Steve Atchinson, President, Pulte Homes of Michigan

Pulte Homes Highest in Customer Satisfaction J.D. Power and Associates Ranks Pulte Highest

in Detroit Market Two Years in a Row

ULTE HOMES

legi

an state

Pulte Homes *Highest in Customer Satisfaction* J.D. Power and Associates Ranks Pulte Highest in Detroit Market Two Years in a Row

By Pamela A. Zinkosky

Pulte Homes, the nation's largest home builder, is also tops in customer satisfaction, according to J.D. Power and Associates. Power's 2005 New Home-Builder Customer Satisfaction Study ranks Pulte highest in 16 markets and among the top three builders in 22 markets. For the sixth year in a row, the Bloomfield Hills, MI-based company, which builds in 54 markets and 28 states, received more awards in the survey than any other builder.

Locally, Metropolitan Detroit homeowners rated Royal Oakbased Pulte Homes of Michigan highest in customer satisfaction for the second year in a row. The ranking is based on responses from 1,412 homeowners and 10 customer satisfaction factors: customer service, home readiness, sales staff, construction manager, quality of workmanship and materials, price and value, physical design, design center, recreational facilities and location.

The J.D. Power and Associates ranking comes as an honor to Michigan Division President Steve Atchison. "We are truly delighted to have received this tremendous recognition from our homeowners," he says. "Receiving it for a second year in a row shows our overall commitment to customer satisfaction and that our homeowners recognize our efforts and appreciate all the hard work that goes into their homes."

Since being founded in Detroit 55 years ago, Pulte has set its sights high with respect to customer satisfaction. The company's formal belief statement says: "We will go beyond the old standard of customer satisfaction to a new standard called customer delight,





exceeding expectations by doing things right the first time. We will view each of our customers as a Homeowner for Life."

BUILDING HOMEOWNERS FOR LIFE

What's a "homeowner for life?" "We want to sell people their first

homes, their second homes, their retirement homes and all the homes in between," explains Jody Proudfit, marketing manager, Pulte Homes of Michigan.

Pulte's business structure supports this strategy, notes Atchison. "We're structured a little bit differently here at Pulte. We have a 'Customer Relations' Department instead of a 'Customer Service' Department because we're really about managing relationships with homeowners." This key group of people helps develop relationships that go beyond resolving issues, ensuring complete customer delight during all phases of the home buying process and for as long as customers own their homes.

"Our Customer Relations staff is there from start to finish, building relationships with customers. One customer relations representative follows the customer through the entire process. It's all about controlling how many people the customer has to deal with and knowing the key member of the team that is building and servicing your home," Atchison explains.

Pulte arms its employees with the knowledge and skills to build





quality relationships. All Pulte managers complete hours of training on how to deliver customer delight, which is key to the homeowner for life strategy.

SEVEN STEPS TO TOP-NOTCH CUSTOMER SERVICE

A seven-step home buying process helps set customer expectations and educate them about their homes. Included in the steps are a preconstruction meeting, a predrywall meeting where customers learn about the structure of their homes, a quality assurance inspection, a preclosing orientation, a post-closing visit, a three-month follow-up and an 11-month follow-up to address any problems that occur before the 12-month portion of the home warranty expires.

"We want customers to understand how their homes work," says Atchison, explaining the importance of the predrywall meeting. "We do these steps whether customers buy a finished home or a preconstruction home." Customer relations representatives use construction sites for similar homes to conduct the predrywall meeting, he explains.

The quality assurance inspection is another important step. "We don't want our customers to be our quality assurance," says Atchison. "We want to set our quality standards internally." This step gives Pulte the opportunity to identify problem areas and address them before customers even notice them. "We really work to keep the process as seamless as possible, so that it's convenient for our customers," says Atchison. The company even helps customers understand and manage their home finances with its integrated mortgage company, Pulte Mortgage, LLC.

Throughout the seven-step process, Pulte tracks customer satisfaction through independent surveys. One goes to customers three months after they close and focuses on whether they would buy again from Pulte. Another goes out 11 months later.

"We want to make sure they're just as happy 11 months into the relationship as they were in the beginning," explains Atchison. Most of the time, they are. Survey results show that 92 percent of homeowners would do business with Pulte again, and 92 percent would recommend Pulte to friends and family.

Homeowner relationships don't end with the seven-step process. A Special Operations department made up of seasoned employees supports Pulte's 10-year limited warranty on all of its homes, where many builders farm out the warranty to a third party, says Atchison.

The 10-year warranty facilitates long-term customer relationships and broadens Pulte's view of customer satisfaction. "We measure customer satisfaction long-term," notes Proudfit. "Where the J.D. Power survey addresses one year, we're looking at 10 years or more. We could just sell our houses and walk away, but we're interested in developing long-term customer relationships."



REACHING OUT TO CUSTOMERS

Pulte's top customer satisfaction ranking comes in tandem with the implementation of a new national strategy to diversify its customer base. "We've been a market niche company for some time," says Atchison. "For example, in Michigan, we've sold primarily to move-up buyers, with homes in the \$350,000 to \$400,000 range. But now we're leveraging our strengths across all markets. We're working to diversify, by offering different price points and home styles."

Pulte of Michigan hopes to achieve 10 percent growth in sales by year-end, and 15 to 20 percent growth from 2005 to 2006. The company currently has 27 communities, or subdivisions, with active home sales, and is projecting 34 from 2006 through 2007. Pulte is also striving to increase its market share to more than 10 percent by 2007, with a goal of building more than 2,000 homes that year.

Pulte is reaching out to retirement-age buyers by bringing its longstanding Del Webb brand for "active adults" to Michigan for the first time this year. Del Webb communities, which first gained popularity 50 years ago in the Sun Belt, focus on common amenities like pools and workout facilities, and include lifestyle coordinators who organize social activities. "These are really the opposite of retirement homes," says Atchison. "They're where people want to spend the greatest part of their lives."

Michigan's first Del Webb community, Bridgewater, will open in Brownstown in November of 2005. Bridgewater includes 620 home sites, ranging from 1,400 to 2,450 square feet. Styles include detached ranch homes and three-unit ranch villas that are perfect "lock and



leave" homes for those who travel extensively or share time in other states, says Atchison. A 14,500-square-foot recreation center houses a pool, spa, fitness center, billiards area, gathering area with fireplace, card room, arts and crafts area and sunroom. Outdoor amenities include a pool, tennis and bocce ball courts, playground for visiting grandchildren, gazebo and nature trails.

Grand Reserve in Grand Blanc is planned as Pulte's second Michigan Del Webb community, with 480 homes ranging from 1,250 to 2,500 square feet. Grand Reserve will also include a large recreation center like the one at Bridgewater, plus outdoor recreation and nature trails, and close proximity to nine area golf courses. Homes will feature master suites with walk-in closets, two-car garages and a minimum of two bedrooms.

Pulte plans to expand upon its Del Webb communities in coming years, building larger sites with restaurants, retail stores, hospitals, pharmacies and other facilities. "This is what's going to support our business long-term, with the aging baby boomer population," says Atchison, noting that retirement-age buyers in the United States are projected to reach 80 million by 2020.

Pulte is also appealing to young singles and young families with communities like Liberty Park in Novi, which offers a convenient location with access to night life and area freeways. Liberty Park offers a variety of homes priced from \$350,000 and town homes from the upper \$100,000s.

For first-time buyers, Pulte offers Prospect Pointe in Superior Township, with 1,800 to 2,500-square-foot homes ranging from \$250,000 to \$285,000. Prospect Pointe appeals to families with amenities like a community pool and playground.

Pulte is targeting move-up buyers with the Hills at Indianwood in Lake Orion, a 108-home community of single-family homes ranging from 2,500 to 3,400 square feet and featuring large wooded lots, detailed architecture, gourmet kitchens and other high-end amenities. Prices range from \$375,000 to \$455,000.

Hampton Ridge in Canton is Pulte's community for executives, featuring homes around 3,000 square feet on half-acre lots in the \$500,000 price range. Luxury amenities like large master suites with jetted tubs, granite countertops, top-of-the-line appliances and three-car attached garages abound in these homes.

LOOKING FORWARD

Ranking highest in customer satisfaction is both an honor and a responsibility, says Atchison. "Our biggest challenge is to maintain what we've done as a small company as we continue to grow," he says. "We not only have to keep up with customers' expectations based on our ranking with J.D. Power and Associates, but also with our internal standards in maintaining high-quality relationships with lifelong customers."

Pamela A. Zinkosky is a Detroit-area freelance writer. ■

A builder who's earned your confidence two years in a row.

That's the way it should be.

BUILDING HOMES ACROSS THE DETROIT METRO AREA Canton • Chelsea • Flat Rock • Grand Blanc • Holly Howell • Lake Orion • Macomb Twp • Northville • Novi Superior Twp • Troy • Woodhaven • Ypsilanti Twp





New homeowners ranked Pulte Homes... "Highest in Customer Satisfaction with New Home Builders in Detroit, Two Years in a Row" ...according to J.D. Power and Associates.

Visit pulte.com/detroit for more information or call 866-68-PULTE

Realtors Always Welcome J.D. Power and Associates 2004-2005 New Home Builder Customer Satisfaction StudiesSM. 2005 Study based on responses from 73,353 buyers of newly constructed homes in 30 of the largest U.S. markets, who were surveyed between March-July 2005. Detroit market covers Genesee, Livingston, Macomb, Monroe, Oakland, Washtenaw and Wayne counties. www.jdpower.com Copyright © 2005 Pulte Homes, Inc. All rights reserved. Void where prohibited. Prices subject to change without notice.