

BRAND IN THE REAL ESTATE BUSINESS; CONCEPT, IDEA, VALUE?

Prof. Kauko Viitanen
Helsinki University of Technology
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Source

- This presentation is based on a joint research project (2000-2003) with Helsinki University of Technology, Institute of Real Estate Studies and Technical Research Centre of Finland (VTT), VTT Building and Transport
- Financed by Tekes, National Technology Finance Agency in Finland + some companies and municipalities
- Publication: Riihimäki, M., Nissinen, K., Porkka, J., Leinonen, J. & Viitanen, K. Brand – A possibility in real estate business. Tampere 2003. VTT Building and Transport (in Finnish)

The research

- The aim was to find possibilities of developing a brand from the real estate business.
- Brand development was examined from the viewpoint of four actors: property owners, facility service providers, property development companies and regional real estate actors.
- The study is focused on business premises, services and regional/areal brand development.
- The study offers the actors in the real estate business ideas, models, methods, tools and examples of the development activities aiming at the brand and the brand management.
- A manual was developed for building up the brand.

COMMON FEATURES OF A SUCCESSFUL BRAND Source: VTT 2003

- Is reality-based
 - Is developed from company's baseline
 - Know-how, business, strategy
 - Is differentiated
 - Is widely recognized and recalled
 - Indicates willingness for commitment
- > A successful brand fulfills given promises

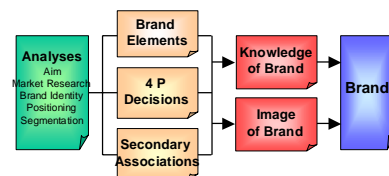
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NOKIA
CONNECTING PEOPLE

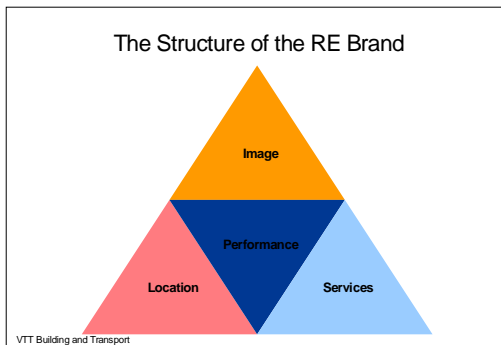


BRAND CONCEPT DEVELOPMENT- Phases



Source: Keller

4 P: Product, Price, Place, Promotion



BRAND BENCHMARKING

- The aim was to analyse real estate brands, point out weaknesses and strengths of them, and put them in a measurable form
- The starting points were the four factors of brand: location, services, performance and image
- Each factor was given several characters, that were described by three grades (good, normal, bad):
 - Location 30 characters
 - Services 50 characters
 - Performance 25 characters
 - Image 49 characters

BRAND BENCHMARKING

- The tool was tested at one foreign object (Sophia-Antipolis), two domestic business parks (HTC Ruoholahti, Helsinki and Stella Business Park, Espoo), and a fictional traditional office building in the Helsinki Area
- The tool well revealed the weaknesses of a brand, and the sensitivity of a brand towards negation was also clearly noticed
- The outcome is an Internet-based solution (Brand-tool)

Lomakkeen lähetyks

Annetaan yleiset tiedot

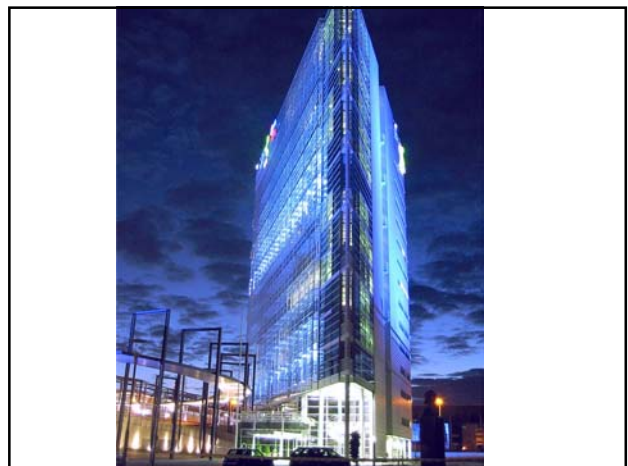
- laatija
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Lomakkeen lähetyks

Täytetään lomakkeet

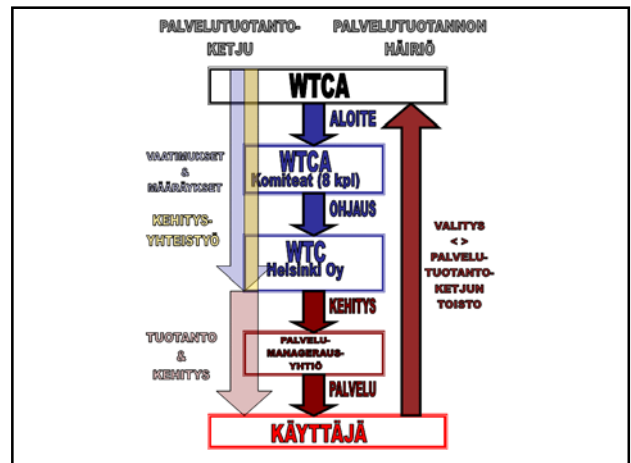
Some results

- The study showed that real estate brand can be built up, valued, and considered analytically.
- Each organisation must build up a brand of its own, as a brand is a result of careful planning and implementation – a strategic matter.
- Brand is a device by which the enterprise will stand out from anonymous services or products.
- On the other hand, real estate brands, in special, seem to be a way of acting, and seem to connect various parties in a joint operating concept.
- It seems that a building cannot itself be a brand but it may be a signal of a brand



Some results

- Building up a brand generally takes a long time.
- The brand requires commitment and management.
- Brand may easily be destroyed if the organisation is not acting according to its brand promises.
- To avoid this to happen by mistake the organisation should keep the brand in mind in all activities.
- All employees and partners must know what the brand is and what it calls for.
- As brand has a life cycle, it needs to be reset at some point in order to keep up with the changing society.



Brands have entered the real estate business, and it is certain that brand has an idea even here!

Brand pays back!

It's worthwhile to invest in brands!

Thank you!

kauko.viitanen@tkk.fi