

Knowing Your Customer

Tru-Performance

THE THERMA-TRU DOORS RESEARCH SERIES

Understanding Trends and Making Them Work for Your Business

Today's homeowners are becoming increasingly sophisticated when it comes to building and remodeling their homes. With all of the media dedicated to home improvement and maintenance, it's no wonder homeowners now want to select products by brand name and be involved in decisions from what goes behind the walls to what goes on the roof.

But what do homeowners really want? Therma-Tru® Doors, the most preferred brand in the industry, routinely studies construction trends and consumer needs to help it develop products that meet consumer demand and services that help construction professionals successfully run their businesses.

What are some of the key trends in the industry?

Arts and Crafts Style

One of the hottest trends in home design today is the return of Arts and Crafts style. Therma-Tru has responded with its new Classic-Craft® American Style Collection™. The distinctive style is derived from the Arts and Craft Movement, which was one of the most influential design styles of the 20th century. Arts and Crafts style reflects very simple designs that don't require symmetry. The American Style door is designed with vertical grooves, straight graining, clean and simple lines, square wood edges and a wide, full-length lock block.



Rustic Charm

With the growing popularity of Southwestern and European country architecture, Therma-Tru Doors designed its beautiful Classic-Craft® Rustic Collection™. The styling reflects the warm and inviting entryways of Tuscany and the American Southwest, with strong, simple lines and the look of hand-crafted quality. They are available in 6'8" doors and 8' heights for today's larger entryways.

Oversize Entryways

According to NAHB, more than 50 percent of the upscale and moderate homes built in the last several years had high ceilings. As a result, the demand for 8' doors has grown dramatically, increasing 116 percent in 2002 and 118 percent in 2003. In response, Therma-Tru includes 8' doors in many of its most popular entry collections.

The Return of the Front Porch

Another housing trend that Therma-Tru has been closely following is the return of the front porch. More homes today are being built with front porches than ever before. In fact, the National Association of Home Builders reports that in 2003, a record-setting year for housing starts, 50 percent of all single-family new homes had a front porch, up from just 42 percent in 1992. In addition, porches are one of the top remodeling projects today. Therma-Tru has created several entry lines to complement the porch.

What Drives Consumer Purchases at the Entryway?

Therma-Tru's consumer research has found that homeowners typically replace doors for appearance, energy efficiency, outdated style and performance reasons, with appearance the primary reason for front doors and performance the reason for other entry doors and patio doors.

See *Consumer Purchase*, over

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The Most Preferred Brand in the Business™

Consumer Purchases, continued

- As front entry doors are replaced, wood lost share to steel and fiberglass. Wood was replaced 58% of the time, primarily to improve the appearance of the home.
- Homeowners purchased a fiberglass front door because:
 - 62% said it would be more durable than other types
 - 31% said it was more attractive than wood or steel, thought it would be more energy efficient than other types and said it had features other door types did not
- Light and lighting attract attention. In fact, as entry doors are replaced, the use of side-lights has increased from 17 percent to 28 percent of doors installed.
- Consumers look at the entryway of their home as a sign of the quality of the entire home.
- They overwhelmingly said they would pay extra for a front entryway that reflects the image they would like to create.
- Nearly all remodeling homeowners agreed that putting in their new door enhanced the value of their home.
- If they were to build a new home, 96 percent said putting extra money into a front entryway would be the right thing to do.
- When replacing the front entry:
 - 60% replaced the front entry door to improve the appearance of the house
 - 41% replaced the front entry door to improve energy efficiency
 - 37% wanted a different style of front entry door
 - 7% replaced the front entry door because it was in bad condition, cracked, warped or rotting



Therma-Tru's National Home Valuation Study™ proves a more attractive front entrance can considerably increase the perceived market value of a home. The study, commissioned by Therma-Tru Doors and conducted by independent research organization TNS (formerly NFO WorldGroup), asked more than 2,400 consumers from across the United States to estimate home prices based on the homes' exterior appearance. The study found that an enhanced entryway can add as much as \$24,000 to a home's perceived value. The added value was as much as five times the cost of the entry system.

How Can Market Research Build Your Business?

Market research can be a powerful tool in building your business, from helping you understand your customers and their preferences to guiding you to upsell your projects. Here are five smart ways to apply market research to your business:

- Help homeowners define their homes architectural style and complement it with entry doors that add sales potential to your job. Add a front porch to the home or expand the existing porch to complement the new door.
- When homeowners are adding new windows and siding, a new entry and patio door can improve the energy envelope of the home and add curb appeal.
- Offer upgrades with your door such as the entire Therma-Tru System, decorative glass, side lites and transoms and educate homeowners about the impact it can have on the perceived value of their home.
- Sell the complete package at the entry way or patio -- with coordinated lighting, outdoor furnishings and decorative elements on the outside and complementary flooring, wall treatments and lighting for the interior.
- Teach homeowners about weather-resistant materials for their homes, such as fiberglass entry and patio doors that stand up to hurricane-level winds, debris and water infiltration.

Consumers Are Buying More than Doors

Therma-Tru conducted extensive research with home improvement shoppers and found that few consumers purchase just a door slab. Key findings include:

Other home improvement products that were purchased along with a new entry door system:

- 34% purchased lighting
- 32% purchased windows
- 28% purchased flooring

Other home improvement products that were purchased along with a new patio door system:

- 44% purchased windows
- 23% purchased lighting
- 23% purchased flooring

What was the reasoning behind the material type (fiberglass, wood, steel) of their new entry door:

- 51% Knew what they wanted
- 30% Decided after shopping
- 19% Type was unimportant

What are the most important features of a new front door when making a purchase:

- 67% Style
- 55% Glass options
- 36% Heavy/solid
- 34% Price



For more information about Tru-Performance: The Therma-Tru Doors Research Series, please contact Sara Theis at 419.891.7400 x7426 or stheis@thermatru.com.