By revamping its design center process, the builder enjoys benefits in cycles times, margins, and—most important—customer satisfaction.

By Les Shaver

Less than a year into his tenure as division president for Woodside Homes of Arizona, Roger Gannon knew something had to change. The Salt Lake City–based builder had sold 211 homes in 2014, but the Pulte alum realized that with better design centers, its sales and margins could be even better.

“By the end of 2014, it was apparent that we needed to make a change to bring a world-class experience to our home buyers,” he says.

With that, Gannon and his Arizona team developed an idea to customize the home buying experience with a 3,700-square-foot facility called the “Inspiration Gallery.”
If Woodside could pull its design center off, Gannon thought it would improve not only customer service, but also grow the bottom line. “We felt that if we did it right, we could sell more and improve our margins,” he says. “So, we sat back and asked, ‘What’s the right way to do this? What’s the right thing to do by our customers and for our business?’”

**Multiple Drivers**

Gannon says Woodside’s design center issues started with consistency.

“Before Inspiration Gallery, we had some design center partners that would serve our customers in a generic format—like they do for many builders,” he notes. “A customer might go into a design center and have a certain area carved out for Woodside. It wasn’t a great experience, and it wasn’t a Woodside experience.”

Efficiency was another issue. Woodside’s customers visit a variety of partners to choose items like flooring, countertops, and lighting.

“We would have multiple vendors,” says Dana Spencer, Woodside’s director of sales and marketing. “One buyer would go to three or four different places.”

Judging from feedback, Woodside’s customers didn’t like the setup either. “We surveyed our customers about their experience, and they were clearly telling us that the experience could be better,” Gannon says.

As Woodside considered a new approach, it created an “Inspiration Wall.” The wall’s purpose was to allow home shoppers to identify their style preferences as they moved onto the design process upon selection of a home plan.
“We took that concept to the next level, opened a design center, and branded it the Inspiration Gallery,” Gannon says.

**Gearing Up**

Deciding to launch the design center was only the first step. “Once that groundwork was laid, it was a matter of finding the right people and partners to pull it off,” Gannon explains.

The bulk of the heavy lifting fell on his purchasing department, which established an infrastructure to manage all of Woodside’s options, prepared the trades, and aligned its trade partners with those options. Spencer says the company learned one key lesson early on.

“You need to have a project manager,” she says, noting that there was so much to keep track of with the construction of the gallery. Woodside turned to Heritage Interior/Interior Specialists for interior design. The firm visited Woodside’s model homes, reviewed its concepts, and indoctrinated in its culture. Spencer says she spent a lot of time with Heritage’s designer, “so she understood our languages.

Woodside created a design center equipped with two full kitchens and a bathroom vignette with a tub and shower, as well as style choices and finishings including plumbing fixtures, banisters, doors, flooring, cabinets, and smart home technology options.

“The options are standard across all Woodside communities,” Gannon says. “Regardless of which community you come from, you will have the full gamut of options and personalization at your fingertips.”
And there’s more on the way. “We’re definitely adding new things to the mix,” he adds. “We dramatically expanded what the customers can do inside their homes. For us, it brought it into one platform and one place where we could manage it. For the consumer, it broadened what they could do inside their home and made it easier.”

**A Streamlined Process**

Once a customer decides to buy, they get a login that allows them to view everything they’d see at the Inspiration Gallery. They also can create wish lists, which are shared with Woodside’s designers, prior to their visit.

“They can pre shop what they’re going to see in the Inspiration Gallery and spend more time understanding and thinking about how they can configure their home and personalize it,” Gannon says. “They then come into their Inspiration Gallery appointment and it’s taken to the next level where the designer already has access to what the customer has viewed online.”

The back-end process also improved. Woodside was able to cut its sale-to-start cycle time by as much as 35 days, Spencer says. “It’s gotten easier,” she adds. “In the past we would get handwritten documents from our trades.

Now the Inspiration Gallery [staff] enters it into the system and it goes directly to the office.”

At press time, 31 Woodside customers had used the Inspiration Gallery. Those customers each have spent an average of $10,000 each more than buyers going through other Woodside communities with similar floor plans and lot sizes in comparable submarkets.
“That’s a nice uplift,” Gannon says. “Additionally, there’s a gross margin uptick of 400 basis points on the option sales.”

The biggest benefit might be the goodwill the new design center creates with buyers. “We’re in the business of building homes,” Spencer says. “We want that to be as pleasurable and have as little stress as possible.”