

## JLL Residential Sees a Future in Smart Pricing

### THE CHALLENGE: GAUGING THE HIGHS & LOWS OF A POST-COVID MARKET

During COVID and its immediate aftermath, property management companies in urban locations struggled as residents migrated out of cities in their droves. This created huge disruption in terms of occupancy, causing operators to rely more and more on concessions like free rent or other incentives.

Then, almost as abruptly, there was an unprecedented resurgence of renters returning to the city — back to the place they call home. “Regardless of what people say, living in a city centre apartment is part of life for many people. Compared to 25 years ago, cities are very different places — not just somewhere to work or shop,” says Lee Hill, Director of JLL Residential.

To get ahead of fluctuating market conditions, JLL Residential saw the need for a solution that provided expert analysis, robust data and statistical-based forecast modelling.



### ABOUT JLL RESIDENTIAL

A world leader in real estate services across 80 countries, JLL Residential buys, builds, occupies and invests in a variety of assets including industrial, commercial, retail, residential and hotel real estate. From tech startups to global firms, clients span industries including banking, energy, healthcare, law, life sciences, manufacturing and technology.

## THE SOLUTION: LEVERAGING THE POWER OF YIELDSTAR®

The team had some initial hesitancy around making the transition to a smart pricing model. “Having worked in the residential market in Manchester for a number of years, I thought I knew the market better than anyone — and especially better than a computer,” says Lee. “I suppose I was a bit skeptical, but I was prepared to run with it.”

And, run with it they did.

With YieldStar, the conversations around pricing are easier because they’re backed up by data. They’re also backed up by a team that has mastered best practices with regard to delivering the product. That confidence has rubbed off on renters — making the adjustment to dynamic pricing seamless for everyone.

## THE RESULT: STRAIGHTFORWARD PRICING THAT BENEFITS EVERYONE

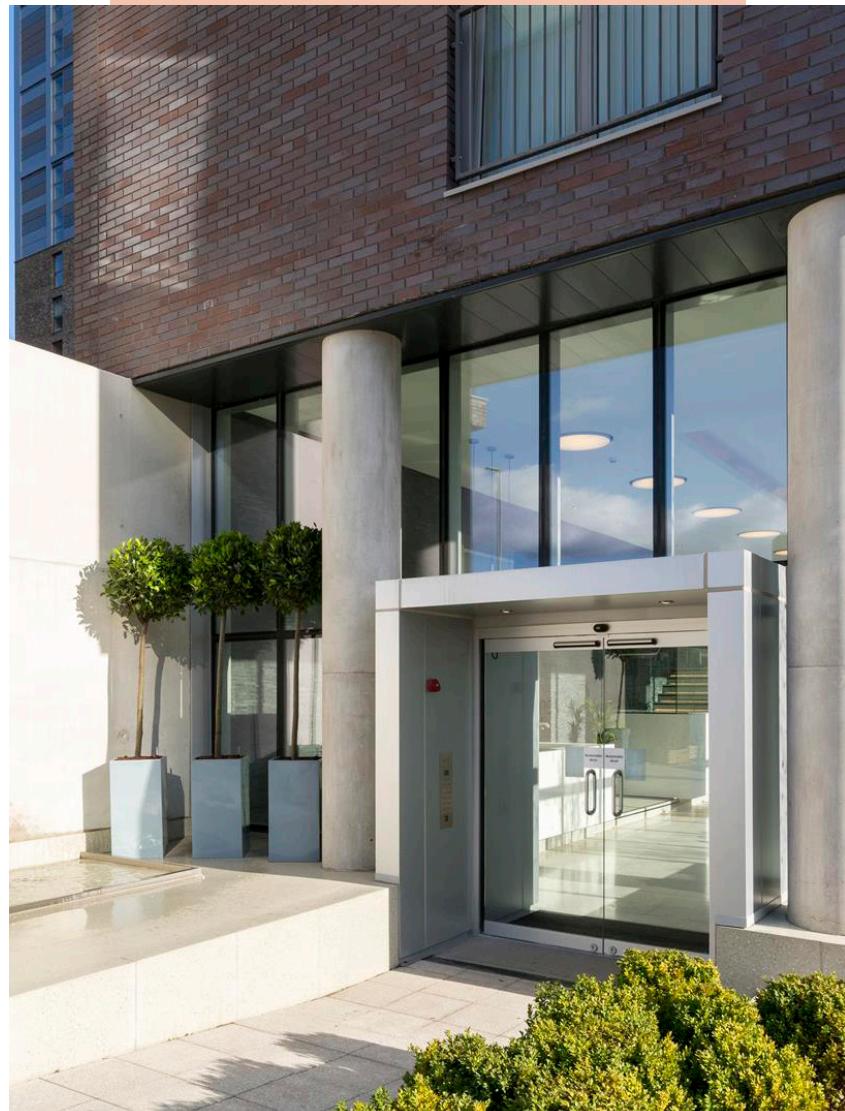
The results speak for themselves: straightforward pricing means prospects are getting the best price for what they want and eliminating the need for any type of negotiations at the point of signing. “The YieldStar model gives people the opportunity to have a say in what their rent is going to be,” says Lee. “Plus, it allows renters to tailor-make their own tenancy.”

On site staff have an advantage, too, with real-time information at their fingertips. And they can share it with prospects as they’re touring the property, rather than waiting until they return to the office. It’s added reassurance from the solution that’s providing live, on-demand pricing.

During weekly calls, the team reviews performance and adjusts pricing accordingly. “Convincing a landlord you need to reduce prices is not something they want to hear, but we have got a system which is looking at the bigger picture. It’s looking 12 weeks ahead to what is coming and what is going to be available, and it is making those decisions ahead of that period,” says Lee.

“YieldStar looks at your performance, and based off the data it can say in 12 weeks’ time you are going to fall five short or you are going to do five more than you need to. It’s an algorithm based on previous evidence and current trends — and so far, it has been very accurate.”

– Lee Hill, Director of JLL Residential



## THE BENEFITS: A FORWARD-LOOKING SOLUTION

“The system knows up to two months ahead if something is coming back, so we have started letting things that haven’t yet come back to us – that is a massive benefit. A lot of agents only look four weeks ahead. When you have a lot of vacant properties in that area, you tend to concentrate on units that are empty; whereas, at the moment we can concentrate on what’s physically available and what’s due back. This helps us to reduce our forward risk which has been one of the biggest strengths of the system.” – Lee Hill, Director of JLL Residential

## ABOUT YIELDSTAR

YieldStar provides expert analysis, robust data and statistical-based forecast modeling for the 360-degree transparency you need to make accurate, precise decisions.

**For more information on leveraging RealPage® solutions for your specific needs, contact us at +44 (0)203 432 2105 or visit [realpage.co.uk](http://realpage.co.uk).**

