

Marketing your company with real estate

By Lionel Andries, Marketing Director at AOS Studley



Marketing and advertising are everywhere, even in some unlikely places such as airline tickets, shopping caddies and even ski lifts. But one of the most surprising usages of marketing is real estate - yes, real estate - as an effective vehicle to deliver messages to specific audiences. For instance, a company that moves into a 'green' building is saying that preserving the environment is important.

In an attempt to communicate with a diverse clientele, companies are more and more approaching marketing like big accounting and auditing firms. Real estate, a company's usual very high expense, has now gained credentials as an effective marketing tool to convey specific messages to both clients and recruits through locations, aesthetics, flexibility, efficiency and amenities.

Deploying huge marketing efforts to run the gamut from very conservative strategies to more aggressive and forward-thinking ones, a growing number of companies - law firms, telcos, consultancies, recruitment bureaus, advertising agencies, banks...- are incorporating real estate into their marketing strategies for long-term growth and profitability.

If branding through building signage is well-known and adopted by thousand of companies worldwide, extensive and accurate logo placement can lead to strong branding by renaming a building « the company-x building ». Remember the Rogier tower in Brussels, usually called the Martini tower during decades. The same applied for a plethora of other buildings known as the ITT tower, the Hilton tower, the Olivetti tower, the Sheraton tower, the IBM tower, the AXA building, etc.

Besides this, real estate marketing can take many other forms for reinforcing brand identity. A strong building presence, for instance, can be created using ground-level space, oftentimes considered retail space, for reception or conference rooms. Offices located directly above those spaces may be connected by an internal staircase, thus giving substantial visibility to all visitors of the building. This explains why offices located on contiguous floors above the lobby are operationally more efficient while being a more compelling use of real estate marketing compared with anonymous tenants on upper floors.

But a more subtle use of real estate as a marketing tool can also provide exceptional results to attract and retain clients. The basic concept is to provide clients with a productive, welcoming environment. The thinking is that the longer a client remains within a company's office, the better the perception and the more business the company will receive from that client. The goal is to create the opportunity for interaction with clients, as well as to reinforce what retailers call 'top of mind'. As a result, many firms are replacing their historically large reception areas, where clients were greeted and remained until appointment time, with areas that are smaller and used only to greet clients who are immediately ushered to much smaller, private visitor's lounges providing snacks, drinks and newspapers and wired with telephones, internet access and plasma television broadcasting the company's messages or popular business channels.

Meeting centers have also evolved into more flexible, client-centric spaces typically located adjacent to reception, providing greater access to clients and eliminating the need to walk them through offices, possibly compromising confidential information related to other clients. These meeting centers commonly have movable walls easily configured for a multitude of uses and are fully wired for telephones, web access, LCD projectors and teleconferencing. In addition to traditional client meetings, the flexibility of such a center can make it a perfect venue for lectures, meals, executive briefings, product launch events, cocktails, cultural exhibitions... all kinds of events helping to reinforce the company's brand and image.

Another purpose of real estate as a marketing tool is to attract talented candidates by answering their most traditional questions:

- Is the office located in a desirable, easily accessible area?
- Does the office building represent the company culture?
- Does the office space design offer a comfortable and enjoyable work environment?
- Do the building and workspace comply with basic guidelines for energy savings and well-being?
- Are there acceptable conditions and equipments for overtime hours?
- Finally, is the office attractive enough for spending most of the lifetime within its walls?

Recruitment and HR specialists all recognize that office environment, space efficiency and design highly influence the decision of a candidate to join a new company. Candidates give more and more attention in how efficient the office space will be over life and how it relates to the bottom-line profits of the company. Since a company lease has typically a term of 10 or 20 years, a space strategy must incorporate flexibility to respond to changes and remain efficient over the lifespan of the lease.

Another widely accepted marketing tool in the real estate strategy is the café, a central meeting place often located near stairs or lifts connecting practice areas. The café has replaced the library, the smoking-room and the printing room as the preferred networking place. Some companies also have bars and host weekly after-hours cocktails, something employees -and sometimes clients and business partners- find highly valuable. A large eating venue positioned along the window line is also incorporated into many of today's space plans in order to provide a change of scenery for those spending endless hours at their desks.

Endless possibilities

It will be interesting to see how real estate-based marketing will evolve in the next 20 years. Still used mainly by very large corporations, real estate as a marketing tool will be adopted by firms of all sizes, sectors and cultures. On the way to 'green' offices and egalitarian work space, there is a giant room for ideas and innovation. Heated competition will lead the business world as a whole to embrace – and reconsider – marketing as a mean to strengthen companies' brand identity, values, attractiveness and competitive differentiator. Thanks to evolution of the new technologies, the new role of the real estate will be used by almost all organizations. Real Estate is part – now – of the marketing plan.



About the author : Lionel Andries is Marketing Director at AOS Studley, a leading firm providing real estate consulting and facility management services. Their expertise is dedicated to help tenants optimizing real estate for improved corporate performance, higher employee motivation and productivity, talent retention, energy efficiency and contributive sustainable development. AOS Studley has offices in major countries of Europe, Asia and the US.