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# At the Tipping Point: Social Media in the Multi-Family Industry

**A White Paper**

**Josh Gordon**  
**President**  
**Selling 2.0**

There is tremendous interest in social media in the multi-family housing market, yet few success stories. The potential benefits of social media are being talked about frequently. Can it help with resident retention? Can it generate referrals and sales leads? Can it help market apartment communities?

There is talk of the pitfalls as well. One apartment manager found his social media program took up so much of his time that his regular work started to slip. He started referring to “social networking” as “social NOT working.”

But up until now there has been an important voice left out of these discussions that could help answer many of these questions, the voice of the apartment community resident. By measuring the attitudes, values, and social media behavior of residents this report will add a critical perspective to the discussion. After all, if the social media programs we create do not have an impact on apartment residents, they have no effect at all.

In part I of this report, I share measurements of apartment community residents to help understand how a social media program can effect decisions to stay longer in an apartment community, and make referrals to new residents.

In part II, I share measurements of the social media behavior of apartment community residents. In addition, I compare those measurements to those of apartment managers gathered in a separate survey. To implement a successful program, it is important to know how apartment residents are now using social media, and how usage is different for the people charged with implementing the program.

In part III, I lay out best practices for implementing a social media network in an apartment community.

Finally, in Part IV, I conclude with a discussion about content development which I believe is the tipping point, the point at which social media programs in apartment communities succeed or fail.

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## Introduction: How social media works now

By now, most Americans are familiar with social media services like Facebook, Twitter, MySpace, and LinkedIn, which allow individuals to socialize with each other online. Using these services, people can exchange messages, share interests, form associations in groups, or just stay in touch.

Until now, businesses have used social media as a general communications tool for public relations and marketing. But a just-released study, [\*The Coming Change in Social Media Business Applications\*](#), has now documented that this is changing. The rising tide of potential consumers using social networks now indicates a new role for social media: as a primary tool of customer engagement.

Could the next leap forward in the development of social media happen in an apartment community? Recent trends point this way.

Apartment communities could be the ultimate test of this new trend because, unlike most social communities, apartment residents share no common interests, only a common geography. With no common interest (i.e. hobby, profession, music, technology, politics, etc) community building is harder.

Facebook CEO Mark Zuckerberg shared the secret of how online social networks succeed. At the 2007 Davos conference, a newspaper executive asked Zuckerberg how he could build a

social network for one of his powerful media brands. "You can't," responded Zuckerberg. He then explained that social communities already exist, and that the question the executive should be asking instead is, how he can help them do what they want to do. All online social networks exist only to enhance and serve previously existing interpersonal networks.

So, how will apartment communities play an important role? Because social media usage has grown so much, many companies are now finding that a majority of their customers are engaged with it. And, according to the aforementioned study, those companies are beginning to shift their use of social media toward customer engagement. Will this work?

One of the first places this new trend will be tested is in apartment communities across the country. Apartment communities offer a pure testing lab because they represent a community of people who live in close physical proximity, and yet have no structured way of knowing each other. If online social media can improve community relations and become the core tool of customer engagement in the multi-family housing market, other industries will follow.

## Part I

### The case for friendly apartment communities

If social media can improve an apartment complex's sense of community and give it a friendlier feel, can it also motivate residents to rent for longer periods of time and refer new residents? In the survey, we asked several questions to find out.

**Finding #1:**  
**The most common community building activities in apartment communities are pool and holiday parties.**

Apartment community managers spend a lot of time organizing activities to bring their communities together. When apartment residents across America were asked to indicate which activities were being organized in their communities, pool parties topped the list at 42.4%. Following pool parties came holiday activities: Christmas parties (28.4%), "Trick or Treat" at Halloween (28.0%), and New Year's parties (19.2%). After the holiday parties came exercise or workout sessions, wine tasting parties, local receptions for new residents, and sporting events.

Respondents wrote in other activities as well: Trivia night, BBQ, continental breakfast, movie night, game night, monthly socials, brunch, monthly Happy Hour, picnic parties on the playground, yard sales, neighborhood block parties, dog welcome, bingo nights, produce day, cookie and coffee mornings, teeth whitening parties, massage parties,

#### Which of the following social events does your apartment community host?

Pool parties	42.4%
Christmas parties	28.4%
"Trick or Treat" at Halloween	28.0%
New Year's parties	19.2%
Work out/exercise sessions	16.4%
Wine tasting parties	13.6%
Welcome receptions for new residents	13.6%
Sporting events (ex. softball, soccer)	10.8%
Educational classes	9.2%
Social dances	6.8%
Yoga classes	6.0%
Public speakers	4.0%

book clubs, pizza parties, breakfast on Saturdays, church activities, potlucks, and pumpkin squashing contests(!).

**Finding #2:**  
**Having a "friendly" apartment community will motivate about two thirds of residents to continue living in the facility.**

Simply put, a friendly community motivates residents to stay longer. When apartment residents were asked what would make them want to stay in a community longer, the top three picks were: prompt attention to maintenance issues (76.6%), attractiveness of the grounds (68.8%), and politeness of the management staff (68.3%).

Almost three fifths of residents (58.5%) said that friendly relations would contribute to their desire to remain in an apartment community and 43.7% said that having friendships in the community would also make them more likely to stay.

**Please check the following factors that would contribute to your desire to remain a resident in an apartment community? (Please check all that apply)**

Prompt attention to maintenance issues	76.6%
Attractiveness of the grounds	68.8%
The politeness of the management staff	68.3%
Pool facilities	58.8%
Friendly relations with other residents	58.5%
Exercise facilities	56.0%
Friendships with other residents	43.7%
Personal relationships with the management staff	30.7%
Welcome reception for new residents	26.6%

**Finding #3:  
A friendly community motivates residents to make referrals to potential new residents.**

How important is the “friendly feel” of an apartment community in motivating a resident to make a referral? About half (49.0%) say it matters a lot. In addition, 39.0% said that having friendships with other residents would motivate them to make referrals.

**Finding #4:  
Almost half of apartment residents have friends in their communities.**

When we surveyed apartment residents, 46.7% indicated that they have friends in the apartment community they now live in.

**Finding #5:  
First time renters are especially motivated by the idea of renting in a community where the residents are friendly.**

A factor that contributes to residents wanting to remain in an apartment is “friendly relations with other residents.” As seen earlier in this report, 58.5% of current residents find this a reason to stay. But when first time residents were asked the same question, 73.8% also responded that they would be so motivated. The perception of having a “friendly” apartment community is especially appealing for first time renters.

**From the same list as above, which of the following would make you want to refer a friend toward becoming a resident in an apartment community? (Please check all that apply)**

Prompt attention to maintenance issues	74.6%
The politeness of the management staff	71.5%
Attractiveness of the grounds	71.2%
Pool facilities	60.0%
Exercise facilities	55.1%
Friendly relations with other residents	49.0%
Friendships with other residents	39.0%
Welcome reception for new residences	31.0%
Personal relationships with the management staff	30.7%

**Finding #6:  
Residents who have friends in an apartment community are more likely to stay longer.**

Having a friend in an apartment community affects the degree to which residents see “friendly relations with other residents” as a factor in their decision to stay. 62.7% of residents who have friend in a community say they are more likely to stay in their current residence because of “friendly relations with other residents.” Of residents who do not have friends in the community, only 55.6% say the same. As more residents become friends with each other, their attitude about the importance of “friendly relationships with other residents” increases significantly.

Please select all of the online social networks that you participate in:	Residents	Managers
Facebook	77.7%	79.4%
MySpace	54.0%	41.8%
Twitter	23.4%	31.4%
Classmates.com	18.8%	13.9%
LinkedIn	14.2%	45.9%
Yahoo Buzz!	5.4%	5.7%
AOL Community	4.3%	3.1%
MyLife.com	4.3%	1.0%
FriendFeed	0.3%	0.0%

**Part II:  
Current use of social media at apartment communities**

A comparison of the results from the two surveys we conducted on social media usage, (one to apartment managers and one to apartment residents), yielded some similarities, but also some interesting differences. On the surface, apartment managers and residents appear to share similar usage patterns. However, while overall the usage patterns of apartment residents and

managers may be similar, their frequency of use and intensity of involvement are very different.

**Finding #7:  
About three quarters of both apartment residents and managers are using a social network.**

When asked if they currently use an online social network such as Facebook, MySpace, Twitter, or LinkedIn, 77.1% of residents and 75.5% of apartment managers said they did.

**Finding #8:  
Both apartment residents and managers pick Facebook as their most used social network. For their second pick, residents choose MySpace, while managers choose LinkedIn.**

As would be expected, overall, managers have a more business-oriented user profile. Both groups picked Facebook as their most used social network, with 77.7% of apartment residents, and 79.4% of managers using it. The second most used network for residents was MySpace, with 54.0% using it (only 41.8% of managers use it). The managers’ second pick was LinkedIn, with 45.9% using it (compared to only 14.2% of residents). About one in three managers (31.4%) are on Twitter versus almost one in four (23.4%) residents on Twitter.

**How frequently do you log on to your favorite social network?**

	Residents	Managers
Every day	58.7%	37.9%
A few times a week	24.8%	37.4%
Not that frequently	9.6%	11.1%
A few times a month	6.9%	13.7%

**Finding #9:**  
**Apartment residents log on to their favorite social network every day a third more often than apartment managers. 58.7% of residents log on to their favorite social network every day. Only 37.9% of managers do the same.**

**On the social network that you use MOST frequently, how many connections do you have?**

	Residents	Managers
More than 200	24.6%	13.2%
20-50	21.7%	21.1%
Fewer than 20	20.5%	21.6%
100-200	17.6%	21.6%
50-100	15.6%	22.6%

**Please select the following statements that you agree with (please check all that apply):**

	Residents	Managers
Social media has enriched my connections and interactions with people I care about	58.2%	38.8%
I like new things that I learn about people on social networks	53.6%	37.1%
It is easy to lose track of time when I'm using my favorite social media network	47.3%	29.0%

**Finding #10**

**Residents have more connections on their social networks than managers. Almost twice as many residents as managers have more than 200 connections on their top social network (24.6% of residents versus 13.2% of managers).**

**Finding #11**

**Residents are just much more involved in social media networks than managers.**

Almost 50% more residents than managers agree that "social media has enriched my connections and interactions with people I care about." About 45% more residents than managers agree with the statement "I like new things that I learned about the people on social networks." And, 63% more residents than managers agree that "it is easy to lose track of time when I'm using my favorite social media network."

Residents spend more time with social media, have more connections, log on more often, and are much more engaged. It might be difficult for apartment managers, whose online social media patterns are very close to residents, to understand that the level of involvement residents have is much more intense than their own.

### Part III

## Implementing a social media network in an apartment community

According to our apartment manager survey, slightly more than half (51.6%) of all apartment communities have some kind of social media program.

However, it is common knowledge that many of these programs are not effective. Esther Bonardi, from [Drucker & Falk](#), a property management company that operates many apartment communities in the mid-Atlantic and

#### Does your company use social networks in order to connect with current residents and prospects?

	Managers
Yes	51.6%
No	48.4%

southeast, has been a keen observer of the use of social media throughout the apartment community industry. She keeps a pulse on the development of social media by accepting all Facebook friend requests from any apartment community she receives, including many from outside her company. With this overview she concludes, “A lot of companies are just getting into social media, and many accounts have few updates, with only 30 to 40 friends, and no new content for several months.” She continues, “The ones who do it well go on several times a week and post

updates, photos, announcements, and invitations to events. But since the onsite staff who typically manage social media are so busy, it does not always get the time it needs.”

#### Finding #12

**Most social media programs at apartment communities are the responsibility of the onsite manager. Very few communities have dedicated social media manger.**

Only 2.9% of apartment communities have dedicated online social media managers. At 45.7% of apartment communities it is the on-site manager, at 22.9% the marketing department, and 5.7% IT department.

#### If your company is using social networks to connect with residents and prospects, who has responsibility for managing the activity?

	Managers
On-site manager	45.7%
Marketing department	22.9%
IT department	5.7%
Social media manager	2.9%

On-site managers are typically extremely busy. Bonardi says, “It is so easy for the onsite staff of an apartment community to let these things slide because, unlike most things they do, it is not required. If no one at the company is monitoring, requiring, and mandating

social media activity it can fall through the cracks.”

But Bonardi sees content posted by management as essential, “Mostly I see residents responding to information that management has posted. For example, if management posts photos from a resident event, residents chime back in and say, ‘We had a great time, thanks.’ I haven’t seen residents going in and putting things out there for the group to respond to.”

Bonardi advises engaging residents in social media at first contact, “On their initial tour, ask if they have a Facebook account and if we can send them a friend request to keep them updated on what we are doing.” She also advises posting content several times a week.

Eric Brown, founder of [Urbane Apartments](#) was one of the early adopters back in 2004. “When I came to a meeting one day and announced I wanted to put up a MySpace page for our apartment community, jaws dropped open. I heard, ‘We can’t do that.’ People were scared that if we put up a page on a social media site, people would say bad things about us. We went ahead and put up the page, and people did say bad things about us. But guess what? When people complained we found out what we were not doing right. We used the feedback to improve some of the processes we use to run our apartment community. Every company drops the ball on some things, and when people

complain about it you know what you have to do to fix it.”

But Brown’s experience did not end there, “When we fixed things, we would respond on the social network so people could see that we were responding to complaints. When you’ve earned a reputation for responding to complaints that people post, they tend not to be as hard on you in the initial complaint. One by one, our biggest complainers started becoming our biggest evangelists.”

Jerry Bowles, co-founder and Chief Content Officer at “[Social Media Today](#)” agrees: “Apartment managers and residents? Those people always have issues. The thing you need to do is to get the residents to talk about what’s on their mind. Probably in the beginning, it’s going to be things they want to complain about, but that could be really good. Complainers are motivated to join a conversation. Eventually, if you do things right, you can resolve their issues, and you have used the complaints to start a conversation.” Bowles cites other successful social networks that started this way. “When [Dell Computer](#) was having tremendous difficulties with customer service, they started a social site for the express purpose of having people complain about their issues. By responding to these complaints, Dell was able to convert or neutralize them, and their reputation improved.”

Says Eric Brown, “Apartment executives should not be afraid of negative

apartment reviews. If you respond to them, they really can help. You don't have to completely satisfy the resident every time. The customer is not always right. There are some things we can do and some things we can't do, so social media becomes a two way street. If we don't agree with what a complainer posts on a site, we tell them in specific terms why we don't."

Most often, social networks are not started by complaints, but by a consistent flow of content from the site sponsor. To do this, Bowles recommends finding several people to consistently contribute to the site, "You can't expect people to just jump in and start participating in a conversation right away. It takes time. Every topic and group of people is different. To get started, find the topics they want to talk about and post consistently about them."

This is good advice, but not always so easily done. When staff people are asked to create social media content it can be hard to completely take on the perspective of the user to the point where it will resonate. It can be even more of an issue when marketers develop the content, according to Joe Pulizzi, Chief Content Officer of the content marketing website, [Junta42](#), and co-author of the book "[Get Content, Get Customers](#)," "Marketers are so busy focusing on their products and driving demand, it can be difficult for them to step back and think about customers'

informational needs the way journalists do. Great writing is an art form that takes talent. If you have that talent in the house -- great. If not, find an expert from outside. Companies, no matter what their size, may not be able to outsource the complete project, but they can always afford to hire a great writer."

Typically, user participation develops over time. Once it begins, the content that a site generates takes on a more strategic function. According to Pulizzi, "Once you open up a social network where users can contribute, you give up control of the conversation, but that does not mean you cannot guide it. The content you post into your social network guides the conversation. The content you introduce motivates users to respond. As you consistently bring forward fresh content you are directing and shaping the conversation but not controlling it. Without a content strategy and a consistent program for continually adding fresh content, your social network could falter."

## Part IV

### The content tipping point

Will apartment communities experience a great leap forward in social media engagement and bring benefits to owners and residents alike, or will their social sites remain undeveloped and ineffective?

After weeks of researching this project I find that the tipping point, where success is to be lost or found, is in content development. That is, the ability to develop fresh, relevant content that initially starts an online conversation, and continues to direct it once it user generated content starts to join in.

The content used to develop social media sites for apartment communities needs to be more than just news about the facility. Social media trailblazer and Urbane Apartments founder Eric Brown says, "The content on our social media sites is not about our apartments -- nothing we put out hypes our apartments. The sites may be labeled with our name, but the content is about the interests of our residents."

Developing social media content for an apartment community is especially challenging because, unlike most online social communities, residents do not share a core common interest. Most focused Web communities are based on common interest in...a music style, a profession, a political point of view, a sport, a social trend, etc. Apartment community social media that starts to cover local news begins to compete for the attention of residents against content on the websites of local

newspapers, TV, and radio stations, and local web guides.

The documentation in this report shows that the benefits of a social media program are very real. But without a commitment to quality and consistent content development they will be difficult to realize.

The tools of social media are deceptively cheap and simple to use. Setting up a Facebook page is free and requires no special skills. But creating content of sufficient quality to compete against local media takes more time and skill than is often committed for the task.

In addition the content needs to be delivered consistently. As content guru, Joe Pulizzi, says, "Delivering great content to your customers is delivering a promise to them. Once you start, you need to keep that promise."

For more information about the methodology and conclusions of this report, you can reach Josh Gordon at 718-802-0488 or e-mail him at [jqordon5@verizon.net](mailto:jqordon5@verizon.net).

Learn more about Josh at his web site, [www.selling2.com](http://www.selling2.com). You can find his articles at [www.socialmediatoday.com](http://www.socialmediatoday.com).

To learn how Apartment Finder can help you improve execution of your social media strategies, contact Judy Bellack at 561-487-1455 or Marcia Bollinger at 770-962-7220 x42331