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# Guide to Understanding What Builders Want From HERS Raters



Understanding expectations can improve communications between builders and raters, making it easier for them to work together to advance the common goal of “greener” homes.

## Introduction

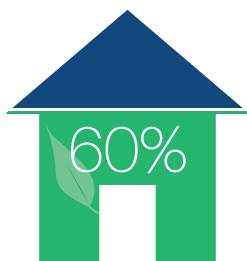
Builders are a capable and self-reliant bunch. They know a thing or two about building energy efficient homes and have worked hard to earn their expertise in this area.

Yet as energy codes become more stringent—and consumers become more mindful of the environmental and cost benefits of “greener”<sup>1</sup> homes—builders need help delivering the energy efficient, comfortable and environmentally conscious homes customers and codes demand.

This is the kind of help HERS raters can provide. But building science expertise alone is not enough. To deliver value to builders, you need to understand what they want and expect from HERS raters they choose to work with. The best way to find out what your customers need is to ask them, so that is what we did.

## Where Does This Data Come From?

In the first half of 2016, the Insulation Institute conducted two rounds of qualitative research to better understand how builders and HERS raters interact. This included a focus group of ten builders, followed by a series of one-on-one interviews with ten other builders. The residential builders involved in the research included a broad mix of regions, type and number of homes built per year. What they all had in common was significant experience working with raters, ranging from two to ten years. Also, all but one of them still work with raters (which, if you’re a rater, you should be happy about). We believe sharing this data with raters will help them better serve their builder customers and, in so doing, will help improve the quality of future homes.



Builder interest in constructing “green” homes is strong. According to the [2015 SmartMarket Report “Green and Healthier Homes”](#) nearly a third of builders currently build at least 60% of their homes “green.” This same study found 73% of single-family builders believe consumers will pay more for “green” homes. Can HERS raters help turn this interest into greater profit for builders?

## What Residential Builders Think of HERS Raters

The discussions included a large number of discrete topics. It was clear builders have a lot of opinions on raters, and raters perform a variety of services for them. We broke the responses down into three categories:

- 1. Why Builders Use HERS Raters.** This provides a baseline understanding of the core value proposition builders receive from raters.
- 2. What Builders Expect From HERS Raters.** This is about what you, as a rater, *must* offer builders to be viable in the market. That is not to say all raters must provide all the services listed all the time, but it gives a sense of what is required to be competitive.
- 3. How Raters Can Exceed Builders’ Expectations.** This addresses how a rater can differentiate himself/herself. Not just from other raters, but by delivering unique and unexpected value to their builder customers.

<sup>1</sup> There is not a definitive definition of what constitutes “green” buildings or homes. The term is used herein to denote an effort to minimize environmental impact, but NAIMA makes no representation as to actual environmental impact.

## Why Builders Use HERS Raters

When asked why they use HERS raters, the responses showed builders find significant value in using raters.

- A HERS score can help validate that a home was built properly and will achieve a certain level of performance.
- Many builders view a good HERS score as a way to promote themselves as credible builders. Getting a HERS rating score is an external proof point that the builder does good work.
- Builders use HERS scores to meet the qualification requirements for certain certifications and rebate or incentive programs.
- HERS scores help builders compete in competitive markets and give them an edge over the existing housing stock.
- HERS ratings provide marketing value to builders targeting homebuyers who are interested in “green” or sustainable homes.

## What Builders Expect From HERS Raters

When asked to describe HERS raters, builders’ responses showed their respect for raters, and also indicated what they value most from them.

- HERS raters must be building science experts. Builders expect to rely on the rater’s knowledge and expertise to validate the work that has been completed.
- HERS raters must advise, not just critique. If raters point out issues but don’t offer constructive alternatives, they risk losing customers.
- Builders take pride in building quality homes and the HERS rater provides the “evidence” that the builder has built a home that performs better than others.
- HERS raters should not make brand recommendations when working with builders; it causes suspicion that the rater is trying to push a specific product and thus compromises the rater’s credibility.

## How Raters Can Exceed Builders’ Expectations

Builders believe there are many things raters can do to differentiate themselves.

- **Back the builder’s approach.** Sometimes homeowners question a builder’s choices; supporting a builder with the homeowner reinforces his credibility and can help him ensure his customers are satisfied.
- **Inform and advise—don’t just test and report.** Builders appreciate when raters explain how and why a building received a specific score. Raters deliver most value when acting as trusted advisors and consultants.
- **Provide marketing assistance.** While builders see value in HERS scores and HERS raters, most expressed a desire to extract more value for the score from homebuyers. With this in mind, builders suggested a few ways raters could add

“Greening” of MLS databases around the country is a growing trend. [The U.S. Department of Energy](#) is working to speed the adoption of fields for “green”/efficient homes in MLS databases. This will allow prospective buyers to compare homes by “green”/efficient attributes. This can help builders better market their HERS rated homes.

According to our builder research, we found case studies are king. The more examples you have, the better your marketing material for builders will resonate.

value, including educating realtors, educating homebuyers and even educating builders' sales teams on how to better sell "greener" homes. One example shared was a rater who educated realtors before a series of open houses to make sure they could talk up the efficiency of the homes. The builder who shared this story indicated it was a successful approach.

- **Help make lower HERS scores mean more dollars.** While there is a desire for general marketing assistance, the "holy grail" for builders is to extract incremental value as they proceed further and further down the HERS rating system towards net zero. Helping them crack the code on this would make a rater invaluable.
- **Make building science understandable for homeowners.** Builders want to see scores, efficiency metrics and the other outcomes associated with "green" homes translated into value propositions that can be understood by the average homebuyer. Raters who do this will differentiate themselves. In many ways, this is an enabling component of the previous bullet on marketing assistance.
- **Share your ideas.** Builders indicated they want raters to offer ideas early on, not just accept their approach. This shows that builders consider raters to be experts. The builders voiced the opinion that part of why they pay an expert is to get good ideas.
- **Train the trades.** Builders were split on whether this part of a rater's job was a given or added value a rater could offer. Given the split, it would be helpful to set expectations on proper subcontractor training in advance with builders.
- **Save builders money.** If raters can offer different ways to deliver comparable performance outcomes (e.g., similar scores) for less money, builders want to be told about them. Examples of this would be valuable in rater's marketing materials.
- **Provide a quick turnaround for scores.** Builders felt that it took too long to get scores. Besides creating anxiety over results, score delay can impact work schedules should remediation be necessary.

## How Builders See the Future for HERS Raters

Builders think that as energy codes become more stringent, the need for HERS raters will increase.

- HERS raters can help builders better understand how to achieve the target results.
- Some expect HERS ratings will become the measure of code compliance.
- Builders forced to change their practices to meet more stringent code requirements will be able to leverage the expertise and experience of HERS raters.
- In general, there is an expectation that HERS ratings will become more and more common.

## Conclusion

Better understanding the frustrations and expectations of builders—combined with an acknowledgment of and reliance on the expertise of HERS raters by builders—will facilitate collaboration and communication between HERS raters and builders as they work to integrate energy efficient building solutions in “greener,” more sustainable homes.

While HERS isn’t the only energy rating system builders are working with, it provides great potential for adding value to the residential home building process. By helping builders meet more stringent code requirements, better understand how to achieve target results, and explain and market the advantages of “greener” homes, HERS raters can provide the new ideas and solutions needed to forge stronger builder partnerships that will benefit the environment and the homebuyer alike.

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Through the Insulation Institute™, we leverage the collective insulation expertise of our organization and our members to empower homeowners and professionals to make informed insulation choices. Our mission is to enable a more comfortable, energy efficient and sustainable future through insulation—and we are constantly working with building professionals, homeowners, government agencies, and public interest, energy and environmental groups to realize that vision.

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