



MULTIFAMILY MARKETING

CORONAVIRUS **RESPONSE SURVEY**

INCLUDES INSIGHTS ON RENTER TRENDS
AND COVID-19 VIRTUAL TOUR ACTIVITY

Uncertainty was the driving force of multifamily strategies

In March 2020, multifamily was grappling with the uncertainties of coronavirus. Like any industry, multifamily is not immune to the effects. Initially, the industry suspected to take a hit with rental payments in the second quarter as unemployment skyrocketed to unprecedented levels, thus trickling down to other facets of multifamily, like marketing.

Thankfully, a decrease in rent payments hasn't been as bad as people suspected. According to NMHC, 94.2% of apartment households made a full or partial rent payment from June 1-27, only a 0.5% decrease from June 2019.

While apartments continue to report more rent payments than expected, multifamily still moves forward cautiously.

In the second quarter, marketing budgets were slashed and strategies were shifted to take on our new way of life: social distancing.

In our **Multifamily Marketing Coronavirus Response Survey**, we asked our multifamily clients to tell us what changed in their strategies as a result of the coronavirus. We found that nearly half of marketers' budgets were cut, however, new technologies and methods were adopted to accommodate the needs of renters, staff and current residents.

This report gathers survey data from our multifamily clients and Q2Y2020 virtual tour activity findings.

Budgets maintained vs. Budgets cut



Our Survey OVERVIEW

In our survey, there were some not-so-surprising findings. Majority of marketers have shifted to a digital-only focus. Marketers are concentrating on anything and everything that drives leases during the pandemic. And those who don't equip their teams with the right digital tools could fall short in their leasing efforts.

Where can marketers safely focus their budgets?

Virtual tours, training and social media came away as the top focuses for marketers in Q2.

Without a doubt, virtual tours quickly rose to the top of marketers' lists in March 2020 when the world began shutting down and more people opted to stay home. Our survey found that [97% of marketers pivoted their strategies to virtual tours](#) at the start of Q2.

Even with people staying home more than ever, leases continue to expire and people are always in need of new apartment homes.

Thanks to virtual tours, many apartment communities were able to seamlessly transition their in-person tours to digital-only tours.

Before the coronavirus, most marketers considered virtual tours as vanity tools. After all, the true needs for virtual tours came from out-of-state renters, people who were unable to easily visit the property on-site, or if a renter needed to jog their memory after an in-person tour. Virtual tours now add another important layer to the renter journey — a necessary step that provides comfort to the renter, safety to leasing agents and current residents, and a lead generation component to drive more leases.

What's more, virtual tours are evolving. Some virtual tours now offer screen sharing and mirroring for guided virtual tours, so leasing agents can still connect with prospects virtually.

A lot has had to change with the coronavirus, including adopting new technologies and operational methods, so it's no surprise that [85% of survey respondents said they spent more time on training leasing agents in Q2](#).

Renters are using social media now more than ever.

Since the start of the pandemic, [Americans have spent 32% more time on social media](#).

Source: Statista

According to our survey, [55% of marketers said they had invested more into social media marketing in Q2 as a result of COVID-19](#), while 45% said they changed nothing in their social media efforts the last few months.

Where multifamily is focusing their budgets:

97%

of marketers decided to shift strategy to online tours in March 2020.

85%

of marketers have focused more on leasing agent training in Q2.

55%

have invested more into social media marketing during the coronavirus.

What will strategies look like in months to come?

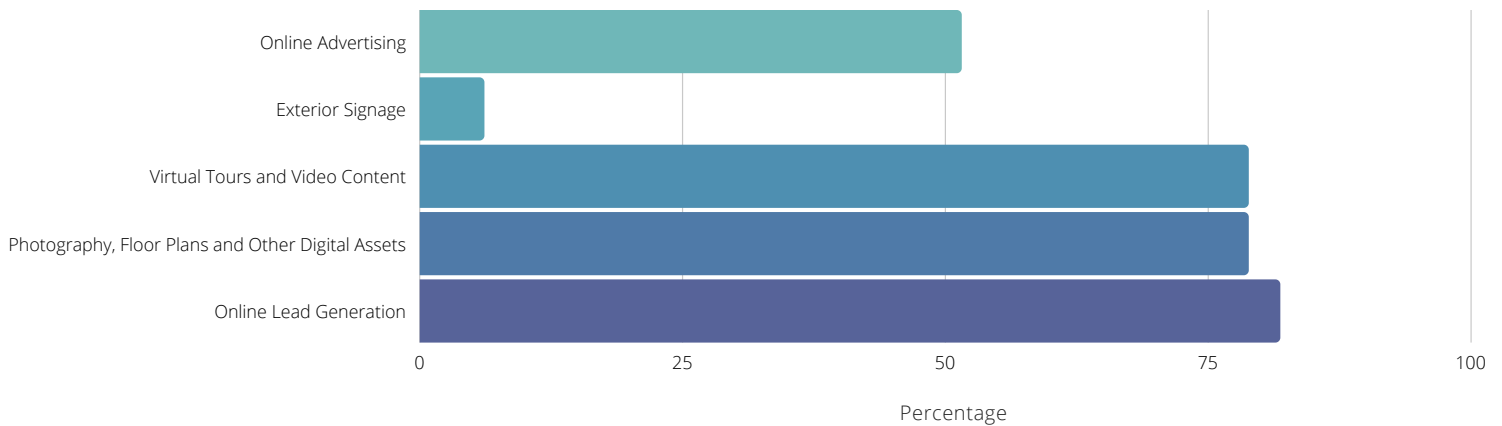
Much of the pandemic remains uncertain as the world continues to grapple with its effects, so it's understandable that marketing professionals are adapting with each new month.

That's why we asked marketers to tell us their top priorities as we enter Q3. We did not limit what or how many priorities respondents could share, leaving much of this question open-ended.

While not surprising, we found that majority of respondents are still planning to focus on virtual tours, video content and other visual assets well into Q3. Even as parts of the world enter reopening phases, marketers are staying the course with their pivoted strategies from Q2.

As we progress through the second half of the year, it's going to be crucial for marketers to adapt and be prepared. Visual and interactive content appear to be a staple that will forever be necessary in every multifamily marketer's tool kit.

Top Q3 marketing priorities in multifamily



Respondents also said they plan to focus on following government reopening phases for in-person tours, social distancing measures, self-guided tours and investing in tools that drive leases.

Our ASSESSMENT

Multifamily has its priorities in the right place, but we caution marketers from spending their budget on ads and signage without a strategy fitted to current events. If you are budgeting for exterior signage and paid ads, do so in a way that caters to people locally. Advertise your virtual tours online or let people passing by know that your leasing office is now open and still offering the option for virtual leasing.

Virtual tours are no longer a "nice-to-have" option.

Gone are the days when virtual tours were simply optional marketing tools. After the pandemic struck in the spring, visual and immersive content quickly became a necessity as multifamily communities closed off amenities, shut down leasing offices and people stayed inside for months on end.

We asked marketing professionals to share some insight on their community virtual tours, both before and during the pandemic.

Before the pandemic, 30% of marketers say their properties only offered unit tours, which has since changed with the sudden closures of on-site amenities.

Full online property tours that showcase amenities are now essential for renters who want to tour the grounds and facilities of their future home.

30%

of marketers say their pre-pandemic virtual tours only showed model units, and not the amenities.

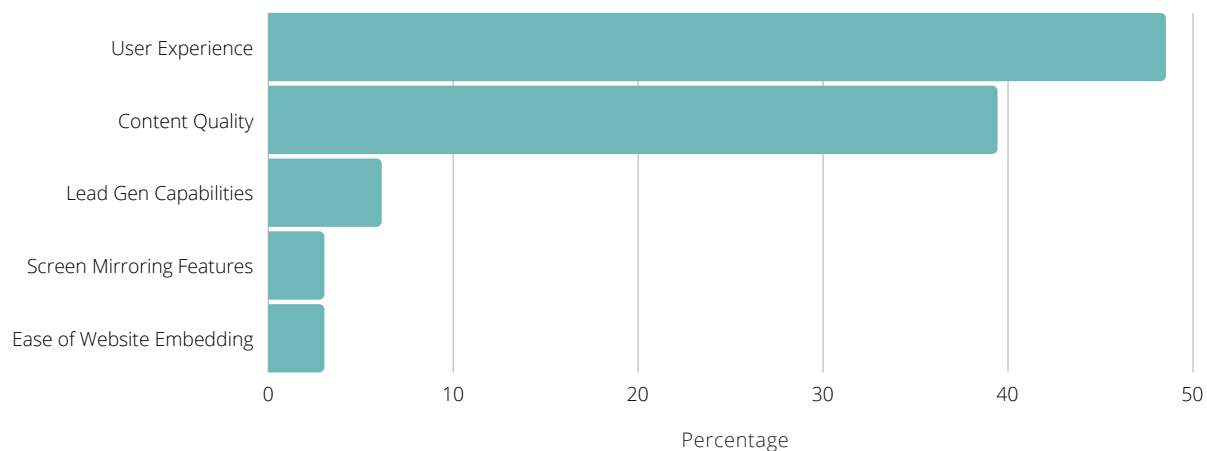
63%

of marketers have already invested in signage to let prospects know virtual tours are available.

90%

of marketers say virtual tours have directly contributed to an increase in sight-unseen leases.

What do marketers feel is the most important feature in a virtual tour solution?



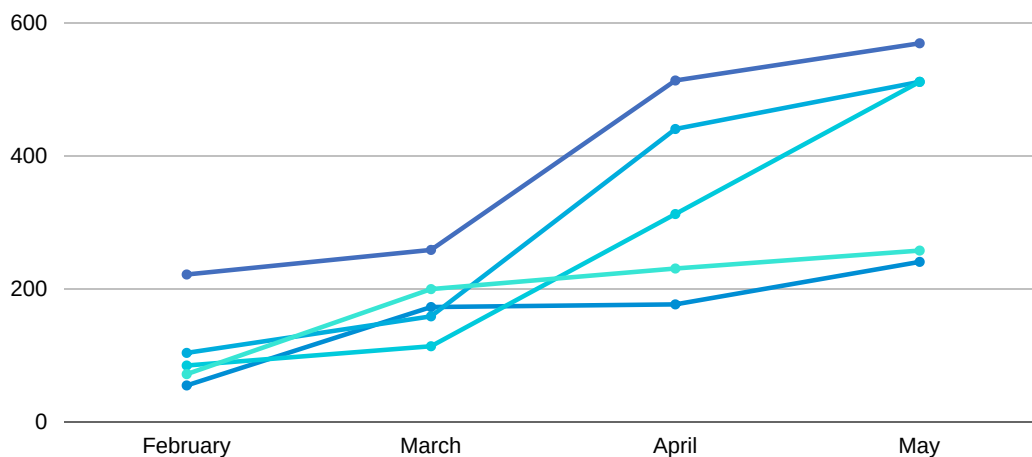
What do renters want in a virtual tour? Renters are high-tech individuals who expect high-quality experiences. However, with the recent setbacks from COVID-19, renters want more connected virtual experiences, like screen mirroring so they can go on virtual guided tours. Renters want fast, easy ways to contact apartments to inquire about their future home. A 2018 Coldwell Banker Real Estate survey found that 68% of respondents use VR technology to visualize what their furniture will look like in the space.

Are virtual tours a **quick fix** for COVID-19, or a necessary tool **to move forward** in a post-pandemic world?

Many apartment communities adopted virtual tours at the start of lockdown restrictions, because they simply didn't have the option for renters to tour in person. We examined **virtual tour visits** from a set of our Panoskin virtual tours to determine if renters reacted positively to these tools, and if virtual tour activity is still on an incline despite some lifted lockdown measures.

We found that virtual tour activity is still on the rise, even while some communities start to re-open. Of the tours we examined, on average, there was a **329% increase in visits from February to May**. We also found that conversions significantly increased across apartment virtual tours from February to May, some tours even seeing as much as a **200% increase over the four months**.

Growth in Virtual Tour Visits from February to May 2020



Graph examines a small data set of five virtual apartment tours at random.



Virtual tours are not a **Band-Aid** solution for the coronavirus

Some multifamily professionals have admittedly turned to virtual tours for a "quick fix" to COVID-19 setbacks. **Given that 90% of marketers said they were able to close more sight-unseen leases with online tours** and that engagement continues to climb overall, virtual tours are valuable long-term tools needed in every sales and marketing tool kit.

THE KEY TAKEAWAYS

While the uncertainties of the COVID-19 pandemic have caused multifamily to waver, the industry continues to perform and move forward.

Throughout this insights report, our findings tell us that digital strategy for apartment communities has changed. Management companies and ownership groups have completely revitalized their strategies, spending more time on training and new technologies catered to renters and current residents in an effort to keep people safe, comfortable and confident in their future home.

What to take away:

- Equip your team with valuable tools that will help them succeed and feel safe. This may include virtual tours, or updated sales and marketing content for virtual outreach.
- Try new digital endeavors your company has put off. Our world has changed, and now is the time to adopt new technologies that will set you a part from the competition.
- Focus on the long-term. The pandemic has taught many of us to react on impulse, and find quick fixes to our problems. Instead, we should embrace the new normal with digital tools that resolve our issues, but also address long-term problems. This makes the investment worthwhile.



Moving
FORWARD