

Redfern Research

Tarion Awareness, Usage and Perceptions Among Registered Builders

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1. Introduction and Objectives

Many changes have occurred at Tarion since 2003. In addition to the minimum repair timelines, the standard Homeowner Information Package and the Construction Performance Guidelines, the Corporation has made significant changes in the ways it communicates with builders, new homeowners and the general public.

In 2007, Tarion commissioned Redfern Research to examine awareness and perceptions in the builder community with an eye to answering a number of key questions. To answer these questions, Redfern Research executed a telephone survey of builders, as explained in the following section.

About Redfern Research

For over 16 years Martin Redfern has worked as a research consultant with high profile Canadian research firms such as Decima, Pollara and Ipsos-Reid. He formed his own company, Redfern Research, in 2003. Martin has helped hundreds of public and private sector clients understand and react to public opinion. He has researched and written about such diverse topics as provincial politics, and economic development and helped craft communication strategies for a wide variety of clients.

2. Research Approach

Between November 2007 and January 2008, 281 telephone interviews were conducted with randomly selected active registered builders from across Ontario. Active builders are those who had at least one possession in the preceding year. The survey was conducted between November 20, 2007 and January 5, 2008.

The survey was conducted during office hours with Tarion's key contacts at builder companies or with the person who identified themselves as having the most dealings with Tarion.

2.1. Sampling

The survey sample of 281 is weighted to represent the builder population of Ontario in terms of size and region.

The survey deliberately included disproportionately large samples of large and medium sized builders, reflecting the large number of homes these relatively small groups of builders construct and register.

As a general rule, only differences of at least 10% between these groups should be considered statistically significant.

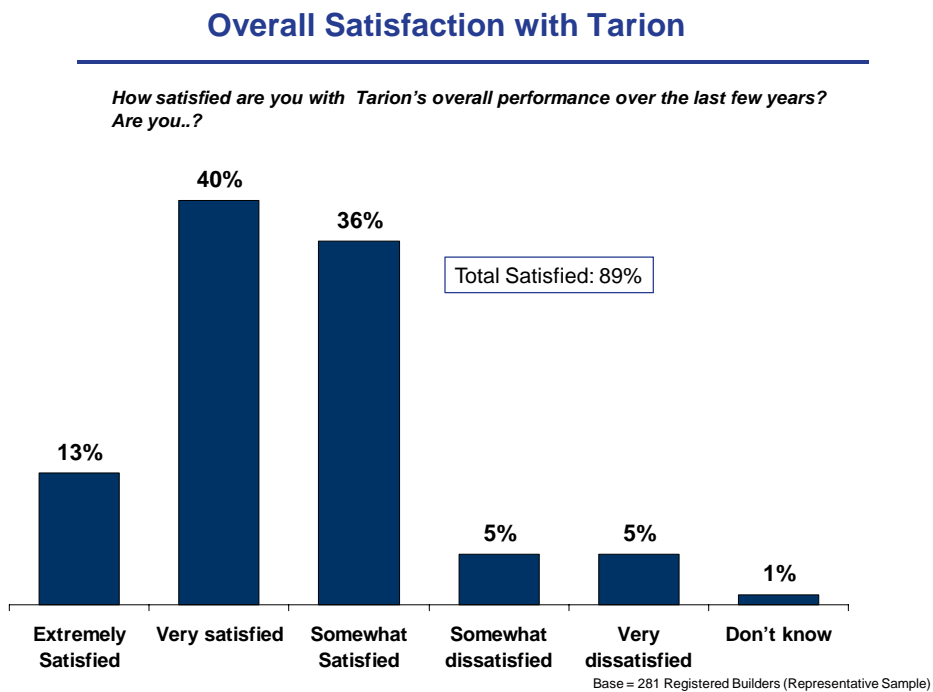
Builder Segment	Size of Population*	Unweighted Sample	Weighted Sample	Confidence** (19 times out of 20)
Small (1-10)	1,790	103	231	± 10%
Medium (11-99)	427	102	39	± 10%
Large (100+)	114	76	11	± 11%
All	2,331	281	281	± 6%
<p>* Among registered builders who had at least one possession in the 12 months preceding November 1 2007. ** Sample confidence is based primarily on the actual (unweighted) sample size.</p>				

3. Detailed Findings

3.1. Assessment of Tarion Performance

3.1.1. Builder Perceptions of Tarion

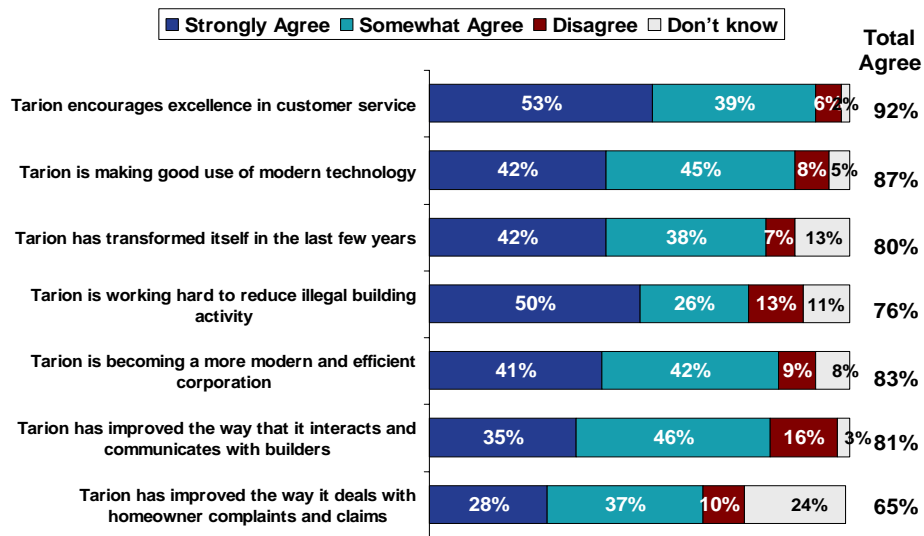
The Builder survey in 2007 included a new question to assess builders' satisfaction with Tarion. When asked to rate their overall satisfaction with Tarion "over the last few years" fully 89% of builders say they are satisfied, including 53% who are either *very* (40%) or *extremely* (13%) satisfied. Ten percent say they are dissatisfied with Tarion.



Offered the opportunity to agree or disagree with a number of statements about Tarion, large majorities of builders chose in each case to give a positive statement about Tarion. As the following figure shows, 92% of builders agree that Tarion encourages excellence in customer service. More than three-quarters of builders also agree that Tarion makes good use of technology (87%), has transformed itself (80%), is becoming more modern and efficient (83%), and is working hard to reduce illegal building (76%).

Assessments of Tarion Performance

I would like to know whether you strongly agree, somewhat agree, somewhat disagree or strongly disagree with each of the following statements.



Base = 281 Registered Builders (Representative Sample)

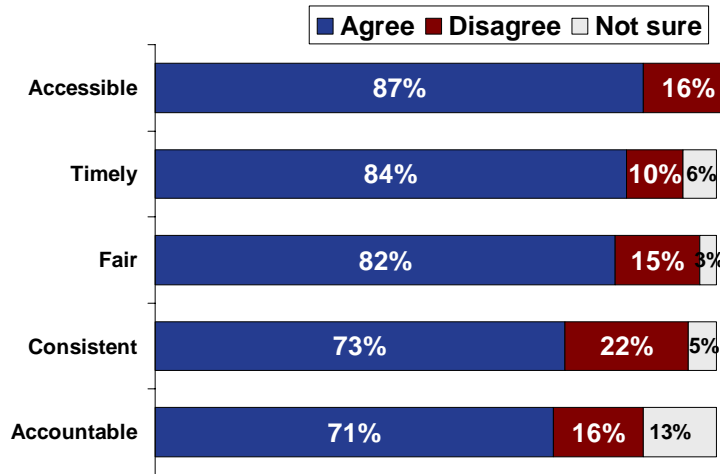
Eighty-one percent agree that Tarion now communicates better with builders. Sixty-five percent say Tarion has improved the way it deals with homeowner complaints and claims, while only 10% disagree.

3.1.2. Builder Impressions of Tarion

Large majorities of builders believe that Tarion is *accessible* (87%), *timely* (84%), *fair* (82%), *consistent* (73%), and *accountable* (71%). These views are largely consistent across all groups.

Words Describing Tarion Warranty Corporation

Would you agree or disagree that each of the following words describes Tarion Warranty Corporation?



Base = 281 Registered Builders (Representative Sample)

In all cases, the percentage of builders who feel Tarion reflects each of these attributes outnumbers those who disagree by three to one, five to one, or more.

3.1.3. Builder Assessments of Specific Changes Including Project Simplify

Builders in Ontario believe that the primary changes made under Project Simplify were beneficial for both builders and homeowners.

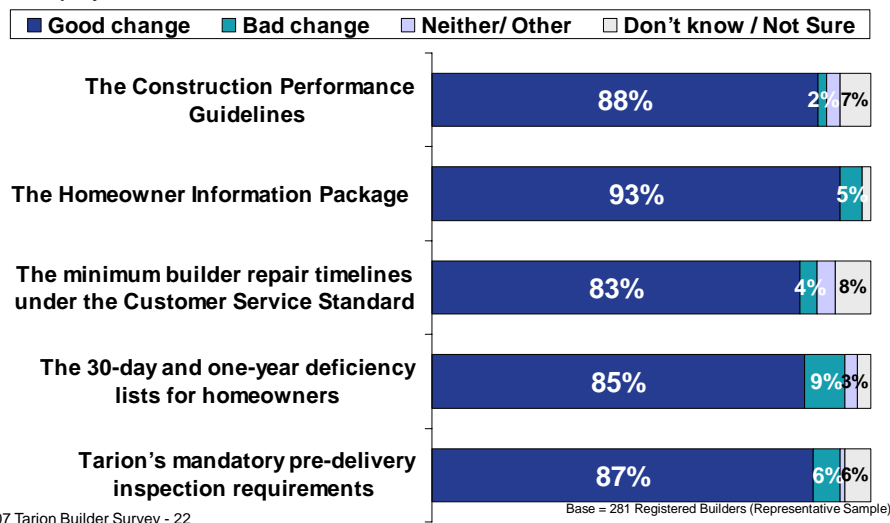
Project Simplify refers to a set of initiatives aimed at improving the approach and standards related to warranty complaints and claims. The main outcomes of Project Simplify were 1) the establishment of customer service policies that require builders to conduct a pre-delivery inspection and provide homeowners with a standard *Homeowner Information Package* on or before a home’s date of possession; 2) the introduction of specific processes, forms and timeframes for how repairs requested by homeowners must be addressed; 3) the creation of Construction Performance Guidelines to help builders and homeowners understand what is and is not covered under the statutory warranty.

Asked to assess the impact of five specific Tarion initiatives, very large majorities of builders agree that all the changes have been *good for builders*. Fully 93% believe the Homeowner Information Package has been good for builders, and they hold similar views about the Construction Performance Guidelines (83%), the minimum repair timelines under the CSS (83%), the 30-day and one-year lists (85%), and Tarion’s PDI requirements (87%)

In no case do more than 10% of builders believe any of these changes were bad for builders.

Project Simplify: Impact on Builders

In recent years, Tarion has implemented the results of an initiative called Project Simplify. I'm going to read you a list of components of Project Simplify, and I would like you to tell me overall, from a builder perspective, whether each one has been a good change or bad change for your company. How about...?

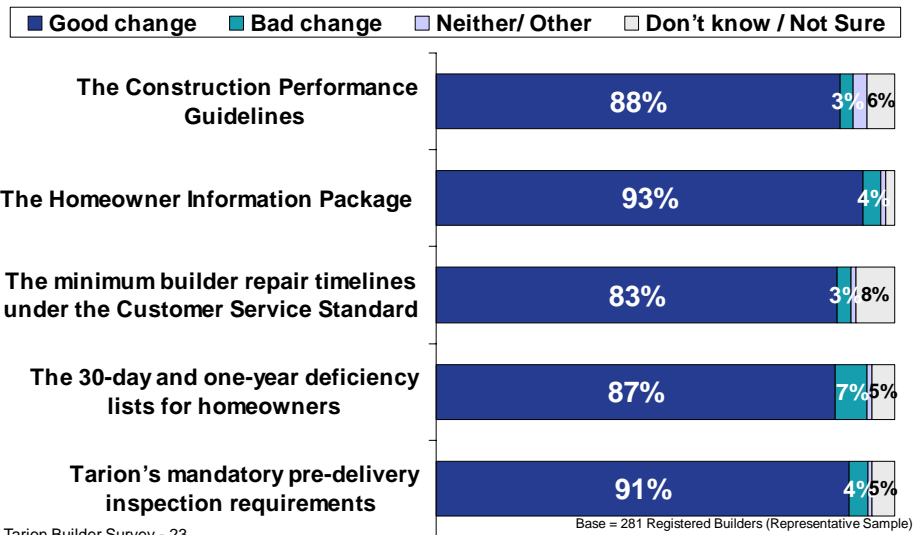


When builders assess the impact of these five initiatives on homeowners, they are equally positive. Again, 93% believe the Homeowner Information Package has been good for

homeowners, and they are equally positive about the Construction Performance Guidelines (88%), the minimum repair timelines under the CSS (83%), the 30-day and one-year lists (87%), and Tarion’s PDI requirements (91%)

Project Simplify: Impact on Homeowners

Now I would like you to tell me whether each of these components has been overall a good change or a bad change for new home buyers in Ontario. How about...?



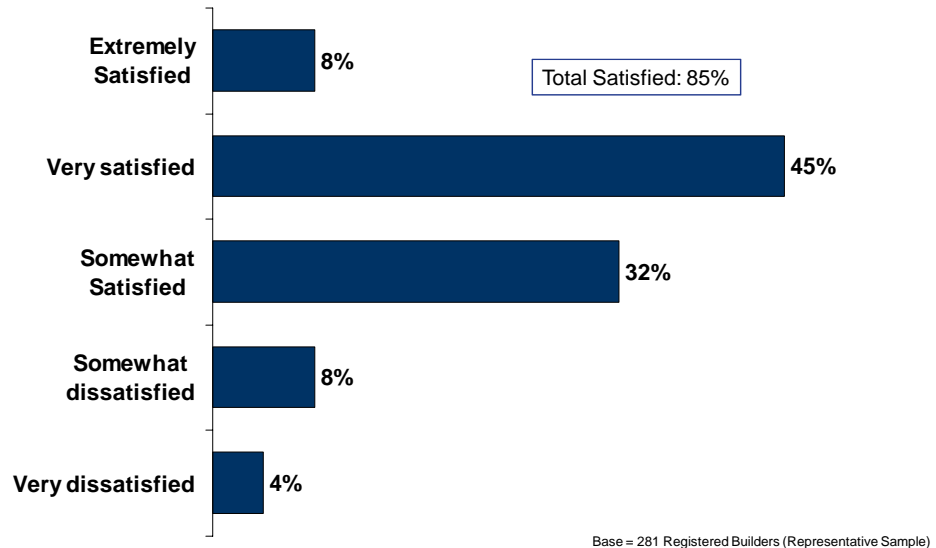
2007 Tarion Builder Survey - 23

3.1.4. Satisfaction with Interactions

Almost all builders are satisfied with the interactions they have with Tarion. Fully 85% of builders say they are satisfied, including 53% who are either *extremely* or *very* satisfied.

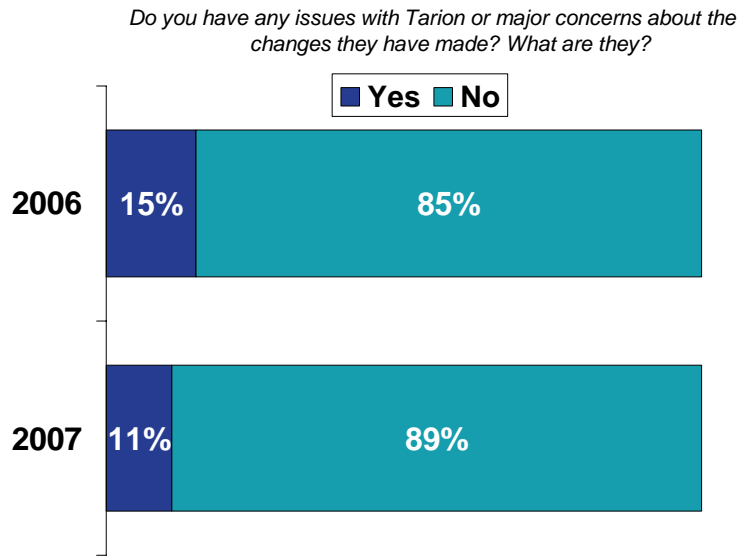
Satisfaction with Interactions with Tarion

Taking all things into consideration, how satisfied are you with your interactions with Tarion? Are you..?



An open-ended question asked respondents to specify any additional *issues* or *concerns* they have with Tarion. Few builders felt moved to use this opportunity to express any concerns about Tarion. Indeed, only 11% of builders (30 of the 281 surveyed) could offer any comment on this question. Those comments tended to be quite diverse and did not produce any point of consensus. In fact, fully 85% of builders say they have *no concerns or issues with Tarion or the changes made since 2003*.

Issues or Concerns About Changes Tarion has Made



2007 Tarion Builder Survey - 34

Base = 281 Registered Builders (Representative Sample)

These concerns vary widely from general issues to very specific cases. There is no general pattern.

Summary of Findings

Overall, builder's perceptions and experiences of Tarion remain very positive. Builders of all sizes offer strong endorsements of the many changes Tarion has made in recent years, including the key components of Project Simplify. There have been no major changes in these positive perceptions of builders since their views were last sample in the Spring of 2006.

- When asked about their satisfaction with Tarion, 89% of builders said they are *satisfied* with Tarion's overall performance over the last few years, including 53% who are extremely or very satisfied.
- Eighty-five percent are *satisfied* with their interactions with Tarion, including 53% who are very or extremely satisfied.
- More than three-quarters of builders agree that Tarion encourages excellence in customer service (92%), makes good use of technology (87%), has transformed itself (80%), is becoming more modern and efficient (83%), and is working hard to reduce illegal building (76%).
- Eighty-one percent also agree that Tarion now communicates better with builders. Sixty-five percent say Tarion now handles customer complaints better, while only 10% disagree.
- Large majorities of builders believe that Tarion is *accessible* (87%), *timely* (84%), *fair* (82%), *consistent* (73%), and *accountable* (71%).
- More than 80% of builders believe that the specific aspects of Project Simplify tested in this study have been good for both builders and homeowners. Disagreement is limited to less than 10%.
- Only 11% of builders say they have *any* issues with Tarion or major concerns about the changes Tarion has made. These concerns vary widely from general issues to very specific cases.