

WORDS | Alex Evans

Time for change

With over a decade of sales experience in Portugal, Artur Simes of Atlantic Estates believes agents and developers must adapt their strategies for a new marketplace

After ten years managing hotels for The Accor Group, and five years as Sales & Marketing Director of Vila Sol Golf & Spa in the Algarve (where he notched up more than €100m in sales of plots, villas and apartments), Artur Simes set up his own real estate agency, Atlantic Estates, in 2003.

Explaining the move to property sales, and in Portugal specifically, he says: "I have always been involved in international tourism. I graduated in hospitality management, can speak several languages and always explored international markets. I have lived in the Algarve since 1998 and, as you know, the Algarve has always been a holiday destination for northern Europeans.

"The region has enormous potential to attract homebuyers from around the world and my background lends itself to international property sales. I am passionate about it. It is my home. I know the country and all of its tourist potential very well. I know the best places for different lifestyles. I believe that one can sell better if one really believes in the product."

For many, Portugal is yet to truly fulfil its potential as a second home destination, traditionally eclipsed by

Spain or perceived as too expensive by its core market – the Brits. So how is the industry adapting to a new global economy and Spain's apparent decline?

"Historically, client demographics have always been 35 to 65 years of age, British, Irish and Dutch, with an affinity for golf and the southwestern European lifestyle," says Simes. "From 2006, we started approaching other markets and can now reach Belgium, Denmark, Sweden, Norway, Ukraine, Russia and Kazakhstan.

Back to basics

"Buyers preferring Portugal are looking for a holiday or retirement home. When interest rates were very low and economy stable, we could also see a boom of investors. We are now back to the basic offer of promoting the fantastic lifestyle that Portugal has to offer with great golf, beaches, gourmet, culture and events of all kinds".

A multi-billion euro initiative to promote the country's various residential tourism product types, called Projects of National Interest (PIN), hopes to not only increase its appeal internationally but also speed up planning approval for qualifying projects; so has it become easier to sell second homes in Portugal?

"For the moment, it is more difficult," says Simes. "The market has slowed down and there are fewer buyers. Yet, there are also less 'dreamers', which means we can concentrate on providing quality service to 'real buyers'.

However, another issue we must overcome is that a few other popular markets are suffering from significant decreases in property value. Consumers are aware of this and expect prices to be low in Portugal as well. Home values in Portugal, especially in the higher price range, have remained somewhat stable. So, it is our challenge to assure

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buyers that they are receiving a good price and that their investment is secure".

Commenting on the government's support of Portugal's second homes industry, he adds: "The Portuguese government is aware of the importance of residential tourism on the country's Gross Domestic Income. We surely benefit from the exposure the government gives to the country from annual international marketing campaigns in the client countries where we try to sell properties. Strict development regulations keep Portugal on the quality track and reassure us that we will keep our magnificent beaches and landscape intact in the future".

Adapt to survive

While this support is welcome, Simes has adapted his business model. "In the

last year, we narrowed our focus; we became a boutique," he explains. "It did not make sense, in the deteriorating economy, to try to compete with every real estate agent at every exhibition, in every property publication, and on every property portal.

"We chose to concentrate on upmarket clients, as we believed they would be less affected by the slowing market. We rebranded and vetted our catalogue to create a portfolio of distinctive homes. We focussed our marketing on lifestyle. Buyers looking for higher-budget homes in coastal Portugal do so because they enjoy golf, tennis, fine dining and beaches. To deliver our message to them, we attend lifestyle exhibitions, seek editorial in golf and luxury publications, and cross-promote with local luxury product companies".

Network approach

Atlantic Estates has also invested in its sales network to widen its pool of buyers. "Our agent partners are a very significant part of our business," he says. "Our buyers are in countries thousands of kilometres away. We do not have the time or the budget to be in all of those countries sourcing leads full-time. We consider our partners a true extension of our business in Portugal".

Expanding on its partnership programme to support its sales partners, Simes adds: "We have a robust program for working with agents. This past year, we implemented a proprietary database program to manage our property and client data. The program has automatic functions in place that notify by email all of our agents when a property has been added or its profile changed.

"More importantly, as part of this program, we created a back office for our partners. They can go to our website and login to the Agent Zone to register their clients, download high-resolution images and read posted news about the housing market in Portugal. Also in the Agent Zone, they can monitor the status of their clients and read reactions their clients have made on recent visits. In our Call Center, we have someone on staff to work closely with our agents. And, we also assist our agents with any materials they may need for marketing and publicity in their specific region".



Views on Portugal | With the British buyer market far less active, Simes believes that Portugal's second homes industry must attract the attention of new buyer groups

Agent support is one thing, but what is it doing to add value for buyers?

“This is a question we considered vigorously during our rebranding,” says Simes. “What can we do to set ourselves apart from all the others? What can we do to deliver our message of quality lifestyle to our clients? With this in mind, we created our Fresh Approach strategy.

“We want our clients to know that, with Atlantic Estates, they will receive quality non-traditional agent services while searching for homes that accentuate their lifestyle. For example, to de-stress at the end of a day visiting properties, we make arrangements for our clients to have a massage or attend a yoga class. We have babysitters on call if our clients would like to look at homes without the distraction of their kids. We offer complimentary interior design or feng shui consultations. And, after the sale closes, we offer a ‘Welcome Package’ of flowers, wine and a selection of groceries to help our clients settle in to their new home.

“For serious buyers, we offer ‘Lifestyle Visits’. These are themed holiday packages suited to the lifestyle of our prospective clients. When qualified buyers schedule a visit with us, we will set them up for two nights in a local hotel and arrange activities around their property visits. Activities can range from golf outings and ocean excursions, to cultural events and gourmet dining. Basically, we want the buyers to realize when they buy in Portugal all of their favourite activities are at their fingertips.

“This year, we plan to implement the Atlantic Estates Client Appreciation Card. We are arranging promotions and discounts with local restaurants, hotels, golf clubs and other services. Each of our buyers will receive this card. It is our intention, of course, to utilize this tool to generate repeat business among our clients as well as quality referrals”.

Like many in the industry, Simes sees the global economic downturn as his biggest challenge in 2009, but he is optimistic. “My biggest hope is that the main developers and players of our industry in Portugal are able to adapt strategies to the current economy and succeed in these turbulent times because, ultimately, we want Portugal to remain a popular destination to buy holiday homes”. 



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