



Building America Case Study

Marketing Zero Energy Homes: Tommy Williams Homes

Gainesville, Florida

PARTNER INFORMATION

Builder: Tommy Williams Homes

Location: Florida

Building America Partnership for
Improved Residential Construction,
ba-pirc.org

Application: New, single-family

Partnership Period: 2004–present

Climate Zone: Hot-humid

PERFORMANCE DATA

HERS Index Score: 57

Cost of energy efficiency measures
(including labor): \$3,138

Projected annual source energy
savings: 31%

Projected annual energy cost
savings: \$430

Projected first-year positive cash
flow: \$226

Research by the U.S. Department of Energy's (DOE) Building America program has shown that high-performance homes may give builders an edge in the marketplace. Tommy Williams Homes (TWH) has been capitalizing on that edge since becoming a Building America partner in 2004, and it has sold more than 250 high-performance homes. Marketing the benefits of high-performance homes is a key factor in TWH's success: it sells a premium product that demands a premium price, even in a suppressed economy.

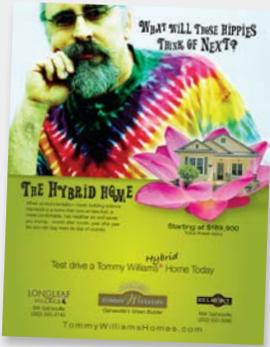
Over the past decade, TWH accelerated standard construction practices and became one of the "Pioneering Builders" of DOE's Builders Challenge in 2008. In 2009, TWH became the first production builder in Florida to produce a zero energy home. Since then, TWH has constructed all its homes to achieve Home Energy Rating System (HERS) Index scores of 60 or lower. The builder has sold nine zero energy homes, achieving the required HERS Index of "0" by simply adding photovoltaics (PV) to the standard HERS 60 designs, which are efficient enough to be powered by a modest PV array.

The company's focus on building high-performance homes has led to the development of a multifaceted marketing approach that devotes resources to advertising, targeted social media outlets and blogs, realtor education seminars, and groundbreaking and open house dedications (Figure 1). Print ads help buyers visualize their place in a Tommy Williams home and illustrate the benefits of high-performance design and construction (see sidebar, page 2). Chief executive officer (CEO) Todd Louis says, "TWH's continual site supervision and third-party

Figure 1. Special events, such as this ribbon cutting for TWH's first zero energy home, draw media attention and crowds.



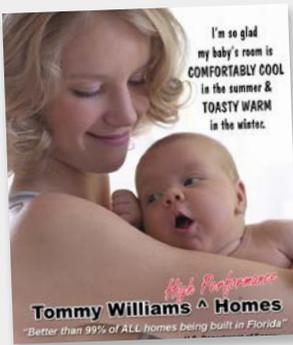
Multifaceted Marketing and Branding



TWH print ad takes advantage of the public's familiarity with hybrid cars.



Self-guided tour and demos in a model home educate potential buyers. This one uses heat lamps to compare windows. "Put your hand in front of each glass for 5 seconds," the instructions state. "Think low-e windows are important? We do too!"



Personal benefits capture buyer attention more effectively than technical features.

For more information see the Building America report *Approaches to 30% Energy Savings at the Community Scale in the Hot-Humid Climate* at ba-pirc.org.

Image credit: All images were created by the BA-PIRC team and TWH.

Annual Sales Data in a Shared Development



Figure 2. Annual sales data in a development shared by TWH and one other builder.

inspections give us an edge above and beyond the competition.” To prove the substance behind the marketing, TWH pays the homeowners’ electricity bills for the first year—on all the homes it builds, not only the zero energy ones.

Currently, two TWH developments are under construction that will have 575 homes when complete. All the houses are one- or two-story, single-family, slab-on-grade, with brick and fiber cement siding. The sizes range from 1,228 ft² to 3,100 ft² and include two to five bedrooms. The sales statistics speak for themselves (see Figure 2). In one community, 2013 property sales records show that TWH outsells the only other builder in the development (33 houses to 20) at a higher price (\$117–\$141/ft²). In the same community, resale data show fewer days on the market (92 compared to 240) and a resale premium of \$23,000.

Marketing Lessons Learned

- In the context of overall quality of construction and design, high-performance homes can command a premium price and larger market share.
- Creative advertising to a well-defined target audience is vital to success.
- TWH invites buyers to see for themselves by using show-and-sell demonstrations to emphasize that TWH is offering something above and beyond the norm. Demonstrations give sales staff more time to become acquainted with potential buyers.
- A trained sales staff can field questions arising from model home demonstrations (see left sidebar), an important aspect of creating a personal sales experience and establishing credibility.
- Buyers respond in a more positive way to personal benefits such as cost savings, comfort, and healthy indoor environment rather than to technical features.
- Sales at a higher price per square foot show that new homebuyers understand and value homes that optimize performance and economics.
- Don't lose the buyer in a sea of technical jargon. For example, say “fresh air system” instead of “positive-pressure ventilation system.”

Looking Ahead

CEO Todd Louis states, “High-performance branding, as well as the publicity generated by each subsequent zero energy home, has helped TWH become ‘the go-to builder’ in the market for high-performance and new residential solar homes.”