

New in Homes & Condos

»TORONTO STAR«

SECTION H
SATURDAY
JANUARY 30, 2010
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CHA CHING CHA CHING

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A ROOM WITH A VIEW

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Closings

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ROUNDTABLE: SALES AND MARKETING



CLARENCE POIRIER
P&B Marketing Ltd.



JOE LATOBESI
Montana Steele Advertising



DANNY ROTH
Brandon Communications

Mad Men



DAVID KLUGSBERG
L.A. Inc.



LINDA O'CONNOR
Ryan Design Inc.



SHAKEEL WALJI
The Walsh Group

Real estate marketing gurus gather to discuss chaotic year and what's ahead

RYAN STARR
SPECIAL TO THE STAR

As Toronto's top real estate advertising and marketing executives gathered recently for a roundtable discussion on the state of their industry, the outlook was a fair bit rosier than it was one year ago. Small wonder: The city's real estate market experienced a remarkable resurgence in the second half of 2009, one that made the economic downturn seem almost like a distant memory.

The Toronto Real Estate Board reported a total of 87,308 sales of homes last year, beating the 74,552 sales made in 2008. In December alone there were 5,541 sales, up 115 per cent from the same period a year earlier.

Confidence has made a comeback,

the *Toronto Star*-sponsored roundtable agreed.

"There's a cautious optimism out there," said Linda O'Connor, vice-president and managing director of Ryan Design Inc.

"Purchasers realized that the world didn't end," added L.A. Inc. vice-president David Klugsberg.

Things have changed, though, the participants said.

For one thing, purchasers who have been wading into the waters in the past six months are a warier and wiser lot.

"These buyers are making educated decisions," said Shakeel Walji, a partner and creative director for The Walsh Group. "They're visiting more sales offices before they pull the trigger.

"When the market rebounded,

they had already done their homework. They knew the neighbourhood where they wanted to be, and they said let's make the decision now."

Buyers have been coaxed back in large part by rock-bottom interest rates.

"The current interest rate environment has been a real catalyst," O'Connor said. "If rates had moved up a couple of points, we'd all be sitting around like the Maytag repairman."

Purchasers are also being lured by the prospect of getting great bargains, she noted.

"We've seen a lot of builders reducing prices for inventory. And consumers are thinking there are deals out there; that there's an opportunity to ask for a little bit more.

"I don't think a consumer has walked into a sales office this year without expecting some kind of deal," O'Connor said.

To make those deals work, however, builders are having to tweak the size of the suites; essentially offering less for less.

"People are looking for a certain price point and to attain that developers are making units smaller."

TOUCH SCREENS

The growing number of savvy homebuyers out there these days means that it's as important as ever for marketing strategies to hit the mark, panellists said.

With this in mind, the sales centre has undergone a significant trans-

MAD MEN continued on H5

'There's a cautious optimism out there'

MAD MEN from H1

formation.

"We used to design sales offices for consumers to come in and view product and write up a deal," O'Connor said. "Now we design them for people to come in and lounge.

"We have bars and we even held a summer camp in a sales office last summer (at Heathwood Homes' Traditions development in Milton, where the sales centre doubles as a community centre).

"We're creating environments that are geared toward much more than just selling product and getting the consumer out the door," O'Connor added. "What we're designing now are venues."

Real estate marketers say it's equally as vital that they take full advantage of new technologies to entice potential buyers.

Touch screens at sales centres, for example, are becoming essential tools to help homebuyers envision a potential living space.

Such technology represents a vast improvement over the old-school one-dimensional renderings and floor plans salespeople relied on in the past to illustrate offerings.

"We used to have display boards all over the place and we'd take the

(prospective buyer) through a journey... they'd walk around with us," said Clarence Poirier, creative director for P&B Marketing Ltd.

"But with touch screens, the customer never has to leave the monitor to understand everything about a project... and the salesperson can change things instantly to incorporate a consumer's request, as opposed to saying, 'We'll have to get back to you.'

"Touch screens have made it a hundred times more efficient."

O'Connor agreed. "I don't think there's a sales office we're designing right now that doesn't have a touch screen in it," she said.

At the sales centre for Aura at College Park — a 75-storey condo that will be the tallest in North America when it's completed in 2012 — O'Connor's team has added Google Earth to further enhance the touch screen experience.

"You can fly over and see the building pop up in the middle of Toronto," she said. "Or you can click on anything in the surrounding area and it will tell you that you're, for example, three kilometres from the ROM."

"And if (a prospective buyer) wants to live on the 29th floor and face southeast and asks 'What would my view be?' They can just

click and it's there — it's instant."

Ryan Design has gone a step further in its adoption of new technologies to sell condos.

The firm is pioneering the use of what's known as "Bluetooth proximity marketing," which they've employed for Blade in Brampton, a 26-storey condo that is across the street from a GO Transit station.

To target on-the-move commuters, equipment housed in a sales centre sends out marketing messages and special offers to Bluetooth-enabled devices within a range of several hundred feet.

"People in this industry used to think, 'If I have a website I'm okay,'" O'Connor said. "But these days it's about how you're getting your message out to the consumer... and every consumer is carrying a cellphone or a BlackBerry.

"So we're incorporating technology to deliver mobile information to potential purchasers."

Technology can be a double-edged sword, though, particularly when it comes to how social media can influence would-be buyers.

The real estate marketing industry used to enjoy total control over the message, said roundtable moderator Danny Roth, who heads the PR firm Brandon Communications. But nowadays they're com-

peting with bloggers, as well as Twitter and Facebook, forums in which one person's sour comment about a project can potentially have as much influence as a full-page ad in the newspaper or a spot on the radio.

Do these marketing gurus see this as a threat? Roth asked.

Walji said it's the exact opposite for his firm; they embrace social media and incorporate it into their marketing mix.

"We include Facebook and Twitter in our strategy," he said. "We want to get as many people aware of a project as possible — that's the whole idea. The message you try and get out is positive, and hopefully it's going to the right audience."

But he acknowledges, "it is difficult to control what people do with it after it gets out."

That said, in the super-competitive real estate industry, chatter about a rival firm can come in handy.

"The blogosphere helps us to track competitors," O'Connor said.

HEALTHY MARKET

The new year looks to be a brighter one for Toronto real estate, leaving the turmoil of 2009 firmly in the past, or so the panellists of the roundtable, held in a boardroom at

the *Toronto Star*, hope.

But did the chaotic past year have any significant lasting impact?

"I don't think Toronto was the root of the problem by any means, but it certainly affected us," said Klugsberg.

"We're doing business with a lot less people than we were last year at this time," said Joe Latobesi, vice-president of Montana Steele Advertising Inc., which recently won a record nine gold awards at the National Sales and Marketing Awards in Las Vegas.

"It did weed out some of these wannabe builders. And the tougher things got, the more that shops like ours that have been around for years got called."

In the end, though, Latobesi thinks Toronto's rapid real estate resurgence is evidence of an otherwise healthy market that was waiting for the chance to fire back up.

"Everyone was expecting something to happen to the housing market here (during the downturn)," he said. "But then nothing did, and we just jumped back on where we were."

"We have had so much confidence in the GTA market over the last three to six months," added Poirier. "In comparison to the rest of the world, it's overwhelming."