

# INSIDE LOCAL BUSINESS

When online marketing of real estate took off, the tech-savvy Cotton & Co. in Stuart was ready.



DAVID SPENCER/Staff Photographer

**PITCHING PROPERTY:** When CEO Stephann Cotton started Cotton & Co. in 1983, much of its real-estate marketing was brochure- and newspaper-based. Today, it specializes in multimedia, offering virtual-tour DVDs and interactive Web sites.

## Working magic with multimedia

By EVE SAMPLES ■ *Palm Beach Post Staff Writer*

STUART — From his darkened office in a bougainvillea-shrouded building not far from downtown, Steve North has a bird's-eye view of the other side of the state.

As pop-operatic music rises from his desktop speakers, he's soaring above hundreds of Naples rooftops, glimpsing unspoiled golf-course greens and ducking into an imposing clubhouse.

The community is alive on North's 19-inch Mac monitor.

But it doesn't exist. At least, not yet.

For now, Treviso Bay, an emerging 1,200-home development in Naples, is little more than a construction site.

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That’s precisely what Cotton & Co., the Stuart-based marketing firm where North is creative director, is doing for dozens of developments across the country: using technology to create a sense of place, even when there is no place to speak of.

In the case of Treviso Bay, the firm hired a computer animator to create a virtual tour that was mailed on DVD to thousands of prospective buyers early this year. Privately held Cotton & Co. also launched an interactive Web site, [www.trevisobay.com](http://www.trevisobay.com), created a shorter version of the virtual tour for a 30-second television spot and keeps a detailed database of people who register on the Web site.

The tactics appear to have worked: The developer, Brookfield, Wis.-based V.K. Development, took reservations for \$126 million worth of real estate during its opening four days in February.

“They got what we were building,” Cotton & Co.’s founder and Chief Executive Officer Stephann Cotton said. “It would have been very hard to do in a brochure.”

Multimedia real-estate marketing, from virtual tours to sophisticated Web sites, is a speciality for the 23-year-old company and a growing trend across the industry, experts say.



Courtesy Cotton & Co.

**UPSCALE PROJECTS:** This is one of the Web images created to market Ravella, a gated community in Boca Raton.

Real estate-related Web sites started emerging about 10 years ago, but it wasn’t until the past couple of years that they have become essential tools for anyone in the business of selling real estate, said Brian Boero, chief executive of VREO Software Inc., a San Luis Obispo, Calif.-based company that develops Web sites and virtual-transaction software for the industry.

“Consumers want information online, readily (and) anonymously, without having to go to a Realtor,” Boero said.

The numbers bear that out. Last year, 71 percent of home buyers used the Internet to search for a home, up from 2 percent in 1995, the National Association of Realtors reports.

The real-estate boom of the past several years amplified that trend, making the Net a major sales driver. During the flipper

frenzy, some buyers snatched up pre-construction deals before model homes were built, relying on Web images to make their decisions.

Although the pace of sales has slowed dramatically, the technological tools remain relevant, but for a different reason, Cotton said.

Now, buyers are more guarded and want to examine floor plans, options for upgrades and the minutiae of a community before they even talk to a sales agent.

“If I’m an (end) user, I’m going to be very cautious and want to know all the details,” Cotton said. “But there were a lot of flippers in the market, and flippers didn’t care about the final product, you know, did it have granite?”

In cyberspace, real-estate developers can offer video footage of their communities,

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BRIAN BOERO, chief executive of VREO Software Inc.

# Firm taps online data to calculate demand

homeowners association documents, architectural renderings and inventory numbers, for example.

"We tell the client that anything we can do in a sales-office environment, we can pretty much do on the Internet," Cotton said.

## Building tracked online

Anything and more.

Treviso Bay sends aerial photographs every two weeks to the roughly 3,000 people who have registered on the development's Web site, allowing them to then track construction, said Cheryl Deering, sales and marketing director for the community.

Since it's a high-end development (homes range from \$750,000 to \$6 million), Treviso Bay didn't want a too-techie sales office with lots of buttons and gizmos, Deering said. To maintain a white-glove atmosphere in the office, it opted to send technology to buyers at their homes.

"We are using the technology to get the people here," Deering said.

On the Web, Cotton & Co. also has found a way to research its prospects as they research their buys.



Staff photos by DAVID SPENCER

Glen Nelson and other Cotton & Co. graphic artists design marketing campaigns. Chief Operating Officer Laurie Andrews says the Web began to take root in the industry in the late '90s: 'We as a company embraced bringing on the Web and Internet as a core component of our business.'

About two years ago, the firm rolled out a new tracking system that polls and analyzes the preferences of people who register with a Web site. The technology, called "Cotton View," is used for about 50 developments across the country and has data on tens of thousands of people who have registered through the developments' Web sites, Cotton said.

In today's tempered real-estate climate, the technology plays an important role: It's a way to gauge how quickly a development should be built, Cotton said.

That proved especially handy when Cotton & Co. started marketing Rum Cay Resort Marina, a \$700 million development on an out-island east of Great Exuma in

the Bahamas.

Because it was such an unusual location, no comparable market data was available for the community, Cotton said. So the company has polled the roughly 2,300 people who have registered with the site, providing the developer with a market sample for the project. The site, [www.rumcay.com](http://www.rumcay.com), asks registrants if they own a boat and if they would be interested in rental-management or fractional-ownership programs, for example.

In the past, when developers came to Cotton & Co. for advice on decisions, including how quickly to build, Cotton acknowledges that he responded with educated guesses.

With Cotton View, his staff can

draw on data to make a fact-based recommendation.

“What we have developed is a way of quantifying demand,” Cotton said.

### Web not central early on

Also driving the high-tech real estate trend is the fact that more people have high-speed Internet connections at home.

That wasn't the case when Cotton founded his firm in 1983, when he was 31.

Though he's always placed an emphasis on technology - he says his tech staff has an open checkbook - it wasn't until recent years that Cotton & Co. could deliver high-end Web sites to people's homes.

Chief Operating Officer Laurie Andrews, who joined the company in 1988, said the firm's marketing work was largely newspaper-driven in the early days.

The Web took root in the industry in the late 1990s, she said, but even then it wasn't a central part of marketing.

“It was something you had to have . . . but it was the last thing to be updated, and it was just there out of necessity,” she said.

When that started to change, Cotton & Co. was



Cotton & Co.'s offices are in this 9,000-square-foot building in Stuart. The CEO plans to add an 18,000-square-foot building on an adjacent lot.

well-positioned to adapt, Andrews recalled.

“We as a company embraced bringing on the Web and Internet as a core component of our business,” she said. “We brought it in . . . and started challenging ourselves.”

Today, Cotton & Co. has 60 employees and operates 70 Web sites, most of them for high-end real-estate clients stretching from the Carolinas to the Caribbean.

Though the Web represents a large chunk of Cotton & Co.'s work, it's a relatively small portion of its budget at about 15 percent, Andrews estimated. It still creates glossy brochures and magazines, for example, but

it pairs them with its Web work.

The firm's growth has pushed sales to \$25 million, and Cotton said he plans to build an 18,000-square-foot building on the lot next to the firm's 9,000-square-foot headquarters.

Ultimately, as people grow more comfortable with looking for real estate online, more of the industry will move to the Web, Cotton predicted. Live auctions and online sales are among the possibilities.

“I think we're just at the very doorstep of what we will be doing,” Cotton said.

*Staff researcher Bridget Bulger contributed to this story.*

eve\_samples@pbpost.com

## Cotton & Co.

**Headquarters:**  
633 S.E. Fifth St., Stuart  
**Employees:** 60  
**Annual sales:** \$25 million

**Clients:** 70 active  
**Chief executive officer and founder:**  
Stephann Cotton  
**Founded:** 1983

**Services:** Real estate marketing and advertising, Web-site development, sales center design and coordination

**Web site:**  
www.cottonco.com

*Source: Staff research*