



Satisfaction guaranteed

Customer survey scores from five top remodeling firms prove it's possible

In a service industry, customer satisfaction is the key to profitability. It pays to know if your customers are happy. Your employees might tell you so, but maybe they're covering up a mistake. The customer might tell you so, but maybe she is too nice to tell you how she really feels. (Then again, maybe not.)

This is where the customer survey comes in. A lot of remodelers survey their customers after a job is completed, maybe even a second time a few months down the line. Still, it's tough to tell how

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good is good enough. (Is it ever?) To make the results as useful as possible, you need to benchmark your remodeling firm's customer satisfaction scores against those of other firms.

That's why *Professional Remodeler* and NRS Corp., a Madison, Wis.-based research firm, bring you our second annual national homeowner satisfaction research study. The following pages reveal the customer service strategies of Tri-Lite Builders Inc., which scored the best in this study, in addition to top scorers in the under-50 and 50-plus annual jobs classes. The results of the study continue on page 52.

Survey says: basic satisfaction statistics

| | Overall average | Under 50 | 50-plus | Overall 2002 |
|--------------------------|-----------------|----------|---------|--------------|
| NRS Index | 182.0 | 188.2 | 174.5 | 192.7 |
| Overall satisfaction | 90.7 | 93.2 | 87.7 | 95.0 |
| Willingness to recommend | 91.3 | 95.0 | 86.9 | 97.6 |

The NRS Index score is reached by adding overall customer satisfaction to customer willingness to recommend. The 2003 results show better performance by companies doing fewer than 50 jobs.

Bowa Builders

'Our clients consider us to be the Nordstrom of remodeling'

Unlike most remodeling companies, Bowa Builders has a department dedicated solely to customer service. The five-person department serves dual functions: It takes over jobs once they near closing and is responsible for the final walk-through and introducing the warranty phase to the client, and it also assists past clients, serving as a specialty maintenance arm for their small projects (within warranty coverages and beyond).

"We felt like having the department was a necessity in order to take care of our clients well, so it couldn't be an afterthought," says Doug Horgan, Bowa's customer service manager. "It's a different level of hand holding. Warranty and service can often be the evil stepchild of our industry, and we wanted to debunk that and devote resources to it."

At Nordstrom, employees are bound to one simple rule: Use good judgment in



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all situations. Similarly at Bowa, employees are expected to be 100% accountable for their work and should go to whatever lengths necessary to make the customer happy. For their daily internal reports, superintendents have to answer, "What have you done today to help the client be happier?" They're also required to ask clients how the process can be made easier, and all employees participate in daily



huddles within their department to communicate important issues, go over policies and get advice on how to serve customers better.

Bowa Builders Inc. (McLean, Va.)

NRS Index: 92.0

Type of company: full-service remodeler and custom builder

Years in business: 15

Number of employees: 66

2002 remodeling sales: \$16.6 million

2002 job volume: 48 remodels, 3 custom homes

Average job size: \$60,000-\$70,000

Customer profile: affluent, short on time, risk-averse; expects high level of customer service

Referral/repeat business: 65% referral, 29% repeat

Mission statement (from Bowa's core ideology): "Heroic customer service (to ensure client satisfaction and 100% accountability)"

Where Bowa stands out from the pack

1. Number of walk-through items identified for correction

All larger jobs have an on-site superintendent, who must file weekly reports and in doing so often catches items that otherwise might have been overlooked.

2. Availability/courtesy

Before work begins, clients and their immediate neighbors receive a laminated card with all contact information for the site superintendent.

3. Adherence to production schedule

Whenever a change order will affect the schedule by five or more days, more time is added to account for the scope of work. Also, every Monday, superintendents must produce a detailed schedule for the next two weeks.

4. Quality of workmanship

All carpentry is done in-house. Craftsmanship awards are given regularly.

5. Communication of progress

Customers receive a written weekly client update (mainly via e-mail) throughout the process, from design to construction. They also have on-site weekly meetings with the entire team assigned to handle the project, including production and sales staff.