

What's The BIG IDEA

A Strategic Marketing Seminar

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What is Marketing?

- Pretty ads ?
 - Power Website ?
 - Great Incentives ?
 - Awards from HBA ?
 - ????????????
-
- Not Really

Marketing has Five elements we must consider:

Purpose

- Why are you in this industry?
- What is your personal goal?
- How does that match reality?

Process

- How do you decide:
- What it should be
- Where to build it
- Who is involved in the process

Product

- How big?
- What to put in and leave out?
- How to hit where they aren't
- What is the rate of absorption?

Price

- How much will they pay for what we have produced?
- Have we looked at the alternatives?
- Is there an acceptable margin for us at that real market price?

Profit

- Are we Habitat for Humanity?
- Are we The El Paso Housing Authority?

- If not, we need to make a profit that is commensurate with the risk!

Lessons learned from Retail Companies

Getting Close to the Customer

- Takes a CULTURE of attentiveness that permeates the organization
- Takes a STRUCTURE that recognizes a higher ratio of employee to customer than the norm.
- Takes a FOCUS on lifecycle rewards.

Who does this Really Well?

- Airborne Express
- Starbucks Coffee
- Nordstrom

- Drinking the Kool Aid ~The belief in the company culture.
- Coaching and Feedback loops for the “Team Members”
- Very decentralized decision making and empowerment of front line folks
- A commitment to service reflected in the budgets and staff
- A willingness to invest in people and systems designed to delight.
- Constant measurement from the customer's viewpoint

The Discipline of Optimized Production/ Delivery

- Takes a CULTURE of conformance to process improvement and the team that permeates the organization
- Takes a STRUCTURE of greater equipment/technology than the norm.
- Takes a FOCUS on process/cost.

Who does this Really Well?

- The Original Ford Motor Company
- Costco
- Dell Computer
- A truly disciplined company
- Measure processes and refine them constantly
- Very committed to partnering with suppliers and service providers
- A Culture of Conformance
- A Willingness to budget for current infrastructure for long term pay off.
- Detailed measurement and feedback systems for every aspect of the process

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The Discipline of Product Innovation

- Takes a CULTURE of out of the box thinking and tolerance for mistakes
- Takes a STRUCTURE of greater \$ research allocation than the norm.
- Takes a FOCUS on creativity and speed of decision for adoption.

Who does this Really Well?

- Sony
- 3M
- Apple Computer

- A Culture of Risk acceptance
- A Willingness to budget for product research for long term pay off.
- Rewards for the “Winners” out of the process and tolerance for busts.
- A commitment to innovation that is reflected in the budgets and staff
- A willingness to invest in “flyers”.
- Commitment to get product to the customer first and adjust later

But WE Can Do It ALL!

- Be an innovator with great processes and love up the customer?
- Different people, systems, budgets and structure are required for each discipline

So, What Are YOU?

- To find your BIG IDEA, you must first see where your strength lies with People, Systems, Budgets and Structure and where opportunities to excel are generated from those strengths.

Researching Your BIG Idea ~A Checklist

- What is your business philosophy
- What is your objective
- What is your motivation for being in business?
- What are your financial interests
- What return on investment are you trying to achieve?
- What type of product are you comfortable with or do you find exciting to build?
- You will do best in a segment where your team has a passion to excel.

Where Do Your Talents Lie?

- Land and/or lot acquisition and development
- Product development always leading the market
- Pricing to create a high-perceived value through great processes
- Does your marketing message “match” who you are and what buyers you profitably wish to find?
- Are you operating a sales program that closes sales at high margins, while delighting buyers ? Do you get 50% or more of your revenue from referrals?

Where is my Competitors Advantage?

- Who are your three strongest competitors?
- Why do they have this success?
- Is it culture? Systems? One gifted person?
- What part can you adapt to your culture, systems and processes?

Where is MY Competitive Advantage?

- What are the three primary strengths of each (location, product, production systems, pricing, promotional efforts, quality of sales staff)?
- What are the three primary weaknesses of each?

Defend Your BIG Idea

- Once you have found a Unique Selling Proposition, why do you think you can carve it out in the minds of the public without someone else “stealing your thunder”?
- You will need to make your BIG Idea real to your buyers by “Making it Happen”

Protect your BIG Idea from being infringed

- There is no idea that cannot be copied sooner or later. BUT...
- The most powerful business advantage comes from a team of talented people clearly focused on a vision that they buy, and who keep creating improvements.

Putting the Process in Place

Making your BIG IDEA happen

Think like a Buyer

- What would a Buyer appreciate most about you?

For Example:

- Own a home for less than Renting
- Customer Care not customer service
- Personal Design Concierge

Slow Down and FEEL the experience

- Getting the right discipline for your talents and attitudes takes time.
- Don't Rush.
- Get multiple inputs...even from outside the company.
- Try it in a small way at first.

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What are YOU best at?

- Obviously, YOU means the leadership and ownership of the company.
- Follow your strengths and hire the supplemental skill sets with a fit for the culture you have chosen.

How can you distinguish yourself?

- IF your skill set is the same as some one else in your market, You can:
 - Find another price point
 - Build a different product type
 - Work in a different geographical place
 - Just Out Execute them with a Passion

K.I.S.S.

- **The best strategic method for implementation of a BIG IDEA, comes from one that can be clearly stated in one sentence.**

Communicate your “Big Idea” to your team

- This is called Leadership!
- Preach the vision of what makes you unique anywhere, anytime, to anyone.
- Create disciples who are as dedicated and passionate as you are.
- Get rid of those who don't “Get It”

If you have done the basics right, you must stand back and let the energy and creativity occur. In other words, Get Out Of Their Way!! Your responsibility is minor course corrections and LEADERSHIP.

Make your “Big Idea” a part of your culture

- Praise, rewards, recognition and added responsibility should be constant so your people internalize the vision of the “Big Idea”
- When you hear your line people verbalizing the values, you're there!

Put a marketing plan and budget in place

- Start-up investment (fixed)
 - Signage
 - Sales office furnishing and display
 - Broker opening
 - Model merchandising
 - Communications
- Compensation
 - In-house sales agent
 - Sales management
- Broker Coop
- Media, brochure, and Collateral
- Other (fixed)
 - Telephone and utilities.
 - Maintenance and cleaning.
 - Model interest and or lease payments.

Keeping true to your “Big Idea” strategy

- This is a long term commitment.
- The first few years are critical as that is when you will build a sustaining culture that attracts the right people as employees and customers.
- The job is *never* over

Remember,
If you need help, Coach is as close as an email or phone call