

MULTICHANNEL

Douglas Elliman: 90pc of real estate sales are emotional

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By TRICIA CARR

NEW YORK – The chief marketing officer of Douglas Elliman Real Estate said at the Luxury Roundtable: State of Luxury 2013 conference that it is responding to buyers' evolving attitude from wanting traditional service to seeking transparency and experiences during the process.

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During "The Art and Science of Luxury Property Marketing" session, the executive shared how the New York firm wins over the hearts and minds of high-net-worth real estate consumers. Today, 90 percent of Douglas Elliman's transactions are influenced by the buyer's emotions versus rationalization.

"Real estate consumers on the high end are not looking in the context of the local market, but looking in the context of the global market," said Camilla Papale, chief marketing officer, **Douglas Elliman Real Estate**, New York.

"They are also looking at real estate as a true collectible," she said. "They are looking for properties that are extremely unique, with extremely unique locations and long-term value."

The Luxury Roundtable: State of Luxury 2013 conference was organized by Luxury Daily.

Selling power

There are new rules to the game for today's rapidly transitioning luxury real estate industry.

First, luxury real estate prices need to be understood on a global level.

Also, luxury real estate is widely viewed as a hedge against inflation, commodity markets and international political risk.

Last, high-net-worth buyers view luxury properties as they would unique collectible items.

"Real estate is a true luxury category," Ms. Papale said.



Ms. Papale

Real estate – which spans main residences and second homes – constitutes 25 percent of the average wealth portfolio.

Sixty percent of Europeans, 61 percent of the Middle East's and Africa's high-net-worth population, 67 percent of Russians and those in the Commonwealth of Independent States and 73 percent of Latin Americans are considering changing their country of residence.

The market is growing since 25 percent of consumers will buy real estate in 2013 compared to 19 percent in 2012, proving that luxury real estate is an investment.

The key factors behind luxury home buying decisions start with lifestyle, followed by a safe haven for capital, investment, education for children, tax implications and business connections.

"These wealthy consumers are really looking to take their money and put it in a safe place," Ms. Papale said.

There are several reasons why real estate is so different from other luxury categories. There is a long transaction cycle, complex process, high price and the inability to control inventory, making the buying process a combination of emotional and rational decision-making.



Ms. Papale

Super brokers

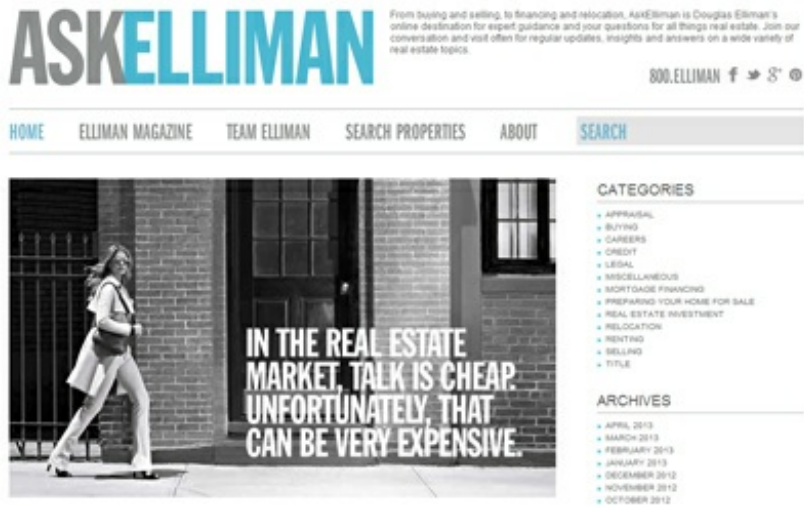
Douglas Elliman has found that transparency, consumer knowledge, hyper-personalization and other trends are surfacing in the luxury real estate marketplace, so it employs "Super Brokers."

These agents address the challenges faced by today's real estate consumers such as the emotional transition of moving, the lack of trust, less control over their time and money and pains associated with the process.

To leverage this concept, the brand launched "Ask Elliman," a program mean to build relationships with potential buyers based on trust, influence and thought leadership.

The multichannel campaign brought consumers to AskElliman.com where the brand allowed consumers to directly ask questions.

"[Ask Elliman] became a lead generator." Ms. Papale said.



AskElliman.com

The power of visual

Another way that Douglas Elliman gains trust from luxury real estate consumers is by offering property images.

One venue for its images is its revamped Elliman magazine.

Last April, the firm released the first redesigned issue of its luxury real estate magazine that was reformatted to contain lifestyle content in addition to traditional listings. It is also available via a an iPad application.

The magazine offering discerning buyers content on interior design, food, style and celebrities, all centering on residential real estate ([see story](#)).



Elliman magazine feature story

"We ask people who are influencers in their field to describe our properties for the magazine," Ms. Papale said.