

BRANDING INSIGHT SERIES

KELLY KENNEDY MACK

President, Corcoran Sunshine Marketing Group



Despite the turbulent economy, the high-end market is still performing well, says Kelly Kennedy Mack, President of Corcoran Sunshine Marketing Group.

Kelly discusses the importance of creating products and experiences that balance aesthetics and utility, and of delivering credible and targeted marketing campaigns.

Q: Despite the gloomy headlines and economic forecasts, we keep hearing that the high-end real estate market is still quite strong. Is now a good time for luxury marketers to build a high-end brand?

A: The finest new products are the ones performing well in this market. Second quarter market reports said that sales volume for the overall real estate market was down about 40 percent, but when you isolate the data for the true luxury product in the market, it was down only 12 percent. The luxury market is really outperforming the real estate market as a whole. Another indicator is that the average price per square foot for a condominium today is over \$1,600. This is largely due to the strength of the ultra high-end luxury market, which is trading at over \$2,000 a square foot. What are the reasons? Supply and demand explain it. There are only a handful of opportunities for the best developers to deliver the best product in a marketplace, and **buyers who demand the best are willing to pay a premium for unique product.**

Q: Referrals are an important part of the real estate business. What advice do you have for marketers looking to build word-of-mouth campaigns?

A: The true luxury purchaser, more often than not, is turned off by mass-marketed advertising. What we've found in our business is that a public relations campaign can be far more effective. **It's all done through cultivating a message specifically for the most appropriate buyer groups,** and making sure that we're communicating with brand ambassadors—those who understand the product, the lifestyle, and the services that come along with such an environment, as well as how to communicate that message to the right people.



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Q: In terms of reaching brand ambassadors and influencers, what steps should one take to better understand the behaviors and motivations of clients?

A: It’s two-fold. One is market research. Data and trends across the markets are influential in the pre-development process of working with designers and developers. We also work closely with top Corcoran Group brokers in focus groups to understand on a moment-to-moment basis what their customers are looking for, and how their customers’ expectations are changing.

The other side is experience. We need to understand our consumers’ lifestyles and what interests them, whether it’s art, design, or architecture. We also need to know what’s being offered in other parts of the world. Our consumers are global travelers, and they’re just as inclined to be looking at something in Russia or Tokyo or Paris as on the Upper East Side or Tribeca.

One of the things that we strongly encourage here is to get out and have some of those experiences. We send our team to the Milan Furniture Fair. A lot of us go to Art Basel in Miami or Switzerland. We go to art galleries and travel. And even if you don’t have the budget to stay at the Four Seasons in Milan, go spend some time in the hotel and sit in the lobby. See how it feels; see how it’s designed. **See the current restaurants to stay in tune with the newest trends that are appealing to this highly discerning crowd of potential buyers.**

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Q: How, in working with your clients, do you develop trust and maintain a strong reputation?

A: The most important thing is quite simply to deliver the best possible product that you can. **At the end of the day, it comes down to credibility—you have to deliver what you say you’re going to deliver.** We are lucky to have worked with the best developers in the world, and Corcoran Sunshine as a brand has come to mean something in terms of the type of products we represent and bring to market. It’s all about attention to detail. What we strive for is not just to bring another stunning silhouette to the cityscape; also as important is that when people move into their new homes, they have a kitchen which is actually functional rather than just attractive. So it’s about building something unique, with a tremendous design aesthetic, but which also has utility. Real estate is one of those investments that people expect to appreciate over time. It has to have a lasting value.



Q: Are there any particular tips you’ve gleaned on marketing to ultra-affluent individuals?

A: Consumers have gotten tremendously more sophisticated than they’ve ever been before. You have to speak to the ultra-affluent in a way that’s very different than a mass audience. You want to create a brand that has tremendous value and quality, but that’s more quiet and bespoke. **People need to feel that they are getting something that is one of a kind.** It really comes down to presenting them with something that’s truly unique.

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Q: What strategic insights can you share with brand marketers looking to best spend limited budgets during this turbulent economic period?

A: First and foremost, spend it on the product. I’ve seen marketing campaigns that people have invested tons of money into, but ultimately, the marketing is not reflective of the product they’re bringing to the market. Second, **be very targeted**. At the very high end of the market, you are not trying to cast the widest net possible; you’re trying to reach a very specific group. It’s not necessarily about an age or where you live, it’s more psychographic.



Favorite non-business pursuits

My favorite thing to do is travel. Europe and Southeast Asia are favorites, but you ask me to go anywhere, and I’m not going to turn it down. During the summer, you’ll find me on the beach with a great book.



Business jargon pet peeve(s)

“Luxury” when used to describe the unremarkable.



Best business advice

Be honest, be fair, and personally work as hard as you expect everyone else to work—it’s definitely how I like to operate.

EXECUTIVE INSIGHTS

In the first of a three-part whitepaper series, Condé Nast Portfolio Think Tank ventures into the world of BRANDING, uncovering insights on the latest trends, innovations, and strategies in Q&As with these leading experts:



GORDY ABEL

Director, Media & Digital Marketing,
Barclays Global Investors

JIM TAYLOR & JIM VERPILLAT

General Manager & Director of Global Marketing,
Cadillac

KELLY KENNEDY MACK

President,
Corcoran Sunshine Marketing Group

MARTIN HOMLISH

Global Chief Marketing Officer,
SAP AG

NADINE GENET

Managing Director, Head of Global Advertising,
UBS AG

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