

Marketing offer presentation on the real estate market

Beata Zatwarnicka-Madura

Rzeszow University of Technology, Faculty of Management
Rzeszow, Poland

Key words

Offer presentation, promotion, the real estate market, marketing communication

Abstract

On a demanding market of real estate's developers and brokers need to use professional promotional tools to reach target groups effectively. Not always renderers of estates are aware that, when competing in the market which is full of offers, one can convince a customer to make a decision by an appropriate presentation. Marketing activities aiming at customers with appropriately constructed materials allow seeing the potential of a property and taking a look at the essential qualities of the offer, they definitely give an edge in the market. Presentation skills are also an extremely important aspect in a personal contact with potential customers. The purpose of this article is to identify the most important principles of the presentation of real estates in both their personal and non-personal forms. The method of a cognitive-critical analysis of the literature in the field of marketing and online interviews with managers involved in trading real estate's has been applied. The analysis shows that real estate's should take care of personalization of their offers, which is possible using the appropriate presentation. The Internet offers a huge potential of the presentation and the latest opportunities. A professional presentation should concern many ways (channels) to reach the customer and to a large extent should use visual materials.

1. Introduction

Real estates are rarely acquired products and they require much time and financial commitment from a purchaser (both institutional and individual one). The real estate market is made up of many sectors, i.e.: residential, office, retail space and warehouse. Developers and real estate are real estate bidders. The process of obtaining information about an offer and an assessment of selected facilities; these are the stages when consumers or institutional buyers are accompanied by an intermediary (of real estate) or sales representative representing the developer.

For a large part of the population buying an apartment is the most serious or even an only investment decision on such a scale in life. Therefore, the whole process that leads to the completion of the transaction should be focused on a customer and his feeling that he had been treated professionally, individually and objectively. Communication addressed to him must be standardized to match the rank of the promoted product. Presentation plays the major role in marketing communications.

According to the definition a marketing presentation of the offer may occur in several different forms of promotion and personal sales and advertising are the most important (Kotler, 2014). It can take a personal form as in the case of personal sales, and impersonal one, as in the case of advertising. A separate issue is the presentation of an offer in the internet marketing due to the range of this medium.

The aim of this article is to identify the most important principles of the real estate presentation in both their personal and impersonal forms. The method of cognitive-critical analysis of literature in the field of marketing has been applied, as well as online interviews with managers involved in trading real estate.

2. Marketing product concept as the basis for the presentation of real estates

The real estate market may affect many sectors which are mainly provided by developers and real estate offices. When a developer decides to commence the construction and provides

financing, one of the most critical issues is communication - it is then necessary to reach with the message to the established groups as early as possible, to build awareness of the project and its benefits. An appropriate moment to start promotional activities is the moment to obtain a building permit. Communication concerning the commercialization process of the building, which is an important element of the presentation, is connected with the necessity to provide potential customers with a large number of details on it, necessary to make a purchasing decision. It is vital that the message is tailored to communication skills and requirements of the defined audiences. Messages to people interested in buying an apartment from the popular segment who rely on government subsidies should be expressed in a different way as those to potential buyers of luxury apartments. Another type of message is directed to professional customers interested in commercial real estate. The developer needs not only attract potential customers to a product, but also to provide them with adequate information to be able to decide to buy.

The marketing product concept by T. Levitt (Levitt, 1980; Kotler et al, 2002) helps in an identification of all relevant elements of a product. According to this concept individual features of a product can be prioritized by assigning them to each level of the product. The product core is the essence of the acquired benefits. The basic product shall decide on the content of the product in a typical version. Diversification and detailing characteristics affecting the individualization of products take place at the level of the actual product. The most fierce competitive struggle takes place at the level of the extended product - enriched with emotional qualities, i.e. the added value that can determine a purchase decision by the potential customer (Kotler, 1994, pp. 400-401). In the case of a detached house - residence the levels of the product are illustrated in fig. 1.

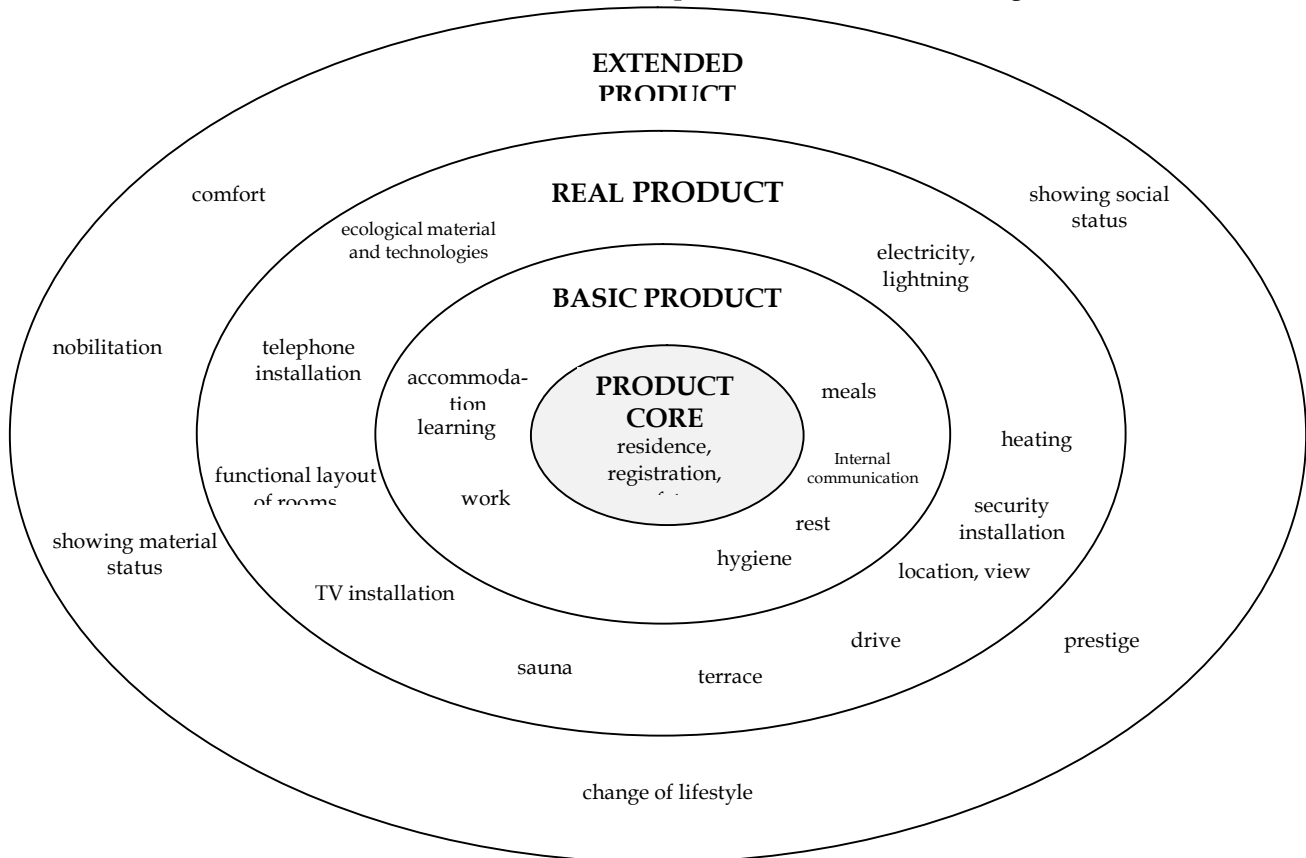


Fig. 1. Product structure for a detached house -residence

Source: Own research based on E. Stachura, 2007. Marketing na rynku nieruchomości, PWE, Warszawa, pp. 51

The detailed knowledge about the elements belonging to different levels of a product makes it easy to construct a proper argument which is an integral part of the presentation of the property.

3. An argument as an important element of the presentation

A presentation strategy of each new project should be based both on rational and emotional elements. The type of arguments is related to the specific needs the product is designed to meet. A rational argument is related to basic needs: security, a place to live, distance to work, etc. Rational arguments should be quantified, should specify a number. Although they are extremely important reasons to buy property in many cases they are inadequate and cannot be used to build distinct competitive advantages. They do not allow the property to differentiate itself from competitive projects. Emotional communication allows to emphasize such features as: prestige, social status, unique technological solutions.

Considering the communication structure one should pay attention to the fact that at the initial phase of a project development project very often emotional arguments are used, e.g. related to the importance of investment for the city / region / area (e.g. in the case of the revitalization of post-industrial structures which occupy an important place in the history). The closer the end of the construction process, the communication becomes more rational, e.g. the number of homes sold is emphasized, which aims to motivate undecided customers. Cooperation with certain financial institutions is often promoted, which additionally validates the developer and the project.

Buying or renting real estates is a very serious expense - for individual clients it often means high credit commitments. Therefore, a decision to purchase or lease of an object or the space is usually preceded by a thorough analysis of both the product and the company that provides it. In this aspect, the Internet, wherein the errors are perpetuated forever.

4. Presentation of the real estate on the Internet

The Internet as a marketing medium (Hooley et al, 2004; Wiktor, 2013) has dominated all marketing activities. Among the most popular internet marketing activities one can mention (Wiktor, 2013; Reed 2013 Pulizzi 2016) positioning and Search Engine Optimization (SEO), Google AdWords ads, remarketing, video marketing, mailing, content marketing, viral marketing, Internet forums, profiles on social networking sites (currently the most popular are Facebook, Instagram, Snapchat, Google+), cooperation with a blog zone.

Research conducted by the Smart Insights (Chaffey, 2017), which received 2,352 responses from marketers from around the world, shows that some of the most important trends in digital marketing for 2017 are based on various forms of presentation on the Internet.

During the promotion of real estate on the Internet it is very important for a developer to build brand awareness, post photos, visualize, emphasize the advantages of the offer and the benefits of buying an apartment in a specific location. A professionally designed website, landing page, and promotional mailings of housing investment can help as well.

Social networking sites are very important to communicate with buyers of real estate. Each of the entities who aspire to function as a chart-topping broker in their environment already has a fan page on Facebook and a website that uses the positioning of goods. An activity on social networks such as Instagram, YouTube and Snapchat gives countless opportunities to sell using an image - which is of the greatest value in professionally designed presentations, and simultaneously it sells the fastest (Nieruchomości w dżungli czyli ..., 2016). When promoting real estate in a form of short, dynamic animation, virtual visits in a 360-degree format, snaps recorded in the interiors, as well as images of the prettiest conferred on it by the filters, one can get better results than through traditional methods of promotion. In addition, each of the channels of social networking is also a way to promote not only specific offers, but the entire agency, its employees, and to ensure the reputation of a broker in environment with a breakthrough approach to the subject.

One should also bear in mind the trend called "content marketing". This is a strategy of publishing attractive and useful content that is sought by a specific group of recipients. Intermediaries can then, next to the offers to buy or sell, post messages on far broader themes, such how to decorate the house or what to do to sell them quickly and profitably. Technological advances also contribute to the branch development and they are more and more often used by real estate brokers. These include drones or remote controlled models, and thanks to it the video recording that shows the property earmarked for sale is really unusual and eye catching (Hatalaska, 2014). Many rules concerning the presentation of the real estate on the Internet also applies to printed materials.

5. Presentation of real estates in printed materials

Real estate offices should take care of personalization of their offers. The use of the same pictures and descriptions of properties in several different offices is a big mistake.

Information overload which reaches a potential purchaser allows to operate only shortcuts. Usually people remember any association, e.g. an apartment will be associated with the modern arranged living room, another one with a view over the forest. If the property does not have any characteristic, it probably won't be noticed and "saved" in the memory of a potential buyer. Therefore, it is important to start selling real estates already at the level of their description. Involving descriptions of properties that can be used in a variety of printed materials (e.g. catalogs, folders) and on the Internet should include:

1. The discriminant of the offer, that is something that will allow the customer to remember the offer and give motivation to purchase, e.g. non-standard interior layout of the apartment, two or three levels, unusual arrangement possibilities, unusual climate, etc.
2. Attractive, and written in plain language description of the property.
3. The hierarchy of information: location, general property characteristics, environment, offer details
4. Visual text page
 - Inviting introduction (1-2 sentences, about 65 characters) which presents the most important part of the offer,
 - The paragraph structure (3-4 paragraphs, each should be no more than 4-6 lines)
 - Headings separating threads of information,
 - Highlights of the text (bold, italic, underline)
 - Bullets and calculations,
 - At the end of a strong accent calling for an action
5. The specificity that consists in a non-standard approach to the topic, unusual language peculiar to emphasize the usual things. Brain easily captures elements that do not fit within the scheme.
6. Impact on the imagination by appealing to lifestyle and emotion
7. Using adjectives - describing the property by the use of adjectives such as cozy, bright, spacious, modern. The task description is to supplement what you see in the photographs, and capture the imagination of potential buyers. Adjectives perfectly fulfill this role. In addition, they increase the value of the property.
8. Using the language of advantage - select a few features of an offer, convert them into advantages and benefits.
9. Potential photos
10. Strong emphasis on end - an indication of the most important elements of the offer, e.g. in the form of bullets, and encouragement, e.g. telephone contact, sending queries, arranging a meeting for open days.

6. Presentation of the offer in personal contact

Despite the enormous role of the Internet, when deciding to purchase expensive goods, or an occasional purchase the personal contact plays an extremely important role. The basis for such the contact is excellent knowledge of a broker on the properties offered and interpersonal skills.

Customers want to be treated individually, they want to feel that someone understands their needs and tries to satisfy them, which is especially important when buying a house or an apartment. It is necessary to take care of customer relations, making him feel safe, gain his trust, and most importantly, not disappoint the trust. For this reason, real estate offices should put more emphasis on services related to checking the property. Customers will often pay more if they are convinced that in this way they can feel safe. Intermediaries can greatly benefit a lot if they could inspire customer trust by their competence and dedication.

Interpersonal communication between bidders and real estate clients is a prerequisite to complete the transaction. During the first contact a developer agent or his intermediary should assess his partner accurately, classify him to the corresponding segment, and as a result - lead to a re-exposure where the customer may be presented the selected offer. Their presentation should be closely adjusted to customer needs identified during the first meeting. Interpersonal marketing communication which controls the intermediary consists of a whole sequence of actions for different purposes. The first is to establish relationships and preliminary identification of the needs of the buyer, another involves the conviction of the partner to continue the dialogue, and the next is a series of presentation of properly designed and selected graphic materials, completed by the local vision.

The personal presentation should use different techniques: CAB, which is operating of language advantage. USP technique, which is operating of distinguishing element of an offer, the use of rational and emotional arguments, and many other techniques to influence people (Zatwarnicka-Madura, 2009; Cialdini, 1996).

7. Conclusion

The analysis shows that real estate offices should take care of personalizations of their offer, which is possible using the appropriate presentation. Choosing the right tools and solutions that most preferably present an offer should be preceded by studies that indicate the strengths of the property.

Presentation of the offer should be preceded by a needs analysis, which helps choose the most interesting elements for the customer, e.g. whether a particular emphasis should be put on the object itself, or perhaps its location or favorable financial conditions for the investment. A proper identification of needs ensures that the presentation will be effective and will have an impact on customer acquisition.

The huge presentation potential and newer and newer opportunities are offered by the Internet. Professional presentation should address a number of ways to reach out to the customer and to a large extent it should operate visual materials, e.g. photographs of the object itself, aerial photographs showing immediate surroundings, location relative to roads, cities or selected points. The buildings and their neighborhood can also be shown on interactive, 360-degree panorama, which placed on the website allows to zoom in and out of the view, carefully inspect the object itself and the surrounding infrastructure. Visualizations of the objects can be placed on the same photos and they are an extremely interesting form of presentation of the landscaping or the appearance of the completed project.

Any form of presentation is also a showcase of real estates, but also of its owner who the customer, as a potential buyer, must trust. The impression which is made by marketing materials have an impact not only on the perception of values offer, but also on the perception of cooperation. Therefore, investing in effective marketing and creating an attractive, high-quality presentation can quickly bring profit and bring the desired sales target.

References

Chaffey D., 2016. Digital Marketing Trends for 2017. Available at:

- <http://www.smartinsights.com/managing-digital-marketing/marketing-innovation/digital-marketing-trends-2016-2017/> [Accessed 12.02.2017].
- Cialdini R., 1996. Wywieranie wpływu na ludzi, Gdańskie Wydawnictwo Psychologiczne, Gdańsk
- Hatałska N., 2014. Rynek nieruchomości - jak skutecznie komunikować? 4 pytania do...Natalii Hatałskiej. Available at: <http://pfrn.pl/page/1827> [Accessed 28.01.2017].
- Hooley G., Saunders J., Piercy N., 2004. Marketing strategy and competitive positioning, Pearson Education limited, pp. 491-492.
- Kotler Ph., Armstrong G., Saunders J., Wong W., 2002. Marketing, podręcznik europejski, Polskie Wydawnictwo Ekonomiczne, Warszawa.
- Kotler Ph., 1994. Marketing. Analiza, planowanie, wdrażanie i kontrola, Gebethner & Ska, Warszawa, pp. 563-564.
- Levitt T., 1980. Marketing success through differentiation - of anything', *Harvard Business Review*, vol. 58, no. 1, pp. 83-91.
- Nieruchomości w dżungli czyli rzecz o skutecznych działaniach w obszarze marketingu i PR, 2016. Available at: <http://marketingibiznes.pl/marketing/nieruchomosci-w-dzungli-czyli-rzecz-o-skutecznych-dzialaniach-w-obszarze-marketingu-i-pr/> [Accessed 18.02.2017].
- Pulizzi J., 2016. The Biggest Content Marketing Trends in 2017, *Content Marketing Institute*, Available at: <http://contentmarketinginstitute.com/2016/08/content-marketing-trends/> [Accessed 10.02.2017].
- Reed J., 2013. Get Up to Speed with Online Marketing: How to Use Websites, Blogs, Social Networking and More to Promote Your Business, Pearson Business.
- Stachura E., 2007. Marketing na rynku nieruchomości, PWE, Warszawa, pp. 51.
- Wiktor J., 2013. Komunikacja marketingowa, Wydawnictwo Naukowe PWN, Warszawa, pp. 248-300.
-