

Turn Your Web Efforts Into Money Makers! **The Need For an Internet Strategy**

Whatever your role in the real estate industry the Internet is a critical part of your professional life today. It isn't just about email anymore. The number of people who begin looking for property on the Internet is increasing dramatically each year and the dynamic of the Internet savvy shopper is different, but attractive. They come to REALTORS® better informed. They buy in shorter time and they typically buy more expensive homes. Understanding how to find, serve and satisfy consumers that rely on the Internet in increasing numbers requires a well thought out and well executed Internet strategy.

Earlier this year, the WAV Group conducted two studies for NAR's Center for REALTOR® Technology. The first study focused on MLS Technology and the second examined overall real estate technology efficiency. A number of interesting points came out of these studies related to the topic of Internet strategies. The complete studies are now available on NAR's site at <http://realtor.org/crtweb.nsf/pages/CRTsurvey>.

According to the 2005 REALTOR® Technology Efficiency Survey, 88% of the agents and brokers responding to the survey use some form of high speed Internet access. We were a bit surprised at this number but also encouraged there has been this adoption. 68% of the brokers and agents responding to the 2005 REALTOR® Technology Efficiency Survey also reported they use the Internet for leads but 74% report dissatisfaction with the amount of leads they get from the Internet. 68% of these same respondents report they have a website, but when asked if they do anything to maximize traffic to their website 70% said no. So while the importance of the Internet is recognized there is disconnection in terms maximizing the Internet's value.

These studies show us that brokers and agents understand and accept the importance of the Internet and the majority are fully committed to using it but few know what to do to take their Internet experience to the next step.

The Lead Capture/Generation Companies

As we have all experienced, 3rd party lead generation companies, discount brokers, finance companies and other Internet entrepreneurs have been successful inserting themselves into the real estate sales process. How? Because these companies understand how to use the Internet to position their websites and products for browser searches and they also understand the value of capturing leads! They know how search engines index sites and what they look for when they rank sites according to importance, relative to a subject. They also know how to use the Internet to get their message out! The good news is MLSs, brokers and agents can do many of the same things to maximize the benefit they get from their Internet dollars.

DEVELOPING YOUR INTERNET STRATEGY

REALTORS® can significantly improve the results of their web efforts if first they clearly articulate their goals. The web can be used to nurture relationships with leads throughout the entire real estate buying cycle. It can be used to provide valuable educational tools for those considering relocation or an upgrade to a larger home. It can be used to help potential clients get a better feel for housing values by "window shopping" on-line. It can be used to capture a lead and even qualify a lead. It can be used to make following up on Internet leads quicker and more efficient. It can even be used to monitor the on-line behaviors of a potential customer. Each of the tools selected need to consider these goals in the core design of each initiative.

Some key areas that should be considered when developing your Internet strategy include:

- Website design
- Website search engine optimization
- Promotion and marketing
- Lead cultivation and follow-up tools
- Third party lead generation tools

Website design – Property Search Solutions are key

A study conducted by Wolfnet Technologies and Homes Magazine using page view statistics for 20,000 REALTOR® websites across the US showed that the most relevant page viewed on any real estate website is the property search page. Between 91% and 94% of all page views go to the real estate search page. Because many MLSs now allow IDX feeds to REALTOR® websites, this is the most important core tool that is recommended for real estate websites.

Website Maintenance – Content Management Systems.

The concept of Content Management is a relatively new tool now available to small to medium sized businesses. Any company that has had a website for awhile knows that the updating and maintenance of information on the website can become cumbersome. Typically, website owners need to hire a web developer to make even simple changes like adding a press release or adding the option to sign-up for a newsletter. There are now companies that offer “content management” solutions. Using these systems, companies can now update their own content from a simple interface and can add new functionality with a click of a button. By utilizing these tools effectively a REALTOR® can keep their website “fresh” with relevant articles about local events or real estate trends. They can also use these tools to optimize the search keys on their website.

Website Optimization

It's great to build an attractive, easy to use website, but without traffic to your website your efforts will not pay off. There are services available that can position your website to receive more traffic so that your website will help you generate leads. These services, known as SEO (search engine optimization) can be used to further optimize your presence on the Internet by allowing your website to be seen by systems called “web crawlers”. These engines crawl the Internet looking for relevant content which matches search criteria.

There are several methods within your website to achieve this goal. First, it is key to mention terms like real estate, home buyers, mortgage, properties, etc. as often as possible to increase your “keyword density”. Second, the titles and descriptions of each of your pages that appear in a search need to include these descriptive phrases. For example, if a customer does a search for San Francisco homes, a series of search engine match results will appear. Each of these search results will show a title and a description of the page. In order to appear in these results, your page title and description needs to include relevant keywords as well.

In addition to creating “keyword” density, links to your site will also drive up your ability to increase traffic. Ideally, each of the mortgage lenders, inspection companies, REALTOR.com and all partner resources from a real estate brokerage should add links from their website to the Realtor website. Each of these links will give the agent's website “credit” for being more relevant, helping to improve your search engine position. The more traffic the partner site receives, the more it will help your search position.

In addition to these “organic” traffic maximization ideas, REALTORS® can also buy traffic with search engine placement. They can use services like Yahoo! Paid Inclusion. This system allows you to pay for position without flagging it as a “sponsored site”. Some research suggests that this is more effective because some consumers avoid “sponsored sites”. Agents can also employ a “pay per click” strategy buying keywords from Google, Overture and others. In this case, agents buy keywords and bid on paying for leads generated every time a customer clicks on a search result. In order to maximize spending for this time of program, the search keywords purchased should be as specific as possible. For example, an agent would not want to buy “real estate” as a term because it would get them traffic for real estate inquiries all over the country. Besides being very expensive, buying a general term like this would not result in many relevant leads. It is also important to include specific things like the state in the title page. Buffalo Real Estate for example, may lead a person to Buffalo, Wyoming real estate, when in fact they were looking for Buffalo, New York real estate.

Marketing and Promotion

Research in several industries has shown the best method for promoting your website on-line is through other advertising vehicles. Every communication from your office should include your website address. According to a study conducted by WAV Group for the National Association of REALTORS®, the best methods for building website traffic other than REALTOR® websites were MLS public websites, real estate magazines, direct mail pieces and email campaigns. These programs need to be implemented systematically and regularly to be most effective.

3rd Party Services

In addition to using your own website to generate leads, there are several third party lead generation services available. According to the 2005 REALTOR® Technology Efficiency Survey conducted by WAV Group, for the National Association of REALTORS®, approximately 23% of REALTORS® use third party lead generation services, but satisfaction is very low. Another 23% say they tried these services but no longer use them and only 9% have used them more than 12 months. Respondents say many of the leads they receive are not very qualified or timely. Before signing up for one of these services, we would recommend agents find out how the leads are generated, how quickly they are passed along and also whether any screening is done to check the qualification of the lead. Unqualified leads cost you time and money!

Mike Audet

Mike Audet merged Audet Consulting with Wilson Victor Associates in February of 2004 to form the WAV Group. As a founding Partner in the firm Mike focuses his efforts exclusively on the real estate industry, particularly technology evaluation and selection, business development, planning and research.

Prior to WAV Group Mike held executives positions with Interealty and Moore Data where he led the restructuring of both company's sales and customer service divisions leading each company to new levels of customer growth and customer satisfaction according to independent market reports. While at Microsoft he was instrumental in the development and rollout of one of the first transaction management products, Realty Desktop. As president of Audet Consulting, based in London, Mike provided business development and marketing services to a number of companies including RE/MAX Europe where his firm successfully marketed and sold RE/MAX Europe Master franchises. Through his consulting company and in his executive roles, Mike has helped technology companies, real estate franchises, MLS associations and real estate brokers reach and exceed their business goals.

Along with the research WAV Group does on behalf of their clients Mike and his partners conduct extensive ongoing independent research of real estate technology trends, REALTOR®, vendor and consumer needs.

Mike received his bachelor degree from Lafayette College and his M.Ed. from Indiana University of Pennsylvania.

Since their inception, WAV Group has fast become the consulting choice of industry trade associations, major MLSs, and technology companies.

WAV Group Services Include:

Technology evaluation and selection services for MLSs and brokers

- MLS system review and gap analysis
- RFP creation, contract negotiations
- Transaction management – analysis, selection and implementation services

Research for trade associations, MLSs, real estate firms and technology companies

- Custom survey development and deployment
- Focus groups
- Market research (PRO Research™)

Business Planning Services

Strategic planning

Sales development/training

Marketing plan development/training

For more information visit, www.wavgroup.com.

Marilyn Wilson

Marilyn Wilson is a seasoned executive with proven strengths launching highly successful new businesses, products and services. She has led national research projects for the National Association of REALTORS® and others. She also employs her background in direct marketing and eCommerce to help REALTORS® find more effective ways to build their businesses.

Prior to forming her own consulting group, Marilyn was President and CEO of Surveyor Corporation, a leading provider of web camera software and hardware. She transitioned the company from a “think tank” to a viable organization, commercializing several products for both the consumer and business to business marketplaces.

Prior to Surveyor, Marilyn was VP Strategic Planning and Worldwide Marketing for Fisher-Price toys. She was the company’s leading change agent assigned to several turnaround situations and new business start-ups. While there she launched over 1000 new products and four new divisions.

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