

Using Social Media to Navigate Tough Markets

why you should demand your advisor be a social media expert

By: Todd Clark, CCIM, SIOR | Senior Advisor
Sperry Van Ness | Lexington, KY

Anyone who has endured multiple market cycles understands that market consolidations cause a weeding-out process to occur. While many tend to perceive those forced out of the market as simply not having the financial wherewithal to survive, the truth of the matter is that the reason most companies fail in tough markets is that they refused to change. Had they changed, had they adapted, had they innovated, they would have found a way to create the financial resources necessary to weather the storm. Static thinking simply does not mix well with fluid markets.

To use a military analogy, the worst thing a fighting force can do is to engage the opponent in multiple skirmishes without changing tactics. Even the best tactical precision is subject to defeat if it becomes stale or predictable and it is precisely at this point that it also becomes outdated. As it is on the battlefield, change is an essential survival skill in the business world as well. The harsh reality is that outdated business tactics will place an enterprise at a competitive disadvantage eleven times out of ten...it's as simple as that.

In a commercial real estate market where many complain about deals not getting done, the fact of the matter is that deals close every day. If a deal isn't getting done, it's not because of the market, it's because there is something wrong with the tactics being used to market the deal...it's because it is not being marketed in the right way, at the right time, to the right people. It's not a market thing; it's a tactical thing...better yet, it's a marketing thing. When hiring an advisor to help you acquire and dispose of assets in a down economy, do you want someone who complains about the market and makes excuses, or do you want someone who innovates and executes? The choice is yours...choose wisely.

Nowhere is the need for change in commercial real estate more apparent than in the marketing and branding tactics currently being employed by many practitioners. The successful culmination of a transaction occurs as a result of savvy marketing, especially in a down market. As much as some may wish it wasn't so, the commercial real estate industry cannot simply stick its head in the sand and ignore social media. Old media has been simply rendered ineffective by the speed at which new media has evolved, and the power of new media to engage in ways that old media never could.

Traditional old-school sales and marketing types that are still trying to do business in the same manner as 5 years ago are getting crushed by those professionals that have embraced

the leverage and scale afforded through digital mediums, and in particular, social media. Through a well conceived social media strategy that focuses on trust based conversations and engagement created via blogs, YouTube, Facebook, Twitter, LinkedIn, and other social media platforms, it is not only possible to increase the visibility of an offering, but to do so with relevance, authority and influence.

Traditional brokers will attempt to “sell” you on their ability to “selectively” market your property to an “exclusive” group of buyers. The theory behind this cloak and dagger strategy is that you will somehow benefit from having your asset marketed to a “limited” pool of buyers. The fact of the matter is that anyone with a rudimentary knowledge of economics understands that exposing a property to the broadest possible market, has the highest potential for creating a competitive buying environment, which in turn will yield the highest return. The use of new media will clearly expose your property to more people in a shorter period of time than old media. So my question is this: are you going to buy the rhetoric or the reality? Are you going to base your decision on hype or basic economics?

During tough economic times many of the usual and customary suspects to acquire an asset have either gone away permanently, or are temporarily on the sidelines waiting for the market to become more predictable. Complicating things further is that many of today’s active buyers are not only cautious, but they are hoping to not have to compete on a broad scale with other buyers. Therefore, it is even more important to have inroads into broader spheres of influence, with more influence and credibility. This is best accomplished using marketing tactics that engage the broadest cross-section of buyers in a fashion that engenders trust and confidence. The appropriate use of social media creates the best possible opportunity for sellers.

Advisors who use social media as the backbone of their marketing strategy simply have a distinct competitive advantage over those who do not. Moreover, this gap will only continue to widen over time. So next time you need to buy or sell a property, my suggestion is that you skip the tired rhetoric of those who have allowed the market to pass them by, and give your attention to those advisors who will leverage the latest skills, competencies, toolsets, technology, and mediums to your advantage.

About the Author:

J. Todd Clark, CCIM, serves as a Senior Advisor for Sperry Van Ness specializing in the brokerage, leasing, property management, development, syndication and exchange of medical and general office, retail, and hospitality properties in Lexington, Kentucky.

With over 18 years of experience, Clark has brokered and managed numerous transactions and assets in excess of \$100 million. Clark obtained his CCIM designation in October of 2008.

Prior to affiliating with Sperry Van Ness, Clark owned Clark Southern Investment Properties, a full service commercial real estate firm.

Before owning Clark Southern Investment Properties, Clark served as the Vice President of Operations for Office Suites PLUS - a regional office suites company - where he managed an office portfolio with 20 locations throughout the Midwest and Southeast regions of the U.S.

Previously, Clark served as National Director of Sales and Operations for StudioPLUS Hotels where he managed a \$100 Million, 30 hotel portfolio throughout the Midwest and Southeast regions of the U.S.

Active in the industry, Clark is a member of the Lexington-Bluegrass Association of Realtors (LBAR), Kentucky Association of Realtors (KAR), the National Association of Realtors (NAR), the Commercial Property Association of Lexington (CPAL) and the Kentucky CCIM Chapter.

Clark earned a bachelor's degree in Psychology with a minor in Business Administration from Transylvania University in Lexington, Kentucky where he currently resides.

Contact the Author:

Phone: 859.264.0888

Email: todd.clark@svn.com

Web: www.svnlex.com

Copyright © 2009 – Todd Clark, CCIM
This Office Independently Owned and Operated
All information presented by Sperry Van Ness has been obtained from sources deemed reliable. Sperry Van Ness makes no representation with regard to the accuracy of the information contained herein.