



# 2021 Builder Impressions Survey

## Executive Summary and Detailed Findings

Prepared for: Tarion Warranty Corporation

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## Introduction

This report highlights the results from a recently completed telephone survey of key personnel at registered builders in Ontario (“builders”). The report is designed to help Tarion understand their challenges and opportunities, in order to strengthen relationships with Ontario builders.

## Why the Need for Research?

The primary goal of this research is to understand builders’ perceptions of Tarion’s recent performance, customer service and image, among various other factors. Surveying builders also offers Tarion a direct perspective on the major trends and issues facing their organizations and their local markets.

Tarion will use the insights gained from this research to gauge perceptions of its corporate performance. In addition, the results will provide current data that can be used in decision-making about future builder communication and service improvement strategies.

## Research Approach

Forum Research used an existing questionnaire provided by Tarion, and modified it to include topical issues.

In 2021, Forum Research invited 1,612 home builders to complete the survey. Interviews were completed with 240 key personnel from a list of registered new home builders in Ontario, provided by Tarion. All surveys were completed between October 3<sup>th</sup> to December 2<sup>nd</sup>, 2021. The response rate was 14.9% and the average survey length was about 18 minutes. The breakdown of completes among possession categories was:

- Micro builders (n=100)
- Small builders (n=50)
- Medium builders (n=65)
- Large builders (n=13)
- High-Rise builders (n=12)

At a 95% level of confidence, the margin of error on the total sample size of 240 is +/- 5.38% with Finite Population Correction. Results for sub-samples by each of the possession categories have a much higher margin of error.

The report presents the survey findings in aggregate only, respecting all assurances of confidentiality and anonymity promised to individual interviewees.

This report begins with an Executive Summary outlining the key findings and conclusions from the research, followed by a detailed analysis of the results.

*Note: Some percentages in this report may not add up to their individual parts due to rounding. Total percentages (e.g., % satisfied) do accurately reflect their unrounded parts. “N/C” denotes no change.*

*Unless noted otherwise, all percentage callouts/commentary in this report are with regards to the top two categories (T2B, e.g., very satisfied + somewhat satisfied). Percentage callouts/commentary in this report with regards to the bottom two categories will be referred to as BTM2 (e.g., somewhat dissatisfied + very dissatisfied).*

## Executive Summary

This report highlights the results from Tarion's 2021 Builder Impressions Survey of 240 telephone interviews with key personnel at registered builders in Ontario.

The survey objectives were to:

- Understand builders' overall market outlook for new residential construction and the top challenges they are facing (to provide context and identify the potential influence of external market perspectives on their impressions of Tarion)
  - Specifically, to understand the impact of COVID-19 on builders and their reaction to Tarion's COVID-19 response
- Determine builders' overall impressions of Tarion, performance perceptions, and the strength of the relationship builders feel they have with Tarion
- Reveal builders' specific impressions of Tarion across a range of corporate performance attributes and traits
- Explore what issues, if any, builders have with recent changes Tarion has made
- Capture builders' suggestions for improvements
- Determine the key drivers of builders' impressions of Tarion to help identify the priority areas for future relationship management initiatives.

Key findings and perspectives are presented in this Executive Summary.

### New Residential Building Activity – Company Outlook

- Overall, the vast **majority of respondents are optimistic** about their own companies' prospects. That is, 86% anticipate that their new residential building activity will increase or remain the same in the next 12 months the same proportion as in 2020.
  - Almost half of builders (42%) are predicting an *increase* in activity and this is consistent across builder categories (Micro + Small, Medium volume builders, etc.).

### Impact of COVID-19

Survey respondents were given a list of COVID-related issues and asked if their business had experienced any of them. Virtually all builders (98%) have faced at least one of the issues listed and most have experienced multiple problems.

- As in 2020, the most common issue, experienced by almost all builders is **materials shortages** (94% of builders).
- The next-most common issue, experienced by 84% of builders is **trade unavailability/scheduling issues**.

The impacts of COVID are relatively consistent across builder possession categories, with the following exceptions.

- Micro + Small builders appear less likely than other groups to have experienced problems with *fewer workers being allowed on site due to physical distancing guidelines* and *delays in municipal inspections*.
- High-Rise builders appear to have been less impacted by *increased costs* as a result of COVID-19.

The vast majority of builders across all possession categories agree that the measures that Tarion has taken in response to COVID-19 are appropriate. Overall, 87% of builders agree with Tarion’s initiatives. More tellingly, 50% *strongly* agree – a robust response.

As in 2020, about two-thirds of builders (63%) are extremely/very satisfied with how Tarion has kept them informed of its COVID-19 measures and their impact on the industry.

### Other Major Issues and Challenges

In 2021, open-ended responses regarding the biggest challenge facing builders over the next 12 months indicate that...

- The **availability of building supplies/materials** is the greatest challenge, even more so than last year (cited by 34% of builders). A related factor, **timely delivery of building supplies**, has also emerged as an issue this year (8%).
- **Availability of skilled labour/tradespeople** continues to be among the biggest challenges, as it has been since 2016 (20% of builders).
- **Bureaucracy/development approval/building codes** has also emerged an important challenge for the first time (16%).

In 2021, other items that have been challenges in the past have declined significantly in importance. Specifically, builders are less likely to see the following as challenges this year than they were in 2020:

- Increasing home/land costs/staying under budget (9%)
- Impact of the pandemic (2%)
- Economy/recession/consumer confidence/market conditions (1%).

### Builders’ Overall Impressions of Tarion

**In 2020, impressions of Tarion on various measures largely stabilized after declining from as far back as 2017, and this stabilization has mostly been sustained through 2021. Still, there continues to be room to build Tarion’s relationship with builders.**

- **Satisfaction with Tarion’s performance** declined substantially between 2017 and 2020, then stabilized in 2020 and remained at that level through 2021. In 2021, under half of all builders are extremely or very satisfied with Tarion’s performance (40%) and this is fairly consistent across builder possession categories.
  - There continues to be **room to move this overall satisfaction measure up** across all builder categories.
- After a significant decline in 2019, perceptions of Tarion’s **commitment to customer service** remained steady in 2020, and again in 2021. This year, 86% of builders indicate that Tarion’s commitment to customer service has improved or stayed the same. More tellingly, 1-in-3 builders (34%) believe the Tarion’s customer service has *improved*.

- After substantial declines in builders' views of their **relationship with Tarion** between 2017 and 2020, opinions have stabilized and even increased slightly in 2021, returning to 2019 levels. In 2021, 60% of builders feel that their relationship with Tarion is excellent/very good and this is consistent across all builder types.
  - There continues to be **room for Tarion to strengthen its relationship** with builders across all categories.
- After substantial declines between 2017 and 2020, the likelihood of **advocating for Tarion** stabilized in 2020, and has been sustained through 2021. In 2021, 61% of builders are likely to advocate for Tarion, with 30% indicating that they would *definitely* say positive things about the organization. This is consistent across all possession categories.
  - There continues to be **room for Tarion to move this score up** with builders across all categories.
- Builders' **personal opinions of Tarion** have been **trending downward between 2017 and 2021**. In 2021, ratings have declined across all possession categories, particularly the larger ones (less so among Micro + Small builders). Overall, in 2021, about two-thirds of builders overall (67%) have **favourable impressions** of Tarion based on their personal experiences (21% *very favourable*), and this is relatively consistent across builder categories.
  - There continues to be **room to strengthen builders' perceptions** by moving the *very favourable* score.

In 2021, the proportion of builders reporting they **have issues with Tarion** or major concerns about changes Tarion has made in the past year **increased substantially** to levels closer to the high reached in 2009. In 2021, 37% of builders indicate that they have issues. This increase has occurred across all builder categories.

Differences in perceptions of Tarion among builder possession categories are as follows.

- In terms of changes in impressions between 2020 and 2021:
  - **High-Rise builder** impressions of Tarion seem to have **declined** since 2020. It is not uncommon to see large fluctuations and changes in behaviour in small samples such as this. Still, there are consistent declines in High-Rise builder ratings since 2020, including on Tarion's COVID-19 measures, suggesting that there is, in fact, some discontent among this group.
  - **Large builder** perceptions seem to show a pattern of **improved** perceptions since 2020 (again, the small sample size means that these results should be viewed with some caution). In 2021, Large builders are more likely than other categories to say that Tarion's customer service has improved and that they are satisfied with Tarion's COVID-19 initiatives.
  - Perceptions of Tarion among **Small + Micro and Medium volume builders** have generally remained **fairly stable** since 2020 (though Medium builders show a significant decrease on the overall satisfaction with Tarion measure).
- In looking at **2021** performance alone, impressions of Tarion are **relatively consistent** across all builder possession categories, as indicated above.
- In terms of specific impressions of Tarion's services:
  - Micro + Small volume builders seem *more* likely to say that Tarion *is consistent when applying policies and processes*. However, they seem *less* likely to think that Tarion *has improved the way it interacts and communicates with builders* or that it *educates builders about warranty construction matters*.
  - High-Rise builders appear to be most likely to think that Tarion *does a good job of resolving warranty disputes* and that *Tarion's Warranty Services provides timely and consistent service*.

- Builders in general have positive perceptions of Tarion in several areas. Tarion performs very strongly on the following attributes:
  - encourages builders to provide good customer service (70% strongly agree, a significant increase from 2020)
  - educates builders about warranty/construction matters (53% strongly agree, a significant increase since 2020)
  - is accessible to builders (51% strongly agree)
  - provides useful information, tools, advice (43% strongly agree, a significant increase since 2020)
  - consistent when applying policies and processes (42% strongly agree).

### Builder Outreach Opportunities

**There is room to move satisfaction levels up across all builder possession categories.**

The research indicates the following opportunities for Tarion to increase satisfaction and further foster relationships with builders throughout 2022. Many of the opportunities are similar to those seen in 2020.

- **Improve representative accessibility and response times** – This continues to be a weakness of Tarion’s that consistently arises in builder ratings and comments, and is a comparatively easy change that Tarion can make to strengthen relationships.

*Improves the way it interacts and communicates with builders* is among Tarion’s specific performance attributes that receives the lowest ratings by builders, and the one that has experienced the greatest drop since 2020. When builder comments were solicited, communication issues were consistently a main concern and a main area of improvement that builders are seeking.

Specifically, they complain that Tarion is hard to reach, doesn’t answer phone calls, doesn’t return calls or is slow to call back. They want Tarion to be more available and respond faster. Some suggestions for implementing changes are:

- Ensure that **sufficient lines or representatives** are available to take calls, so that callers are not left with busy or unanswered lines.
- **Move callers through the automated system** quickly by ensuring that: a) only one call is needed to connect to the automated menu, b) they can skip through instructions (i.e., they are not required to listen to the full instruction before proceeding), and c) relevant menu categories are in place that triage callers through the system as quickly and with the fewest steps possible. The more prompts and time required to move through the system, the more callers will feel under-served, especially if the end result is that they do not reach a person right away.
- **Establish goals for callback times** and evaluate staff on reaching them (e.g., voicemails must be returned within 3 hours). **Establish firm times during the initial conversation**, that are convenient for the builder, for Tarion to follow up on next steps in resolving an issue, and continue to ensure follow through on those callbacks. Have the call centre telephone system set up to **flag callback times**.



- **Continue efforts to work towards a more balanced, consistent, and fair warranty process** – It appears that Tarion may have made in-roads in this area: in open-ended comments, a balanced consistent warranty process has declined over time as an item needing improvement. Still, when builder comments were solicited in 2021, Tarion’s warranty/conciliation process continued to be cited as a top concern and a top area of improvement. Specifically, there is a consistently cited perception that Tarion is biased and favours homeowners over builders. Further, *does a good job resolving warranty disputes* and *makes fair and impartial decisions* are among the lowest-rated attributes in a given list (28% and 25% of builders disagree respectively that these statements describe Tarion).

Specific changes that builders would like to see are: decisions that are more consistent and fairer to the builder; warranty standards that are consistent and fair (builders feel that the standards keep changing and becoming harder for them); and, simpler, easier-to-understand warranties, with clear guidelines as to what is covered (guidelines that are less subjective and left to interpretation).

- **Reduce bureaucracy** – In 2021, a new issue that has emerged in solicited comments, is that Tarion is too bureaucratic, too large and that the process is too hard/complicated/inefficient/slow. It makes Tarion difficult to do business with. *Easy to do business with* is among the lowest-rated attributes in a given list (33% disagree). At the same time, bureaucracy/development approval/building codes has emerged as an important industry challenge for the first time. Builders want Tarion’s process to be simplified, more efficient and faster. What they mean by “the process” and how it can be improved requires further, more in-depth investigation.
- **Strengthen efforts to ensure First Call Resolution (FCR)** – One of the top concerns cited by builders when asked, was that Tarion doesn’t provide help/doesn’t answer questions. *Listens to needs/concerns of builders* continues to be among the lowest-rated attributes in a given list (33% disagree). When comments were solicited from builders, a secondary issue that emerged is that reps are unhelpful/unknowledgeable/uncaring/don’t resolve problems/don’t answer questions or provide information. They want reps better equipped with information to enable them to answer questions and resolve problems in a timely manner. This merits attention from Tarion since problem resolution and FCR are areas that have consistently been shown to be key drivers of satisfaction with contacts/calls to a service provider. That is, satisfaction with the contact and company is much greater if problems are resolved on the customer’s first call to the company. Satisfaction declines with the difficulty/number of contacts required to have the issue resolved.

There are a number of ways to facilitate FCR such as: **empowering telephone staff** to resolve builder issues in relatively straightforward, standardized areas (e.g., issuing credits, removing late fees, scheduling work), having staff offer to **transfer the call to a supervisor or a specialist** for resolution when they have difficulty resolving an issue on the first call (e.g., transferring bill problems to the accounting department), **managing expectations** when delays in problem resolution are anticipated by informing builders of how long the delay will be and the reasons for it, and **implementing a triage system** for prioritizing trouble calls that need to be dealt with more quickly.

- **Advocate for builders on their current key challenges** – Specifically on their primary issues of the:
  - Availability of building supplies/materials, brought on by the supply chain crisis
  - Availability of skilled labour/tradespeople, and
  - Bureaucracy/development approval/building codes.

This Executive Summary represents the key findings. A detailed report is presented on the following pages.

## Detailed Findings

This report is divided into five broad sections. The first and second sections explore the builders' outlook for the new residential construction market and synthesizes their perspectives on key challenges and emerging issues, including COVID-19.

The third section examines builders' impressions of Tarion, including overall performance and impression measures. The fourth includes builders' suggestions for improvements Tarion could consider. The fifth section provides feedback on Tarion's website.

## Industry Outlook

The survey began with a few short questions to help set builders' impressions of Tarion in the broader context of their views of what's happening in the new residential construction market overall and their own companies.

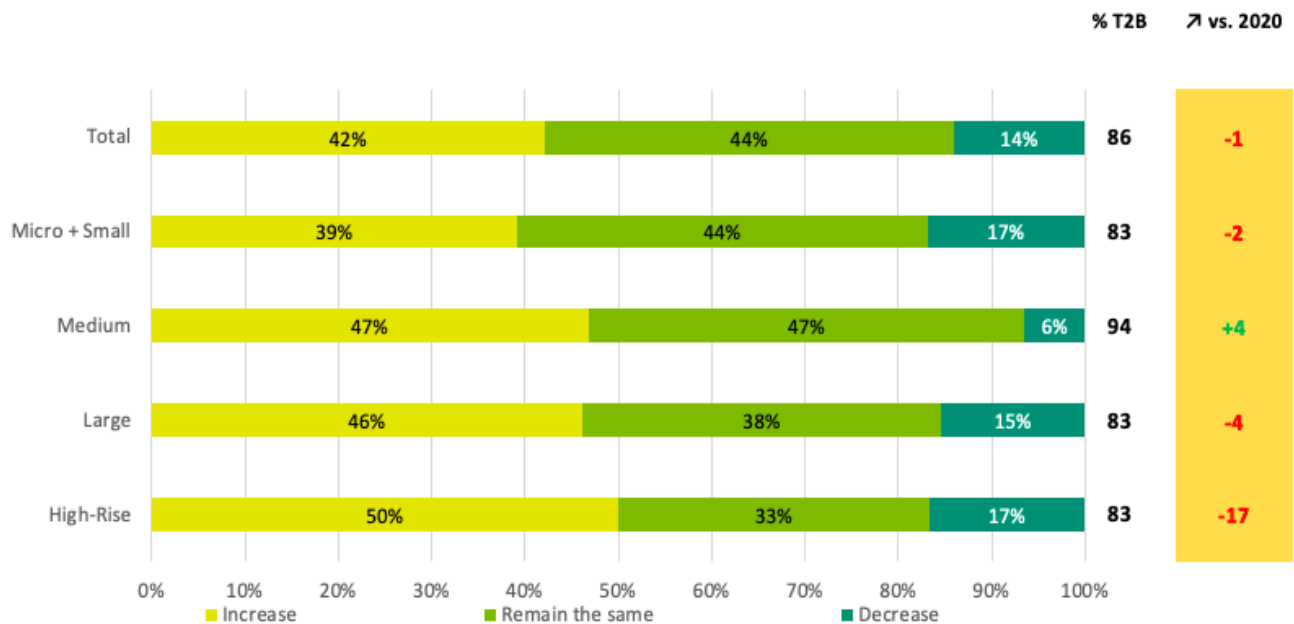
### New Residential Building Activity – Company Outlook

Overall, the vast majority of respondents are optimistic about their own companies' prospects. That is, 86% anticipate that their new residential building activity will increase or remain the same in the next 12 months – the same proportion as in 2020 (no statistically significant change).

Almost half of builders (42%) are predicting an *increase* in activity and this is consistent across builder types.

After a 17% increase in 2020, optimism appears to have declined in 2021 among High-Rise builders, back to 2019 levels. However, these results should be viewed with caution: fluctuations like this are not uncommon among sample sizes of 12 respondents.

Optimism among Micro + Small Builders has declined two years in a row, while it has climbed among Medium builders during this time.



## Top Issues Facing Ontario Builders

### Core Challenges

Builders were asked an open-ended question regarding the biggest challenge facing their companies over the next 12 months.

In 2021...

- The **availability of building supplies/materials** is the greatest challenge, even more so than last year. A related factor, **timely delivery of building supplies**, has also emerged as an issue this year.
- **Availability of skilled labour/tradespeople** continues to be among the biggest challenges, as it has been since 2016.
- **Bureaucracy/development approval/building codes** has also emerged an important challenge for the first time.

**These are the three main issues or challenges that Tarion should be aware of as it creates strategies to strengthen relationships with builders.**

In 2021, items that have declined significantly in importance are:

- Impact of the pandemic
- Increasing home/land costs (which became more of an issue in 2020, and has now returned to previous levels)
- The economy/recession/consumer confidence/market conditions (though this hasn't been much of an issue since 2019).

Biggest Change	2021 %	2020 %	2019 %	2018 %	2017 %	2016 %
Availability of building supplies/Materials/Products	34 ▲	20	-	-	-	-
Availability of skilled labour/tradespeople	20	21	31	23	31	31
Bureaucracy/Development approval/Building codes	16 ▲	4	-	-	-	-
Increasing home/land costs/staying under budget	9 ▼	16	6	4	4	6
Timely delivery of building supplies/Materials/Products (new)	8 ▲	-	-	-	-	-
Finding land to build on/acquisition/development	7	5	14	11	19	14
Government regulation/permit/fees/demands	7	4	10	9	9	12
Meeting deadlines/Closing on time	5	6	1	3	4	-
Financing/financial challenges	2	2	5	10	8	2
Pandemic impact (new)	2 ▼	10	-	-	-	-
Economy/recession/consumer confidence/market conditions	1 ▼	5	13	26	16	13
Non-registered builders/Too much competition	-	8	-	-	-	-

Source: C3. What would you say is the ONE big challenge facing your company over the next 12 months? (N=240)

▲ increase

▼ decrease

## Impact of COVID-19

The survey examined the impact of COVID-19 on builders' businesses.

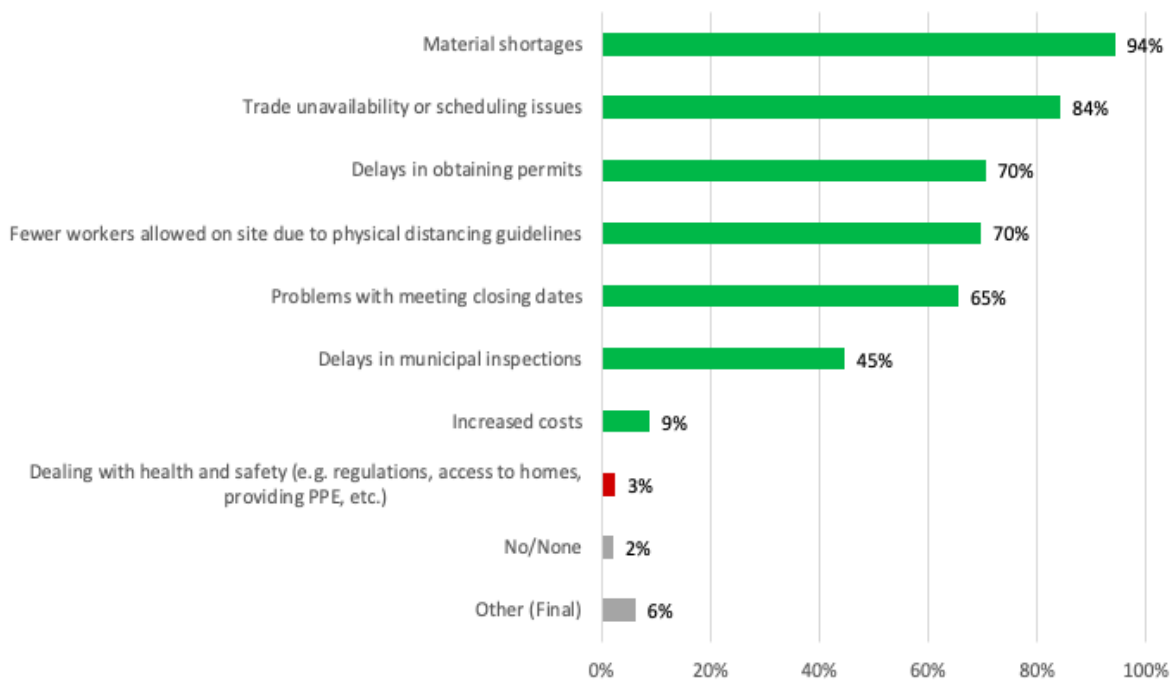
Builders were asked if they experienced any issues from a given list. Virtually all the builders responding to the survey (98%) have experienced at least one of the issues listed. Most have experienced multiple issues.

The most common issue, experienced by almost all builders, is **materials shortages** (94% of builders). The next-most common issue, experienced by 84% of builders is **trade unavailability/scheduling issues**.

**Delays in municipal inspections** is the least of the problems listed, experienced by 45% of respondents.

This is the same pattern as that seen in 2020.

Other issues mentioned spontaneously by builders involve increased costs, and health and safety regulations (access to homes, PPE, etc.).

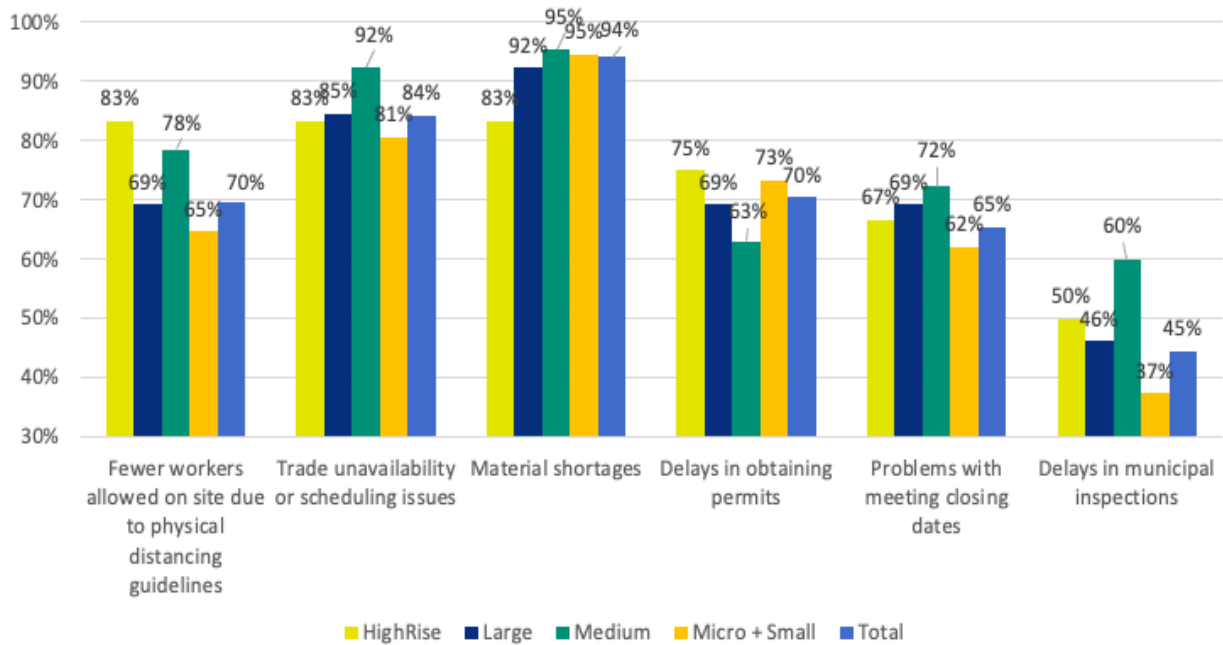


Source: C1\_New. Is your business experiencing any of the following issues? (check all that apply). (n=240)

Micro + Small builders appear less likely than other groups to have experienced problems with *fewer workers being allowed on site due to physical distancing guidelines* and *delays in municipal inspections*.

Directionally, High-Rise builders have been less impacted by *increased costs* as a result of COVID-19.

Otherwise, the impacts of COVID are relatively consistent across builder possession categories.

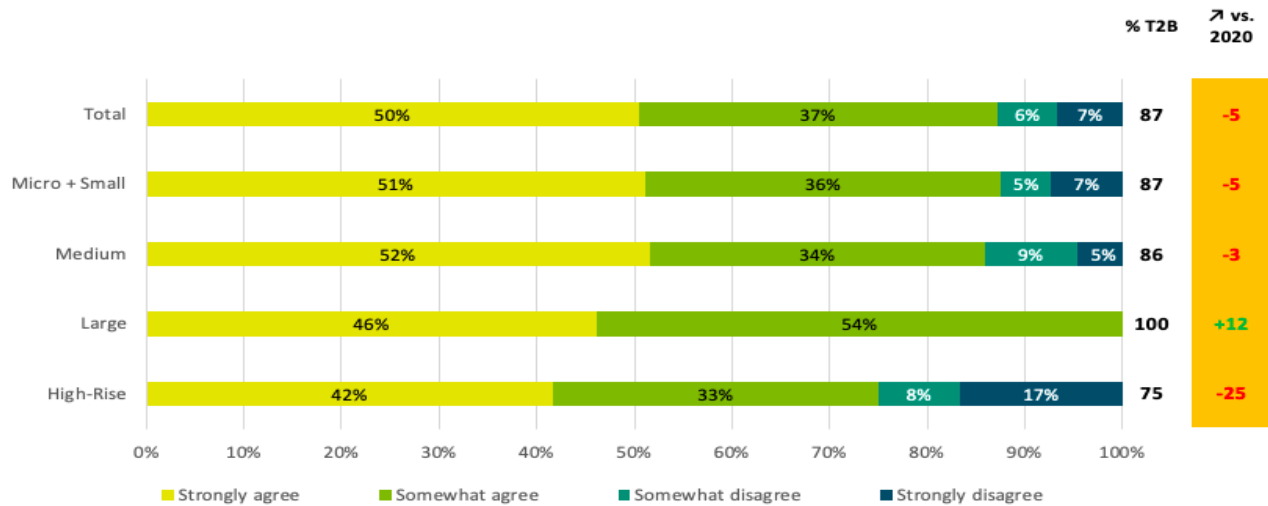


Source: C1\_New. Is your business experiencing any of the following issues? (check all that apply) (n=240)

## Reactions to Tarion's Response to COVID-19

The vast majority of builders across all possession categories agree that the measures that Tarion has taken in response to COVID-19 are appropriate. Overall, 87% of builders agree with Tarion's initiatives. More tellingly, 50% *strongly* agree – a robust response.

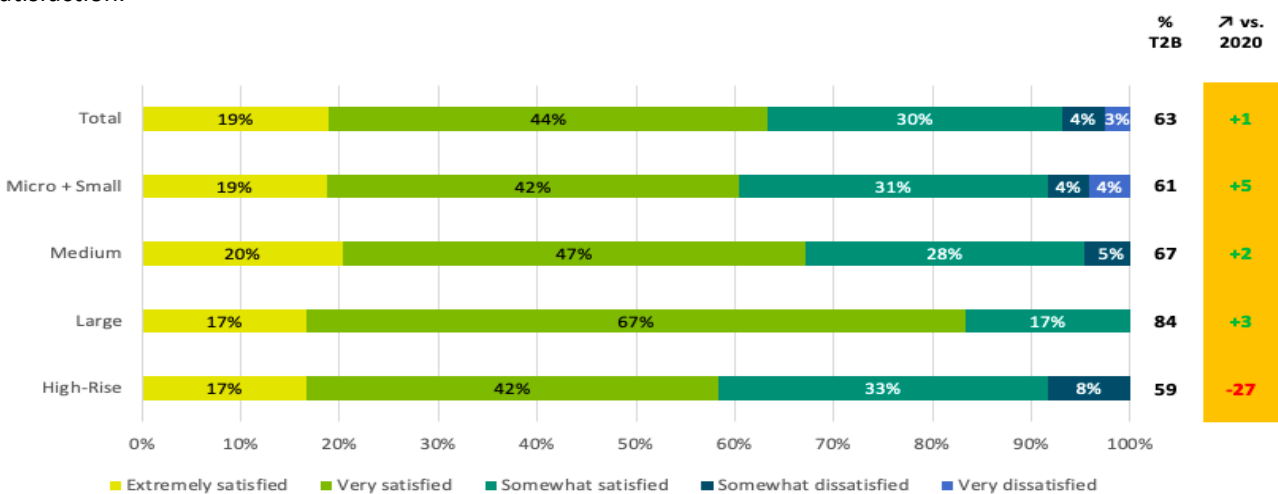
Support for Tarion's response generally seems to have softened slightly since 2020, especially among High-Rise builders (though wide fluctuations are to be expected with small sample sizes). This may not be surprising, given that the province was another year beyond the outset of the pandemic.



Source: QD2B\_New. To what extent do you agree or disagree the measures that Tarion took in response to COVID-19 (e.g. pausing warranty timelines and repair periods, stopping in-person inspections) were appropriate? (N=226)

Overall, about two-thirds of builders (63%) are satisfied with how Tarion has kept them informed of its COVID-19 measures and their impact on the industry.

Large volume builders appear to be more satisfied with Tarion's efforts than the other groups. Satisfaction levels are fairly consistent with 2020 levels, except among High-Rise builders which show a sizeable decline in satisfaction.



Source: QD1B\_New. How satisfied were you with how Tarion kept you informed of their COVID-19 measures and how they might affect your business and your homeowners? (N=232)



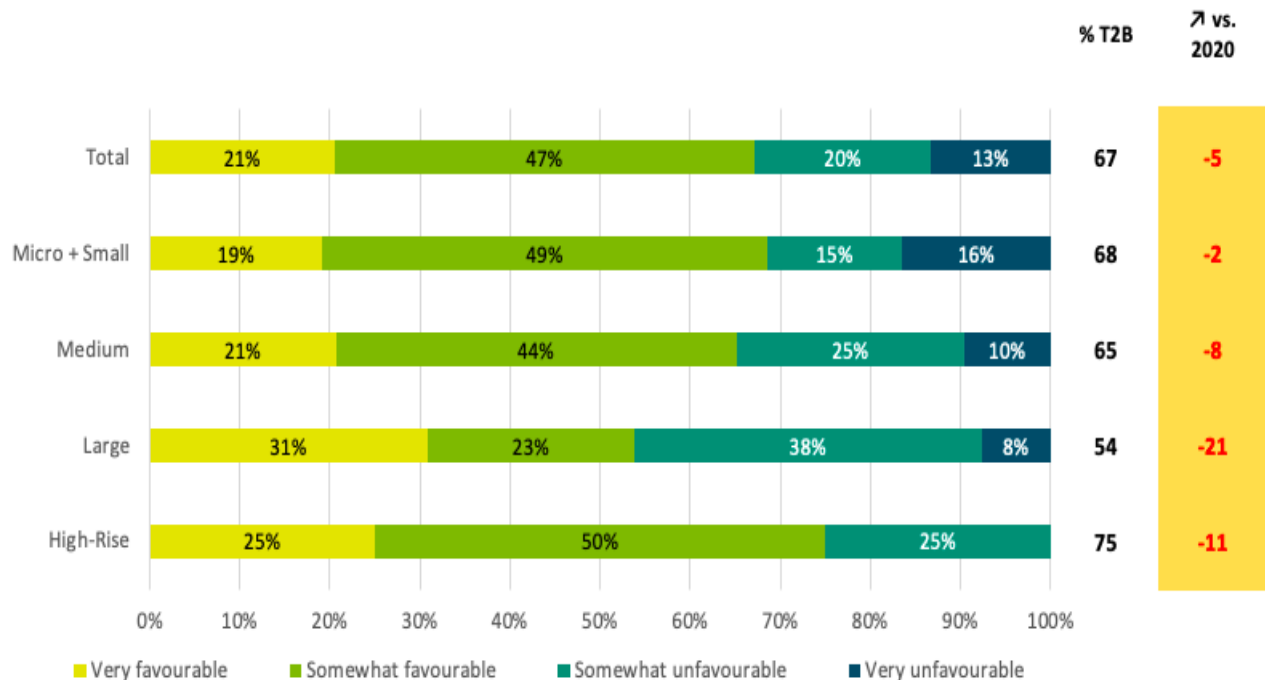
## Builders' Overall Impression of Tarion

### Overall Impression of Tarion – Based on Personal Experience

Builders' personal opinions of Tarion have been trending downward since 2017. Their opinions of Tarion declined by 11% overall between 2018-2019, and then remained relatively stable in 2020. This year, ratings have declined again across all possession categories, particularly the larger ones (less so among Micro + Small builders).

In 2021, about two-thirds of builders overall (67%) have favourable impressions of Tarion and this is relatively consistent across categories.

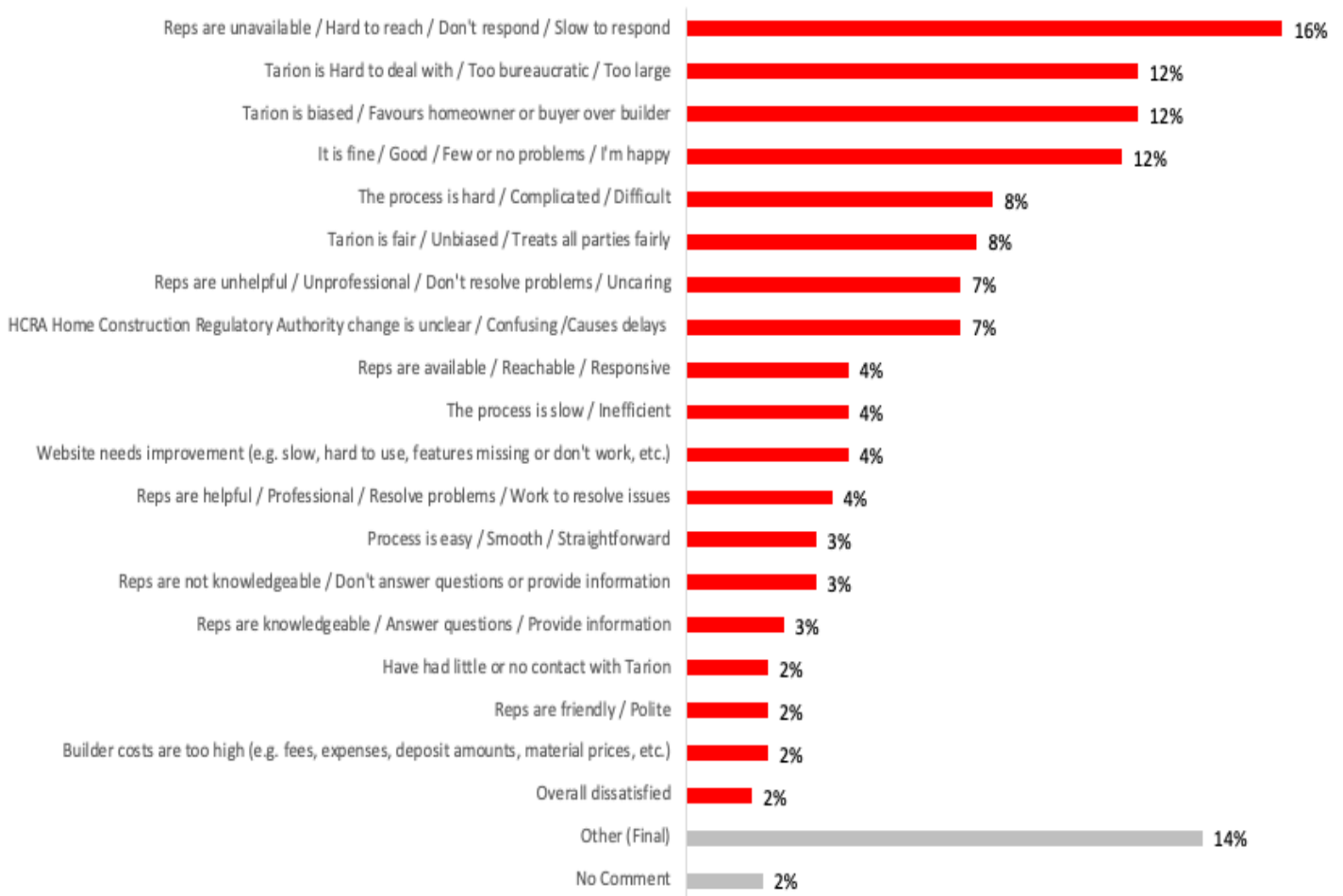
There is room to strengthen perceptions of Tarion by moving the *very favourable* score: overall 1-in-5 builders have *very favourable* impressions of Tarion.



Source: QD1A. Based on what you have read, seen or heard about TARION, or experienced yourself, would you say your opinion of the organization is...? (N=234)

Respondents were asked on an open-ended basis why they have favourable or unfavourable opinions of Tarion. Their responses suggest that the main ways to strengthen perceptions of Tarion are to:

- Make Tarion’s reps more accessible/easier to reach/faster to respond
- Reduce bureaucracy/make the processes less bureaucratic/complicated
- Manage builder perceptions that Tarion is biased towards homeowners over the builders.



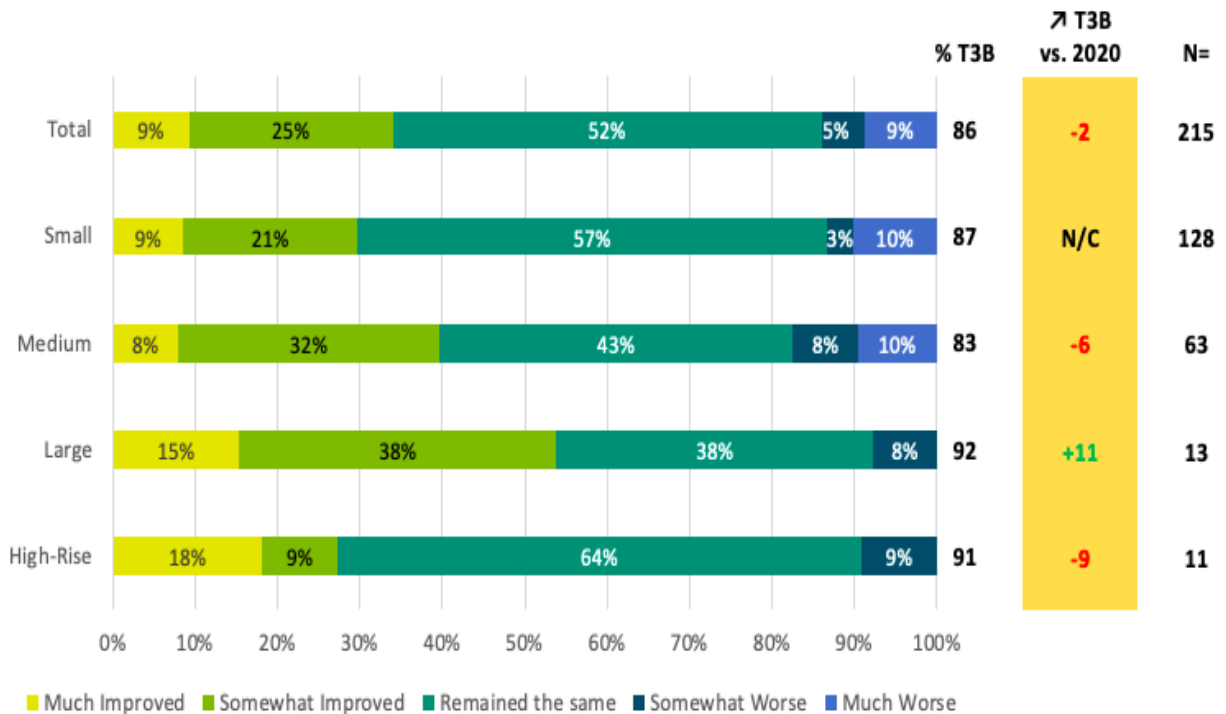
Source: D1AO. Why did you say your opinion of Tarion is (favourable/unfavourable)?(n=234)

## Commitment to Customer Service

In 2019, builders' perceptions of Tarion's commitment to customer service declined by 10% overall (that is, there was a decline in the percent of builders saying the commitment improved or remained the same).

Perceptions remained at that level in 2020, and again in 2021. This year, the overall rating of Tarion is the same as the 2019 rating (86% improved/stayed the same).

In 2021, 1-in-3 builders overall (34%) believe the Tarion's customer service has *improved* over the past two years. Large builders are more likely than other categories to say that Tarion's customer service has improved, an apparent increase over last year.



Source: F2A. Over the past two years, how has Tarion's commitment to customer service changed? Would you say it is... (N=215)

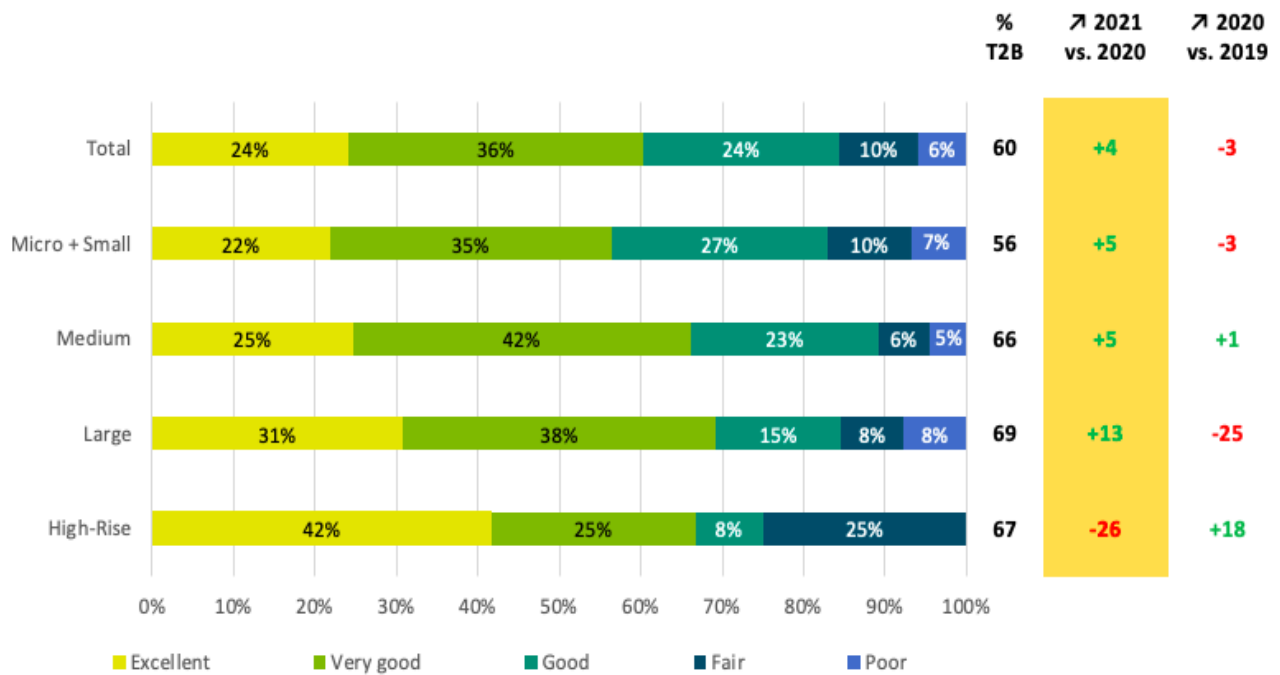
## Strength of the Builder Relationship with Tarion

Between 2017 and 2020, the percent of builders rating their relationship with Tarion as *excellent* or *very good* declined steadily, and decreased by 21% overall during that time.

In 2021 builders' views of their relationship with Tarion stabilized and even increased slightly, returning the overall rating to 2019 levels. This increase occurred across all builder categories, except High-Rise builders whose impressions seem to have decreased since 2020 (again, fluctuations between years are not uncommon with small sample sizes).

In total, 60% of builders now feel that their overall relationship with Tarion is excellent/very good and this is consistent across builder types.

There continues to be room for Tarion to rebuild its relationship with builders across all possession categories, and move the overall rating up from 60%.



Source: QF6A. Taking all things into consideration, how would you rate your overall relationship with Tarion? Would you say your relationship is...? (N=237)

## Satisfaction with Tarion's Performance

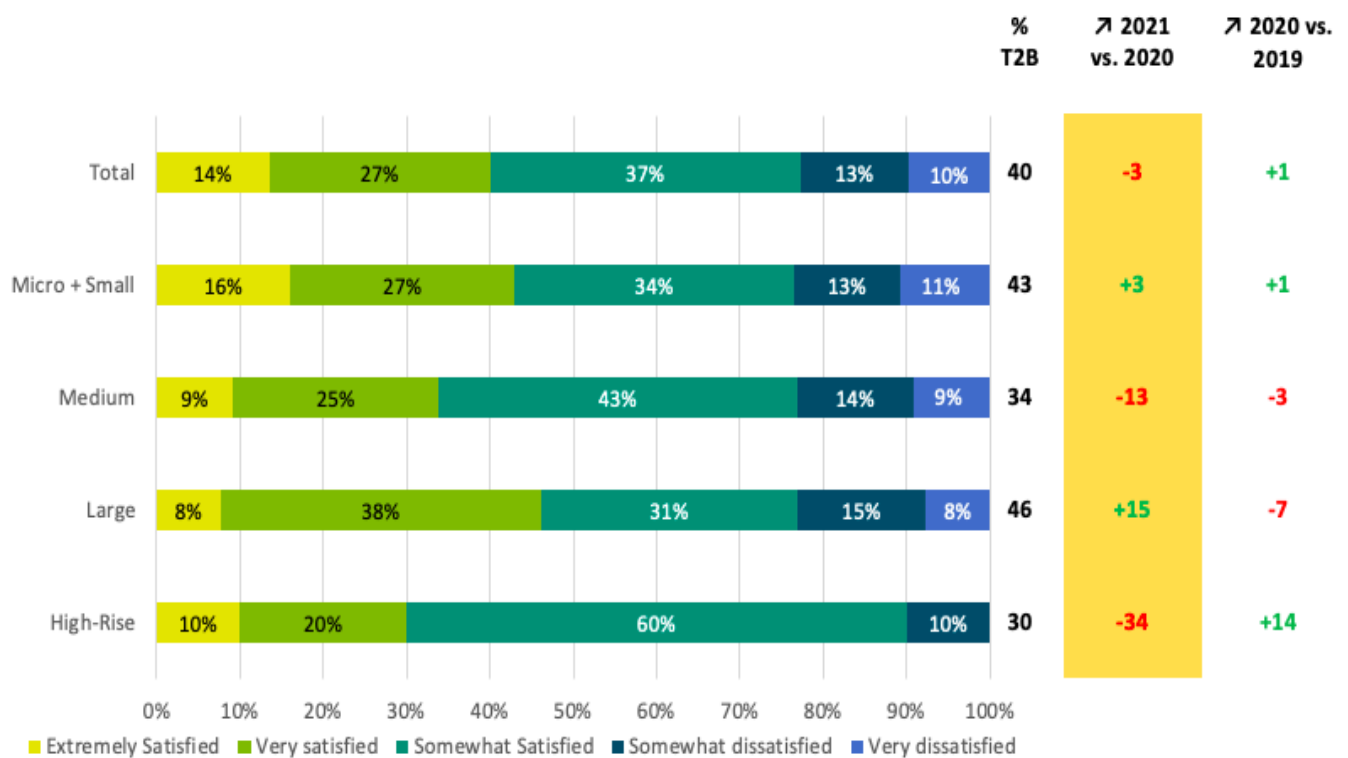
Satisfaction with Tarion's overall performance stabilized in 2020, after having declined by 14% since 2017, and that stability has been sustained through 2021. There has been no significant change in overall satisfaction in the past year.

The stability is mostly driven by the large number of Micro + Small volume builders, whose satisfaction has changed little since 2020.

Satisfaction among other builder types has fluctuated. A large decline in satisfaction among the small sample of High-Rise builders reverses gains in that category over the past two years. An increase in satisfaction among the small sample of Large builders reverses "past 2 year" decreases. Satisfaction with Tarion has declined significantly among Medium builders since 2020.

In 2021, under half of all builders are *extremely or very satisfied* with Tarion's performance (40%), and this is fairly consistent across builder categories.

There is room to move overall satisfaction levels up among all builder categories.



Source: QF1A. How satisfied are you with Tarion's overall performance over the last two years? Are you... (N=237)

## Tarion Advocacy

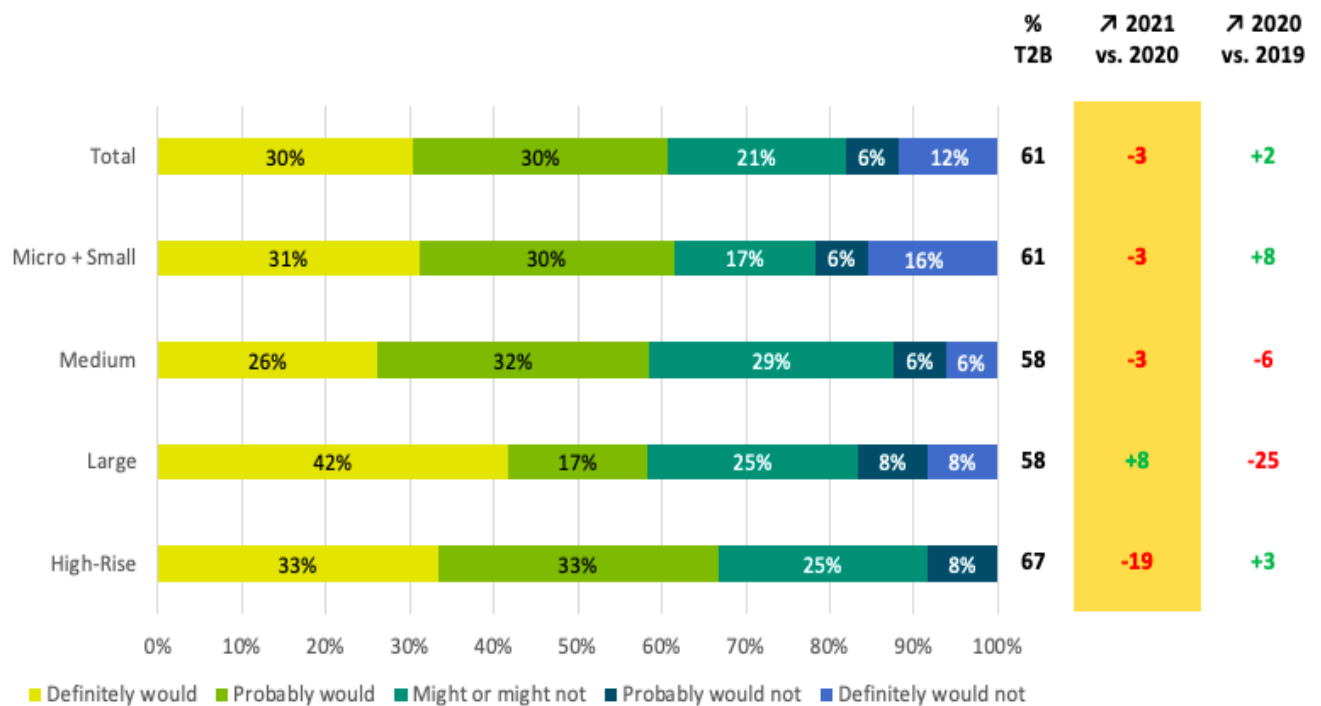
“Advocacy” is commonly measured by asking survey respondents about their likelihood to recommend an organization or say positive things about it to others.

Overall, the likelihood of advocating for Tarion stabilized in 2020, after experiencing a decline of 17% since 2017. This stability has been sustained through 2021 – there has been no significant change in overall performance since last year.

In 2021, 61% of builders are likely to advocate for Tarion, with half of those indicating that they would *definitely* say positive things about the organization (30%). Likelihood to advocate is consistent across possession categories.

There is **room for Tarion to move this score up** with builders across all categories.

Ratings among Medium volume builders continued to slide this year, as they have in recent years, and seemed to drop most significantly among High-Rise builders since 2020.



Source: QF7A. If asked by another builder, how likely would you be to say positive things about Tarion? Would you say you...? (N=237)

## Specific Impressions of Tarion

Builders have positive perceptions of Tarion in several areas. Tarion performs particularly strongly on the following attributes:

- encourages builders to provide good customer service (70% strongly agree, a significant increase from 2020)
- educates builders about warranty/construction matters (53% strongly agree, a significant increase since 2020)
- is accessible to builders (51% strongly agree)
- provides useful information, tools, advice (43% strongly agree, a significant increase since 2020)
- consistent when applying policies and processes (42% strongly agree).

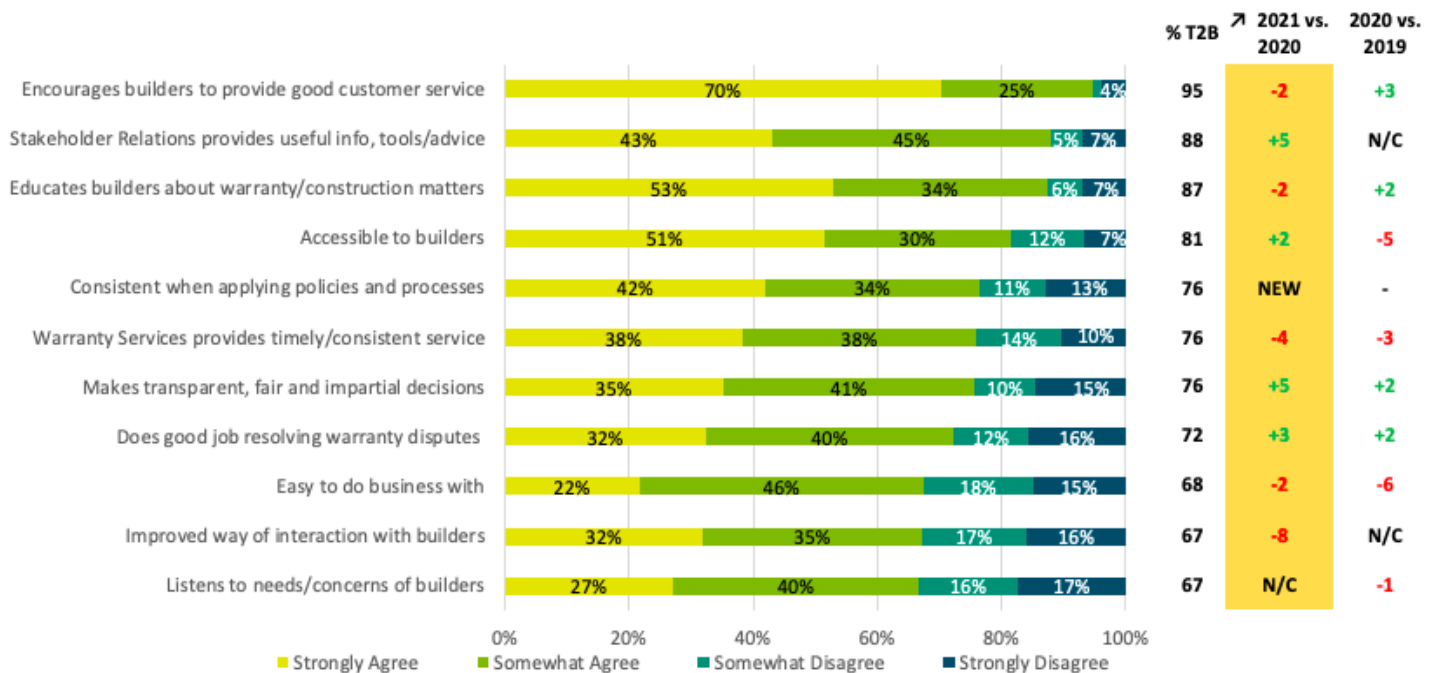
Areas in which Tarion has the greatest opportunity for change are:

- listens to needs/concerns of builders (33% disagree)
- improves the way it interacts and communicates with builders (33% disagree)
- easy to do business with (33% disagree)
- does a good job resolving warranty disputes (28% disagree)
- Makes transparent, fair and impartial decisions (25% disagree).

Top 2 Box ratings on specific attributes have generally stabilized in 2020, after two years of declines, and have remained fairly stable in 2021. *Improves the way it interacts/communicates* has experienced the greatest drop since 2020. As indicated above, Top Box/Strongly Agree scores have improved in several areas.

Micro + Small volume builders seem *more* likely to say that Tarion *is consistent when applying policies and processes*. However, they seem *less* likely to think that Tarion *has improved the way it interacts and communicates with builders* or that it *educates builders about warranty construction matters*.

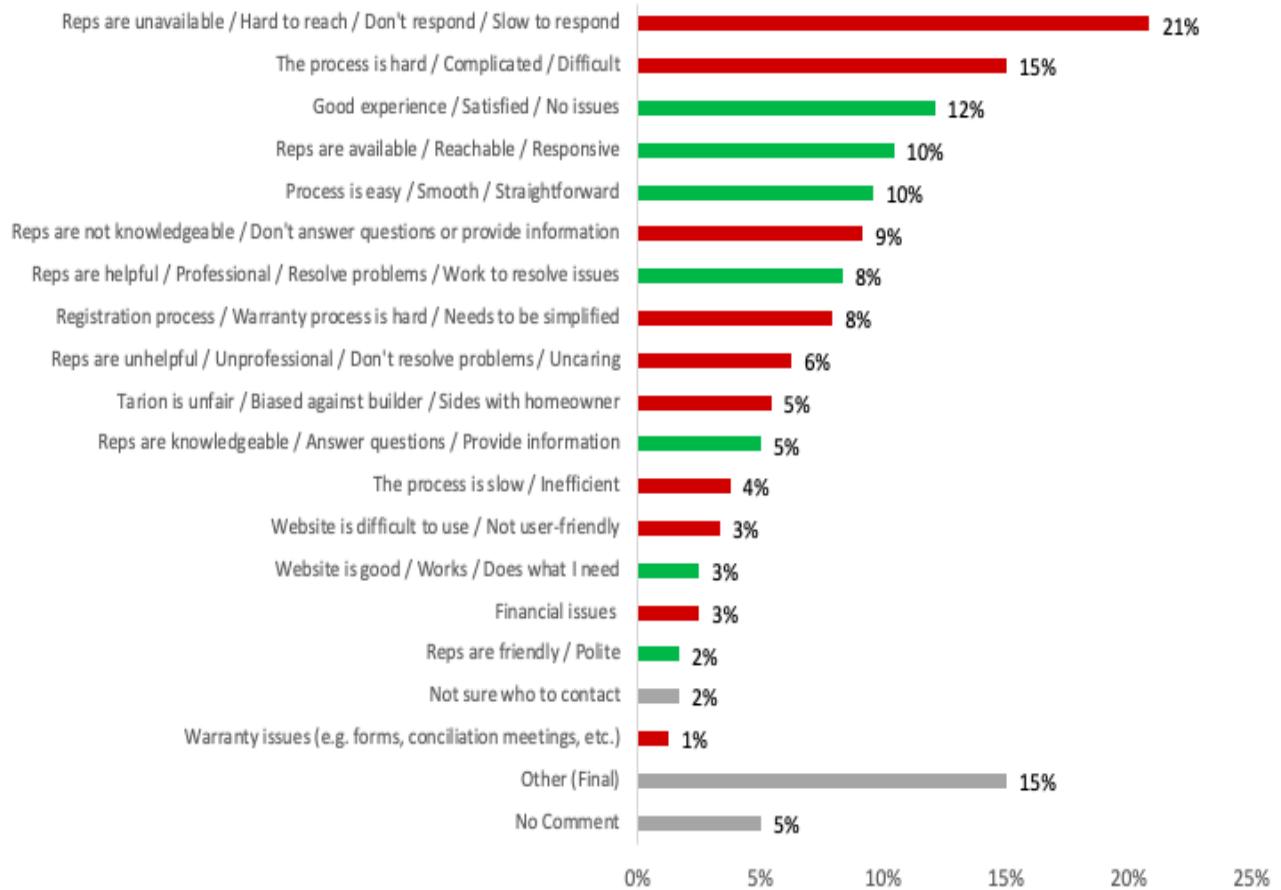
High-Rise builders appear to be most likely to think that Tarion *does a good job of resolving warranty disputes* and that *Tarion's Warranty Services provides timely and consistent service*.



Source: QD6. I am going to read you a number of statements, and I would like to know whether you strongly agree, somewhat agree, somewhat disagree or strongly disagree with each statement. How about...?

Respondents were asked on an open-ended basis why they rated Tarion as being easy or uneasy to do business with. Their responses suggest that the main ways that Tarion can make it easier for builders to do business with it are to:

- Make Tarion’s reps more accessible/easier to reach/faster to respond
- Make the processes less complicated/more simplified/more efficient/faster
- Better equip the reps with information to enable them to answer questions, provide information and resolve problems in a timely way.



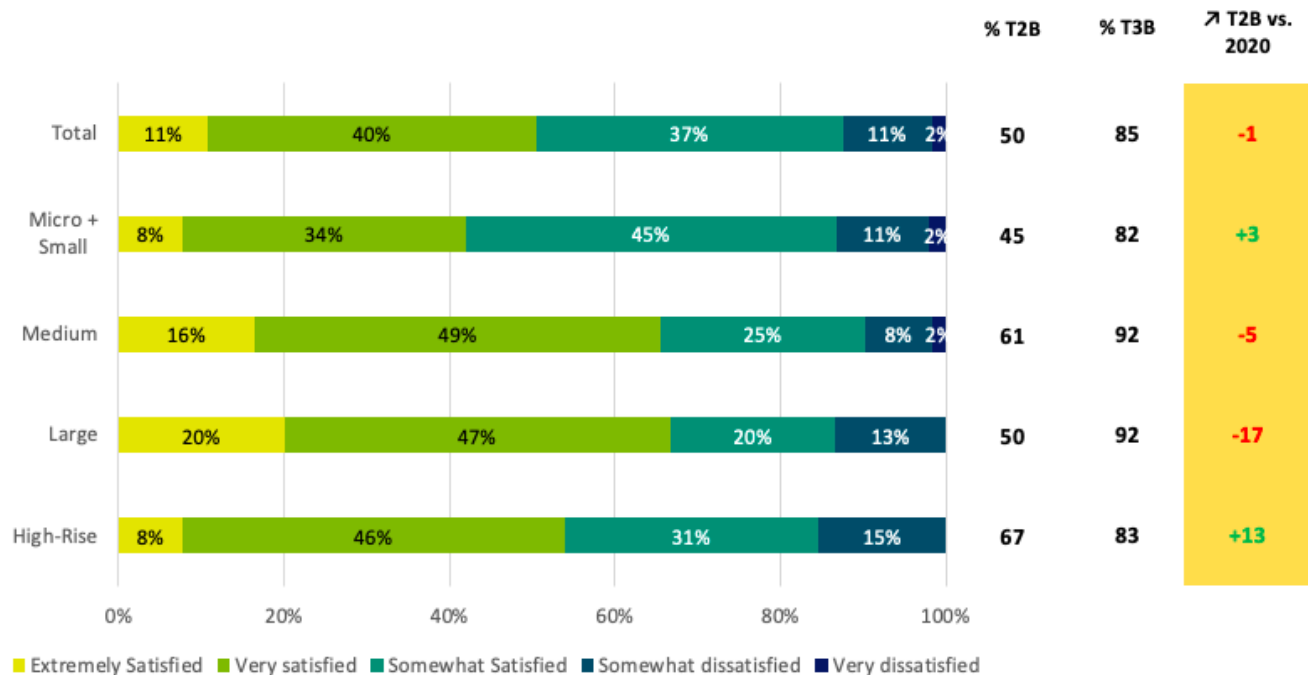
Source: D6A\_O. Why did you say <D6A> on how Tarion is easy to do business with? (n=240)



In 2021, half of all builders (50%) are extremely/very satisfied with the functionality and usability of BuilderLink, a score that has remained fairly stable over the past three years.

The stability is mostly driven by the large number of Micro + Small volume builders, whose satisfaction has changed little since 2020. Medium and Large builders satisfaction has continued to slide since 2019, while High-Rise builder ratings have rebounded somewhat this year.

In 2020, Micro + Small builders were least satisfied with BuilderLink and this is still mostly the case in 2021.



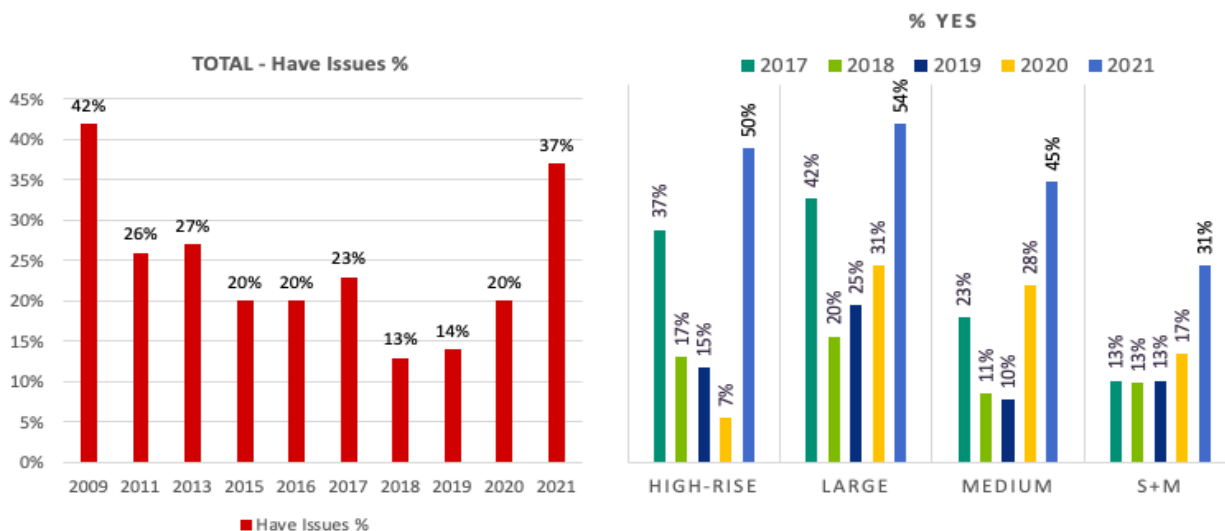
Source: D8B. Overall, how satisfied are you with the functionality and usability of BuilderLink? N=234

## Concerns and Builder-Driven Suggestions for Improvement

### Builders' Major Concerns / Issues with Tarion

In 2021, the proportion of builders reporting they have issues with Tarion or major concerns about changes Tarion has made in the past year increased substantially to levels closer to the high reached in 2009. In 2021, 37% of builders indicate that they have issues. This increase has occurred across all builder categories.

Small + Micro builders are the group that is least likely to have issues with Tarion.



Source: F3. Do you have any issues with Tarion or major concerns about changes they've made in the last year? (N=240)

The 37% of builders who expressed concerns were asked on an open-ended basis, what those issues or concerns are. The issues that they cited are shown below, and mostly involve poor customer service and warranty/conciliation issues.

Major Issues / Concerns	'21 %s	'20 %s	'19 %s	'18 %s	'17 %s
Poor customer service/Don't provide help/Don't answer questions	20	12	18	17	14
Decisions are unfair to the builder/Inconsistent/Unbalanced	19	10	4	17	29
Conciliation/Warranty process is difficult for builder	17	14	7	23	33
Warranty standards keep changing/Keeps getting harder for the builder	16	8	7	6	21
Hard to reach/Don't answer phone/Don't call back/Slow to call back	8	14	14	9	10
Costs of fees/Deposits etc.	6	18	18	6	-
Warranty is unclear/Too subjective as to what is covered	6	6	-	20	-
Online features are difficult to access/Not accessible	4	6	7	20	3
Tarion doesn't listen to builders/Ignores builder input	2	8	7	3	11
Tarion solicits/Charges for conciliations	2	-	-	9	16
Illegal builders are not dealt with adequately	-	-	4	-	-

Source: F4. And what are those issues or major concerns? Base: F3A = "Yes", Had issues with Tarion or major concerns about changes they've made in the last year (2021: N=89, 2020: N=50; 2019 N=28)

## Suggested Improvements to Assist Builders

All builders were asked on an open-ended basis, what the most important improvement Tarion could make to assist them in the next year or two would be.

Their responses are very much the same as in 2020. The top suggested improvements involve:

- better communication – especially in terms of being more available, responding more quickly
- a more consistent, balanced, fair warranty process
  - this has trended downward since 2017, and is now significantly less likely to be cited (20% to 11% in 2021).

Another suggestion that has trended downward since 2017, and continues to be significantly less likely to be cited is:

- provide more information, up-to-date information/bulletins.

Suggestions to reduce costs/fees have declined since 2020.

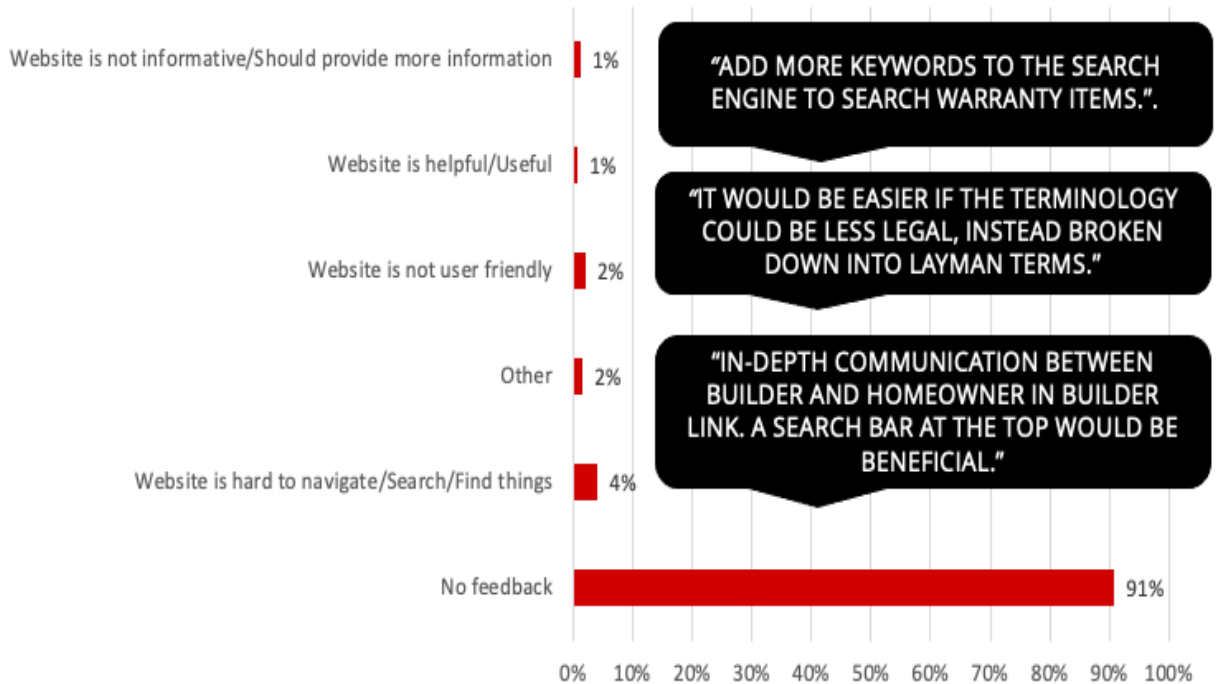
Improvements to Assist Builders	'21 %s	'20 %s	'19 %s	'18 %s	'17 %s
Communication - Be available/Respond faster	16	13	11	17	12
Warranty - More consistent process/More balanced/Fair decisions	11	11	13	18	20
Communication - Be more knowledgeable/Listen/Answer questions	9	4	5	12	9
Communication - More information/Up-to-date information/Bulletins	7	5	9	11	15
Costs - Reduce costs/Fees	4	10	3	7	7
Warranty - Make it less complex/Easier to understand	4	7	8	10	10
Website - Easier to navigate/Find things/Better organization	3	2	1	3	5
Builders - Regulate/Monitor/Rate/Enforce standards	3	-	-	4	4
Builders - Crack down on illegal/Non-licensed builders	2	3	4	4	4
Website - Easier to user/More user-friendly/Improve it	-	5	7	8	4
Process - Simplify it/More Efficient/Be Fair	-	-	14	-	-

Source: F5A. From your perspective, what is the most important improvement Tarion could make to assist builders in the next year or two? (N=151)

## Tarion.com Website Feedback

When builders were asked to provide feedback about the tarion.com public website, the majority did not provide any comments (91%).

The few who did provide feedback mainly stated that the site is difficult to navigate/not user-friendly. Improvements to the search function were suggested.



Source: H4. Do you have any comment or feedback about the tarion.com public website? If so, please provide them. (N=245)

**APPENDIX**  
**2021 Builder Impressions Survey**

**Tarion Warranty Corporation**  
**Builder Satisfaction Survey (REVISED SEPTEMBER 2021)**

*(Reminder: this survey is conducted via telephone, so questions are asked in a conversational manner. Responses are summarized and reported on to Tarion by Forum Research)*

**A. Market Experiences and COVID-19**

C1. To begin, we have a couple of questions about the COVID-19 outbreak has affected your business.

Is your business experiencing any of the following issues? (check all that apply)

- Fewer workers allowed on site due to physical distancing guidelines
- Trade unavailability or scheduling issues
- Material shortages
- Delays in obtaining permits
- Delays in municipal inspections
- Problems with meeting closing dates
- Other (please specify)

C2. In the next 12 months, would you say new residential building activity will increase, remain the same, or decrease?

- Increase
- Remain the same
- Decrease
- Don't Know/Not Stated

C3. What would you say is the ONE big challenge facing your company over the next 12 months?  
**(open-ended)**

**B. About Tarion**

D1. A) Now onto the Tarion questions. Based on your own experience with TARION, would you say your opinion of the organization is:

- Very favourable
- Somewhat favourable
- Somewhat unfavourable
- Very unfavourable
- Don't Know/Not Stated

D1AO. Why did you say your opinion of Tarion is <D1A>?

D1. How satisfied were you with how Tarion kept you informed of their COVID-19 measures and how they might affect your business and your homeowners

- Extremely satisfied
- Very satisfied
- Somewhat satisfied
- Somewhat dissatisfied
- Very dissatisfied
- Don't Know/Not Stated

D2. To what extent do you agree or disagree the measures that Tarion took in response to COVID-19 (e.g. extending warranty timelines and repair periods, stopping in-person inspections) were appropriate?

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree
- Don't Know/Not Stated

D4. What is your general comfort level with interacting with Tarion's digital tools or platforms (e.g. mobile apps, online payments, BuilderLink etc.)

- Extremely comfortable
- Very comfortable
- Somewhat comfortable
- Somewhat uncomfortable
- Very uncomfortable
- Don't know/not stated

D5. Have you or someone in your company used BuilderLink?

- Yes
- No

If yes, which of these have you used BuilderLink for?

- Online Enrolments
- An Inspection Search
- A Repair Period Search
- Delayed Closing/Occupancy Addendums
- Find Builder Statistics
- Review of warranty forms and reports
- Tracked repair timelines
- Completed and printed a Certificate of Completion and Possession (CCP)
- Registration renewal
- Have not used
- Don't Know/Not Stated

- D8b. Overall, how satisfied are you with the functionality and usability of BuilderLink?
- Extremely Satisfied
  - Very satisfied
  - Somewhat Satisfied
  - Somewhat dissatisfied
  - Very dissatisfied
  - Have not personally used
  - Don't Know/Not Stated
- D8c. Is there an activity or task that you would like to be able to do on BuilderLink that currently isn't possible? **(open-ended)**
- D4. In general, do you feel you know who to contact at Tarion when you have the need?
- Yes
  - No
- D5. Which ONE contact area or department are you most likely to start with if you need to contact Tarion?
- Stakeholder Relations **[Specify Contact]**
  - Underwriting... **[Specify Contact]**
  - Warranty Services **[Specify Contact]**
  - Customer Service Centre / Toll-free line
  - Technical Desk
  - Other **(Specify)**
  - Don't know / Not Stated
- D6. I am going to read you a number of statements, and I would like to know whether you strongly agree, somewhat agree, somewhat disagree or strongly disagree with each statement.
- a. Tarion is easy to do business with  
D6AO. Why did you say <D6A> on how Tarion is easy to do business with?  
\_\_\_\_\_
  - b. Tarion listens to the needs and concerns of builders
  - c. Tarion encourages builders to provide homeowners with good customer service
  - d. Tarion has improved the way that it interacts and communicates with builders
  - e. Tarion is accessible to builders
  - f. Tarion does a good job of resolving warranty disputes between homeowners and builders
  - g. Tarion makes transparent, fair, and impartial decisions
  - h. Tarion's Stakeholder (Relations Department provides useful information, tools and advice
  - i. Tarion does its part to educate builders about important warranty and construction matters
  - j. Tarion is consistent when applying policies and processes
  - k. Tarion's Warranty Services provides timely and consistent service

- F1. How satisfied are you with Tarion's overall performance over the last year? Are you:
- Extremely Satisfied
  - Very satisfied
  - Somewhat Satisfied
  - Somewhat dissatisfied
  - Very dissatisfied
  - Don't Know/Not Stated
- F2. Over the past year, how has Tarion's commitment to customer service changed? Would you say it is:
- Much Improved
  - Somewhat Improved
  - Remained the same
  - Somewhat Worse
  - Much Worse
  - Don't Know/Not Stated
- F3. Do you have any issues with Tarion or major concerns about changes they've made in the last year?
- Yes
  - No

**IF YES:**

- F4. And what are those issues or major concerns? **(open-ended)**

**IF NO:**

- F5. From your perspective, what is the most important improvement Tarion could make to assist builders in the next year or two? **(open-ended)**
- F5c. When Tarion does make a change in policy, the "Breaking Ground" newsletter is currently the primary method of communicating change. Is the "Breaking Ground" newsletter your most preferred method of being advised of change or is there another more suitable communication channel for you?
- Yes, "Breaking Ground" is most preferred
  - No, other communication channel **(Specify)**
  - Don't Know/Not Stated
- F5d. Tarion's Stakeholder Relations team offers a variety of educational resources through Builder Updates and specific education sessions such as Conducting Better PDIs and Improving Customer Service. Which other topics would be valuable to your staff and business? **(open-ended)**



F6. Taking all things into consideration, how would you rate your overall relationship with Tarion? Would you say your relationship is:

- Excellent
- Very good
- Good
- Fair
- Poor
- Don't Have a Relationship with Tarion
- Don't Know/Not Stated

F7. If asked by another builder, how likely would you be to say positive things about Tarion? Would you say you:

- Definitely would
- Probably would
- Might or might not
- Probably would not
- Definitely would not
- Don't Know/Not Stated

#### H. Channel Preferences

H1. Now I'd like you to think about how you or others in your company complete common transactions with Tarion including new home enrollments. Which of these channels do you/people in your company use to interact with Tarion? Select all that apply and indicate your preferred method.

- Online using BuilderLink
- By telephone using an automated menu response system
- By telephone with a live Tarion representative
- In person at Tarion's corporate office
- By traditional mail or courier
- Emailing electronically scanned hard copy documentation to Tarion
- No preference / All are suitable
- Don't know / Not Stated

H4. Do you have any comment or feedback about the tarion.com public website? If so, please provide them (**open-ended**)

### C. Classification Questions

G1. My last few questions are only for classification purposes. Is your company a member of your local Home Builders Association?

- Yes
- No
- Don't Know/Not Stated

#### IF YES:

G2. Do you or your colleagues belong to and/or attend meetings/activities of your local Home Builders Association on a regular basis?

- Yes
- No
- Don't Know/Not Stated

G4. Does your company build primarily freehold or condominium homes?

- Freehold
- Condo
- Both
- Don't Know/Not Stated

G5. Approximately how many permanent full-time employees do you have? Is it...?

- 5 or fewer
- 6 to 10
- 11 to 25
- More than 25
- Don't Know/Not Stated

**THANK AND TERMINATE**