



A JOINT STUDY BY APARTMENTS.COM AND GOOGLE

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# Online Search Behavior and Trends of Apartment Renters

 Apartments.com™

Google™



# STUDY OBJECTIVE

This joint study between Apartments.com and Google aims to better understand the role of the Internet in finding and renting apartments.

A blind, online survey\* was conducted by third-party research company Market Connections, Inc., to examine the online search behavior and sentiments of recent apartment seekers. Google supplemented the survey results with internal data on apartment renter search behavior, engagement, and trends, as well as third-party survey and clickstream data from a joint study with Millward Brown Digital, to provide a more well-rounded picture of apartment searching habits. These sources combined reveal the importance of online marketing and advertising for the multifamily industry.

\* Blind survey recipients are not made aware of the group or organization conducting the survey to prevent influencing answers

# INTRODUCTION

With over 100 million current renters in the United States, the multifamily industry is both highly valuable and highly competitive. Multifamily professionals and owners have a variety of options when it comes to advertising their available units to renters, from building signs to print ads to more recently adopted online sources.

But how important is an online presence for multifamily listings? Studies show that consumer Internet usage has grown immensely in recent years. In fact, the vast majority of Americans are now using the Internet, and they are using it for pretty much everything:

**78%** of adult Americans look for information online about a service or product they are thinking about buying.

**61%** of adults will make a travel reservation online.

**93%** of consumers do research online before buying a car.

**61%** of adult Internet users bank online.

**96%** of baby boomers are conducting a job search online.

**90%** of homebuyers searched online at some point in the buying process.\*\*

Apartments.com and Google developed this joint study to explore whether this pattern of behavior also applies to apartment searches.

This study aims to help multifamily professionals and owners understand the way that apartment renters are using the Internet to search for availabilities and make lease decisions. With this information, they can adjust their marketing and advertising strategies to more effectively market to the apartment searcher audience.

\*\* Sources: Pew Trend data, Easyautosale.com, Multi-Generational Job Search; Millennial Branding and Beyond.com

# KEY HIGHLIGHTS

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## Searcher Behavior

- 72% of respondents generally turn to the Internet first when starting a search for an apartment.
- Of online sources used, 61% begin with either an apartment listing site or a search engine.
- Two-thirds of respondents have rented an apartment found online.

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## Sentiments About the Internet

- 71% of respondents agree that they rely on the Internet for their apartment searching needs now more than three years ago.
- Respondents find the Internet is the most effective source when searching for an apartment. Newspapers are found to be the least effective source.
- 71% consider the Internet to be the most up-to-date source for apartment availabilities.

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## Mobile Device Usage

- About 50% of respondents search for an apartment online with either computers/tablets and 50% with smartphones.

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## Use of a Real Estate Agent

- Less than half of apartment renters use a real estate agent during their search.
- 87% report performing their own online searches for apartments at least sometimes even when working with a broker.



# SECTION 1

## Apartment Search Behavior

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How much time do they spend searching for an apartment?

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What sources are renters using to search for apartments?

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What source do they turn to first?

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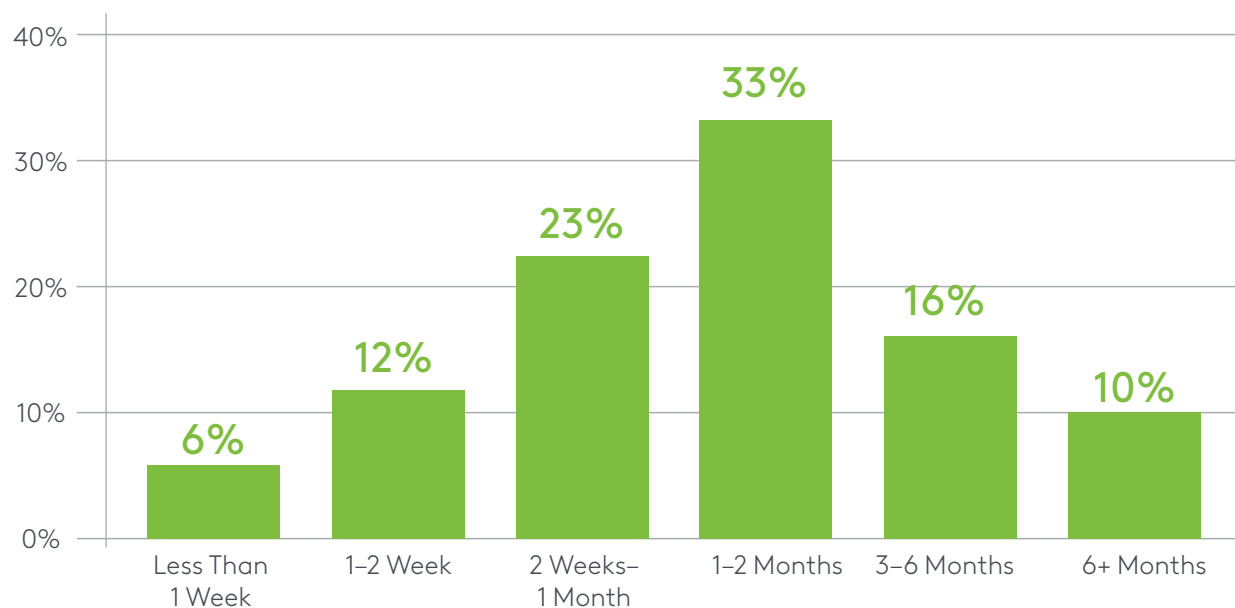
Have they leased an apartment found online?



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## Average Length of Apartment Searches

More than half of respondents search for an apartment between two weeks to three months, or 14 to 90 days. This shows that selecting housing is normally not an impulse behavior. Searchers take time to research information and comparison shop.



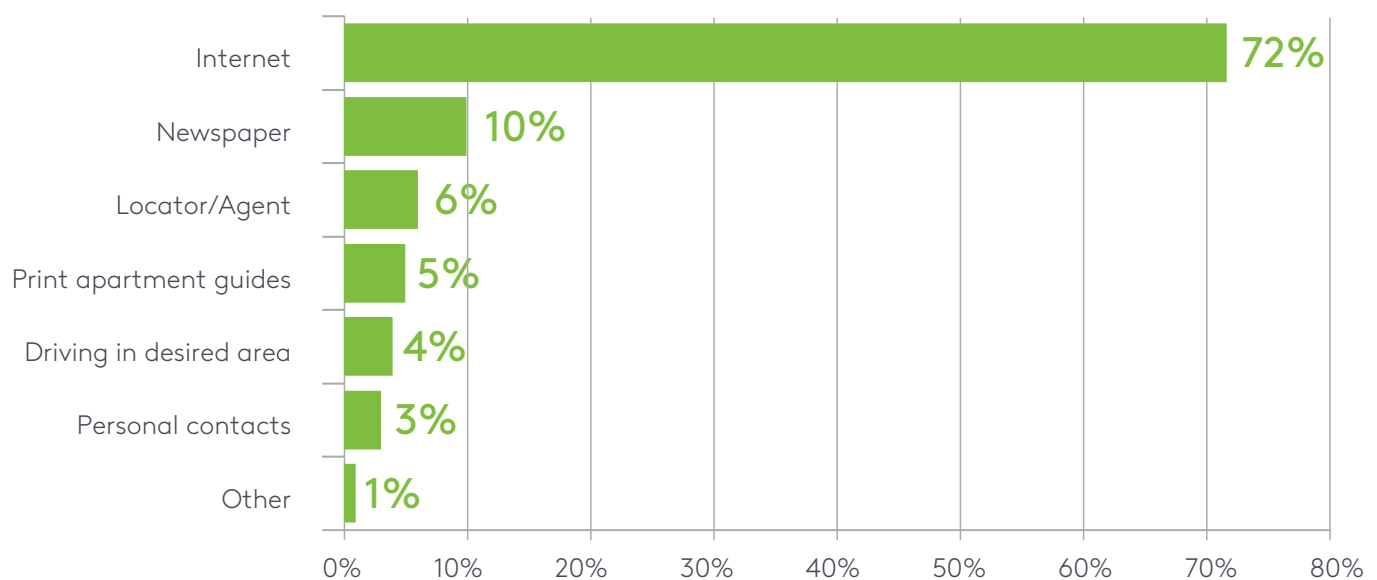
Source: Google / Millward Brown Digital Real Estate Survey 2014

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## First Source Used

72% of respondents generally turn to the Internet first when starting a search for an apartment.

10% begin their search with a newspaper and 5% with print apartment guides.

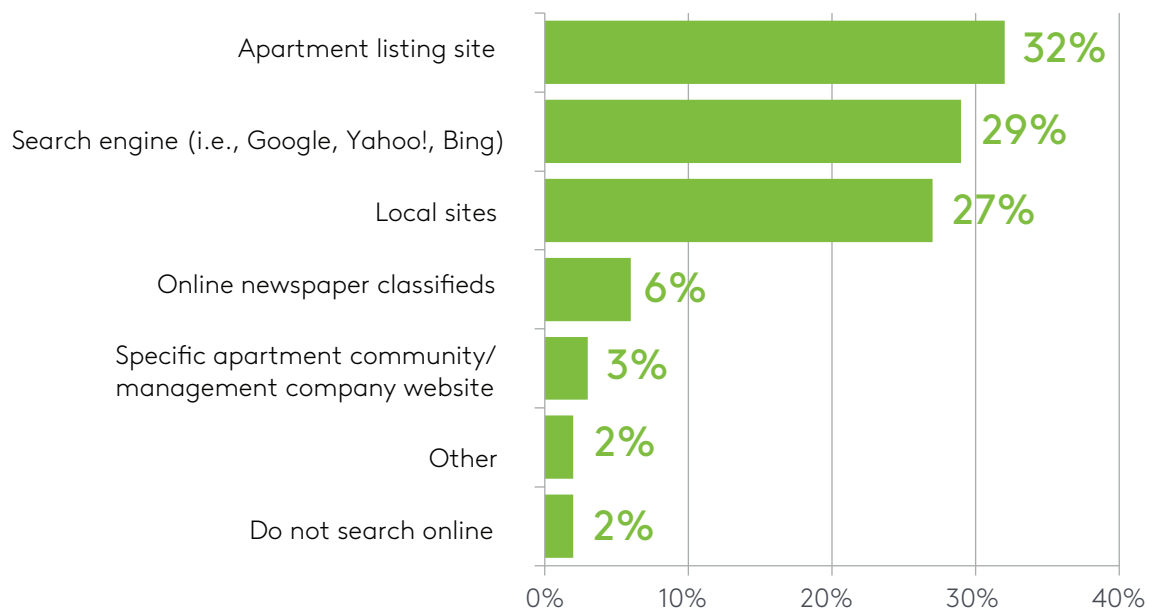


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## First Online Source Used

One-third of respondents generally first start an online search with an apartment listing site.

Another third begin online searches with a search engine like Google or Yahoo!



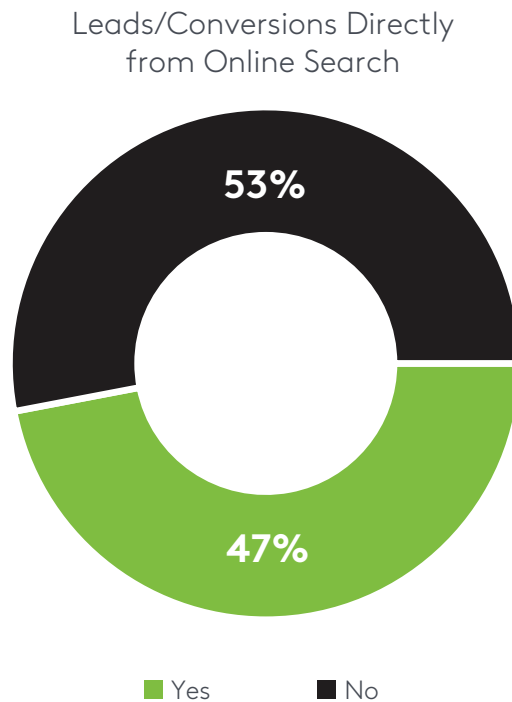
Source: Market Connections, Inc. Apartment Renters Online Survey Report, 2015



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## Apartment Leads/Conversions from Online Searches

Data shows that 47% of leads collected on an apartment listing site are driven directly from a search engine.



*Google / Millward Brown Digital Real Estate Clickstream Study 2014*

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## Purchased or Leased a Property Found Online

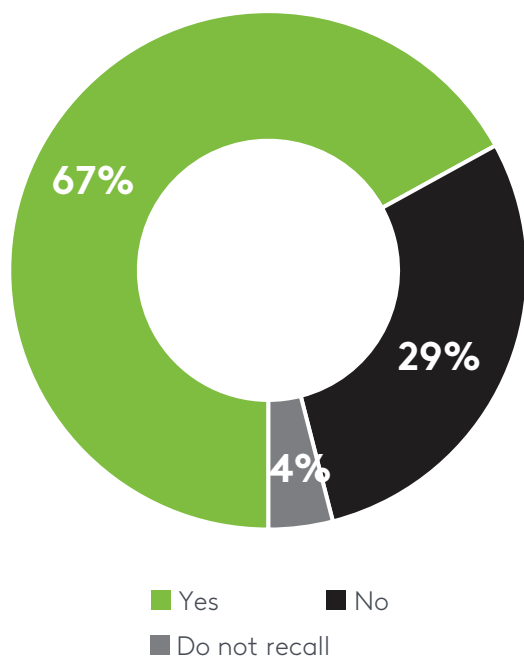
67% of respondents have rented an apartment originally found when searching on the Internet.

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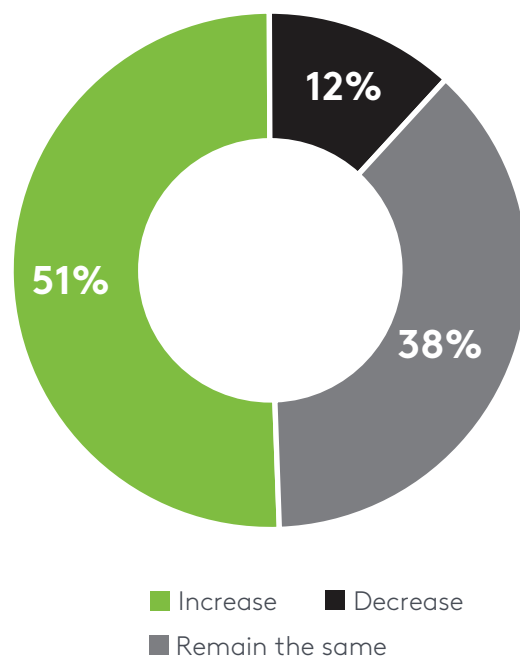
## Future Internet Use

Half of respondents expect their overall use of the Internet as a tool to search for apartments will increase in the next 12 months.

Rented An Apartment Found Online

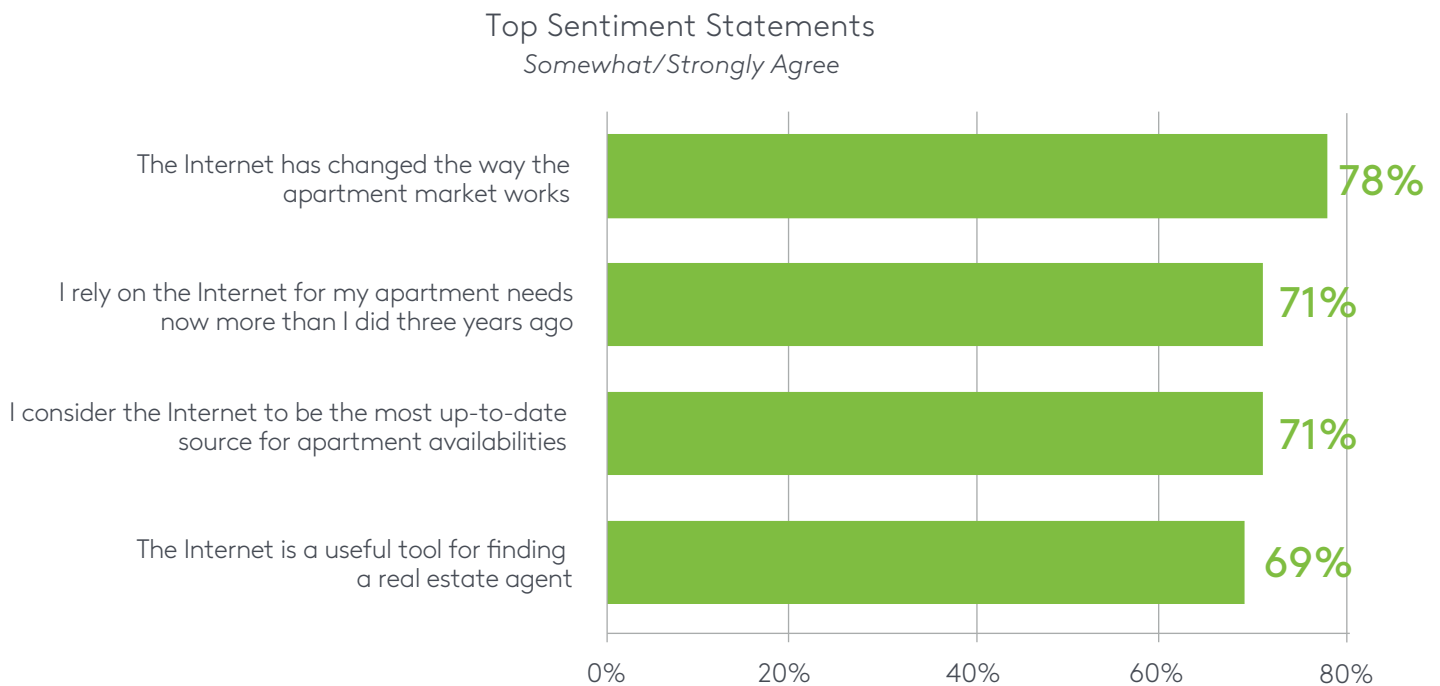


Future Internet Use for Apartment Searches



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## Sentiments About the Internet



Source: Market Connections, Inc. Apartment Renters Online Survey Report, 2015

### Section Takeaway

Multifamily professionals and owners that do not advertise their listings online are missing a huge portion of renters who are actively searching for availabilities and making lease decisions on the Internet. In fact, Google data shows that a large percentage of apartment renter leads come from searches directly on apartment listing sites.



A man with brown hair and sunglasses, wearing a green sweater, and a woman with blonde hair and sunglasses, wearing a brown sequined top, are both smiling and looking at a smartphone held by the man. The background is bright and out of focus, suggesting an outdoor setting.

## SECTION 2

### Mobile Device Use

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Are apartment renters  
using mobile devices  
to search online for  
apartments?

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How often?

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What are their mobile  
preferences?

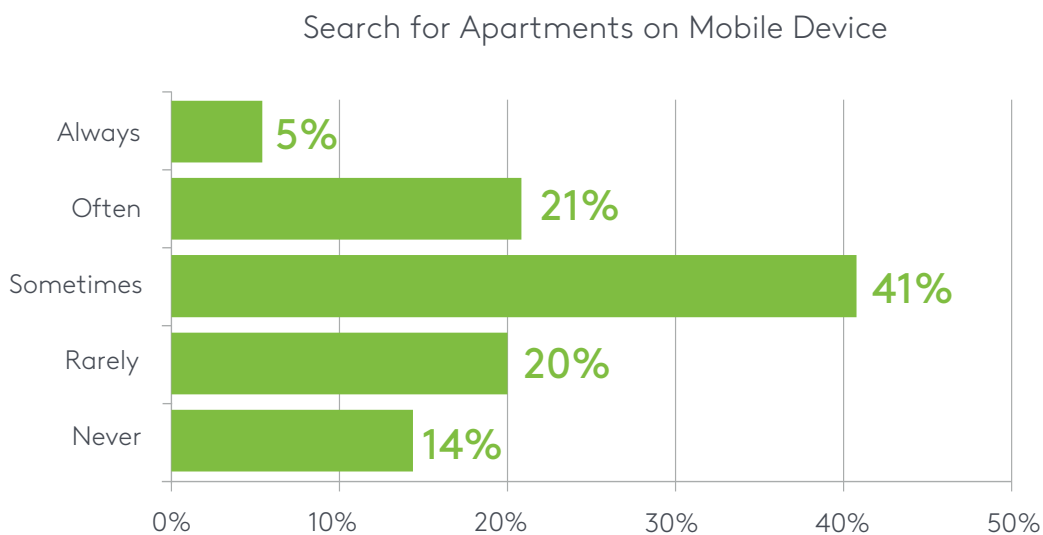
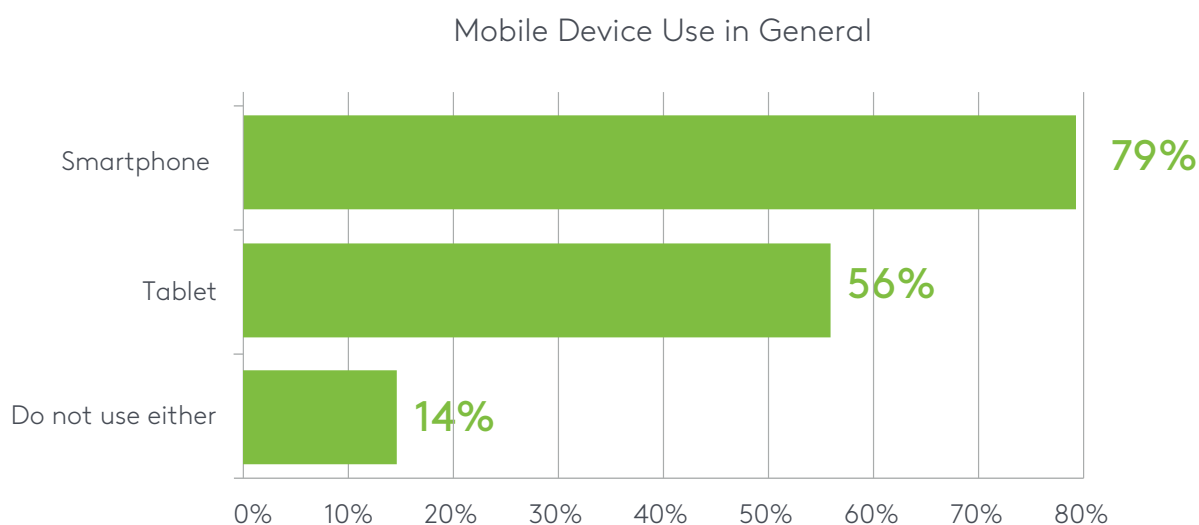


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## Mobile Device Use and Apartment Searches

In general, nearly all respondents use a smartphone and more than half use a tablet.

67% of respondents report using their mobile device always, often or sometimes to search for apartments.



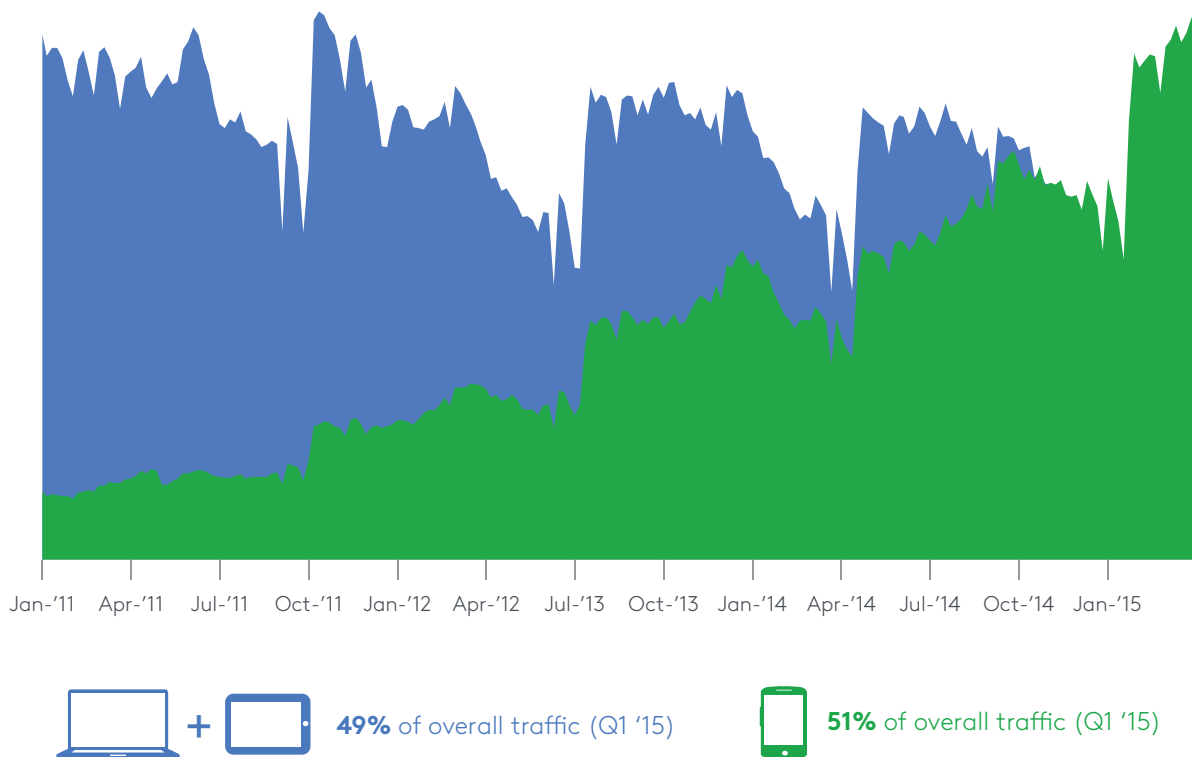
Source: Market Connections, Inc. Apartment Renters Online Survey Report, 2015

## Mobile Search Traffic

Just under half of all apartment search traffic takes place on computers/tablets. The other 51% is on smartphones.

Mobile has experienced explosive growth with search traffic on smartphones jumping 64% YoY in the first quarter of 2015.

2015 Search Trend – Top Apartments Terms (By Device)



Source: Google internal data, Jan 2011-Mar 2015

### Section Takeaway

Multifamily professionals and owners should look for mobile-optimized advertising solutions to take full advantage of the large (and growing) mobile searching audience.



## SECTION 3

### Use of a Real Estate Agent

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How has online  
information  
affected apartment  
renters' use of real  
estate agents?

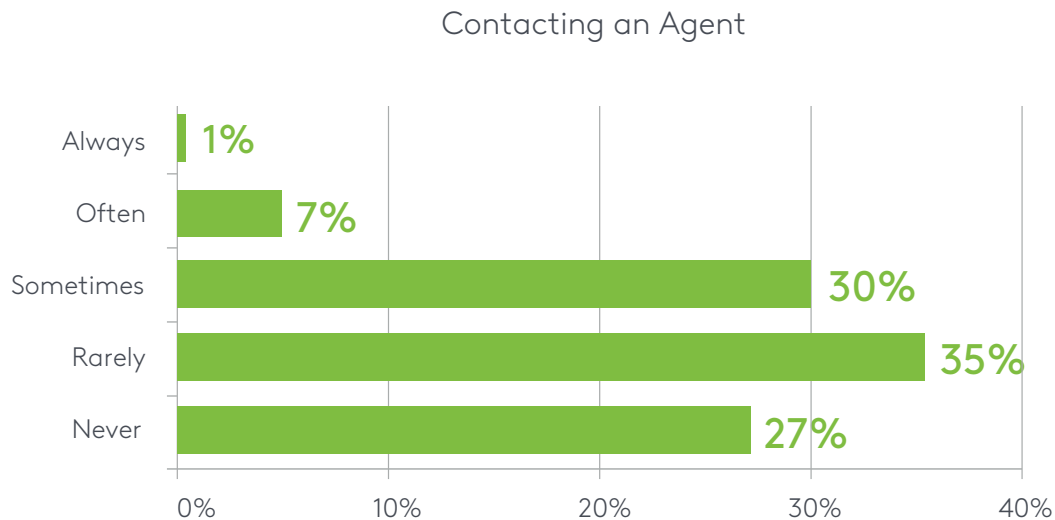
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Do apartment  
renters still conduct  
their own searches  
even when working  
with an agent?

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## Use of a Real Estate Agent in Apartment Search

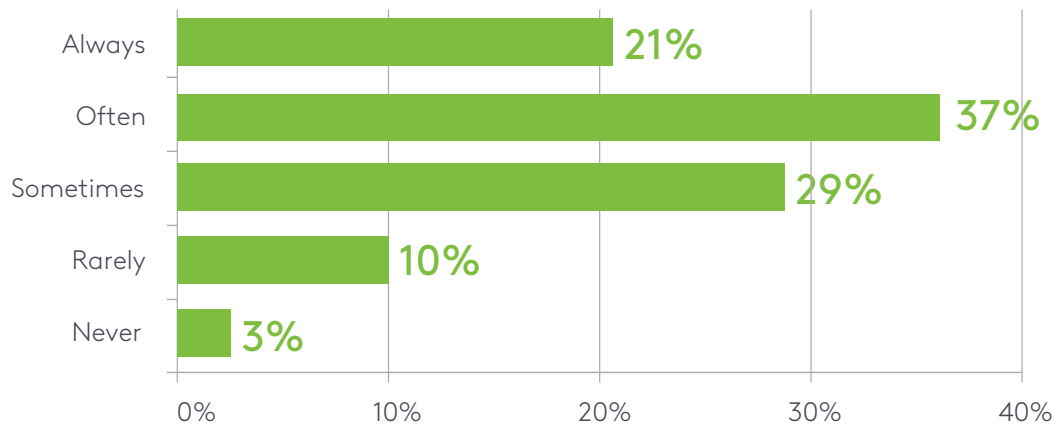
Six out of 10 respondents rarely or never contact an agent to help find an available apartment listing.



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## Perform Online Searches Even While Working With an Agent

Almost 9 in 10 respondents report performing their own online searches for apartments even when working with an agent.



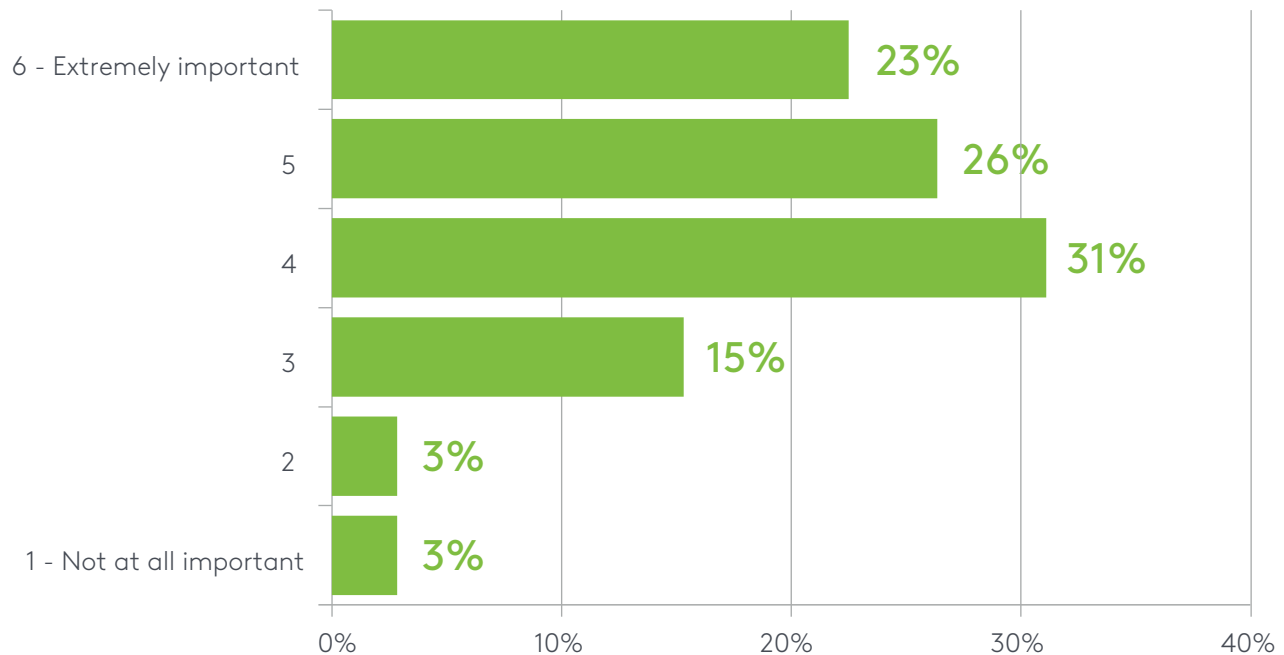
Source: Market Connections, Inc. Apartment Renters Online Survey Report, 2015



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## Importance of Consumer Online Reviews

While the majority of respondents do not feel the need to rely on real estate agents for expertise and input, 8 out of 10 do consider consumer reviews important to their rental property search.



Source: Market Connections, Inc. Apartment Renters Online Survey Report, 2015

### Section Takeaway

The majority of apartment renters rely on online sources and their own searching abilities to find new apartments. Even while working with an agent, renters still perform their own online searches the majority of the time.

## KEY TAKEAWAYS

# What Do These Results Mean for Professionals in the Multifamily Industry?

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### The Internet plays an important role in the way renters research and lease apartments.

Almost three-quarters (72%) of respondents go to the Internet first when they start searching for an apartment. These online searches usually lead to new leases, as 67% have also leased an apartment that they found on the Internet.

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### Mobile optimized solutions are important.

Two-thirds of survey respondents indicate that they search for apartments using their mobile devices at least sometimes. Search traffic on smartphones grew significantly in 2014 and will likely continue to grow.

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### A variety of online sources are used.

Apartment renters use a variety of sources including apartment listing sites, search engines and local sites. They contact apartment owners and managers based on availabilities found online. A separate study that Google conducted with Millward Brown Digital showed that nearly half of apartment renter leads came from searches taking place directly on an apartment listing site.

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### Less than half of renters use real estate agents

62% of respondents rarely or never contact an agent to help them find an apartment. Even when working with an agent, renters will still conduct their own online searches at least sometimes (87%).

# METHODOLOGY

Apartments.com contracted Market Connections to partner in a research study among apartment renters to understand their online search behavior. A blind online survey was conducted among tenants and investors in January 2015. The margin of error for the study is +/- 3.5% at a 95% confidence level.

Google's research leverages proprietary internal data. Additionally, Google contracted Millward Brown Digital to conduct a research study to better understand how digital drives real estate research and purchases. MBD conducted an online survey using panelists who researched on real estate websites within the past 6 months. Surveys were fielded between December 3rd through December 12th 2014 (n=1500). Clickstream purchase analysis was run for Q1 and Q2 2014 (aggregated).

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