

Nice to e-meet you

Today, just about everyone is online. According to Nielsen Online, more than 230 million Americans were online in February 2009, and North American users have increased at the rate of 129 percent since 2000. Due to the explosive growth of social media platforms, Riverstone Residential has begun to strategically leverage two particular social sites, MySpace and Facebook, to generate leads and leases, as well as to retain current residents.

Social media – What’s the big deal?

People today are actively engaging in online social communities. A study by Universal McCann shows that 57 percent of all Internet users joined a social network last year. In fact, more than 70 million Americans use MySpace, and more than 45 million use Facebook each day, according to their Web sites. Together, these sites draw our target multifamily resident demographic, individuals between the ages of 20 to 35. According to VaultWare studies, this target resident is technologically adept, surfs between several social sites and increasingly books reservations online during times that leasing offices are closed, beginning at 7 p.m. and peaking at 10 p.m. Furthermore, a recent study by iStrategyLabs shows that on Facebook, the 25-34 year-old population is doubling every six months and has experienced more than 101 percent growth in the last year.

Adding a presence in several areas of the Internet, in addition to a property’s Web site, serves to expand the property’s footprint, allowing word-of-mouth referrals that can rapidly grow exponentially. The average Facebook user has 120 “friends”—all of whom can be referred to a property. In a pool of 100 Facebook users, if only one percent came in and leased, that would result in 120 new leases.

A third reason for looking into these platforms is because they reflect a fundamental shift in the way people are making consumer decisions. Consider this:

- According to the J.C. Williams Group, 91 percent of those online rely on consumer reviews as their top aid in making purchasing decisions.
- Jupiter Research found consumers are three times more likely to trust peer opinions over advertising for purchase decisions.
- A single word-of-mouth endorsement has the impact of 200 television ads (BzzAgent).

This shift also presents compelling reasons to ensure a property’s online presence.

Importance to owners

To increase property revenue, we need to ensure high occupancy. By asserting a property’s presence online, we can accomplish three things cost effectively:

- Keep the property top of mind with potential residents
- Engage and communicate with potential residents
- Engage and communicate with current residents to encourage a sense of community. This loyalty will help increase retention rates.

Connecting with current and potential residents that meet our target demographic in these environments will increasingly become important in ensuring consistent cash flow.

Social media marketing toolbox

On Facebook, profiles can be created for each property and a set of analytical tools track the number of people who view a property and then click through to that property’s Web site. By e-meeting potential or current residents in these applications, traffic is driven to property Web sites and leads are generated, resulting in signed or renewed leases.

Another Facebook marketing tool available to property managers is a “pay-for-click” ad program. This program offers great flexibility in creating an ad campaign that can be tracked by day, by ad or by date. Additionally, this ad program can be tailored to target a specific demographic profile based on location, age and level of education, along with key words, such as “rent” or “apartment.” When a user searches by these key words, an ad “reveals” itself. If a user clicks on the ad, the ad’s click cost is added to the account, up to the specified limits. Multiple ads can be created for the same property, and these ads can run simultaneously. The program also tracks campaign results in real time, so campaigns can be adjusted to meet changing needs as occupancy varies.

To illustrate how successful this type of targeted campaign can be, we conducted a test with one of our California Bay Area properties, allocating \$27 for a 10-day campaign.

The property received 60,000 impressions and 60 click-throughs to the property Web site, resulting in four signed leases.

In a slightly different type of online community, Craigslist allows users to post free ads for items either for sale or for rent. Using this site as a marketing outlet offers substantial returns with a relatively small amount of time invested each day. Last year, we tracked and measured 60 properties that regularly used Craigslist to post units for rent. The return resulted in 4,500 visits to these properties from potential residents. But even more importantly, these visits yielded 2,200 signed leases.

Social media platforms and online communities also offer marketing tools that allow great latitude in market segmentation. And social media sites are maturing every day, offering even more sophisticated applications. All of these will aid in communicating effectively with the audiences we address daily and in helping us better understand the needs and priorities of the next generation of potential residents. Understanding this perspective will increasingly become critical as we strive to minimize vacancy rates and ensure effective communication with our target audiences.



Insight from Katherin Dockerill, Chief Marketing Officer

Strategic marketing approaches are key to driving higher occupancy and greater cash flow. The CAS Marketing and Media Services team develops innovative programs to promote properties entrusted to us and engages with current and prospective residents through social media platforms and other online communities as a way of communicating with our target audiences.

We have a team of property marketing managers, led by Vice President Katie Fleischer, who are well versed in social media marketing strategies, and they share their expertise every day across our properties. This represents a significant investment in our approach to managing how we market, communicate, support and create demand for properties.

I’ve included some thoughts here on social media marketing that will give you a flavor of what the medium offers and how it can benefit your properties, and the audience you and Riverstone target every day. If you have any comments or would like to discuss any of our programs, feel free to call me at 214-965-6513.



What is social media?

Information content created by people using Web-based tools.

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Sophisticated Urban Living in the Heart of Hollywood

Sunset + Vine, the highest address on the Strip, embodies the best of Hollywood's legendary glamour, cultural history, and heritage energy. Make yourself at home in our luxury residences, which feature Whirlpool appliances, full size washers and dryers, and patios offering panoramic views of the hills and downtown Los Angeles. Lounge around our shimmering pool and spa, stay in shape at our well-appointed fitness studio, or entertain your friends in our spacious lounge, featuring a billiard table and a 42" plasma screen television. When you're ready to step outside, Hollywood's finest restaurants, clubs, shops, and clubs are just minutes away. Live above it all at Hollywood's most stylish residences, Sunset + Vine.

Community Features:

- 24-Hour Concierge
- Fitness Studio with Individual Plasma Screen Televisions, Treadmills, Bicycles, Elliptical Machines, Free Weights, Weight Machines, Yoga Mats, and Dry Sauna
- "Hot-Roller" Heated Pool and Spa with Adjacent Bistro/Pizzeria
- Relaxing Sundeck
- 24-Hour Security
- 24-Hour Concierge
- 24-Hour Courtyard Petrel
- Private Access Parking Garage
- Pet-friendly
- 24-Hour Package Acceptance and Retrieval Service
- Pet-friendly
- 24-Hour Resident Fax Service

Luxury Residence Features:

- Gourmet Kitchens with:
 - Stainless Steel Whirlpool Appliances*
 - Dishwashers
 - Front-Free Refrigerators with Ice Makers
 - Gas Ranges
 - Garbage Disposals
 - Built-in Microwave Ovens
 - Designer Cabinetry
 - Custom Lighting Packages
 - Quartz Countertops
- Full Size Standalone Whirlpool Washers and Dryers
- Central Air Conditioning
- High-Speed Internet Access
- Private Balconies*
- Spacious Walk-in Closets
- Designer Window Treatments
- Polished Concrete Floors*
- Custom Color Accent Walls Available

*When Available

For more information, visit our website: SunsetKoolVine.com

1555 No. 10th Street

Studio
554-639 Sq. ft. one Bath

One Bedroom, One & a Half
620-839 Sq. ft. one Bath

Two Bedroom, Two Bath
985-1163 Sq. ft. one Bath

With a simple interface, Craigslist accepts plain text ads in addition to full-color, professional-quality HTML ads.

Katherin

