



New Digital Trends in Retail Shopping Center Marketing With Tenant-Focused Strategies

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Traditionally, shopping center advertising on behalf of retail merchants has focused on expensive print or related media promoting the center overall, not individual tenants. Many shopping center owners have been slow to embrace the digital strategies employed by other industries and have rarely focused significant attention on advertising their center's tenants. Absent any assistance from a landlord or property management, most small businesses do not take it upon themselves to market their businesses online. Those that do usually do so inconsistently and infrequently due to the limited experience of the business owner, uncertainty regarding their return on investment to advertise online or simply being overwhelmed by the social media platforms available (e.g. Facebook, Instagram, Pinterest, Google+, blogging/influencers, and many others).

For forward-thinking shopping center owners, there is a unique opportunity to include digital and social programming as part of a package of competitive benefits to offer to their tenants. This white paper details what digital and social strategies owners can pursue to promote their specific tenants as part of a cutting edge tenant relations program, drawn from methods Capstone Advisors currently employs at all of its retail centers, and why the return on investment of these efforts is a win-win for tenants and landlords alike.

Typical Small Business Marketing

Many unanchored retail centers are predominantly occupied by local business owners or small family businesses that operate one or two locations, and service a trade area within a few miles of their storefront. In today's evolving digital age, this specific sector of tenants have an increased need to market their businesses and services to grow brand awareness within the communities they serve. Given that 50 percent of all small business owners are 50 years or older¹, small business owners often lack digital marketing and technology know-how, and view digital advertising as confusing or unaffordable. Instead of taking advantage of the specific targeting and outreach opportunities available via digital tactics, they often opt to use more costly, low return advertising vehicles that are not as strategically aligned with their goals or budgets.

Typical Property Owner Marketing

Once a typical property owner leases a space, the relationship between the tenant and owners will usually be limited to issues regarding billing or service requests. In order to

¹ <https://www.sba.gov/sites/default/files/Issue%20Brief%202,%20Business%20Owner%20Demographics.pdf>

generate awareness of the property as a whole, property owners might host one focused on-site event per year – with specific tenant promotion as a secondary benefit to the overall center’s promotion. They may also manage a promotional fund that is typically used for a local postcard mailer. Considering a mailer can cost \$10,000 for a one-time promotion, the cost per qualified lead is often too high for smaller centers with limited budgets. Property owners may also develop an overall property website, which can serve as an important marketing tool for both current and prospective tenants. However, few tenants experience sales driven by a property website because of a website’s usual focus is to provide operating hours and other static information.



Capstone Advisors’ Approach

The team at Capstone Advisors has witnessed retail’s continued movement into the digital world firsthand. As a real estate investment and development company with a strong focus on asset management, the company has worked to develop a digital strategy for all of its centers and tenants. While digital and social media strategies for large anchored retail centers have been employed by many property owners throughout the country, Capstone Advisors’ strategy is unique in that the focus of its promotional efforts on the individual tenants, not the center itself. By focusing social media marketing spending - including promoted content and influencer outreach - on their tenants, Capstone Advisors works to solidify its existing tenant relationships, drive business to individual tenants, reduce tenant turnover, and attract new tenants with the quality of its offerings, while also increasing foot traffic at its centers overall.

Leveraging Facebook Promoted Content

Facebook provides a unique platform for those looking to build an active relationship to a specific audience in a cost effective manner. As part of its tenant promotion strategy, Capstone Advisors uses the Facebook pages created for each of its centers to launch advertisements and content specific to each tenant. Through promoted posts – Facebook posts that have been assigned additional advertising dollars to ensure they are delivered to users in the specified audience – Capstone Advisors is able to target which audiences will receive specific tenant coupons based on their interests, location, age, gender, and other demographics characteristics. For the rollout of its tenant-focused social media strategy, Capstone Advisors developed a two-tiered goal for promoted content on these pages to: 1) increase brand awareness of tenants, educating local consumers about their business, services and location and 2) encourage key audiences to claim promotional offers that then translate to on-site sales and foot traffic.

Early Results: Brand Awareness

Initial analytics from the promoted content at Capstone Advisors’ retail centers shows that the goal of brand awareness for each tenant has been well-served by this strategy of incorporating tenant-specific promotional posts. Tenant promotions at its smaller centers –

like the 10,000 sqft La Quinta Centre in La Quinta, Calif. - were shown to more than 9,500 people, while its midsize centers' – like The Island @ Carlsbad, a 50,000 sqft center, garnered more than 20,000 views. As indicated in the example below, more than 900 people viewed a single promoted post for a specific tenant at The Island @ Carlsbad. Each of these views is another individual within these centers' target markets who is now more aware of the tenant and its services. Additionally, individual users are engaging with this tenant-specific content at an increasing rate. This shows that not only is this content reaching the audiences that Capstone Advisors has identified for each tenant, but those audiences also view this content as helpful, interesting and salient to their needs.

Post Details Reported stats may be delayed from what appears on posts

Island at Carlsbad Food Court & Retail posted an offer.
Published by Miki Conant (?) · June 7 at 10:28am · 🌐

Enjoy free teeth whitening at Dr. Ida Alfonso's office

FREE Teeth Whitening!
Expires Thursday, June 30, 2016
8 people claimed this offer [Get Offer](#)

Get More Likes, Comments and Shares
Boost this post for \$5 to reach up to 1,100 people.

914 people reached [Boost Post](#)

Michael Pilapil 1 Comment

Like Comment Share

914 People Reached

2 Likes, Comments & Shares

1 Likes	1 On Post	0 On Shares
1 Comments	1 On Post	0 On Shares
0 Shares	0 On Post	0 On Shares

20 Post Clicks

0 Photo Views	0 Link Clicks	20 Other Clicks ⓘ
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NEGATIVE FEEDBACK

0 Hide Post	0 Hide All Posts
0 Report as Spam	0 Unlike Page

The Impact of Influencer Marketing

Capstone Advisors has also delved into the world of 'influencer marketing' to promote specific tenants at their centers. Influencers are individuals with a built-in network of followers, who are paid to create authentic content that features, in this case, discussion regarding specific tenant businesses. Engaging strategically selected influencers as part of a digital and social media marketing strategy can effectively expand the audience the property is targeting, increase brand awareness and bring new customers to the center. While some of this influencer-generated content does mention the center, as featured in example A and B, there are many instances where engaging content does not mention the shopping center at all, example C.

Influencer Marketing – Example A



13,140 people like this

 **The Mom's Guide to San Diego** [Like Page](#)

April 19 at 9:38pm · 🌐

I had an incredibly thorough, 70-minute, Asian - style massage yesterday for only \$40. What tired, stressed mom couldn't use that?

LH Foot Care Massage

\$5^{off}

\$45 70-minute combo massage,
a \$40 60-minute deep-tissue or Swedish massage
OR a \$25 60-minute head to toe foot massage

THE PRESIDIO

5261 Linda Vista Rd., San Diego, CA 92110
Valid from 4/1/16 - 4/30/16

[Like](#) [Comment](#) [Share](#)

[👍👎](#) 10 [Chronological](#)

Influencer Marketing – Example B

THE *fashionista* MOMMA

May 20, 2016

WHITE JEANS AND STRIPES

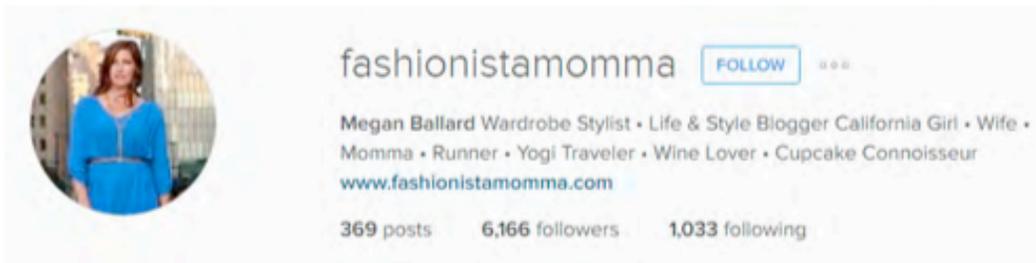
Hi Lovelies. The Pro Series has come to an end and I am back from my vacation. It was so great to get away, but I definitely missed my family. I spent most of time sitting on the sand texting my husband, drinking vodka sodas. It was great. I did get insanely sunburnt the first day. It kept me pretty much hiding in the shade for the rest of my trip. Which was kind of a bummer. I shot this look awhile back and I am just now getting around to getting it up. I wore this for a casual date night with the hubs at Hacienda De Vega in The Island at Carlsbad. I paired these white jeans with a striped top for a fun date with my love. We ate good food and just enjoyed each others company.



Influencer Marketing – Example C

Instagram

April 22, 2016



Early Results: Influencer Marketing

During April and May 2016, influencer content generated a significant number of individual viewers when compared to the overall viewers of promoted content on Facebook. In April, influencer outreach across all tenants garnered 123,194 individual viewers while Facebook content earned 148,495, increasing the audience for tenant-specific content by more than 80 percent. In May, influencer outreach garnered 95,761 viewers while Facebook content earned 154,021, increasing the reachable audience by more than 60 percent. As evidenced

by this success, influencer marketing is a great way to increase the amount of exposure for individual tenants and their services, and create content that will hopefully encourage sales at each tenant location – presenting a win-win for property owners and tenants.

Summary

A tenant's lack of marketing sophistication can be overcome by a property owner willing to take the lead on strategic digital efforts as part of a competitive tenant benefits package. As evidenced by Capstone Advisors, property owners have the opportunity to leverage the availability of social media marketing strategies and forego center-focused promotion in favor of tenant-specific content to further goals that generate a significant return on investment for both parties. Though this is a new approach for Capstone Advisors and results are still being tracked, initial analysis of available data has already indicated a strong measure of success. With a small investment, clearly defined goals and a consistent marketing campaign, property owners can employ promoted content and influencer-based strategies to improve the awareness of their properties and solidify their high-caliber tenant relations through tenant-specific promotions.

About Capstone Advisors

Capstone Advisors is a diversified real estate investment, development and asset management company. Capstone invests for its own account and is also an active joint venture operator having partnered with some of the world's largest financial institutions and real estate investment funds. The company is recognized for its ability to blend the vision, drive and flexibility of an entrepreneurial company with the sophisticated management capabilities valued by institutional real estate investors. Our consistent performance has made us a preferred and trusted real estate partner for investors, tenants and lenders.

To contact Capstone Advisors about tenant-specific marketing techniques and their additional real estate investment and development services visit Capstoneadvisors.com or call 760/804-6900.

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