Your Ideal Renter: Using Segmentation Data to Find, Get and Keep Them
Who Are Market-Rate Apartment Renters?
This analysis suggests eight basic types of renter households:

- Starting Out Faster, 15%
- Young Couples, 13%
- Miscellaneous
- Elite, 5%
- Familiar Families, 6%
- Perma-Renters, 16%
- Pet People, 8%
- Starting Out, 27%
- Boomers and Independent Seniors, 10%
- Starting Out Faster, 15%
- Young Couples, 13%
- Miscellaneous
- Elite, 5%
- Familiar Families, 6%
- Perma-Renters, 16%
- Pet People, 8%
- Starting Out, 27%
- Boomers and Independent Seniors, 10%

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@apartmentwire

REAL PAGE
Outperform

November 14–16, 2016
Hilton Anatole
Dallas, TX
There are lots of semi-broke young adults

Starting Out

27% of Apartment Households

<table>
<thead>
<tr>
<th>Metric</th>
<th>Starting Out</th>
<th>Rank (of 8)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Adult Age</td>
<td>26</td>
<td>8</td>
</tr>
<tr>
<td>Median Income (2016)</td>
<td>$40,800</td>
<td>8</td>
</tr>
<tr>
<td>Median Monthly Rent (2016)</td>
<td>$899</td>
<td>8</td>
</tr>
<tr>
<td>Median Rent/Income (2016)</td>
<td>27.1%</td>
<td>2</td>
</tr>
<tr>
<td>Occupants Per Unit</td>
<td>1.2</td>
<td>5</td>
</tr>
<tr>
<td>Married Adults Per 100 Units</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td>Pets Per 100 Units</td>
<td>&lt;1</td>
<td>7</td>
</tr>
<tr>
<td>Children Per 100 Units</td>
<td>7</td>
<td>4</td>
</tr>
</tbody>
</table>
Some young adults make meaningfully more money

Starting Out Faster
15% of Apartment Households

<table>
<thead>
<tr>
<th>Metric</th>
<th>Starting Out Faster</th>
<th>Rank (of 8)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Adult Age</td>
<td>28</td>
<td>7</td>
</tr>
<tr>
<td>Median Income (2016)</td>
<td>$50,000</td>
<td>6</td>
</tr>
<tr>
<td>Median Monthly Rent (2016)</td>
<td>$1,014</td>
<td>7</td>
</tr>
<tr>
<td>Median Rent/Income (2016)</td>
<td>25.2%</td>
<td>3</td>
</tr>
<tr>
<td>Occupants Per Unit</td>
<td>1.2</td>
<td>6</td>
</tr>
<tr>
<td>Married Adults Per 100 Units</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Pets Per 100 Units</td>
<td>&lt;1</td>
<td>8</td>
</tr>
<tr>
<td>Children Per 100 Units</td>
<td>6</td>
<td>5</td>
</tr>
</tbody>
</table>
Combine those folks into couple households and you start to get quite a bit more purchasing power

**Young Couples**

13% of Apartment Households

<table>
<thead>
<tr>
<th>Metric</th>
<th>Young Couples</th>
<th>Rank (of 8)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Adult Age</td>
<td>33</td>
<td>6</td>
</tr>
<tr>
<td>Median Income (2016)</td>
<td>$75,000</td>
<td>2</td>
</tr>
<tr>
<td>Median Monthly Rent (2016)</td>
<td>$1,184</td>
<td>2</td>
</tr>
<tr>
<td>Median Rent/Income (2016)</td>
<td>19.7%</td>
<td>7</td>
</tr>
<tr>
<td>Occupants Per Unit</td>
<td>2.3</td>
<td>2</td>
</tr>
<tr>
<td>Married Adults Per 100 Units</td>
<td>163</td>
<td>1</td>
</tr>
<tr>
<td>Pets Per 100 Units</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Children Per 100 Units</td>
<td>11</td>
<td>2</td>
</tr>
</tbody>
</table>
The second-largest renter group tends to be nearly invisible when renters are discussed

**Perma-Renters**
16% of Apartment Households

<table>
<thead>
<tr>
<th>Metric</th>
<th>Perma-Renters</th>
<th>Rank (of 8)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Adult Age</td>
<td>44</td>
<td>2</td>
</tr>
<tr>
<td>Median Income (2016)</td>
<td>$60,000</td>
<td>4</td>
</tr>
<tr>
<td>Median Monthly Rent (2016)</td>
<td>$1,032</td>
<td>5</td>
</tr>
<tr>
<td>Median Rent/Income (2016)</td>
<td>22.5%</td>
<td>6</td>
</tr>
<tr>
<td>Occupants Per Unit</td>
<td>1.1</td>
<td>8</td>
</tr>
<tr>
<td>Married Adults Per 100 Units</td>
<td>14</td>
<td>6</td>
</tr>
<tr>
<td>Pets Per 100 Units</td>
<td>&lt;1</td>
<td>6</td>
</tr>
<tr>
<td>Children Per 100 Units</td>
<td>5</td>
<td>7</td>
</tr>
</tbody>
</table>
Here’s a summary of where each renter household cluster is most over-represented

<table>
<thead>
<tr>
<th>Cluster</th>
<th>Concentration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Starting Out</td>
<td>Urban or Low-Rent Suburbs</td>
</tr>
<tr>
<td>Starting Out Faster</td>
<td>Urban or High-Rent Suburbs</td>
</tr>
<tr>
<td>Young Couples</td>
<td>Urban</td>
</tr>
<tr>
<td>Pet People</td>
<td>High-Rent Suburbs</td>
</tr>
<tr>
<td>Familiar Families</td>
<td>Low-Rent Suburbs</td>
</tr>
<tr>
<td>Miscellaneous Elite</td>
<td>Urban</td>
</tr>
<tr>
<td>Perma-Renters</td>
<td>Low-Rent Suburbs</td>
</tr>
<tr>
<td>Middle-Income Boomers &amp; Seniors</td>
<td>Low-Rent Suburbs</td>
</tr>
</tbody>
</table>
Rent-to-income ratios are inversely correlated to apartment product class.

- Median Rent-to-Income (left)

<table>
<thead>
<tr>
<th>Product Class</th>
<th>Median Rent-to-Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>A+</td>
<td>$80,000</td>
</tr>
<tr>
<td>A</td>
<td>$70,000</td>
</tr>
<tr>
<td>A-</td>
<td>$60,000</td>
</tr>
<tr>
<td>B+</td>
<td>$50,000</td>
</tr>
<tr>
<td>B</td>
<td>$40,000</td>
</tr>
<tr>
<td>B-</td>
<td>$30,000</td>
</tr>
<tr>
<td>C+</td>
<td>$20,000</td>
</tr>
<tr>
<td>C</td>
<td>$32%</td>
</tr>
<tr>
<td>C-</td>
<td>$28%</td>
</tr>
<tr>
<td>D</td>
<td>$24%</td>
</tr>
</tbody>
</table>
Personas: Los Angeles A-Class Asset in Urban Environment

Population for Zip Code 90066
Median Age: 38 years
Median Income: $125,000

Trendsetters: Young, educated singles that are not ready to settle down. Dressed head-to-toe in the latest fashions while spending their free time viewing local art, dining out and exploring new hobbies. Trendsetters are connected at all times and shop at Whole Foods and Trader Joe’s for quick organic meals.

Urban Chic: Well-educated, married couples and/or singles. Hold professional jobs in technical and legal occupations. Live exclusive and upscale lives with leisure time spent visiting museums, traveling and practicing Yoga. Enjoy stocks, bonds and real estate investments.

City Lights: Passionate about social welfare and equal opportunity. Earn good incomes in professional or service occupations. Live in ethnic rich neighborhoods and commute to support urban lifestyle. Savvy shoppers with high speed internet a must.
Personas: San Francisco A+-Class Asset in Urban Core Environment

Zip Code: 94105
Median Household Income: $125,000
Median Age: 34.9 years

Laptops and Lattes

- Affluent singles and partner couples
- Loves life in the big city
- Holds professional careers in computers, business, finance, legal, and entertainment
- Most do not own a home or vehicle
- Likes new apartments with full amenity package within walking or biking distance of area amenities
- Invests in mutual funds and contribute to retirement plans
- Prioritizes physical fitness
- Shops organic
- Expenses regularly include nice clothes, traveling, lattes and treatments at spas
- Stays connected through laptops, cell phones and iPads
- Spends leisure time at museums, theater, opera, rock concerts, going to clubs and bars, and reading books and newspapers electronically
Personas: Phoenix Area A-Class Asset in Suburban Environment

Population for Zip Code 85281
Median Age: 22 years
Median Income: $40,000

**College Towns:** Singles and/or college students who make time for part-time jobs, sports and socializing. Make impulse purchases and can be influenced by celebrity endorsements and media trends. Computers and cell phones are a big part of every day.

**Young & Restless:** Single millennials that are diverse and well-educated. Work in professional, technical, sales and office administration support positions. Shop for best prices and enjoy new electronics. Cell phones are a must for online reviews, shopping, banking and social media.

**Dorms to Diplomas:** Connected 24/7 while living on their own for the first time. First online generation to use internet, cell phones, computers and MP3 players all of their lives. Learning to manage finances while tending to shop impulsively. Days are filled with studying, part-time jobs and socializing with friends.
FIND

- PPC
- SEO
- Social Media Advertising
- In-App Advertising
- Retargeting
- Email Marketing
- Nudge Marketing
- Text Enabled Phone Numbers on Website & PPC Ads
FIND

Full Digital Assets

Virtual Staging
GET

Sight

Smell

Sound

Taste

Touch
ALLIANCE MARKETING
RENTER SEGMENTATION STRATEGY

Brad Cribbins, President/COO Alliance Residential
EMPATHY + SIMPLICITY = AGGRESSIVE INNOVATION
EMPATHY GETS YOU CLOSER TO YOUR RENTER.

Wants... Desires... Motivations... Behaviors... Attitudes
MATT 30 | ALLISON 30

Household Income: $105,000

Allison and Matt, Chicago natives, have been dating for just over two years. They met while attending college at the University of Illinois, where Allison majored in business and Matt in finance. Now settling into their careers and starting the next chapters of their lives, they want to transition into a home that is a bit more upscale than their current apartment. While they both stay extremely busy establishing themselves professionally, they both like to unwind by exploring the best of Chicago — great breweries, food, festivals and sporting events. One of their favorite activities is ordering Chinese takeout and watching movies and series on Netflix.

DINING PREFERENCES

- Eat out at least once every few days and really love Chinese food
- Nothing makes them happier than ordering Chinese takeout then coming home to watch a movie
- Mexican and pizza also rank high among their favorite restaurant types

LIFESTYLE

- No pets right now because of their very busy lifestyle — they fear they don’t have time for one
- Matt belongs to a gym; Allison prefers to get her exercise by running or riding her bike
- When they aren’t working, they love to go to baseball games (more so Cubs fans than White Sox fans)
- Appreciate fine arts and peruse art museums at least once every few months
- Really sociable and love going to breweries with friends or attending festivals
- Environmentally-conscious and recycle as much as possible
MEDIA CONSUMPTION

- 18% read the Chicago Tribune
- 40% visit ChicagoTribune.com
- 82% use Facebook
- 62% watch Netflix
- 65% watch videos on YouTube
- 40% listen to Pandora
- 86% check banking online
- 80% search for businesses online
  and instant message

SHOPPING

- 74% shop on Amazon
- 42% have shopped at State Street in the last 3 months
- 35% shop at 600 N. Michigan

MUST-HAVES/WISH LIST

- High-end finishes
- Close proximity to nightlife and restaurants
- State-of-the-art gym
- Bike rentals
- Fantastic pool
- Resident discounts to art museums or zoos
- Social events/outings to baseball games or local hot-spots

DEVICES USED

- iPhone: 90%+
- Laptop: 90%+
- Desktop: 32%
NOW SIMPLICITY KICKS IN.
MATT AND ALLISON ONLY HAVE SO MUCH CAPACITY

HOW DO YOU BREAK THROUGH...?
SPEAK TO THEIR DESIRES, THROUGH CHANNELS THEY USE.
We know where Allison and Matt like to shop. Geo-fencing enables us to target custom audiences like this couple with data accurate to 100 meters and pinpoint locational precision to these retail destinations.
GEO-FENCING DISPLAY CAMPAIGN

Millenials - Not Knowing Matt & Allison

LIVE + PLAY

Call us HOME

#OPTECH2016 @apartmentwire
GEO-FENCING DISPLAY CAMPAIGN

Millennials - Knowing Matt & Allison

IN THE MOOD FOR HOME

JOIN US

#OPTECH2016 @apartmentwire
90% OF OUR DECISION-MAKING IS SUBCONSCIOUS.

The better we can understand the emotional motivation of our renters, the better the experience and the higher rate of conversion.