

A POINT OF SHOW PLAN

THE PROCESS, SKILLS, & TRAINING NEEDED FOR A
QUALITY POINT OF SHOW PLAN ARE DETAILED BELOW

A WAY TO ATTAIN MEDIOCRE RESULTS

About 98% of the time, a builder either **starts with a piece of land** he will personally develop or he purchases lots from a developer. Very few times in this process does a developer/builder **start with the market**. There is a tendency to run to the land, instead of starting with a run to the market.

After selecting the land, the builder usually selects plans already within his current system and modifies the plans to accommodate a price point. Although meeting a price point should be a primary objective, most builders should again “run to the market” and study their potential customers.

Next, the builder usually finds a person with good decorating skills (or sometimes a person with not-so-good decorating skills) to select the exterior and interior colors of the model. Builders working on a furnished model may be told to use leftover items from previous models or might be allowed to purchase a few new furnishings. All of this is usually done without studying the potential customers.

THE GOAL IS NOT THE DECORATING

The goal is not to “show off” how well the decorator selects colors or furniture. Instead, the goal is using the art of merchandising - **the ability to communicate a specific message to a buyer without using words**.

Over the years I have seen some interior decorators do a fabulous job decorating and yet totally miss the point, just because they did not start with people.

Although I have been involved with the National Sales & Marketing Council (NSMC) as a National Trustee and have personally known many of the National Interior Designers and Interior Decorators, I know fewer than ten that start with people.

WHERE SHOULD YOU START?

MARKET RESEARCH

Through adequate research, the builder must first know whether the price points selected for a subdivision can attract enough buyers in that market and whether attaining a reasonable percentage of that market area will provide enough closings per month to sustain that subdivision. In other words, is the market part big enough so he can get a reasonable market share and close a minimum of two houses per month?

He should never build more than one model per twelve closings projected to sell in that subdivision on an annual basis. In other words, if a builder can have thirty-six closings in a twelve-month period, it would require a thirty-six minimum basis to have three models.

After these three there is a point of diminishing returns; you wear out the buyer in showing them homes. It falls off even quicker after four and is almost always a waste of money at five or more.

BUYER PROFILES

Second, the builder must research the market to determine the buyer profile. This buyer profile for interior decorating and design must include at least the following items:

1. How long did they live in their previous house?
2. Which zip code areas are they coming from?
3. The age of the parents.
4. The number of single households that will be buying.
5. The age and number of the children.
6. The type of car they drive.
7. The type of sports they have an interest in.
8. Education level.
9. Where they tend to work.
10. Information about schools, sports offered and degree of strength of each one of those sports.
11. Family traditions.
12. Type of books they read.
13. Magazines they subscribe to.
14. Home styles they like.
15. Number of bathrooms necessary.
16. The location of the master bedroom.
17. Garage sizes.
18. Home specification.
19. Options available.

20. The preferred number of steps into the house.
21. The size and type of deck in the back of the home they prefer.
22. The ceiling height they prefer.
23. Acceptable exterior materials.
24. Other home design features.

How do you obtain this data? Each market will have different methods. Some items should be incorporated in a survey sent to comparable area subdivisions that are mostly finished or just finished.

POSSIBLE SOURCES FOR OBTAINING BUYER PROFILE DATA

- A. Select five real estate agents who have closed homes in the specific market area in a similar price point. These agents should have closed at least \$1.5 million in the last twelve months. They should have also raised two or three children. (You will find if they have raised two or three children and can sell \$1.5 million in the price points you want they will be transparent with their answers to you.) Also these agents are likely to have learned the art of hearing the details necessary in selling to your future buyers.
- B. Also, prepare a household survey to gather detail about families who have just moved into the area and distribute it at comparable subdivisions nearby. Select three subdivisions that are relatively new. Then have someone place the survey on each door, in a bag, with a red card inside offering a \$5.00 gift certificate for ice cream at a popular local restaurant if the family will complete the short questionnaire and send it back. Include a self-addressed stamped envelope.
- C. I would not recommend using a focus group. Although they have some value, I don't think you will get the results you want.
- D. Hire a professional market research company to gather data. This might be a last resort because it can be expensive. Try methods A and B first.

Once the data comes back to your office, you must assimilate it into a buyer profile. Generally, it is best to develop three profiles. One is an average profile & the others are two opposite extreme profiles. This should be developed by two or three people working together within your office who are **qualified** to work through all of the data & create the profile.

LOCATION OF BUYERS

In the course of doing the market research and asking the right questions, you should be able to find out where people have previously lived before they bought their current house and how long they lived in their previous house before moving. (This same kind of information can also be discussed with the realtors from whom you are getting advice.)

From this research you will be able to create a list of zip code areas where future buyers might come from. You should then be able to go to a direct mail house and find out how many potential buyers in those zip code areas earn enough money and have lived in their house a certain length of time. Also, they should tell you the list's default rate. A default rate is the number of mailings you would send out that would be sent back to you undelivered because the people have moved.

If, through this process, you discover there are a sufficient number of potential buyers through the direct mail process and you could attract a 1% to 2% sales rate from your mailing, then you are probably on track by using a correct buyer profile.

HOUSE PLANS

The house plans that are developed must be a direct result of the buyer profiles and the realtor discussions. The house plans should be developed after proving there are sufficient, pre-qualified buyers who are potential candidates for that subdivision.

This work should all have been done before an interior designer/decorator is hired.

THE LOT

The selection of the model lot is critical, to say the least. The lot should be walked with the interior designer/decorator to analyze the following:

1. What does the street approach to the lot look like?
2. What do you see when you stand in the front of the house on the street and later as you walk out the front door of this future model?
3. What do you see when you walk out the back door of the house?
4. Is the car traffic going to be a problem?
5. Is the future model visible enough to traffic?
6. How are you going to handle parking?
7. Are you able to manage the traffic of people without having to create a sales trap that makes you feel like you are in a barn?
8. Are you going to need signage to find the sales area? If so, will the signage adequately bring them to the sales area?

THE STAKING OF THE HOME

The next stage is to accurately stake out the model home or homes on the selected lots. The staking includes all the interior walls on the first floor, down to door openings, and the staking of the deck and the front porch as well as the garage.

The garage stakes, front porch, and back deck must be sprayed with the same color of paint. All the stakes marking the exterior of the house proper should be sprayed with another color. All interior walls should be sprayed with a third color. Prior to staking, the grass should be cut & the lot thoroughly cleaned so there are no distractions. The same should be done for all models in a group.

If the street is not in, stake the street very accurately, putting stakes five feet apart across the front of the whole model complex (stake both sides of the street in another color).

Next, stake the driveway and the sidewalks four feet apart and spray them another color. The Interior Decorator/Designer should have the plans at least two weeks in advance of this lot staking so he or she can get familiar with all of the home plans that will be used for models.

THE FIRST WALK THROUGH

After the staking of each model, the builder should stand on the street and walk back and forth across the front of that proposed model, holding the plans and determining the single best spot for an agent to stand with the future buyers to show and sell that house. There should be only one particular spot they should stand on the street and that is called the **point of show**.

After you determine that single spot, you must determine the three things you want the agent to demonstrate on the front of the house from that **point of show**. In other words, what are the three hot buttons? You then should locate **the point of show** on an 8 1/2 x 11 plot plan and **list the three things** the agent should demonstrate.

Next, walk onto the front porch and into the house (which again is only staked on the ground). Going from the original **point of show** on the street to the front foyer must be an easy natural walk for the future buyer. This means you should handle your walkways, sidewalks, or shrubs to accommodate **the point of show**.

The next **point of show** is usually the foyer. When standing in the foyer (on the ground), determine the best **point of view**. Where should you stand with your buyers to give them this view point? Again, the best way to communicate this to a sales agent is to simply draw the floor plan on an 8 1/2 x 11 plot plan of the model lot. Note that highlighting the point of view may require the movement of windows, doors, etc. (I'll talk later about interior design changes.)

Then decide which direction the agent will take the buyer next. Draw a line on the 8 1/2x11 plat and take yourself to the next **point of show**. Once you are in this area, again determine the best place to **show** that room. Every room **has only one** best place.

Continue moving through each room, drawing your route and identifying the point of show for each room, the point of view to show each one, and the three hot buttons for each. At the end of this process you should have a completed 8 1/2 x 11 plan which includes all this information. The agent should memorize this information and learn the art of following a specific route and showing the three hot buttons at each point.

The final point of show is best concluded with a conversation in the master bedroom. Make sure the room includes a two-person couch for the buyers. The sales agent can sit on the bed.

As you plan your route, avoid the smallest bedroom, smallest bath, basement and garage on the buyer's first time through the house. Remember, the first time you show a buyer will be different than the second time when they want to see it all. The first time through, the agent should lead the way to demonstrate the home. The second time, the buyers should be permitted to go back through on their own (and with the agent's help).

THE BUYER HANDOUT

The builder can use a similar version of this plot plan as a memory aid for buyers. This version of the 8 ½ x 11 handout should show the plot plan of the lot, house and elevation of that single model. In addition, mark each **point of show** with a red dot indicating the three "hot button" items. This will jog the buyer's memory after they return home and can actually walk the buyers through the house a second time in their minds because they will remember the three things demonstrated at each **point of show**.

This greatly increases your chance of keeping their interest, helping this property stand out among the many models they're touring, and ultimately closing the sale.

INTERIOR DESIGN

Once the builder has walked through the initial "demonstration" from **point of show to point of show on the grass and has completed the 8 ½ x 11 plat**, the interior decorator/designer must take time to stand at each **point of show alone**. The agent should visualize each point of show and review the builder's recommendations for "hot buttons" at each location.

If, when standing on the street at the point of show, the decorator decides other things could be done to the front of the house to greatly enhance the **point of show** and create some flash, the decorator must change the front design. Similarly, as he walks through the house and stands at each **point of show**, he may find other necessary changes; perhaps a window should be widened or moved to accommodate a particular view.

For example, correctly-sized and located windows with trees, shrubbery, or other attractive landscaping can make the buyer feel that 10 to 14 square feet outside the house actually belongs to the square footage of the home. These small touches make the home feel larger than it actually is.

A few additional suggestions:

- Position the stereo speakers inside the models so that when they are left on 24 hours a day on an easy listening station, neither the music nor its volume will interfere with conversation between the buyer and the agent when they stand at the appropriate **point of show**.
- Lighting in the ceiling or off the walls should only reflect light and emphasize **the view** from the **point of show**. Therefore, the interior design should encompass the movement of windows, the movement of doors, the stereo location, and appropriate lighting.

- The heating and air conditioning system should be up-sized for a model because of the traffic touring through. (Good buyer profiling and research will definitely enhance the amount of traffic going through a model.) In addition, the interior designer should determine where the HVAC vents should go. For instance, if she is standing in the foyer and has just come in from the outside where it's 95 degrees, when she shuts the front door there should immediately be adequate air conditioning but the vents should not blow directly on her nor should the air flow be blocked by curtains. Also, the return air vent should not be the central focal point of the foyer.

The interior decorator/designer should also know there are two particular **points of show** best demonstrated in a different way than the "hot button" approach:

When you arrive in the kitchen, don't just say three things about that kitchen. It is best for the sales agent to dream in the kitchen about Christmas, family dinners, and special events. Create a vision of a happy family living in this room, which often serves as the heart of the home. In other places you can talk about the three things - in the kitchen you dream.

Whereas the kitchen conversation centers around family and events, the last **point of show** should focus on relationships and on the buyers. It should always encompass a sense of romance about being a great place to talk, relax, and be together.

Remember, no man buys a home for himself, he buys for a lady! The man doesn't count in this process, only she counts! Even single men buy homes for ladies. All ladies have this disease called romance and they don't want to be cured. Therefore, the final point of show must be around romance. A good interior designer/decorator understands the necessity of words, pictures and smells that communicate romance.

In summary, all interior design should structure the house in any way necessary to accommodate the **points of show** and demonstrate at least three things per room with outstanding impact. The kitchen design should help communicate family events and the master bedroom should communicate relationships.

If this means a built-in popcorn machine or television in the kitchen, then do it! If it requires a single door outside the master bath leading to a private courtyard, that just might be appropriate.

In review, most interior design is accomplished when the home is staked on the lot, detailed on the plat plan, and drawn on a set of house plans. The builder and designer should agree on any subsequent plan changes for the model.

During every stage of production, the interior designer/decorator must confirm that the **points of show** are, in fact, coming out as planned. If not, he or she must make adjustments during production to accommodate the **points of show**.

INTERIOR DECORATING

Since the point of show is the critical issue, all lighting and furniture must also be chosen from this perspective. Furniture should be placed to allow traffic flow while still accommodating the **point of show**. This means the furniture may be large or small to be appropriate for the room.

No drapes should ever hang over the glass part of a window and no shears should ever be used to keep the light from coming in.

Music should play around the clock. The lamp lighting and natural lighting should be designed to create a quality atmosphere for the point of show. All exterior lighting should focus on the focal points of the **point of show**.

In addition, all landscaping should be reviewed by the interior decorator to ensure it draws attention to the **point of show** by using trees, shrubs, design, tables, lighting, etc.

All of the accessories should simply follow the decorating, which follows the interior design, which follows the **point of show**, which follows the plan, which follows the buyer profile, which followed the market research.

TRAINING NECESSARY TO DEVELOP THESE SKILLS

1. Understanding how market research is accomplished.
2. Understanding the art of profiling buyers.
3. A short course in how plans are designed and structures can be adjusted.
4. A short course on windows and the type of glass available.
5. A course on lighting.
6. A course on heating and air conditioning.
7. A course on music.
8. A course on color.
9. A course on landscaping.
10. A course on how architects handle space and how various perspectives of space communicate comfortable and uncomfortable feelings.
11. A course on sound and how it can be communicated in a peaceful way throughout a house.
12. A course on wood.
13. A course on paint and stain.
14. A course on furniture sizing.
15. A course on concrete.
16. A course in decorating.
17. A course in appropriate room sizes.
18. A course on buyer traffic control and sales office design.
19. A course on smells.
20. A course on how to communicate romance in decorating.
21. A course on how to close a deal.
22. A course on budget control and accounting.

23. A course on window treatments.
24. A course on cabinets and cabinet tops.
25. A course on flooring including carpeting, hardwoods, and tile.
26. Training on how sales people demonstrate homes correctly.

One would look at this list and say it is impossible to do all of the above. When I say a course, let me explain that this means varying things with each one of the items listed. It might be a book on the subject or, with lighting for example; it might be watching a seminar video from General Electric. In the area of landscaping, it might mean a few books on landscaping plus actually working with a qualified landscaper for a couple of days to learn the art of installing trees, shrubs, etc.

Anyone determined to become an expert in this area will have to go the extra mile in learning and then following a very precise approach to interior design/interior decorating.

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