



Home sale and handover

A best practice guide for home builders



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FOREWORDS

I was delighted to be asked by NHBC to head up their Task Force and support their efforts to find ways to assist the home-building industry improve levels of customer satisfaction.

One of the projects was to undertake an investigation into the views of home buyers on the processes they went through in buying their new home, compared to what home builders stated they are doing.

This research provided an interesting contrast between purchaser expectation and home builder delivery. It is hoped that the best practice model, which is based on stated purchaser preferences as well as the steps and sequences that home builders need to adhere to from a practical business point of view, will help home builders assess whether their individual systems and procedures are meeting purchaser expectations.

It is clear from the research that there is a significant gap in both timing and content between what information and support home buyers expect to receive during the buying process, and what many home builders state they are providing. The research in this report maps out a "customer journey" giving simple and practical advice on where home builders may consider making changes to better align expectation with delivery and so improve their purchasers' home buying experience.

John Callcutt

Chairman, The Callcutt Task Group

The NHBC Foundation is delighted to support the excellent work of the Task Group on customer satisfaction, chaired by John Callcutt. The work they have done is in line with one of the Foundation's main research strategy – that of the consumer.

This report is based on the findings of surveys with real people in the industry and their customers, and how home builders manage the process of selling and handing over new homes. Whilst most of the industry believes they are providing sufficient information and at the right time, there is clearly a gap between delivery and expectation.

I believe the concept of a customer journey, which best practice advice based on the survey's findings, is an excellent one. Clearly, better communication through the complex and sometimes traumatic process of buying a new home can only lead to improved customer satisfaction.

Rt. Hon. Nick Raynsford MP

Chairman, NHBC Foundation

ABOUT THE NHBC FOUNDATION

The NHBC Foundation was established in 2006 by the NHBC in partnership with the BRE Trust. Its purpose is to deliver high-quality research and practical guidance to help the industry meet its considerable challenges.

Since its inception, the NHBC Foundation's work has focused primarily on the sustainability agenda and the challenges of the government's 2016 zero carbon homes target. Research has included a review of microgeneration and renewable energy techniques and the groundbreaking research on zero carbon and what it means to homeowners and house builders.

The NHBC Foundation is also involved in a programme of positive engagement with government, development agencies, academics and other key stakeholders, focusing on current and pressing issues relevant to the industry.

Further details on the latest output from the NHBC Foundation can be found at www.nhbcfoundation.org.

NHBC Foundation Advisory Board

The work of the NHBC Foundation is guided by the NHBC Foundation Advisory Board, which comprises:

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1 Executive summary

NHBC brought together a Task Group (see Appendix A) under the leadership of John Callcutt to research how home builders address concerns on quality, service and customer satisfaction with their new homes. This report is one of the outputs of the Task Group, and presents the findings of its research into homebuyers' expectations and the way homes are handed over to them.

The key findings of the research are as follows:

- The main reasons for buying a new home include financial incentives (eg part exchange arrangements), image and perceived lifestyle, low maintenance requirements and thermal energy efficiency.
- Homebuyers want information earlier in the buying process than most home builders are providing it.
- The home handover process is very important in setting a homeowner's expectations. Short duration handovers and handovers on the day of legal completion are often ineffective.
- Satisfaction with the handover process and the home can be improved by offering a home tour before the completion day, providing more than one handover visit, and offering a choice of time for the tour and visits.
- Home builders are unlikely to provide information on how to run-in and maintain a new home, leading to homeowner dissatisfaction when subsequent maintenance issues arise.
- Home builders need to set realistic timescales for carrying out repairs, and then complete the repairs on time as promised.

The research has led to the following recommendations:

- A six stage customer journey (Figure 1) has been defined. Information that should be provided at each stage has been identified. Adopting this model should address homeowners' concerns and lead to improved customer satisfaction.
- Home builders should pay attention to those aspects of the buying process that cause most financial, emotional and time stresses to homeowners:
 - completing the home on time
 - providing a home tour before occupation
 - explaining what the home builder is or is not responsible for repairing
 - explaining what the homeowner is responsible for maintaining
 - providing an effective process for reporting and carrying out repairs
 - setting realistic times to carry out repairs
 - completing repairs properly, on time and as promised.
- A model home user guide should be developed. This could be provided on-line or in printed form, or both.

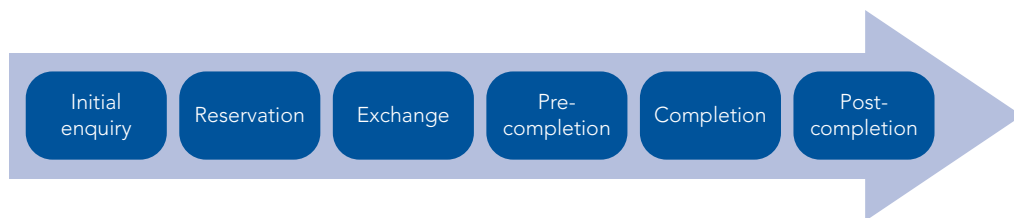


Figure 1 Customer journey model.



2 Introduction

In 2008, NHBC conducted a desk study of customer satisfaction literature (see Appendix B) to identify any “knowledge gaps”. The study focused on the level and measurement of home buyers’ satisfaction, and the areas that affect perceptions of their home. The study found that there was very little new research published and that many researchers shared and acknowledged each other’s findings, which appeared to perpetuate similar and unaltered views and opinions.

Notwithstanding the shortcomings referred to above, the NHBC study found that the published research focused on four areas that influence customer satisfaction, which can be summarised as follows:

2.1 Quality

No single standard describes or defines the finished quality required of a new home:

- Quality is usually divided into service quality (the experience a homeowner has of a home builder’s service before and after a sale) and technical quality (the “hard” issues such as the quality of materials and workmanship).
- There is a lack of information on quality control procedures operated by home builders; there is no body of knowledge on how they finish and present homes to their buyers, or on what constitutes good customer service.

2.2 Snagging

- Because there is no single standard for the finished quality of a new home, the level of finishing defects and snags reported by various researchers varies considerably due to the adoption of different standards and approaches.
- Most defects reported are in finishes (circa 75%) and most of these are due to workmanship (circa 65% – but on a small sample).

- Defects are usually divided into three areas:
 - technical/functional
 - omissions
 - aesthetic/finishes.
- Customers' perception of, and satisfaction with, technical quality is influenced mostly by the aesthetic appearance of their new home.

2.3 Consumer legislation

- Consumer protection for people buying a new home was thought to be weaker than most other products, although few consumer purchases apart from homes are made with the benefit of legal advice. However, whilst the rights of a purchaser are largely contractual, ie contained in the purchase agreement rather than legislative, there is a significant quantity of legislation that applies to the home-building industry that is based on consumer protection (for example, Building Regulations, standards and planning acts). The Consumer Code for Home Builders can also be considered as conferring additional rights (www.consumercodeforhomebuilders.com).
- The Trade Descriptions Act does not apply to new homes. Some measures suggested by the researched documentation range from the right to delay completion through to independent third party checks and retention of sums from the final account.

2.4 Overall satisfaction

- There is limited recent published information on satisfaction with new homes. There is no information published on how home builders achieve or maintain good ratings, nor is there much guidance on good practice.
- In addition to concerns raised in an Office of Fair Trading (OFT) Market Study^[1] into the home-building industry, a number of factors identified by NHBC point to the need for further action by home builders to improve homeowners' satisfaction. These are as follows:
 - NHBC customer satisfaction surveys^[2] show that homeowners' satisfaction, although high in the first few weeks of ownership, decreases during the first nine months of ownership.
 - Some factors beyond a builder's control, such as parking provision, housing mix (both elements of the planning process) and relationships with neighbours, can contribute to the reduced satisfaction. However, a significant cause of the reduction is an after-sales service that fails to deal promptly with defects in the home when it is handed over and those that occur after occupation.
 - The 2007/08 Home Builders Federation (HBF) customer satisfaction survey^[3] showed that customer satisfaction (as measured shortly after handover) had not, on average, seen any improvement on the previous year and that responses to the question "Would you recommend your builder to a friend" had fallen slightly. (More recent HBF customer satisfaction survey results have started to demonstrate an improvement in levels of satisfaction, reflecting the work undertaken by many, including the industry, to make changes.)
 - The number of minor items of defective or incomplete work identified in NHBC's final inspections during 2007/08 that are not being rectified before a home is occupied.
 - The use of NHBC's dispute resolution service during 2008/09 and the number of minor items noted at final inspections (and which should have been remedied before occupation) appearing in dispute resolution investigations.

- The results of commercial snagging companies on a small number of homes selected by them were casting an unfavourable light on the house-building industry.

To consider these “external” and “internal” factors, NHBC brought together a group of key stakeholders and NHBC staff under the leadership of John Callcutt (see Appendix A) and launched an initiative to investigate and address concerns about quality, service and customer satisfaction with new homes. This report is one of the outputs of the Task Group and focuses on gaining a better understanding of:

- consumer expectations of the quality and finish of new homes and how the hand over procedures influence those expectations
- how home builders undertook the process of finishing, demonstrating and handing over a home, and what was considered by the industry to be best practice.

Based on the above research, the group was asked to identify actions that could be taken by NHBC and the industry to meet home owner expectations, and improve after-sales service and customer satisfaction.



3 Research methodology

3.1 Homeowner expectations and experience of new homes

The purpose of the first part of this research was to gain an understanding of homeowner expectations of their new home, and of the handover/home demonstration process provided to them when they move into new homes, as compared with their own experience.

It was intended that the results of this research, combined with the information obtained from the research into homebuilder handover procedures, would enable the development of a customer journey, a simple staged process that would help home builders improve and better manage the home-buying experience. The research was carried out in two stages – focus groups and face-to-face interviews.

3.1.1 Focus groups

Focus group meetings were arranged with homeowners who had lived in their homes for no more than one year, which consisted of a mixture of property types including apartments, detached and terraced homes.

The purpose of the focus groups was to explore qualitatively the factors that helped form homeowner expectations of their new home, their reasons for buying a new home and the factors that influenced their satisfaction with their home. The focus group research also helped to shape the face-to-face interviews.

3.1.2 Face-to-face interviews

The second stage involved 450 interviews undertaken in April 2009 throughout England, Scotland and Wales using a structured questionnaire developed from the first stage to give quantitative validity to the research. The interviews were with homeowners who had lived in their new homes for no more than 18 months and were representative of the home-buying population.

The objectives were to gain an understanding of homeowner expectations and experience of new homes, including:

- information flows throughout the home-buying experience
- homeowners' experiences with home builders and of their new home
- the importance of the handover process
- homeowners' understanding of maintenance responsibilities
- a customer journey identifying good practice and links to the Consumer Code for Home Builders.

The respondent profile for the surveys is given in Appendix B. The results of the research are presented and discussed in section 4: Homeowner expectations and experience of new homes.

3.2 Home builder best practice in home handover procedures

The purpose of this part of the project was to try to understand and establish home-building industry best practice in demonstrating and handing over newly completed homes to a homeowner.

It was intended that the research should identify any performance gap between what home builders planned to deliver when compared with homeowners' actual experience, and then compared again with homeowners' expressed preferences. This would contribute to towards developing the customer journey.

3.2.1 Face-to-face interviews

An initial series of face-to-face interviews was undertaken with a small group of home builders of differing sized firms. This was done in order to gain a better understanding of the processes, practices, attitudes and opinions towards home handovers. Those interviewed included managing directors, customer services managers and operations directors. The respondent profile for the surveys is shown in Appendix C.

The survey focused on home builders grouped into differently-sized firms to ensure that the results reflected the approaches taken by differently-sized businesses. All interviews were in the Midlands and South of England and took place during June 2009. The results of these interviews were used to shape the second stage of the research.

3.2.2 Telephone interviews

Using a set of questions refined from Stage 1, a series of telephone discussions with 45 home builders was undertaken. The respondents were selected to reflect the overall home-building industry in the UK. Part of the introductory discussion was to examine the suitability of the respondent to understand and meaningfully answer the survey questions.

Although large home builders are responsible for the majority of new homes that are built, the introduction of smaller home builders was important. It was believed that with a production rate of up to about 100 houses per annum, smaller home builders were able to service customers on a one-to-one basis and know each homeowner, even at managing director level. Above this number, however, a different approach is needed to run a larger business serving larger numbers of customers.



4 Homeowner expectations and experience of new homes

4.1 Focus groups

4.1.1 Reasons for buying a new home

The focus group started by trying to gain an understanding of why consumers buy a new home. There are many reasons for this – requiring more space, a desire to upgrade, change of employment location, divorce, and financial incentives being offered by the home builder were just a few of the examples given. Generally, the homeowners surveyed bought new homes as a result of their individual decision alone, without being influenced by peers or relatives.

Figure 2 highlights the main reasons for buying a new home as disclosed by the focus group members.

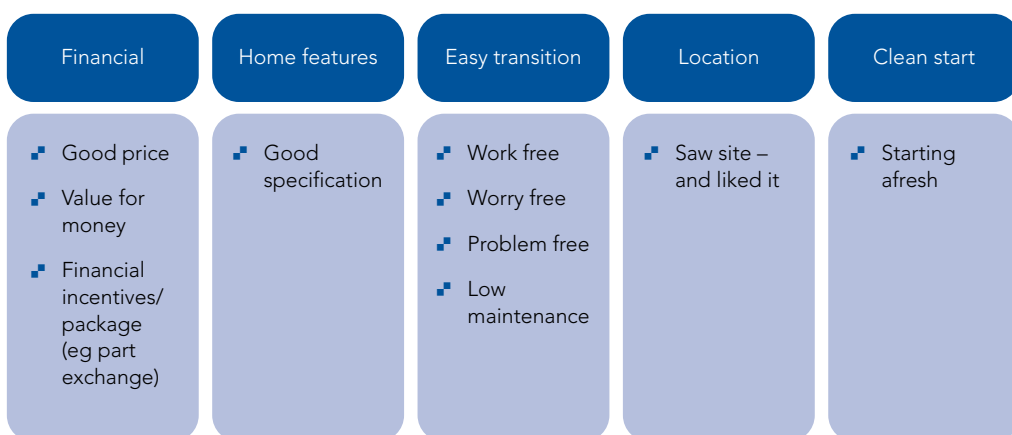


Figure 2 What influenced you to buy a new home?

4.1.2 When is information provided about the home?

To help determine the information provided by home builders, the focus groups were asked to clarify what type of information was provided to them at the various stages of their purchase – from initial contact, through reservation to legal completion and occupation.

Understandably, sales staff were said to focus more on creating a particular lifestyle for the prospective homeowner, concentrating on aesthetics, choice of fixtures and fittings and financial incentives. This stage of the research indicated that the home builder provided very little information on “running in” a new home.

Once a homeowner had reserved a plot, the information flow seemed to improve, even though the approach appeared to be rather inconsistent.

4.1.3 Handover process and information

The focus group participants suggested that there was a large variation in when a handover took place – varying from two weeks before legal completion right up to the actual day of occupation.

The time allowance for the handover also varied considerably – ranging from 20 minutes up to two hours. The focus groups concluded that the current handover process is not always sufficient, sometimes confusing, and not always carried out at the right time.

Homeowners said they would like to receive more written guidance earlier in the process to allow the detail to be absorbed better.

- Most homeowners have little if any guidance of their responsibilities...
'I did not know anything about shrinkage, screw heads or anything like that'
- Although some home builders did provide guidance...
'We were told to give it 6 months to allow for movements'
- Generally speaking, most homeowners appeared ill-prepared for their future maintenance role...
'I did not expect to have to start sanding walls and filling them in'
'Expected to do nothing – only a bit of decoration'

Generally, handover information was said to be provided in a branded folder and contained product details and information on home features. As homeowners are usually unaware of what information they should be receiving, they felt that a generic list of what to expect would have been beneficial especially since missing literature or information only becomes evident once a problem occurs.

4.1.4 Homeowner expectations of builder and home

The focus groups were asked what they expected from the home builder during the sales process and in terms of after-sales service. They said that they expected honesty, efficiency, provision of accurate advice on completion dates, responsive service, and someone within easy reach when problems arose.

Focus group members stated that the show homes were important in setting their level of expectation. They expected their own home to be at least as good as the show home they had seen during the buying process.

The respondents also felt they should receive the property they had been promised and not incur problems, although they did acknowledge and accept that minor defects may be present in a product that is largely built by hand in the open.

4.1.5 Meeting expectations

It is clear that information plays a key role in homeowner satisfaction. An area that appeared to cause confusion and frustration is the so called “snagging” process. Homeowners were unsure what their home builder was responsible for making repairs and the length of time after legal completion that a home builder remains responsible for minor repairs.

The snagging process appeared to create more dissatisfaction to the homeowner than the defect itself – said to be due to poor communication and slow response times. Some home builders believe incorrectly that their liability for all non-structural items either coincides with the NHBC initial defects warranty period or is limited by it. They sometimes use the NHBC Buildmark Warranty as an excuse for not repairing a fault, claiming that the initial defect period has expired. However, a home builder's liability is in addition to the NHBC warranty, it is not replaced by it.

4.2 Face-to-face interviews

4.2.1 When is information on the home provided?

Based on the qualitative information from the focus groups, homeowners were asked in face-to-face interviews when they were provided with information. Then they were asked when they would have preferred to have received it.

Figure 3 illustrates when, according to the homeowners, they were actually receiving information. Figure 4 shows when the same cohort of homeowners would have preferred to have received the information. The majority of homeowners indicated they would like information earlier in the process, which would help set their expectations.

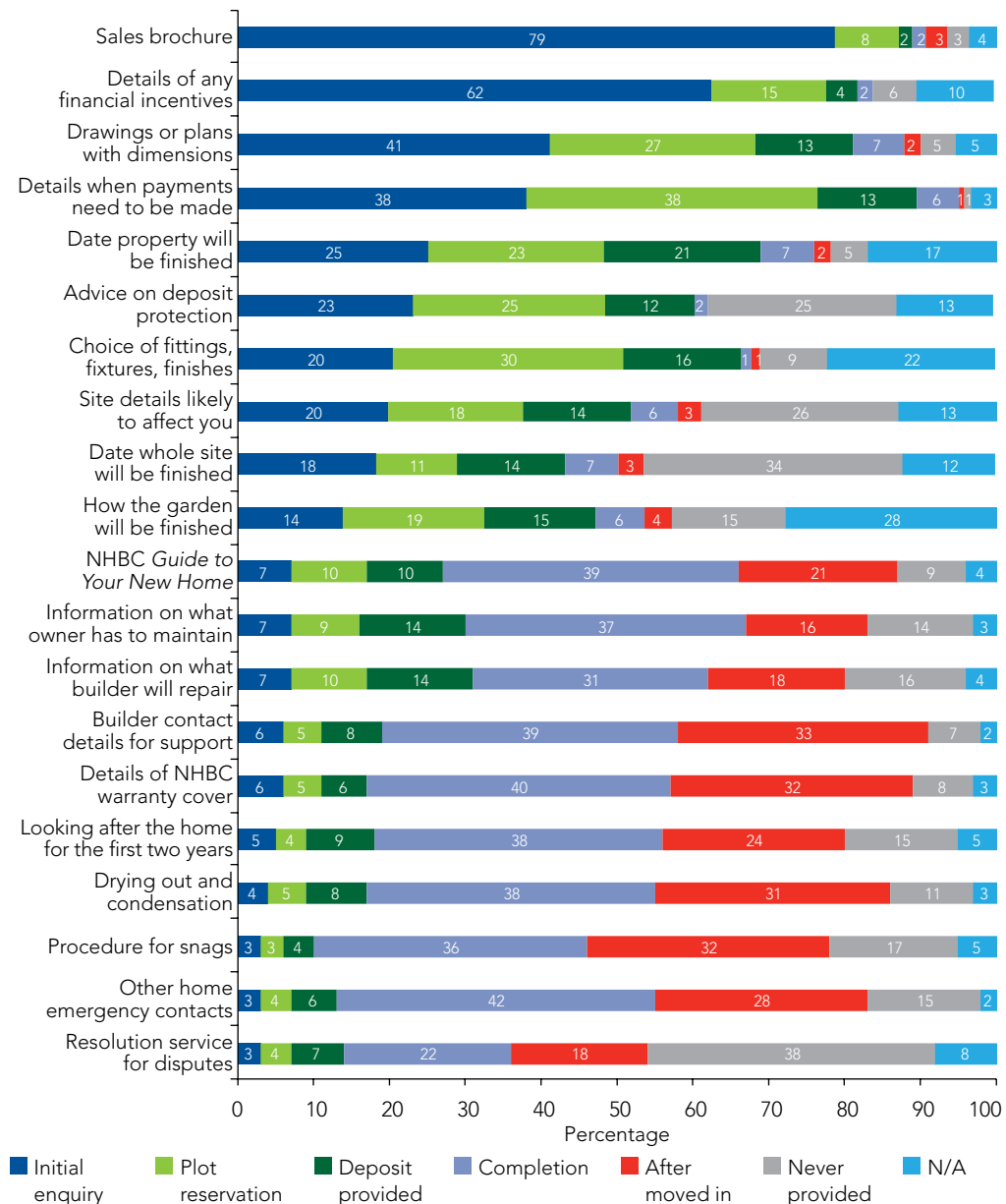


Figure 3 What information was received and at what stage.

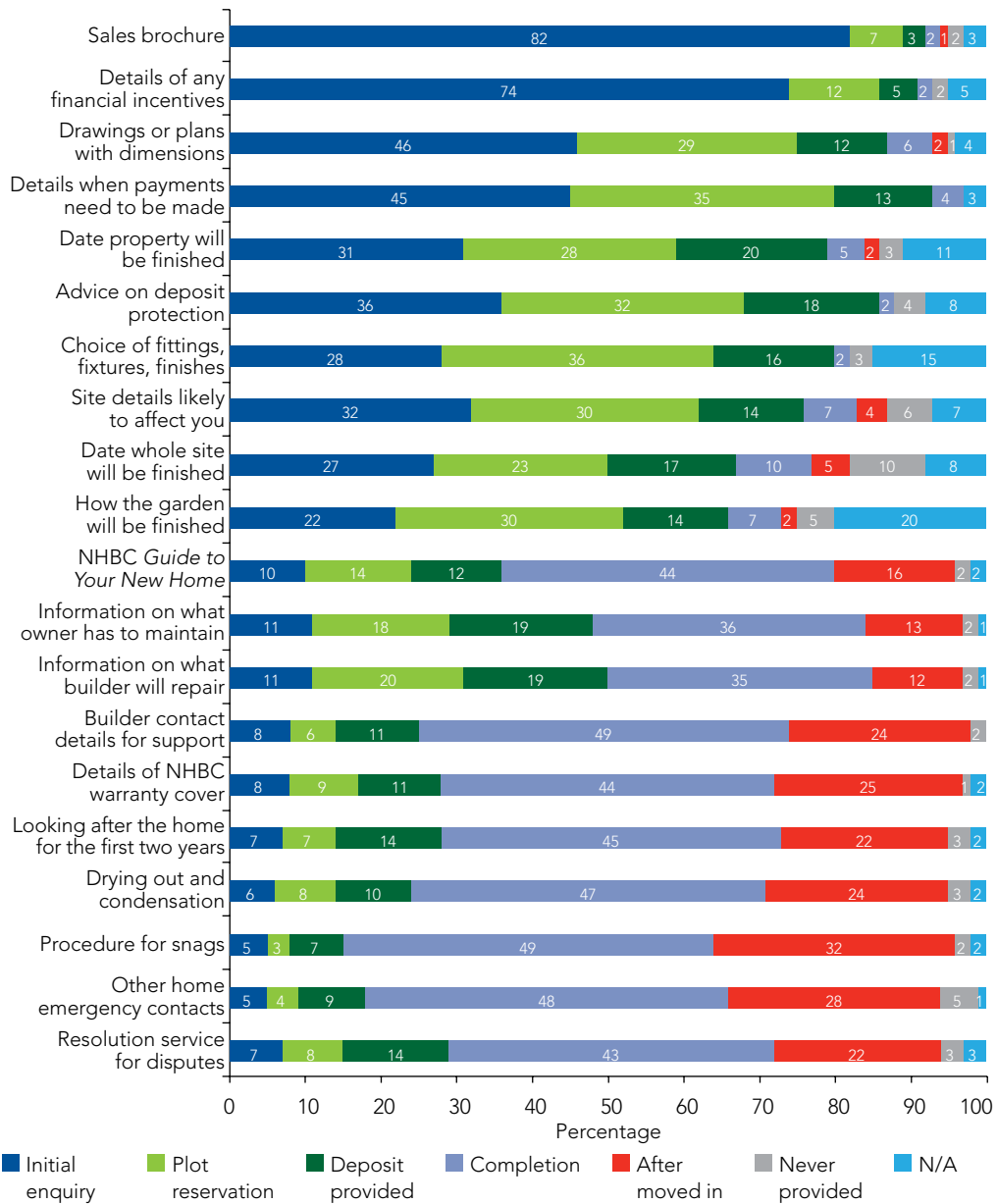


Figure 4 Homebuyers' preferred stage for receipt of information.

All home builders tend to provide sales and financial information at the initial enquiry stage. However, about 25% of homeowners claimed they were not informed about deposit protection or site details that were likely to affect them whilst the development was being completed.

The research suggests that legal completion is the home-building industry's preferred time to distribute information on areas that include homeowner maintenance, home builder guarantees, and on running-in their new home. Over a third of the homeowners surveyed said they were not informed about the dispute resolution service available from NHBC; however, this information is in the NHBC *Guide to Your New Home*^[4] that 91% said they had received. This of course should be received by all homebuyers.

Around half of the homeowners surveyed prefer to receive information on maintenance and builder guarantees earlier in the sales process (Figure 4). This is an important aspect, as being made aware of such issues earlier will help homeowners understand what their responsibilities will be, thus reducing the opportunity for disappointment later.

Around 70% of homeowners stated that documentation (checklists, defect repair procedures, home emergency contact details etc), should be provided at, or just after the date of legal completion, with a clear priority for homeowners to be informed about how to use the after-sales service and how to get defects remedied.

4.2.2 Setting expectations

Homeowners' expectations can be influenced through the advice and information provided by home builders in a number of key areas.

Homeowners were asked how important specific items of information were. They were asked to score these items using a five point scale:

1. of no importance
2. moderately unimportant
3. neither important nor unimportant
4. moderately important
5. very important.

The items of greatest importance were associated with defect remediation and guarantees, although homeowners felt that actually all items were of importance as none scored lower than 4.

They were then asked to score their satisfaction with the information provided, using a similar five point scale as follows:

1. very dissatisfied
2. moderately dissatisfied
3. neither satisfied nor dissatisfied
4. moderately satisfied
5. very satisfied.

All items scored higher than three, which indicate a general level of satisfaction.

Figure 5 indicates that the greatest gap between importance and satisfaction relates to after-sales information, including knowing what the home builder will repair and how to get problems resolved. In contrast, the satisfaction gap with pre-sales information was generally small with sales brochures appearing to more than meet the homeowners' expectations. Note that Figure 5 is listed in the same order as Figure 3 and Figure 4.

4.2.3 The importance of dealing with problems

It is clear that the level of service provided to homeowners from initial enquiry up to occupation is critical in managing expectations. However, homeowners' expectations do not stop at this point; they still expect high levels of after-sales service. Prime examples of these are the resolution of defects and the after-sales information provided by the home builder.

To provide a satisfactory after-sales service, home builders need to be aware of the information that homeowners feel is relevant to them and should be provided at handover. There is a wide variation in the level of support currently offered by home builders. A phone number for the reporting of defects was provided to 81% of homeowners; however, only 34% of homeowners were provided with advice on their rights regarding defects.

Homeowners were asked to rate the importance and satisfaction with information and support provided to deal with after-sales problems. This is shown in Figure 6 as a comparison against the percentage of home builders who provide the information; of note is the gap between what is considered important by homeowners and what is provided by home builders. The difference between them could be described as a performance gap. The most important requirements appear to be having clear contact details, knowing exactly what will and will not be repaired, a clear understanding of their rights regarding defects and updates on when repairs will be carried out.

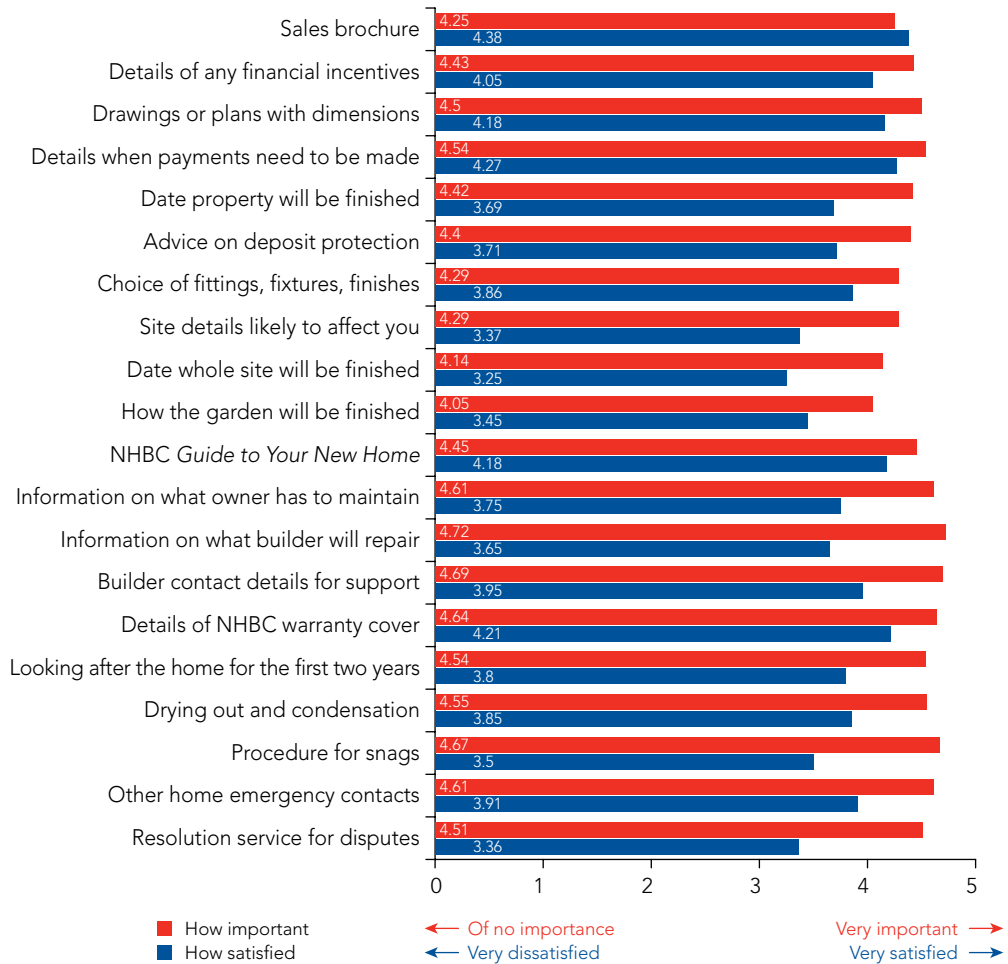


Figure 5 Importance and satisfaction with information provided (scale of 1 to 5).

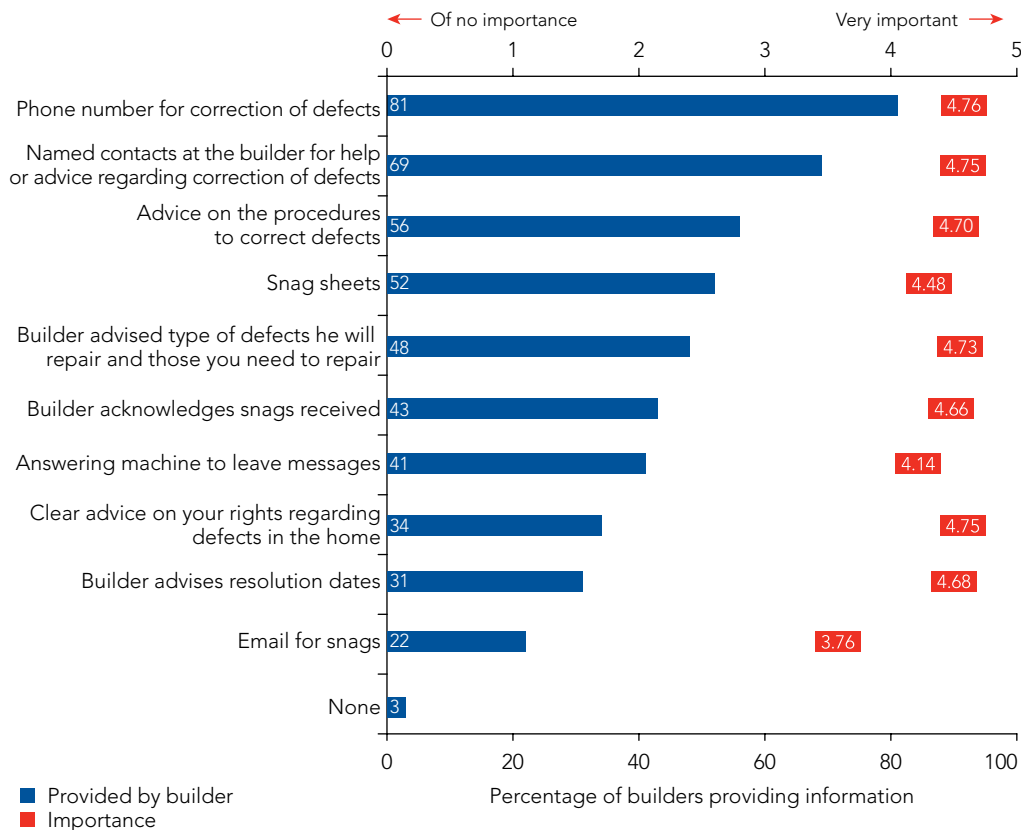


Figure 6 After-sales service provided by home builder and its relative importance.

4.2.4 The value of the home handover

The home handover has a significant role to play in terms of setting homeowner expectation levels. Virtually all home builders carried out a home demonstration of some description for the homeowners surveyed, which typically took place about a week prior to legal completion. During the handover process, the homeowners received a large amount of verbal information, visual demonstrations, a handover pack and an opportunity to record snagging items. It is critical that this final process is clear and concise to prevent homeowners' minds becoming clouded and suffering from information overload.

Figure 7 details homeowners' opinion of the home handover process across England, Scotland and Wales. There is very little difference of opinion by region and a mean total of 71% suggests a large proportion of homeowners find the home handover very helpful and important in introducing them to their new home.

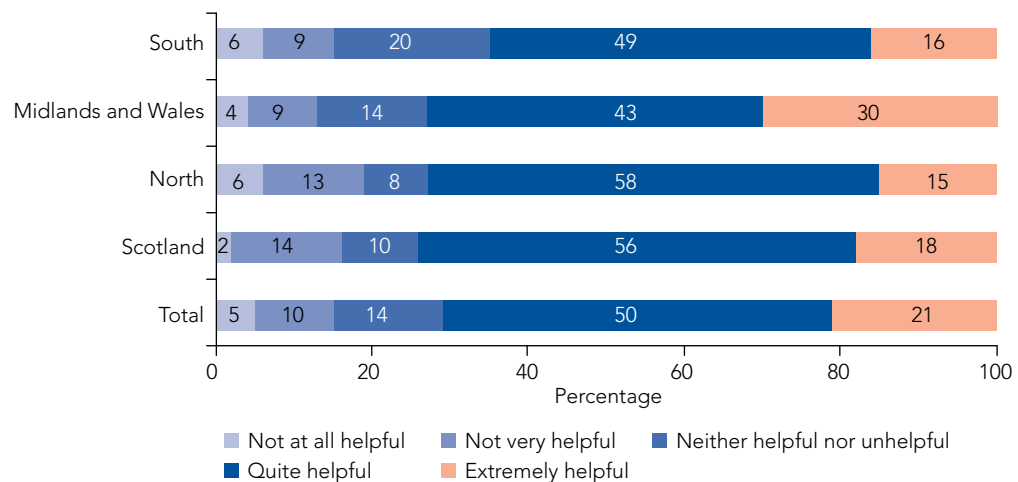


Figure 7 Usefulness of home handover.

4.2.5 Choice of time for handover

The survey suggests only 56% of the homeowners surveyed (Figure 8) were offered a choice of days for their home handover to take place; apart from the 9% who couldn't remember or were unsure, the remainder were apparently told when to turn up. Of those given the choice, most (95%) were happy with the selection of dates and times offered. When questioned in more detail as to whether evening or weekend appointments would have been more convenient 46% said that a weekend choice was important; 51% stated that it was not.

When asked about specific times (rather than the day for handover), 56% stated that they had been given a choice of time slots. Nearly all of these respondents (93%) were happy that the choice of time slots offered was convenient for their home handover, but evening times for a handover would have been more convenient for 36% of those surveyed.

Finally, homeowners were asked to clarify the duration of the handover of their new home. A number of factors appeared to contribute to this, including:

- property type
- area of the country
- socio-economic group (see Table 1 in Appendix B).

The mean duration for a home handover was 42 minutes, with the preferred duration ranging from 30 minutes to one hour (73% of homeowners). This appears to conflict slightly with the home builders' view of how long home demonstrations and handovers are taking. More detail on this is given in section 5.

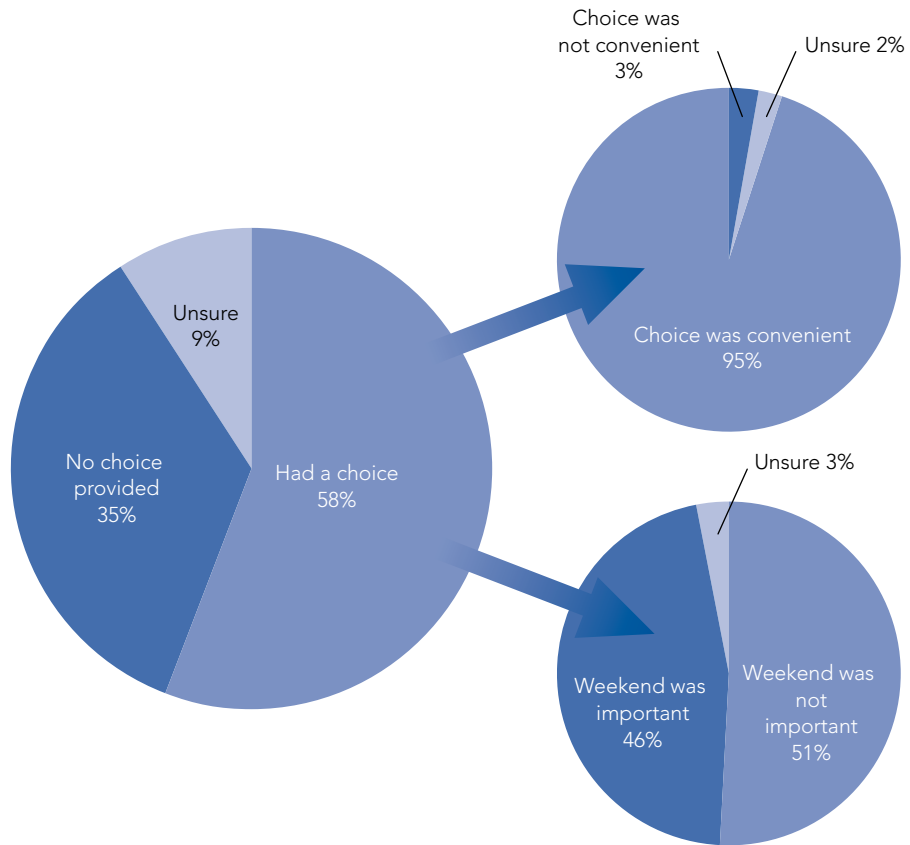


Figure 8 Choice of handover arrangements.

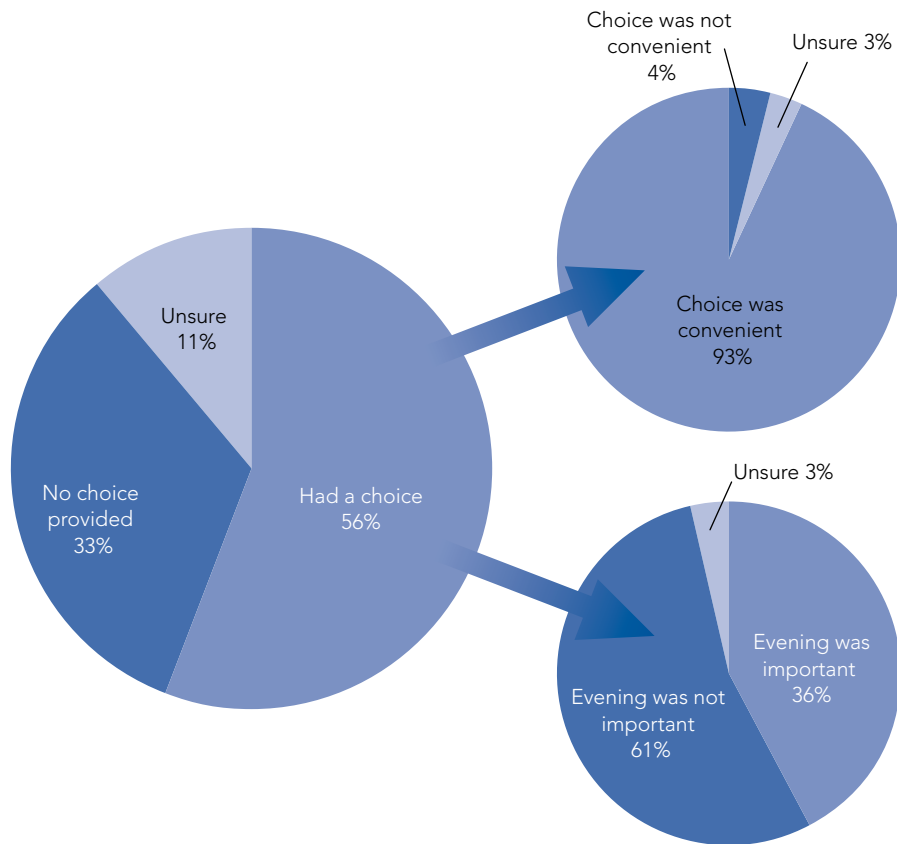


Figure 9 Choice of handover time.

4.3 Findings and conclusions

The research into homeowner expectations of new housing centred around four key areas upon which the conclusions in this section are based.

4.3.1 Reasons for buying a new home

There are a great number of factors that play a part in this decision-making process, ranging from financial incentives including part exchange, through to the influence of a show home that portrays a particular life-style that appeals to them. For some it is the supposed maintenance-free living experience, for others it is the specification that comes with modern houses, including their thermal and energy efficiency.

4.3.2 When home information is provided

Home builders generally only provided sales brochures and general financial information at the enquiry stage. After the reservation form is signed or the deposit is paid, homeowners began to receive more specific site information and plot completion date targets. Most other information was provided at the completion stage or shortly after occupation. However, the homeowners surveyed clearly indicated a wish to receive more information earlier in the sales process. From this, it is concluded that information should be provided at different stages through the customer journey as a more controlled process. As a consequence therefore, a six-stage approach for the provision of information is given in section 6, Figure 29.

As well as written documentation, homeowners received verbal information on the benefits of buying a new home. This focused around the “buying experience” and emphasised lifestyle benefits – for example choice of fixtures/fittings/finish and aesthetics – rather than build quality.

The conclusion from the research is that homeowners believed that information on after-sales services, along with details of what they and their home builder were responsible for, was the most important. These were areas where the satisfaction gap was the greatest (Figure 5).

4.3.3 Home handover process, information and value

The handover process is very important in setting homeowner expectations; over 70% of those surveyed found their handover experience very helpful.

The handover process not only varies from home builder to home builder but is also affected by time of year. For example, close to a home builder’s financial year-end the time for handovers can get cramped in the rush for build and legal completions. The findings from the focus group surveys were slightly obscured due to confusion between home demonstrations and actual handover. However, this was not the case during the quantitative face-to-face surveys.

In the experience of the respondents, it was common practice for home builders to provide documentation at this stage in a branded folder that included product details and home warranty literature. However, the information contained within these packs was not consistent.

The consensus from the homeowners suggests that short duration handovers and/or completion day handovers are ineffective, and providing last minute key information at this stage is poor practice. The homeowners surveyed also felt that they did not have the defect snagging process explained properly and they were left to find out for themselves what this was. Their understanding of to what extent the home builders’ after-sales service did or did not do by way of repairs, was learned more by experience because of having to deal with problems, rather than by a detailed explanation at the handover stage.

The research has concluded that there are seven key areas that home builders should focus on to improve the handover process:

1. Provide key home information in writing...
"All that was missing was some document pulling everything together."
2. Provide more than one handover visit...
"Should have a technical one where you go around and be told about the stop cock and boiler and then another with sales for the aesthetics."
3. Allow adequate time for the handover...
"If not clued up on houses then half hour is not long enough."
4. Organise so homeowners do not have to take time off work...
"Sales could do a Saturday so you don't have to take a week-day off."
5. Provide checklist at the start before homeowners move in...
"They should give you a card with the guarantees with a sort of plan which says up to 7 days after you move in this is what you should do, after 28 days this is what you do. It is almost like an idiots' guide as you have 101 things to remember when you move in."
6. Provide contact details and means of contact.
7. Explain how to use all the products in the home...
"We need a proper demo of the kit that is there; the washing machine, the dish washer and don't just leave you with the instruction book."

4.3.4 Setting and meeting homeowner expectations

Homeowner expectations are focused around the buying experience – referred to as the customer journey in this report. They expect accurate information and advice on areas such as the completion date, site and layout plans, contents list (standard and extras), and length of after-sales cover. When asked about the areas most important to them and what would improve their satisfaction, as noted earlier they all relate to getting defects and issues sorted out.

Where guidance on homeowner responsibilities is clearly defined, it is apparent that they are more satisfied due to this awareness. Unfortunately, most homeowners claim to have been given little guidance on this and generally do not receive any until handover, where some home builders provide guidance on shrinkage cracks and/or drying out. Because of this homeowners are generally unprepared for their maintenance responsibilities.



5 Home builder practice in home handover procedures

5.1 Responsibility for the home handover

From the research, it seems common for site sales staff to be involved in the handover process. For 31% of respondents, the site manager, or another member of the build team on-site, undertakes this task instead. For some respondents, it is a combination of the sales or the build team, depending on the circumstances surrounding the site.

The category "others" shown in Figure 10 includes specialist handover staff, project managers or surveyors.



Figure 10 Responsibility for home handover.

5.2 Documentation/information provided to homeowners

All the respondent home builders stated that there was a large amount of documentation used in the various stages of handing over a property. However, it was evident that whilst this may be true of the advice given on how to use the home and its facilities and on who to contact and how if there was a problem, advice that would help homeowners understand their responsibilities for maintenance was less evident.

Figure 11 shows that home builders are less likely to provide information on the home warranty and on home maintenance. Home builders may be a little nervous of highlighting what could be perceived to be potential negative aspects of buying a new home, whereas (as was demonstrated in the homeowner research in section 4) most homeowners appear to be more realistic and would prefer to have been better informed, rather than it coming as a surprise later on – with the potential consequences of reduced levels of satisfaction.

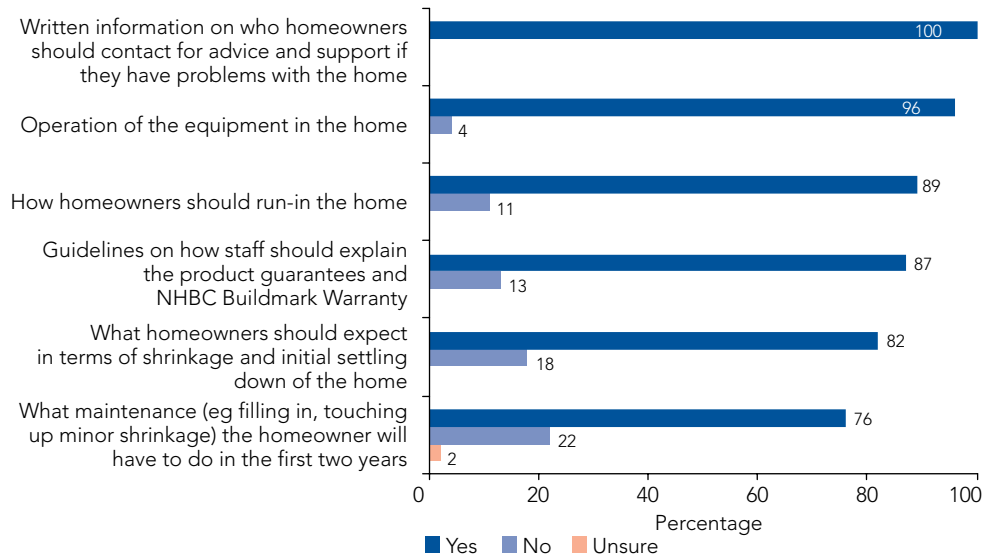


Figure 11 Home builders' typical documentation issued to home buyers.

5.2.1 Documentation before buying a home

At initial enquiry, most home builders claimed to provide a sales brochure to the customer. Two thirds provide more detailed specifications of the property and 40% provide details of amenities in the local area.

Figure 12 indicates that it is the life-style that is being promoted at the initial enquiry stage with few home builders providing information on the associated benefits such as home warranty cover. Whilst initial enquiry stage might not be appropriate for a detailed discussion on the protection provided by the warranty, it is an important benefit of a new home.

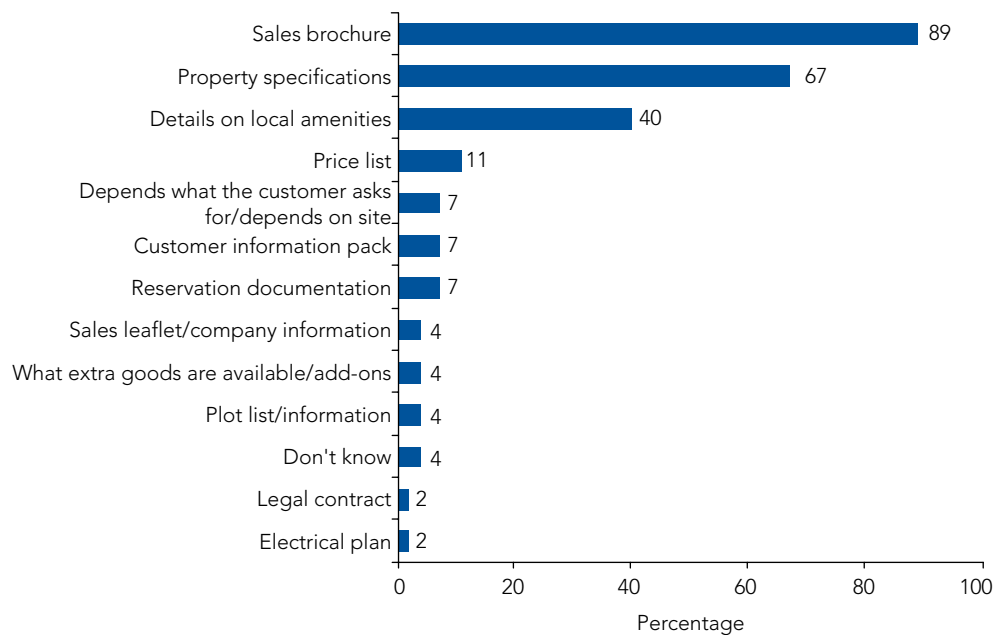


Figure 12 Documentation given to home buyer at initial enquiry stage (more than one answer given by some respondents).

5.2.2 Documentation during the buying process

At the property reservation stage, three quarters of all the home builders provide details on how the property can be purchased. Two thirds provide a programme for the build or a handover date, and half provide detailed specifications of the property.

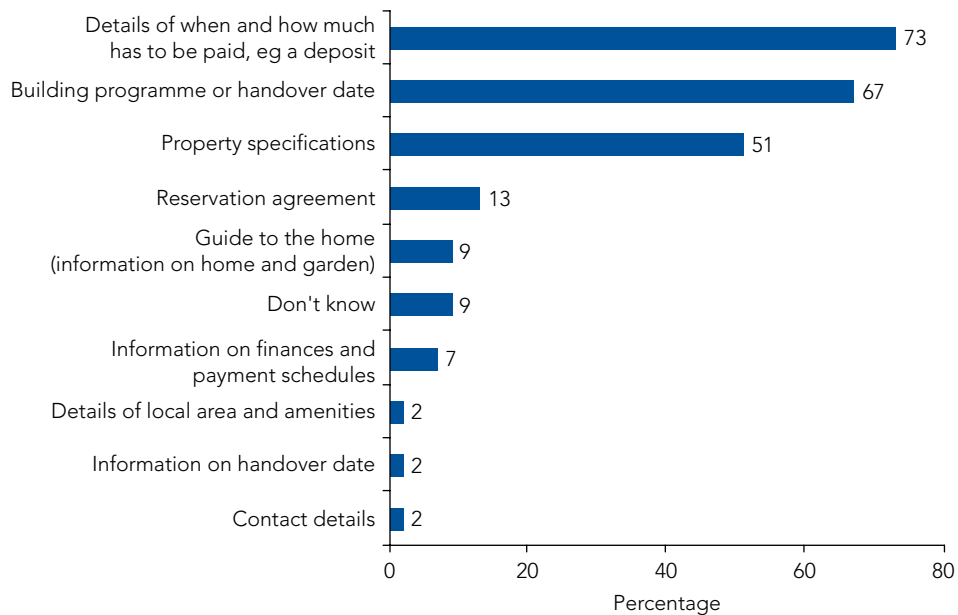


Figure 13 Documentation given to home buyer at reservation stage (more than one answer given by some respondents).

Again, very few home builders seemed willing to inform buyers about home warranty or discuss running-in of the new home and the kinds of issues that the homeowner will become responsible for. And, somewhat surprisingly given that this was the reservation stage, only 13% seemed to use a reservation agreement (now a requirement of the Consumer Code for Home Builders).

5.2.3 Documentation at contract exchange

At the time of exchanging contracts, whilst there will be a large amount of information given to the home-buyer's legal adviser between exchange and completion, there appears to be very little information given to homeowners (Figure 14). Very few respondents appeared for example to take the opportunity to update the homeowner on how the property was developing – what stage of construction it had reached.

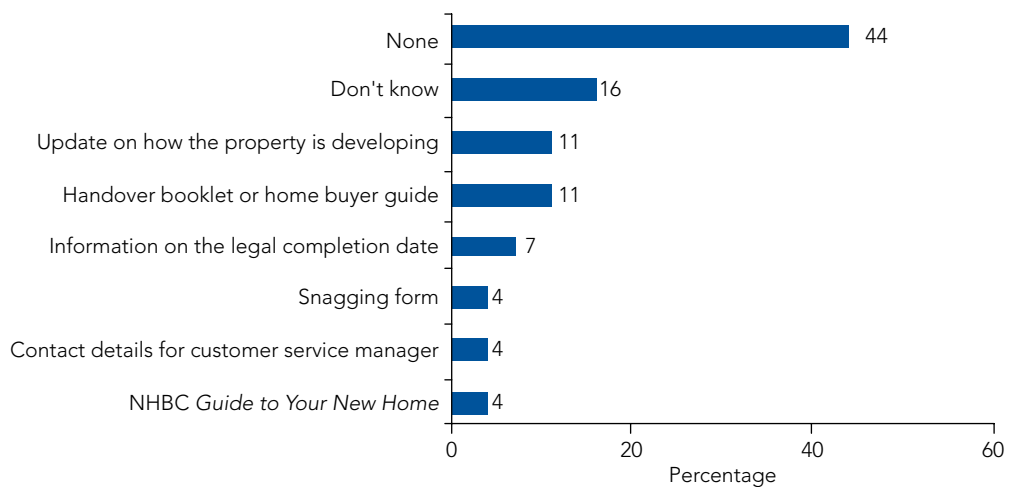


Figure 14 Documentation given to home buyer at contract stage.

5.2.4 Documentation at legal completion

At completion and handover, the majority of home builders provide a full welcome pack to the customer as noted in Figure 15. It seems that this is also the preferred stage to give information on the home warranty and on the process for contacting customer services in case of problems. 28% provided a gift of some sort to the new homeowners.

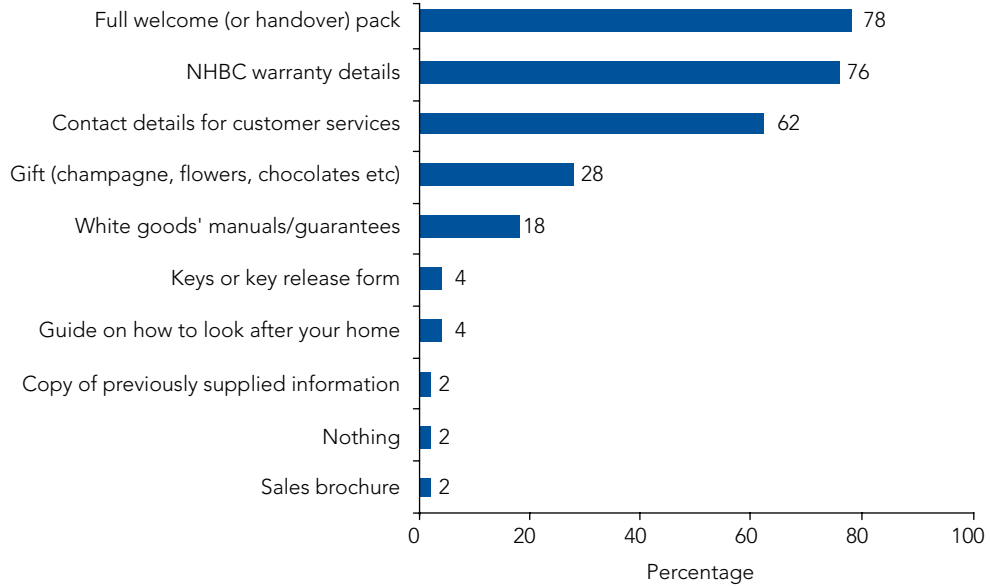


Figure 15 Documentation given to home buyer at legal completion stage (more than one answer given by some respondents).

5.2.5 Documentation after buying a home

After legal completion and handover, there is usually communication with the homeowners, with 71% sending a letter of some description (42% of all respondents sending a letter from their customer service team and 29% sending a generic welcome letter) (Figure 16).

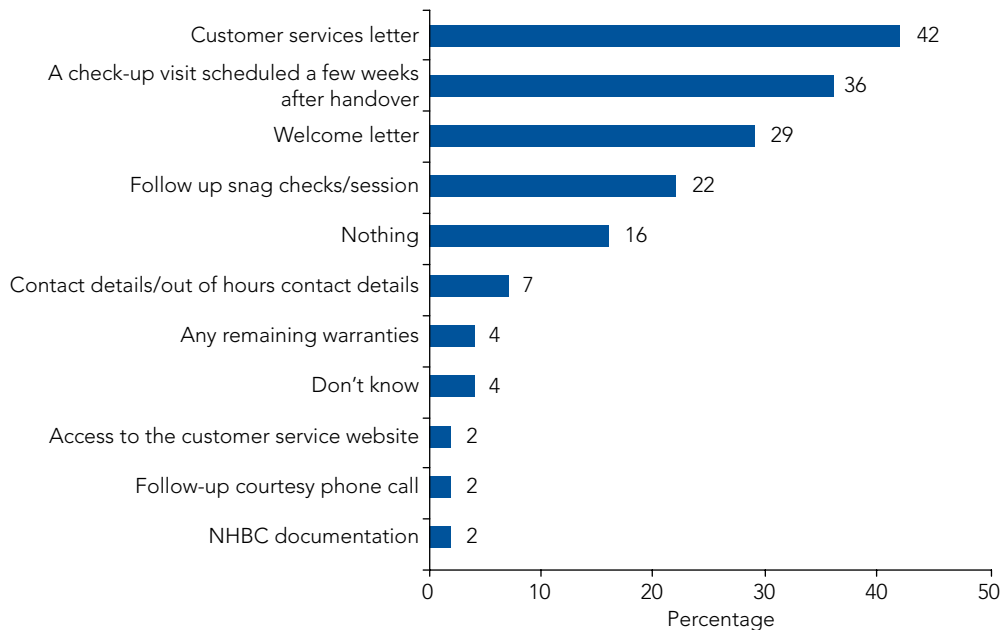


Figure 16 Documentation given to home buyer after moving in (more than one answer given by some respondents).

Just over a third of home builders send the site manager or another member of staff to the property to check-up with the homeowner, whilst 22% carry out a specific follow-up snag check (for example a six week snagging visit). Of the home builders surveyed 16% said they provide no further information after occupation.

5.3 Home tour or demonstration

Almost all the respondents advised that a home tour (sometimes called a home demonstration visit) was undertaken with the homeowner some one to two weeks prior to the date of legal completion of the sale contract (Figure 17).

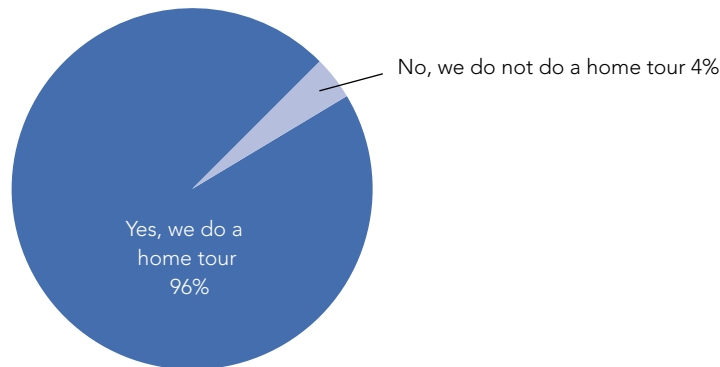


Figure 17 Builders who carry out a home tour.

As can be seen in Figure 18, at this home tour, 44% of the respondents provide a pre-handover inspection list for the customer to run through on the tour; 26% provide a checklist for customers to record any defects identified. A third of the home builders also claimed to provide the full handover pack at this stage – although some care is required with this statistic as it is possible that home demonstration and handover might have been confused.

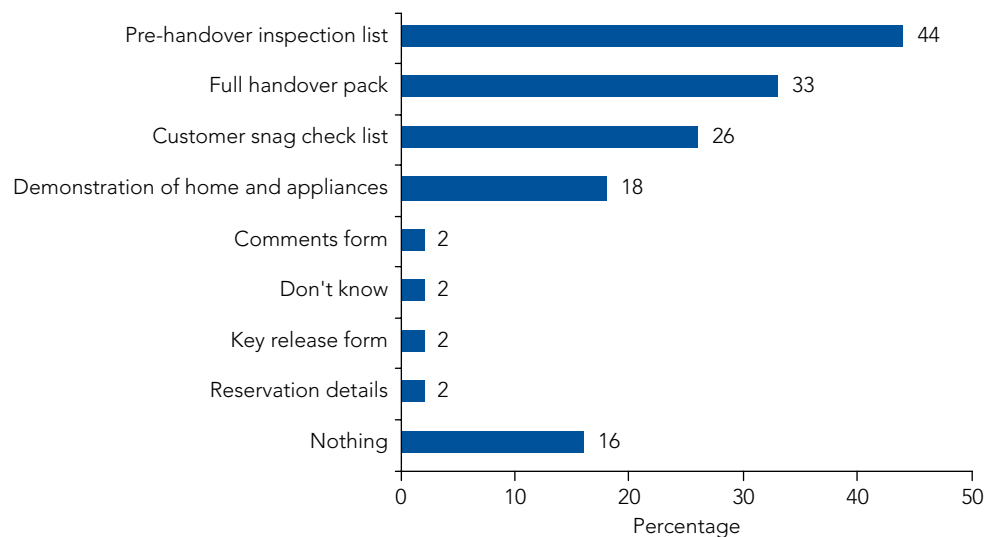


Figure 18 Demonstration given during the home tour (more than one answer given by some respondents).

Of the respondents 18% also provide a home demonstration of the appliances in the home at this stage. Of the home builders surveyed 16% said they did not provide any information at this stage; again this could possibly be explained by their understanding of what was meant by the question – they may not have given any documentation but they may have verbally explained what happens with a new home, or there may have been confusion between handover and home demonstration.

Of particular interest to NHBC in respect of communicating information about running in and looking after a new home is how home builders manage the delivery of the NHBC booklet *Guide to Your New Home*.^[4]

Figure 19 shows the distribution of when this is issued by the respondents in the survey. The guide appears usually to be handed over by the sales staff or the home builder's site staff (Figure 20).

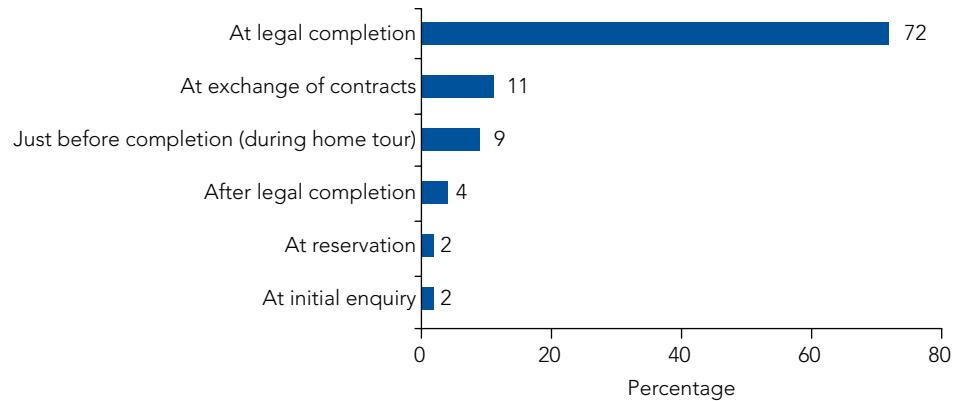


Figure 19 When the NHBC *Guide to Your New Home* is issued.

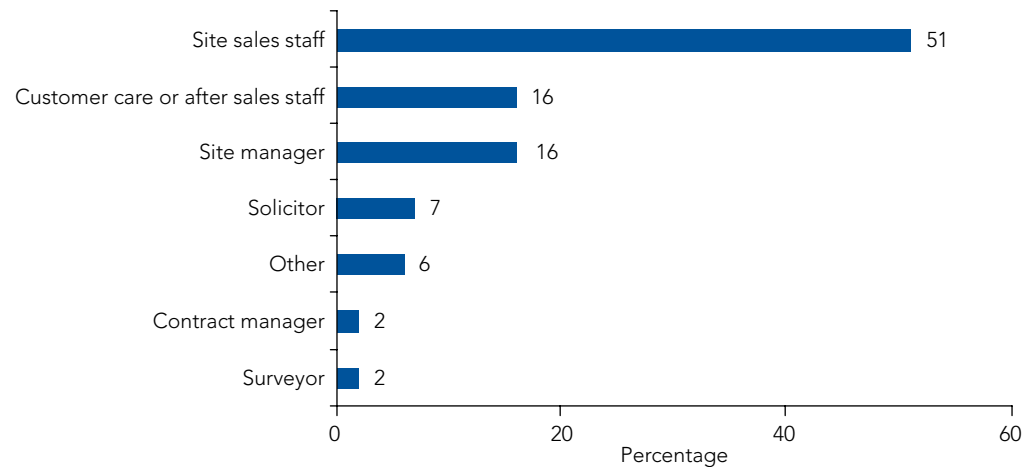


Figure 20 Who issues the NHBC *Guide to Your New Home*.

5.4 Documentation format

All information provided in the handover process was claimed by the respondents to be in printed form, although there is a considerable amount of verbal explanation around the documents. Interestingly, there appears to be very little use of the internet to convey, provide or transfer information to homeowners, or provide a communication channel between homeowners and their home builder.

5.5 Staff training for the handover process

The vast majority of respondents considered their company provided training for their staff to handover properties to homeowners.

Of those that do train, 75% of home builders carry out this training internally; for 20%, this training is more "on the job" rather than formal training (Figure 21).

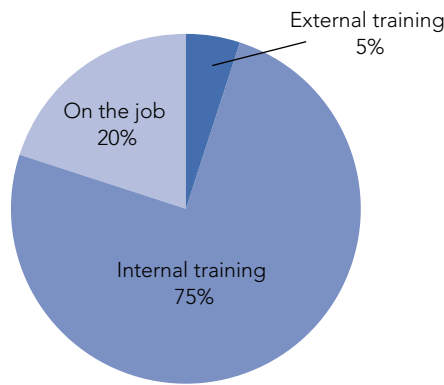


Figure 21 Training in the handover process provided by the home builder.

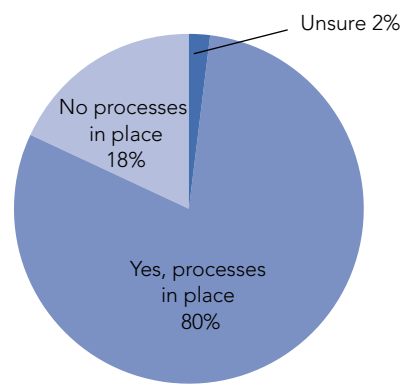


Figure 22 Quality control processes in place by the home builder.

5.6 Quality control

The majority of home builders claim to have processes in place to monitor their own performance such as random quality checks of the staff and the process by way of unannounced site visits (Figure 22). However, some 18% do not have any quality control process in place.

For the larger home builders, this is usually undertaken by the sales director or customer services manager. Most build managers carry out their audit of completed properties, but this is related more to the quality of the home than of the handover process itself. A number of home builders also have “walkabout” checks by senior managers or company directors.

5.7 Time taken to carry out the handover/home demonstration

Reference was made earlier to the potential for confusion over what constitutes a handover and a home demonstration. For some home builders they are one and the same – for other home builders, they are separate processes. Where it is a separate process, the home demonstration typically takes more time than the actual handover.

Figure 23 shows the distribution of time taken for a home demonstration carried out as a separate activity to the handover, with a mean of 86 minutes.

The general opinion from respondents was that the length of time for demonstrating a new home depends on the type of customer, type of development and type of tenure – which explains why there is such a large distribution of times.

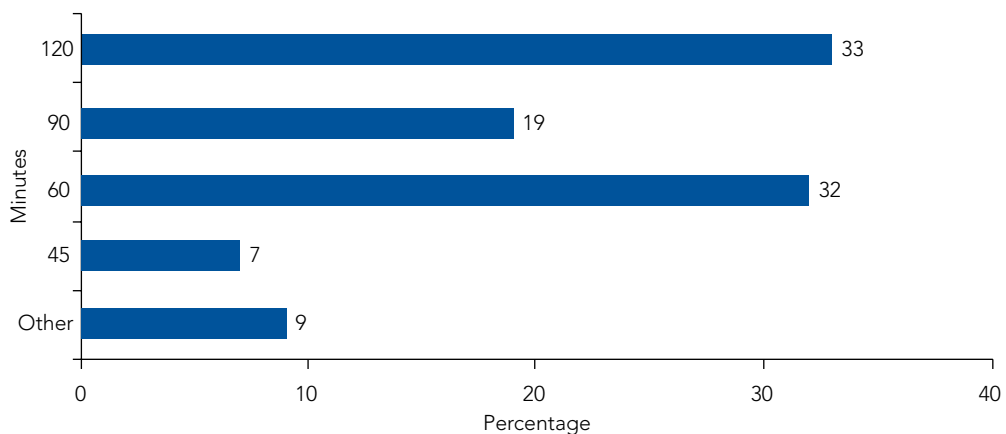


Figure 23 Time taken to undertake home demonstration before handover.

A pre-completion meeting – whether this is a handover or home demonstration – is considered useful by some home builders as a formal occasion prior to legal completion where the majority of issues are sorted and the home demonstration of the property and its facilities and equipment is undertaken. Most of the home builders surveyed had a process for recording this event – important if this is when matters such as choices and extras are formally acknowledged (although at this stage, this is probably too late to do much about it if there is an error) and the recording of any, hopefully minor, defects.

With a pre-completion inspection and/or home demonstration, practice within the industry does vary but best practice indicates a signing-off process to ensure that:

1. the property is complete, subject to minor defects
2. minor defects are agreed and recorded
3. the choices and any additional work are correct
4. there is a demonstration of the various features (although this can also occur at the handover when the keys are given to the purchaser following legal completion).

Signing off a list of completed defects can be used to indicate that the home is finished with the home builder's solicitors sending notice to the home buyer's solicitors that the property is complete.

Undertaking a formal home demonstration on the day of the handover is usually a shorter event as shown in Figure 24, with a mean time of 64 minutes.

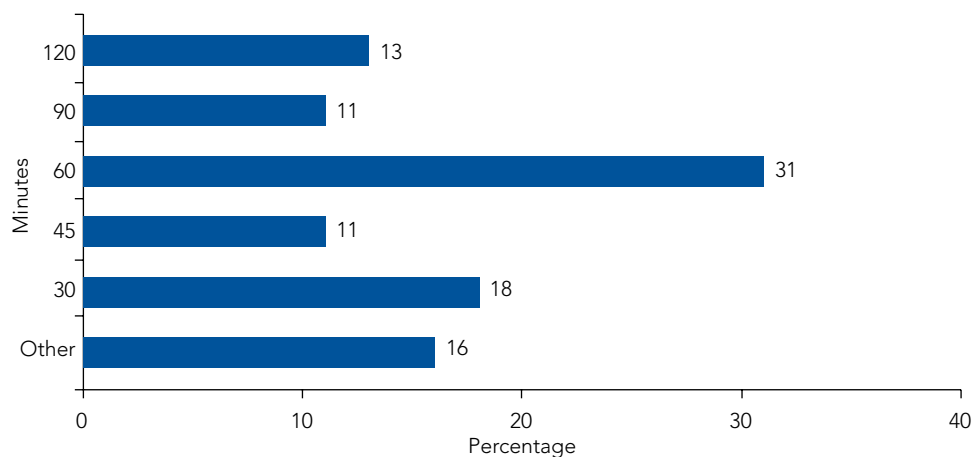


Figure 24 Time taken to undertake home demonstration at handover.

Again there is a large spread of times specified for handover of a property at legal completion stage. When asked as to what is the most suitable length of time, the majority of respondents were happy to allow the customer as long as they wanted or needed (Figure 25). Some home builders expressed concern at trying to provide too much information at the handover stage because little of it sank in and most homeowners simply wanted to get their furniture moved in. This lends weight to the proposal to give homebuyers more information much earlier in the customer journey (see sections 4.3.2 and 4.3.3).

Best practice would indicate a shorter and simpler event to include for example:

1. signing off the list of previously agreed defects
2. signing off a condition sheet (including glazing, porcelain, white goods)
3. reading the meters
4. signing for a set of keys.

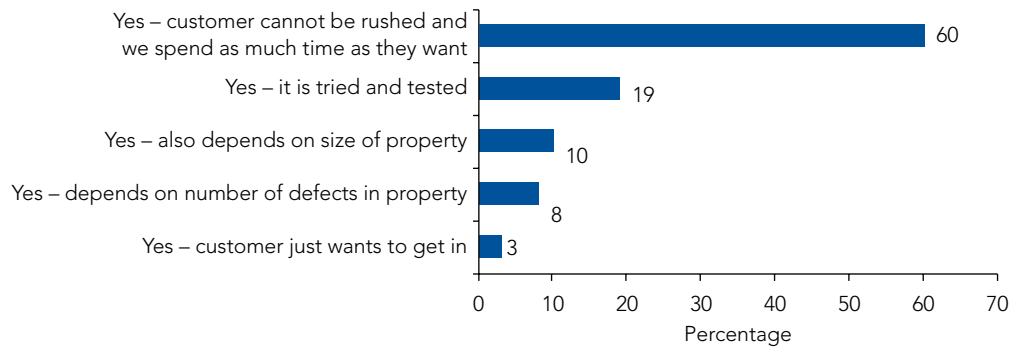


Figure 25 Appropriateness of time taken for home handover.

The respondents indicated that although the time taken may vary they did not change their handover procedures too much; they felt that the process of handover is the same regardless of property type, although more time may be spent on certain parts of the handover/home demonstration – for example, with apartments it will be necessary to go into detail about communal areas, parking and so on, which would not necessarily be appropriate for freehold properties.

When it comes to considering the type of homebuyer, again it is felt the process remains broadly the same, with only minor changes to timescales and the extent and depth of the home demonstration. For private first-time homebuyers, it can take longer to go through the home demonstration; for experienced homebuyers it can be much quicker. Investors are usually not interested in handover or home demonstration visits. Similarly, it would be unusual to have a formal home demonstration for properties that were being built for or bought by housing associations as there is normally a commercial sign-off process that included a member of their staff or a representative. In the case of homes built for housing associations there will usually be a handover/home demonstration between them and their tenants.

5.8 Customer satisfaction surveys

Of the respondents in the survey, over two thirds undertook customer surveys and research of some kind into customer satisfaction and considered it very important that they did so.

There is a wide variety of practice (Figure 26), but it is common for a courtesy call from someone from the home builder at some time between one week and one month post-completion. Thereafter, there are a range of more formalised surveys – mostly internal, but some using an external organisation. The larger home builders who are members of the Home Builders Federation (HBF) take part in the HBF customer satisfaction survey^[3] which is undertaken at around eight weeks after date of legal completion. There is a further survey at nine months undertaken by NHBC.

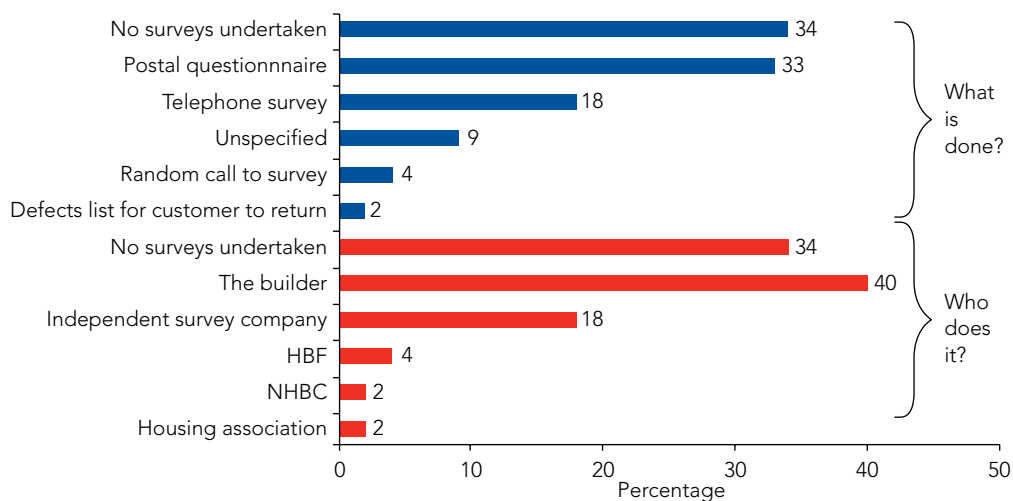


Figure 26 What survey and by whom?

It was interesting to note that some of the respondents reacted to the researchers by volunteering information that they were undertaking their own review of the customer journey within their organisation.

Given the number of larger home builders involved in this research and that most of those are included in the HBF and NHBC customer surveys, the 4% and 2% figures for the respective surveys shown in Figure 26 appear to be an anomaly.

5.9 Examples of good practice changes in recent years

The research revealed that there have been a number of changes made to handover processes in recent years. Figure 27 shows the most common change was to formalise the handover process and ensure there are clear steps in place.

A number of respondents claim they now provide more information to the customer throughout the process and believe they now manage customer expectations better.

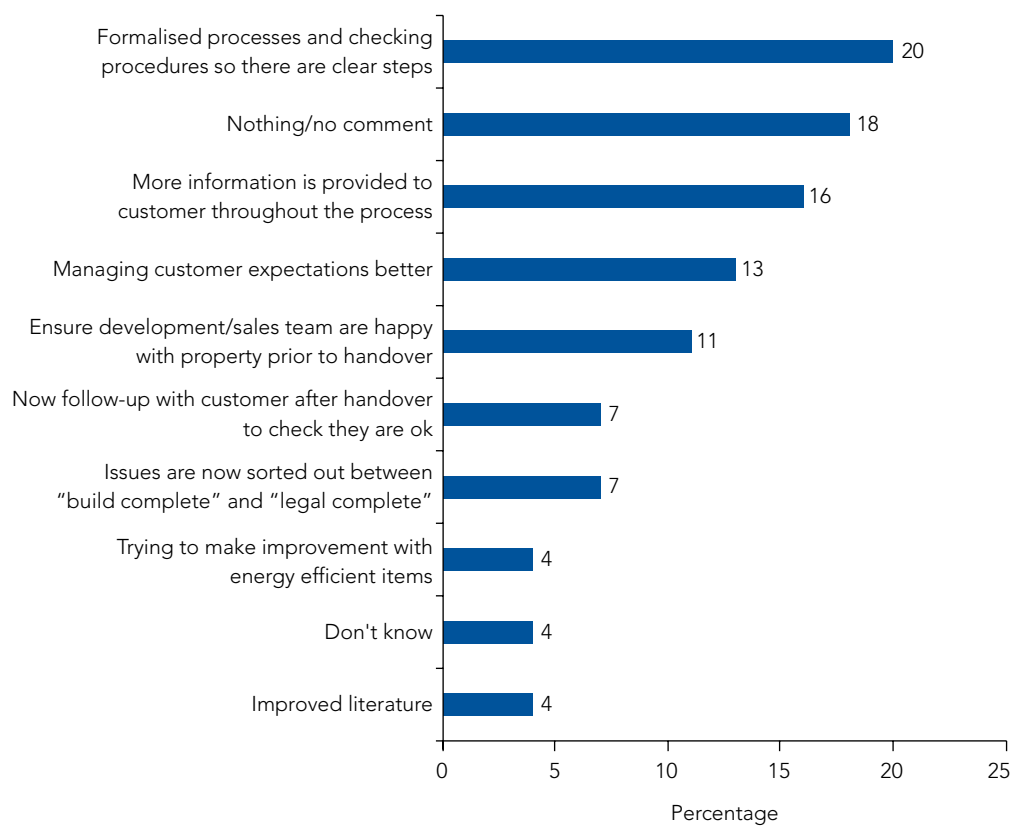


Figure 27 Main changes made to improve handover process.

When questioned further about amendments to existing processes, there was an interesting mix of answers (Figure 28). Some stated that they felt that they could not improve on their existing process; another significant proportion felt that they were happy with their current processes. A further significant proportion stated that they did not know how to make improvements. The homeowner research in section 4 indicates where improvements can be made.

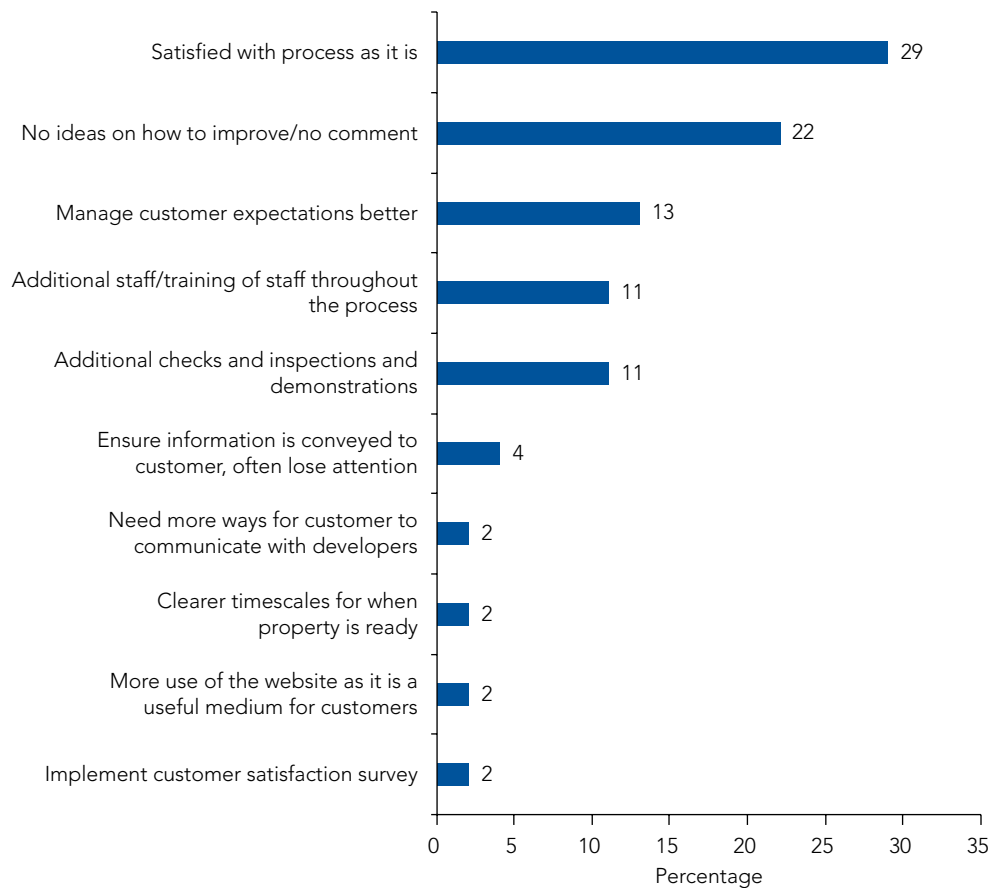


Figure 28 Potential methods for improving customer satisfaction.

5.9.1 Examples of changes by home builders

The following are a sample of specific changes that some home builders have made:

- *"Our main improvement was the introduction of the home tour 2 weeks before completion and started this about 5 years ago."*
- *"Systems have developed over many years and started with the post [completion] snag trips about 5 years ago as both the MD and the customer can see the quality of the home and identify any problems."*
- *"Introduction of training for site managers and sales negotiators on handover tour and handling customers."*
- *"Focus on new KPIs to drive customer service and started this about 5 years ago."*
- *"Documented and formalised processes are different to most builders as we have House Managers on-site all the time."*
- *"Experience and previous property issues have created a good log of cases which have allowed us to improve the quality of the manuals and handover processes."*
- *"We have introduced the 'pre-snap' session before selling to avoid complications. We have also introduced the 2 week prior-to-completion checks with the customer to ensure they are happy with the property."*

- *“Completion day is really a waste of time to give information to homeowners as they do not take it in. We need to look at the timing of when to actually give the important information to homeowners.”*
- *“Provide a level of information up front to manage expectations of the customer. There is a process issue in this country about getting the keys and the funds transferred in a timely manner so everything is last second and there may be challenges to resolve on the legal side.”*
- *“Ensure the product is spot on before the handover otherwise the customer will be disappointed. The handover [should not be] seen as a necessary evil but it should be viewed as an integral part of the business so it is vital.”*
- *“Look into WHO does the handovers. For example, sometimes the sales team is involved and they do not have the required expertise to answer all questions.”*
- *“By pushing back work earlier and earlier, snags can be identified early on in the new homes process. This ensures that everything is correct the first time, and improves customer satisfaction.”*
- *“Ensure that customer service managers are technically proficient with new technology used in units. Must ensure that the managers can explain the technology to customer in layman’s terms.”*

5.10 Findings and conclusions

All respondents understood that the handover process was an important part of the customer journey, however there was a wide variation in what was considered good practice. The handover process is certainly very important for setting and managing customer expectations; getting this right is vital to understanding and improving customer satisfaction.

This section of the research covered the handover process as viewed by the home builders; making comparisons with homeowner expectations and homeowner experience are important. The understanding by home builders of the differences here is vital to the industry moving forward in this area.

There are various mismatches for example in the way information is communicated:

- Home builders tend to leave handing over information until later in the buying process, whereas many home buyers would like information earlier to allow them time to read and digest it.
- Home builders believe they are clear in advising who to contact under specific circumstances, whereas homeowners find contacting home builders a very frustrating and unclear process.
- Home builders are less likely to provide information on how to run-in and maintain a new home, whereas homeowners have indicated that this is not covered at all well and clarity up front would prevent it being presented as a surprise later on when something needs doing to the home.

Of the respondents surveyed very few (13%) stated that they had had a formal reservation agreement. Under the Consumer Code for Home Builders a reservation agreement is now a mandatory part of the sale process.

Most of the respondents surveyed had some form of customer charter depicting what level of after-sales service customers will receive with some form of documented procedures on what the customer should receive and when, and through which member of staff it is given.

In general each stage of the handover is highly documented. Areas with the lowest documentation are in respect of maintaining the home and what to expect – this matches with the homeowner research in this area. All of the respondents claim to

provide contact detail documents to customers, which is somewhat at odds with the experience of homeowners. In respect of provision of information, the following findings emerged when compared with the customer journey model:

- **Initial enquiry** 89% of respondents provide a sales brochure to the customer, 67% provide specifications of the property and 40% provide details of amenities in the local area
- **Reservation** 73% of respondents provide details on payment for the property, 67% provide a programme for the build and a handover date, and 51% provide specifications of the property
- **Exchange of contracts** 44% of all respondents do not provide any documentation to the customer, 11% provide an update on the property and its progression
- **Home tour** 96% of all respondents carry out a home tour – although when this is undertaken (a pre-completion home demonstration or at handover) is unclear. 44% of the respondents provide a pre-handover inspection list for the customer to run through and 33% of respondents provide the full handover pack at this stage
- **Completion** 78% of all respondents provide a full welcome pack to the customer, 76% provide details of the NHBC warranty and 62% provide details on contacting customer services
- **Post-completion** There is communication with the homeowners, with 42% of all respondents sending a letter from their customer service team and 29% sending a generic welcome letter. 36% send the site manager or an engineer over to the property for a check-up, while 22% carry out a follow-up snag check.



6 Recommendations

As a result of the research undertaken by NHBC, the Task Group chaired by John Callcutt believes that there are opportunities for home builders to improve how they shape and meet homeowner expectations by providing appropriate information at specific stages in a customer journey.

6.1 Customer journey best practice model

Based on the discussions with home builders and homebuyers, a six-stage process for a customer journey model is recommended. The best practice model can also be linked to the Consumer Code for Home Builders (www.consumercodeforhomebuilders.com) in terms of information flow at set points during the sales process.

An example of the customer journey that the Task Group recommends should be adopted is shown in Figure 29. The Consumer Code for Home Builder requirements are shown in red.

6.1.1 Initial enquiry

There is a need to distinguish between customers who are simply in the initial stages of deciding whether or not to buy a new house and those who are serious about buying. It is important to provide sufficient information to the latter group to enable them to make an informed decision (as noted in the Consumer Code for Home Builders). Customers may also be interested in what is being planned for the remainder of the development.

As a minimum this must include:

- information that clearly shows what is being bought – the position on-site, its layout and relationship to the rest of the development, and the key materials used in its construction
- clear information about the expected level of contribution towards any management service charges. This information must be reasonably accurate and meaningful

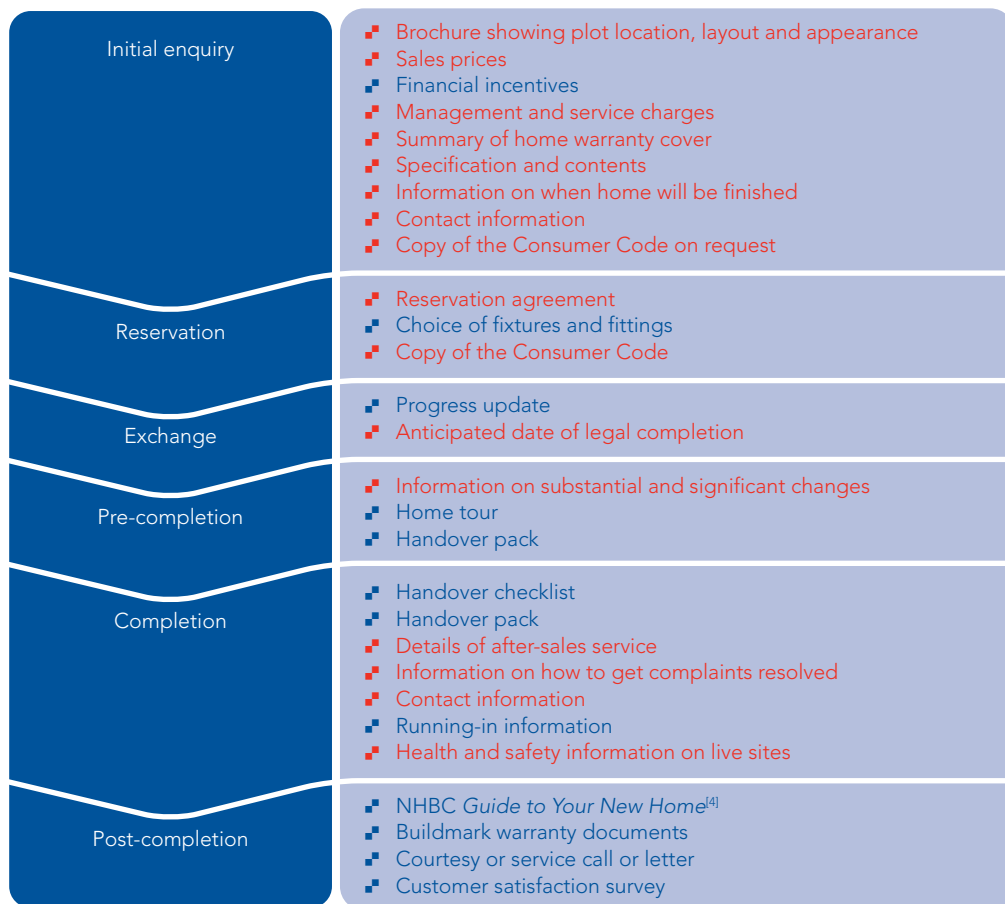


Figure 29 Customer journey best practice – information required by the homeowner (red indicates the requirements of the Consumer Code for Home Builders).

- a clear indication as to what is included in the sale price and what can be purchased as an extra
- information on the home warranty cover and how deposits are protected
- contact information in case of queries.

Additional information specific to the home builder or developer may also be needed at this stage relating to sales incentives, local amenities, etc.

6.1.2 Reservation

A reservation agreement is a legal document – an option agreement – so is a very important part of the buying process. The research indicated that most home builders do not use a formal agreement. Of those that did, there was considerable variation in what was included.

There have in the past been a wide variety of reservation processes. However, since April 2010, the Consumer Code for Home Builders has set a minimum content requirement for reservation agreements:

- the amount of the reservation fee (if any)
- the precise details of what is being sold – the plot number, postal address, garage, parking space, etc
- the purchase price
- the date when the reservation agreement comes to an end if contracts are not exchanged
- how long the price remains valid

- a reliable estimate of the costs and a summary of the management services that the homeowner will be committing themselves to
- a reasonable estimate of when the home might be finished
- any dependent or conditional matters, such as part exchange terms
- it is also usual to state that the reservation is subject to contract.

Reservation is usually the stage when various choices are made (eg bathroom fittings, white goods) and any extras are recorded, together with their costs. It is also a useful stage to provide more detail about the home warranty cover and the insurance protection provided.

6.1.3 Exchange

Exchange of contracts usually happens between the legal representatives of the home builder and the prospective homeowner.

An important item to be included in the contract is the anticipated date of legal completion. This lets the homeowner know when the home is likely to be handed over. It is important that the anticipated date is consistent with any previous information provided on completion dates, such as during the sales process.

6.1.4 Pre-completion

This is the stage leading up to formal legal completion. Between signing the reservation agreement and legal completion, there will be interaction between the home builder and the homeowner; it is good practice to keep the homeowner informed of progress with the building of their home. At some time during this period, the home demonstration should be arranged. The research suggests that homeowner satisfaction could be improved by offering a wider choice of dates and times for this home demonstration.

If there is any delay to the anticipated date of legal completion or if the final appearance of the home needs to be changed, this must be communicated formally to the homeowner as soon as possible.

6.1.5 Completion

Legal completion naturally leads onto formal handover of keys to the homeowner. A final home tour and sign-off of choices, extras, cleanliness and condition should be undertaken. A handover pack should contain as a minimum:

- home health and safety file
- operating and maintenance information for the home and its facilities
- guidance on who to contact should something go wrong including emergency telephone numbers
- guidance on homeowner responsibilities
- information on how to get complaints resolved
- home warranty document
- other warranty documents (fridge, boiler, etc)
- Energy Performance Certificate
- utility certification (eg Building Regulation Part P certificate)
- confirmation of meter readings.

6.1.6 Post-completion

After the homeowner has taken occupation consideration should be given to:

- welcome letter
- courtesy call from a member of staff
- follow-up visit to undertake any settling in repairs
- customer satisfaction survey.

6.2 A model home user guide

A model home user guide should be developed to support the customer journey, reduce information overload at the end of the buying process and provide some consistency to the highly varied handover packs that are in use. This is not the first time a handbook of this type has been suggested; the Callcutt Review^[5] makes reference to a home log book for example.

Based on the findings of its research into homeowner expectations and experiences, it is suggested that the home user guide is provided on the internet and in hard copy formats. With more homeowners having access to the internet, there will be a move towards exchange and presentation of material online, NHBC for example, is preparing to provide its insurance documentation online.

The benefits of an online guide are that it:

- stays with the property
- is easily updated through the home-buying journey and beyond
- facilitates interaction with the home builder or other service providers
- gives guidance on homeowner responsible maintenance
- facilitates online registering of warranties (eg boiler, fridge, cooker)
- provides a facility for reminders to renew time expired warranty
- facilitates maintenance reminders (eg boiler maintenance, re-decoration, cleaning gutters)
- facilitates customer surveys.

Online guides and information would need to be located on secure computer servers and be maintained for the life of the property.

6.3 Best practice training

The research has demonstrated the wide variety of approaches to the processes of managing and understanding the issues of home handover should be developed.

Dissemination of best practice would be achieved by the development of a series of training modules with a view to providing an understanding of the importance of the customer journey – training for sales executives and customer service staff.

This training could be added as a refinement of existing training modules or as a development of stand-alone open or in-house courses. Given the importance of this to the home-building industry, consideration should be given to incorporating the subject into the current NVQ courses for sales executives, site managers and construction directors. Consideration should also be given to the development of an NVQ for customer service staff. Online e-learning modules would be a useful facility for refresher training of staff.

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- 3 The HBF national new home customer satisfaction survey is an annual self-completion survey of HBF member builder customers. Available from www.hbf.co.uk/Customer-satisfaction-5ea14b0.
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A P P E N D I X A

The Callcutt Task Group

The Callcutt-led NHBC initiative was set up to steer the NHBC's best practice work. The terms of reference charged the Task Group with examining and responding to the concerns on quality, service and customer satisfaction expressed by Government, OFT and from within the home-building sector.

The group was comprised of:

- **John Callcutt**, Chairman
- **Stewart Baseley**, Executive Chairman, HBF
- **Ian Davis**, Operations Director NHBC
- **Jonathan Fair**, Chief Executive, Homes for Scotland
- **Imtiaz Farookhi**, Chief Executive, NHBC
- **Derek Field**, Operations Director, McCarthy and Stone Retirement Lifestyles
- **Mike Freshney**, non-Executive Director, Cala Homes, member of the NHBC Standards Committee
- **Sir Graham Hart**, non-Executive Director, NHBC and Chairman NHBC's Consumer Committee
- **David Pretty CBE**, Chairman, New Homes Marketing Board
- Project Leaders, **Geoff Egginton**, NHBC's Regional Director for North East England and **Chris Derzypilskyj**, NHBC Technical Officer, together with an internal project team of NHBC staff from Technical Services, Business Development, Standards & Technical and Homeowner Research.

The group aimed to come up with specific recommendations on processes that could be put in place to assist the home-building industry improve customer service, and as a consequence, improve levels of customer satisfaction.

Part of the review process by the Task Group was to consider the findings of the research into the home handover process:

- consumer expectation in the quality and finish of new homes and how the handover procedures influenced those expectations
- how home builders undertook the process of finishing, demonstrating and handing over a home, and what was considered by the home-building industry to be best practice.

The research provided the Task Group the opportunity to consider the differences in these two areas and to make recommendations on how those differences could be overcome, and in the process, to develop a best practice model of a customer journey.

In the view of the Task Group members, the aspirations in this area have been met.

A P P E N D I X B

Customer satisfaction literature

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APPENDIX C

Respondent profiles

C1 Homeowner expectations and experience of new homes

A total of 29 homeowners who had bought homes from six large and small home builders, attended the four focus groups. The focus group meetings were held in Leeds and Kings Langley – two events at each (Figure 30).

As a result of the information obtained at the focus groups, a detailed script was developed and used in the second stage of this research project – 450 interviews with individual homeowners. These were carried out by researchers visiting new developments selected using data provided by NHBC on recent home legal completions.

The geographical distribution is shown in Figure 31. The wide spread distribution of interviewees allowed for analysis of any regional variance in homeowner views.

The interviews allowed the socio-economic group of the respondents to be profiled (Figure 32). The research also identified the socio-economic groups that are more likely to purchase new homes.



Figure 30 Focus group locations.

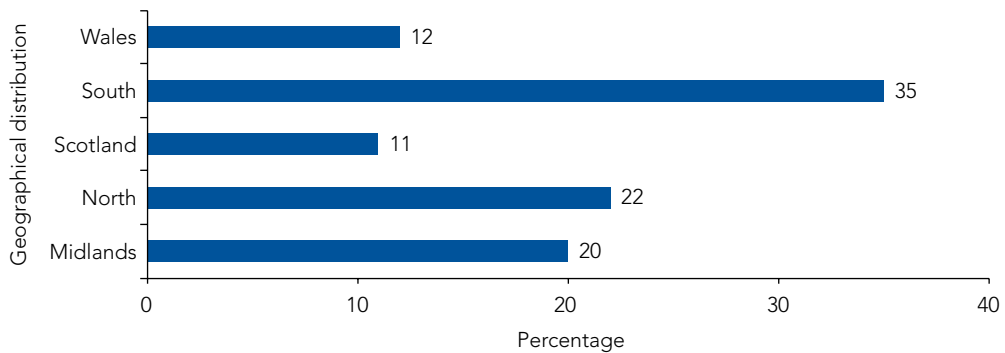


Figure 31 Regional distribution of interviewees.

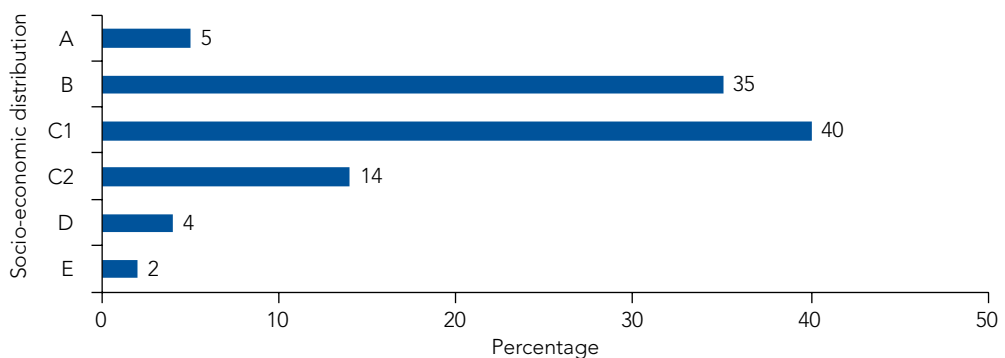


Figure 32 Socio-economic distribution of interviewees.

The socio-economic groups are defined in Table 1.

Table 1

Socio-economic group classification	
A	Professionally qualified people with very high levels of job responsibility
B	Professionally qualified people, and/or people with a good degree of job responsibility
C1	Other white collar workers, including most nursing grades and technically skilled persons (below degree level) with job responsibilities (such as works foreman, self-employed carpenters etc with people working for them)
C2	Skilled workers. Persons holding ONC or apprenticeship in their trade
D	Unskilled and semi-skilled workers. Anyone who is earning but is not white collar and who has recognised qualifications
E	No earned income

C2 Home builder best practice in home handover

To categorise home builders, use was made of the NHBC's peer group classification system to allocate home builders into groups of similar annual home production. The definitions are shown in Table 2.

Table 2

NHBC peer group classification system		
Peer group	Homes registered in the previous calendar year	Number of home builders in group*
1	1001+	10
2	301 to 1000	32
3	201 to 300	6
4	51 to 200	141
5	11 to 50	473
6	1 to 10	3664
7	Less than 1 a year	13 000

*As at 1 August 2010

The building companies chosen for both the face-to-face research and the telephone surveys were from across the upper and lower range of peer groups (Figure 33) and job roles (Figure 34). There was also a geographical distribution of 12 home builders from the north of England, 12 from the midlands, 18 from southern England and three from Scotland. The interviews took place during August 2009.

Peer group 3 home builders were omitted from the research projects so as to obtain a clearer picture and a differentiation between large and small home builders (Figure 34).

Calculated from all the responses, the main customer type (Figure 35) was buyer/sellers at 36%, with first-time buyers at 26% being the next most significant group.

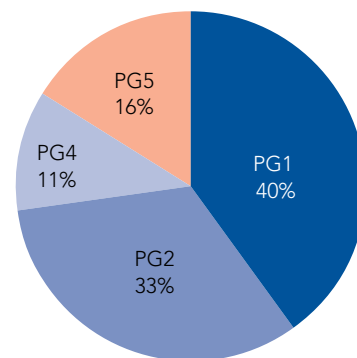


Figure 33 Home builder peer group profile. (Note: PG 3, 6 and 7 builders were not contacted during this research.)

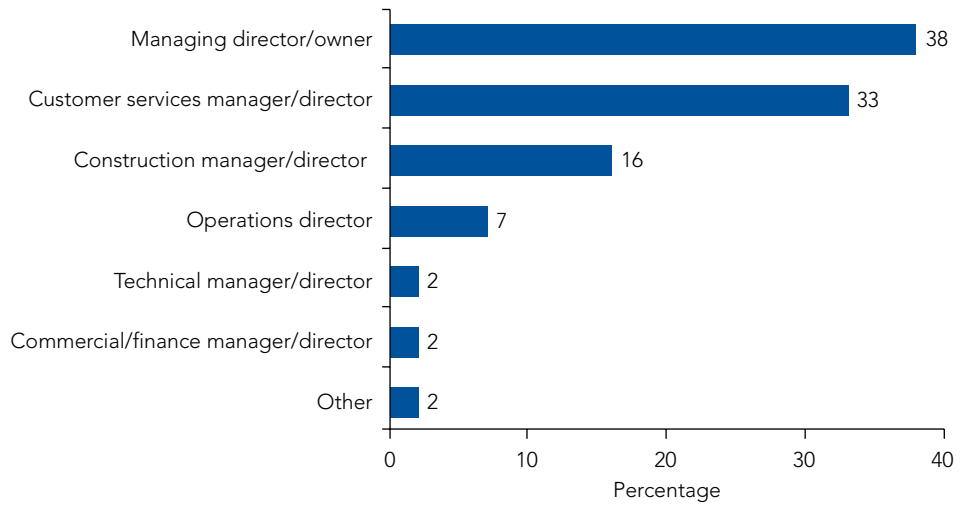


Figure 34 Home builder respondent job role.

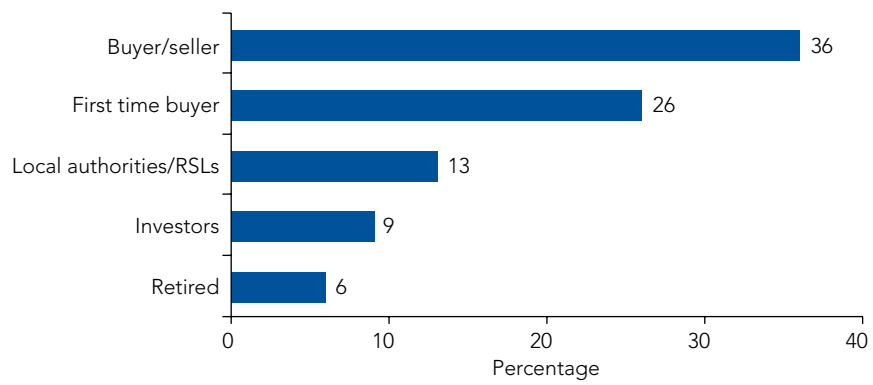


Figure 35 Customer type.

NHBC Foundation publications



Management of post-completion repairs This report is based on the findings of surveys with real people in the home-building industry and how they manage post-completion repairs. It contains some simple best practice advice based on the findings of the surveys. **NF25** January 2011

Ageing and Airtightness This NHBC Foundation research seeks to answer how dwelling air permeability changes over time by re-testing a sample of homes one to three years after completion. **NF24** January 2011



Introduction to Feed in Tariffs NF23
January 2011

A simple guide to Sustainable Drainage Systems for Housing NF22 July 2010

Efficient design of piled foundations for low-rise housing NF21 February 2010

Water efficiency in new homes NF20 October 2009

Open plan flat layouts – assessing life safety in the event of fire NF19 August 2009

Indoor air quality in highly energy efficient homes – a review NF18 July 2009

Zero carbon compendium – who's doing what in housing worldwide NF17 July 2009

A practical guide to building airtight dwellings NF16 July 2009

The Code for Sustainable Homes simply explained NF15 June 2009

Zero carbon homes – an introductory guide for housebuilders NF14 February 2009

Community heating and combined heat and power NF13 February 2009

The use of lime-based mortars in new build NF12 December 2008

The Merton Rule NF11 January 2009

Learning the lessons from systemic building failures NF10 August 2008

Zero carbon: what does it mean to homeowners and housebuilders? NF9 April 2008

Site waste management NF8 July 2008

A review of microgeneration and renewable energy technologies NF7 January 2008

Modern housing NF6 November 2007

Ground source heat pump systems NF5 October 2007

Risks in domestic basement construction NF4 October 2007

Climate change and innovation in house building NF3 August 2007

Conserving energy and water, and minimising waste NF2 March 2007

A guide to modern methods of construction NF1 December 2006

NHBC Foundation publications can be downloaded from www.nhbcfoundation.org

NHBC Foundation publications in preparation

- Fire performance of residential buildings
- Zero carbon: Allowable solutions – energy efficient appliances and controls
- Zero carbon homes: Low and zero carbon cooking appliances
- Building sustainable homes at speed: Risks and rewards

NHBC FOUNDATION

Housing research in partnership with BRE Trust

www.nhbcfoundation.org

Home sale and handover

This report is based on the findings of surveys with real people in the industry and their customers, and how home builders manage the process of selling and handing over new homes. Whilst most of the industry believes they are providing sufficient information and at the right time, there is clearly a gap between delivery and expectation.

This report develops the concept of a "customer journey". Better communication provided at the right time through the complex process of buying a new home can only lead to improved customer satisfaction.



The NHBC Foundation has been established by NHBC in partnership with the BRE Trust. It facilitates research and development, technology and knowledge sharing, and the capture of industry best practice. The NHBC Foundation promotes best practice to help builders, developers and the industry as it responds to the country's wider housing needs. The NHBC Foundation carries out practical, high quality research where it is needed most, particularly in areas such as building standards and processes. It also supports house builders in developing strong relationships with their customers.

