



Revolutionizing the Resident Experience in the Digital Age

How technology and flexible payments
are transforming property management

About Flex

Flex is a leading financial wellness company that allows residents to split their rent and build their credit. Trusted by over 1,600 property management companies and offered in more than 6 million units nationwide, Flex has paid more than \$8 billion in on-time rent. By integrating seamlessly with major property management systems, Flex offers a simple solution that supports operational efficiency and creates a superior resident experience. Learn more about Flex at www.getflex.com/partners.

About J Turner Research

J Turner Research is an independent research company focused exclusively on the multifamily industry for two decades. It is the only company to monitor the online reviews and ratings of 140,000+ properties nationwide. J Turner pioneered the Online Reputation Assessment (ORA®) score, which serves as the multifamily industry standard to measure, benchmark, and compare a property/company's online reputation. J Turner is the national leader in enhancing resident satisfaction through intelligent resident and prospect survey programs, AI-driven data analysis, quantifiable action plans, customized training, and review response service. jturnerresearch.com

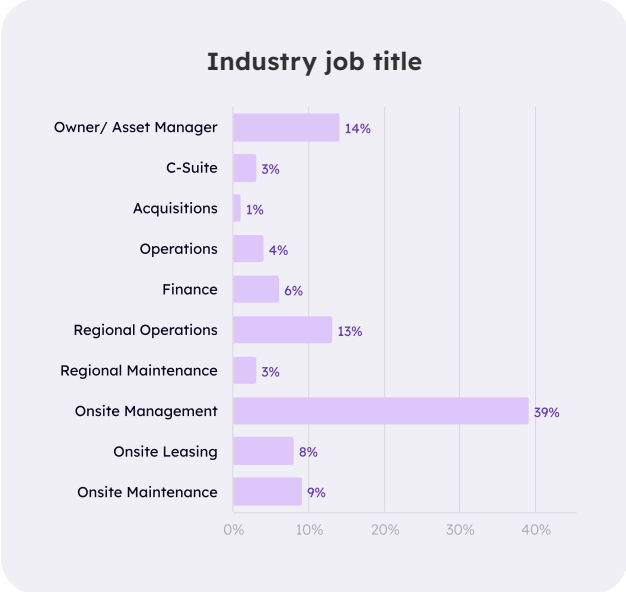
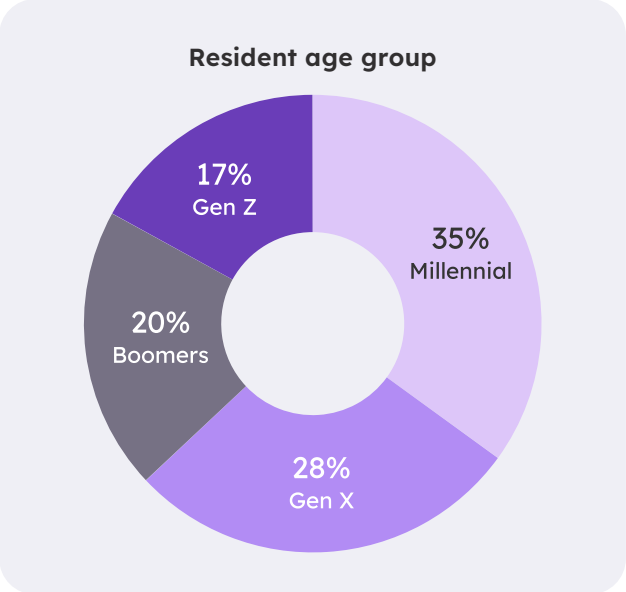
Executive Summary

This report, conducted in partnership with J Turner Research, delves into the rapidly evolving priorities of today’s renters and the critical role technology plays in shaping the resident experience. This research was undertaken to address the need for a deeper understanding of the shifting rental landscape, particularly in light of increasing lease durations and a boom in new apartment construction. The study examines the alignment and disconnect between the perceptions of industry professionals and the resident’s true desires – highlighting key areas of opportunity for property owners and management companies to increase retention and attract new residents. The report uncovers how fundamental technologies like flexible payments can be the catalyst to achieving operational excellence and enhancing the resident experience.

Methodology

This survey, conducted by J Turner Research between April 22-May 27, 2024, surveyed over 850 individuals involved in the rental housing industry, including both residents and industry workers. Resident respondents averaged 44 years of age, while industry workers reported an average of 14 years of experience.

Millennials comprised the largest age group among residents (35%), and onsite management constituted the largest job category among industry participants (39%).



Key Findings

This report examines the dynamic evolution of renter preferences and the pivotal role of technology in elevating the resident experience. The data reveals a significant disconnect between the desires of residents and what the rental housing industry currently offers.

Customer service as a catalyst for retention:

- **Retention is king:** The rental industry faces a new challenge: resident retention. With lease durations on the rise and a surge in new apartment construction, resident satisfaction has become paramount.
- **Preventable turnover:** A staggering 43% of lease non-renewals are preventable, primarily stemming from factors directly tied to the resident experience, such as dissatisfaction with the apartment or management.
- **Prioritizing customer service:** Research reveals a disconnect regarding the importance of customer service. Renters rank it significantly higher than industry, highlighting a crucial area for change.

The rise of lifestyle technologies and the perception gap:

- **Residents prioritize practical lifestyle technologies that give daily flexibility:** Residents, across all generations, view technology like flexible payment options and package management systems essential to their living experience
- **A significant gap in execution:** While industry professionals recognize the value of technologies like flexible payments and online portals, there's a noticeable lag in implementation compared to resident demand – and a misaligned prioritization of comfort amenities like concierge services.
- **Flexible payments are a missed opportunity:** Despite an overwhelming 84% of residents expressing interest in split rent payments, a mere 30% of industry professionals offer this financial amenity.
- **Embracing a mobile-first approach:** Younger generations are driving the demand for the ability to pay rent via mobile apps, with a staggering 96% of Generation Z expressing keen interest.

Emergence of flexible payments as the future of resident satisfaction:

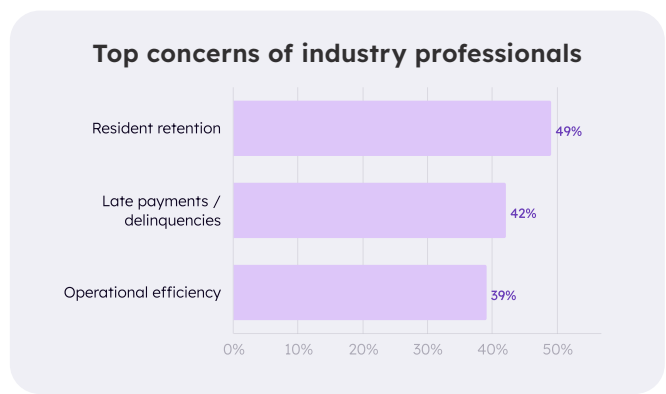
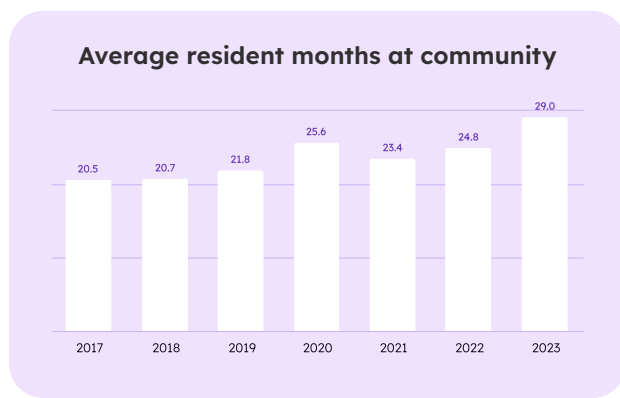
- **Flexible payments significantly boost resident satisfaction:** 85% of residents with access to flexible payment options report heightened satisfaction levels compared to the 78% average for conventional methods.
- **Industry benefits are undeniable:** 91% of businesses offering flexible payments report positive impacts on their operations, showcasing the widespread recognition of this approach as mutually beneficial.
- **Directly addresses key industry challenges:** Flexible payments effectively tackle major pain points like resident retention (49%), late payments/delinquencies (42%), and operational efficiency (39%).
- **Crucial in a competitive landscape:** 76% of industry professionals believe the current economic climate necessitates adopting new payment technologies. The ability to split rent into smaller payments is a powerful differentiator, particularly appealing to Millennial and Gen Z renters (77% and 82% respectively) favor this option.



Thriving in a Transformative Era

The rental housing industry is experiencing a period of radical change. On the one hand, renters are staying in their units for longer periods of time; in 2023, the average lease duration jumped to 29 months, a notable increase from 24.8 months in 2022 and 23.4 months in 2021. Simultaneously, there is a surge in new apartment construction amidst a tumultuous economic landscape.

The convergence of these trends have put increasing pressure on the industry to prioritize resident retention. A staggering 49% of companies now cite it as their top concern, closely followed by delinquent payments (42%) and operational efficiencies (39%).



In today's competitive rental market, retaining residents is crucial, and understanding why they choose to leave is paramount. J Turner Research's resident satisfaction survey revealed a startling statistic: nearly half (43%) of lease non-renewals are preventable by enhancing the living experience.

This underscores the immense opportunity property managers have to increase resident retention by prioritizing resident satisfaction.

Specifically, the three most common reasons for non-renewal – seeking a better apartment (17%), dissatisfaction with management (15%), and unhappiness with the apartment itself (11%) – can all be directly addressed by prioritizing the resident experience. By focusing on these key areas, the industry can significantly reduce resident turnover and cultivate a more loyal and satisfied renter base.

Nearly half (43%) of lease non-renewals are preventable by enhancing the living experience.

Bridging the gap: Rethinking priorities

While the rental industry demonstrates a strong understanding of fundamental renter needs like affordability, unit quality, and safety, a critical gap emerges when examining the perceived importance of other factors.

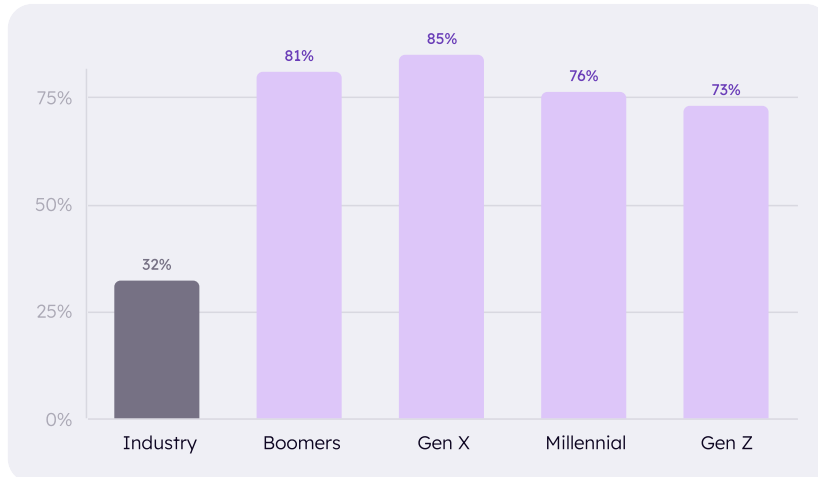
While the industry places significant emphasis on amenities, renters themselves prioritize customer service as a key differentiator after core needs are met. This misalignment presents a significant opportunity for property managers to gain a competitive edge in a landscape where resident retention is the priority.

The disparity between how industry professionals and renters perceive the importance of customer service in leasing decisions is only heightened when looking at how it fits into factors for determining where to rent. While only 32% of industry professionals believe it's a top priority for renters, a staggering 79% of renters themselves place it within their top priorities.

Top factors driving resident renewal decisions

🏢 Industry professionals	🏠 Average of all residents
1. Affordability	1. Affordability
2. Quality of the unit	2. Safety and security
3. Safety and security	3. Quality of the unit
4. Amenities	4. Customer service

% who rank customer service in top 5 factors



In the rental industry, where exceptional customer service is paramount, there exists a compelling paradox: while adding technology to the resident experience removes aspects of the ‘human touch,’ it also holds the potential to enhance human-centric experiences. By leveraging technology, customer service can be elevated beyond traditional boundaries.

Industry leaders also point to technology as a way to streamline their workforce operations and free up valuable time for their staff to provide exceptional levels of customer service.

Linda Coburn, VP of Asset Management at NexMetro Communities, says technology and finding operational efficiencies has become a critical way to meet consumer expectations. **“Through technology, we’re able to streamline the process [and] elevate the experience. In many ways, it’s [about] elevating the workforce, being able to retain top talent, having them oversee multiple sites, and meeting consumers where they want to be met, when they want to be met.”**

Instead of viewing technology solely as a luxury tool for convenience, the industry should embrace its potential to transform customer service into a powerful strategy for building long-term resident satisfaction and loyalty. By leveraging the right solutions, we can move beyond simply meeting basic needs to creating truly personalized, flexible, and positive experiences that resonate with today’s renters.



Navigating Technology as an Enabler

The landscape of resident expectations is rapidly evolving, fueled by technology’s ever-growing role in our lives. This isn’t just a generational shift; it’s a fundamental reshaping of what “home” means in an increasingly digital world. According to Coburn, today’s renter is more discerning than ever before, and seeks more than just four walls; they crave seamless and convenient experiences in every aspect of their day, including in their homes.

It’s not enough to just offer a box. It’s really about everything besides the box. It’s the whole resident experience; it’s about convenience, flexibility, freedom, and quality of living.

- Linda Coburn, VP of Asset Management, NexMetro Communities

Practical lifestyle solutions in demand

With a boom in resident-facing technology over the past five years, property managers find it increasingly difficult to navigate and prioritize. Interestingly, the data clearly shows that practical lifestyle tools, such as package management solutions and flexible payment options, are at the top of the list for residents.

These priorities stem from day-to-day needs and core activities like paying rent and collecting deliveries. On the other hand, amenities that provide additional comfort and a connected living experience - like smart home features, electric vehicle (EV) charging, and concierge services - ranked lower on the list of priorities. This highlights the demand for practical lifestyle amenities that will directly improve their daily lives and afford greater flexibility. This sentiment resonates across generations, with similar prioritization by demographic.

Rank of most desired technology (resident average)

1. Flexible payment options
2. Package solutions
3. Online resident portal
4. Smart home features
5. Concierge services
6. Resident communication platforms
7. EV charging

Rank of most desired technology

	1	2	3	4	5	6	7
Boomer	Portal	Flex pay	Package	Smart home	Concierge	Chatbot	EV charging
Gen X	Flex pay	Package	Portal	Smart home	Concierge	Chatbot	EV charging
Millennial	Flex pay	Portal	Package	Smart home	Concierge	Chatbot	EV charging
Gen Z	Flex pay	Package	Concierge	Portal	Smart home	Chatbot	EV charging

Disconnect between resident priorities and industry offerings

While the industry is aligned on the significance of certain amenities like flexible payments and online rent portals, notable differences exist when compared to renter priorities. Both groups unequivocally prioritize flexible payment options, considering it the most crucial technology.

Industry v. resident priorities

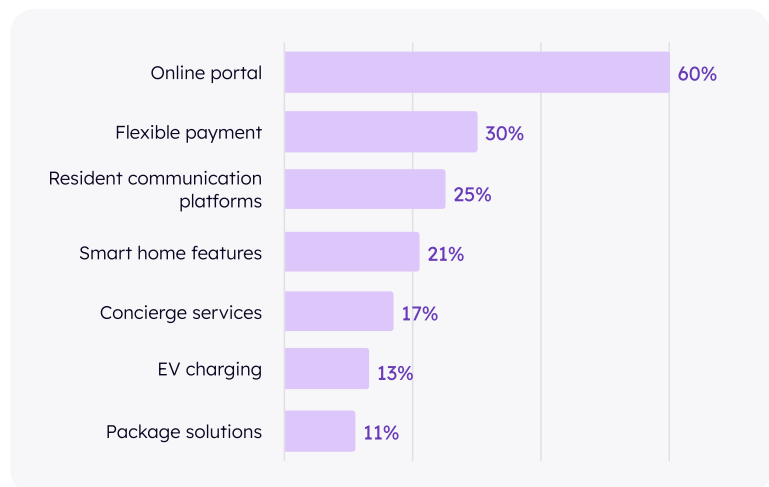
📋 Industry ranking	🏠 Resident ranking
1. Flexible payment options	1. Flexible payment options
2. Online resident portal	2. Package solutions
3. Smart home features (e.g., thermostats, locks)	3. Online resident portal
4. Resident communication platforms (e.g., chatbots)	4. Smart home features (e.g., thermostats, locks)
5. Package solutions	5. Concierge services (e.g. trash pickup, dog walk)
6. Concierge services (e.g. trash pickup, dog walk)	6. Resident communication platforms (e.g., chatbots)
7. EV charging	7. EV charging

However, despite alignment, only 30% of industry professionals offer flexible payment options. Package solutions, rated the second most important amenity by residents, surprisingly ranked fifth by the industry and is only implemented by 11% of those surveyed. This trails behind the adoption of EV charging (13%), an amenity considered the least important by both residents and industry experts. Conversely, resident communication platforms, which received a low prioritization by residents, are implemented by 25% of the industry.

The disconnect underscores an urgent imperative for the industry to bridge the gap between expectation and reality by better aligning technological offerings with resident demands.

The misalignment between resident priorities and industry action is further exemplified by future implementation plans. While 29% of the industry is planning on implementing smart home features within the next year, this amenity ranks relatively low on the list of resident priorities.

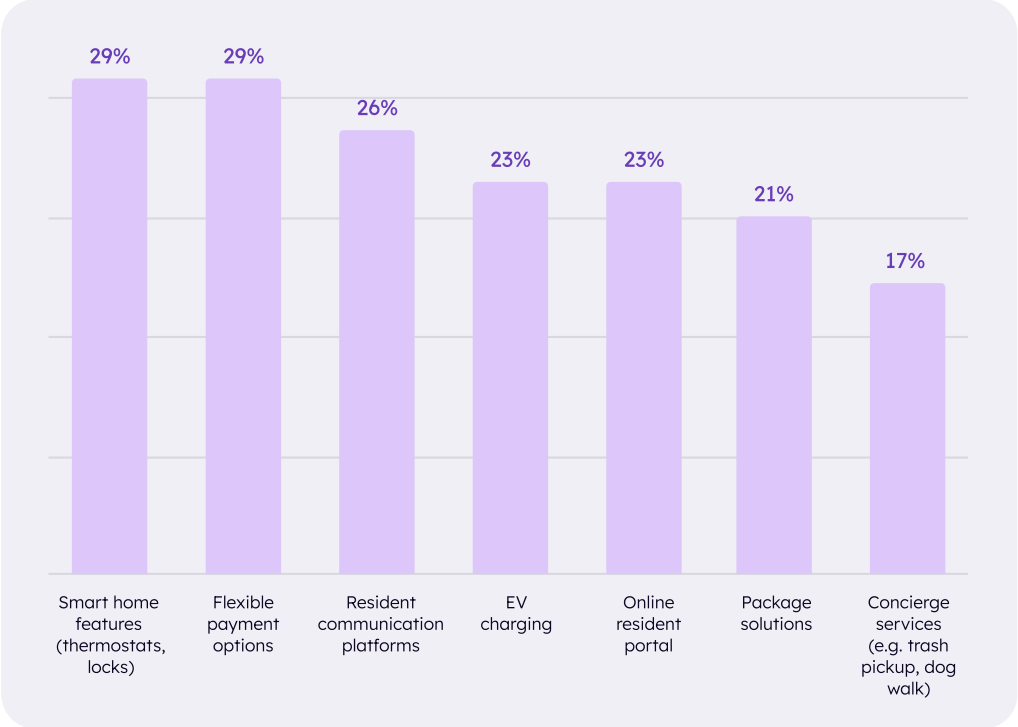
Current industry offerings



Similarly, despite being the most requested add-on, only 29% are planning on implementing flexible payment options. Further widening the gap, 23% are looking at incorporating EV charging stations, an amenity ranked as least desired.

This trend continues with package solutions, a highly desired feature, seeing a low planned implementation rate of only 21%. This disconnect highlights a concerning trend where resources are being allocated towards less impactful amenities, potentially at the expense of the practical lifestyle features residents truly value.

Technologies industry is planning to implement within the next year



Overcoming Implementation Challenges

While high value, in-demand technological advancements are emerging, simply adopting them isn't always straightforward. Cost presents a significant hurdle, cited by 56% of industry professionals as the primary challenge. Lack of training (32%) and time required for implementation (30%) are additional barriers that organizations must address.

These widespread challenges could potentially be contributing factors to the growing misalignment between resident priorities and industry implementation. To better understand how the industry is overcoming barriers to implementation, we spoke directly with industry leaders at the forefront of technology adoption.

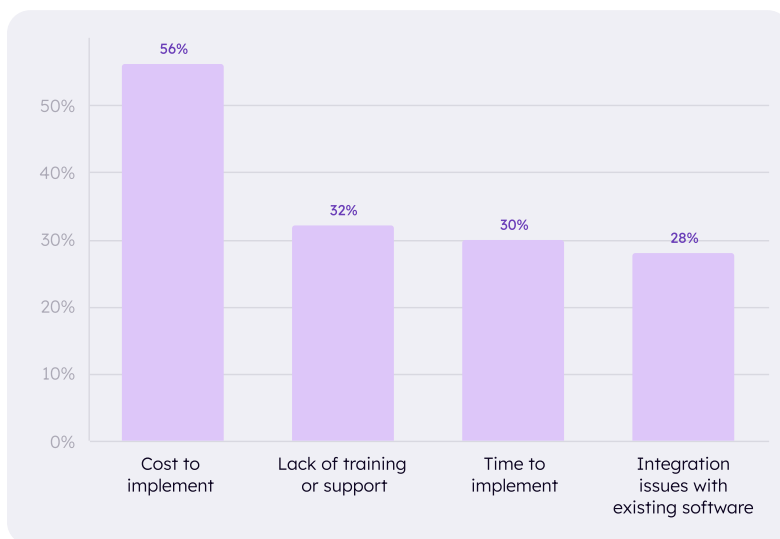
Pre-implementation evaluation

Industry experts cited an important first step in the process of implementation; a rigorous evaluation of a new technology or software opportunities in an effort to assess the expected value brought to the residents and the business, and a careful review of what is currently in place. This critical step undoubtedly saves property managers valuable time and resourcing upfront before undergoing testing and implementation. For Megan Gibbon, Director of Transactions and Portfolio Operations at Vivo Investment Group, redundancies are commonplace in the industry: **“There are a lot of products out there that do the same thing. The first step is evaluating what we have... Are there redundancies? Would this replace something? Should we consider replacing it?”**

Industry leaders also emphasize the importance of assessing the practicality and long-term value of technologies, ensuring they will remain relevant down the road. According to Mary Kahl, SVP of Property Management at Timberland Partners, this preliminary evaluation is vital. **“[We like to ask ourselves] has it solved a problem? Can it grow with us? Is the technology going to be relevant three years from now?”**

As part of the initial evaluation period, property managers also referenced the technology partner itself as a critical component of the process. For example, partners who help with marketing and promotion of resident-facing software will alleviate potential work for onsite staff after implementation as they seek to gain resident adoption. Moreover, selecting technology partners capable of integrating with major systems of record with minimal change management ensures a seamless and efficient transition.

Challenges faced when implementing technology



Pilot period is key

To help combat some of the implementation challenges faced by the industry, some property management experts have adopted a ‘pilot period’ strategy. During this time, they implement new technologies and software on a select few properties to better understand the process for integration.

“We don’t go all-in at the beginning for any type of implementation. We always do a pilot period typically for three to six months, and then we end up going all-in because we were able to work through all of any issues and come up with a strategy to then deploy to the rest of our properties,” said Abigail Diller, Director of Training and Compliance at MRD Apartments.

Some industry leaders even referenced having a dedicated trainer and online resource for the pilot to ensure success. According to Kahl, **“We go through a process of ‘training the trainer,’ and as we roll out to the beta test group, there is online training available [for the new technology].”**

Property management experts cited the importance of the pilot period to gauge the overall impact on the resident experience, and ensure adoption of the new technology. With limited resourcing, it’s imperative to develop an integration process that will lead to resident adoption and an enhanced experience.

“The biggest impact for us is when technology eliminates manual steps for our onsite teams. If we can remove the burden of remembering to perform redundant tasks like collecting documents, that’s a win.”

– Megan Gibbon, Director of Transactions and Portfolio Operations, Vivo Investment Group

Centralization as a catalyst for implementation

In recent years, centralization has been a critical movement for the rental housing industry, where a great deal of day-to-day tasks remain manual and fragmented across the workforce. Experts cite centralization as essential to technology implementation, as it creates a foundation of efficiency, data-driven decision making, standardization, and enhanced communication across teams.

According to Coburn, “**Centralization is a buzzword right now. Everyone is looking for ways they can centralize the administrative tasks that occur in communities. This doesn’t mean reducing the workforce per se, but to streamline it; to take the administrative burden off of the onsite team so they can focus on the sale, the resident experience and the white glove aspects of our business.**”

By automating time-consuming activities, such as collecting rent payments, processing invoices, or reviewing rental applications, property managers can successfully implement efficient workflows and processes that will aid in the proper evaluation and growth of new technology tools, and free up valuable time for the workforce to focus on customer service initiatives.

Unlocking Resident Retention Through Payment Flexibility

The research reveals a compelling - although not necessarily surprising - story:

People are growing increasingly accustomed to convenience and optionality in their daily lives, and want this same level of flexibility in their rental experience.

This is evident by their strong desire for customer service and the prioritization of technologies like flexible payment offerings and package solutions, which offer more control over daily activities.

As the industry seeks to increase resident satisfaction and improve retention rates, it’s critical to invest in tools and technologies that will meet the rising demand for flexibility in activities that are central to the rental experience - such as paying rent, collecting deliveries, or scheduling a maintenance call.

Rent is a major recurring expense for most people, making financial flexibility crucial. Having the option to split rent directly impacts residents’ financial well-being and peace of mind. Similarly, package deliveries represent significant financial transactions that residents want to secure and manage efficiently.

As a result, it’s no surprise that financial flexibility is strongly correlated with heightened resident satisfaction and improved retention rates. In fact, **85% of all respondents with access to flexible payment options report a higher level of satisfaction.**

“As an industry, we’re really good at saying no and talking about policy and rules. In today’s market, people could care less what our policies and rules are. They care about how they feel. The resident is king. If we want to keep them, we need to better understand and relate to them. They’ll pay more to feel better. They’ll pay more if they like you and the experience you’re providing.”

– Mary Kahl, SVP of Property Management, Timberland Partners

What are flexible payments?

Flexible payments are a relatively new tool that has quickly risen to the top of the modern day renter’s priority list. This technology enables residents to split rent into smaller, more manageable payments throughout the month. Residents are able to pay part of their rent upfront and borrow money to cover the rest of it. This helps them get their rent paid on time, while paying on a schedule that works for them to alleviate financial stress.

Examples include:

- **Payment plans:** Spread the cost of a purchase over several months or weeks, typically interest-free. This is ideal for major, recurring expenses or big-ticket purchases.
- **Pay later:** Purchase now and pay after a set period, often without extra charges. This is typical in online shopping.
- **Variable payments:** Adjust the payment amounts based on predefined factors such as usage rates or financial status, common in utilities and subscription services.

Traditional payment methods, often rigid and inconvenient, fail to resonate with the financial dynamism sought by today’s renters. In contrast, flexible payment technologies empower residents with greater control over their finances, leading to a more positive and engaging rental experience. By offering a variety of payment options, property managers can cater to the needs of today’s renter and improve resident satisfaction overall.

Moreover, flexible payments encourage on-time payments by aligning due dates with the renter’s cash flow, such as their payday. This timeliness reduces the likelihood of delinquent payments, while enabling property managers to forecast cash flow more accurately and allocate resources more effectively.

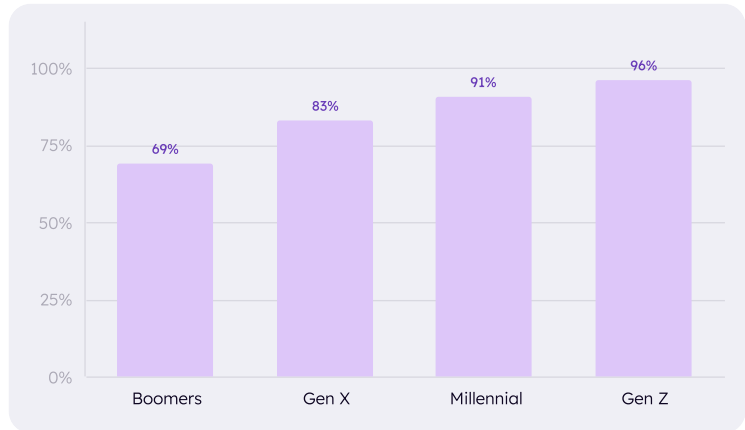
Flexible payment options emerge as top driver of resident satisfaction

The correlation between flexible payment solutions and resident satisfaction is strong across generations, with a particularly high correlation amongst Generation Z. This younger age group - which accounts for nearly a third of today's rental applicants (27%) - places a significantly high value on financial flexibility with 96% indicating that flexible payments improved their overall renting experience.

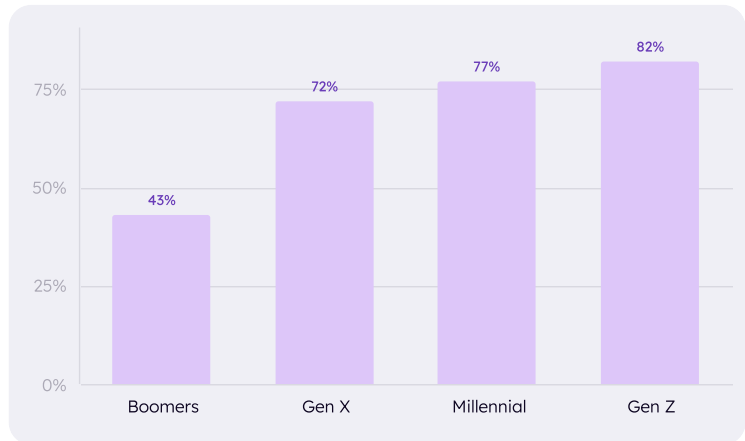
The demand for flexible rent payment options is undeniable, with a **staggering 84% of residents expressing interest in using a mobile app to split rent** into smaller payments throughout the month. This desire is even more pronounced among younger generations, with 96% of Generation Z and 91% of Millennials expressing interest in using their mobile device to split and pay their rent.

Notably, Generation X is also embracing these technological advancements. Despite being a slightly older demographic, 83% of Generation X report that flexible payments have significantly improved their renting experience. This demonstrates that the appeal of flexible payment options extends beyond younger renters, highlighting a broad generational shift towards embracing financial flexibility and mobile, app-based technology.

Flexible payments improved overall resident experience



Generation interest in using mobile device to split rent



85% of all respondents with access to flexible payment options report a higher level of satisfaction.

Solving core industry challenges and addressing pain points

Flexible payment options aren't just beneficial for residents – the industry is reaping the rewards too. A striking 91% of businesses offering this technology report positive impacts on their operations. This demonstrates the widespread recognition of flexible payments as a win-win solution for both residents and the industry.

“It was a huge eye-opener for us when we instituted [flexible payments] back in the fall. Our outstanding accounts dropped dramatically just by offering that flexibility to our residents... there's certainly a need for this everywhere as an option.”

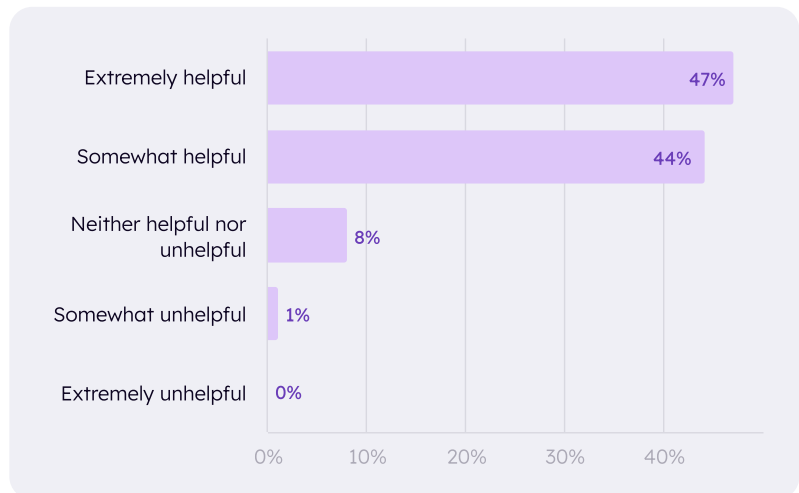
– Abigail Diller, Director of Training and Compliance, MRD Apartments

In addition to the operational benefits of flexible payments - such as collecting rent on time and reducing the workforce's manual collection efforts - flexible payment options provide renters the customer service they seek. Offering residents the ability to break their rent into smaller payments gives them a new level of freedom in how they manage their monthly finances and helps them to avoid potential hits to their credit.

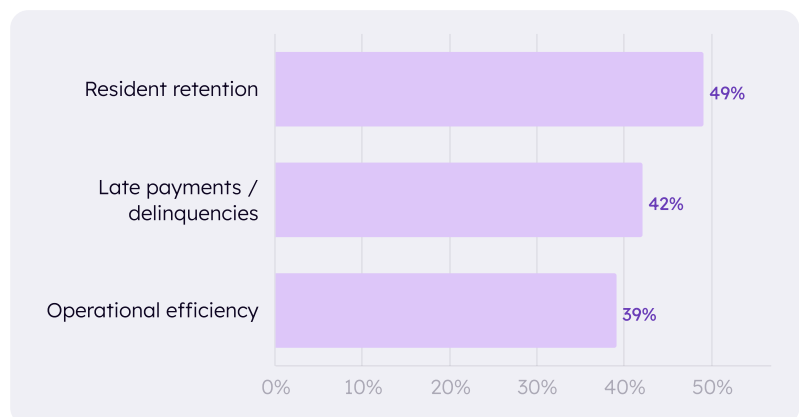
“We love being able to offer [flexible payments] to our renters, even as a very high income demographic. Occasionally things come up such as vacations or car repairs... having that flexibility to split [their rent payments] in half creates a financial balance,” says Coburn.

This shift towards financial flexibility offers a dual advantage. It empowers residents while simultaneously tackling critical challenges faced by the industry. The data shows the top three concerns among industry workers: resident retention (49%), late payments/delinquencies (42%), and operational efficiency (39%). A flexible payment approach directly addresses these pain points.

Helpfulness of offering flexible payment options to residents



Top concerns of industry professionals

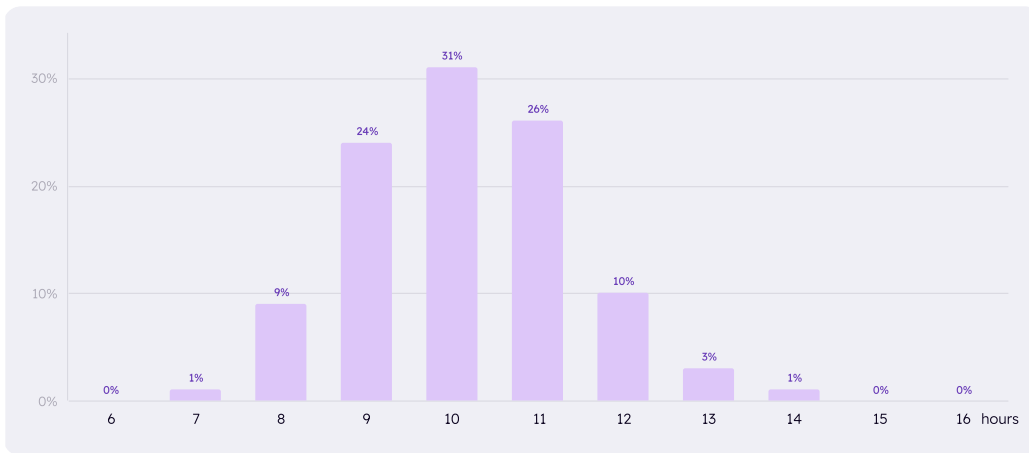


Investing in the resident experience: Driving retention and revenue

Offering preferred payment methods that ease the financial burden of recurring expenses like rent combats late payments and delinquencies. This benefit extends beyond the obvious, positively impacting operational efficiency.

By reducing the need for late notices and the associated administrative burden of chasing down rent, valuable staff time is freed up. In fact, property managers spend an average of 9.7 hours each month preparing and delivering these notices. Recovering this time allows for greater focus on critical areas like resident relations, property maintenance, and overall management. Additionally, reducing repetitive, manual tasks can lead to higher job satisfaction among staff, decreasing turnover rates and operational costs associated with hiring and training new employees.

Average hours spent collecting rent per month



One property management company, Sage Ventures, overseeing more than 4,000 units across Maryland, tackled the hassle of late payments by implementing a flexible payment option. After noticing a spike in delinquency rates and receiving numerous resident requests for more payment optionality, Sage tested flexible payments in two communities. The success was immediate, with rapid adoption across their portfolio, including Class A assets.

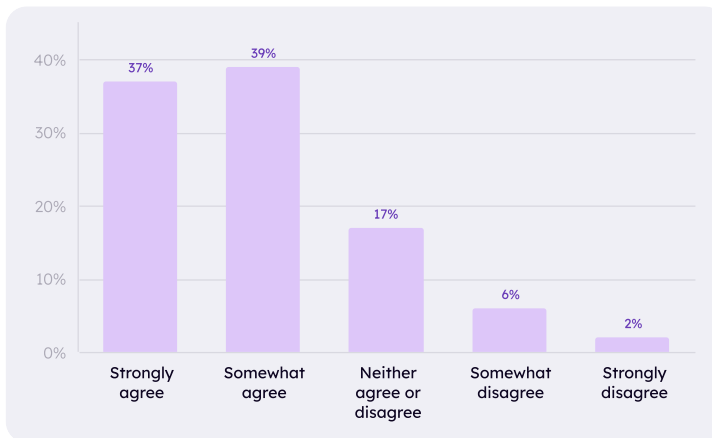
Residents can split their rent into two manageable payments, while Sage receives the full amount upfront during rent week. This change has reduced the operational burden, saving each assistant manager about **5 hours per month** previously spent on phone calls and paperwork to chase down late rent.

Ultimately, streamlining rent payments translates to more efficient operations and a more positive experience for both residents and property managers.

The economic landscape is shifting dramatically, casting a shadow over the rental housing industry. Rent increases are slowing or vanishing altogether as a surge of new properties floods the market. This influx of supply intensifies concerns about rent growth while escalating competition for residents. Consequently, property owners and management companies must explore innovative amenities and technologies to differentiate themselves and attract residents.

Underscoring this urgency, the data indicates that 76% of industry professionals believe the current economic climate has accelerated the need for adopting new or alternative payment technologies.

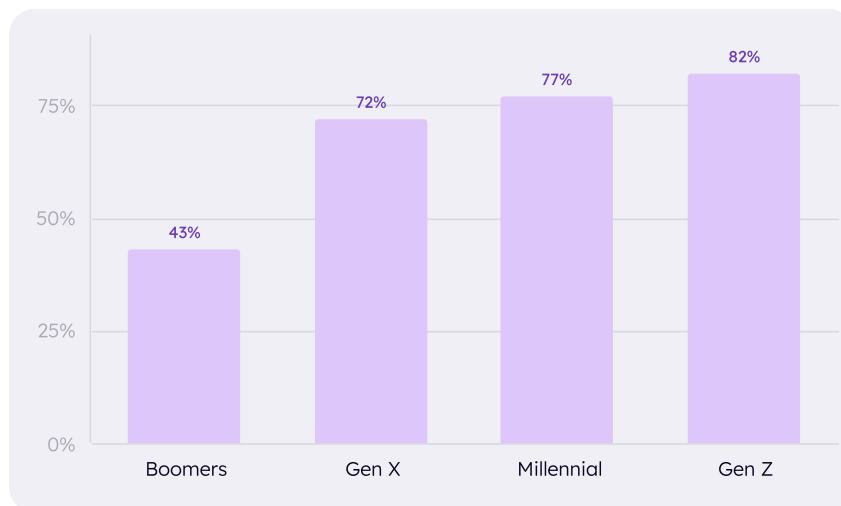
The current economic climate accelerates the need for alternative payment technologies



The ability to split rent into smaller payments would be a powerful differentiator for companies in the rental

market. This is particularly relevant given that Millennials and Generation Z, who constitute the majority of renters, overwhelmingly favor this option. In fact, 77% of Millennials and 82% of Generation Z respondents indicated they would choose to split their rent if given the opportunity. Companies that offer flexible payment options are likely to attract and retain these key demographics, gaining a significant competitive advantage.

Would split rent if given the option



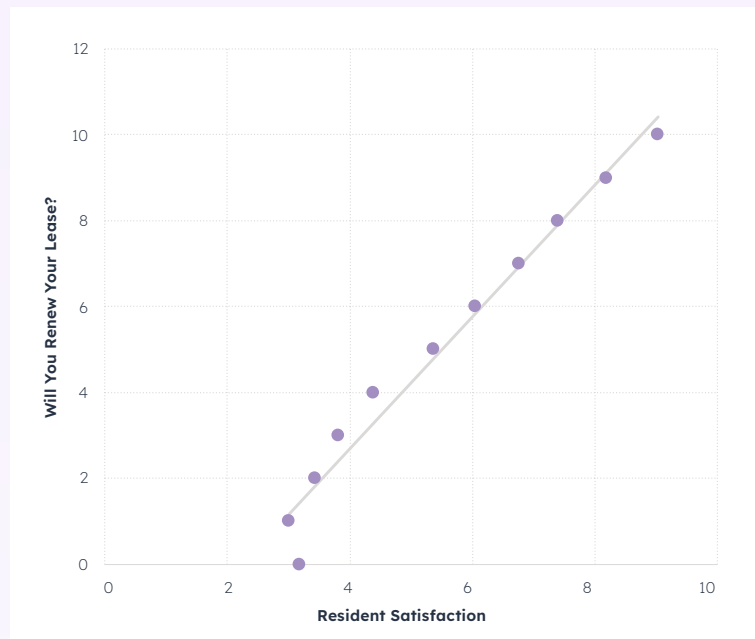
Resident experience: The cornerstone of a stellar reputation

Flexible payment technologies have a proven positive impact on resident satisfaction, which in turn, directly boosts resident retention. J Turner Research's resident satisfaction survey data (TALi Survey) clearly demonstrates a strong correlation between higher satisfaction scores and the likelihood of lease renewals. When residents are content and feel supported, they are more likely to leave positive reviews, enhancing the property's online reputation.



In the digital age, reputation is paramount. Prospective residents often rely on online reviews, social media, and ratings when choosing a place to live. While word of mouth has always been a powerful form of marketing, its impact has only amplified in an era where information is readily accessible online. A strong online reputation not only attracts new residents but also fosters trust and loyalty among current ones. Property management companies that prioritize resident satisfaction and adapt to their needs through innovations like flexible payments and other innovations can significantly enhance their online reputation, setting themselves apart in an increasingly competitive market.

Lease renewal vs. satisfaction



J Turner Research recently announced the 2023 Elite 1% ORA® Power Ranking, highlighting conventional properties with the best online reputation scores in the nation. This ranking is based on individual ORA® scores, which reflect the overall resident experience. A total of 1,285 properties made the Elite list for their stellar resident experience. Interestingly, property management companies that offer flexible payment options tend to have higher ORA® scores than those that don't.

Properties that offer flexible payment options for rent outperform their state-level average ORA® score by 3.6 points


flex. Insider POV

Predictions for the rental housing industry

The rental housing industry is poised for significant transformation, driven by emerging trends and technological innovations. This section explores key predictions based on the research that will shape the future of property management and resident experiences.


1. Amenities aligned with resident needs

As renter preferences become more diverse, property management will increasingly focus on delivering personalized resident experiences. Amenity offerings will evolve to better understand and cater to the distinct wants and needs of each resident community. Properties will leverage advanced data analytics and AI to gain deeper insights, allowing them to curate personalized services and amenity packages that resonate with their renter demographics. The perceived value of an amenity will be directly tied to its ability to meaningfully enhance the lives of those it serves.

 To stay ahead, property managers should harness analytics to gather deep insights into resident preferences. This intelligence can guide the customization of amenities to ensure offerings align with the unique needs and desires of your community. Prioritize amenities that tangibly improve resident experiences and drive meaningful value perceptions, enhancing overall satisfaction and retention.


2. Financial flexibility as a standard

Flexible payment solutions are on track to become the status quo in the rental housing industry, and will expand beyond flexible rent payments to include comprehensive financial management services. These might include budgeting tools, savings programs, and access to financial advisors, all aimed at helping residents manage their finances more effectively.

 Implement flexible payment options that allow residents to manage their rent payments in a way that suits their financial situation. Provide resources and services that help residents with budgeting, saving, credit building, and financial planning to improve their overall financial health and stability.

3. Enhanced sustainability initiatives

There will be an increasing emphasis on the social impact component of ESG initiatives within the multifamily industry. Properties will move beyond implementing eco-friendly technologies and will actively invest in initiatives that directly contribute to the holistic well-being of their residents.

 Properties should continue to innovate in environmental sustainability while also expanding into services that benefit residents' social well-being. Emphasizing social impact initiatives can deepen connections with residents, attracting and retaining those who are socially conscious and value community-oriented living. This holistic approach to ESG can differentiate properties in a crowded market.

Conclusion

The rental housing industry is at a crossroads. Shifting demographics, evolving resident expectations, and a turbulent economic climate demand a fundamental rethink of traditional approaches. The era of simply providing housing is over. Today's renters seek an experience – one characterized by flexibility, convenience, reliability, and assurance that they can maintain their lease for as long as possible.

As this analysis has shown, the key to unlocking success in this new landscape lies in bridging the gap between industry perceptions and resident reality. While industry professionals recognize the importance of resident retention, their focus on luxury amenities like smart home features over foundational tools central to the day-to-day living experience – like payment flexibility and package safety and security – reveals a critical misalignment with renter priorities.

This presents a crucial opportunity. By embracing technology not merely as a tool for efficiency but as a catalyst for enhancing resident satisfaction, the industry can achieve a powerful competitive advantage.

Last look: Action steps for a future proof strategy

- **Prioritize customer service:** Shift from a transactional mindset to one focused on building long-term relationships with residents. For residents, this means a greater focus on tools and systems that offer them flexibility and more control over the foundational aspects of their rental experience.
- **Embrace flexible payment technologies:** Make flexible payment options, including rent splitting and mobile-first apps, a standard offering. This will attract and retain renters across generations, reduce delinquencies, free up staff time, and improve on-time payments for better operational efficiency in the long run.
- **Invest in seamless digital experiences:** Implement comprehensive online rent portals, package management solutions, and robust resident communication platforms to meet the expectations of today's digitally native renters. Meet your renters where they are—online and on-the-go—and make it easy for them to find the assistance they need.
- **Harness data for continuous improvement:** Leverage resident data to gain insights into preferences, satisfaction levels, and areas for improvement. Continuously adapt strategies based on real-time feedback and evolving needs.

By taking these steps, owners, operators, and property managers can navigate the challenges of a changing landscape and emerge stronger, more resilient, and better equipped to meet the needs of the modern renter. This is not just about adapting to survive; it's about embracing innovation to thrive in a future where resident satisfaction is the ultimate measure of success.

