



Getting Builder's Sales Staff On-board with Energy Efficiency

RESNET 2013
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ICF International

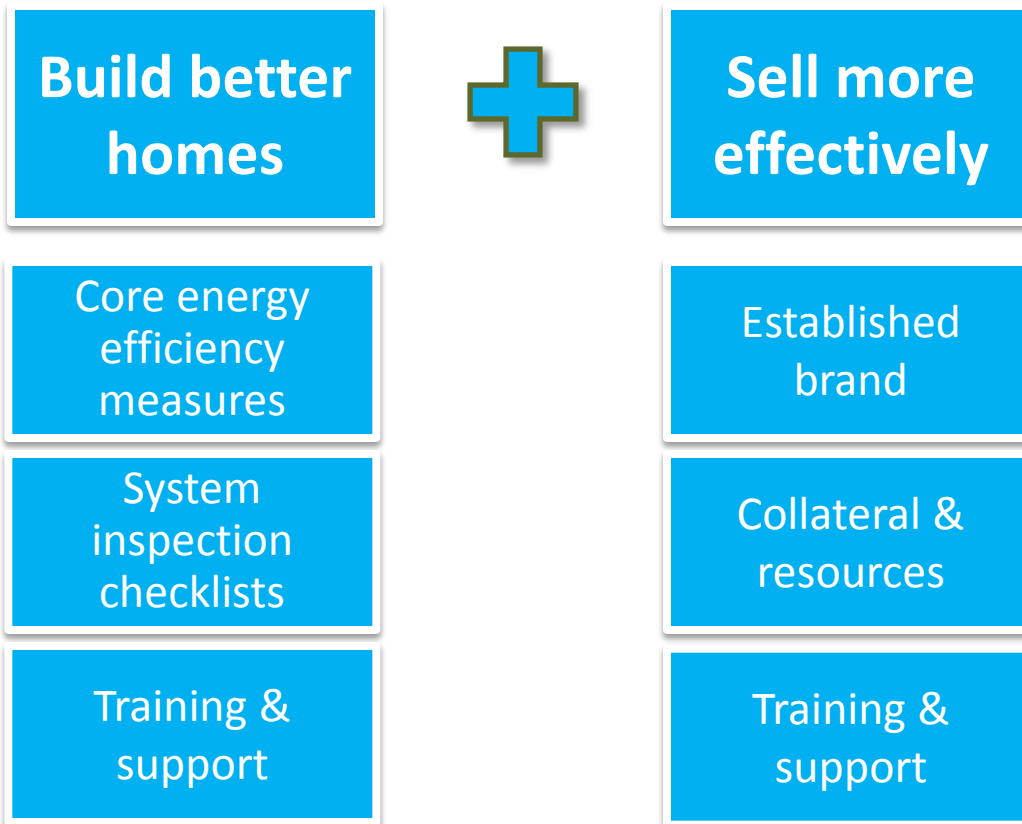
Agenda



- The Value of ENERGY STAR
- The Sales Process
- Engaging Real Estate Professionals
- Examples of Effective Sales and Marketing Techniques
- Resources to Help Sell the Value of ENERGY STAR

The Value of ENERGY STAR for Builders and Raters

ENERGY STAR Certified Homes



Selling More Effectively



- Location
- Location
- Location
- Price
- Curb Appeal
- Amenities

Selling More Effectively

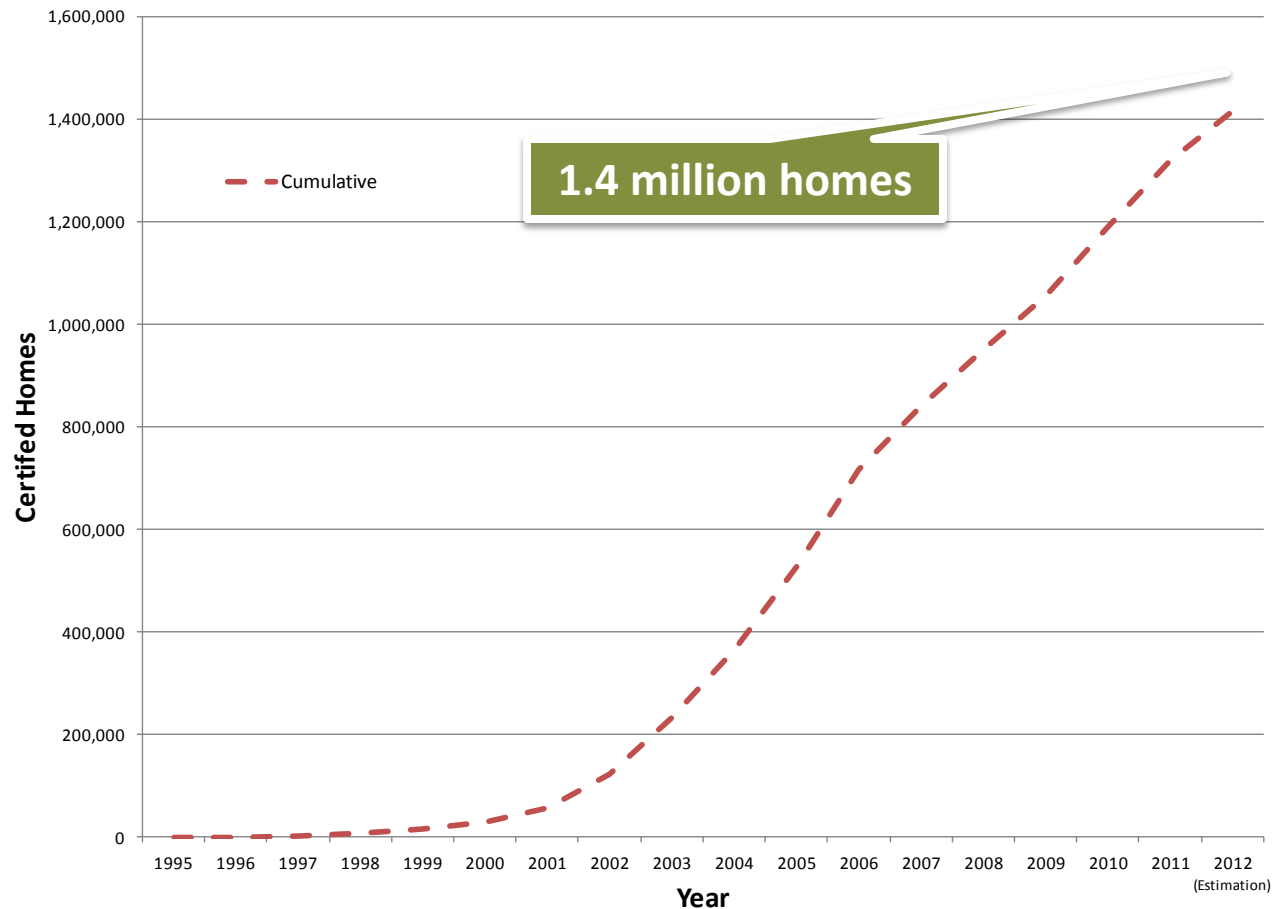


- Cost-effective.
- Meaningful improvement in efficiency.
- Equal or better performance.

Market Recognized Value



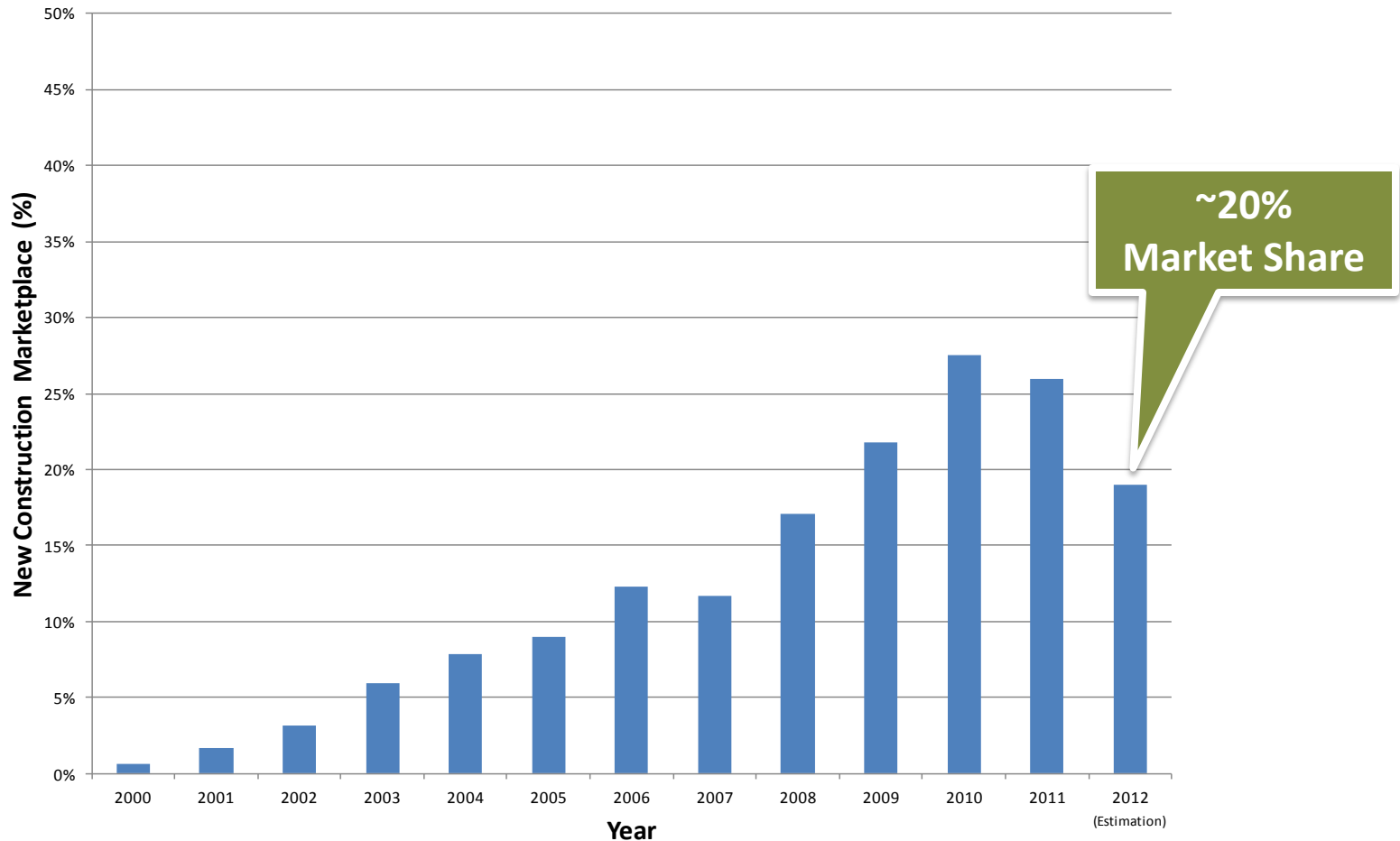
Number of ENERGY STAR Certified Homes



Market Recognized Value



Annual Market Share of ENERGY STAR Certified Homes



Market Recognized Value



- 100% Corporate Commitments:
 - Beazer Homes
 - KB Home
 - Meritage Homes
 - NVR, Inc.
- Plus, over 4,000 builder partners.

ENERGY STAR Benefits Summary



- A higher value home.
- Improved control over product quality.
- Reduced risk from building failures.
- Increased customer satisfaction.
- Improved brand positioning.

The Sales Process

The Sales Process for Builders



- 1) Introduce the company through an **elevator speech**
- 2) Evaluate and understand each prospective homebuyer by **asking questions**
- 3) Fulfill buyer needs by sharing **talking points** important to your buyer
- 4) Point out **features**
- 5) **Close** the deal

“100% of our homes are ENERGY STAR certified. These homes are up to 30 percent more energy efficient than other new homes in our market and up to 50 percent more efficient than resale homes on the market. AND, these homes are verified by a third party rater. In the end this means your home will be more comfortable, higher quality, and save you money on your utility bills.”

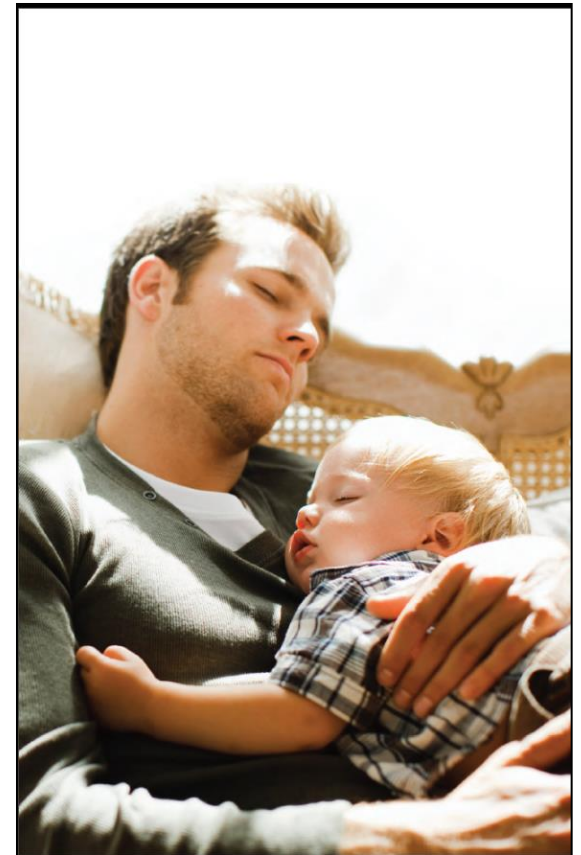
EPA's Consumer Messaging



- “Better is Better”
 - The home has been designed and built to standards well above most other homes on the market today.
 - Better quality, better comfort, and better durability.
 - Better value for today, and a better investment for tomorrow.
 - Better processes of inspections, testing, and verification to ensure that it meets strict requirements set by EPA.
- Four Pillars: peace of mind, enduring quality, wall-to-wall comfort & proven value

Peace of Mind

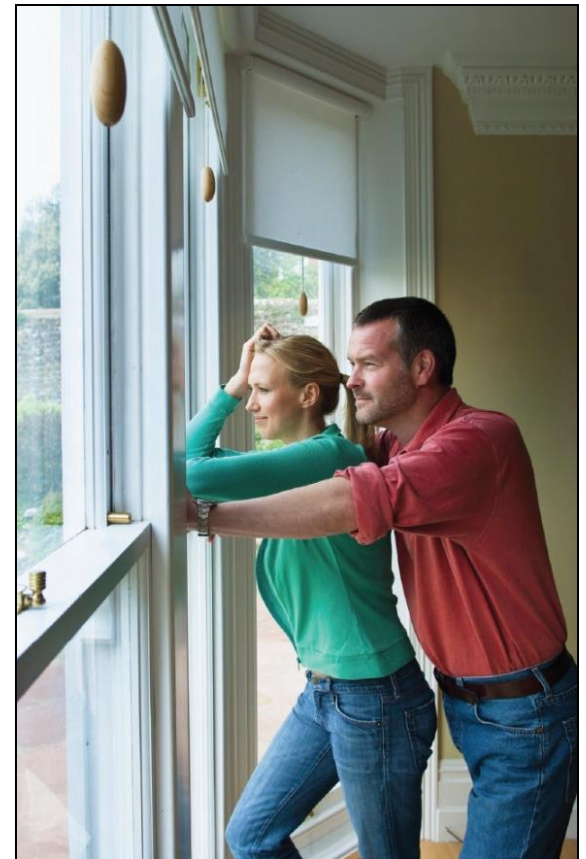
- The result of a home that is built better
- Improved confidence that savings will be delivered
- Satisfaction of a result of:
 - A home built to rigorous requirements
 - Independent testing and inspections



Enduring Quality

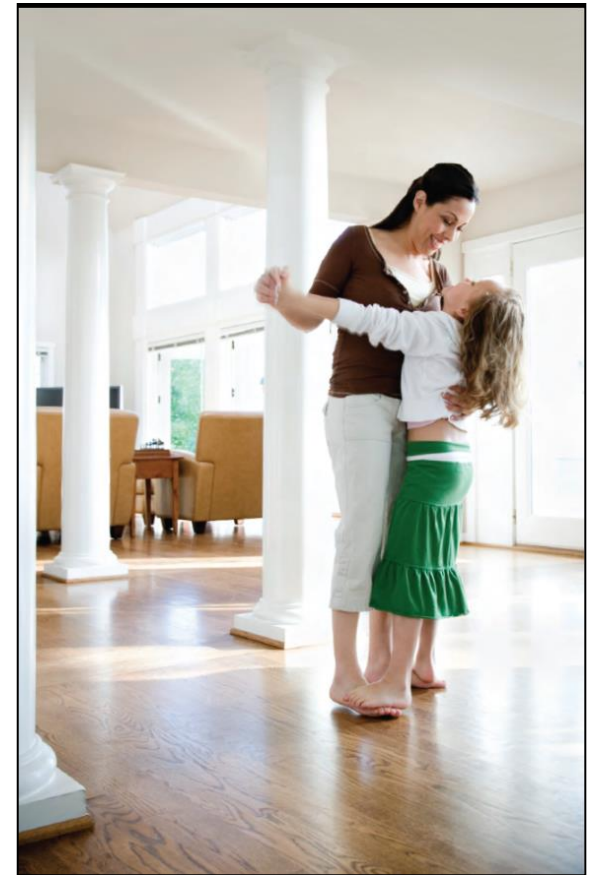


- Better built home
 - A durable home built to last
 - Integrated whole-house approach
- A combination of energy-efficient features, high quality materials, and equipment



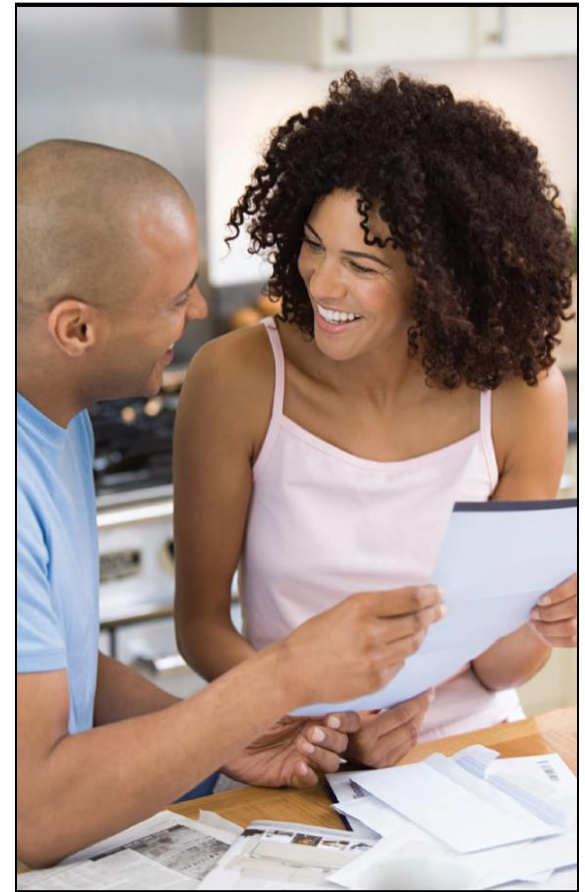
Wall to Wall Comfort

- A better way to live
 - Consistent temperatures from room to room
 - Minimized leaks and drafts
 - Reduced indoor pollutants
 - Reduced noise from the outside
 - Minimized hot and cold spots



Proven Value

- A better investment for today and tomorrow
 - Uses up to 30% less energy than code-built homes
 - Reduced utility bills
 - Lower maintenance costs
 - Label to help differentiate when resold later



Asking Questions



- Sales staff can use a needs assessment to ask open-ended questions to learn more about prospective homebuyers:
 - “What prompted your visit today?”
 - “Why are you considering buying a new home?”
 - “Can you tell me about your current home?”
 - “Can you tell me a little about your family?”

- Based on asking questions, builders can highlight the features and benefits they believe the homeowners would be interested in:
 - **Child with asthma?** Talk about how certified homes are designed to have reduced indoor air pollutants as a result of the automated ventilation system installed to industry standards that helps provide fresh air throughout the home.
 - **Live in an old house?** Talk about the high quality insulation installed correctly and verified by a third party rater that will keep heat out in the summer months and keep the cold out in the winter months.

- People **HATE** wasting money.
- Work with your builder to determine projected average dollar savings for the homes they sell and put it in the context of money not wasted
 - “You won’t waste money on utility payments each month like you would with another house... and if/when fuel prices increase, that means you will be even better off.”

Sales Process Summary



- Don't Sell energy efficiency
 - Sell feelings emotions that are associated with it
- Remember to sell to the decision maker
- Don't sell savings, sell not wasting

Engaging Real Estate Professionals

Why Engage the Real Estate Industry



- Agents help sell homes:
 - Lead generation
 - Consumer education
 - Explaining options and benefits that are not available within the existing home market
- Appraisers set the value of homes:
 - Ensure that energy efficiency and other features are properly valued



What's Missing?



- Real estate agents and appraisers often have limited knowledge of energy efficiency and benefits of programs like ENERGY STAR Certified Homes
- Appraisers:
 - Lack consistent values for efficiency improvements
 - Lack comparisons
 - Do not understand changing standards

- Educate real estate agents and professionals to understand the value of upgraded energy efficiency features
- Provide hands on site visits and walk-throughs as to differentiate the homes you work on from code-built homes
- Give a presentation and training with your builder on the energy efficient features of the homes you build
- Hold a blower door and duct blaster demonstration

Enhancing Agent's Sales Message



- Energy efficiency works to enhance agent's standard sales story of:
 - Price, location, floor plan, amenities
- Energy efficiency allows agents to focus on what consumers want:
 - Lower utility bills
 - Improved comfort and quality
- This can:
 - Decrease buyer's remorse
 - Improve their long-term relationships with their clients

How to Connect



- Agents:
 - Use local organizations such as NAR Chapters, Local Chamber of Commerce, Ecobrokers, local Appraisal Institute chapter
 - Look at top performers and award recipients to determine who to target
 - Attend open meetings and networking events
 - Offer to do free presentations
- Appraisers:
 - Host a meeting at your local Appraisal Institute
 - Connect through your real estate agent
 - Use LinkedIn and social media
- Work with your builder(s)!

Engaging Real Estate Professionals Summary



- Work with Realtors to help them understand importance of energy efficiency.
- Have builders request “Green” certified appraisers who are trained to give value to energy efficient upgrades

Examples of Effective Sales and Marketing Techniques

Examples of Effective Sales and Marketing Techniques



Examples of Effective Sales and Marketing Techniques



You may be wondering why the window has an ENERGY STAR sticker?



Examples of Effective Sales and Marketing Techniques

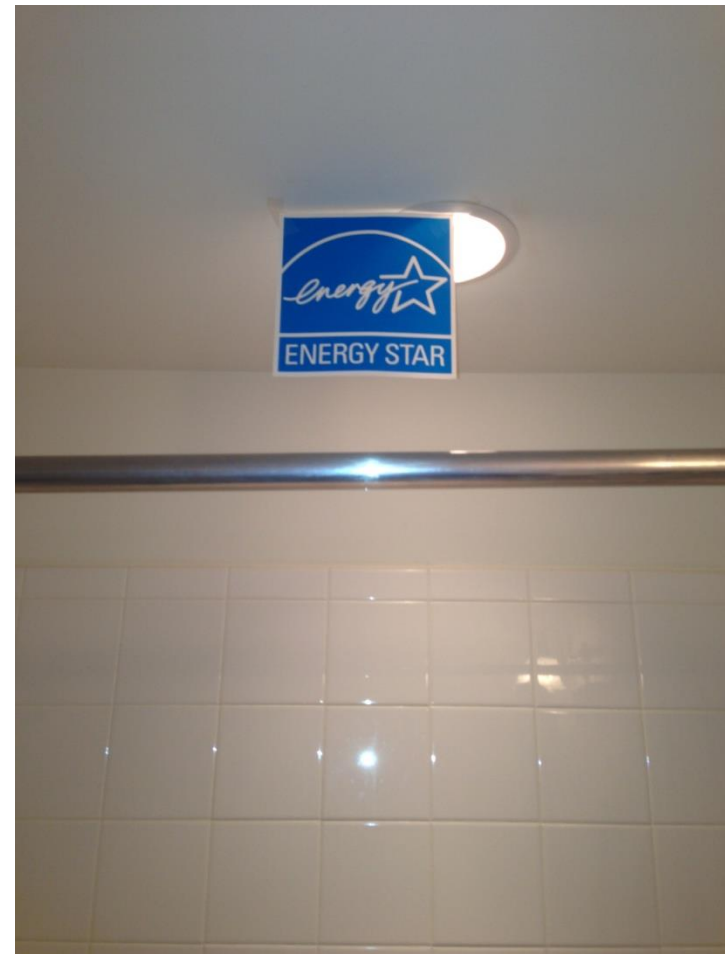
What homebuyer doesn't want to talk about Ducts?



Examples of Effective Sales and Marketing Techniques



Will my house
have a sticker
in the shower stall?



Examples of Effective Sales and Marketing Techniques

I'll never go
down there
anyway...



Examples of Effective Sales and Marketing Techniques

Nor there...
Except to change
the filter every
month



Examples of Effective Sales and Marketing Techniques



I like the brushed nickel... but the cyan blue doesn't match the walls



Examples of Effective Sales and Marketing Techniques Summary

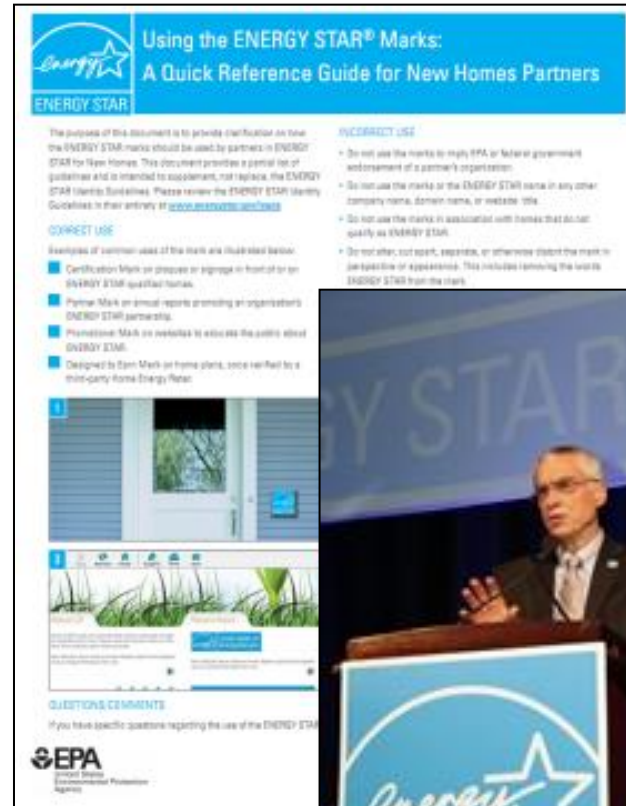


- Use cues to prompt questions
- Provide simple answers that highlight knowledge
- Sell against competition, make your customers ask for the “Carfax”

Resources to Help Sell the Value of ENERGY STAR

Marketing Resources - Brand

- Logos
- Press releases
- Leadership in Housing
- Partner of the Year



Marketing Resources - Website



- Consumer website
- Partner Locator
- Web Linking
- Consumer Video

New Homes Partner Locator
 Select a state for additional information about local partners and homes.

National Program Indicators

- 1,316,726 ENERGY STAR qualified homes built to date
- 8 ENERGY STAR qualified homes built 2012 to date
- 127,366 ENERGY STAR qualified homes built in 2011
- 3,379 ENERGY STAR for Homes Partners

ENERGY STAR qualified homes built in 2011 are the equivalent of:

- Eliminating emissions from 62,507 vehicles
- Saving 378,105,624 lbs of coal
- Planting 163,328 acres of trees
- Saving the environment 741,541,158 pounds of CO₂

Based on national averages

Select a state for additional information about local partners and homes:

State:

Committed to 100% ENERGY STAR Homes Builders		
Name		Builder Type
David Weekley Homes - Houston 713-570-5033	★100%	Site-Built Homes
Lennar and Village Builders - Houston 281-875-1000	★100%	Site-Built Homes
Meritage Homes - Houston 713-690-1166	★100%	Site-Built Homes
KB Home - Houston 281-668-3800	★100%	Site-Built Homes

Marketing Resources - Brochure



101

The little label with a big message. Better is Better.

At first glance, it may seem like a small thing. Your new home's ENERGY STAR label measures just three by five inches. But what it stands for is really big.

The ENERGY STAR label means that your new home has been designed and built to standards well above most other homes on the market today. It means better quality, better comfort, and better durability. It also means that your new home is a better value for today, and a better investment for tomorrow. And it means that your home has undergone a better process of inspections, testing, and verification to ensure that it meets strict requirements set by the U.S. Environmental Protection Agency (EPA).

New homes that earn the ENERGY STAR label deliver energy efficiency savings of up to 30 percent when compared to typical new homes—and the difference is even more striking when put side-by-side with most resale homes.

Every ENERGY STAR home also helps protect our environment. So far, these homes have helped to avoid greenhouse gas emissions equivalent to those from more than 450,000 vehicles.

This better approach to home building results in a new home that brings peace of mind, ensuring quality, well-to-well comfort, and proven value. Your ENERGY STAR certified new home has simply been built better in every way.

ENERGY STAR. It's the little label with a big message. **Better is Better.**



Features of ENERGY STAR® Certified Homes

Energy efficiency guidelines set by the U.S. Environmental Protection Agency

A COMPLETE THERMAL ENCLOSURE SYSTEM



You want your home to be comfortable no matter what room you're in or what the weather is outside. Comprehensive air sealing, properly installed insulation, and high-performance windows work together in an ENERGY STAR certified home to deliver better comfort, better durability, reduced maintenance costs, and lower monthly utility bills. During construction, ENERGY STAR builder partners must meet all of the requirements of EPA's comprehensive thermal enclosure system inspection to ensure that—

- Your new home is tightly sealed to reduce leaks and drafts.
- Correct levels of insulation are selected to provide whole-house comfort.
- Insulation is installed properly to deliver the best performance.

When builders meet these rigorous requirements, you get a home with a complete thermal enclosure system—a better approach to building a better home.

AIR SEALING

A typical home contains a half-mile of cracks and gaps behind walls and around windows and doors, along with hundreds of holes for pipes, vents, ducts, lighting, and wiring. Sealing these openings with a comprehensive air sealing package helps to significantly reduce drafts, moisture, dust, pollen, pests, and noise. The best time to seal these is during the construction process because access to critical areas can be limited once the house is completed.

ENERGY STAR builder partners seal the holes in the framing for plumbing, electrical, and heating, ventilation, and cooling systems. They use caulks, foams, and other techniques—paying particular attention to those areas between the conditioned (heated or cooled) and unconditioned space of your home. One great example of this is found at the attic access panel, where ENERGY STAR certified homes feature a gasket to create a tight seal around the panel (along with insulation). This is a detail that is commonly missing in many other homes and can have a real impact on your comfort and utility bills.

The energy savings from comprehensive air sealing can quickly add up when you consider all the places hot or cool air can enter or escape from your home. Having a well-sealed home also means better air quality because dirt, pollen, pests, and moisture can't get in. In addition, good sealing practices help protect your home against mold and moisture damage that can be caused by condensation.

PROPERLY INSTALLED INSULATION

While it's important to have the right amount of insulation in your home, it's the quality of the installation that makes all the difference in getting the best performance. ENERGY STAR builder partners can choose from many different types of insulation—including batts; blown-in, sprayed, or injected foams; and rigid sheets—to ensure that you get a blanket of comfort around your new home. Insulation levels are commonly rated by R-value, or resistance to heat flow; the higher the R-value, the more resistance. Insulation

- Thermal Enclosure System
- HVAC System
- Water Management System
- Lighting & Appliances
- Independent Testing & Verification

Marketing Resources - Certificate



ENERGY STAR[®] QUALIFIED HOME

Builder Name: Gamble Builders
Permit Data/Number: 4 April 2011
Home Address: 1310 L Street, Washington DC 20005

Rating Company: G Force Testing
Rater Identification Number: 2345678
Rating Date: 6 July 2011
Version: 3.0

Standard Features of an ENERGY STAR Home Information
 Your ENERGY STAR qualified home has been designed, constructed and independently verified to meet rigorous requirements for energy efficiency set by the U.S. Environmental Protection Agency (EPA), including:

<p>Thermal Enlosure System A complete thermal enclosure system that includes comprehensive air sealing, quality-installed insulation, and more, to deliver improved comfort and lower utility bills.</p> <p>Infiltration Test: 4 ACH50</p> <p>Primary Insulation Levels: Ceiling: R30 Floor: R-10 Wall: R19 Slab: R-6</p> <p>Primary Window Efficiency: U-Value: 0.60 SHGC: 0.27</p>	<p>Water Management System A comprehensive water management package to protect roofs, walls, and foundations, including the following, and more:</p> <p>Flashing, a drainage plane, and sloped surfaces that move water from the roof to the ground and then away from the home.</p> <p>Water-resistant materials on below-grade walls and underneath slabs to reduce water intrusion into the home.</p> <p>Management of moisture levels in building materials during construction.</p>
<p>Heating, Cooling, & Ventilation System A high-efficiency heating, cooling, and ventilation system that is designed and installed for optimal performance.</p> <p>Total Duct Leakage: 5 CFM25 per 100 sq. ft.</p> <p>Duct Leakage to Outdoors: 4 CFM25 per 100 sq. ft.</p> <p>Primary Heating (System Type • Fuel Type • Efficiency): Fuel-fired Hydronic Distribution • Natural Gas • 90 AFUE</p> <p>Primary Cooling (System Type • Fuel Type • Efficiency): Ground-source Heat Pump • Electric • 14.5 SEER</p>	<p>Energy-Efficient Lighting And Appliances Energy-efficient products may be included to help reduce utility bills, while providing high-quality performance.</p> <p>ENERGY STAR Qualified Lighting: 75%</p> <p>ENERGY STAR Qualified Appliances and Fans: Refrigerators: 1 Dishwashers: 1 Ceiling Fans: 4 Exhaust Fans: 3</p> <p>Primary Water Heater (System Type • Fuel Type • Efficiency): Electric Resistance Heater • Electric • 0.94 EF</p>

HERS[®] Index

This certificate provides a summary of the major energy efficiency and other construction features that contribute to this home earning the ENERGY STAR, including an Home Energy Rating System score, as determined through independent inspection and verification performed by a licensed professional. The Home Energy Rating System is a nationally recognized and standardized measure of the energy efficiency of homes. Homes that meet a home's criteria multiple performance levels for a particular feature (e.g., window efficiency or insulation levels), the predominant value is shown. Also, homes may be qualified to earn the ENERGY STAR using a sampling protocol, whereby one home is randomly selected from a set of homes for representative inspection and testing. In such cases, the features found in each home within the set are intended to meet or exceed the values presented on this certificate. The actual values for each home may differ, but offer equivalent or better performance. This certificate was produced using HERSmark™ Version 3C.009. [Learn more at www.energystar.gov/qualified](http://www.energystar.gov/qualified)

- Details the standard features of an ENERGY STAR Home.
- Also, includes the specific core efficiency features selected for each home.

Summary and Key Takeaways



- ENERGY STAR provides a platform to discuss energy efficiency to consumers
- Work with all facets of sales process to increase awareness
- Make the discussion easy, know the answers by influencing the question

Discussion

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