

# Technology Profile



**Value  
to  
Wood**

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## Consumer Perceptions of Prefabricated Building Systems

**A**lthough prefabricated homes are increasingly recognized as a quality product in the home building industry, their popularity has remained relatively unchanged. This situation can partly be attributed to the fact that prefabricated homes have not yet made significant inroads in urban markets<sup>1</sup>. The urban consumers' lack of enthusiasm about prefabricated homes has a history dating back to their emergence in the second half of the 20<sup>th</sup> Century. Despite the fact that mobile home manufacturers have addressed these design issues and tried to change the image of mobile homes through marketing, their product continues to be plagued by negative stereotypes.

It is no big surprise that home buyers prefer stick-built homes (Figure 1). Home buyers are generally more familiar with this building technique and, as such, it is perceived as ensuring the best craftsmanship (i.e., quality). Moreover, building a home on-site offers many customization opportunities that are perceived to be limited



*Home buyers like the shorter delivery times associated with using components*

when a house is built with components or modules. Home buyers who preferred prefabricated components did so for delivery time and quality reasons.

Home owners were asked to name their least favorite building method. It is interesting to note that stick-built homes (30%) are second to modular homes (61%) (Figure 2). Only 7% of respondents identified prefabricated components as their least favorite construction technique. This situation represents a valuable marketing opportunity.

<sup>1</sup> Robichaud F. and Fell, 2002. *Prefabricated Walls and Roof Trusses in U.S. Residential Markets*. Forintek Canada Corp. Report No. 3220.



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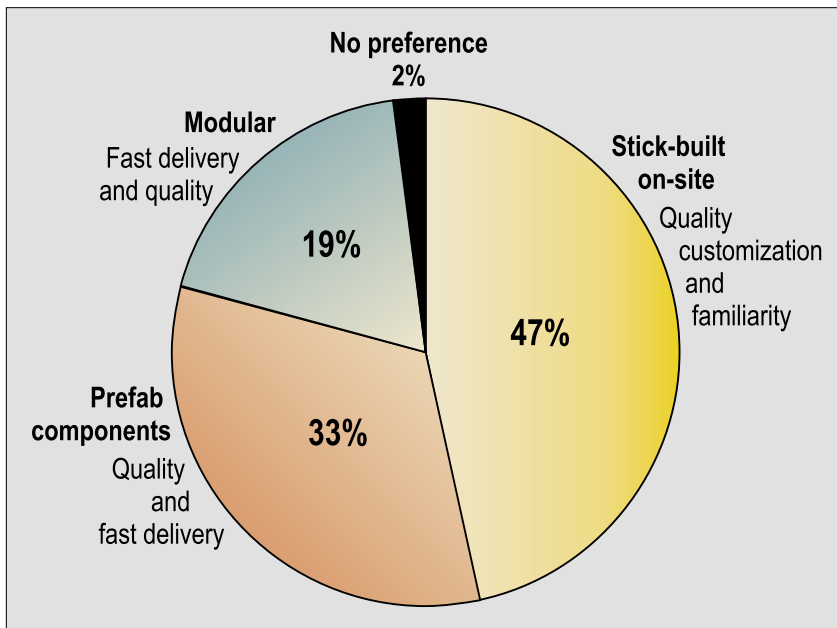


Figure 1. Favorite building techniques and reasons justifying home buyers' preferences

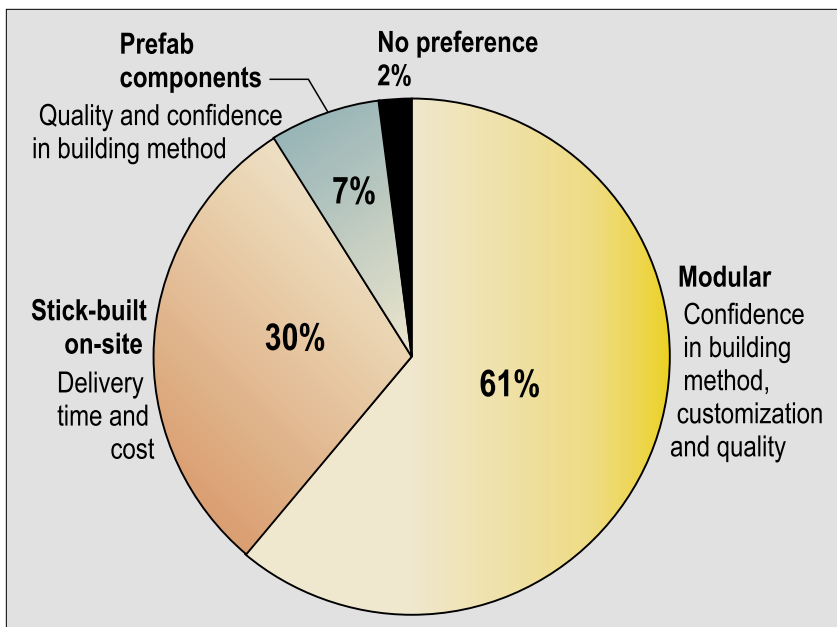


Figure 2. Least favorite building techniques and reasons justifying home buyers' preferences

Table 1. Consumers attitudes vis-à-vis prefabricated homes

Living in a prefabricated home is something I would ...	Percentage	Gender	
		Male	Female
... never consider doing	10%	6%	20%
... prefer not doing	25%	21%	37%
... not mind doing	43%	48%	30%
... like doing	12%	14%	7%
... only consider doing	10%	11%	7%

Home owners are open to living in homes made from prefabricated building systems (Table 1). Men were generally more open to living in prefabricated homes than women were. Regardless of home buyers' inclination towards prefabricated construction, a large majority of home owners explained their answers in terms of construction quality (good or bad) and price. Whereas those favorable to living in prefabricated homes perceived them to be cheaper and of good quality, unfavorable home owners tended to focus on the [perceived] low quality of prefabricated homes.

The main assets associated with homes made from prefabricated components are fast delivery time, affordability and energy efficiency (Table 2). Homes built on-site using lumber are seen as providing both freedom in design and prestige. Finally, steel is associated with durability and structural integrity.

Demographic variables have an impact on perception of housing attributes. Age, for instance has an impact on perceptions of energy efficiency. Older home buyers tend to see prefabricated homes as a building technique characterized by high-energy efficiency. The type of neighborhood a person lives in influences his/her perception of design freedom (i.e., flexibility/customization). It was noted that home owners who live in urban or small town areas are more prone to see prefabricated wood as a flexible building method than people who live in rural areas.



Home buyers perceive stick-built homes to be more customizable, more prestigious and ensuring higher construction quality than prefabricated homes

## Summary

A better knowledge of consumer perceptions vis-à-vis prefabricated homes helps to identify the challenges faced by the prefabricated building systems industry. These challenges, as they relate to consumer perceptions, are mainly linked to housing attributes such as:

- durability/structural integrity
- prestige
- freedom in design
- building quality.

However, one should wonder about the impact these perceptions have on actual purchasing decisions. A better knowledge of the extent to which home owners influence decisions regarding material and building techniques' selection represents an important piece of the puzzle. Are consumer perceptions the only factor influencing buying decisions or are there other factors shaping which building technique homebuyers opt for? Answers to the latter question may come from further research on the following topics:

- product features which make consumers opt for prefabricated housing;
- influence of perceptions of building techniques on consumer decision-making;
- demographic segmentation of perceptions of degrees of prefabrication;
- changes that need to be made to prefabricated products in order to make them more appealing to home buyers.

*Modular homes are often associated with mobile homes*

**Table 2. Ability of selected building methods to provide various housing attributes**

Energy Efficiency	
Prefabricated wood	41%
Site-built wood	22%
Concrete	21%
None/Don't know	13%
Steel	3%

Affordability	
Prefabricated wood	63%
None/Don't know	16%
Site-built wood	14%
Concrete	4%
Steel	2%

Durability	
Steel	43%
Concrete	40%
Site-built wood	7%
Prefabricated wood	6%
None/Don't know	4%

Air Quality	
None/Don't know	36%
Site-built wood	23%
Prefabricated wood	20%
Steel	14%
Concrete	7%

Fast Delivery Time	
Prefabricated wood	64%
Site-built wood	13%
None/Don't know	12%
Steel	5%
Concrete	5%

Freedom in Design	
Site-built wood	70%
Prefabricated wood	14%
None/Don't know	8%
Concrete	6%
Steel	2%

Structural Integrity	
Steel	53%
Concrete	16%
Site-built wood	14%
Prefabricated wood	10%
None/Don't know	7%

Prestige	
Site-built wood	54%
None/Don't know	22%
Prefabricated wood	12%
Steel	8%
Concrete	5%



## Reference

Lavoie, P., Julien, F. 2005. Consumer Perceptions of Prefabricated Building Systems. Quebec City. Forintek Canada Corp.

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*Ce Profil technologique est également disponible en français.*



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