



Building America Case Study

New Town Builders’ Power of Zero Energy Center

Denver, Colorado

GENERAL INFORMATION

Builder: New Town Builders of Denver, Colorado; newtownbuilders.com

Established: 1992

Construction: New home

Type: Single-family, zero energy

SELLING TO EMOTIONS...

New Town Builders is capturing homebuyers’ emotions to sell its homes and to effectively demonstrate their value. A few examples of New Town’s strategies follow:

- Use a person who resembles the customer’s ideal to advertise the product.
- Emphasize the emotional rather than the functional benefits.
- Show how the product will save the homebuyer time, effort, and money.
- Address concerns about quality, design, complexity, and status.

Using the U.S. Department of Energy’s Zero Energy Ready Home as its new standard, New Town Builders has become a nationally recognized energy-efficient builder and has exceeded ENERGY STAR® certification. New Town offers the most energy-efficient and affordable new homes in Denver; all those in the Stapleton community come standard with solar energy systems. Every single-family detached home New Town builds in Stapleton will be Zero Energy Ready Home certified and will have the zero energy option, making the technology and benefits attainable for the average homebuyer.

New Town has successfully appealed to a wide range of potential homebuyers with its energy-efficient home design and sales approach. The company’s new Power of Zero Energy Center in its model home complex demonstrates how New Town homes offer energy and cost savings, comfort, and affordability. The original Building Science Center focused on the science behind the homes, rather than on their benefits. It was not engaging visitors effectively, so New Town completely changed both the center and the marketing approach.

The Original Building Science Center

The original Building Science Center was in the garage of a model home at the New Town community. The displays’ “science fair” approach focused on the technical details of how and why New Town homes perform more energy efficiently than other builders’ homes. This strategy did not capture visitors’ imaginations because most were uninterested in these details. Also, the garage space was not integrated into the flow of foot traffic through the model homes, which further separated it from visitors.

New Town decided to move toward a motivational center that would reach potential homebuyers more effectively.



THIS IS ONE OF THE HARDEST PLACES TO INSULATE.

The outer edge of the floor is difficult to insulate and seal. Instead of using thinner R-11 insulation like the typical Denver resale home, our New Town home seals the gaps with expanding foam and uses thicker R-19 insulation.

THE MESSAGE BEHIND “THE POWER OF ZERO”

New Town decided to appeal to homebuyers’ emotions with “The Power of Zero” message, which is expressed in the central display of the new center. This recurring theme for the exhibits includes four main categories, each conveying a specific message for potential homebuyers:

- Zero Energy Expenses. Homeowners have more money in their pockets each month.
- Zero Cold Toes. Homeowners are more comfortable in their homes.
- Zero Business as Usual. Homeowners can expect more of their homes and their builder, who has “pioneered a home revolution” and earned a national reputation for its expertise in energy-efficient building.
- Zero Compromise. Homeowners enjoy everything in their homes without sacrifice.

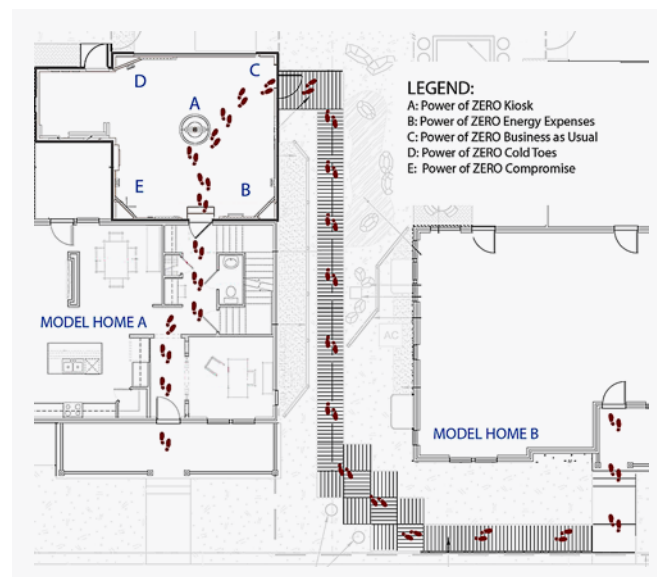
“Most customers [in the old center] did not grasp the topics like R-value, U-value, SEER, HSPF, COP, etc., and most couldn’t keep straight which numbers were better when higher and which were better when lower.”

– Bill Rectanus, Vice President of Homebuilding Operations, New Town Builders

This display shows three sections: a typical Denver resale home (left), a New Town home (center), and a New Town zero energy home (right). It explains the elements of the wall assemblies and associated details. The image to the right of the display is an example of a sign in the Building Science Center. Both images demonstrate the science behind the homes. (Image courtesy of New Town Builders)

The New Power of Zero Energy Center

New Town wanted to attract potential homebuyers by creating an emotional attachment and connecting family benefits to energy-efficient homes. The new Power of Zero Energy Center downplays technical details and is more motivational and interactive than the old center. The builder combined traditional and motivational marketing with educational backing to tell the energy-efficiency story. The new center is also better integrated between two model homes to encourage visitors to enter the space. The center has five strategically placed and engaging displays.



New Town believes the two most powerful exhibits are: (1) the Power of Zero central display with homebuyer testimonials and (2) the Power of Zero Energy Expenses display, which leaves potential homebuyers with thoughts of satisfaction and cost savings. Visitors enter the first model home through the sales office, proceed through the Power of Zero Energy Center, go outside through a connecting garden, and enter the second model home.

The first display that visitors see is the large Power of Zero kiosk (“A” on the floor plan). It includes a video presentation of homeowner testimonials (examples shown in the right sidebar) and messages about the unique benefits of New Town homes. Central to the space, it is the most important takeaway for the potential homebuyers.



Power of Zero kiosk display

The next exhibit is the Power of Zero Energy Expenses (“B” on the floor plan). It shows the personal benefits of purchasing a New Town home. The display shows stacks of money that a homebuyer could save with a zero energy home. The large image of a happy baby is intended to appeal to family-oriented emotion and to make energy efficiency a personal commitment.

The third exhibit, Power of Zero Business as Usual (“C” on the floor plan), demonstrates New Town’s nationally recognized excellence and successes since 2001. It emphasizes that the company was the first to build standard zero energy homes. It shows homebuyers that they can trust—and have high expectations of—New Town Builders.



Power of Zero Energy Expenses display



Power of Zero Business as Usual display

CUSTOMER TESTIMONIALS

New Town is seeing the benefits of its Power of Zero Energy Center. Homebuyers directly correlate their experience in the center to their home purchases:

“When researching new homes, my wife and I were intrigued by the potential of a ‘zero energy home.’ It was an appealing concept, but also a bit of an unknown. I researched the notion of zero energy homes online, but it wasn’t until we visited the New Town Builders’ science center that the concept actually clicked. The science center showed me, a total layman, how New Town Builders achieves “zero energy.” Using simple and interactive features like videos, displays and actual insulation and framing you can touch and feel – we were really able to understand the concept. The information gleaned from the science center was exciting and comforting – enough so that we are now in the midst of building a zero energy home with New Town Builders.”

“When my wife and I first set out to find a new home, we thought all new homes were built the same way. That changed after learning about the zero energy line features in the science center. I was impressed by how New Town combined advanced building techniques like double exterior walls, extra insulation in the attic, and a full-size solar array with a really efficient and comfortable layout that we think will be perfect for our family and for entertaining.”

REALTOR TESTIMONIALS

Realtors are seeing the value of the Power of Zero Energy Center for buyer interest and increased sales:

“New Town’s Science Center really helped my buyers in their decision-making process. What really resonated with them was the tangible savings of a zero energy home. The comparison of a \$400,000 resale home vs. a zero energy home at \$450,000, that the cost of ownership was the same, really made it easier to want to buy a new energy efficient home.

“The testimonials from current homeowners also reinforced their decision, especially when they talked about the benefits of solar, air sealing, and the thicker walls. They were impressed with the amount of insulation and the display showing the wall thickness comparison.

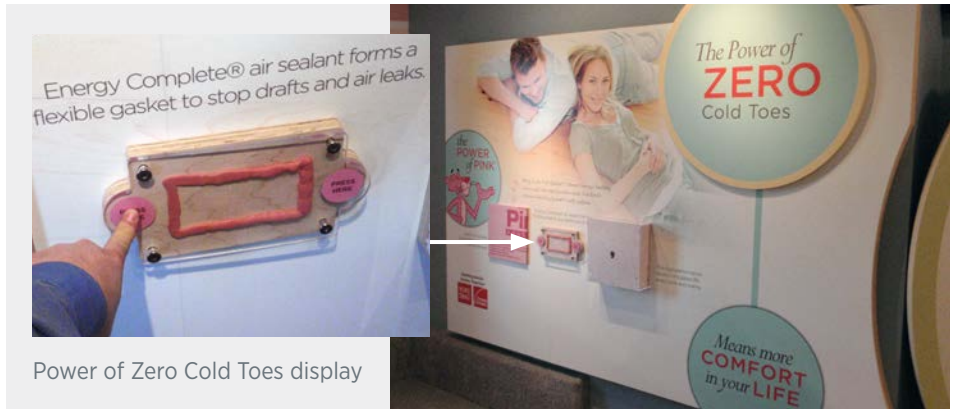
“The Science Center is so professionally done, it is a fabulous tool for me as a Denver realtor. I could see how much it helps the on-site sales team ‘tell the builder story’ and evoke a ‘buy in’ from the customer. Well done!”

– Diane Wildrick, Re/Max Masters

References

Yankelovich, D. and Meer, D., “Rediscovering Market Segmentation.” Harvard Business Review, February 2006. hbr.org

Image credit: All images were created by the IBACOs team.



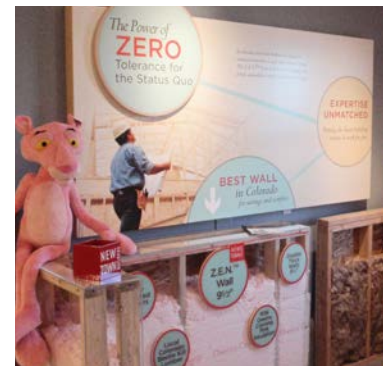
Power of Zero Cold Toes display

The fourth exhibit, the Power of Zero Cold Toes (above, right photo, “D” on the floor plan), appeals to visitors’ emotions and desires. The main concept is that energy efficiency goes hand in hand with improved comfort, which can be achieved with building science products such as high performance air sealants and insulation. The center uses interactive elements, such as this air sealant demonstration (above, right photo).

Finally, the Power of Zero Design Compromise display (“E” on the floor plan) uses interactive “flipping” design images and touch screens to demonstrate that homeowners can have all the design features they want—even some custom designs. It shows that New Town’s zero energy homes are meant to be enjoyed.



Power of Zero Compromise display



Wall assembly details

This display also demonstrates New Town’s wall assembly. Only a few simple building science details are presented to reach visitors’ emotions. These clearly show the difference between the walls of a zero energy home and those of a typical home.

In a relatively small space in a model home, New Town portrays its builder identity and its zero energy home offerings. Based on the increased number of people who visit the new center and purchase a New Town home, the center has been highly successful in engaging homebuyers about zero energy homes.