

Home Buyers Are More Satisfied

Satisfaction Rating Rises 7 Points

(Editor's Note: This is part of a series tracking the complaint records in various industries based on information in the BBB database and not available elsewhere. By using the BBB's dispute resolution services successfully, companies can satisfy and retain their customers.)

After a slight dip in 2006, customer satisfaction in the home building industry rebounded strongly last year, a BBB study of customer satisfaction in the industry shows.

The study examined complaints registered at the BBB during the past three years

From a rating of 73.3% of buyers being satisfied with the way their builder handled complaints in 2005, the number dropped to 70.1% the following year. But last year, 77.1% of new home buyers said they were satisfied with the complaint handling.

Shoring up the statistics were the 90 BBB Accredited Businesses which registered 100% customer satisfaction throughout the period.

But the down side of that is that companies that are not BBB Accredited Businesses left only 61.7% of their customers satisfied in 2006 and 63.9% last year.

While the number of complaints against home builders has been increasing generally with a hiccup here and there, the industry attracts slightly fewer complaints than the BBB overall average.

With 848 home builders or 1.4% of the companies in the BBB's files, the industry accounted for 282 complaints, only 1.1% of the BBB's total complaints last year.

The leading cause of complaints last year was that customers said the contractors failed to repair items in their new homes. About 18% of complainants cited this factor.

A close second cause was customers alleging that builders failed to live up to specifics in the contracts. About 17% of complainants named this factor.

Other leading causes of complaints were poor customer service, failure to honor a guarantee or warranty, dissatisfaction with the product, sales practices and inability to obtain a refund.