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Internet Adventure Study III

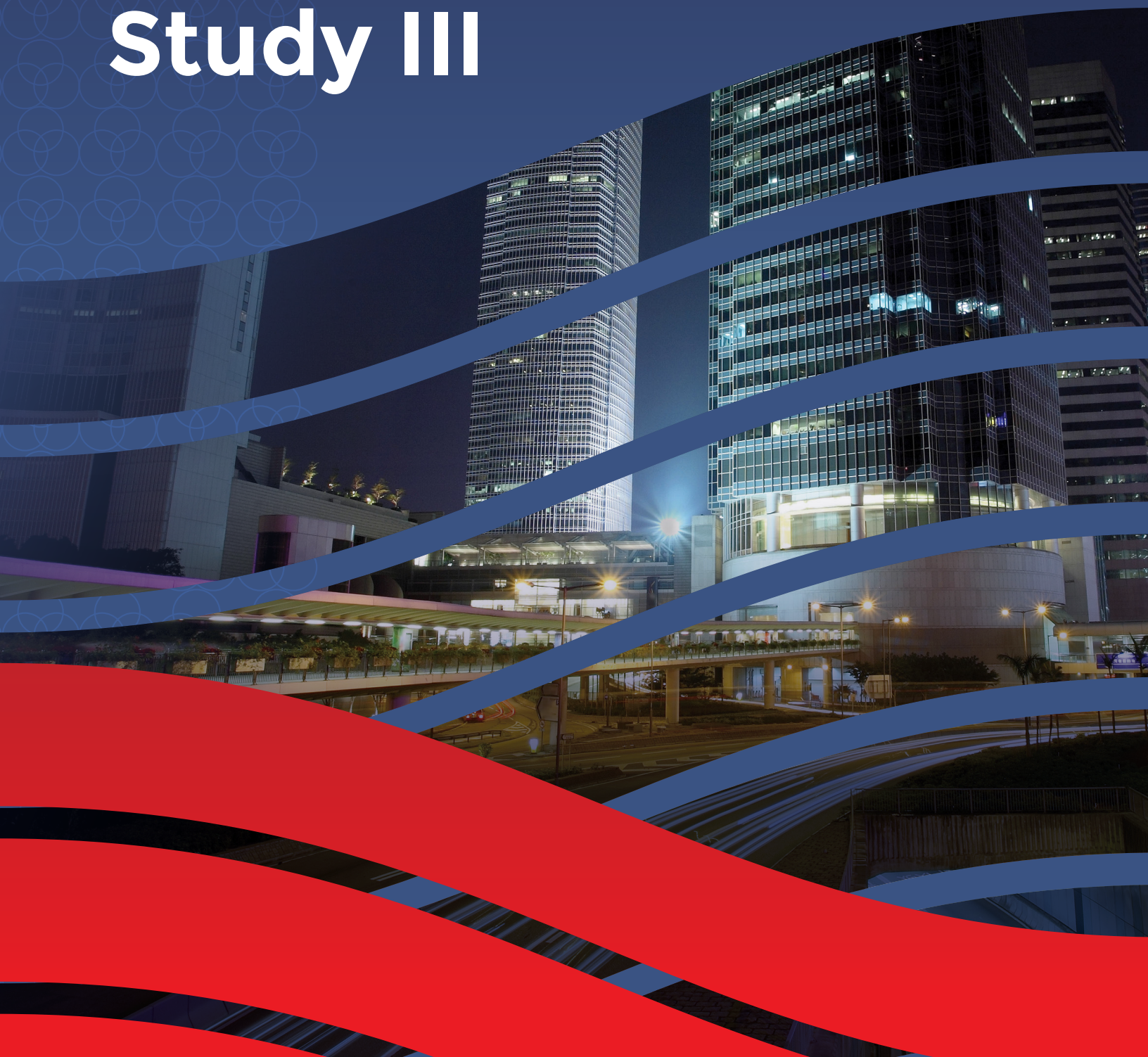


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About J Turner Research

J Turner Research is the leading full-circle online reputation management firm that empowers clients with data to drive revenue. Its unique 360-degree process enables companies to enhance resident satisfaction, increase closing ratios, and improve online reputation. J Turner's Online Reputation Assessment™ (ORA™) score serves as the industry standard for measuring a property's online reputation. For more information, please visit <https://www.jturnerresearch.com>.

J Turner has produced more than 40 national research studies that highlight emerging trends, shifting demographics, industry best practices, and new market opportunities in the multifamily industry. To download the latest reports, please visit <https://www.jturnerresearch.com/research>.

Executive Summary

J Turner Research's study – The Internet Adventure III explores residents' thought process towards their apartment rental search, selection criteria, online reviews and responses, renewal timing, and the importance of their interactions with the on-site staff.

The objective of the study was twofold:

- To better understand prospective residents' search and selection process when looking for a new home
- To examine how prospective residents view the balance of information available online including reviews, review sources, and manager responses; compared to in-person interaction with the on-site staff.

Scope of the Study

What you will learn from this study:

- Residents' apartment search behavior
- Residents' preferences for multiple review sources, recency of reviews, and review content
- The interplay of positive and negative reviews during the resident's search
- The impact of ORA™ scores on the residents' decision to visit a property
- The expectations and influence of the content of manager responses on residents' perceptions about the property
- Review response timing and resident preference
- Renewal timing and time frame for a resident's next apartment search
- Trust in on-site personnel and its influence on a resident's decision to lease

In presenting residents' perspectives, we compare the findings from this research to a similar study done in 2018 – [2018 Resident Attitude Towards Renewals and Online Reputation](#)

Demographic Profile

This study drew participation from **2,257 residents** nationwide. The majority (64 percent) of the respondents were females, with 33 percent males. The average age of the respondents was 40.32 years old.

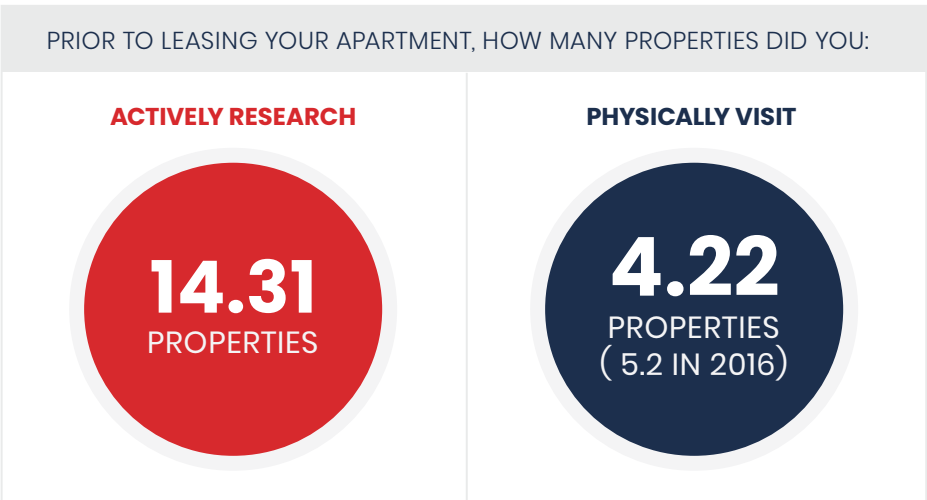
The majority of respondents in this study (82 percent) were conventional renters; the remaining **18 percent** were student renters.



Key Findings

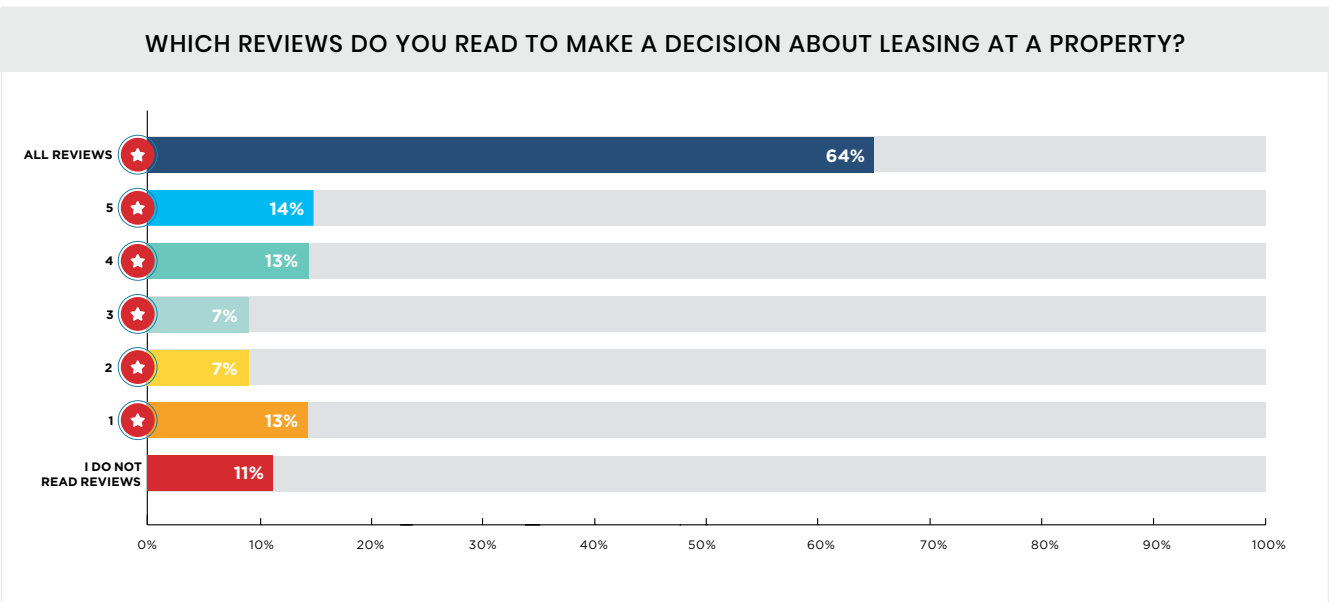
Number of Properties Researched Prior to Leasing

Residents are actively researching more properties online and visiting fewer communities in person during their search for a new apartment home.



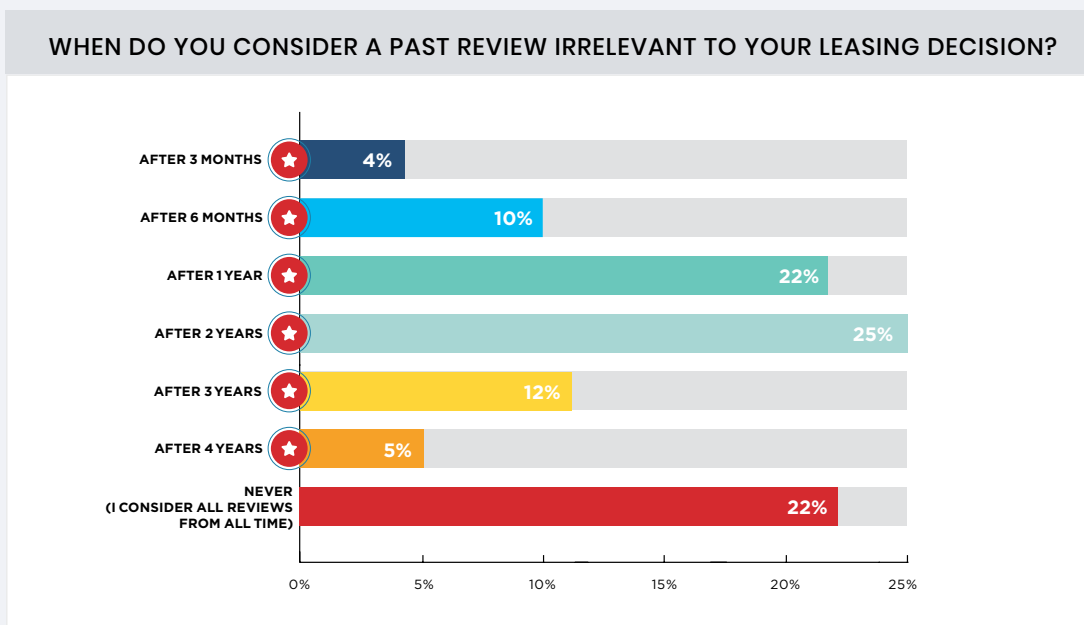
Online Reviews and Decision-Making

All reviews have an impact on the decision of a resident to lease at a property. A good majority, 64% of respondents indicated they read all reviews when deciding.



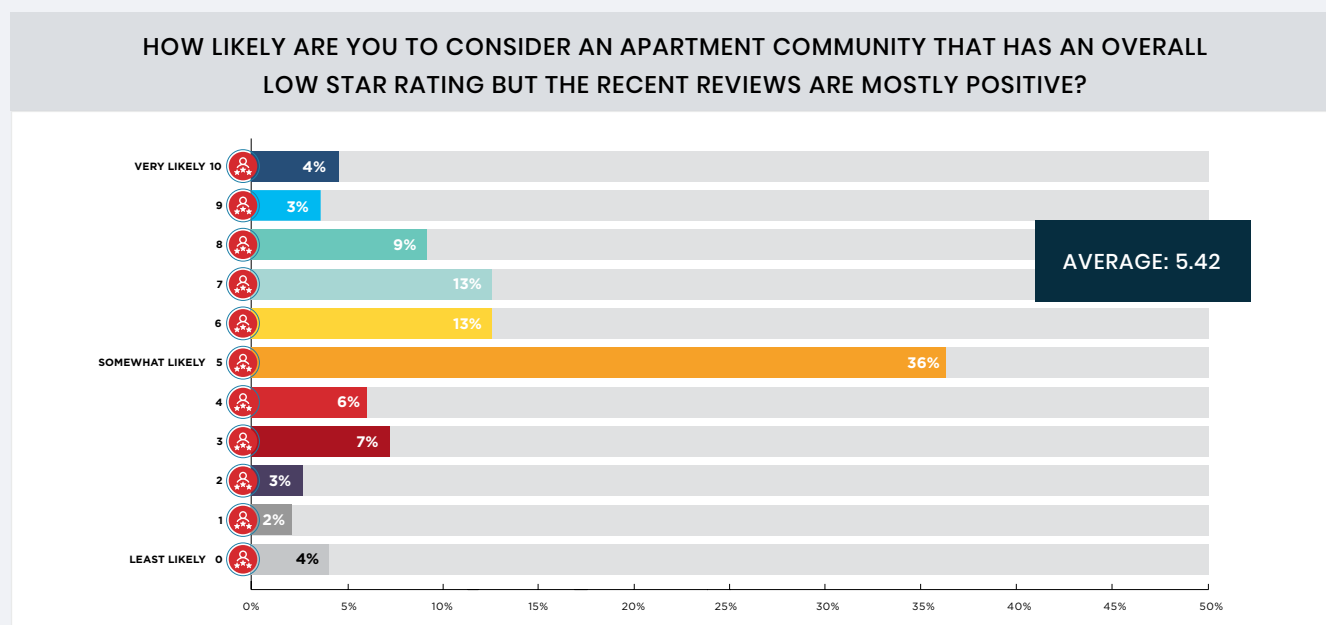
Review Recency

The recency of a review plays a role in the decision of a resident. When asked “when do you consider a past review irrelevant to your leasing decision”, the winning choice was “after two years” with the runner-up being “after one year”. The majority of the respondents (64%) see reviews as irrelevant prior to or past the two-year mark. More recent reviews are making more of an impact on the residents’ decisions.



Review Content

The content of the most recent reviews is also a key factor in residents’ consideration. When asked how likely they would be to consider a community without an ideal past performance, but recent reviews indicating positive experiences, 78% of respondents are “somewhat likely to very likely” to consider the community that shows positive improvement.



Reviews on Multiple Sources

When gauging the authenticity of a property's reviews, residents preferred properties with reviews across multiple sources (review sites). When shown two screenshots of properties with similar Google reviews and ratings, respondents indicated that they trusted the property with reviews from multiple sources versus the property with only Google reviews. As the online review universe continues to expand, it's likely that residents will increasingly seek information from all sources available to validate their selection.

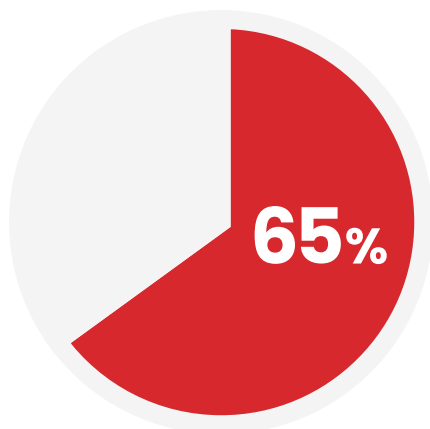
RESIDENTS WERE SHOWN 2 SCREENSHOTS

How much do you trust the reviews for this apartment?	
<p>1</p> <p>A google search result of a property with only Google reviews</p>	<p>2</p> <p>A google search result of a property with multiple reviews</p>
<p>TRUST ON ONLY GOOGLE: 5.84</p>	<p>TRUST ON REVIEWS WITH MORE THAN GOOGLE – 6.16 (an increase of 5%)</p>

ORA™ Score and Likelihood to Visit

Overall, online reputation continues to strongly influence the resident apartment shopping process. In three different scenarios, respondents were asked which apartment they were more likely to visit and shown two properties with ORA™ scores within a 10-point variance. The ORA™ statistical model aggregates and analyzes online ratings and reviews of over 128,000 properties across multiple review sites and ILSs to generate a single score on a 0-100 scale, that is easy to monitor, rank, and improve. In all three scenarios, the favored choice of the overwhelming majority was the property with the higher ORA™ score.

65% OF THE TIME RESIDENTS PICKED THE PROPERTY WITH THE HIGHER ORA™ SCORE.

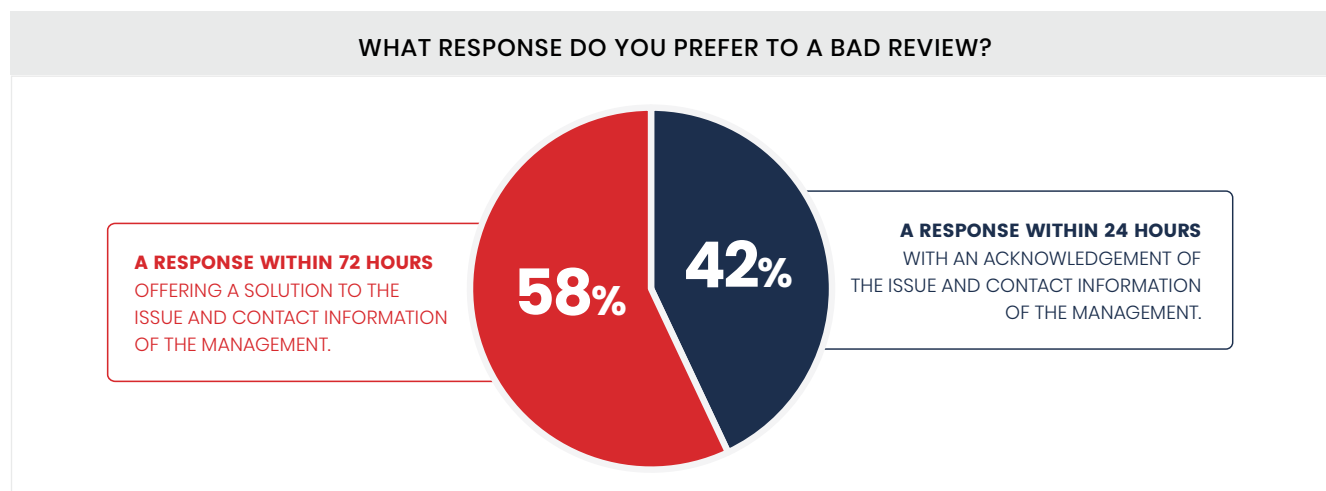


Interestingly, when given the option between the two properties with ORA™ scores lower than the national average, the respondents selected “neither” as their answer. This is the only time in the series of questions that “neither” was chosen by the respondents. Twenty-two percent of the respondents said they would not visit either property, the importance of managing your online reputation has never been more prominent.

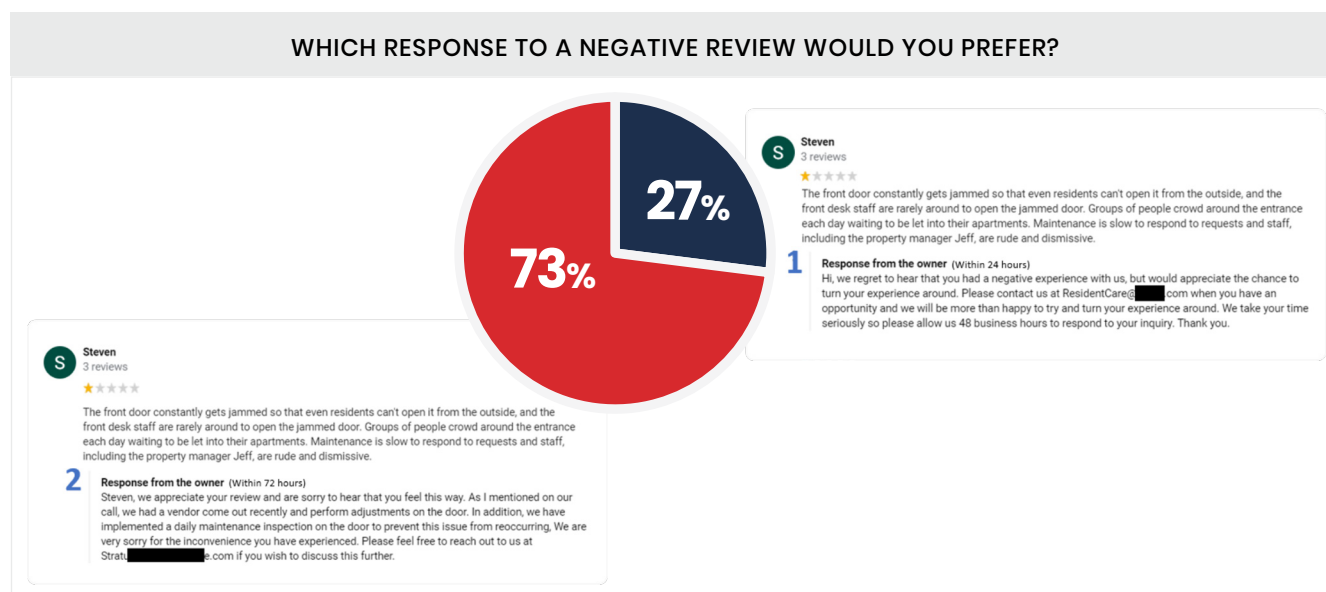


Content of Manager Responses

The content of manager responses to online reviews has a considerable impact on a prospect's perceptions of a property. Often, a quick response is cited as the top priority by on-site teams, but in our study, respondents showed a strong preference for a detailed response within 72 hours that included a solution to the problem and contact information of the management versus a response within 24 hours which included only an acknowledgment of the problem and contact information of the management.



When asked which response the respondents preferred, 58% chose the response with a solution within 72 hours. Interestingly, when shown screenshots of actual response options, a whopping 73% of prospective residents chose the response that detailed a solution and indicated that action had been taken to fix the problem.



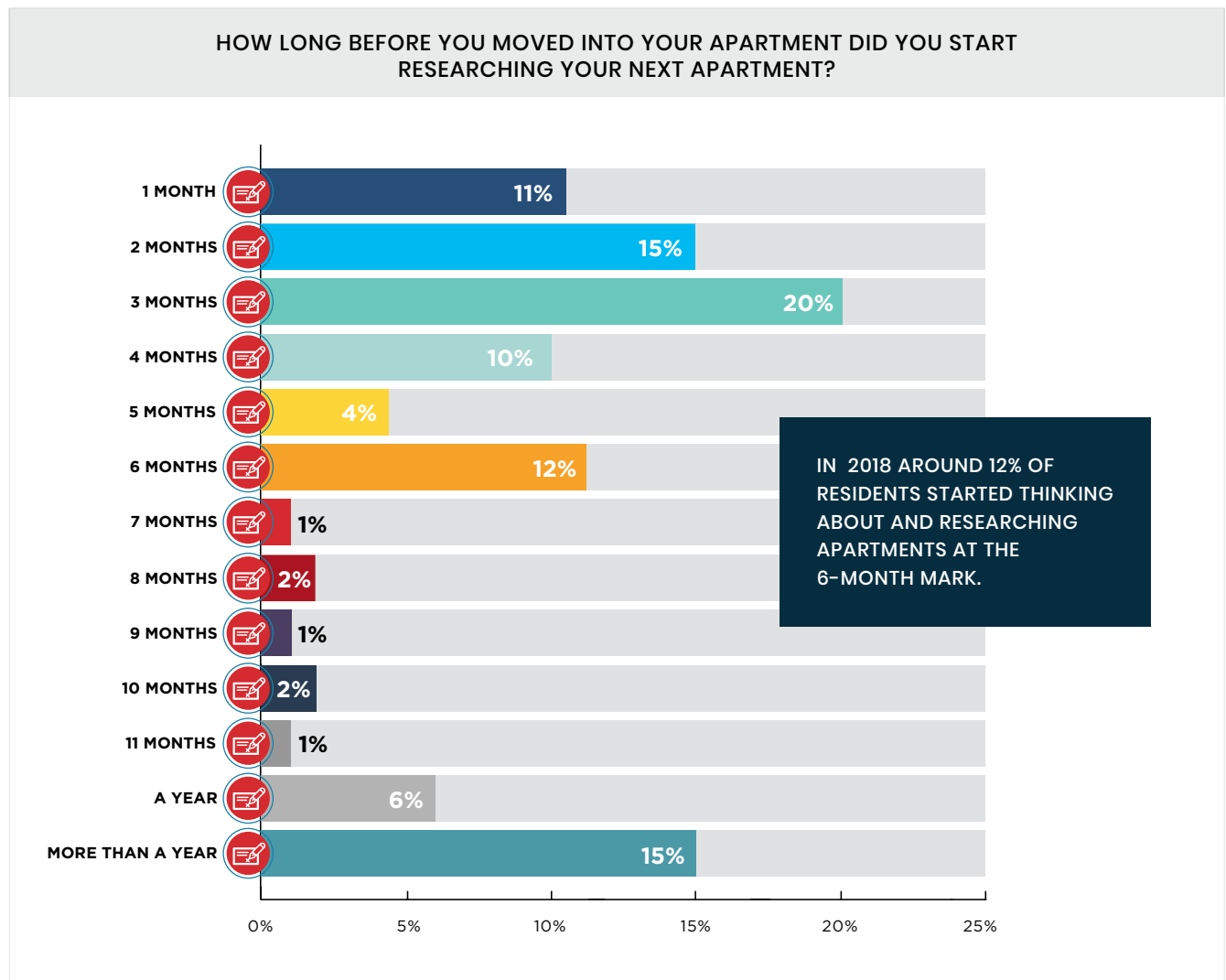
This finding mirrors the trend we saw in our 2018 study – Resident Attitude Towards Renewals and Online Reputation. Residents were asked about the top three expectations from a manager's response; sixty-nine percent chose commitment to resolve the issue as their top expectation. In the same study, respondents ranked the significance of a manager's response at 8.12 on a 10-point scale in improving their perception of the apartment.



Renewal and Leasing Decisions

Renewal and leasing decisions are happening early and often. We asked residents how long after they moved into their apartment did they start researching their next apartment, three months was the most selected time frame signaling a change from the past years. In our 2018 study, we saw a growing number of renters who started looking six months to even more than a year out.

In 2018, nine percent of respondents said they start to consider renewing their lease six months or more before lease expiration. In 2021, forty percent of renters indicated looking for their new apartment six to twelve months prior to their planned move date. With average leases at twelve months duration, this indicates that residents are open to looking at other options as early as the day they move in. Keeping your residents happy and showing them you care from day one is truly the winning play.



Leasing and On-site Staff

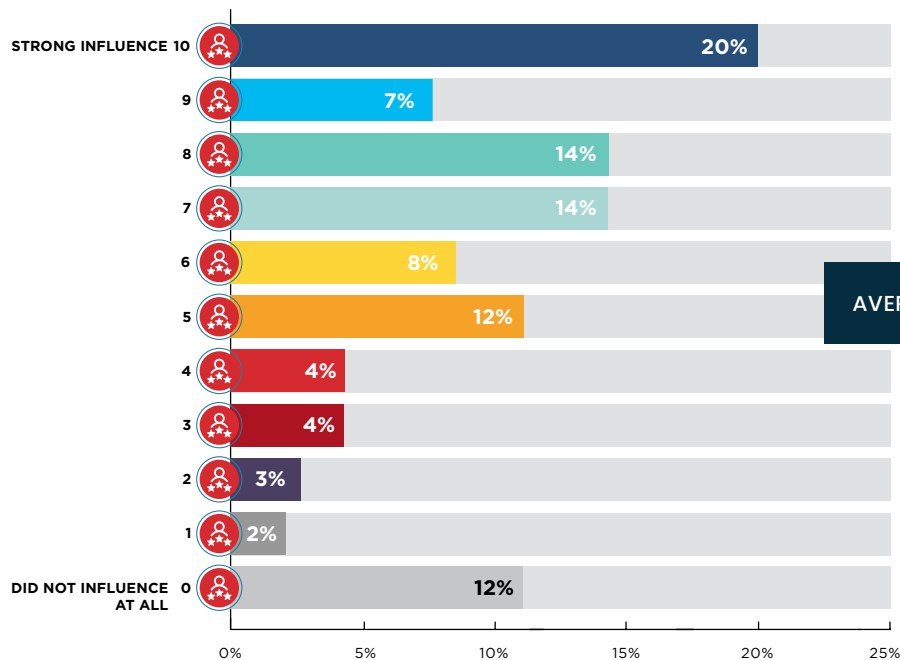
"Other than the two most important factors, I guess it would be safety and whether the management are lazy, unhelpful, and/or rude."

"Talk to staff and other residents to assess temperament/viewpoint of operations and attitude towards residents and overall integrity of management."

"Back when I first started my job, I also found a place up near St. Lucie, it looked brand new from the first visit and I was sold on the facilities, appearance, and staff friendliness. Forgot the name of it since that was 14 years ago, but I still remember how great that first impression was, I would have stayed there too, but my job changed to be in Palm Beach instead of Martin County."

Just how important are on-site staff interactions with your residents and prospects? Our research indicates that staff interaction is likely the key factor for winning over residents. Twenty percent of respondents rated the influence of interactions with the office staff on their leasing decision as 10 on a scale of 0 (no influence) to 10 (strong influence). Sixty-three percent of respondents rated staff interactions influence on their decision to lease above a six on the 10-point scale.

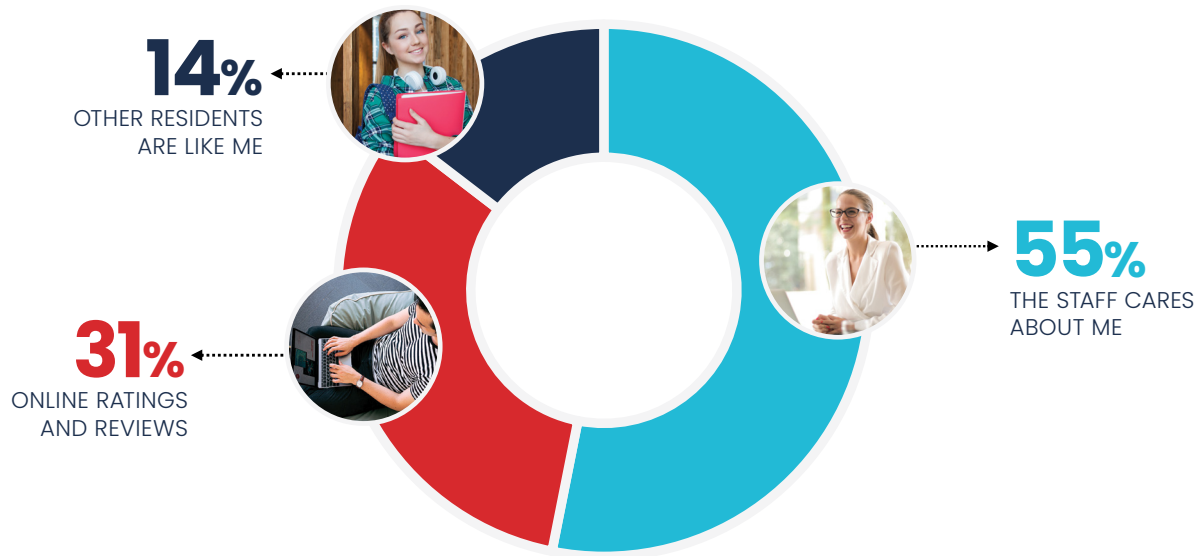
PRIOR TO LEASING HERE, HOW MUCH INFLUENCE DID THE INTERACTIONS WITH THE OFFICE STAFF HAVE ON YOUR LEASING DECISION?



When asked "What is most important to you when selecting an apartment to rent?" 55% percent of respondents chose "the staff cares about me" over the other options. After two years of rapid change and uncertainty, residents are paying attention now more than ever to the care and trustworthiness of management companies as reflected in the attitude of the on-site teams.



WHAT IS MOST IMPORTANT TO YOU WHEN SELECTING AN APARTMENT TO RENT?



Conclusion

Because the apartment shopping process has multiple dimensions, understanding what residents want in an apartment home and how they land at a property's doorstep is critical for success. J Turner Research recently performed the Internet Adventure Study III to shed light on the resident search and selection process.

First, the research explored resident attitudes toward the online apartment search, ratings and reviews, the impact of review sites, and the recency of reviews. Second, J Turner investigated how review responses are interpreted, the importance of the on-site team's concern for resident needs, and the critical aspect of positive interactions between staff and residents.

The study found that understanding how to gain the trust of current and future residents is more crucial than ever before. Residents routinely use online ratings and reviews to help guide them in housing decisions. An overwhelming majority of respondents chose to visit a property with a higher online reputation as reflected in a high ORA™ score.

It's also clear that, when faced with a concern about their home or community, residents seek concrete solutions and actions outlined in a manager's response to their review. In-person interactions between staff and residents remain a key part of the decision-making about leasing renewals. In a thriving 2021 market, you can gain prospective residents and retain those now calling the community home by focusing on a genuine connection that shows you care about their needs.







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