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Brand view

It always seems to be the negative headlines that attract most attention. OPP asks branding professionals how agents and developers should handle a PR crisis and if the media agenda is the same in different countries

 In last month's news, OPP reported on Bulgarian agency Albany Properties winning a defamation and libel case against a UK newspaper, the Daily Express. This followed the paper running a story called: "Nightmare for Britons buying their dream homes abroad", in which it mentioned several alleged reports of corrupt dealings by agents operating in Bulgaria - but mentioned only one company, Albany Properties. The agent received an unreserved apology and an undisclosed sum of money from the Daily Express. Its managing director, George St. Clare, told OPP that, despite the year-long battle to clear his name, he would turn around

and do it again because, in the current economic climate, all that some companies have to stand out from their competitors is their brand and personal reputation.

As the economic climate gets tougher, OPP has heard more and more accounts of buyers trying to back out of purchases because they can no longer afford them. And, when the vendor does not accept this, disgruntled clients have threatened to 'go to the press'.

Bearing in mind online PR expert Alan Rothstein's '80/20' theory that 80% of sales come from 20% of a brand's customers (the loyal ones), it leads us to ask what property companies can do to combat negative press coverage and keep their clients. How can they make their brands as robust (internationally) as possible in times of trouble?

Getting sleat-ed

Although Albany Properties won its own case, taking things to court is, generally, not always the best solution for protecting your reputation. As Alan Sleanor, managing director of Wonderful PR (whose clients have been large overseas property developers and high profile supermarket chains), notes, "threatening journalists with legal action - especially national newspaper and TV journalists - usually

only results in a flood of even more bad publicity, as well as a large legal bill for little or no return. Of course, serious libels must be acted upon, but you have to be absolutely sure that the fundamental core of the story is untrue, and be prepared for the original allegations to be reported widely again as the court case continues".

So, if legal action is not always the best way to confront a kicking by the media, what can be done?

First, here's what not to do: "If you're attracting negative press, the worst thing you can do is go to ground and refuse to answer questions," continues Sleanor.

"The public will interpret your silence as confirmation that there is something to hide and assume that what the journalist is saying is true. This will cause huge damage to your brand. You are also throwing away the chance to put forward your side of the story, which you should always do, regardless of circumstance. Hiding may also [depending on the scale of the article] prompt a journalist or TV crew to turn up uninvited on your doorstep - making a great picture for them, but putting you in an impossible light regardless of what you do or say. So, doing nothing is not an option.

"Instead, swiftly issue a written statement, announcing a full-scale

inquiry with the promise that if any wrong is found, action will be taken. Your customers can forgive mistakes - we all make them occasionally - however they will want to see you take action immediately. They will also want to see an intention to put wrongs right. Unless you are absolutely certain of your ground, avoid granting interviews. A written statement will give you time to produce a more considered response. But do so quickly. If you do give an interview, be sure to record it to ensure it is reported accurately. This is for everyone's benefit."

A world of difference

Thankfully, getting a bashing by the press is an extreme. The biggest challenge for everyone at this time is getting your brand onto an international platform. With the British market being, traditionally, a big market for pitching foreign property - particularly for products across Europe and the States, agents and developers have traditionally focused their PR activity heavily on the UK press. But now, when more businesses are finding the need to diversify, should firms approach the media in other countries in the same way?

The answer is 'not necessarily'. PR in Russia and the CIS for example, is a very different discipline. In the UK, PR is part of a company's management



Fighting back | In recent months, more property companies have acted to counter unfair media coverage



strategy and is essential for building the sales brand, according to Jeremy Dodd, a property PR professional with Russian agency RLS Public Relations. However, he adds: "In Russia it [PR] is too often seen as propaganda, or a concerted attempt to put across a misleading impression of a company or its services. The difference is, the UK media is fiercely independent editorially, often with a strong campaigning ethic and the role of a PR consultant is to act as a go-between. As consumers become more demanding in Russia, requiring more accurate information that precisely meets their needs, then journalists will respond accordingly."

In America, firms can expect to see increased, positive coverage for their developments if they "align their projects with the best and brightest talent, which always creates strong

opportunities", says Laurie Andrews, COO of Florida-based agency Cotton and Company. "Who are your architects? Are any of the financial backers interesting and happy to go on record for the project? Who is doing the interior design? Does the project benefit the public sector as well as the private interests? How so?" she asks. "The travel and real estate industries are crossing paths in ways they never did before due to individual ownership opportunities of branded resort properties. This kind of coverage will increase. As will real estate as an investment - how to invest, what to avoid and what to pursue - this is always a hot topic, especially now.

"Buyer expectation' is also receiving a lot of attention in North American media."

However, PR and branding has only just started gaining momentum in Asia, according to Sandeep Juneja, MD of Malaysian PR agency Sandeep Juneja & Associates. He believes most companies, especially in the property sector, have had very little understanding of what public relations really is. He observes: "The Chinese, who predominately control much of the industry in Asia, have traditionally been less expressive as people, so to many - especially the senior industry leaders - branding and public relations represents boastfulness and 'fluff'.

This is, however, changing fast in an increasingly competitive and innovative environment."

Whether the PR battle lies in reversing negative press coverage or reaching out to a more finely tuned international buyer, agents and developers need to keep one thing robust and steadfast - their brand.

Without this brand loyalty, you could find that those 20% of loyal customers will lose sight of what they're buying into and promptly switch to a competitor.

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