

RESH Marketing, founded in 1979, is heavily involved in the sale of new homes, consulting with builder/developers from California to New York.

Hal Von Nessen has served as president of the Columbia American Advertising Federation (AAF) branch which presented him their highest award in 1990, The Silver Medal for contributions to the industry.

Von Nessen has been a member of the adjunct faculty of the University of South Carolina and Webster University of St. Louis, MO. He taught Business Administration, Marketing Theory and Practice, and Strategic Planning in Business. He has taught Creative Strategy, and Advertising in the School of Journalism at the University of South Carolina.

Von Nessen is also a principal in New Home Sales Specialists, a real estate firm specializing in sales, sales training and marketing of new homes for builders and developers.

He is involved in seminars and consulting for businesses. He has appeared at The National Association of Home Builders National Convention and presented national IRM programs at the national convention. He has taught in the GRI program and is a member of the faculty of the National Association of Home Builder's Institute of Residential Marketing.

He earned a B.S. in Management and the MBA degree from the University of South Carolina. He is a member of the Institute of Residential Marketing.



**HAL VON NESSEN,
MIRM
President
RESH Marketing**

Finding an ad agency is the easy part. Finding one that speaks the language of the building business is a bit more difficult. Finding the one that understands the relationship of advertising to closings may be the hardest task yet.

Production builder or family owned developer, when you need added insight and experience in the marketing of new homes and communities, we can help. And our help is affordable as well as productive. Call us. There is no charge for our initial consultation.



22 Surrey Court
Columbia, SC 29212
(803) 798-0009
Fax: (803) 798-3413
Email: hal@resh.com

*“It’s Hard To
Swing A
Hammer With
Both Hands
Tied Behind
Your Back”*

.....
**Marketing
Overview**

Any job, regardless of how simple, requires a knowledge of the basic tools of the trade. It works that way for a sales clerk, it works that way for a builder and it works that way for advertising. What I'm attempting here is to give you some insight into the basic tools of my profession and leave you with an understanding of what the tools can do when used appropriately.

To begin, advertising is only one tool that is available to those employing the marketing philosophy in their business. The reality of the building profession is that there are four marketing tools or variables that can be manipulated to achieve a sales success. Those variables are the location at which the community or house is to be built, the actual house or product constructed, the promotional activity employed to stimulate traffic and the price established for the product.

Often I hear a builder comment that he has no need of marketing because his houses are selling. The reality of that situation is that the builder whose homes are selling without the benefit of consumer promotion has, through luck or skill, delivered a specific product that is a solution to the needs of the consumer. All a marketing program does is to

maximize the potential for creating this situation by determining the optimal mix of each of the marketing variables. The problems come about when a house is built on a specific location and offered at a specific price and then doesn't sell.

When a finished



home doesn't sell, or a community stagnates, it is time to manipulate the variables. But wait! The product is built. The house variable has become fixed to the point that changing it would be cost prohibitive. Exactly the same situation exists with the location variable. Only two tools remain in the bag to help sell the house, promotion and price. What we are left with is a decision to reduce the price or increase the promotion budget. Not very appealing alternatives!

If we remember that marketing is the process of providing the product that the consumer wants, then we should engage in activities that allow us to

“The reality of the building profession is that there are four marketing tools or variables that can be manipulated to achieve a sales success.”

determine consumer demand before we begin to build. Custom home builders have done this for years. They ask their buyer what they want, and then they build it. What we want to do is the same thing, but on a broader scale so it results in a greater level of sales. Remember the signs at a railroad crossing? Stop, look and listen. That's what we need to do.

First, we need to stop building what we like and ask the buyer what they want. If you ask, they will tell you. They tell the Realtors in your community. Ask! Talk to consumers. Buy them lunch. Meet them at the



Parade of Homes or the Home Shows in your communities. Talk with the real estate agents that are selling homes. Each of these becomes an informal focus group providing you insight into what the market desires.

Second, we need to look at what consumers value. That means shopping the competition. I don't care how big a market share you may have, one thing is certain. More people don't buy your houses than do. Look at the products selling in the market place. Why are they moving while your home sits? Often it is because of misplaced values on the part of the builder, thinking that a building technique is important when the consumer is not aware of any advantage.

Finally, we need to listen to what our consumers are telling us. Remember, if you don't listen to them, someone else will. Your consumer can tell you what you are doing right, what is good about your home and where they want to live. They can also identify where you are putting extra money that doesn't matter to them. They can even identify where you have an advantage over your competition, a situation that is easy for you to exploit to your advantage.

The best part about this effort is that it costs very little, if anything to implement. It also pays additional dividends when you establish a line of communication with those that will have such a great impact on your success.

Three steps; stop, look and listen. Simple things to do with a dramatic impact on the company. Three steps that give us back the full range of four tools to manipulate in the building process instead of tying us to just the most expensive two.