



Real-Estate Marketing pays off

In the Swiss real-estate market too, the realization that branch-specific marketing creates competitive advantages for properties is gaining acceptance. High quality of the property and early marketing success lead to a lasting increase in the commercial performance of a building.



Dr. Roman H. Bolliger
Real-Estate Consultant, acasa Immobilienmarketing

Without marketing, BMW would hardly differ from Mercedes. Omega would be the same watch as an IWC. San Pellegrino would be identical with Perrier. It is to a large extent marketing we have to thank for the great variety to be found in products and services today. Marketing creates distinctions and helps to find customers. In principle, these mechanisms are valid not only for detergents, bars of chocolate and perfumes, but equally for insurance companies, banks and properties. But it was only in the property crisis of the 1990's in Switzerland, that the benefit of branch-specific marketing was really recognized: real-estate marketing raises the quality, speeds up conclusion of the deal and provides a higher return!

Real-estate quality

Basically quality means no more than satisfying customers' requirements.

This insight is easily stated and quickly written down. But who are my customers? What do they expect from my property? These questions must be asked at the very start of a project, in order to avoid serious mistakes in planning. Real-estate projects are too expensive for people to be able to rely solely on gut-feeling. It is the task of marketing to analyze the strengths and weaknesses of a location, and the opportunities and risks of a market. Based on this analysis, determining the target group (segmentation) and delimiting the offer in relation to the competition (positioning) are possibly the most important decisions in a real-estate project. Deliberate positioning distinguishes a property from its competitors in a positive way. This can happen both at the rational and at the emotional level. Although skilful emotional positioning creates great competitive advantages, with most properties it is still exclusively concrete, steel and glass which are always to the fore. Although the customer can

be guided in his decision at least equally strongly by factors such as affinity, liking and trust.

Modesty and competence

Good real-estate marketing is modest and competent. Modesty is expressed by the building itself being the center of attention, not the firm that has the commission to build it. A glance at the advertisement pages is enough to see that many firms consider themselves more important than their customers. Competence, the second requirement for good marketing, consists of experience and know-how. In the still young field of real-estate marketing, however, the combination of sound real-estate and marketing know-how is still seldom to be found. Success in the sale and letting of properties cannot be enforced either by witty or by especially intensive communication. Many real-estate promotion campaigns closely resemble each other, instead of prop-



If real-estate marketing is applied at all stages, a lasting increase in financial performance of a property can be achieved.



**Eine Symphonie des Wohnens
Im Zellengut, Küsnacht**

An example of a property positioned by us emotionally, for which not concrete, steel and glass, but Mozart, Rossini and Vivaldi were made the central themes. Successfully.

erties being positively distinguished from the competition. The decisive factor is to look at the property through the customer's eyes! Therefore real-estate projects which in addition to architects, engineers, lawyers and financial advisers also include real-estate marketing specialists in the team are more successful. At no stage do they lose contact with the customer, and they take his needs seriously. For this reason marketing pays off not only in selling or letting, but in all stages of a property's life cycle: real-estate marketing is worthwhile!

In order that the quality of properties does not exist only on paper, the insights derived from analysis, segmentation and positioning must influence the actual design of the property. To achieve this, team-work is required from all concerned, especially from the owners, planning and marketing. This task is not always the easiest, since specialists communicate in quite different technical languages, and are not always the best team-players. But if, working together, it is possible to succeed in realizing high real-estate quality, the prospects of concluding a deal quickly are good.

Quicker marketing success

Many real-estate operators are currently still putting their whole marketing effort exclusively into selling

the property. This is too late to speed up the conclusion of a sale effectively! Today someone wishing to purchase or rent a property can no longer be talked into ill-considered conclusion of a deal by the powerful eloquence of ace salesmen. Thanks to new Internet tools, he is too well informed for that. He knows exactly where the strengths and weaknesses of a property lie. Only someone who has done his marketing homework and can offer more than others will conclude a deal more quickly than his competitors. By doing so, it is possible today, even in a difficult market situation, to sell and let properties before building has started.

The effect of modern marketing tools in speeding up the process was recently demonstrated impressively in our own marketing practice: we succeeded in selling a house by the exclusive use of electronic media. Thanks to meaningful Internet presentation and after several e-mail contacts with the prospective purchaser, who was living abroad, the first personal contact took place only at the notary's office when the contract was being certified. The transfer of title took place even before building started.

Marketing yield

Since real-estate properties are always associated with high capital invest-

ments, quick conclusions have a major effect on the return. The more rapidly a sale can be made, the lower are the capital costs of a project. On the other hand, failures in marketing (mostly already at the start of a project) lead to extremely costly corrections at later stages of the project. Why not deploy professional marketing straight away? Comparison properties from our practical operations have shown that by this route, up to ten per cent additional profit can be earned. A considerable yield from marketing, which became possible only by paying attention to a few principles:

- Real-estate marketing is essential, right from the start of the project. The earlier that marketing starts, the greater the benefit from it.
- Marketing thinking must pervade all stages of a project. Active marketing only in the sales phase is not enough.
- Real-estate marketing requires expert knowledge. It pays to assign this task to competent specialists. ■

acasa
immobilienmarketing

acasa Immobilienmarketing
Weinbergstrasse 68
CH-8006 Zurich
Tel. +41 848 11 44 11
Fax +41 848 11 88 11
info@acasa.ch
www.acasa.ch