

MARKETING

What is next for the Trump Organization?

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Donald J. Trump is the 45th president of the United States and owner of the Trump Organization. Image credit: Trump Organization

By SARAH RAMIREZ

As the final day of his presidency approaches, Donald Trump and the Trump Organization which has a presence in real estate, hospitality and other sectors have become outcasts in the business world.

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Although Mr. Trump stepped away from an executive role at the business once assuming the presidency, perceptions of both the man and the brand have been severely damaged in the years since. Mr. Trump will leave office as the first U.S. president to face impeachment twice as a growing number of companies distance themselves from the Trump Organization.

"The Trump Organization and Donald Trump the politician are inextricably linked at the moment," said Ruth Bernstein, cofounder/CEO of **YARD NYC**, New York. "He once stood for entrepreneurship and success, but he's not as smart, as rich or as successful as he was once perceived to be, and he has no moral compass.

"That said, there are a significant number of people who still see him as aspirational," she said. "He's always done an amazing job at straddling the populist position and luxury."

Trump turbulence

The Trump Organization, which has roots dating back to the 1920s, is now managed by President Trump's two eldest sons while he has retained his ownership stake. Both Donald Trump, Jr. and Eric Trump serve as executive vice presidents at the business.

As a private conglomerate, the Trump Organization does not release public financial statements and estimates of its true value vary widely.

The group manages hundreds of business entities, including office and retail space, golf courses, wineries and entertainment venues, but is best known for managing and licensing branded luxury hotels and residential properties.



The Trump International Hotel in Washington, D.C. is for sale. Image credit: Trump Hotels

While not as prestigious as other luxury names in the sector, the Trump International hospitality brand currently has properties in several U.S. states as well as Ireland and Scotland.

The hotel brand has been hampered over the course of Mr. Trump's polarizing political career.

A 2016 Brand Keys survey, conducted before Mr. Trump was elected as president, found that public perception of Trump brand products and services had been hurt by his aggressive rhetoric and behavior ([see story](#)).

In 2017, three properties, including one in Manhattan, ended management agreements with the Trump Organization after ongoing controversies involving the president and declining business ([see story](#)).

"Successful recovery from a crisis depends on how quickly and effectively the expectations of the people who matter to the organization are met," said Helio Fred Garcia, president of [Logos Consulting Group](#), New York. "Because all of President Trump's businesses, including his luxury business, include his name, it is difficult for business partners, customers and other audiences to distinguish the brand from the man.

"All of Trump's eponymous businesses are synonymous with Trump the person," he said. "It's virtually impossible at this point to separate the two, which was by Trump's design."



Former vice president Joseph R. Biden defeated incumbent President Donald Trump in the 2020 election. Image credit: Wikimedia

After losing his bid for reelection in November 2020, President Trump has continued to peddle conspiracy theories that the presidential election was fraudulent.

The president's refusal to concede led to deadly consequences on Jan. 6. Speaking at his "Save America" rally, Mr. Trump encouraged his supporters to "stop the steal" in reference to the election results.

In the chaos that followed, pro-Trump rioters broke into the U.S. Capitol building, forcing lawmakers to evacuate ahead of certifying the electoral votes ([see story](#)). At least 5 deaths have been attributed to attack on the Capitol, according to media reports.

While President Trump has not accepted any responsibility for the violence, his business is facing serious consequences.

On Jan. 13, New York Mayor Bill de Blasio confirmed the city is taking steps to terminate all existing contracts with the Trump Organization, including the agreement to operate the Ferry Point Golf Course in the Bronx.

"Perception of the Trump brand depends on where you live and in the places that own and define luxury, he's done so much damage," Ms. Bernstein said. "New York City has certainly turned its back on him."



Trump Golf Links at Ferry Point. Image credit: Trump Organization

Real estate brokerages Cushman & Wakefield and JLL will also no longer continue existing relationships with the Trump Organization. JLL had been marketing the sale of the Trump International Hotel in Washington ([see story](#)).

"The massive challenge for the Trump brand is the huge gap between his core supporters seen at the riot and his luxury properties," said Allen Adamson, cofounder of [Metaforce](#) and adjunct at NYU Stern, New York. "I can't imagine many of the rioters checking into the Trump International Hotel."

In another blow, the [PGA of America](#) voted to take the 2022 PGA Championship event away from Trump National golf course in Bedminster, NJ. This marks the second time in five years that the PGA has removed an event from a Trump course ([see story](#)).

Deutsche Bank will also sever ties with the outgoing president, as first reported by *The New York Times*.

"For businesses and leaders that do not support Trump but are still in business with him, time is of the essence to dissolve that relationship," Mr. Garcia said. "Businesses that are slow to cut ties may suffer backlash as the lack of urgency to sever the relationship could be perceived among those who matter as too little, too late."

On Jan. 13, a week after the violence, the House of Representatives voted to impeach President Trump with the charge of "incitement of insurrection." While it appears unlikely that he will be removed from office before the end of his term, it is another hit to his brand and business reputation.

"Banks won't lend to him and builders won't work with him, and that is unlikely to change even when news dies down," Ms. Bernstein said. "Aside from politics he's been exposed as a bad businessman."

"People will overlook politics for personal or financial gain, but it seems working with the Trump Organization can't offer that anymore either," she said.

After the White House

Mr. Trump's presidential term is set to end on Jan. 20. He will no longer be protected from any potential charges stemming from ongoing state and local investigations into the Trump Organization, nor any possible criminal charges from Jan. 6.

"Criminal charges brought against a business or its leader almost always present the potential for things to get worse, especially if the charges are of the magnitude and quantity that are likely to be brought against Trump," Mr. Garcia said. "However, criminal charges are not an immediate death sentence for a business."

While the Trump presidency has unquestionably damaged the Trump brand, one of few certainties is that the Trump Organization will not disappear overnight.

The Trump Organization's commercial and residential real estate holdings alone are worth about \$1.3 billion, according to an analysis from [Forbes](#), having taken a hit by the COVID-19 pandemic. High-profile tenants of the Trump Organization include Gucci and Nike.

Moving forward, there is also the possibility that the Trump brand will shift its attention to the younger generation, particularly Mr. Trump's eldest daughter, Ivanka.

"Putting a new face on the brand is a potential strategy, and it's clear that Ivanka has been groomed to play that role,"

YARD NYC's Ms. Bernstein said. "If she ventures into politics, it's possible there will be a new face on the brand and a new image to appeal to partners."

The Trump Organization did not respond to a request for comment on its future plans.

"Those who still support Donald Trump would likely still support the brand should another family member step in," Logos Consulting's Mr. Garcia said. "However, for people who do not support Donald Trump, they are almost certain to avoid any business with the Trump name or that is run by a family member, since the associations are so close."

However, will tell how the Trump brand adapts to its post-presidency chapter.

"There will be little toleration for Trump's politics or bad deals because his crimes are too severe," Ms. Bernstein said. "Today he's more every man' than luxury, but Trump is a phoenix.

"We wouldn't put it past him to rise again."

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