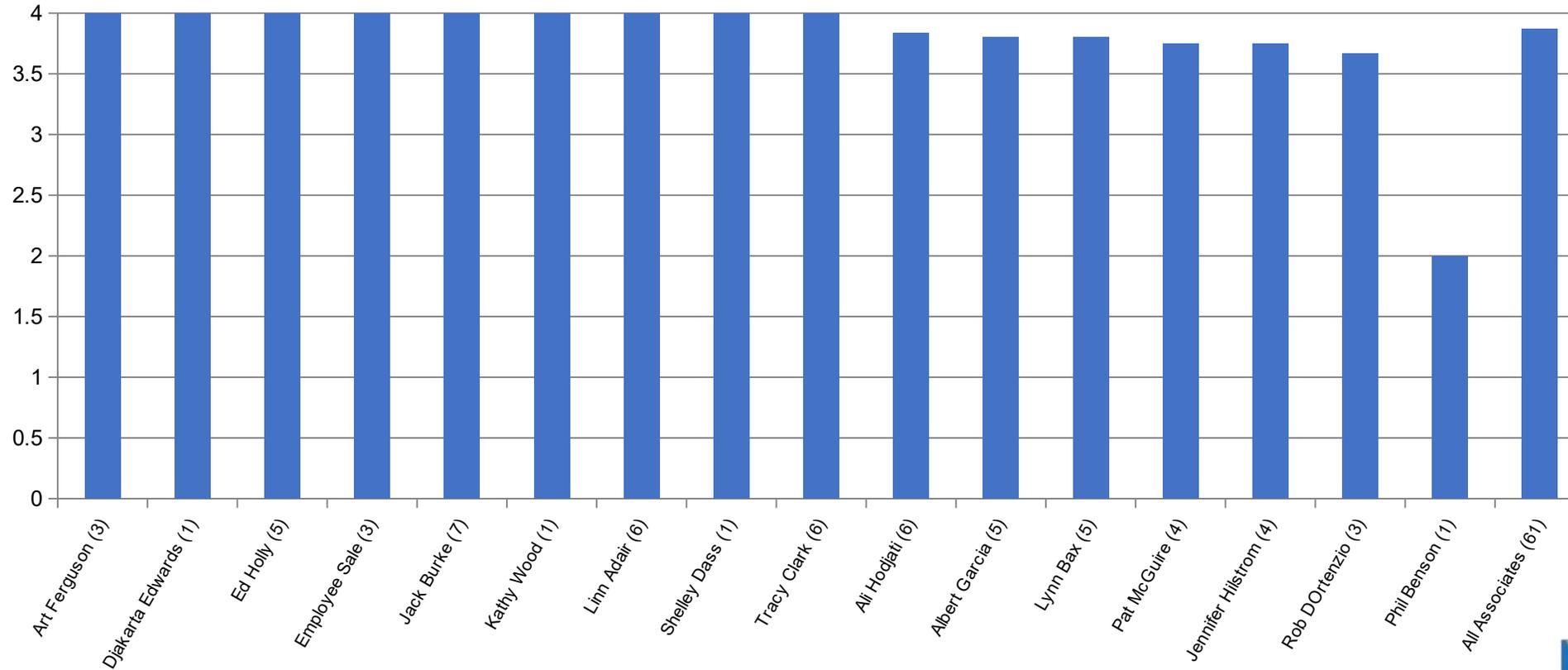
Survey Your Customers

Primary Reasons Associated Rating
CIC Group 5/5/2023-3/30/2024
Results based on 626 survey answers



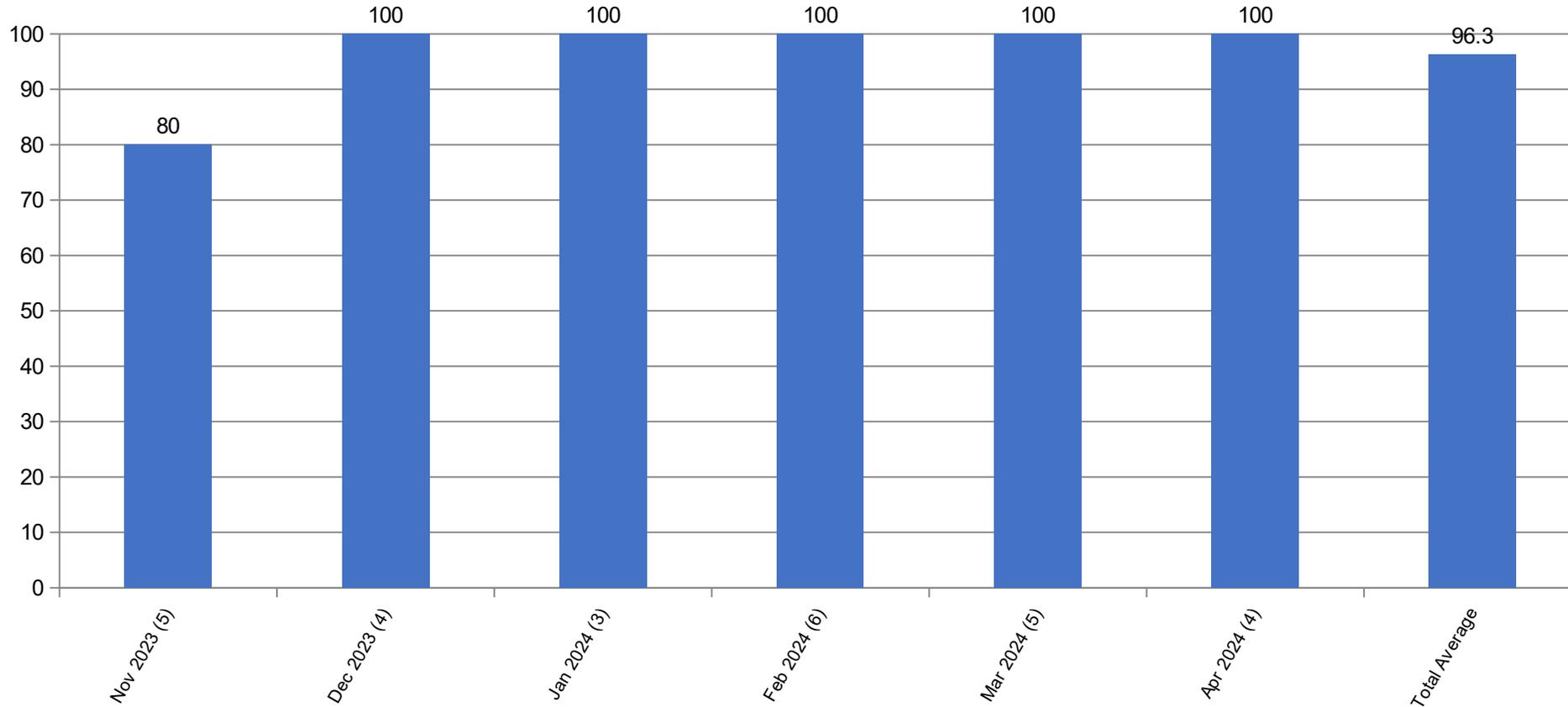
Survey Your Customers

Primary Sales Associate Rating
Closings: 5/1/2023 - 4/30/2024
Results based on 61 survey answers



Survey Your Customers

% Would Recommend Fulton Homes
158 Closings: 11/1/2023 - 4/30/2024
Results based on 27 survey answers



Measure all the data that you have

Sales per square foot at the Fulton Design Center based on closings for 2023

	Sq Ft	% SF	sales	% sales	\$ PSF
Total Appliances, Cabs, Sinks	2956	34%	6067812	30%	\$2,053
Bathrooms	976	11%	2609450	13%	\$2,674
Doors	880	10%	1913100	9%	\$2,174
Plank tile	168	2%	1422450	7%	\$8,467
Luxury Vinyl Tile	108	1%	1415136	7%	\$13,103
Kitchen Countertops	476	5%	1340185	7%	\$2,816
Tile Flooring ,Backsplashes, tile showers	660	8%	1188262	6%	\$1,800
Faucets	140	2%	949585	5%	\$6,783
Structured Wiring	335	4%	630833	3%	\$1,883
Carpeting	250	3%	564301	3%	\$2,257
Window Coverings	96	1%	351379	2%	\$3,660
Cabinet Hardware	60	1%	315960	2%	\$5,266
Water systems	20	0%	303025	1%	\$15,151
Garage	180	2%	270789	1%	\$1,504
Fireplace	384	4%	216635	1%	\$564
Ceiling Fans	200	2%	201645	1%	\$1,008
Door Hardware	64	1%	199830	1%	\$3,122
Mirror Frames	20	0%	150200	1%	\$7,510
Bathroom Lights	40	0%	103245	1%	\$2,581
Crown Molding, Trim	66	1%	95704	0%	\$1,450
Pendant lights	48	1%	64660	0%	\$1,347
Toilets and Pedestals	24	0%	47520	0%	\$1,980
Stair Railing	64	1%	45810	0%	\$716
Lighting	335	4%	43687	0%	\$130
Hardwood Flooring	96	1%	15524	0%	\$162
Closets	66	1%	9125	0%	\$138
	8760		20535852		\$2,344

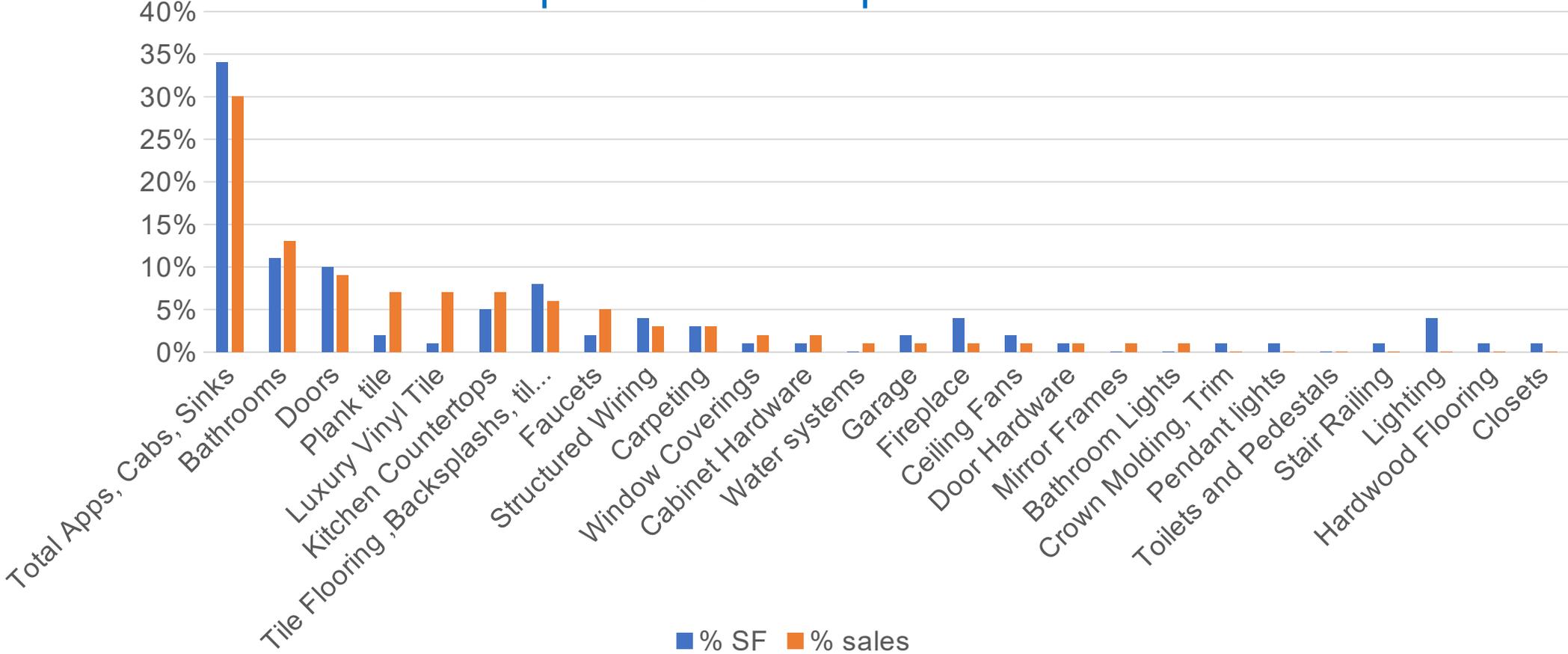






Measure all the data that you have

Options \$ Per Square Foot



Measure all the data that you have

Fulton Homes Sales Associate Analysis												Sales Ratified:	1/1/2024	through	6/30/2024
		Gross				Net			%				Average	Average	
		Gross	Monthly		Percent	Net	Monthly	Realtor	Realtor		%		Net Price	Incentive	Monthly Net
Sales Associate	Months	Sales	Average	Cancel	Cancel	Sales	Average	Sales	Sales	Specs	Spec	Net Volume	Per Home	Per Home	Average
Ed Holly (eh)	6	20	3.3	1	5.0%	19	3.2	14	73.6%	10	52.6%	\$16,040,025.50	\$844,211.00	-\$29,450.09	\$2,673,337.00
Pat McGuire (pat)	6	21	3.5	4	19.0%	17	2.8	14	82.3%	7	41.1%	\$12,209,433.00	\$718,201.00	-\$19,474.56	\$2,034,905.00
Art Ferguson (art)	6	20	3.3	1	5.0%	19	3.2	13	68.4%	14	73.6%	\$11,747,902.75	\$618,310.00	-\$15,860.11	\$1,957,983.00
Linn Adair (la)	6	17	2.8	3	17.6%	14	2.3	12	85.7%	6	42.8%	\$11,500,056.25	\$821,432.00	-\$35,541.32	\$1,916,676.00
Shelley Dass (sd)	6	20	3.3	0	0.0%	20	3.3	17	85.0%	9	45.0%	\$11,172,257.75	\$558,612.00	-\$11,686.75	\$1,862,042.00
Tracy Clark (tc)	6	20	3.3	0	0.0%	20	3.3	13	65.0%	12	60.0%	\$10,317,831.50	\$515,891.00	-\$9,244.05	\$1,719,638.00
Lynn Bax (lo)	6	16	2.6	0	0.0%	16	2.7	12	75.0%	9	56.2%	\$9,864,396.50	\$616,524.00	-\$12,757.81	\$1,644,066.00
Larry Robertson (lr)	6	18	3.0	1	5.5%	17	2.8	14	82.3%	14	82.3%	\$9,635,103.75	\$566,770.00	-\$16,550.13	\$1,605,850.00
Jack Burke (jb)	6	16	2.6	1	6.2%	15	2.5	9	60.0%	9	60.0%	\$8,881,527.75	\$592,101.00	-\$12,410.87	\$1,480,254.00
Ali Hodjati (ah)	6	19	3.1	1	5.2%	18	3.0	13	72.2%	13	72.2%	\$8,392,382.50	\$466,243.00	-\$9,356.94	\$1,398,730.00
Jennifer Hilstrom (jh)	6	15	2.5	0	0.0%	15	2.5	13	86.6%	15	100.0%	\$7,189,184.00	\$479,278.00	-\$7,620.80	\$1,198,197.00
Albert Garcia (ag)	6	14	2.3	0	0.0%	14	2.3	12	85.7%	14	100.0%	\$6,840,476.00	\$488,605.00	-\$6,742.86	\$1,140,079.00
Beth Bell (bs)	6	12	2.0	2	16.6%	10	1.7	8	80.0%	7	70.0%	\$6,784,535.25	\$678,453.00	-\$34,550.10	\$1,130,755.00
Rob DOrtenzio (rd)	6	8	1.3	0	0.0%	8	1.3	5	62.5%	4	50.0%	\$6,050,348.25	\$756,293.00	-\$38,091.78	\$1,008,391.00
Kathy Wood (kw)	6	7	1.1	0	0.0%	7	1.2	7	100.0%	6	85.7%	\$4,728,697.50	\$675,528.00	-\$39,690.29	\$788,116.00
Phil Benson (pb)	6	9	1.5	3	33.3%	6	1.0	4	66.6%	4	66.6%	\$4,282,222.50	\$713,703.00	-\$17,550.83	\$713,703.00
Tom Lacher (tl)	6	7	1.1	3	42.8%	4	0.7	3	75.0%	1	25.0%	\$3,916,292.25	\$979,073.00	-\$6,250.00	\$652,715.00
Djakarta Edwards (dj)	6	6	1.0	0	0.0%	6	1.0	5	83.3%	4	66.6%	\$3,427,510.25	\$571,251.00	-\$10,906.00	\$571,251.00
Agents: 18	6	265	2.4	20	7.5%	245	2.3	188	76.7%	158	64.5%	\$152,980,183.25	\$624,408.91	-\$20,925.67	\$25,496,697.21

Automatic Stock Replenishment



The Shopping Center Approach



The Shopping Center Approach



The Shopping Center Approach

- 3 to 4 Separate Series of homes



S
M



L



XL

The Shopping Center Approach

- 3 to 4 Separate Series of homes
- Draws customers to one location



The Shopping Center Approach

- 3 to 4 Separate Series of homes
- Draws customers to one location
- Buyers can move up or down, huge range of prices

The Shopping Center Approach

- 3 to 4 Separate Series of homes
- Draws customers to one location
- Buyers can move up or down, huge range of prices
- Makes scheduling much easier for Sales Associates and Construction

Retail Principles

Store Front



Retail Principles

Store Front



Retail Principles (Promotion) Gift With Purchase



Get this FREE
Patio Ceiling
Fan(\$175.00
Value) when
you upgrade all
of the fans in
your home.

Retail Principles (Promotion) Gift With Purchase



Get this FREE 4 seater GEM car (\$11,000 value) when you purchase a completed Inventory Home

Retail Principles

Loss Leader



Placing an item at a very low price in order to generate traffic

Retail Principles (Price)

Retail Pricing



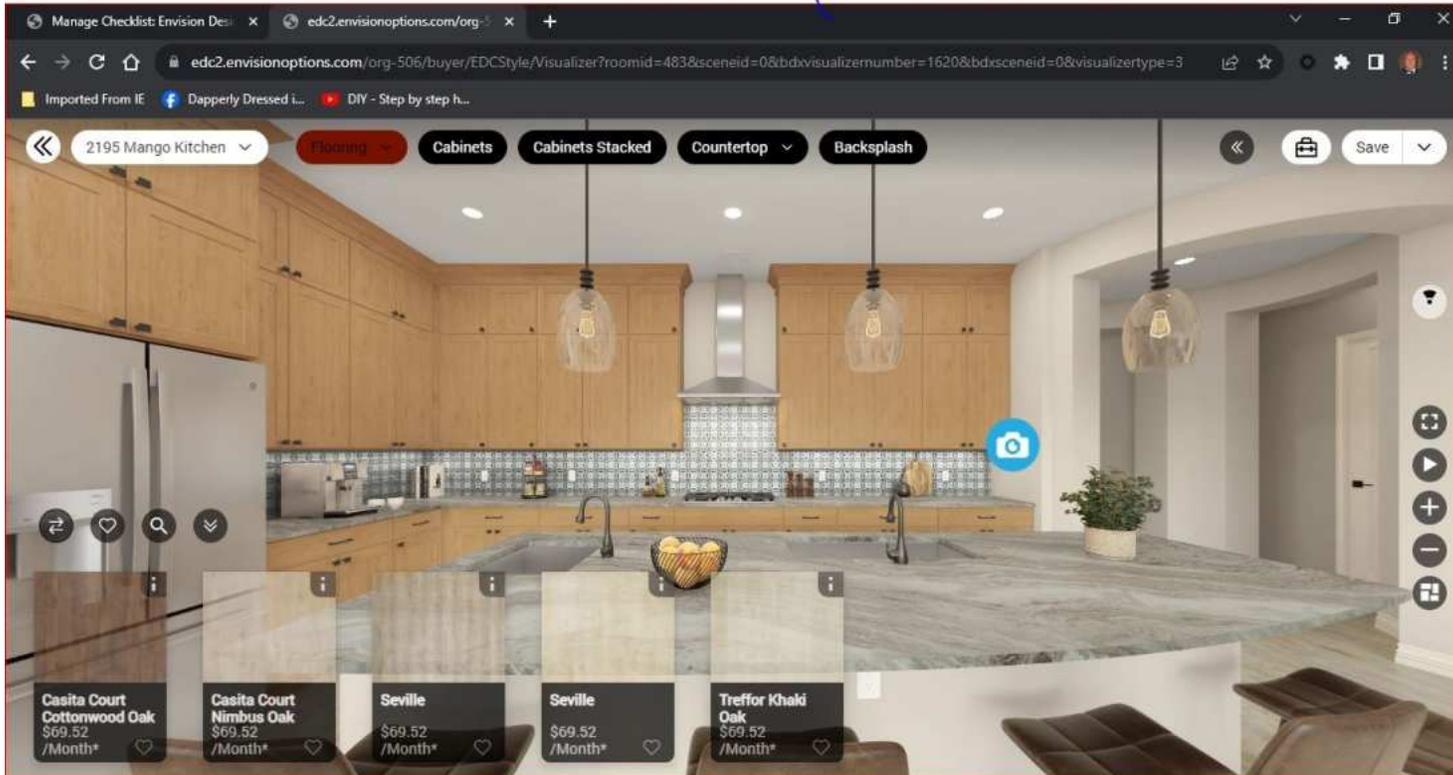
Instead of pricing this home at \$805,900,

Price it at \$799.900

You will fall into more searches

Retail Principles (Price)

Retail Pricing



Instead of pricing the countertops at \$4075,

Price them at \$3975

It just sounds better.

Or use \$19.20 per month

Retail Principles Point of Sale Promo

FULTON HOMES

9X

EPA Indoor airPLUS

2015 • 2016 • 2017 • 2018 • 2019 • 2020 • 2021 • 2022 • 2023

LEADER AWARD WINNER

The Indoor airPLUS Leader Award recognizes market leading builders and raters that utilize their EPA partnership and resources to educate consumers on the value of safer, healthier and more comfortable homes with the Indoor airPLUS label.

Scan QR Code for more information on your
Fultonhomes.com or
EPA.gov/IndoorairPLUS

ADVANTAGES

- Improved Air Quality
- Reduced Allergens
- Reduced Moisture
- Reduced Radon
- Peak Performance

Breathe easy

Look for the U.S. Environmental Protection Agency (EPA) Indoor airPLUS and ENERGY STAR labels on your new home. Reduced indoor air pollutants help protect your family inside. Reduced greenhouse gas emissions help protect the air outside. Homes displaying the Indoor airPLUS ENERGY STAR Certified Home label provide unparalleled energy efficiency, comfort, durability, indoor air quality, and peace of mind.

EPA Indoor airPLUS
QUALIFIED HOME

Retail Principles Unique Selling Proposition

Items that set you apart from the Competition

Retail Principles Unique Selling Propositions

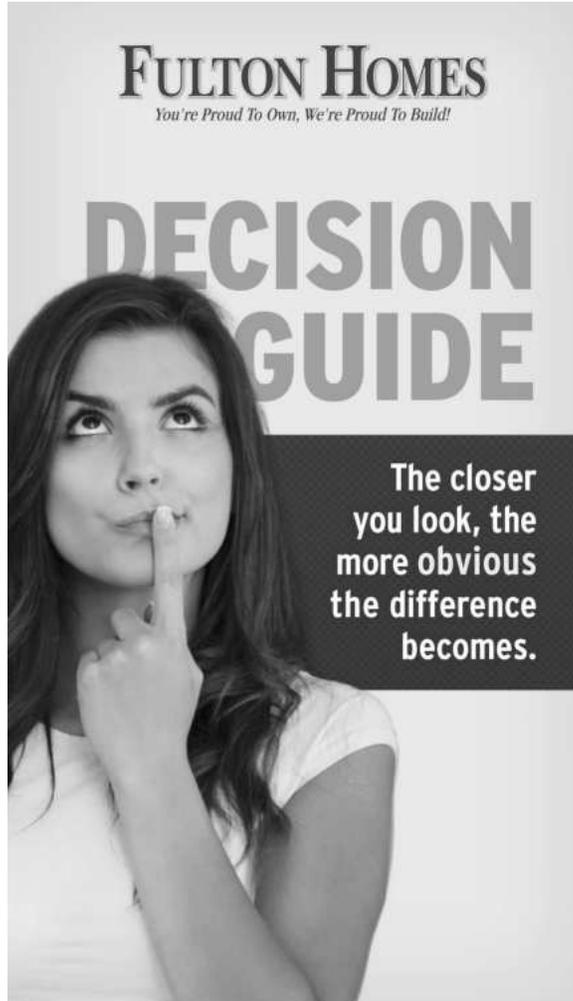
Items that set you apart from the Competition



Efficient
Healthy
Local

Retail Principles Unique Selling Propositions

Items that set you apart from the Competition



24 page booklet that gives you questions to ask other builders

Product Offering (Product)



Product Offering

- Diverse Portfolio



Product Offering

- Diverse Portfolio
- Personalization

Imported From IE | Dapperly Dressed i... | DIY - Step by step h...

Main Menu

Groves Series
Acacia Floorplan

Single Level Floorplan

Select Floorplan Options

- Bedroom 4 w/ Bath
- Bedroom 4 & 5 w/ Bath
- Bath 3
- Door at Flex
- Den w/ Double Doors
- Den 2 w/ Double Doors
- Open Study
- Dining Room
- Spa Shower
- Curbless Walk-in Shower
- Free-Standing Tub
- Reverse Floorplan

Print | Zoom

Master Bedroom 12'0" x 14'0"
Covered Patio
Great Room 20'0" x 12'0"
Kitchen 11'0" x 11'0"
Open Study 14'0" x 11'0"
Bedroom 4 11'0" x 12'0"
Master Bath
Bath 3
Laundry
Pantry
4 Car Garage 21'0" x 31'0"
Foyer
Bath 2
Bedroom 2 11'0" x 12'0"
Covered Porch

Symbols & Outlets

- Text
- Fixtures
- Electrical Outlets
- Low Voltage
- Audio
- Security
- Central Vacuum

Save | Clear

EEBA
Energy & Environmental Building Alliance

Product Offering

- Diverse Portfolio
- Personalization
- Innovative Designs

Customer Experience

- The main reason we built our Design Center and Digital Design Center was to transform our Customer Experience

Customer Experience

- The main reason we built our Design Center and Digital Design Center was to transform our Customer Experience
- Transparency - Builds Trust

Customer Experience

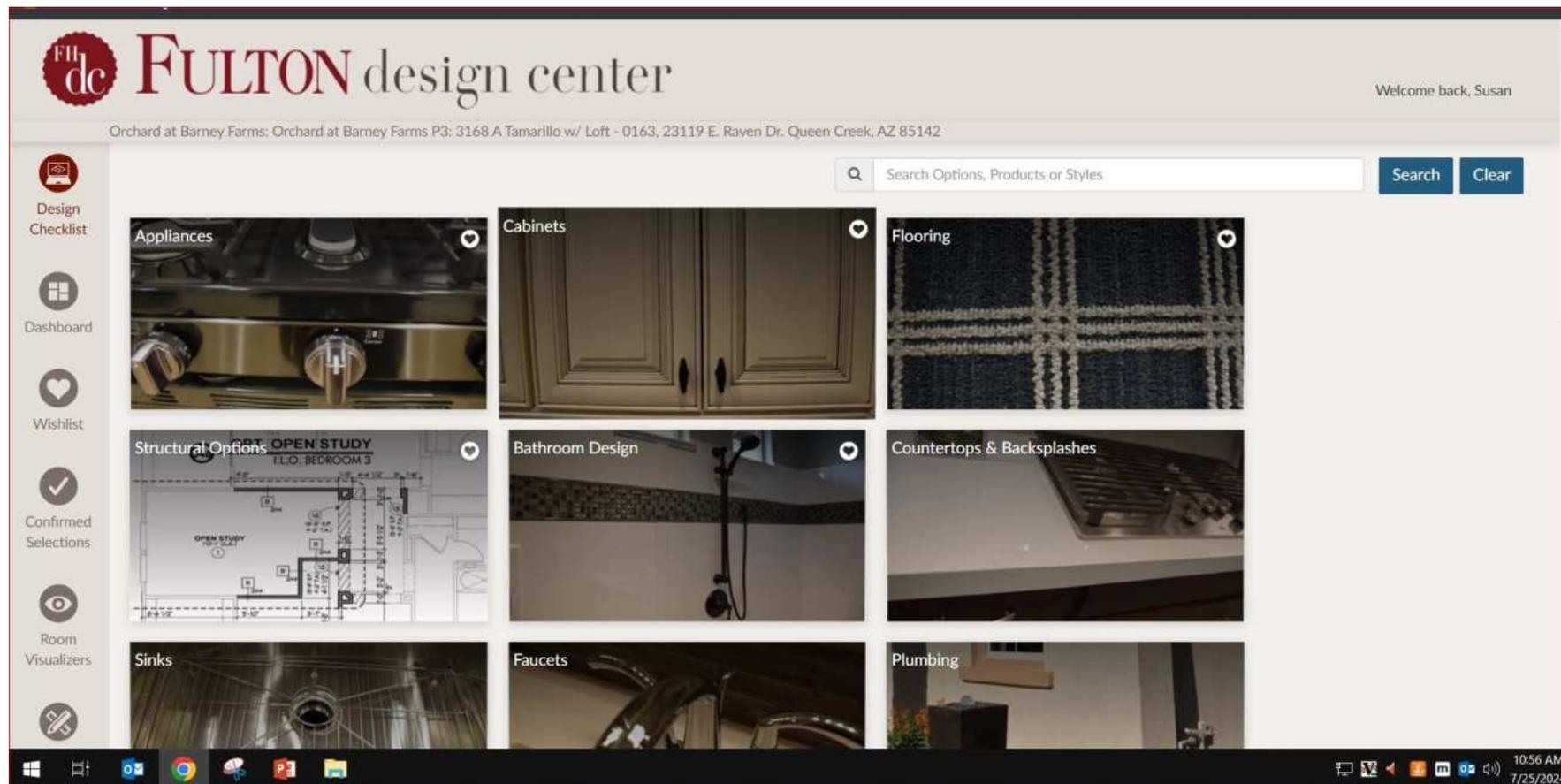
- The main reason we built our Design Center and Digital Design Center was to transform our Customer Experience
- Transparency - Builds Trust
- Show Pricing

Customer Experience

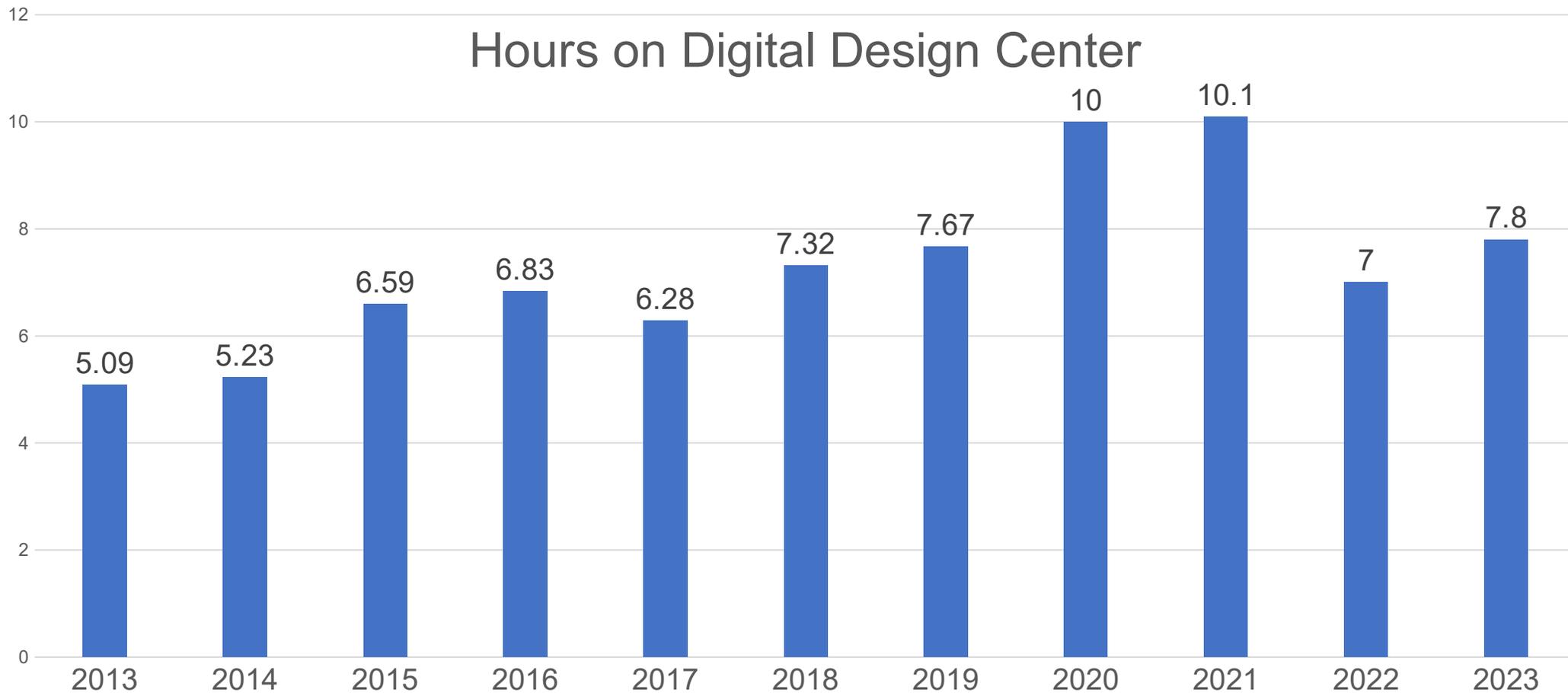
- The main reason we built our Design Center and Digital Design Center was to transform our Customer Experience
- Transparency - Builds Trust
- Customer Feedback

Sales and Marketing

- Digital Marketing



Sales and Marketing



Flooring Prices

Version 2.0

Pandemic

No new builds

Sales and Marketing

- Digital Marketing
- Model Homes



Model Homes are the Retailer Store's Windows

Sales and Marketing

- Digital Marketing
- Model Homes



Sales and Marketing

- Digital Marketing
- Model Homes



Sales and Marketing

- Digital Marketing
- Model Homes
- Design Centers



Sales and Marketing

- Digital Marketing
- Model Homes
- Design Centers



Sales and Marketing

- Digital Marketing
- Model Homes
- Design Center
- Events



Sales and Marketing



Merchandising

Merchandising

- Most difficult concept to understand

Merchandising

- Most difficult concept to understand
- Can be the difference between loss and profit

Merchandising

- Most difficult concept to understand
- Can be the difference between loss and profit
- Is it an art or a science?

Merchandising



"Style is very personal. It has nothing to do with fashion. Fashion is over quickly. Style is forever."

- Ralph Lauren

Merchandising

- Most difficult concept to understand
- Can be the difference between loss and profit
- Is it an art or a science?
- Give the buyer a great set of included features

Merchandising

- Honeywell Wi-Fi thermostats that can be controlled from anywhere
- 36" Cabinets made in USA
- 18" Ceramic Tile at kitchen, bathrooms, laundry room and entry
- Energy Efficient LED light bulbs in all homes
- Front Yard Landscaping credit
- Belgard Pavers Driveways and walkways
- Window Coverings on all major windows
- Ceiling fans in all bedrooms, dens, lofts and family rooms
- High efficiency AC Unit with 10 year warranty
- 3 CM granite countertops in your choice of two edge details
- Two tone interior paint
- 1/3 HP garage door opener
- Pre-plumbed for soft water and reverse osmosis
- Dual Energy with gas and electric at stove and dryer

Merchandising

- DOE Zero Energy Ready Homes
- Appliance packages including microwave and smooth top range
- Pull-out kitchen faucet
- Lever-style interior door hardware
- Energy Star® Certified Homes
- Indoor AirPLUS Certified Homes
- Water Sense Homes that use less water
- High efficiency Low-E vinyl windows
- Open Spray foam insulation in walls and ceilings
- •Sealed ductwork
- •Low VOC (Volatile Organic Compound) interior paints and carpeting
- •High efficiency tank less water heater
- •High quality Sherwin Williams Loxon exterior paint primer

Merchandising - Good Better Best



Merchandising

Markup and Pricing



Fulton Homes \$3175



Spencer's \$3599



Best Buy \$3299



Home Depot \$3299

No Sales tax, no delivery charges, mortgageable, It's there when you move in.

Branding

- Consistency
 - Sales Office
 - Website
 - Design Center
 - Promotions

Branding

- Consistency
 - Sales Office
 - Website
 - Design Center
 - Promotions
- Cause Marketing

Cause Marketing



Cause for Paws



2 Seconds is Too Long



Stuff the Bus



Fence Patrol



Everyday Lifesavers



Cause Marketing

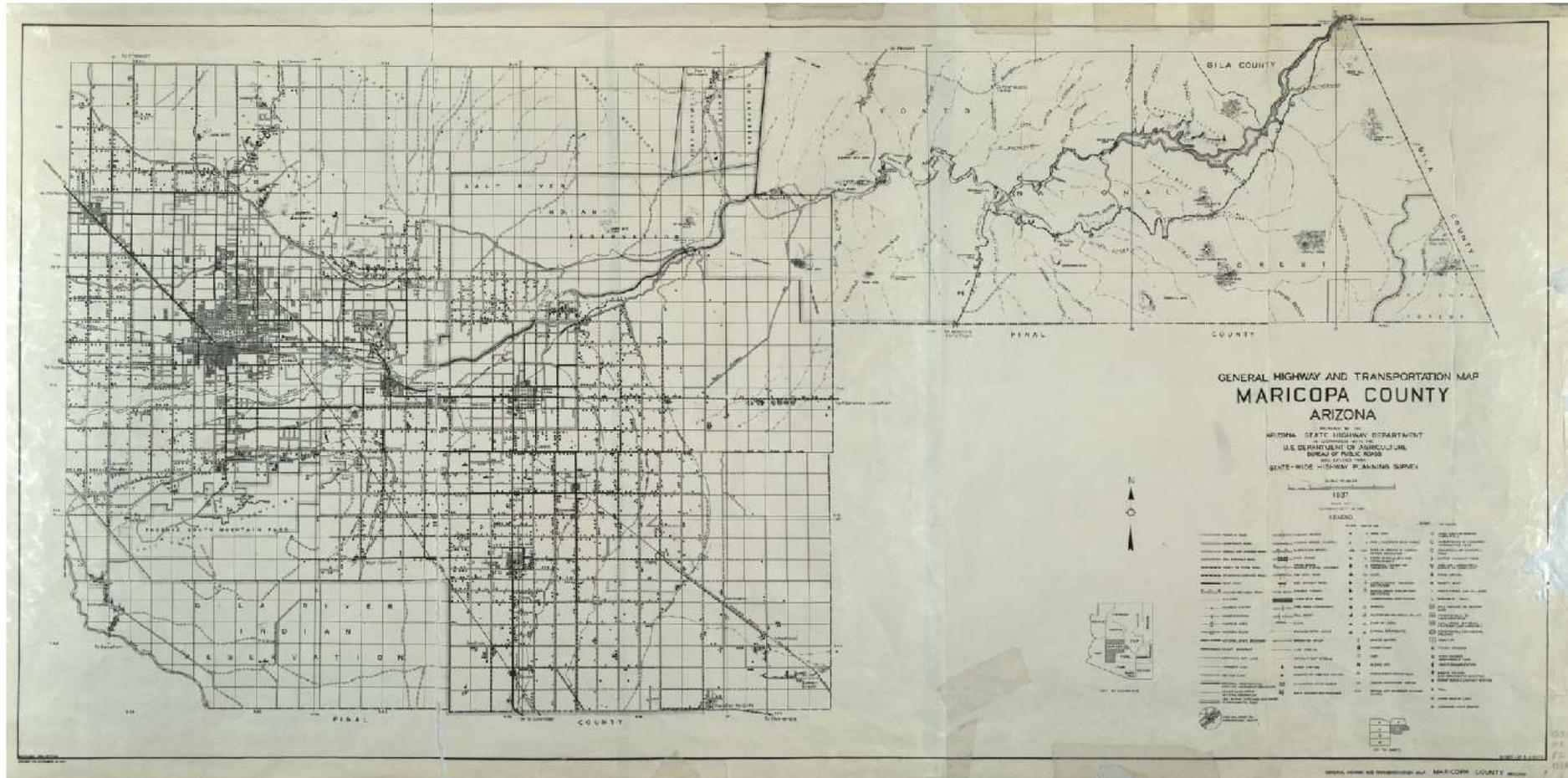
Halo Effect



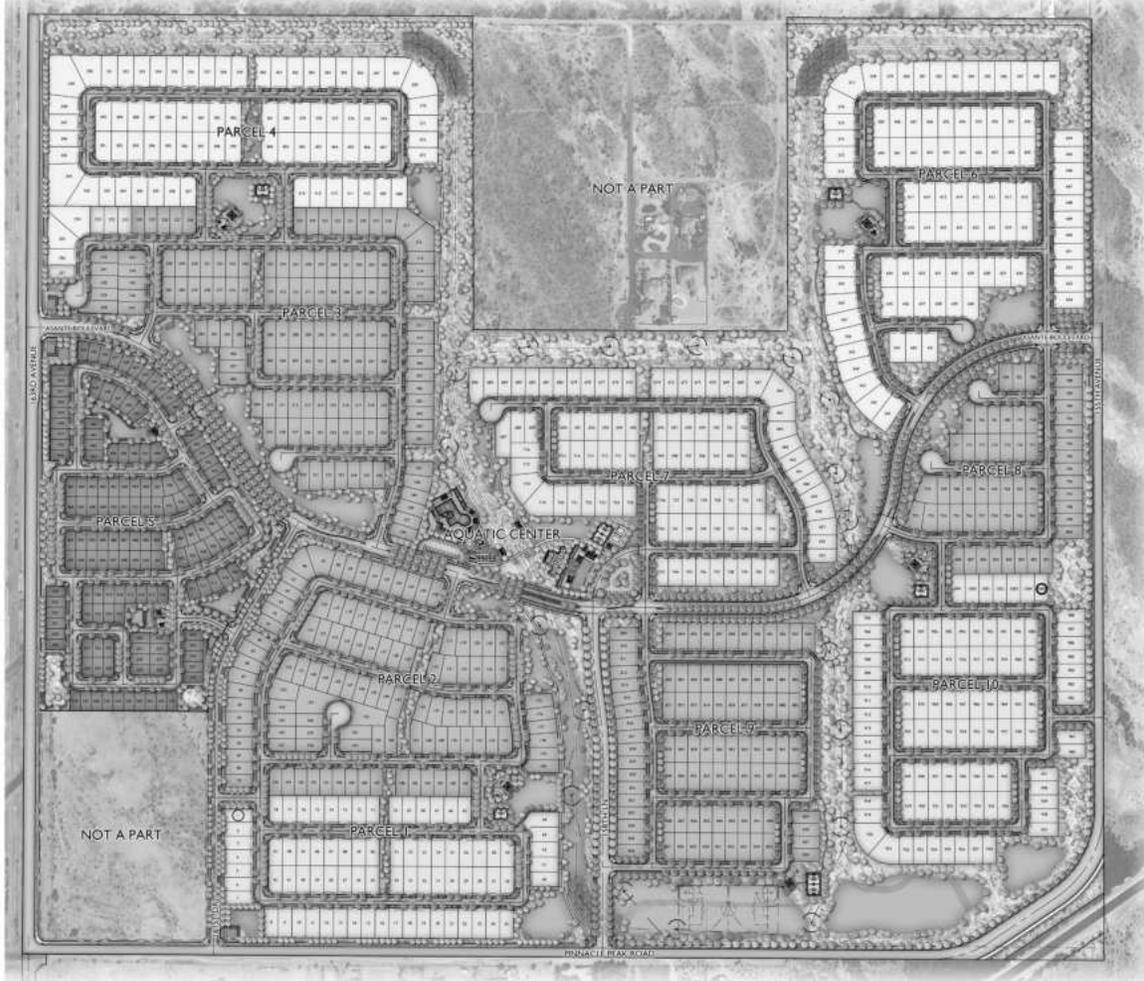
Location and Accessibility

- Strategic Location
- Community Planning

Location and Accessibility (Place)



Location and Accessibility



Parcel Data Table

Parcel	Lot Type	Units
Parcel 1	58'x120'	78
Parcel 1A	Aquatic Center	
Parcel 2	53'x120'	117
Parcel 3	53'x120'	134
Parcel 3 ^a	68'x120'	3
Parcel 3 ^b	58'x120'	4
Parcel 4	68'x130'	78
Parcel 5	45'x85'	146
Parcel 6	68'x130'	94
Parcel 7	58'x125'	100
Parcel 8	53'x120'	57
Parcel 9	53'x120'	96
Parcel 10	58'x125'	98
Total		1005

Lot Breakdown Table

Lot Type	Units	Percentage
45' Lots	146	15%
53' Lots	404	40%
58' Lots	280	28%
68' Lots	175	17%
Total	1005	100%



Value Proposition

- Energy Efficiency and Healthy Homes



Value Proposition

- Energy Efficiency and Healthy Homes
- Sustainability



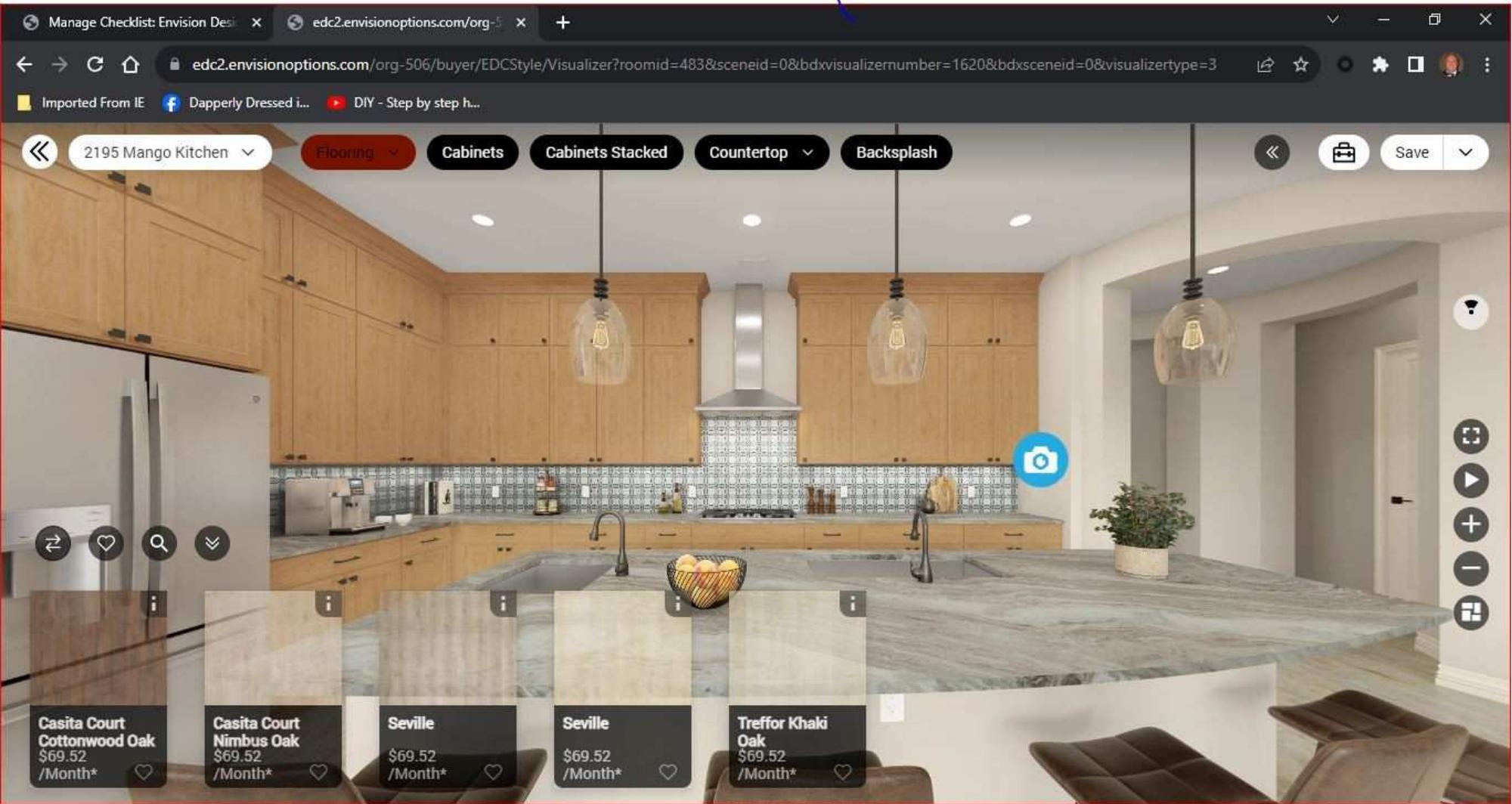
Value Proposition

- Energy Efficiency and Healthy Homes
- Sustainability
- Advanced Technology

Advanced Technology

- Visualizers
- Customer Relationship Management CRM

Advanced Technology



Advanced Technology CRM

Online Customer / Leads Management System

Logged In As: **Dennis Webb**

Customer Search

Clear First Name: Type: Max Price: Community: Office Visits:

Last Name: Username: Status: Plan: Web Visits:

Search Email: Lead Rank: Homesite Qualification New Leads / Events Realtor: [Advanced >>](#)

Users Found:

Customer Info | Realtor Registrations | Notes | User Events | Web Visit Log | Web Searches

First Name	Last Name	Status	OO	Added
Alejandro	Vasquez	Buyer	<input type="checkbox"/>	7/21/2024
James	Patton	Buyer	<input type="checkbox"/>	7/6/2024
Amin	Borovac	Buyer	<input type="checkbox"/>	10/14/2023
Kristine	OConnor	Buyer	<input type="checkbox"/>	6/11/2020
Emily	Pham	Buyer	<input type="checkbox"/>	4/27/2024
Perla I.	Quinonez Loya	Buyer	<input type="checkbox"/>	7/7/2024
michaelene	miranda gonzaga	Buyer	<input type="checkbox"/>	7/3/2024
Teresa	Nelson	Homeowner	<input type="checkbox"/>	1/15/2020
Annann	Hong	Homeowner	<input type="checkbox"/>	4/15/2007
Leah	Patton	Homeowner	<input type="checkbox"/>	7/9/2019
Florian	Burmeister	Homeowner	<input checked="" type="checkbox"/>	2/8/2021
jared	liebhart	Homeowner	<input type="checkbox"/>	3/21/2020
EVelyn	Felix	Lead	<input type="checkbox"/>	7/6/2024
Leslie and Justin	Hendle	Lead	<input type="checkbox"/>	7/14/2024
Sal	Ibarra	Lead	<input type="checkbox"/>	7/19/2024
oscar	lopez pineda	Lead	<input type="checkbox"/>	7/6/2024
Michelle and R...	Rivas	Lead	<input type="checkbox"/>	7/14/2024
charles	toothman	Lead	<input type="checkbox"/>	7/9/2024
Eric	Schroeder	Lead	<input type="checkbox"/>	7/12/2024
Matthew	Moser	Lead	<input type="checkbox"/>	5/9/2024
Nick	Hatchel	Lead	<input type="checkbox"/>	7/12/2024
Juan	Lopez	Lead	<input type="checkbox"/>	5/5/2024
Maria	Robles	Lead	<input type="checkbox"/>	7/18/2024
Lonnie	Holden	Lead	<input type="checkbox"/>	7/6/2024
victoria	derch	Lead	<input type="checkbox"/>	7/20/2024

New Customer | Delete | Select All | Send Email

Customer Info

User ID: 135655 [Logon to MFH](#)

First Name: Web Visits:

Last Name: Web Search:

Phone: Office Visits: [Browse Night](#)

Email:

Username: [Reset Password](#)

Lead Rank: Max Price: Opt Out Lead Source:

Lead Type:

Favorite Communities: 0

Favorite Neighborhoods: 6 [Double-click to view RTB](#)

R	Neighborhood
<input checked="" type="checkbox"/>	North Shore at Acclaim
<input type="checkbox"/>	Ridgeline at Acclaim
<input type="checkbox"/>	North Shore at Enclave

[Add Community](#) [Remove Community](#) [Add Nbrhood](#) [Remove Nbrhood](#)

Favorite Floorplans: 0 [Double-click on floorplan to view / edit configuration](#)

[Add Plan](#) [Remove Plan](#)

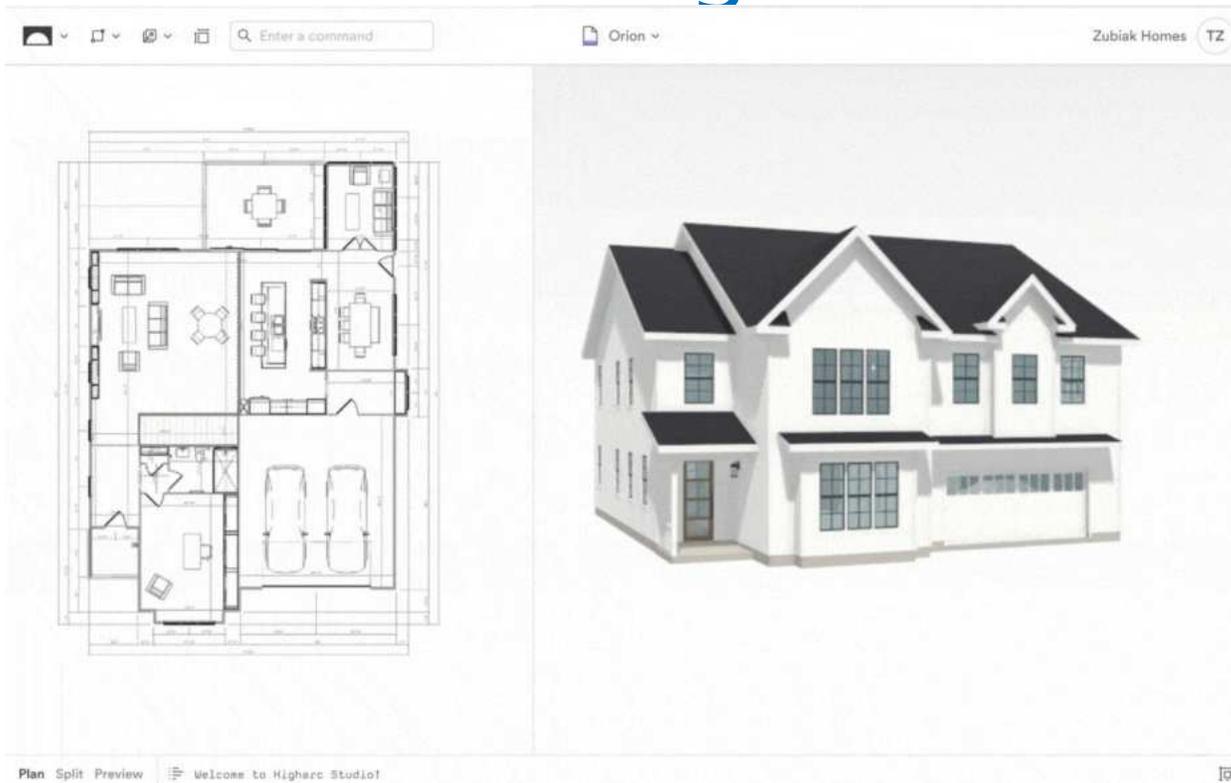
Registered Homesites: 1 Users will receive lot specific information for registered homesites

Status	Address	Project	Lot	Added
Buyer	9994 W. Verde Lane	Ridgeline at Acclaim P2 (ac2ng)	0024	07/21/2024

[Add Homesite](#) [Qualify Customer](#) [Remove Homesite](#)

Advanced Technology

- Visualizers
- Customer Relationship Management (CRM)
- Building Information Modeling (BIM)



Data Driven Decision Making

- Retailers use Data Driven Decision Making

Data Driven Decision Making

- Retailers use Data Driven Decision Making
- New Communities

Data Driven Decision Making

- Retailers use Data Driven Decision Making
- New Communities
- New products based on customer preferences

Data Driven Decision Making

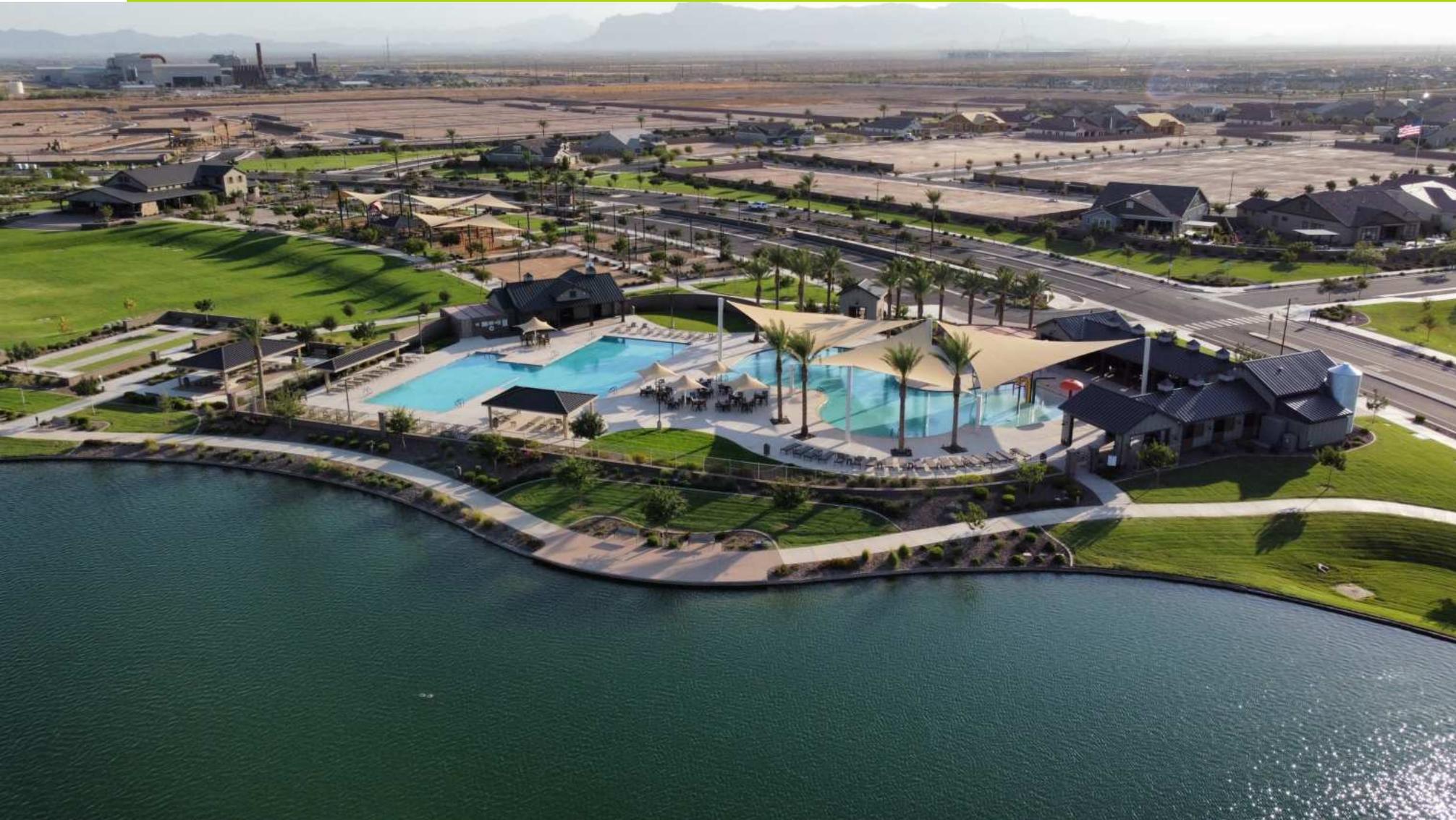
- Retailers use Data Driven Decision Making
- New products based on customer preferences
- Merchandising based on Data (Model stock & OTB)

Merchandising Based on Data

- Model Stock
- Open to Buy

Jul-24	Plank Tile						
	sales	%	stock	%	model	%	diff OTB
Group 5	\$199,843	15%	5	15%	5	13%	0
Group 6	\$106,320	8%	6	18%	4	10%	-2
Group 7	\$310,588	24%	6	18%	10	25%	4
Group 8	\$300,841	23%	4	12%	10	25%	6
Group 9	\$152,015	12%	1	3%	6	15%	5
Group 10	\$49,648	4%	0	0%	4	10%	4
Group 11	\$67,271	5%	3	9%	3	8%	0
Group 12		0%	3	9%	2	5%	-1
Group 13	\$17,695	1%	6	18%	2	5%	-4
Group 14	\$86,546	7%	3	9%	2	5%	-1
	\$1,290,767		37		48		11

Quality and Reliability



Quality and Reliability



Quality and Reliability



Quality and Reliability



Quality and Reliability



Quality and Reliability



Quality and Reliability



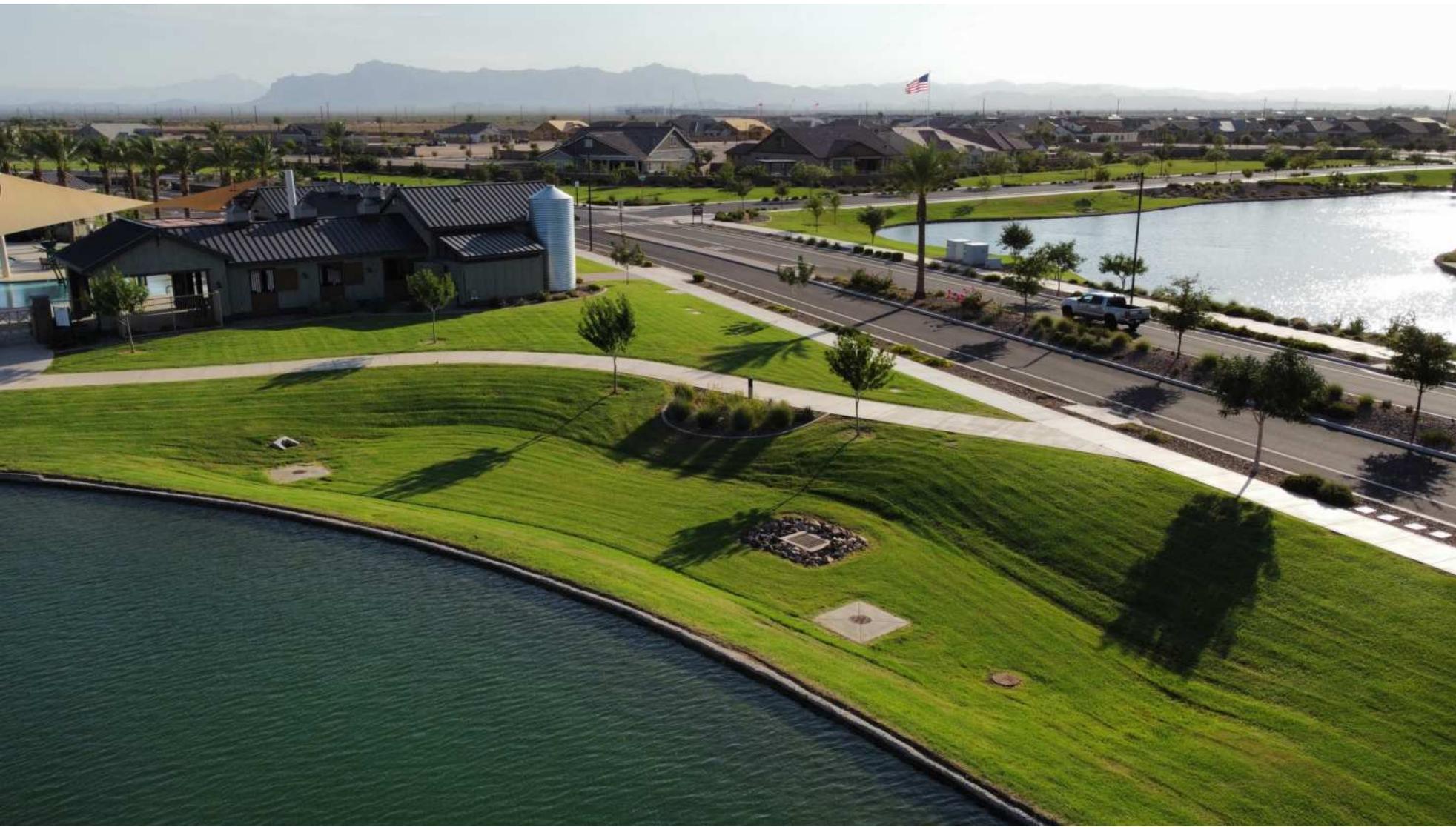
Quality and Reliability



Quality and Reliability



Quality and Reliability



If you can pick up one thing from this presentation

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Take some retail ideas and transform your building business into a great experience for your buyer and make sure they have fun.

Retail Principles in New Homebuilding

Dennis Webb

Fulton Homes

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If you would like more information please give me a call.