

the *publicity* builder

Communication Strategies from Taylor Johnson Associates

October 2006

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Word-of-mouth marketing is self-policing, honest and unfiltered.

Let's get this out of the way. Yes, traffic has slowed and yes, sales are down.

Cheap mortgage money attracted lots of buyers, lots of investors and lots of inventory. Now builders are scrambling after a smaller pool of buyers, many of whom can't purchase a new home until they sell their old one. But, we've been here before (1980 was *much* worse) and we know what to do.

This newsletter is about **word-of-mouth marketing**...the voice of your customer. People who talk about brands or services they have experienced. The goal is to find the right people and connect them with each other. Form new communities.

In September, Emily Johnson and Jillian Yodice of Taylor Johnson connected more than 500 guests at a private reception we recently staged for a Gold Coast high-rise development. If even one-tenth of these guests told two of their friends about the project, and *they* told two or three of *their* friends...well, you get the idea.

Word-of-mouth marketing is self-policing, honest and unfiltered. On Page 3 you will learn about a **telephone survey** we conducted for a client who had great traffic but few sales to show for it. So we opened a dialogue with 50 of their prospects and acted on the feedback we received.

It is important to make word-of-mouth marketing easy to take place. In the world of PR that means simplifying access for the media. Vanessa Irving did just that when she produced a **video news release (VNR)**, which can be passed along exponentially, resulting in television coverage, **podcasts** and virtually anything that has electronic entertainment potential.



Deborah Johnson
Chairman, CEO

Public relations amplifies the voice of word-of-mouth marketing. If you are simply pumping out press releases, you are missing many opportunities to bind your customer to your brand. If you want to embrace word-of-mouth marketing, read on, then give us a call.



Matt Lachey
Account
Executive

PUBLICITY... IT KEEPS GOING, AND GOING, AND GOING.

One of the many benefits of publicity is its ability to regenerate itself.

On August 3, we placed Neumann Homes in *The Wall Street Journal's* "Money's Worth" section. Ceci Rodgers, Midwest correspondent of *BusinessWeek Weekend*, the nationally syndicated television arm of *BusinessWeek Magazine*, read the column and called us to request an interview with Ken Neumann for her television segment on home buying incentives. The interview was held at Neumann Homes' "Dream Center" and focused on the builder's sales promotion

LISTEN TO YOUR CUSTOMER

While much of what we do communicates to home buying prospects, feedback from them is equally important. For many of our clients, Taylor Johnson conducts surveys to learn if the marketing is hitting or missing the mark.

Recently, one of our clients was experiencing high sales traffic but a low conversion rate. Before blaming the sales effort or throwing more money at advertising, our advice was to talk directly with those who had experienced the sales process and pinpoint exactly what was, and was not, resonating with them.

In today's Caller ID and voicemail environment, we were pleased to have honest and open conversations with 50 of the 250 people who had visited the community within the past four months. We were then able to identify the supporters, detractors and neutrals, and revamp the marketing plan based on their valuable feedback. And the client has a richer understanding of who his customers are and how to connect with them.



Sarah Lyons
Account
Executive



Vanessa Irving
Account
Executive

NEW MEDIA

As newspaper readership declines, home builders are seeking additional ways to reach buyers. Taylor Johnson's New Media Department helps our clients navigate this brave new world.

One such example is a video news release, (VNR), which accommodates today's highly visual buyer who wants instant information accessible at all times. We recently produced a VNR for Illinois' first residential LEED- (Leadership in Energy and Environmental Design) certified building. Green building and LEED, a designation granted by the U.S. Green Building Council, is a hot news topic, which makes the VNR a key tool for positioning our client as an expert source for reporters.

The VNR was also submitted to HGTV's National Open House, a 30-minute program that examines real estate markets across the country. A program focusing on the Chicagoland area is planned for next year. And finally, the VNR will become a podcast, downloadable from the client's web site. This allows the piece to be a "go to" source for prospective buyers, as well as reporters.



THE WALL STREET JOURNAL
PERSONAL FINANCE

Money's Worth: Real Estate

Real estate news today is designed to fit in. Here it is a featured column of our website and a video news release for our clients. It's a great way to reach your audience.

House Price: \$200,000 - \$250,000	Location: Chicago, IL	Year Built: 2000-2005
Size: 1,500 sq. ft.	Size: 1,800 sq. ft.	Size: 2,000 sq. ft.
Features: Hardwood floors, granite countertops, stainless steel appliances.	Features: Hardwood floors, granite countertops, stainless steel appliances.	Features: Hardwood floors, granite countertops, stainless steel appliances.

for six months of free mortgage payments.

On August 12, Rodgers' television segment aired in 136 markets, including Chicago, Denver and Detroit, where Neumann Homes builds. Additionally, each of the top 20 national markets aired the program. One minute of the five-minute segment was devoted entirely to Neumann Homes and included vignettes in the Dream Center, as well as footage of Neumann's new community in Oswego. Talk about return on investment!



Ken Neumann
Neumann Homes CEO

One unassailable strength of PR is its credibility. The following is an unsolicited email from one of our clients.

Hi Emily,

I had a couple who came in two weeks ago and on their first visit, bought a home. That part is very rare. ;) The reason they came in to see our office was because of an article they saw in the Daily Herald on Saturday, August 19.

The article was about a couple who lived in the suburbs and wanted to have an in-town condo which would allow them to visit the city on weekends and have a place to make it more convenient.

When they read this article they both said to each other "That's us!" He told me he clipped it out and read it over and over again. Finally, they decided they were going to come in and see it so they could decide if it was something they wanted to do. They did and it was!

I just wanted to thank you guys for the article and let you know that it's working!! It's always nice to know how people find us and what makes them want to find us.

Keep up the good work!



12 HOUR SALE

Talk about big shopping bags! This summer we staged an 8am to 8pm Grand Opening for one of Chicago's largest planned developments. We used "human signs" to help drive traffic into the event.

A NEW CRM SOFTWARE PROGRAM FOR HOME BUILDERS

Given today's shrinking market, it is crucial to create processes for customer relationship management. This takes continual in-depth analysis of your sales, your pricing and the rate in which you close a deal. Sonoma Partners has developed a software tool for builders with multi sites called CRM Elements for Real Estate designed to:

- Help capture greater sales revenue
- Close deals more quickly
- Keep customer databases up to date
- Real-time reporting of sales statistics

For information contact Mike Snyder (773) 871-8100

AMERICAN HOUSING CONFERENCE

For those who couldn't attend Hanley Wood's American Housing Conference in September, here are some highlights from the panel discussion, featuring Boyce Thompson, editorial director of *Builder* and *Big Builder* magazines; Lance Ramella, managing director of Hanley Wood Market Intelligence; and Sharon Stangenes, reporter from the *Chicago Tribune*.

Two questions the panel focused on were "How long will the current building slowdown last?" and

"What can builders do to correct it?" Both Thompson and Ramella suggested that the downturn might continue through 2007 with the potential of correcting itself by 2008. And, while no builder is immune from housing cycles, the following steps can be taken to improve their situation:

- Find ways to achieve lower price points.
- Pass over "C" sites in favor of "A" locations.
- Resist discounting.
- Accumulate cash to make strategic acquisitions.
- Appeal to baby boom, echo boom, and minority buyers.
- Emphasize the advantages of new over existing homes.

"HOW CAN I REDUCE CANCELLATIONS?"

This question is asked of us weekly during this time of transition. While there is no sure fire way to eliminate cancellations, there are some measures that can help.

- Take bigger deposits, if you can.
- Take fewer contingencies and never take a contingency on a For-Sale-By-Owner.
- Check periodically on the status of the sale of their existing home.
- Make sure that option selections are proceeding on schedule.
- Schedule as many meetings as you can with your buyers.
- Stop increasing discounts and incentives each week.
- Hold frequent buyer meetings and events.
- Make sure the buyers meet their new neighbors.

Lance Ramella
Managing Director
Hanley Wood Market Intelligence

BUZZ IN THE GOLD COAST



Emily Johnson, President you want to celebrate a milestone or promote a new incentive, engaging people in the excitement creates buzz.

One of our clients wanted to wow buyers, prospects, VIPs, and brokers by hosting a private, invitation-only reception for its upscale Gold Coast project. Held in the sales center and models, we showcased the quality of the building by focusing on details. From liveried doormen who met guests on the red carpet to an abundance of fresh flowers, passed hors d'oeuvres and premium open bar, the event gave an elegant nod to luxury. And, of course, we couldn't let the 500+ guests leave without an exclusive Vosges chocolate gift.

The satisfied client walked away that evening with seven contracts and a new respect for word-of-mouth marketing.



Big Builder

Published March 15, 2006

BRAND ON DEMAND

by Lisa Marquis Jackson

SilverStone Communities and Taylor Johnson team up to create a "position" powerfully.

For Tom Bruin, CEO of Chicago-based SilverStone Communities, and three associates of Chicago public relations and brand consultant firm Taylor Johnson, the week of March 13 was a road trip that would put any touring rock star to shame. Fresh on the heels of the company's expansion into three new markets this year, Bruin is now diving headfirst into a corporate initiative to brand his company's five independent urban infill operations.

With stops in Denver, San Francisco, and San Diego, the newly anointed team wasted no time putting the wheels in motion for SilverStone's brand development and implementation initiative. Meeting with division presidents at each of the stops, the group interviewed executives, toured product from SilverStone and its competitors, met with regional agency contacts, and conducted focus groups of buyers and outside brokers.

"For us, the definition of 'brand' is the position that the builder can own in the marketplace," says Peter Olesker, Taylor Johnson's executive vice president. "For Nike, it's the superstar athlete in all of us." But for SilverStone, that position has yet to be determined. "We hope to be in a position to make actionable recommendations within a month," says Olesker. And Bruin predicts the company will be able to articulate that vision in the next six months.

"It's a competitive environment out there," says Bruin of his motivation.

"Even though we are off to a good, fast start, I have to fight both greenfield builders and these 'virtual' builder LLCs for consumer attention."

And if the market does begin to slow down, Bruin sees his branding foresight as just one more advantage. "It will put us ahead of the game if others start to decide it might be an area to pursue, but more importantly, it puts us ahead of the eight-ball now."

Bruin admits that evaluating the tangible payback of a brand implementation program may be a tough measure to capture. But already he can envision ways that SilverStone will reap rewards. "Ultimately, we have to come up with a way to set the metrics. But if we can establish a brand that enables us to capture more market share or even command an extra \$5 more per square foot, that's an incredibly strong set of metrics in itself."



READY TO BRAND: The Taylor Johnson team behind SilverStone Communities' new effort, left to right: Deborah Johnson, CEO; Kathryn Kjargaard, and Peter Olesker, executive vice president.

New Faces at Taylor Johnson



Amanda Shawaluk
Account Executive
University of Illinois.
Former account executive at Ogilvy Public Relations Worldwide, where she was responsible for media relations of national consumer marketing clients.



Stephanie Miller
Associate Account Executive
Northwestern University.
Freelance contributor to *Chicago Scene Magazine* and *Daily Herald*, and interned with ABC-7 and Comcast SportsNet.



Learn how to:

- Develop a publicity program
- Write a compelling news release
- Plan on-site events
- Handle media interviews
- Deal with crisis communication
- Hire and budget for PR

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