



Building America Case Study

Marketing Zero Energy Homes: LifeStyle Homes

Melbourne, Florida

PARTNER INFORMATION

Builder: LifeStyle Homes

Location: Melbourne, FL

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

Partner Products: SunSmart, solar-
powered homes, and zero energy homes

Application: New, single-family

Partnership Period: 2009–present

Climate Zone: Hot-humid

PERFORMANCE DATA

SunSmart HERS Index Score: ≤ 60

Example Home:

Size: 2,313 ft²

Value of SunSmart package (included
in all LifeStyle Homes and including
labor): \$6,610/house

Projected annual source energy
savings: 30%

Projected annual energy cost
savings: \$591

Projected first-year positive cash
flow: \$161

The U.S. Department of Energy (DOE) Building America research partners have demonstrated that high-performance homes can boost sales but it doesn't happen automatically. Marketing these homes requires a tailored, easy-to-understand campaign that focuses on their high-performance benefits—not the technical details behind them.

Spurred by the housing market downturn, LifeStyle Homes worked with the Building America Partnership for Improved Residential Construction (BA-PIRC) team in late 2009 to certify a DOE Builders Challenge home. Encouraged by positive market feedback, company managers developed the LifeStyle Homes SunSmart® Energy Initiative: every home scores 60 or lower on the Home Energy Rating System (HERS) Index using a standardized package of climate-appropriate, cost-effective strategies that are designed to work together.

SunSmart marketing includes a modified logo, weekly blog, social media, traditional advertising, website, and sales staff training. Marketing focuses on quality, durability, healthy indoor air, and energy efficiency with an emphasis on the surety of third-party verification and the scientific approach to developing the SunSmart package. For buyers who want technical depth, LifeStyle's website showcases SunSmart homes with interactive illustrations of SunSmart features and specifications (Figure 1). Simplified cost-of-ownership comparisons to typical new and existing homes help buyers quickly grasp the value of SunSmart.

The big-picture message: LifeStyle has done the homework for buyers. Marketing Director Karen Kicinski says, "It's the communication of the overall benefits of SunSmart that sells the homes, not a description of the individual components."

Figure 1. On the website cutaway, each yellow marker links to a SunSmart element with brief overviews and "Why you should care" explanations.



Multifaceted Marketing and Branding



Business district sales center promotes multiple LifeStyle Homes communities.

Company branding with modified logos for SunSmart and Solar Powered homes.



Online gallery helps buyers visualize a zero energy home. A hover feature shows model name, area, and HERS Index score.



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 LifeStyle Homes.

LifeStyle Homes Annual Closings

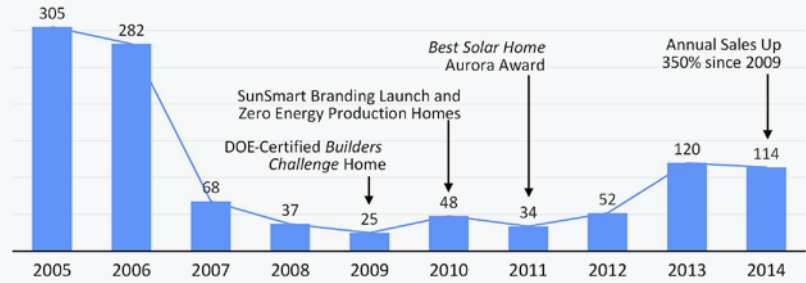


Figure 2. In 2014, LifeStyle sales were 350% higher than they were in 2009, far outpacing the national (19%) and southern census region (26.9%) recovery rates in single-family housing construction.

With the introduction of SunSmart, LifeStyle began an early recovery, nearly doubling sales in 2010 (see Figure 2), winning a Florida Home Builders Association Aurora Award, and being invited to produce a solar-powered home for ABC's *Extreme Makeover: Home Edition*. SunSmart sales now exceed 300 homes, including more than 20 zero energy homes. Completed homes in 2014 far outpaced the national (19%) and southern census region (27%) recovery rates for the same period (U.S. Census Bureau 2014).^{*} LifeStyle cofounder Larry Hufford says, "We experienced instant consumer acceptance of these revolutionary energy-efficient homes. At a time when home builders were going out of business, we were not only surviving, but prospering."

Marketing Lessons Learned

- Inspire buyer trust and provide an unbiased platform for comparing competitors. Use third-party oversight, such as home energy ratings and the HERS Index, to help accomplish these goals.
- Simplify discussion of complex, high-performance concepts. SunSmart communicates that LifeStyle has covered all the details.
- Give satisfied customers a voice. "Energy Savers Spotlight" highlights owner testimonials on the corporate blog and in social media.
- Use visual tools such as mock-ups and scale models in sales centers. Show buyers the hidden construction differences that comprise the "whole-house approach" to construction.
- Anticipate questions and arm sales staff with answers that highlight benefits.

Looking Ahead

SunSmart evolved in the spirit of "doing the right thing," an approach that permeates LifeStyle's corporate culture. As technology improves and evolves, this builder will continue to collaborate with Building America. "We will soon prove that we can deliver truly affordable zero energy homes with sufficient energy production and/or storage capacity to power not only the home, but to recharge an electric automobile as well," stated Hufford.

^{*} U.S. Census Bureau. "New Privately Owned Housing Units Completed, Annual Data." Washington, DC: 2014. Accessed March 6, 2014: <https://www.census.gov/construction/nrc/pdf/compann.pdf>.