

Planning to Survive: Strategy for the New Normal

Hal Von Nessen, MIRM, CMP, CSP, CAPS
Ross Robbins, MIRM, CMP, MCSP
Joey Von Nessen, PhD, CMP

© 2011 RESH Marketing/The Homebuilder Coach

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com
 Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina
 Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

The Environment of Success

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com
 Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina
 Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

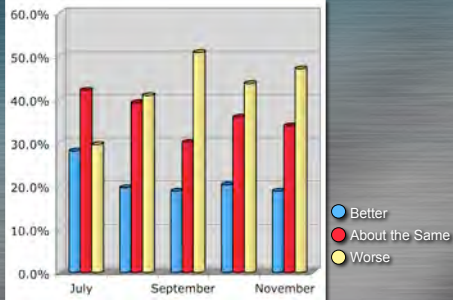
Market Drift	Low	Over Marketing Auto	Potential Inertia Insurance
	High	Orderly Marketing Electronics	Actual Inertia Housing
		Low	High

Market Inertia

Within the home building industry, internal resistance to change is unable to accommodate external change.

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com
 Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina
 Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Compared to January 2010, my sales levels are:

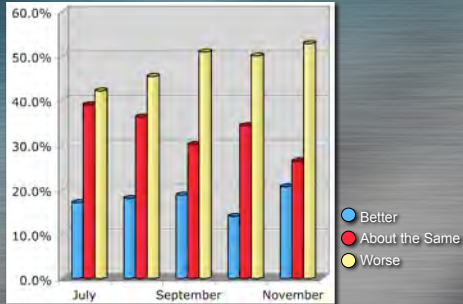


Hal Von Nessen, MIRM
RESH Marketing
www.resm.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Compared to January 2010, my traffic levels are:

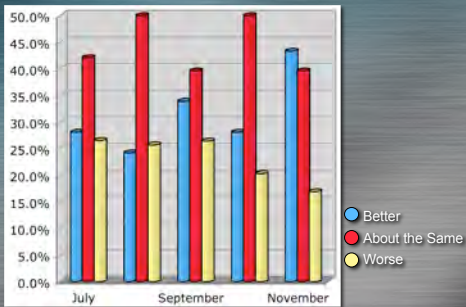


Hal Von Nessen, MIRM
RESH Marketing
www.resm.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

In the next six months, I expect my sales to be:



Hal Von Nessen, MIRM
RESH Marketing
www.resm.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

MARKET SURVEY

www.resh.com

Select Link

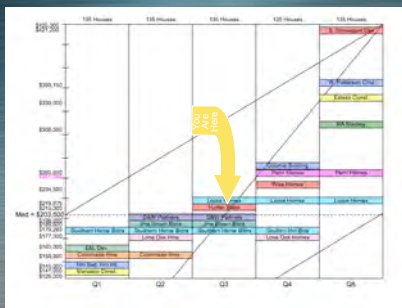
Complete Survey



Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

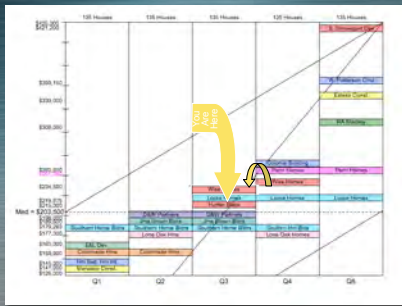
Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com



Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com



Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Why Plan?

- Changing values that people hold
- Demands on business to contribute to the quality of life
- Criticism of business and behavior of executives
- Pervasive government regulations
- Rapid changes in economic environment
- Complex and aggressive legal environment
- Demands by employees that they be considered in decisions
- The power of interest groups

George A. Steiner
Business Environment/Public Policy
1973 Conference Papers

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Alice In Wonderland

- Alice asked the Cheshire Cat...
 - “Please Sir, How do I get back?”
- He replied:
 - “Where are you going?”
- She said:
 - “I’m not sure.”
- His final answer was:
 - Then, any road will take you there!”

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

What makes a plan strategic?

- It establishes a reason for being
- It formulates policies to establish objectives
- It establishes objectives to achieve the company purpose
- It determines the efforts to achieve the objectives

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Total Starts Statistics

Year	Total	Year	Total
2009	554,400	1982	1,062,200
2008	905,500	1981	1,084,200
2007	1,353,800	1980	1,292,000
2006	1,800,900	1979	1,745,100
2005	2,068,300	1978	2,020,300

Source: US Census Bureau

Hal Von Nessen, MIRM
RESH Marketing
www.resn.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Why So LOW??

- Supply Side
 - Investors reselling
 - Foreclosures and other REO
- Demand Side
 - Soft Job Market
 - Tougher Lending Standards
 - Appraisals

Hal Von Nessen, MIRM
RESH Marketing
www.resn.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Underlying Demand

- Immigration
- Echo Boom - Births @ 20+
- Smaller Households Trend
- Total Annual Demand 1,500,000

Source: US Census Bureau

Hal Von Nessen, MIRM
RESH Marketing
www.resn.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

How can we identify our ability to compete?

STRENGTHS and WEAKNESSES

Every organization has certain strengths and weaknesses - internal capabilities and resources that are likely to lead respectively to higher or lower levels of performance. Your company's greatest ranks are the core competencies upon which it should build its competitive advantage.

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

How can we identify our ability to compete?

OPPORTUNITIES and THREATS

In setting long-term direction, every organization is confronted with a number of opportunities and threats - external, environmental factors that are likely to lead respectively to higher or lower levels of performance. Your strategy should be to pursue the best opportunities while minimizing its greatest threats.

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

The SWOT Analysis

A systematic approach to identifying -
Strengths, Weaknesses, Opportunities and Threats

Most valuable when it includes all stakeholders

Should be done with a degree of anonymity

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

The SWOT Analysis

STRENGTHS vs WEAKNESSES

- Financial performance and resources
- Marketing and sales capabilities
- Management team and employee capabilities
- Quality of products and services
- Construction capabilities and resources

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

The SWOT Analysis

OPPORTUNITIES vs THREATS

- Customers and markets
- Competition and competitive forces
- Governments, economics and society
- Workforce and employment
- Suppliers and construction materials

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

SWOT SURVEY

www.resh.com

Select Link

Complete Survey



Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Where do we go from here?

1. Establish goals and objectives
 - Measurable
 - Realistic
 - Attainable
2. Summarize SWOT Results
3. Determine organizational structure
4. Commit to writing

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Business plan template

Tells the story of your business explaining Who, What, When, Where, How and Why.

Focused and clear.

Defines specific objectives and goals.

Forces logic and discipline into the business.

Should be updated regularly.

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Business plan template

- SECTION 1 - Executive Summary
- SECTION 2 - Business Description and Vision
- SECTION 3 - Market Definition
- SECTION 4 - Product Definitions and Services Offered
- SECTION 5 - Organizational Structure and Management
- SECTION 6 - Marketing Strategy (Includes Sales)
- SECTION 7 - Finance
- SECTION 8 - Attachments

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Business plan template

SECTION 1 - Executive Summary

The goal of this section is to interest readers in the process of learning more about your business. It should provide them with some insight about your company and should summarize the operation of your organization.

It should be the last section written.

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Business plan template

SECTION 2 - Business Description and Vision

This section will detail the business purpose, sometimes referred to as the mission statement. It will also describe the growth anticipated for the company, often referred to as the company vision statement. Typically, this section will list the key company management team and their background, contain a brief history of the business, and detail the business goals and objectives for the organization.

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Business plan template

SECTION 3 - Market Definition

This section will include basic information about the industry that you operate in and the customer needs that you feel you are satisfying. It will address the scope of your business as well as your current share of the market. It will also identify who your target customer is.

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Business plan template

SECTION 4 - Product Definitions and Services Offered

This section will specifically describe the products that you offer to your target market as well as any services that augment your basic product. It will explain any advantages that you feel your product or service is offered over competitive products in the marketplace. Include any literature or material that may be beneficial in communicating the nature of your offerings to the market as an attachment to this report.

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Business plan template

SECTION 5 - Organizational Structure and Management

Begin with a description of the legal form of ownership of the business, the management team and subordinate leaders along with job descriptions for each. An organizational chart illustrating the general flow of operations should be included in this section. Any legal requirements such as special licensing, permits, or certifications that the company has should be detailed.

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Business plan template

SECTION 6 - Marketing Strategy (Includes Sales)

This section should detail your target market in terms of geographic area, demographic profile, psychographic variables and any other details unique to the housing industry. Include such items as homeownership rates, the incidence of single-family households, education level and income levels. Some projection of market growth would also be appropriate.

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Business plan template

SECTION 6 - Marketing Strategy (Includes Sales)

Also included should be a statement of tactics used to communicate with and reach your target population. A discussion of their traditional tactical variables of pricing, promotion, product mix, and geographic locations is appropriate here. Particular emphasis should be paid to your sales strategy.

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Business plan template

SECTION 7 - Finance

This section will provide an understanding of the financial capacity and condition of your company. It should include a projection of startup costs, pro forma balance sheets and income statements and the resulting cash flow for any new operations anticipated by the company.

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com

Business plan template

SECTION 8 - Attachments

Attach any general information that may be used to support the comments in other sections of the business plan, or may provide detail on background or continuing operations of the business.

Brochure	Trend analysis
Employee resumes	SWOT analysis
Advertising materials	Legal agreements and commitments

Hal Von Nessen, MIRM
RESH Marketing
www.resh.com

Dr. Joey Von Nessen, CMP
Moore School of Business
University of South Carolina

Ross Robbins, MIRM
The Homebuilder Coach
www.HomeBuilderCoach.com
