

Best Practices In **ONLINE** REPUTATION Management

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Interview with Brian Ericson
Vice President, Marketing Insights



Given that renting an apartment is a tremendously important financial decision, something that you are committing to for a year, rather than a 90 minute dinner, prospects are absolutely looking for external validation of what is actually like to live in the apartment that they are looking at. Online reviews offer that validation of the service experience and the actual living experience residents can expect at an apartment.

Cortland Partners undertook an intensive five day regional contest to boost its Google reviews and improve its Google scores. In an interview Brian Ericson, Vice President, Marketing Insights details the motivation for actively seeking Google reviews, outlines the roll-out strategy for the initiative, and discusses its impact.

Q How important is online reputation to your business?

A. | Honestly, I would refer back to a lot of research that you guys have done as the quantitative justification for why online reputation needs to be so important. We've done some research on our own and there have been a number of national industry studies that have indicated that the vast majority of prospects are utilizing online ratings and reviews as an important component of their apartment shopping and decision process. This behavior obviously reflects what a vast majority of us are doing as consumers ourselves across a wide variety of categories –whether it is picking a vacation or where to have dinner. I for one have become very dependent on reviews and review sites in making decisions across numerous categories.

We believe having stellar reviews or a stellar online reputation enables us to increase our conversation rates at some of our communities that have a higher rent than their key competitors. Seeing the reviews, prospects know that part of what they would be paying for at our community would be a better overall service experience than at the property down the road.

Q Why the initiative to actively seek reviews from residents?

A. | A key motivation for the review gathering efforts that we've done stems from the resident satisfaction surveys that we do on our own. We get thousands of data points in our resident surveys, and based on those scores, it became readily apparent to me that we were tremendously selling ourselves short in our online reviews, particularly our Google and Yelp reviews. In the last couple years, we've seen a lot of improvement in our own resident satisfaction scores, but unfortunately the Google scores did not naturally follow that trend. We did not feel that our Google scores were giving a fair and accurate representation of what our residents really felt about us, based on all of the direct feedback we were getting through the surveys.

Q Why Google? Google = the low hanging fruit

A. | Our decision to initially focus on Google is based on a combination of some of the research that J Turner has done about the importance of Google and how much weight and authority apartment shoppers are lending to it these days. We've also seen a couple of other national industry studies that have shown a significant shift over the past four - five years. While earlier, Apartmentratings.com and some of the apartment specific sites were the dominant source of resident feedback; today Google is becoming increasingly influential and popular, followed by Yelp to a lesser extent.

Google naturally gets so much airtime or face time. So many of us spend such a large portion of our lives on it and the fact that Google ratings are so front and center when anyone searches for a specific apartment. Unlike a lot of other rating sources, Google is hard to avoid; it's hard to miss that big shiny Google star rating when you do a search. We believe Google's popularity with our potential customers will only increase going forward

In the short term, Google is the biggest area of opportunity for us - it feels clearly like the lowest hanging fruit. Like the rest of the industry, we've gotten caught up in the inertia from what was true five years ago, and until recently continued to focus almost exclusively on ApartmentRatings.com. Almost all of our community associate incentive programs and the tracking we did in this area focused only on Apartmentratings.com reviews.

Frankly, until recently, we at the community level or as a company have done a pretty poor, if not non-existent, job of encouraging Google reviews from the residents who we know really like us. It became an obvious opportunity for two reasons. First, our existing Google scores were pretty low and far below where we wanted them to be. Second, because we had very few Google reviews.

Prior to running promotional efforts, the majority of our communities only had about 20 Google reviews. This, combined with fairly low average scores, created a fantastic opportunity to move the needle a lot with a relatively small number of great reviews.

Q You said "Google seems to be much more accepting of reviews." Can you elaborate on that?

A. | Another reason why Google is a prime target is because Google, unlike Yelp, Apartmentratings.com, Apartments.com, etc., doesn't appear to have a lot of checks and balances – e.g. it doesn't have an upfront review process in order to get a review posted online. In case of Yelp and Apartments.com, there is a much more deliberate process of checking reviews and making sure that they seem legitimate. Leaving reviews on these sites ends up being a much more prolonged and challenging process for the residents.

Google seems to be much more accepting of reviews. You have to be logged into Google in order to leave a review, so they have a higher degree of confidence in terms of who you are. It's not one person sitting at a computer and just loading in 25 super positive reviews in a row.

Yelp seems somewhat arbitrarily decides that a given review is not legitimate or acceptable. We haven't spent a lot of time focusing on Yelp yet, but we've ran into this situation several times where we've asked individual residents to leave reviews on Yelp, only to have their reviews disappear from the site. Residents have left very detailed, positive, and comprehensive reviews about their experience. Yelp, in the ultimate wisdom of whatever algorithm or program they have behind the scenes, decided that they didn't like the review and made them disappear.

Q Describe your roll-out strategy for the Google reviews initiative?

A. | To aggressively move the needle on Google reviews, we ran a Five Day Regional Contest in the markets below. The contest was very short, very intense, as we did not want to risk it being lost among the other hundreds of things the associates have to do on a day to day basis.

- 1) Houston (plus San Antonio)
- 2) Columbus, OH and four communities in Atlanta
- 3) Dallas and Ft. Worth
- 4) Florida (primarily Tampa and Orlando)
- 5) Atlanta (all affordable, tax-credit communities)

We initially ran the Google review contest in Houston and a few communities in San Antonio and saw immense success with it. We felt like this was a good formula before extending it to other regions.

The objective of this contest was twofold:

- To see who could gather the most Google reviews in a five-day time period.
- To improve their average Google scores the most as a result of the contest.

Q What was the impact of the Google contest?

A. | So far, we've received the most feedback from our Houston communities that went through the first wave of the contest. Consistently, the best communities from the contest felt like a lot more people came in the month or two since the contest. Prospects specifically cited the Google reviews as one of the reasons why they were there.

Florida – average Google score for our 13 communities in Florida was 26 percent below our average resident satisfaction score (from our internal survey program). We started out with only a 2.9 average Google score across these communities and we had a 3.9 on our resident satisfaction surveys. After all the intense effort, we ended up almost entirely closing that gap. Our new Google average is 3.8. That is basically right in line with what our resident satisfaction scores were already telling us.

Q Share some learnings based on running this initiative.

A. | What the community teams did to boost was surprisingly “old-fashioned.” The teams had some success with just about every solicitation method you could think of - emails and text messages and others. At the end of the day, the method that almost everyone found to be most successful was the more personal one. Managers sat in their offices, picked up the phone, and called people. They made a very personal, friendly request – “Hey, we are taking part in this contest; we would love for you to share some of your thoughts and leave us a review on Google.”

So picking up the phone and calling people, as well as engaging with almost every single resident (or prospect) that came into the office to ask a question or to pick up a package was most successful. The actual personal interaction with residents had a much higher success rate than just sending an email.

Q What was the end result of the Google reviews initiative?

A. | Following our Google reviews initiative, our Google scores and resident satisfaction scores converged perfectly. This led me to believe that online reviews are really the only legitimate way for prospects to assess what their actual living and service experience will be at the community. Other than the brief 35 to 40-minute tour prospects take (and inherently, prospects know that some people are really good sales people), reviews offer the only way of assessing the living experience at a community. When prospects see 60–70 people leave positive Google reviews about a community that provides a really powerful enforcement of the living experience at that community.

Q What is your perspective on ILSs?

A. | As a company, we find ILSs to be somewhat less credible because of the fact that they all have obvious ulterior motives. Particularly for the RentPath sites –Apartmentguide.com and Rent.com – it strikes me as being a very strange arrangement; namely, that you have to maintain a paid listing with them in order to have your reviews be accessible. If you decide that you are not getting good value out of that ILS from a business return perspective, then you don’t disappear from that site entirely, but your reviews all go away and they take away most of the useful information. ILSs are clearly not equitably representing the entire universe of the apartments out there; they are only representing apartments who are paying them. As a prospect, I might suspect that the reviews on those sites are biased in favor of the companies that are paying them the most money, and would probably lend less weight to those reviews.

Q Is Facebook an effective tool for prospect engagement?

A. | In general, we don't feel like that there is any meaningful population that is deliberately using Facebook as a tool to find apartments. It is just not well designed for that purpose. In general, people don't do a lot of "shopping" through Facebook. It is much more about social networking and it's about maintaining and growing relationships with companies that you actually have some experience with. So until you've made a real business connection with a consumer, we don't feel like that there is a huge amount of potential in the core of Facebook to be the method where a prospect discovers one of our apartments.

One exception to that - we've spent some moderate advertising dollars on Facebook targeted campaigns. We have seen some pretty good success with these campaigns, largely because we are such a targeted product particularly from a geography perspective. We have used Facebook as an advertising vehicle, but more so with the purpose of driving people to our websites rather than driving them to our Facebook pages.

Q Why does Cortland believe that assigning social media ambassadors is an effective strategy?

A. | It inherently seems like a worthwhile idea to assign a person to do social media posts. One person has to have this title and this role. We need to define specific parameters regarding what and how often something needs to be posted.

Whether it is posting on social media or responding to online reviews or sending out clever, engaging emails to residents - those all require certain skill sets and none of those skills are the priority factors when we are hiring people to be a leasing consultant. It is not at the top of our recruiting criteria for a leasing consultant to be good at Facebook or a community manager to be good at writing emails.

When we typically have such small office teams, the chances of having someone who is legitimately great at writing emails or Facebook posts are not that high. So I think it's always going to be somewhat hit and miss.

