

# Marketing in real estate

Business



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There are various definitions that are used in trying to understand the concept of marketing. Marketing is a process in nature that tries to create the customers value through the most appropriate way. There are several points that are made by definition of marketing that include; marketing as an objective of customers value creation, an exchange that occurs between the sellers and buyer, the impact of a firm to its customers suppliers and all that are affected by the firm, and the involvement of creation of communication, delivery and exchange of offerings. Therefore marketing is a process for creating, communicating, delivering, and the exchange of offerings that have value for customers and the society at large. The industry of real estate business has been viewed to having many questions about its future competition.

The behavior of this business varies with time, and therefore it is important to formulate a strategy that is constructive to the business to in order to maintain it. The future of the industry is determined by the economic trends, and thus the strategy must conform to the economic trends for the business to be successful. There is need to understand the manner in which the industry is performing, and to compete in a way that will not only improve the position but also the business growth. The objective of real estate marketing is the generation of sales that are long term in nature through customers with a relationship, which is the implicit aspect of the exchange by the parties involved. The success of any business is achieved through the building of body of satisfied customers, through the use of marketing concepts which directs efforts to the identification and satisfaction of these customers.

The real estate marketing as a process involves the understanding of the marketplace conditions and the identification of the various customers' needs and wants, and designing of marketing strategy that is customer oriented. This will in turn help in the construction of an integrated market, which has the capability of delivering products and services that are superior in value to its target market. Real Estate Marketing There is the emergence of housing booms which are coupled with strong money and credit in the developed world. Several questions need to be answered in order to develop an effective strategy. There is need to know the performance of the industry, as there are dramatic shifts in profit in the industry over time that determine the success of the business. The other need is the determination of the business position in the industry as this helps in formulation and implementation of strategies that are capable of enhancing a competitive advantage (Porter, 1989).

Century 21 Brisbane Company focuses on the marketing concepts to enhance the company's growth and profit maximization and customer satisfaction. Since the most important activity is the satisfaction of the customer, with the objective of making profit, century 21 Brisbane embarked on researching on their target market. The marketing concepts are used by businesses in determining the customers needs (market research), which is gathering of information from the market with the aim of disclosing areas of dissatisfaction and new products that can be offered. Since they operate on both side of the seller and the buyer of their product, the company gathered information that concerned their customers, which contributed much to their revenue returns. For any business to excel a need

arises to differentiate the business products and services from those of competitors.

This calls for analyzing their competitive edge (marketing strategy), which involves the identification of target groups by which a business can serve better than its large competitor. This is done by incorporation of marketing strategy to the company's plan, and identification of the terms by which the competitor is offering to the market. The company's cost of marketing is largely focused to the sellers who take 90 percent of the total cost, while the remainder 10 percent is the marketing spending to the buyers. The company's marketing research helped it to identify their target seller and customers and their needs. Understanding the market is important as this helps in the development of a marketing plan. This will enhance in recognition of the customer base and presentation of the company as being the one that feels the needs of the community. This is the selecting their specific or unique market to serve (target market), which involves the concentration of marketing efforts to the key segment of the market. After the company has identified the needs of their target market through the information gathered, it was able to segment its market concentrating on the demographic area that is covered by the high income earners.

The company segmented its market using the postal code in its geographical area of operation to select on their four main codes that is inhabited by the high income professionals. This are the major segment as they have high population density and the entrepreneurs who reside in these codes have the tendency of developing estates in which they sell through century 21 company. The company has also identified itself with three smaller segments

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that are less populated. The company has focused its interest to the seller's marketing. The company has established the various target groups in the segments in which they segment these groups to three groups according to the number of year the target market have resided in the identified postal segments. The target that they concentrate most on are those that have resided in the segments for a longer time as they are statistically from the area due to reasons of lifestyle or being profit oriented.

The company's core demographic segments are the baby boomers who are tipping on retirement and the next wave who do not have sufficient saving for retirement. Since they have not accumulated dollars in cash, but have worthy assets that they use to acquire liquid cash. The company has also the tendency of promoting their products and services to the target market. This is the determination of the manner in which these perceived needs are to be satisfied (marketing mix), which involves the combination of product, price, place and promotion in the overall program of marketing (Tags, 2011). This is done by advertisements through the use of posters and flyers which do target the specific profile of the market. They also use the electronic media to conduct their advertisement giving the consumer tips on how the seller can gain by selling their property through this company.

Thus, the best marketing strategy in real estate is that targeting a specific seller, though the problem of real estate is the tread of indirect marketing, which can be having a success rate being low. The planning in real estate business needs to be formal as a business that does not plan on its future intents will automatically become unmanageable. This is because the key indicators of the business performance are absent, thus impossible to

measure and manage. Putting of customers first in marketing presents the marketing concept that deals with the steps involved between the identification of their customers needs, and the satisfaction of these needs through supply of product capable of needs satisfaction at a profit. The concept of marketing in century 21 company rests on the importance of the customer to the firm, affirming that the activities of their firm and its policies are aimed at the satisfaction of the customer needs, and the objectives of the company is a sale volume that is profitable than the maximum sale volume by the company. The actions that the company needs to undertake in order to avoid customer untrustworthy is to maintain ethics in their operation process this is maintained through the use of tool that help the company follows the rules and procedures laid down in the real estate industry.

Much of the distrust of the real estate industry is stemmed from the way their selling and buying are promoted, and are not served to the best interest of the client. There are some thoughts that make the real estate agents to be trustworthy in their industry. The untrustworthy agents and companies have the tendency of painting their selves with mistrust to their clients by their adherence to marketing and branding modes that have failed to set them apart. These are agents that have the tendency of giving incomplete information to their target market, and thus they are unable to detach themselves from their mode of marketing. The company needs to embrace its-self to the practices that conform to the aspiration of their client and continue to build the trust that exist between them and their customers stronger.

It is not easy for a home seller to value the property alone as the information available might be untrustworthy due to the base applied. The information could be based on past rather than the current market factor. Therefore the best method available to the seller or buyer is through the contemporary market analysis (CMA). This is the term commonly used by the real estate agents in conducting a comprehensive analysis of properties to the current market condition. The real estate agents require conducting a CMA of the property before it is sold so as to avoid over pricing or under pricing.

This is the point where the clients use several agents to conduct the CMA which determines their mode of operating. The agents have to gather information regarding the condition of the property by which there can be request to improve the condition to add value. The research information will be based on the comparable properties in the area with the use of the multiple listing service resource the properties that have been sold over the last 12 month, the properties that are actively listed currently for sale, the properties that have sold but have not been closed, and the listing that have expired during the period of listing. This is where the real estate agent comes with a suggestion of the probable selling price of the property in a price rather than the set price due to the price differences based on the age, size and the physical condition of the property. A CMA is represented in the form of a report that includes the selling price and the detail of the property showing the details of the properties used in determination of the property value. The determination of the trustworthiness of the agent is how they refer their selves.

The untrustworthy agents refer their selves singularly excluding the participation of the seller. They mostly use “ me” and “ I” to all their points that touch on brands, unlike the trust worthy agent that put emphasis on “ we” clause. The company needs to include the participation of the seller as they are part of the company as this builds their trust with one another (Realmarkable). A real restate company is focused on maximizing the customers satisfaction through which they make profits. This company needs to be transparent about its mission which will eventually lead to it being trusted, unlike the untrustworthy companies that insists of them being out to help people to own homes. They have the tendency to tell on what the clients wants to hear rather than explaining the way it is.

The company needs to create it customers trustworthy through the delivering of superior value products in the market builds a relationship that is profitable, and this helps in the creation of royal customers to the products and services that are on offer to the market (Perner, 2009).