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Luxury Portfolio  
International®:

**A NEW KIND  
OF LUXURY LEADER**



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In the late 1990s, the dotcom boom was a watershed moment for luxury real estate. It had an impact that extended well beyond those making millions of dollars in the tech industry. The acquired wealth and accompanying optimism created a new breed of affluent consumer and a renewed demand for luxury real estate, resulting in a surge in prices in the ultra-high-end. While the market has had multiple swings since then, the fascination with the luxury real estate space has persisted.

“In the mid '90s, luxury apartments revived the market. The values were so enticing that it started to domino the other way, tumbling from the higher-end apartments down to the smaller ones,” says Diane Ramirez, CEO of Halstead Property in New York City, a member of Luxury Portfolio International®.

Prior to this time, it was rare to see a home over \$10 million, even in the most exclusive areas, but as we moved into the early 2000s, prices that once seemed astronomical became commonplace.

Suddenly, there was a whole new luxury consumer—a new generation of affluence—and the way they approached life, including their pursuit of real estate, has had a lasting impact. Unlike the traditional affluent individual who had inherited his or her wealth, the “new luxury” consumer was self-made, growing up with middle-class values, a strong sense of family and a desire to learn about luxury products and services in order to make intelligent decisions.

With this changing landscape, the seeds were planted for a new kind of real estate marketing that responded to the needs of this savvy consumer, empowered with technology and increasingly globally-minded. Even before the Internet became a pervasive part of home search, consumers wanted more control of the process. They were more demanding than ever and expected a high level of expertise and performance from their real estate brokers.

### JOINING FORCES

To meet these needs, shifts began to occur in the luxury marketing space. Leading Real Estate Companies of the World® already included a majority of the luxury firms throughout the U.S. with a smattering of global affiliates. On the luxury front, many of these companies had marketing affiliations with the Sotheby's auction house. But when Sotheby's licensed its brand to Realogy, the real

estate franchisor behind Century 21, ERA and Coldwell Banker, most of the independently-branded and -operated companies rejected the opportunity to transition from their former marketing affiliation to the Sotheby's franchise business model.

These firms had dominant luxury marketshare—locally and collectively—but had no common home for a distinctive luxury marketing program. Firms like Houlihan Lawrence in Westchester County, Slifer Smith & Framp-ton in Vail, Michael Saunders & Company in Sarasota and John Daugherty Real Estate in Houston made a bold move that would dramatically change the way real estate firms engage affluent consumers. Born of the desire to continue to invest in their own brands and control their own destinies, these firms joined forces under their established Leading Real Estate Companies of the World® (LeadingRE) affiliation to create Luxury Portfolio International® in 2005.

### COMING TOGETHER

The new division of LeadingRE was fortunate to attract Paul Boomsma, who had managed marketing at a Chicagoland Sotheby's affiliate, to lead the effort. Boomsma's experience in marketing significant properties, like Chicago's original Playboy Mansion, made him the ideal executive to bring this vision to reality.

Within months, Boomsma brought over Stephanie Pfeffer Anton, who, after studying marketing and analytics for her master's degree at Northwestern, had been involved in marketing such high-profile developments as Trump International Hotel and Tower in Chicago.

Boomsma and Pfeffer Anton had actually met several years before over cappuccino at Starbucks, instantly bonding over Boomsma's enthusiasm for marketing and Pfeffer Anton's love of data. They represented the perfect fusion for the new age of luxury, not knowing that the birth of Luxury Portfolio was in their future.



Today, Boomsma has a dual role as both president of Luxury Portfolio and chief operating officer of LeadingRE, while Pfeffer Anton is responsible for Luxury Portfolio operations as its executive vice president.

“We could not have found two people better suited to lead this bold initiative than Paul and Stephanie,” says LeadingRE President/CEO Pam O’Connor. “They have developed an amazing team and have launched and sustained a substantive program that filled a void in the luxury marketing space, which had traditionally relied solely on brand with little program content and market intelligence.”

### UNIQUE FROM THE START

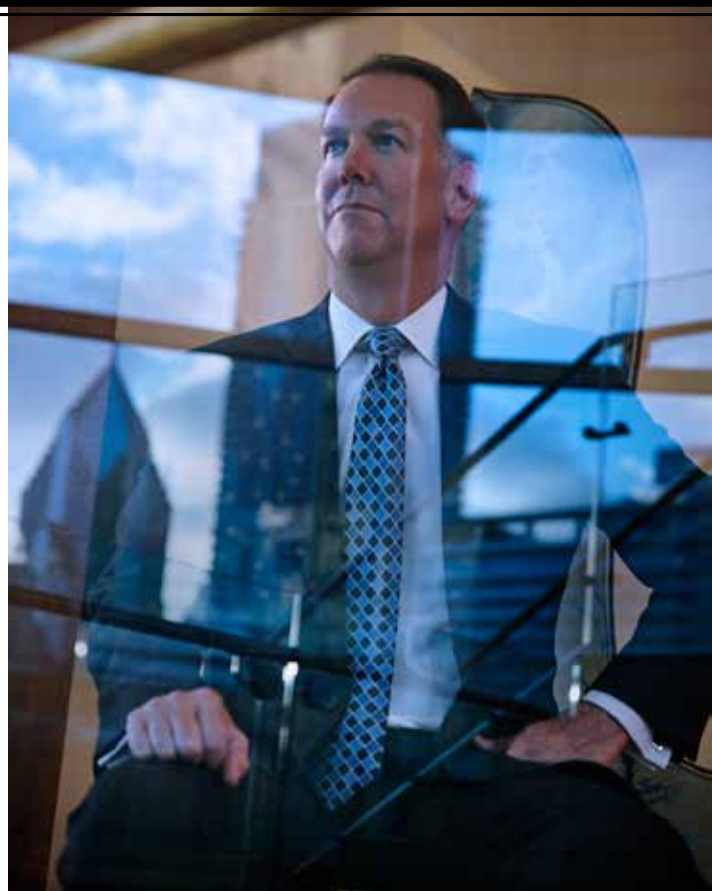
From the beginning, the Luxury Portfolio team was clear that they wanted a program that was about more than just a name. One of the differentiators was a focus on the luxury consumer who seeks a distinctive experience, values data and embraces technology. They sought a tangible approach to strategically market and expose each individual property to a targeted audience, rather than just promote a legacy brand.

Everything Luxury Portfolio does is in support of its mission, and this has been the case throughout its history: give member listings exposure to the largest high-net-worth audience beyond their marketplace, both nationally and globally; build the first website in nine languages and 60 currencies to tap that global audience; offer a program with tangible resources including trackable advertising, listing exposure analytics, global events and customized agent marketing at the best possible value; selectively attract and leverage the talent of the most respected, competent, connected and powerful group of luxury real estate brokers in the industry; and, research and share the latest, most relevant information about today’s luxury consumer.

### SUCCESS THROUGH THE RECESSION

Despite launching at a time when the market was starting to soften, LuxuryPortfolio.com quickly had more listings over \$1 million than any other luxury network. Even through the Great Recession and the decline of the housing market, Luxury Portfolio continued to gain traction. When the economy began to stabilize in 2011, Luxury Portfolio was in a prime position to capitalize on the opportunities the market presented.

“We were fortunate to have success from the start, largely because we had critical mass in the luxury space, with members dominating their markets and representing so many of the world’s most extraordinary properties,” Pfeffer Anton says. “Our emphasis on showcasing these homes with beautiful photography helped us capture a loyal audience of affluent consumers early on.”



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President/CEO, Leading Real Estate Companies of the World®

### THE POST-RECESSION CONSUMER

One way that Luxury Portfolio has consistently remained connected to the affluent consumer is through its ongoing research. By sponsoring studies, hiring multiple research firms, conducting consumer focus groups and forming close connections to its member sales associates who work with luxury clientele, Luxury Portfolio has developed a keen understanding of affluent behaviors and lifestyles.

For example, one of the white papers released by the company focused specifically on the post-recession wealthy consumer.

“The economic downturn reminded people of the importance of being financially responsible, even those of

significant means, and caused a migration away from over-the-top ostentation,” Boomsma says. “Even now, there remains a mindfulness about being resourceful and an emphasis on being fulfilled—at work, at home and in one’s personal development. This attitude directly influences how, when, where and under what circumstances these affluent customers will buy a home.”

The trends identified by Luxury Portfolio’s latest research reveal the motivations that drive the post-recession affluent consumer. First, there is the desire to be victorious. As affluence becomes more widely available, so does the pursuit of luxury living. To many, luxury purchases represent the owner’s victory over whatever challenges they have faced. Next, there is the ability to discern, to recognize the difference between what is good and what is excellent. Luxury consumers are also increasingly independent, preferring brands that are distinctive from the mainstream and offer deeper local connections. Also, there is a trend toward collecting things based on one’s passions and the desire to identify the best a category has to offer. Lastly, the study identified a decline in brand power; name alone is not enough to influence purchases by today’s affluent buyers.



## AN EXPERIENTIAL APPROACH

These insights enlighten Luxury Portfolio affiliates and influence the ways they anticipate and meet the needs of affluent homebuyers and sellers. They also impact Luxury Portfolio’s passion for developing content and design that attract and engage its targeted consumer. Since its beginning, Luxury Portfolio has successfully connected to the affluent by connecting to their lifestyle. This strategy goes far beyond simply marketing expensive homes—it involves telling stories and connecting emotionally with this special clientele. Through its lifestyle magazine, a luxury trends e-newsletter, a first-of-its-kind award-winning lifestyle blog and local luxury consumer events, Luxury Portfolio has always been about the consumer experience.

“Widely accepted traditional definitions of ‘luxury’ have evolved over time, with a shift from ‘having’ to ‘being.’ Words like ‘worth,’ ‘quality’ and ‘craftsmanship’ resonate with today’s affluent, and there is an emphasis on health, family and memories,” notes Pfeffer Anton.

By redefining luxury beyond the living space, Luxury Portfolio is leading the charge for a novel, experiential approach to high-end real estate.

## DATA-DRIVEN INSIGHTS

Luxury Portfolio has mastered not only a breadth of coverage, but also a unique depth of resources for its customers by providing data-driven insights. Luxury Portfolio agents are armed with proprietary “LuxeAnalytics” data that presents listing-specific results, including the countries and states from which the property has been viewed and the language and currency conversions that have been used.

Sales associates are able to share these custom reports with their sellers and create and adapt targeted marketing to potential buyers.

“Our buyers are so well-educated that nothing just ‘local’ is supportive enough to make them feel confident that they’re making great decisions. When you are able to expand your analytics and talk about other marketplaces, they get a higher level of comfort very quickly in terms of relevance to your marketplace,” comments Tony Cutugno, associate real estate broker with Houlihan Lawrence in Westchester and surrounding bedroom counties north of New York City.

This combination of using data-based insights and offering a consumer-centric experience with a uniquely global reach, all delivered by the most elite, quality-focused independent brands, is the foundation of Luxury Portfolio’s success.

“Our affiliation with Luxury Portfolio surrounds us with the best brokers in the industry who inspire us to be our best, leveraging our own unique attributes while providing access to a powerful global network and bespoke





WHISTLER, BC, CANADA, \$15,662,822 US  
LUXURYPORTFOLIO.COM - WEB ID: ZVRC



VISTA DEL MAR, CAYMAN ISLANDS, \$9,450,000 US  
LUXURYPORTFOLIO.COM - WEB ID: MWIU



BEVERLY HILLS, CALIFORNIA, \$34,900,000 US  
LUXURYPORTFOLIO.COM - WEB ID: CZTW

marketing tools that differentiate us around the world,” says Rainy Hake, executive vice president and COO of California’s Alain Pinel REALTORS®.

### GLOBAL GROWTH AND AN EYE ON THE FUTURE

Today, Leading Real Estate Companies of the World® extends to 55 countries, with Luxury Portfolio participants in 30 countries.

As Berry Everitt, CEO of Chas Everitt in Johannesburg, South Africa, notes, “The benefits of the value proposition of Luxury Portfolio International are tangible for us, and we were thrilled to have been selected for membership. In only the first year of our relationship, the program, its leaders and our incredible colleagues from around the globe have inspired us to make significant changes to our approach to the luxury market, and the impact to our organization has been dramatic.”

The program has grown into the world’s premier luxury-home marketing showcase—guided by the marketing acumen of Boomsma and Pfeffer Anton and delivered by the independent brokers who offer the local expertise and exceptional service that today’s world-wise consumers demand.

Looking ahead, it’s clear that Luxury Portfolio will continue to evolve, responding to shifts in the market, developments in technology and changes in consumer values and needs.

For now, Boomsma takes pride in what the group has achieved, noting, “Luxury Portfolio offers a uniquely sophisticated mix of online and offline media to position properties for maximum exposure to an elite audience. We market over 50,000 properties priced over \$1 million annually on our award-winning site and in prestigious publications circulated around the globe—including the uber-high-end, with more than 500 properties over \$10 million currently listed. We are intent on creating an exceptional experience for the affluent consumer. To deliver on that promise, we connect quality independent luxury brokerages around the world—all of this in just a decade. Imagine what is possible in the next 10 years!” **RE**

*For more information, please visit [www.luxuryportfolio.com](http://www.luxuryportfolio.com).*