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Joanna Ellis - Generation Y: The future renter...What's next?

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Let's face it - one big question is nagging all of us: "What is next?" Panels of "experts" offer a seemingly endless supply of lists, year-end predictions, and conjecture about the future. And while I'm not immune to making the occasional prognostication, I prefer to examine the available data to create effective marketing, selling, and relationship-building strategies that I can use today and help me prepare for the future. That's why I started this Monday Morning Meeting series as a way for you and me to prepare for the future as we discuss what we know today.

In the multifamily industry, I believe we are bulleting toward a fundamental shift; not only concerning the future residents' method for finding an apartment, but how they will interact with a management company. This common conjecture hinges on several factors, but perhaps the most intriguing is the generational shift.

For the past 30 years, most companies have functioned according to the Baby Boomer mindset. We Baby Boomers currently make up 38% of the workforce. While times have changed drastically, memories of the "good ole' days" remain vivid in our minds. Remember when smart marketing included advertising a "singles only" section in communities? Remember when businesses were closed on Sunday? Remember life before the Internet and smart phones?

Let's take a moment to reminisce about life before the World Wide Web...

*Before the Internet...we conducted research at libraries.

*Before instant messaging...we spoke with friends over a telephone attached to a wall.

*Before blogging...letters handwritten in secret codes were exchanged at school and emotions were scribbled into a diary.

*Before search engines...we pressed our ears to the speaker and repeated our favorite song over and over to write down the lyrics.

*Before MySpace and Facebook ...kids hung out at video arcades, indoor malls, roller rinks, and pizza places.

As we reflect on the history of technology, we can learn to predict new customer behaviors. Thanks to the progress of the last 10 years, today's customer is savvier than customers of yore, having quicker access to a wider variety of options than ever before. Their influx has forced us to re-examine marketing strategies, revise relationship-building tactics, and maximize our selling and closing efforts.

Well, folks, get ready - because the time to re-examine, revise, and maximize has come again! The next 10-30 years will be driven by Generation Y, also known as the Millennial Generation, Generation Next, Net Generation, and Eco-Boomer. Born between 1982 and 1995, they currently make up 36% of the workforce. According to the U.S. Census Bureau, this number is expected to reach an astonishing 50% within 10 years.

Generation Y is armed with purchasing firepower unavailable to any previous generation:

*Instant, comprehensive information from the Internet;

*Immense choice; and

*Real-time price comparison

Moreover, social media will continue to constantly inform and influence Generation Y, making this era of "new experts" permanent. In fact, their potency in this business will only grow with following generations, for customers will have increasingly effective technology, and they will become more adept at using it for their benefit - not yours.

This new dominant generation will be working at your company, running your business, and living in your apartments. They will impact the decisions we make. They will alter the way we do business. They will transform our industry. And they will change us.

So instead of asking, "What's next," perhaps we need to ask, "Are we ready for what's next?"

The Monday Morning Meeting with Joanna Ellis is a monthly series examining the impact of Generation Y on the multifamily industry and discussing how to successfully do business with them.

Joanna Ellis is the president and owner of Ellis Partners in Mystery Shopping, Irving, Tex.

Under her direction, EPMS has established itself as the premier apartment shopping company in the nation. Current clients include most major apartment developers, management companies, and REITs. Joanna has spent more than 20 years in the multifamily industry, and she holds both the Certified Apartment Manager (CAM) and Certified Apartment Property Supervisor (CAPS) designations from the National Apartment Association. She is also a licensed Texas Real Estate Agent.

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