Help! We built it, but they stopped coming!

By Judy Weber

Affordable housing owners and managers are very skilled at the compliance aspects of leasing, but not always the marketing. When the market softens, new competition appears, or your units become outdated, do you scramble to stay in the game? Here are eight strategies to keep your property full.

	Strategy	Actions
1	**Know the target market**	• Know preferences of income groups and generations: Gen X (technology, other singles, public transit), Gen Y (schools, parks, employment, transportation), Boomers (social programs, in-unit washer/dryer, security). • Review demographics of current residents (income, generations, employer, family composition) and surveys (their opinions of the property, unit and management). • Identify current residents with links to neighborhood (grew up there, work there, family there, go to school there). Do direct marketing at locations (church, employer, school) where current residents have a connection. People like to live where they have a connection (colleagues, other students, fellow congregants).
2	**Match amenities and services to the target market**	• Give out annual pass to local community center (if close) as complement to onsite programming for families and active adults of all income levels. • Offer free basic cable TV for six months – may be more appealing and less costly than a one-month rent concession. • Provide after school program for working families (appeals to all income levels).

3	**Sharpen leasing practices**	• Hire people who can "sell" and who know the neighborhood. • Motivate staff (recognize them, promote them, pay them). • Train them regularly. Seek out rental marketing classes. • Have staff dress and act professionally. • Maintain hours that align with target market needs (evenings, weekends). • Use mystery shoppers to sharpen telephone and in-person marketing techniques – use positively to teach. • Use brokers when market is soft. • Have bi-lingual staff if relevant for target market. • Create mini-models: o for under $50 put shower curtain, towels, soap holder in bathroom – make these items a move-in gift; same idea for kitchen • Establish models in least marketable units. Attractive units rent themselves. Be prepared to move model frequently. Furnish at level applicants can afford. • Ask prospective tenants "Where did you hear about us?"
4	**Develop online strategies**	• Use Craigslist (CL) – commonly used and it's free in most cities. • Incorporate property marketing into company website or create site for the property. • Feature different vacant units on company website – use Google analytics (they're free) to learn what parts of the website interest users most. • Consider services like Rent.com which provide gift certificates to tenants who sign leases and charge you only if a prospect rents; also provide analytics. • Monitor "review and recommend" websites like Yelp. • Use Social media (Facebook, Twitter) wisely - preferred for existing residents, not prospects.
5	**Create and sustain curb appeal above the market niche**	• Value the power of signage: More than 50% of applicants apply because they passed by. Signage is for prospects and guests, not staff and existing residents (they know where they are). • Nurture your reputation: The lower the income, the more likely the applicant is to already live nearby and know property's reputation. • Make sure rental office is easy to find and hours are posted.

6	**Size the waiting list to the conversion rate and the turnover rate**	• Know your capture rate: Capture rate (also called "conversion ratio") = how many prospects/applicants you need before one signs a lease. • Market-rate rentals strive for a 35% to 50% conversion rate. The range is often 10% to 20% in below-market or assisted rentals because of applicants' difficulty passing screening thresholds. • Size your waiting list to your turnovers and conversion rate. Example: 20 one-bedroom apartments turnover a year. Conversion rate is 25%. Result: You need four applicants for each lease. Need a 1 BR waiting list of 80 (20 turnovers x 4 applicants per lease).
7	**Make retention an active part of marketing**	• Keep the tenants you've got. Turnovers cost $3500 - $4500 in vacancy, staff time, repairs. Usually, value of retention significantly outweighs its cost. • Offer low/no cost incentives (what you'd do if tenant moved out): o Clean carpet, wash windows, wax floors, paint a room • Review resident satisfaction survey.

8	**Create a marketing plan**	• Create a plan that lays out:
		    o Owner's goals
		    o Competitive advantage, market analysis
		    o Target market, applicable regulations
		    o Marketing strategy (for the property, for the market, for those who will lease)
		    o Public relations strategy
		    o Marketing program (theme/logo, model/mini-model, promotional materials, advertising, outreach, referrals, staffing, budget, tracking results)
		• Adjust strategies continuously. What worked today won't work tomorrow, but it might in six months.