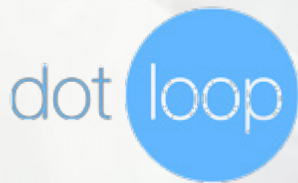# THE 2016
ONLINE PERFORMANCE STUDY

dot loop

REAL**TRENDS**
THE TRUSTED SOURCE

WELCOME

Welcome to the 2016 Online Performance Study, a practical guide to technology and marketing for real estate brokerages. The study is broken down to show how technology and marketing intersect with each step of the real estate process—starting before consumers know they are ready to look for a home and culminating with clients for life and relationship management strategies to implement long after the sale. New this year will be expanded areas on video, social media, predictive marketing and online reputation management.

In this report, we will take an in-depth look at best marketing and technology strategies and then break it all down into actionable areas that you may apply to your business. With REAL Trends' years of experience and data collected from our consulting work with brokers, teams and sales associates across the United States and Canada, we can guide you to the strategies that are working and help you avoid those that aren't.

The REAL Trends Technology Team is a group of specialized consultants with various areas of expertise in each of the major categories in this study. Combined with actual client case studies, data, and trials and tribulations, we are leading with real-world experience and advice. This report also discusses advice from several industry-leading technology companies, all vetted by REAL Trends

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REAL ESTATE TRAFFIC TRENDS

The Broad Online Perspective

With several major acquisitions, online real estate has changed considerably from last year. Listing portals, such as Zillow, Realtor.com, Trulia.com and Homes.com, are dominating the scene. According to comScore, there are approximately 260 million unique visitors searching online for real estate listings, with listing portal searches making up more than half of that traffic (140 million) at 54 percent. In the last two years, the online market share for the portals has grown at about the same clip as the overall growth of online traffic for the industry—around 8 percent. This means that there are 120 million visits sent to other sites, mostly to real estate brands, brokerages and agent sites.

Fueling the growth of listing portals is complacency in our industry. Many brokers have chosen to focus on other aspects of the real estate funnel and have neglected their websites leaving only the most basic homes searches and property detail pages. Consumers want consistency and quality, and as with the travel industry, if they can't get that from a local hotel, they go to consistently quality chains, such as Marriott or Hilton. Online real estate searches work the same way. Every experience is dramatically different, and, ultimately, the lack of quality control drives visitors to a portal.

In our study, we discovered crossover between listing portal traffic and brokerage traffic. We speculate that nearly 50 percent of the 140 million unique visitors consists of traffic that has already visited a brokerage site and left or that will visit a brokerage site when they decide to engage an agent.

The Narrow-Focus Month-by-Month Real Estate Trends on Brokerage Sites

Over the past six years, REAL Trends has aggregated statistics from brokerages. In the next section, we will point out trends, benchmarks and Google Analytics analyses from a brokerage perspective.

Keep in mind that there are seasonal fluctuations in real estate traffic. This part of the study was born from concerned brokers who saw traffic plummet in certain months. If you see

your traffic take a disheartening dip in December, don't panic, traffic is almost always lower in this month, especially toward the end. Also, many brokers assume that traffic would increase in the months leading up to the spring market, but that has been disproven, with March being second only to December in lowest website traffic.

Here is the big picture, so you can see fluctuations by percentage of average:

Percent of Traffic Monthly Versus Annual Average

PERCENT OF TRAFFIC MONTHLY VERSUS ANNUAL AVERAGE

ANNUAL AVERAGE EQUALS 100%
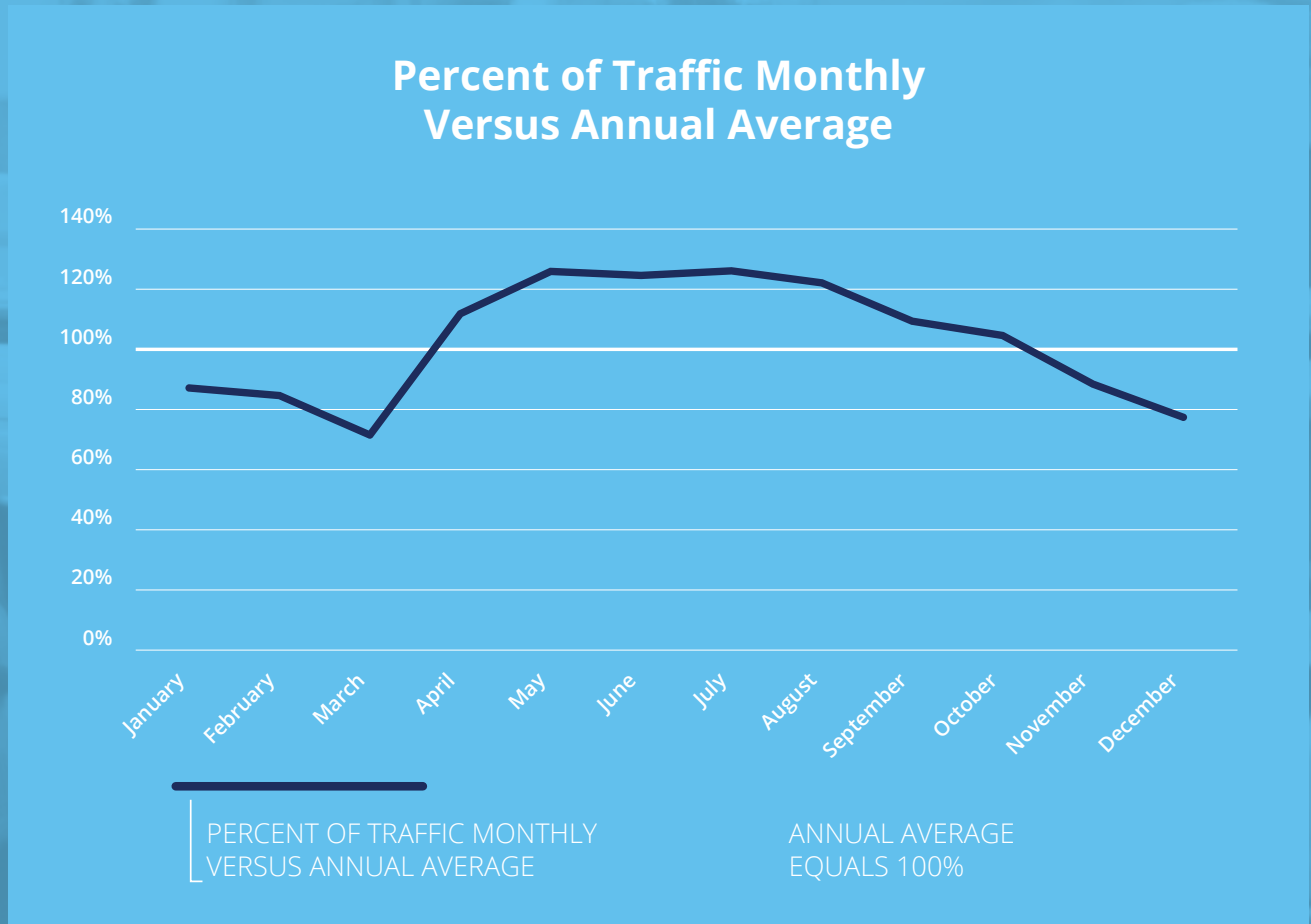
The number of consumers searching for real estate online fluctuates immensely. It is difficult to set a baseline for comparison. However, the two months that most accurately represent the year are April and October. October is almost always consistent with brokerage companies' annual averages. To gauge your growth, review several years' worth of October web traffic and compare it year to year.

Takeaway: Don't panic that web traffic is down between December and March. Web traffic will increase dramatically between May and August, accounting for 82 percent of all traffic. The shoulder months of April and September sit slightly above average with October being right at 100 percent.

Benchmarking: Key Metrics to Measure Your Brokerage

There are several key metrics you can use to judge how your site is doing against your competitors. While some metrics, such as total or average visits, can't be used due to the impracticality of comparing firms of drastically different sizes, numerous statistics are used to measure. In the following, we use a sample size of 33 million real estate visitors in 2016. Since that number of visitors is substantial, it shows some major trends and offers key metrics to measure your firm against. Here are some of those categories followed by the current annual average for each category:

1.   Average Time on Site

One of the strongest correlations to the overall effectiveness and stickiness of your website is the average time spent on site. In this study, the average of the sample was 289 seconds, or 4 minutes and 49 seconds, with a high of 416 seconds (6 minutes 56 seconds) and a low of 79 seconds (1 minute and 19 seconds)

2.   Average Pages per Visit

This stat can be tricky to decipher. Usually, it is closely associated to average time on site, but over time, new website development and search results tactics have been skewing this number. On average, the consumers visited 7.76 pages per visit, with a high of 20.91 and a low of 1.51.

3.   Average Bounce Rate

On the surface, this statistic shows the quality of traffic a site is generating and the ease with which visitors are entering the site and finding relevant information quickly. REAL Trends once worked with a brokerage that had an amazingly high bounce rate. It was discovered that the main URL was one letter different from a major couponing site, so we had to filter out that traffic. The average bounce rate in the study was 43.12 percent with a high of 82.74 percent and a low of 16.28 percent.

4.   Percentage of New Traffic

This statistic leveled out significantly with the large sample size. The average of new (49.4%) and returning visitors (50.6%) is fairly split down the middle with the high for new visitor acquisition at 72.88 percent and the low at 31.92 percent.

DID YOU KNOW

Later this year, REAL Trends and Boston Logic will be launching a tool called the REGrader. REGrader is a website that allows you to connect your Google Analytics or plug in your data to see how your website compares with a large sample size of your peers. This will be a constantly updated, dynamic site. You'll want to run checks on a frequent basis as the sample size and data pool will grow with increased participation and seasonal changes.

Typically, the more effective your website and the more powerful your brand, the better are your chances of getting return visitors. This is a case where you want to see a low percentage of new visitors.

5. Percentage of Local Traffic

For this study, a new metric is the percentage of local traffic from a primary market. For example, if a brokerage were in Chicago, then Chicago and the immediate areas around it were considered primary markets. In this metric, we found that the average percentage of traffic from a primary market was 37.85 percent.

6. Domestic Traffic

With 37.85 percent of traffic coming from a primary market, the bulk of the remaining traffic is domestic traffic, some 94.87 percent of all traffic is from within the United States. Thus, 5.13 percent of a brokerage's site traffic (in the sample) came from international real estate traffic.

7. International Real Estate Traffic

Naturally, some parts of the country drew more international traffic. Some 19 percent of all traffic in California came from international visitors; that was the high. The lowest percentage of traffic from outside the United States was in cities in the Midwest at 0.9 percent. Canada represented the highest portion of international traffic, accounting for 0.73 percent of international traffic, followed by Russia (0.53%), the U.K. (.52%) and China (0.40%). Although these percentages are small, they represent a large opportunity for firms looking to market properties internationally. Applying China to the sample size of 33 million visitors, we saw 132,000 Chinese buyers looking for real estate in the United States.

DID YOU KNOW?

REAL Trends ranks brokerages' websites every year. To see some of the best mobile websites in the country, visit this link and click on "Best Mobile" here.

8. Desktop, Mobile, Tablet

Five years ago, when we launched our first Online Performance Study, mobile traffic only accounted for nearly 20 percent of all real estate traffic. At that time, REAL Trends predicted mobile traffic would exceed 50 percent by 2016. We were off by just a few months. Data shows that between 2015 and 2016, some 39 percent of all web visitors do so from a mobile device. Some 14 percent visit using a tablet, and 47 percent search from a desktop.

These numbers mean that brokerages need to think about all website development, online strategies and online marketing using a mobile-first approach. Many households have replaced computers with tablets and mobile devices and these numbers will continue to increase.

Windows desktop users account for the greatest single portion of real estate traffic at 37.25 percent. However, Apple iOS is close at 35.01 percent. Combining Mac desktop (9%) and mobile iOS gives Apple the lead in all devices at 44.16 percent of all traffic. Android grew to an impressive 17 percent, and Chrome OS and Windows Phone were virtually nonexistent at 0.48 percent and 0.2 percent respectively.

Takeaway: Don't make heavy programming decisions based on any platform other than Windows, Mac and Android.

Looking at purely mobile traffic and factoring in our desktop users, iOS accounts for 65.2 percent of this traffic, and Android was 32.26 percent, with Windows Phone ringing in at 2.21 percent.

9.   Traffic Acquisition Percentages

Some 43 percent of all brokerage web traffic came from organic searches. Google is still king, accounting for most of that audience. This number is followed by direct traffic at 28 percent (these are people typing your URL or bookmarking your page). Some 12 percent of all traffic was referral, including the listing portals, local media outlets and more. Social traffic saw a bump from previous years to 9 percent. The last two categories were tied—paid traffic and email-generated traffic were each at 4 percent.

Takeaways: The Drops: We saw a sizable decrease in organic traffic (8.4%) and direct traffic (7%). Email-generated traffic also decreased by 10 percent.

The Increases: Social saw a boost of 4.24 percent year over year as more brokers got involved in that medium between 2015 and 2016. Paid traffic (2%) and referral traffic (4%) also rose year over year.

10.   Social Traffic Breakdown

Looking deeper at the social side of traffic generation, there still isn't much of a conversation outside of Facebook, with 97 percent of brokers' traffic generated from the most popular social network. LinkedIn was a surprise second at 1.4 percent, followed by Yelp (0.48%), Twitter (0.38%), Pinterest (0.36%) and Instagram (0.07%)

Facebook is still king, and that hasn't changed much in the past three years. Finding new and creative ways to engage this audience, such as using Facebook Live and integrating Instagram into Facebook, is the way to roll into the future. Later in the study, we discuss new social avenues; however, the best takeaways from this study is simply to pay attention to frequency, content and marketing using Facebook.

11.   Site Speed

Site speed is an important part of Google's SEO algorithm. The average page load time in our study was 5.62 seconds.

DIGITAL MARKETING FOUNDATIONS

Ask real estate professionals why digital matters for their business, and chances are they will respond by saying, "Lead generation!"

Since most home shoppers start their search online, advertising on real estate portals has become a tried-and-true way for sales associates to gather leads. However, lead-generation tactics may deliver in quantity, but not quality. If homebuyers and sellers don't know you, they don't trust you. As consumers and as people, we trust what is familiar. And we have confidence in what we trust. So how can you build that familiarity and, therefore, the trust with real estate prospects?

The Marketing Rule of Seven states that prospects need to hear your message at least seven times before they will take action to buy that product or service. Digital advertising can build that same brand awareness and confidence with repetition, but in a more targeted manner. Let's dive into Marketing Foundations by talking about attracting consumers before they may even realize they are consumers.

Predictive Marketing

Predictive marketing simply means using data science to make smarter marketing decisions by predicting which marketing actions are the most likely to succeed and which are the most likely to fail. It's a way to use smart systems to put the ads in front of the right people at the right time.

This marketing solution aids the real estate broker, team and sales associate in identifying, pinpointing and strategically targeting the consumer. Here are some areas for you to consider when getting started with predictive and target marketing.

Marketing Areas for Consideration

Geographical

Predictive marketing can be very specific to geographical location. You can deliver targeted solutions to a specific city, neighborhood or ZIP code. You can also break it down

to categories such as lakefront properties, golf course communities, and oceanfront properties. You can even target down to a single condo building or new-home community. Then, you can target a marketing campaign for new listings, open houses and luxury listings. Or develop recruiting campaigns, retention (your own building) and employment targeting (top employers in your market).

Audience Segmentation

Predictive marketing technology layers demographic and personal data to give you the ability to hone in on the perfect audience. Choose from types of employment, salary data and much more. For example, you can pinpoint women, ages 35 to 45 years old, who have an annual household income of $100,000 or more. This is just one example of many.

Real Estate Layers

Target real estate intenders—people who have visited or shown interest in real estate. With predictive marketing, you can predict this behavior based on the sites they visited, contextual behavior or social activity. You may also target people who are real estate professionals or interested in a real estate career. You can hone in on certain key leading activities that will likely lead the consumer to make a real estate decision and more.

Sites

Your ads will run across approximately 98 percent of the Internet that has display ad or video ad options (if that route is chosen.) It's important to exclude sites, such as those with mature content, if necessary, but only if the campaign spends and lengths warrant it.

Ad Sizes and Types

Most traditional banner ad sizes can be accommodated (728 x 90, 300 x 250, 300 x 600, 160 x 600, 120 x 600, 970 x 250 pixels). Also, you may use video ads. We recommend a 15-second, pre- and post-roll, but many solutions can accommodate 30- and 60-second videos. Facebook ads need to be 600 x 315 for this platform.

Predictive Marketing Results

There are several ways to track the results of your predictive marketing solutions. We studied the impacts of the REAL Trends predictive marketing solutions as a baseline for these numbers.

Cost Per Thousand (CPM)

To save money, most predictive marketing solutions purchase campaigns in bulk so that smaller companies can still get massive display network online. CPMs range from $1 to $10, depending on how many filters and criteria you want for your campaign. The average campaign costs about $4 to $5. So for every $4 you spend, you will get 1,000 impressions.

Here is a monthly example:

Target: A specific ZIP code that has a $3 CPM.

Action: If you set a daily budget of $6, or $180 per month, you would get about 2,000 impressions per day, or 60,000 per month.

CPMs may vary so the number of impressions per budget isn't exact. It's difficult to predict; just remember that those impressions are reaching only the audience parameters and filters that you set, so your marketing is hypertargeted.

Budgeting

After you apply your filters, you will set a daily or monthly budget. For example, a $3 per day monthly budget ($90 per month) would get about 40,000 to 60,000 impressions, depending on the CPM for the campaign.

PREDICTIVE MARKETING THROUGH SMARTZIP

SmartZip offers a turnkey solution that leverages big data, an online and offline marketing solution, and lead capture and conversion strategies to take predictive marketing to a new level. While REAL Trends offers a custom solution, SmartZip is ready to go for real estate professionals and brokers on a broader scale, incorporating some larger, down-the-funnel strategies to convert leads.

Click-Through Rates (CTR) and Expectations

The national average click-through rate (CTR) for digital banner ads is .17 percent. In the Digital Advertising Results section, we break down numerous sources side by side; however, for predictive marketing, we will use the 0.17 percent number.

Here are a few types of campaigns along with their specific CTRs. As with any campaign, more creative campaigns generally do better than average.

Recruiting Campaigns

The CTR for recruiting campaigns runs close to average at about .2 percent or just slightly under. This means that for every 10,000 ad views, about 20 potential recruits will click through to the brokerage website. These views would typically cost around $30, so this cost

per click is around $1.50. That cost is competitive with Google AdWords, but not quite on the same level as Facebook (see the Digital Advertising Results section).

Real Estate Intenders Campaigns

The more specific and targeted these campaigns are, the better the click-through rates. With a targeted campaign, a typical CTR is about .27 percent, reducing the cost per click to $1.11 for a targeted consumer who is looking at real estate and sent to your website or landing page.

Listing Level Campaigns

These campaigns use inventory to market a listing to a predetermined radius surrounding that listing. Typical click-through rates run .25 percent and would net 25 local, targeted consumers for every 10,000 property detail page views generated. These campaigns can vary greatly, depending on how hyperlocal you want to get in a certain market.

Video Predictive Targeting

Putting video ads on a predictive platform is a separate application than a standard ad, but they are highly effective, especially for recruiting. In the campaigns that REAL Trends has run, the average CTR is .4 percent, but the campaigns are a bit more expensive, around $5 CPM. So, even though the CTR is double the national average; the cost to run the campaign is about 60 percent higher than general digital marketing.

Open House Campaigns

Digitally targeting a local open house by dropping a geo pin on it has proven to have an effective CTR of .45 percent. People want to see the latest listings on the market and, in front of the right people in a very narrow radius surrounding the property, this strategy generates significant looks and visits.

ONLINE SELLER LEAD GENERATION WITH FLIPT

While predictive marketing focuses on both buyers and sellers, this section goes into detail about potential sellers. Applying big data to marketing can produce leads to people who are likely to sell based on key attributes, such as financial situation, longevity in the home, lifestyle, habitual changes and more. REAL Trends partners with a company called Flipt to generate online seller leads.

This solution allows sales associates, teams and brokers to get contact information as a result of a system that generates information about homeowners' interest in knowing the value of their homes. For every ZIP code, REAL Trends and Flipt can generate about 10,000 digital ad impressions in front of targeted homeowners. This results in about 5 to 10 leads per ZIP code. These are high-quality seller leads and run about $100 a month.

Digital Marketing to Drive Repeat & Referral Business
By Boston Logic

According to the National Association of Realtors®, first-time buyers account for only 32 percent of the total market. This data proves that repeat and referral opportunities drive the majority of business for brokerages nationwide. The question then becomes how to tap into those repeat and referral markets to increase revenue and growth.

Newsletters and Drip Campaigns
It is best to follow up with your leads and customers with newsletters and email drip campaigns to stay top of mind and drive their thinking back to your brokerage.

Send out email campaigns by audience segment at specific intervals to ensure that you deliver the most valuable content to the right people when they need it most.

Trigger-Based Marketing
Trigger-based marketing is where your marketing automation system triggers follow-up email drip campaigns and listing updates based on user behavior on your site.

For example, you may trigger a follow-up email campaign when clients access a few pages on your site, when they create a new listing search or when their actions cause their lead score to rise above a certain number.

Market Insight Reports
Repeat and referral clients want to see emails containing actionable data to help inform their decisions when it comes to buying or selling in the current market. Providing real-time market reports in the form of charts and data helps you stay in touch with clients.

Retargeting
Another digital marketing trend we've seen work is retargeting. This practice allows you to drive customers back to your site with advertising that speaks to their demographics, their behavior on your site and more. The practice of retargeting also allows you to create Lookalike Audiences, those users similar to your leads and customers, even if they haven't visited your site.

Testimonials
On your site, you want to influence new visitors with testimonials from happy customers. In this case, it's important to note that many people view online reviews and testimonials as one of the most trusted resources influencing decisions to complete a transaction.

Sphere Marketing

Some 64 percent of top teams received their leads from their sphere of influence, according to The 2016 Real Estate Teams Playbook, a study by REAL Trends. Sphere marketing can be done by creating a custom Facebook audience to whom you deliver digital ads. Or hire

a company, such as Adwerx, to personalize your message and market digitally via most ad networks and Facebook.

The primary use of sphere marketing is to allow sales associates to stay in touch with prospects and past customers digitally. Instead of emailing or sending print campaigns, sphere marketing is a subtle touch that shows the sales associate's level of sophistication. Another use is recruiting. You can target a list of sales associates to whom you want your message shown as they browse the Internet.

These campaigns see results similar to the REAL Trends predictive marketing campaigns, about a 0.2 percent click-through rate.

Effective Digital Marketing Foundations: Facebook and Google AdWords

Formulating a digital marketing strategy for your brokerage can be overwhelming. Real estate professionals are bombarded with new tools and platforms that promise to be the next best thing in digital marketing. REAL Trends works with many of the top brokerages in the United States and Canada to establish, execute and maintain their overall digital marketing efforts. Because of our hands-on approach with marketing clients and custom-tailored strategies, we are able to gauge from first-hand experience what works well and what does not in regard to marketing for a brokerage.

Two of the strategies that we consider to be crucial components of all digital marketing campaigns are the use of Facebook and Google AdWords. Both of these platforms have proven themselves to be potent tools in a brokerage's digital marketing arsenal.

Facebook
As of the last quarter of 2016, Facebook remains the most popular social network. With the most users and daily views, it is a social media juggernaut with 1.59 billion active users, compared to its second-place competitor, Twitter, lagging behind with 320 million active users. Three main ingredients make Facebook an excellent digital marketing medium.

1.   **Sheer number of users**
2.   **Detailed user information that can be used as target audience filters**
3.   **Lack of distractions from an ad campaign**

Facebook allows advertisers to segment and pinpoint marketing efforts to select audience(s) by pulling information from user profiles. These unique demographic filters can include job titles, interests, geographic location, relationship status, income data and more. These data points, combined with the ability to market directly in a user's newsfeed (if marketing on behalf of your brokerage's Facebook page), are two of the main advantages of using Facebook. Creating ad campaigns in Facebook and advertising on behalf of your brokerage's Facebook page are very different than simply boosting a Facebook post. Creating ad campaigns allows brokerages to pinpoint audiences and elect where they want their ad to show up in Facebook. It should be apparent that selecting the newsfeed over the right-hand ad space is the most effective spot.

REAL Trends created several successful Facebook campaigns for brokerage clients. They include home-buyer and -seller campaigns, recruiting campaigns and hypertargeted audience campaigns. One example of a homebuyer campaign is for first-time homebuyers, which is targeted to people in a specific geographic area in the 25 to 35 age range with the relationship status of "not single." Another example of a successful homebuyer campaign is to target those who are employed by prominent businesses in a specific area.

When marketing with Facebook, remember why your audience is on the social platform in the first place. Usually people go to Facebook as an escape from their daily grind, or to seek out news, information and entertainment. Catering to these aspects of Facebook will ensure higher success rates and conversion rates as a direct result of your ads. An example of this relevancy is to consider incorporating beach imagery when targeting buyers in southern California. You should also use video as videos demand a higher interaction rate from your target audience and will automatically start to play when users scroll down through their newsfeed.

Google AdWords
Google AdWords allows a brokerage to have its ad displayed when certain keywords and phrases are typed into a Google search. There are many factors of the Google AdWords campaign that impact how often and where the ad shows up, including daily budget, cost-per-click budget and bid price on specific keywords. This keyword strategy is the primary component behind search engine marketing (SEM) campaigns and is commonly referred to as a pay per click (PPC) campaign. The main advantage of using Google AdWords is the number of users or searches conducted each day. Relevance is already assumed by search terms executed, and it's cost effective.

Reporting Abilities
Both Facebook and Google AdWords have robust reporting abilities that provide insights about campaign performance. Along with reporting and monitoring performance specific to key metrics, both have the ability to monitor and track conversions. Note that there are performance differences between the two platforms. Typically, Google AdWords produces more impressions with a slightly lower click-through rate than Facebook. Facebook provides a significantly higher click-through rate due to the precise audience targeting and smaller overall audience being targeted. Using REAL Trends' client campaigns as a gauge, we average a 4 percent or higher click-through rate via Facebook, while Google AdWords tends to be around 1 percent. However, while Facebook may produce more clicks at a higher click-through rate, Google AdWords clicks tend to provide more active conversions. This is because those clicking on your ads in a search results page (SERP) have come to that page intending to search out more information about the specific search phrase or keyword, whereas those visiting Facebook do not have a specific goal in mind.

Due to the complexities and market access, it is crucial to incorporate both Google AdWords and Facebook into your brokerage's digital marketing strategy.

Remarketing—General, for Search, for Facebook and Dynamic

Bring them back to your site

Imagine that you go shopping for a new car. You wander the dealer's lot, and a certain red convertible catches your eye. You kick the tires, open the trunk and sit in the driver's seat, but you're not ready to buy so you leave.

Later that day, you see that same red convertible in the parking lot at work. Then, it's being driven in the lane next to you the highway. Then, it's parked along your street.

What is going on?

This is the real-world version of the digital tool called retargeting. You expressed interest in that car, and so the dealer is making sure you see it again to encourage you to buy it.

Retargeting is a powerful tool for real estate professionals and brokerages. Studies show that there is a two-week window when consumers are researching, be it for homes, movers or school districts. In that time, they visit your site. But only about 2 percent will convert, or contact you. You need to encourage the other 98 percent to come back.

Retargeted consumers are nearly 70 percent more likely to complete a purchase than non-retargeted consumers.

How Retargeting Works

Retargeting works by showing your online ads to viewers who have visited your website. As your potential customers continue to search the Web, they will find your advertisement following them around the Internet based on the searches they conduct.

Retargeting uses a tiny bit of code called a pixel. The pixel is unobtrusive. Your site visitors won't notice it, and it won't affect your site's performance. Every time a new visitor comes to your website, the code drops an anonymous browser cookie. Later, when your cookied visitors are on other sites, such as The New York Times or Facebook, the cookie will let your retargeting service know when to serve your ads.

HOW REMARKETING WORKS!

Potential customer

Customer visits your site...

But leaves without contacting you...

Later, the customer surfs the web...

THE WEB — YOUR AD

User starts seeing your ads across the Web

And your ad recaptures interest, bringing them back.

Potential customer turns into new client!

Customers' seeing your ad as they browse the Web is like seeing that red convertible—it keeps your real estate listing or brand top of mind as that buyer or seller gets closer to the moment of decision. One comScore study found that brands saw up to a **1,046 percent increase in branded search**, or users searching directly for the brand name, during retargeting campaigns.

In addition, retargeting has a halo effect on your other marketing efforts. Data from retargeter.com shows a **68 percent lift in the opens of email newsletters**. And that goes for your other display efforts. From billboards to grocery cards, they are more effective because of a multichannel approach.

It's all part of that digital advertising equation: repetition + familiarity = confidence.

Display Remarketing Best Practices

First, set up your site to enable remarketing.
1. Tag your entire desktop and mobile site

Next Prepare to send the right messages to the right prospects.
2. Focus lists based on customer paths through your site

Choose your bids and ad formats for maximum success.
3. Pair remarketing with Conversion Optimizer
4. Use all display ad sizes and format
5. Use dynamic remarketing to show the most relevant ad
6. Move from Conversion Optimizer to Return on Ad Spend

Optimize your settings for best results.
7. Remove restrictions for best performance
8. Automate your frequency caps

Now go prospecting for even more qualified customers.
9. Use auto-targeting or Similar Audiences to acquire new prospects
10. Use In-Market Audiences to acquire mid-funnel customers

Remarketing List for Search Ads

| SEGMENT PAST VISITORS | → | OPTIMIZE BIDS TO SEGMENTS | → | CONVERT AS THEY SEARCH ON GOOGLE |

Retargeting is effective because of this familiarity. The dealer already knew you liked that red convertible. You self-identified as a potential buyer, so the appearance of the car made sense and continued a conversation. Some folks fear that retargeting abuses user privacy. Please note that retargeting pixels do not collect any personally identifiable information, such as names, addresses or even IP addresses. All targeting is completely anonymous. Retargeting uses cookies, which are small text files that store information. This cookie stores anonymous data about whether or not a user has visited a certain site.

Best Practices and Other Types of Remarketing

Remarketing for search is a similar concept to General Remarketing; however, with remarketing for search, you serve up ads to active searchers on Google. (Hint: you can also do this on Yahoo and Bing.) The bottom illustration details the process.

Here is a practical application of remarketing as part of a well-rounded recruiting campaign:

1. Tag your career or recruiting landing page with Google Remarketing tags.

2. Develop a few ad variations for mobile, search, display and video.

3. Offer something of value to your recruits, such as industry books, top strategies, etc.

4. Send an email campaign, post to social media and boost your post to reach real estate professionals in your market. Create a custom Facebook audience for your specific list or use a sphere targeting campaign (except your sphere in this example is a recruiting list).

5. Drive that traffic into your tagged landing page and let Google take it from there. Ideally, your traffic converts on the first visit, but it sometimes takes a long time to convert a recruit, so you should apply the Rule of Seven: hit them seven times, seven different ways to get your message through.

6. The total cost for a campaign like this for 1,000 potential recruits varies by platform. Here's a sample:

Remarketing reaches potential customers across channels and devices

SEARCH	DISPLAY	MOBILE	VIDEO
Retargeting lists for search ads	· Standard remarketing · Dynamic remarketing	· Mobile web remarketing · Mobile app Remarketing	· Video remarketing on Youtube

a. Facebook Custom Audience: $11 for the list, and you would serve up the ads 2 to 3 times. For $22 to $33, you may expect about 200 clicks.

b. Sphere Targeting costs about $100 per month, serves up a few thousand impressions (say, 3,000) and drives an additional 60 clicks to your website, compared to Facebook.

c. Boosting a social post regarding this recruiting campaign will cost you $10 to $20 or less, depending upon your audience size. You will likely get some decent client engagement and a few clicks to your website.

d. Once the email, Facebook, social and sphere targeting is set up, it's up to your website to offer a way to convert. If you don't convert, don't lose hope as you can let the remarketing code do its work.

e. Remarketing runs $2.23 per 1,000 views, so you would likely spend only $6.69 to hit your whole list three times (that assumes all visited your site). Realistically, you would spend around $2 to $3 and generate about 4 to 5 return visits.

f. Video Remarketing can be a useful way to put a recruiting message in front of your intended audience.

Digital Marketing Results

Display Ad Click-Through-Rate (CTR) Benchmarks
The best source for current benchmarks is DoubleClick by Google. It offers a regularly updated interactive display benchmarking tool as part of Think Insights. You can select by country, sector and ad format to create your own benchmarks. Here's our summary of current global ad CTRs:

1. Overall Display Ad CTRs
Across all ad formats and placements, Ad CTR is 0.17 percent
This is fewer than two clicks per 1,000 impressions, showing the difficulty of driving response from online ads.
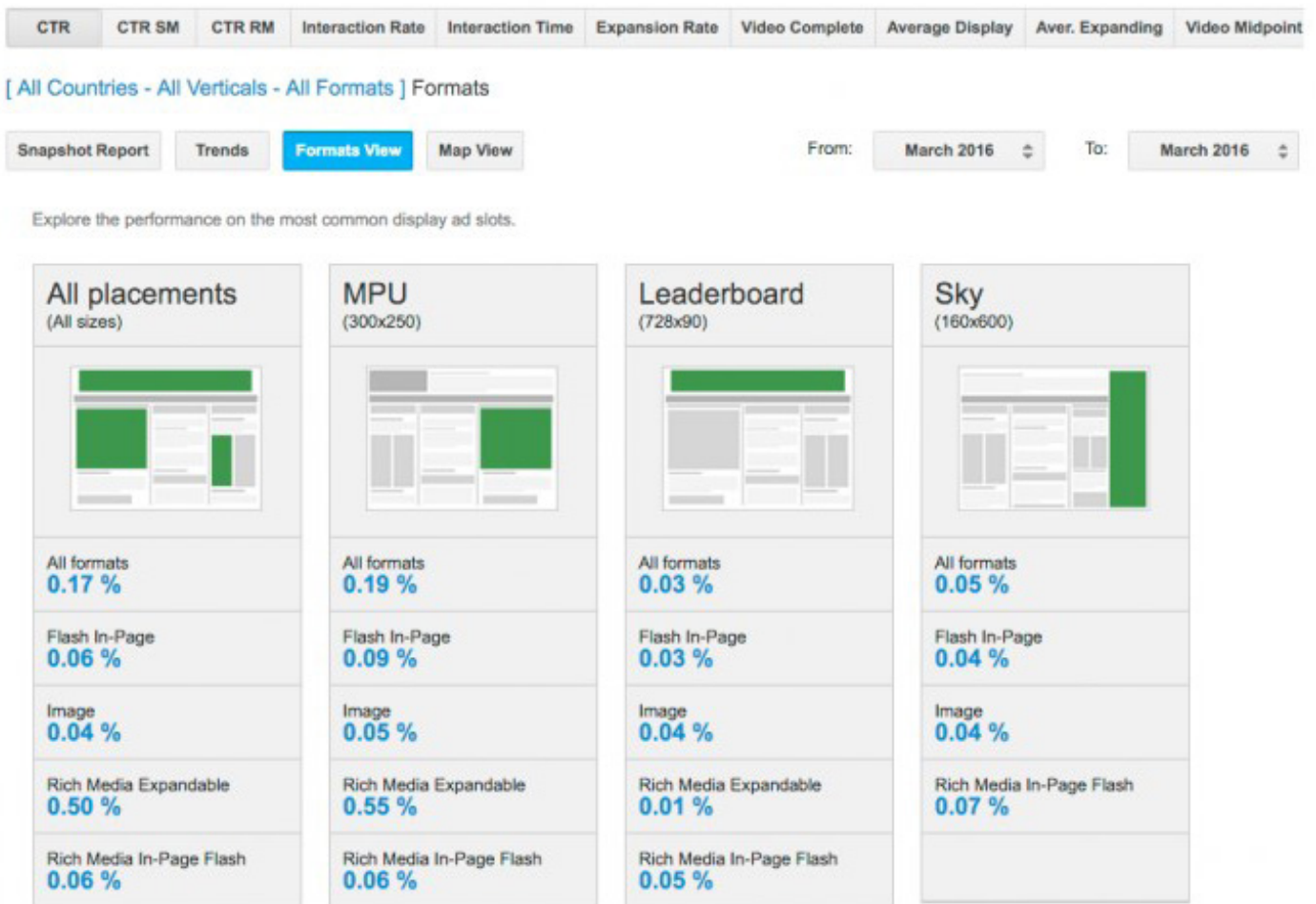
2. Rich media CTRs
Rich media Ad CTR is 0.1 percent
Across standard and rich media, this shows an ad click-through rate of 0.14 percent, which is a realistic estimate if ads are placed on the fold. For Smart Insight advertisers, there is an MPU in the righthand sidebar above the fold. This has a typical CTR of 0.15 to 0.22 percent depending on how creative the content.

3. Ad CTR trends

This chart, also from DoubleClick by Google, shows that the 0.1 percent CTR has been an average for some time, although the recent fluctuations cast doubt on the data accuracy.
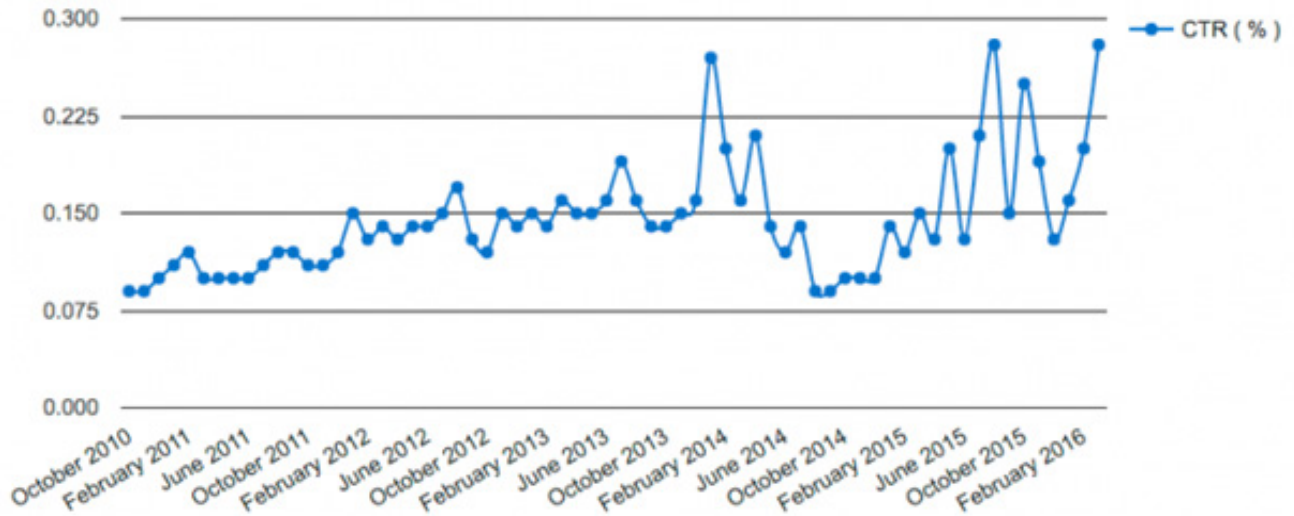
For those researching trends in display advertising in different countries or sectors, try the DoubleClick by Google ad research page (www.doubleclickbygoogle.com/en-gb/insights). However, these reports aren't updated frequently.

4. Comparison of display, search and social ad CTRs

This Q3 2015 compilation of average online media click-through rates is useful for modelling the response of digital media for top-level budgets.
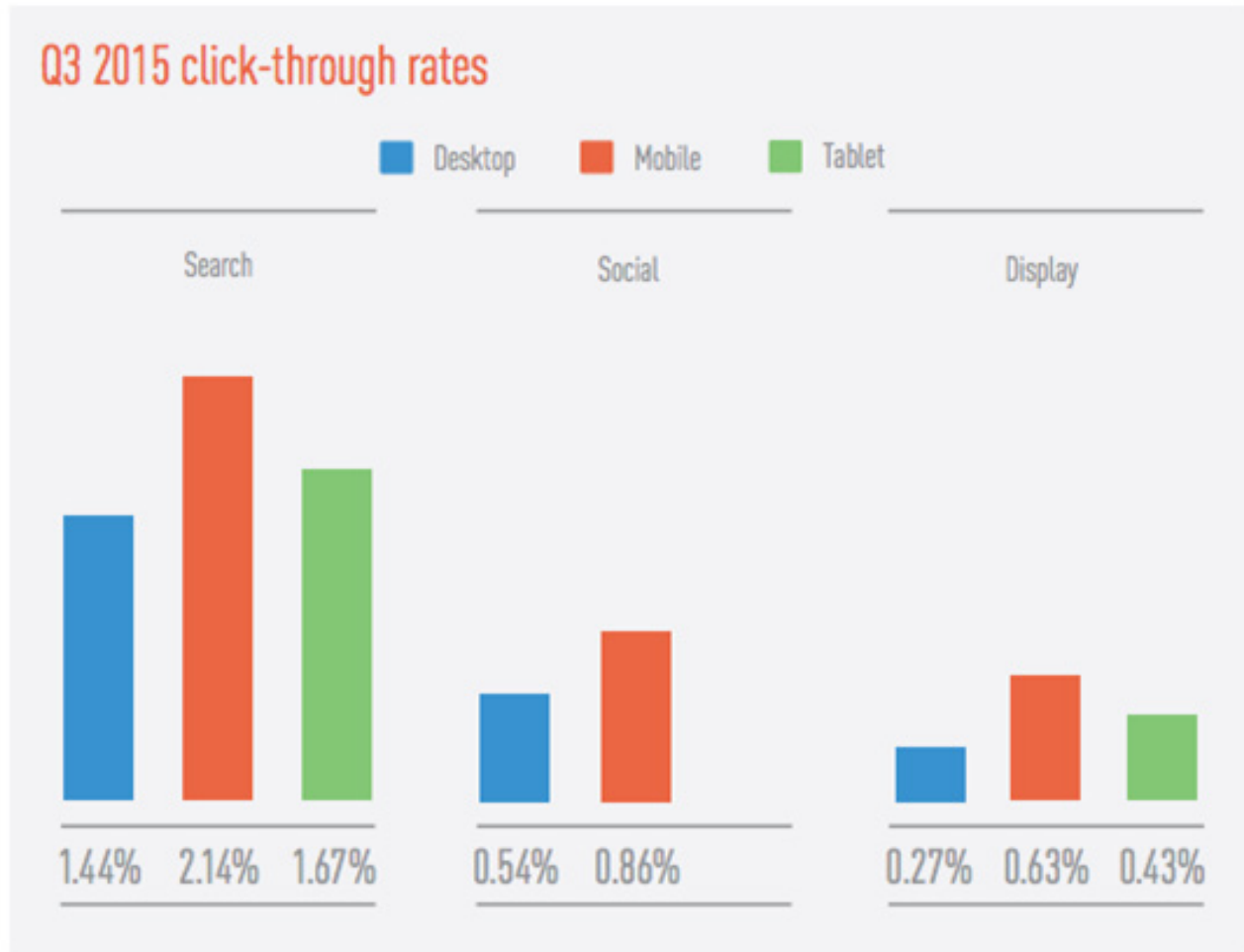
Facebook Ad Click-through Example

These Facebook Ad CTRs for different types of ad formats are taken from a test run by Smart Insights Contributor Marie Page. They show that by using targeting in Facebook it is possible to improve on general Internet ad click-through rates.

Ad Type	Reach	Cost per 1,000 People Reached	Click Through Rate (CTR)	People Taking Action	Cost Per All Actions	Unique Clicks	Frequency
Power Editor Ad	2,406	6.75	1.28	35	0.41	26	1.05
Promoted Post	2,818	5.76	0.79	25	0.63	18	1.08
Boosted Post	5,684	2.63	0.66	29	0.52	36	1.15

For the latest data, see DoubleClick by Google Display Ad Benchmark Statistics.

Variation in Online Ad Click-through Rates by Ad Format

Ad click-through rates vary according to placement (position on screen) and format (shape and size). The traditional full banner performs poorly compared to skyscrapers, the ubiquitous medium rectangle and the newer, large rectangular format.

Ad Format	Video click-through rate%	Non-Video click-through rate%
Wide Skyscraper (160x600)	0.12%	0.11%
Square Pop-Up (250x250)	0.16%	0.14%
Skyscraper (120x600)	0.10%	0.08%
Medium Rectangle (300x250)	0.14%	0.13%
Leaderboard (728x90)	0.08%	0.08%
Large Rectangle (336x280)	0.21%	0.33%
Half Page Ad (300x600)	0.19%	0.23%
Full Banner (468x60)	0.04%	0.04%
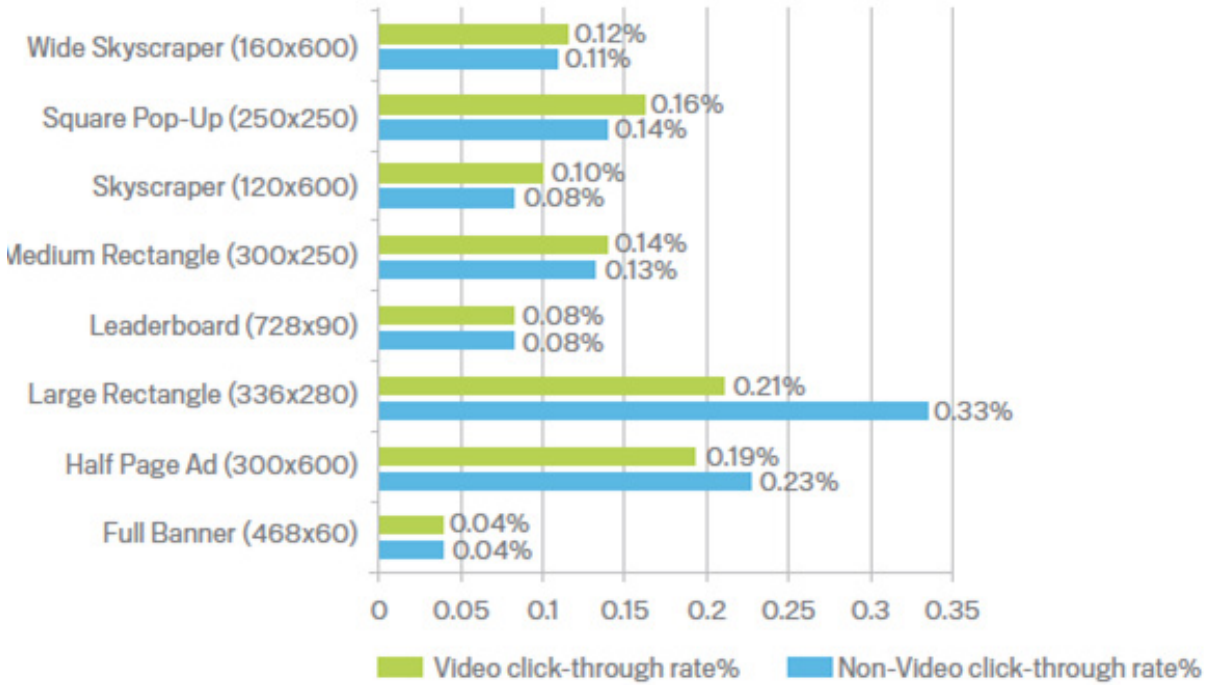
Variation in Online Ad Interaction Rates by Ad Format

Interaction rates differ for different ad formats.

Ad Format	Video interaction rate%	Non-Video interaction rate%
Wide Skyscraper (160x600)	1.69%	1.74%
Skyscraper (120x600)	1.50%	1.41%
Medium Rectangle (300x250)	2.80%	2.49%
Leaderboard (728x90)	1.51%	1.55%
Large Rectangle (336x280)	4.25%	6.22%
Half Page Ad (300x600)	4.20%	3.80%
Full Banner (468x60)	0.61%	0.59%
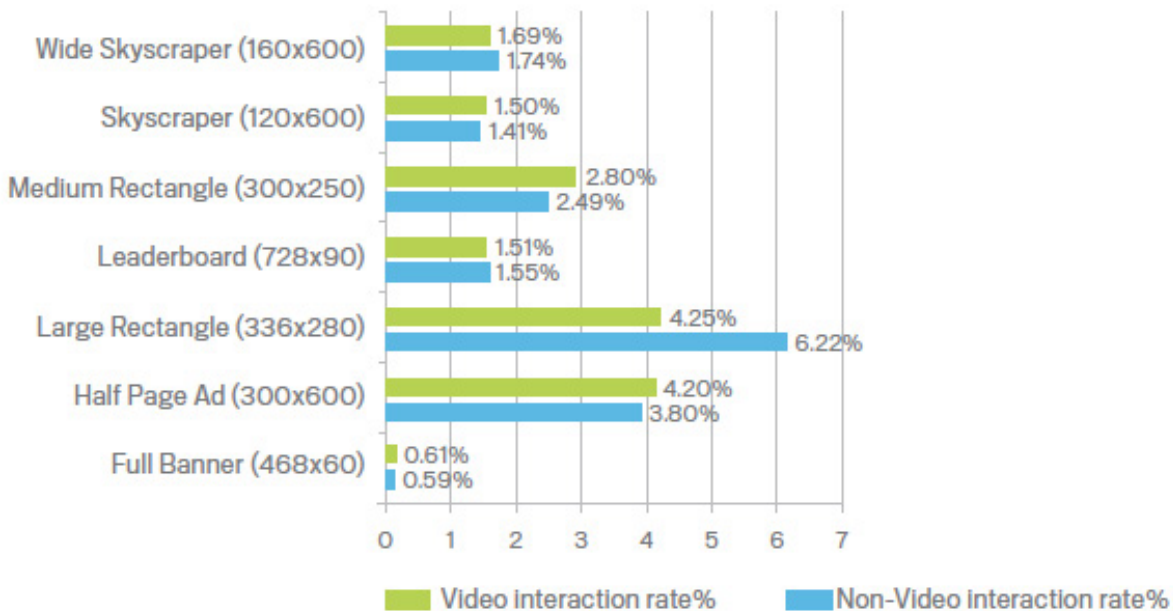
Interaction Rate Definition
Interactions are defined as the user doing one or more of the following:

• Mouses over the ad for one continuous second
• Clicks on an exit link
• Displays the ad in full-screen mode
• Expands the ad

Social Media Ad Click-through Rates—A Comparison of Facebook and Twitter CTRs
Wordstream posted an interesting analysis comparing Facebook to Twitter. It is generally known that Facebook has low CTRs, because ad units are not that prominent. LinkedIn is similar. This is changing as more prominent ad units are created, particularly on mobile.

Do Facebook and Twitter ads drive real results?

facebook
↑ 275% Click-through rates
↑ 216% Revenue-per-click
↓ 40% Cost-per-click

twitter
↑ 22% Brand conversation
↑ 30% Positive mentions
↑ 32% Retweets

	FACEBOOK	TWITTER
Average CPM	$0.59	$3.50
Average CPC	$0.50	No data published
Average CTR	0.119%	1-3%
Mobile CPC	(iOS) $0.40 (Android) $0.18	No data published
ROI	109%	No data published
RPV	↑39% YoY $0.93	↑300% YoY $0.44
Share of social referred visits	62%	6.8%
First click revenue per visitor	$1.63	$0.80

You can read the full analysis from Larry Kim at Facebook vs. Twitter CTRs on Wordstream. The article includes a wider analysis of the importance of advertising, including mobile.

Pay-per-click or SEM Click-through Rates (e.g., AdWords and Bing)
These statistics are courtesy of the Adobe Digital Index reports, published annually for customers, based on 200 billion site visits.

	YOY		GAP	
TECHNOLOGY	5.1%	↑	8.3%	WIDER
TRAVEL & HOSPITALITY	4.9%	↑	7.7%	WIDER
MEDIA & ENTERTAINMENT	4.0%	↑	6.4%	WIDER
FINANCIAL SERVICES	3.7%	↑	5.1%	NARROWER
RETAIL	3.2%	↑	6.0%	WIDER
	AVERAGE		TOP 20	
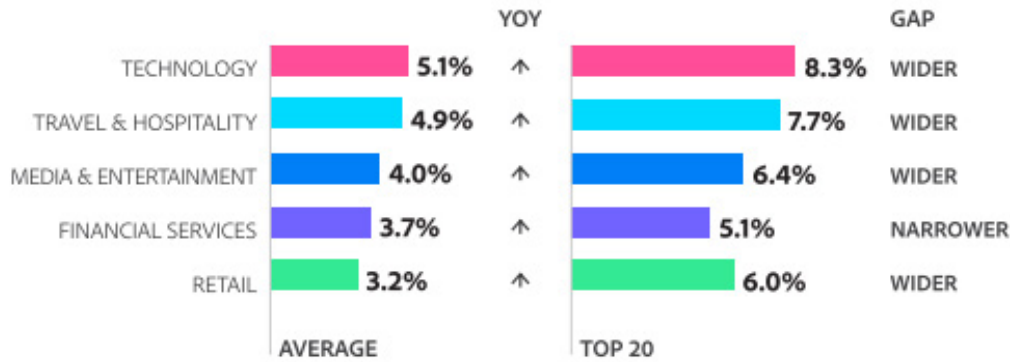
2015 CLICK THROUGH RATE BY INDUSTRY
SOURCE: ADOBE ANALYTICS

	YOY		GAP	
SMARTPHONE	4.4%	↑	7.4%	NARROWER
DESKTOP	3.4%	↑	5.7%	NARROWER
	AVERAGE		TOP 20	
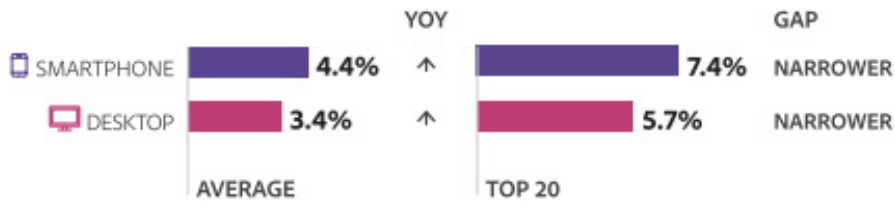
2015 CLICK THROUGH RATE BY DEVICE
SOURCE: ADOBE ANALYTICS

These figures are averages. In reality, CTRs tend to be higher for brand searches.

Digital Strategy for Recruiting

Build Your Team and Keep It
This very minute, brokers are actively recruiting new sales associates—44 percent of them, in fact, according to the National Association of Realtors®.

There's more turnover than ever in real estate offices. In 2015, one-third of Realtors started at a new firm. That's up 67 percent from the previous year, according to that same report. That includes a high number of newly licensed agents, but also veterans who are retiring and other sales associates who are jumping ship to new firms.

Since all brokerages are different, it's hard to capture the way one compares to another. Your recruiting messaging should hit on key points. Ask yourself:

What is your culture? How is it unique?
What role does technology play in your firm?
How will you empower your sales associates?
What is your expectation of sales associates?

A digital recruiting strategy is a critical component of the agent outreach that firms do to build their teams. You know the names of the top producers in your market. You also know the new agents. Reach out to them with targeted ads.

There's a flip side to this type of recruiting. You're trying to lure away top sales associates while someone else is trying to lure away your top associates. So the same digital ads that help you recruit can help you retain your best agents as well.

A retention campaign can remind real estate professionals that their broker is still their biggest fan. It reinforces loyalty in agents, who in turn can become evangelists for their broker.

Recruiting will always be a top priority for brokers, so a digital strategy can help get the right message to the right agents at the right time.

Marketing System for Recruiting

Digital marketing is not just for general company promotion, listings and agent campaigns. It should be a fundamental aspect of your recruiting system. Here are several examples of ways you can inject digital marketing into recruiting:

1. Create a useful recruiting page with a way to capture engagement and conversions. One strategy is to use your leader's LinkedIn profile, so you can gauge who is looking at your information. Also, consider a contact form that gives those who sign up something of value, such as books or research.

2. Create a custom Facebook audience for your potential recruits. Talk about what makes your company different, and focus on the things that are important to your brokerage.

3. Use a service for marketing to a sphere or recruiting list. Leverage that again to touch these prospects in a different fashion.

4. Track engagement from your email campaigns. You should know who is opening your emails so you can add those people into a separate campaign.

5. Video marketing is another way to send a message for recruiting. Your culture, agent testimonials and more can be put in front of real estate professionals in your market. These typically draw a click-through rate twice as good as traditional banner ads. Even if they don't draw clicks, the impression value is pretty high.

6. Think big picture and create a separate remarketing campaign just for your recruiting pages. You have done all this hard work to generate the traffic; now, stay in front of them.

7. Traditional mail is another way to engage, but use your tools to put a home valuation in front of sales associates for their homes. Show them how your system works.

Performing the list preprospect is inexpensive, about $200 to $300 a month for a list of 500 names. The real value is that the campaign hits the agents seven times in seven ways, which is the proven method for influencing change and decisions. It's up to you to close the deal!

ADDITIONAL WAYS TO GENERATE LEADS

Listing Portals

The last year saw a lot of discussion about the listing portals and major acquisitions—from Realtor.com and News Corp to Zillow, Trulia and dotloop. As a result of all the shake-ups, we saw a major slowdown in the changes this sector brought the real estate industry. Several new ancillary products were launched, and some big integrations of legacy acquisitions, such as FiveStreet and Realtor.com, were finalized.

REAL Trends has noticed that major acquisitions have led to pressures on prices nationwide. The consolidation or new ownership of the major players has seen long-standing clients noticing price increases. These clients are having trouble adapting to these price increases, which are driven by the market and not the shareholders, which is important to note. Some clients are simply willing to pay more for their leads. Margins and return on investment will continue to be threatened. As long as this number remains positive for brokers, sales associates and teams and as long as the listing portals mesh with their business models, we will continue to see price increases driven by market dynamics.

Another major trend that is closely related to price increases is that REAL Trends is seeing more brokers passing along listing portal costs to their agents.

We don't think these two trends will affect the value of the listing portals in the short term into 2017.

International Lead Generation Differences Between U.S. and International Buyers

International buyers differ from U.S. buyers in what they buy, where they buy and how they buy.

In the National Association of Realtors® 2016 Profile of International Activity in U.S. Residential Real Estate, foreign buyers purchased $102.6 billion of U.S. residential property in the 12 months from April 2015 to March 2016. Nearly one third of Realtors work with buyers from overseas.

▮ FOREIGN BUYERS BY DOMICILE
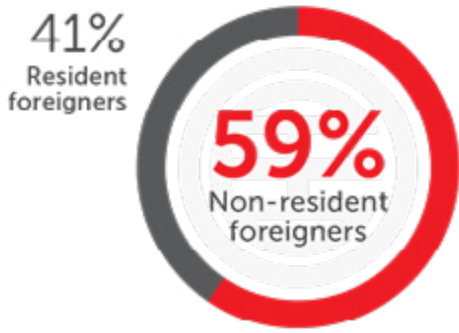
41% Resident foreigners

59% Non-resident foreigners

▮ CASH-PAYING HOMEBUYERS IN THE US (APR 2015-MAR 2016)
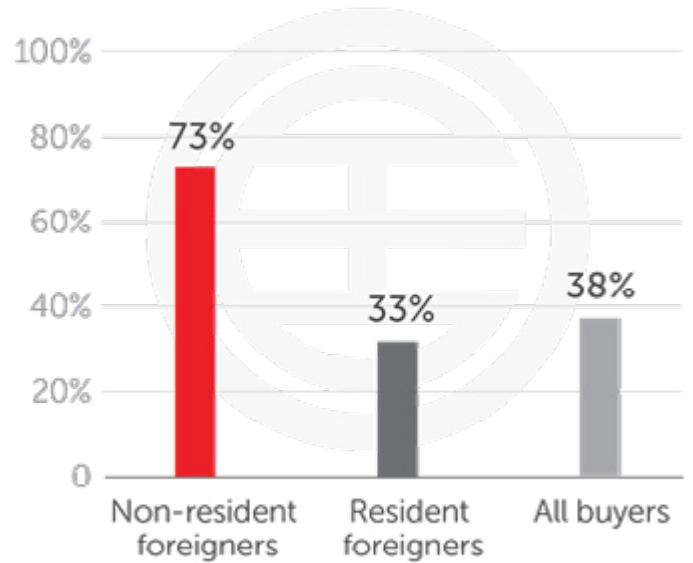
100%
80%
60%
40%
20%
0

73% — Non-resident foreigners
33% — Resident foreigners
38% — All buyers

In addition, 50 percent of reported transactions were all-cash sales. Of non-resident foreign buyers, 73 percent made an all-cash purchase compared to 33 percent of resident foreign buyers.

Foreign buyers are lucrative clients. Half of foreign buyers pay cash, and when you focus exclusively on those who are not U.S. residents, you see the share going up to nearly three-quarters.

▮ REALTORS' FOREIGN BUYER OUTLOOK (2016-17)
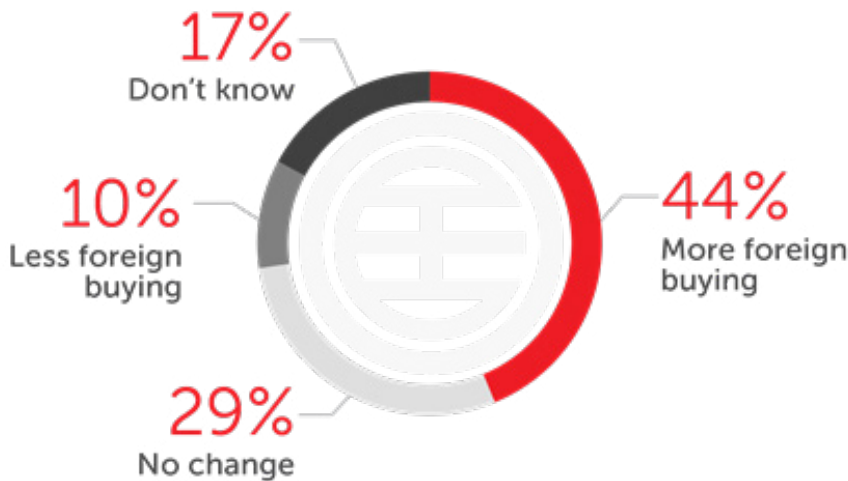
17% Don't know

10% Less foreign buying

44% More foreign buying

29% No change

Foreign buyers also pay a median price that is nearly 25 percent higher than the nationwide number. Foreign buyers paid a median of $277,380, while the median for all U.S. existing-home sales is just $223,058.

Search Engine Optimization: The Basics and Best Practices
By Garlic Media Group

Search Engine Optimization has been going head to head with search engines for more than a decade. SEO experts gained a reputation for trying to "game the system"—finding holes and exploiting them—all while ignoring the user on the other end.

This completely goes against the main goal of search engines that strive to create the best experience for their users.

Here's the bottom line: Search Engine Optimization needs to stop fighting search engines and start catering to users in order to build real relationships with current and potential customers online. As search engines evolve and new online platforms emerge, it is crucial that SEO strategies evolve with them.

Here are some questions you should be asking before you begin any SEO campaign:

1. What are the goals? SEO should be treated just like any other marketing initiative whose goals support key business objectives. This means that SEO should have a positive impact on revenue, product and service sales, number of new customers and more.

2. How is it measured? Keywords and website traffic are indicators of campaign progress and growth, not results. If a keyword begins to rank on the first page of Google, that's great! But that shouldn't be where the story ends. Your SEO company must answer these key questions: Who is the audience, and how is this keyword targeting it? What are these visitors doing once they land on your website? What is the ideal visitor flow and buying process? What does a website conversion look like? How else can we get in front of the target audience?

SEARCH ENGINE OPTIMIZATION NEEDS TO **STOP** FIGHTING SEARCH ENGINES AND **START** CATERING TO USERS...

3. What tactics will be used to achieve these goals? SEO is one of the more difficult marketing initiatives to define because every company has unique needs. Website optimization (for visitors and search engines) is key to setting the foundation for SEO, but what other online and offline tactics can be done to get you in front of your audience and directly or indirectly boost your ranking in search engines? This is a deeper strategy that can be appropriately planned and implemented following in-depth industry and competitor research.

4. How long until I can expect results? If you are promised instantaneous results, you should probably walk away. There are shady companies that buy followers and build fake backlinks that will have instant, yet temporary, results. Who wants fake followers and backlinks without a real person on the other end to engage with? It's like buying friends. You just shouldn't do it. Results take time because you are building relationships with potential customers, and they should always go back to your main business goals and objectives.

If you (or your SEO agency) can answer these questions, tracking and optimizing your online presence and engagement will be so much more valuable than knowing what keywords are on the first page of Google.

QUANTUMDIGITAL

QuantumDigital's AutoMail Plus is a farming and prospecting technology that has evolved to include geotargeting, mobile lead alerts, database-driven market snapshot reports, property confidence factors, social sharing and real-time lead tracking. The product applies several data sources, including property sales and tax data, consumer mailing lists and prospect lead reports.

QuantumDigital has a product called TriggerMarketing Postcards that takes the guesswork out of marketing a listing. It offers a simple, automated solution that stems across multiple platforms. Quantum is not just a print company. It combines social media, digital marketing, AVM tools and conversion strategies to help sales associates with their marketing campaigns.

Marketing a Listing: Let's Start with Photos

REAL Trends recently studied the impact of professional photography as it relates to agent productivity. In our survey, we found that sales associates who use professional photos make double the average gross commission income (GCI) than do sales associates who don't use professional photography.

Sales velocity has also been proven to increase with better photos, so listings are selling faster. For more information about using photography in real estate, go to the study.

TOP BENEFITS FOR AGENTS USING PROFESSIONAL PHOTOGRAPHY

Benefit	Percentage
Increases the activity on my listings (more showings, online leads)	88%
Differentiates me from my competitors	80%
Provides a consistent look and feel for my business	79%
Decreases the days on the market for my listings	75%
Decreases the days on market for my listings	62%
Increases the percentage of sales price to list price for my listings	52%
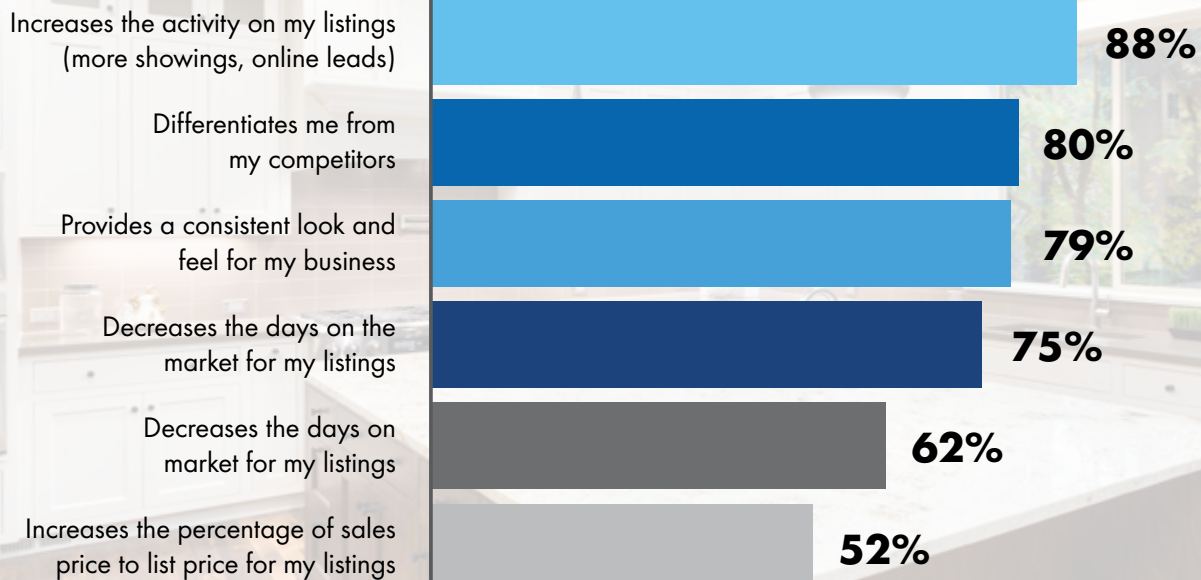
How to Market a Listing Online Internationally
By Juwai.com

International buyers purchased $103 billion of American residential real estate last year, nearly triple the amount of just six years earlier, according to the National Association of Realtors®' 2016 Profile of International Activity in U.S. Residential Real Estate. Their purchases generate about $6 billion per year in commissions for U.S. real estate sales associates.

How can real estate professionals tap this fountain of cash?

Two Approaches to International Lead Generation
On a practical level, agents have two choices when it comes to international lead generation. The first is to go vertical, deeply embedding yourself in a particular source market of global buyers. Your other option is to go horizontal, spreading your international marketing investment thinly across many international markets.

Maximizing Your Return on Investment
To choose between these two options, simply look at the potential return on investment for each. According to the NAR study, the three top foreign buyer source markets are China, Canada and Mexico, in descending order. They account for nearly half of all foreign buyer activity.

Any investment in the top three countries will be much more efficient than investment across a larger number of countries because of the concentration of potential buyers.

If you had to choose just one country to focus on, the data suggest China is the obvious choice. According to NAR's study, China accounted for more foreign buyer activity than any other country both last year and the year before.

China's gross domestic product already accounts for 17 percent of the world economy and continues to grow at 6 percent per year. According to The Economist article, "What China Wants," within five years, China is likely to pass the United States and become the world's largest economy.

Share of Total Foreign Buying of US Residential Real Estate, by Country

Country	Share
CHINA	14%
CANADA	12%
MEXICO	8%
INDIA	7%
UK	4%

CHINA'S GDP TO BE WORLD'S LARGEST BY 2021
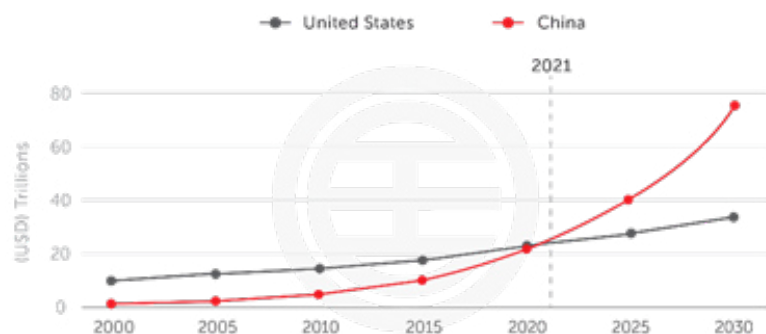
Chinese buyers are not going away. According to the Asia Society and Rosen Consulting Group report, "Breaking Ground: Chinese Investment in U.S. Real Estate," acquisitions to date have only scratched the surface of potential investment from Chinese individuals.

International Lead-Generation Methods

Whatever country or countries you choose to focus on, your toolbox should contain a combination of the following tools. In reality, most sales associates will only use word of mouth and real estate website advertising most of the time.

International Lead-Generation Methods, by Order of Adoption

Word of Mouth (WOM)

WOM lead generation in international markets works just as it does at home. Provide excellent service, ask for referrals, gather testimonials and stay in touch with customers after transactions have closed. Generating word-of-mouth marketing is as simple as that. It becomes complicated; however, when you don't already have a base of contacts in international markets.

Real Estate Website Advertising

Using international real estate websites is a fundamental way to generate leads from overseas buyers.

You should always host your listing on a website known locally and trusted by the country you want to reach. The information should be given in that country's native language.

A good international property portal should offer you listing and banner advertising, email marketing blasts, text message marketing (where appropriate), advertorials and a team of first responders in the local market.

Owned Social Media

You know how important social media is with your local buyers. It can be just as useful in generating awareness and inquiries from international buyers. The same principles apply. Provide useful content that adds value, be consistent and respond promptly to all contacts.

Also, use the social media platforms that your target buyers are using. For example, tweeting is no good if you are trying to reach Chinese buyers, since Twitter is blocked in China.

In-Market Property Events and Expos

It is best to establish yourself as an agent who is invested in your target market with the abovementioned methods before spending the considerable amount it takes to exhibit at an overseas property expo.

When you meet potential buyers at an expo, you already want to be advertising on their international real estate website of choice, and active on their preferred social media network.

Earned Media

Earned media, or public relations, is effective at generating awareness and inquiries in large overseas markets. The cost per impression in a public relations campaign is often lower than with online advertising. The trade-off is that it may be hard to connect with a suitable public relations firm in your target market and work with it effectively from a geographical distance.

It can be done, however. In just four months, Juwai.com's China public relations team generated 200 Chinese media clips, with an aggregate readership of 3.6 billion, for one customer.

Paid Media

Target audiences in different countries have different sensibilities and senses of humor.

When paying a substantial sum to advertise in a publication in your target country, be sure you understand what will be the most persuasive.

Repurposing an ad that you used at home may be ineffective. In addition to wasting your money, you may commit linguistic and cultural faux pas that create a negative opinion of your brand.

Social Media Marketing

Once you have your online real estate advertising and in-country social media in place, you can consider using social media marketing to drive traffic and inquiries further.

Your social media ads will be relatively low cost but also require savvy preparation to ensure that they engage your target audience.

Search Engine Marketing (SEM)

Before going through the lengthy and expensive process of search engine optimization, start with search engine marketing. SEM allows you to see almost immediate results and control your budget.

Test your strategy and keywords before you invest resources in rewriting your website's content in foreign languages.

WITH INTERNATIONAL SEARCH ENGINE MARKETING, REMEMBER *TWO* THINGS.

1. **Know your search engines**

2. **You need to choose keywords that are in their mother tongue**

Search Engine Optimization (SEO)

When targeting international buyers via search engine optimization, as with search engine marketing, remember two things.

First, know your search engines. In Russia, the No. 1 search engine is not Google, but Yandex. In China, Baidu dominates Web search. Know which international audiences you are trying to reach, and pick the search engines they use most.

Second, you cannot succeed by using the same keywords that you use domestically. When working with foreign language buyers, you need to choose keywords that are in their mother tongue. Nor can you simply translate keywords from English. You must choose the words and phrases that your target buyers use when searching online.

Marketing a Listing: The Importance of Cross Medium Marketing
By QuantumDigital

Over the past 10 years, bidirectional broker/channel partner marketing and CRM integrations have become more complex, real time and multichanneled. The breadth of broker and third-party channel integration requests now close the loop among sales, list management, marketing, customer service and accounting (coop billing arrangements).

As a result, there are some new, supercharged listing and farming advertising tools using multiple media channels that now allow sales associates to pinpoint and target their marketing, combine traditional print/mail with digital, social and mobile advertising and maximize their typical small marketing dollar expenditures.

That's why it's important to find a real estate prospecting system that helps real estate professionals and brokers create personal connections with targeted prospects.

To Direct Mail Advertising and Beyond

Direct mail has long been the staple of real estate farming and prospecting techniques. This method still remains an effective way to farm target neighborhoods and stay in touch with personal SOI lists. However, real estate professionals should look for a system that integrates a campaign of monthly direct mailers with online, real-time market sales reports, home valuation models, social sharing and email lead alerts.

CONVERSION STRATEGIES

Developing a solid digital marketing strategy is the first step to increasing relevant traffic flow to your site. In addition to a well-thought-out marketing plan, you must develop a systematic conversion strategy to evaluate the effectiveness of your online marketing efforts.

Forget Clicks! Are Your Consumers Converting? Conversions and Goals

Of the 58 brokerage firms in our sample, 43 percent have implemented conversions in their analytics account. Most of those firms also have pay-per-click (PPC) or remarketing campaigns. Pairing the two is the best way to create an effective and well-rounded digital marketing game plan.

Where Should You Start?

Evaluate Your Site for Lead Capture Strengths and Weaknesses

Before turning your efforts to conversions, make sure you create a website that deploys tactful and refined lead-capture tools. According to REAL Trends research, the average real estate website has only five opportunities to capture consumers' information.

The most common inquiry variations include live chat, general contact form, agent contact form, individual listing contact and sign-in using social media accounts (i.e., Facebook, Google Plus, Twitter, Pinterest, etc.).

While implementing conversions is a relatively simple process, your efforts could be hindered if you have not developed a deliberate lead-capture strategy on your site. This is particularly true for landing pages associated with your digital marketing campaigns.

Conversions also play an integral role in evaluating the effectiveness of your site overall. Have you ever wondered why users land on a page and leave your site? Or they land on a page, begin the process of completing a lead capture form and then leave without completing the form. Implementing conversions is the easiest way to understand user

behavior and modify your site to accommodate your observations. Here is a link to the top converting websites from REAL Trends' 2015 Real Estate Website Rankings: realtrends. com/2015-website-rankings/index.html.

What Can You Expect?

The platform you use for your digital marketing campaigns will likely influence your conversion rate.

According to WordStream's recent commentary on Google AdWords Industry Benchmark Study, the average conversion rate for search is 4.4 percent and 1.49 percent for display. Real estate stands out as a top industry for display conversions.

From our research, Facebook conversion rates are between 2.5 percent and 3.5 percent. Several brokerages from our sample saw conversion rates closer to 7 percent or 8 percent.

Regardless of the platform, implementing conversion is the best way to track your ROI and enhance your marketing efforts.

Quick Tips:

Implement conversions twice. While it's important to know when a user completes a lead capture form, it's also important to understand trends in user engagement. We recommend implementing a conversion on the lead capture form itself (this could be your registration form) and then create a separate conversion on the completion page (i.e., "Thank you for registering"). Comparing the two conversion rates will help you evaluate the success of your lead capture tools.

Implement conversions in Google Analytics and import them into AdWords. Either platform will allow you to create conversions and track your ROI; however, Google Analytics provides a simpler setup process. Unlike AdWords, which requires you to embed a tracking pixel on your site, Analytics allows you to create conversion goals using URLs and does not require conversion pixels. Creating conversion goals in Analytics and linking your account to AdWords is the best way to avoid an unnecessary step.

Using Big Data and Human Behavior in Your Conversion Strategy
By Eric Pointer, Agent Jet co-founder and COO, AgentJet Inc.

Because I have been converting online leads to closings for more than 10 years, I'm often asked how long it takes and my answer is always the same—it depends on the lead.

What I've found is that 1 percent to 5 percent of my leads are ready now buyers. These are buyers who are more receptive to my emails, calls and texts. The other 95 percent are further out in the research and planning phase. They are not yet receptive to my advances. They don't return calls, emails or texts.
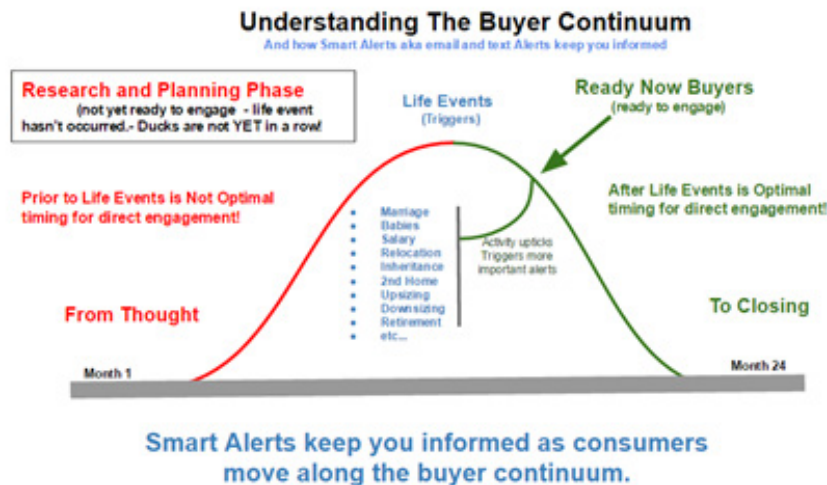
According to AgentJet's last version of this study, it takes consumers approximately two years to go from the mere thought of buying a home to sitting at a closing table. The interesting thing about this study is that it points out that it has always taken that long.

Don't forget, leads are human beings. As such, their behavior is predictable. Humans first think, then muse, then peruse, and finally, when important life events are in order, they engage at a higher level.

Only 15 years ago, buyers began their research and planning via the Sunday newspaper. They began the process by chatting with a few confidants, and then they pulled out the Sunday newspaper and circled homes that interested them. Eventually, they drove through neighborhoods and stopped by open houses, where they would often come and go without engaging.

Today, with easy access to the Internet, consumers begin their research online on sites like Agentjet and other technology platforms with built-in insights. The best of these platforms have significant psychometric and predictive analytic tools built into them that make it easy to track consumer behavior and know when to engage.

Today's tools allow us to know, with relative certainty, when buyers are most likely to be receptive to our advances so that even the most phone weary among us feel comfortable calling, emailing, and texting. Now, sales associates can avoid rejection, connect and close more deals with less work.

What Is the Lifetime Value of a Lead: Changing Lead Gen Mindset?

Calculate the lifetime value of your client.

As a real estate sales associate and brokerage, you get paid by commission. This commission is the culmination of hard work, marketing your services, securing your client,

promoting the property and negotiating the sale.

So it stands to reason that you would put a value on that client equal to the commission you earned on the transaction, right?

Wrong. Your client is worth more to you than that. The value of that client shouldn't be based on one transaction; it should be based on the relationship you have going forward, over its lifetime.

ADWERX

Adwerx built a calculator to figure this out.
Try it: www.adwerx.com/ltv_calculator

The Lifetime Value of a Real Estate Client (LTV) is a real, calculable figure that takes into consideration several factors:

1.   Age of client

2.   Average years in a home

3.   Repeat business

4.   Referrals

LTV is the total inflow of cash resulting from your relationship with a client over the entirety of that relationship, not just a single transaction.

The investment you were prepared to make in one client just changed. And here's the catch: this calculation can make or break your real estate business.

If you want to grow your real estate business, you can

1.   Boost your average commission by selling more expensive homes

2.   Increase your chances for repeat business, either doubling the number of your clients or cutting your average client age in half;

3.   Increase the average number of referrals you get per client. This, obviously, is the easiest way to boost business.

Staying top of mind, or building brand awareness, is vital to increasing your referrals. You must be familiar in such a way that those who exhibit home-buying or -selling behaviors will think of you when they are ready to call a sales associate. Since 70 percent of people hire the first agent they talk to, being top of mind can mean being top of the market.

Live Chat as a Lead-Conversion Strategy

REAL Trends studied over 100,000 online leads in the 2014/2015 Online Performance Study. Of those 100,000 leads, 5,000 were generated by live chat. Some 49 percent of the live chat leads passed through the chat system and were assigned to sales associates. This was one of the highest performing sources for online leads.

Chat services prove to be one of the easiest ways to increase website conversions. Third-party chat services bring clear, measureable benefits to real estate brokerages. On average, third-party live chat services provide the following:

- 36 percent: increase in lead generation

- 49 percent: rate of agent assignment of qualified lead

- 7.5 percent: rate of lead conversion into a transaction

Live Chat for International Leads
Section written by Juwai.com

When working with Asian, and especially Chinese, buyers, WeChat should be your primary communications platform. There are others, such as WhatsApp, as well. Even if you receive a lead from a platform like Juwai.com via email, you will want to transfer your conversation to WeChat as soon as possible.

What about email?
Email in China is not dead, but it is on life support.

In the United States, no social media platform has figured out how to replace email as the medium of choice for marketing blasts and one-on-one communications with users of all age groups and both genders.

In China, WeChat, a phone app, has done just that. There, the percentage of Internet users who own a personal email address is falling. That's because usability and security are issues.

THE EFFICACY OF ONLINE **LIVE CHAT** SERVICES FOR REAL ESTATE

To read the full study, "The Efficacy of Online Live Chat Services for Real Estate," Click here!

GLOBAL CUSTOMER ENGAGEMENT: CHINA PERSONAL EMAIL USERS, 2008-2014

■ Email Users   —O— Percentage of Email / Internet Users
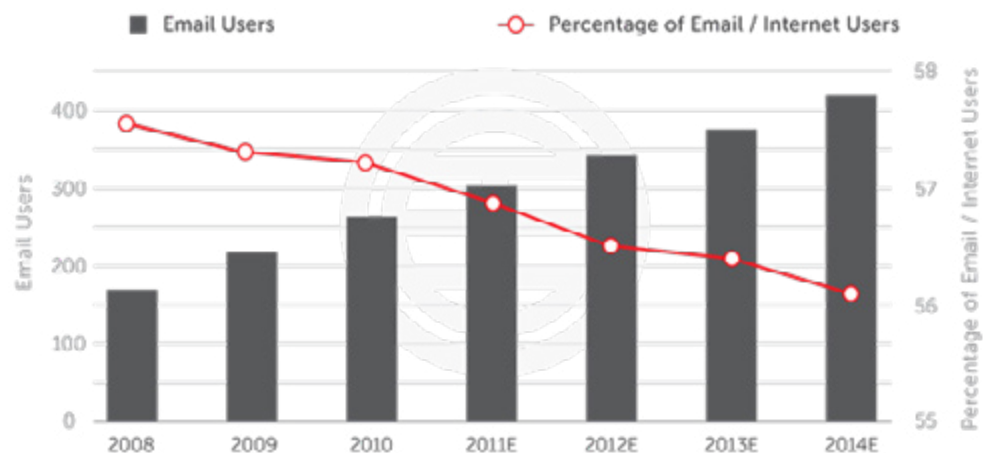
© Juwai.com All rights reserved. Source: iResearcher

Juwai.com

Why WeChat Is Better

WeChat has superior usability and functionality, which has made it the default mode of communication for your typical Chinese buyer of U.S. real estate.

Sixty-one percent of WeChat's users use it 11 or more times per day. One in every five WeChat users open the app at least 50 times every day.

When members of your target market use WeChat that much, they don't have much time left for email. Messages sent via WeChat are more likely to be opened and responded to than even the most carefully written email.

NUMBER OF TIMES PER DAY THAT WECHAT USERS IN CHINA ACCESS WECHAT, MARCH 2016

% of respondents

Juwai.com

ENGAGING CONTENT STRATEGIES

In order to drive interaction, you must have engaging content strategies for blogs, your website and social media. Here are some that work.

Neighborhood Content Strategies

Brokers and sales associates are fighting for a competitive ranking and position on the search engines. REAL Trends works with brokerages to develop neighborhood pages that help increase traffic to their websites.

Case Study

One REAL Trends brokerage client implemented local neighborhood and community pages on their website. REAL Trends helped with the structure, content, promotion and more. This client grew over a three-year period from about 40,000 visits a month to more than 100,000 visits a month over matching time periods. A deeper dive into their analytics discovered that of the top 25 landing pages on their website, almost half were the new community pages, contributing nearly 20,000 total visits per month. Here's what makes a strong local neighborhood strategy:

1.   Foundation: Develop the proper page titles, URLs and page descriptions.

2. Page Title: Your title should include the name of the neighborhood. For this example, we will use Indigo Hill. Your title should read "Indigo Hill—Highlands Ranch, CO Real Estate and Neighborhood Information."

3. Page Description: Be more specific. For example, "Welcome to Indigo Hill, a residential real estate neighborhood in Highlands Ranch, CO. Let (insert company or agent name) take you on a tour of all the homes for sale and nearby amenities of your Highlands Ranch dream community."

4. Don't Overlook the URLs: Make sure to have something specific, such as www.brokeragewebsite.com/Indigo-Hill-Real-Estate-highlands-ranch-co.

5. Introduction: Include high-quality photos of the entrance to the community or key features of the neighborhood. There should be two or three photos at the top of the page.

6. Sections: Have sections on the page (ideally using header tags). Here are the sections to have:

Welcome to Indigo Hills Real Estate Page and Community Information. Include a couple of paragraphs about the community.

Schools Nearby Indigo Hills. Pull in content from numerous sources, such as education.com and city-data.com. Beware, some data providers package their product in such a way that their content is linked out or resides in an iframe or on their server, rendering it useless for your SEO value.

Home Sales in Indigo Hill—Highlands Ranch, CO. In this section, interpret the market data for this area. If you can't go as detailed as the neighborhood, then go by ZIP code. Don't copy and paste graphs and charts in a mindless fashion. Interpret the information for the consumer, perhaps via video. Then, upload the video to YouTube. com, or use a video hosting platform that offers you better SEO value.

Recent Home Sales in Highlands Ranch, CO. This section offers a lead-generation opportunity. If you need to collect contact information to display sold data, then do so. Then, offer something of value, such as an emailed neighborhood market report.

Current Homes for Sale in Indigo Hill, Highlands Ranch, CO. This section title is a variation of keywords that includes a local neighborhood and community (city) in the headers. This will attract long-tail and short-tail traffic to your pages. This section should be mapped as detailed as you can make it. Some systems allow you to draw your own search with a tool. It is ideal if the map has the boundaries

drawn and home icons present so the consumer can visually see the homes in the neighborhood.

7.   Right Rail. In the landing page's right rail, you can capture leads and feature partners that work in that area. One idea is a section for calculating a home's worth.

8.   Contact Forms. Don't forget your contact forms. One idea is to prompt a pop-up window after two minutes. The window can welcome the visitor to the community page. You can also offer visitors a place to sign up for the neighborhood newsletter, property alerts, sold properties, trends, stats and home values.

Once you build your pages, you must drive traffic to them through SEM (search engine marketing) campaigns. Next, construct a social media strategy where you feature one neighborhood a week in a rotation. REAL Trends reviewed hundreds of websites. The top 25 best neighborhood pages, as identified in our 2015 Real Estate Website Rankings, can be found here: realtrends.com/2015-website-rankings/index.html.
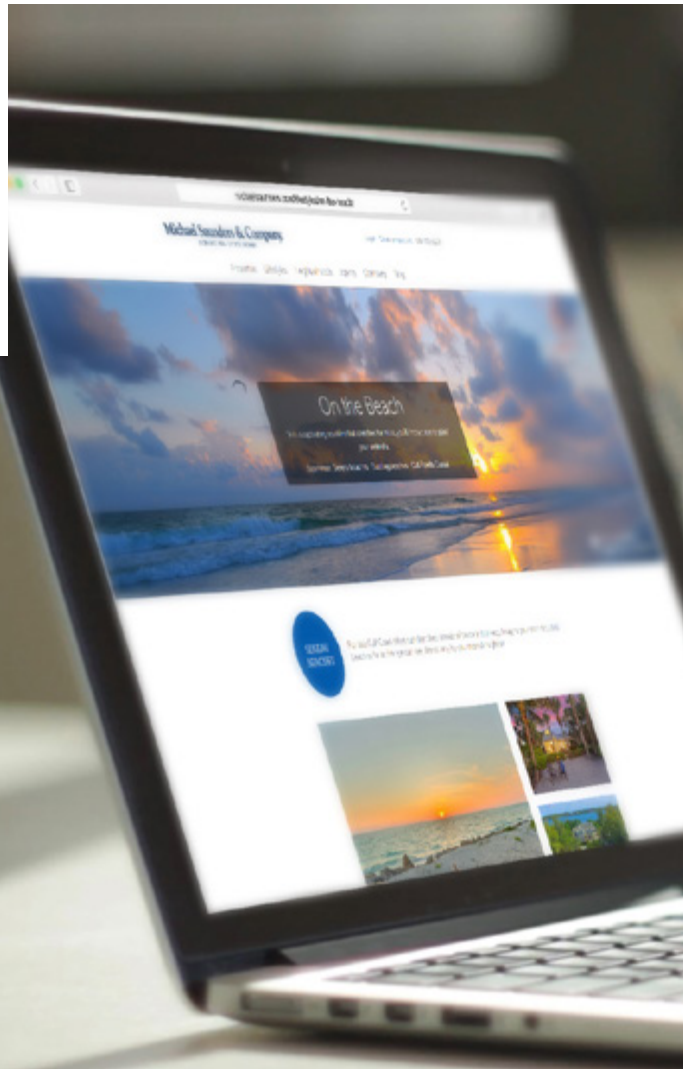
MICHAEL SAUNDERS

Michael Saunders, a broker in Sarasota, Fla., took home top overall website in our 2015 Real Estate Website Rankings. Saunders' business does a professional job of displaying lifestyle data for brokerages.

Go to michaelsaunders.com/lifestyles.

Lifestyle and Niche Content Strategies

Lifestyle content is essential for a digital strategy. The list presented here was the result of a strategy planning with one of our clients. While it would be nearly impossible to update these categories on a regular basis, this client works with a local magazine and content writers to strategically push content in all categories and tag the content so it flows to the appropriate pages, on their site.

- Lake Life
  - Lake Path (Lake Geneva)
  - Lake Clubs
  - Boat Tours
  - Piers (slides, design, slips, rafts)
  - Water Activities
  - Sailing
- Country
  - Lawns
  - Country Retreats
  - Hobby Farms
  - Farming
  - Acreage Options
- Recreation
  - Hot Air Balloons
  - Equestrian
  - Beaches
  - Nature
  - State Parks
  - Fishing
  - Kite Sailing
  - Winter Activities
    - Snowmobiling
    - Ice Parties
    - Ice Boating
    - Ice Fishing
    - Skating
    - Cross Country Skiing
- Hiking
- Road Biking
- Mountain Biking
- Golf
  - Public Courses
  - Private Clubs

- Family
  - Parades
  - Fairs
  - Dogs
  - Festivals
  - Family Vacation
    - Short-Term Rentals
  - Quality of Life
    - Schools
    - Commuting Opportunities
  - Taxes
  - Water Parks
  - Families with Special Needs
- Social
  - Hang Outs
  - Parties
  - Private Clubs
    - Country Clubs
    - Hunt Clubs
  - Garden Clubs
- Commuters
  - Less Than 90 Minutes to City
  - Major Airports
  - Train Options
  - Work from Home Possibilities
  - Business Parks

Video Content
By Garlic Media Group

Video has exploded, accounting for more than 50 percent of all content viewed on the Internet.

REAL Trends reviews hundreds of brokerages websites each year for several different Web elements, including video strategies. To view the 2015 best websites for video, go to

realtrends.com/2015-website-rankings/index.html.

25 Videos You Can Shoot and Share Right Now
By Zillow Group

When you're online, how often do you come across a short video whose title or description catches your eye? Whether it's an informative, business-related clip or a 30-second distraction from the daily grind, the video is an increasingly popular method of mass communication—yet also ideal for reaching a targeted audience.

Here are 25 videos you can shoot and share with your audience:

Home Tours
Shoot brief videos that highlight all the best features of a home. You don't have to limit yourself to your listings either. Show off your real estate expertise by taking your audience on fun tours of iconic home architecture styles.

- Video walkthrough shot and uploaded
- Room-by-room highlights
- Kitchen nirvana (or bedroom, bathroom, man cave, craft room)
- Home types: What's the difference between Mediterranean and Spanish colonial? What makes a home mid-century modern? What should you know about buying a cottage-style home?

Get to Know the Neighborhood
Attract buyers to your area or neighborhoods by sharing all the things that make it so special. Review your favorite restaurants, parks and nature walks. Share lesser-known facts that people would love to learn about your area. Illuminate a bit of its lifestyle and culture.

- My favorite places
- Hidden treasures
- Statistics, facts and trivia
- Where to find the best (fill in the blank)

Behind the Real Estate Scenes

People love being in on a secret, so share a day in the life of a real estate professional or brokerage.

- Meet our team
- Client testimonials
- Real estate question of the week
- What happens in our office

Ready to Buy?

Homebuyers look to real estate professionals like you for guidance in finding the perfect home. A video is a great way for them to start the process and learn how you can help.

- How to tell if you're ready to stop renting
- Questions to ask your mortgage professional
- What does a buyer's agent do?
- Tips for packing a room to move

Preparing to Sell

Sellers want to know how much their home will sell for—and how quickly. Videos enable you to give them information on the pricing process, so you can manage their expectations when they become clients.

- What to expect from a seller's agent
- The methodology of pricing your home
- Easy ways to amp up your curb appeal
- Common mistakes that kill a home sale

Keeping Up Appearances

There's a lot to know about being a homeowner. Whether your followers are thinking about selling or just maintaining their home, you can lend a hand with helpful tips and tricks.

- Home maintenance tasks after one, five or 10 years
- Testing paint colors
- How to repair scratches and dings on walls
- Eliminating stains and odors on furniture and rugs
- Before and after projects

Creating videos and adding them to your marketing ???repertoire can help you attract, engage and connect with consumers. But having videos is only part of the picture: You have to share and promote them on your website and social media platforms. Once you start offering videos on a regular basis, you will build an audience of buyers, sellers and others.

CRM AND AGENT ADOPTION

CRM and Agent Adoption Study

In a past study conducted by REAL Trends in 2013, it was found that 40 percent of real estate professionals reported using a CRM system. Of those 40 percent, some 95 percent of the nation's top-performing sales associates use a CRM system in their business.

CRM usage has made an impressive leap since 2013. According to the 2015 REAL Trends/Boston Logic study, "CRM + Agent Adoption = Productivity," some 72.5 percent, nearly 3 out of every 4 agents polled have a CRM system in place. At a similar rate, 69.4 percent of brokerages surveyed currently supply a CRM system for their agents.

Having a CRM system in place as an agent, or providing one for agents as a brokerage, seems like a relatively simple decision to make. However, roughly 30 percent of brokerages and/ or agents don't invest in this business tool.

To the right are the top 10 reasons we heard from brokerages on why they don't use or supply a CRM system.

What are the biggest reasons you don't use a CRM as a real estate brokerage?

Answer Options	Response Percent
Unsure which CRM is right for me	32.1%
Other (please specify)	22.6%
I don't need a CRM	20.8%
Expensive	18.9%
I don't know where to start	13.2%
Doesn't integrate with my other systems	13.2%
Time consuming	11.3%
Too busy	11.3%
I do everything in Microsoft Outlook/ Excel	5.7%
Intimidated	1.9%
Missing needed features	1.9%

The common issues deterring brokerages, and many of the responses supplied in the "other" category, were directly related to the lack of clarity on CRM systems. Nearly 1 in 3 brokerages are unsure which CRM is right for them, and another 13 percent simply didn't know where to start. One of the most common issues that the REAL Trends Technology Consulting team tackles with our brokerage clients is deciphering the complexity surrounding CRM systems.

The most surprising answer from the brokerages surveyed was that 21 percent said that they did not need a CRM system. We will address this further in the productivity section of this study.

Overall, 96.2 percent of brokerages and 94.6 percent of agents surveyed said that a CRM increased their pro-ductivity to some degree. To corroborate these responses, we collected productivity data in the terms of sides produced and the number of active agents that produced those sides for these brokerages.

When filtering responses for brokers that provide company-wide CRM systems versus those that did not, we found that brokers who offered a real estate CRM system to their agents showed a 26.2 percent increase in transaction sides per agent over those that did not provide a real estate CRM system. This number is not quite as large as the subjective results reported, but the objective results reinforce the positive impact a real estate CRM system has on agent productivity.

For both agent and broker responses, we did see a small percentage of respondents who felt that a CRM system did not affect their productivity. It could be interpreted that the CRM system used by these agents and/or brokerages lacked the necessary features for its user to engage with the technology tool in a meaningful way.

How a brokerage or an individual agent engages with a CRM system may differ, but the purpose of both parties is to strengthen client relationships and increase overall productivity. From our survey, 96.2 percent of

Do you feel that your agents who use a CRM are more productive than those who don't? If so, by how much in comparison to your other

Answer Options	Response Percent
No more productive	3.8%
10% more	0.0%
20% more	16.5%
30% more	13.9%
40% more	15.2%
50% more	22.8%
60% more	1.3%
70% more	7.6%
80% more	3.8%
90% more	2.5%
100% or greater more effective	12.7%

brokers indicated that they thought the use of a real estate CRM system by their agents had a positive impact on agent productivity.

As far as the overall influence on productivity, the majority of brokerages felt that the active use of a CRM system by their agents made the agents 50 percent more productive than agents who didn't use a CRM system.

In line with broker responses, the majority of real estate agents surveyed said that using a CRM system increased their productivity by at least 50 percent.
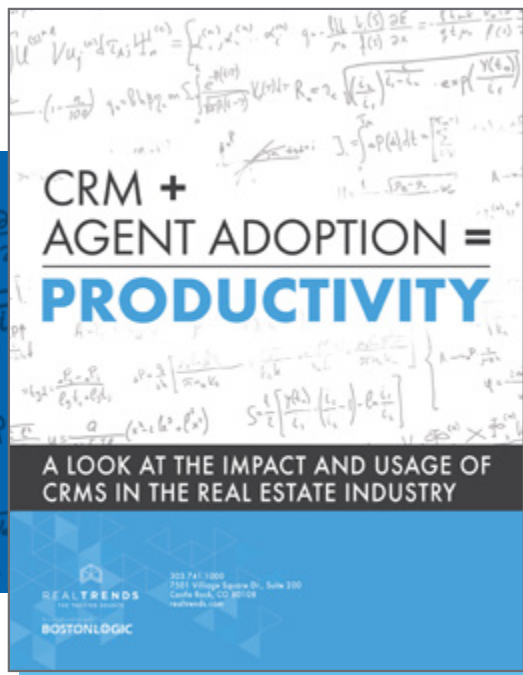
Marketing Automation and Lead Segmentation
By Boston Logic

Real estate professionals and brokerages have diverse needs based on the scale of their business. Whether you are a large brokerage or specializing in a smaller market niche, employing automation is key to assuring that your clients and prospects are getting trending information while you work deals.

From our work with brokerages across the spectrum, from boutique to enterprise, we have seen segmentation and automation strategies drive lead-generation growth, from 13 percent to 25 percent, respectively, over the last year. Here are some strategies that work:

Customer Personas

To understand your leads and customers, create market and customer personas. These are semifictional identities created for your ideal buyers and sellers based on their demographics, goals, activity and agent-supplied data. For example, what's important to a first-time homebuyer is not necessarily important to a retired couple looking to downsize.

Who are your customers and what are they interested in?

When developing your customer personas, often called buyer personas, it is critical to associate them with the types of properties you sell. What is your market persona? Once you know your market persona, you can build relationships between that and your buyer personas to create the most effective marketing plan.

Smart List Segmentation

Once you've created your personas, the best way to deliver highly targeted email campaigns is by creating smart lists between your CRM and your email marketing system based on certain defining criteria for your client subsets.

You may want to create lists based on personas, life-cycle stage, property type, lead score and behavior, source (Zillow, Trulia, etc.) or any other characteristics or demographics that define your groups of contacts. Segment your contacts into significantly sized lists to get the most out of these efforts.

Lead Scoring

Lead scoring is an algorithmic-based approach to lead ranking. The more actions leads take on your site, the more interest they have and the higher their lead score becomes. Lead score is a defining characteristic that you want to use to segment your contacts to deliver the best, most relevant marketing campaigns. You want to set thresholds in your system so that when a contact's lead score rises above a certain number, your agents get notified immediately so they can follow up quickly. This will maximize conversion.

The practice of lead scoring also helps to align your sales and marketing team, where marketing nurtures the contacts who aren't ready to enter the next stage of the buyer's journey and passes only the qualified leads off to your agents for follow-up.

Automation of Communication

Often, you want your leads' behaviors to dictate your marketing segmentation as well. Create workflows that trigger follow-up campaigns for leads who take action on your site, such as filling out a form, asking to contact an agent, mark a listing as a favorite, etc. If the system can take action and follow up automatically, then you can assure that your leads are getting the best information at the best time no matter where you are in your day.

CRM Strategies and Training

Here are 9 top strategies for maintaining and leveraging a CRM system:

1. Personalize and Customize your CRM. Knowing your audience and delivering timely and relevant information is critical for standing out. Create fields that allow you to store relevant information, such as FORD (Family, Occupation, Recreation and Dreams.) This is a Ninja selling philosophy that helps you stay connected to your sphere on a personal level.

2. Lists, Lists and More Lists. Once you have the data personalized, create lists of people by hobby, interest and more, such as golfers, fantasy football people, horse people, mountain bikers, etc. Touch these people at least twice a year with specific content regarding their interests.

3. Record Pertinent Dates and Stick to Them. Keep track of home anniversaries, wedding anniversaries, parent and child birthdays, and important dates related to their hobbies. The more detailed you are; the more amazing you look.

4. Biannual House Cleaning. Clean up your data every six months.

5. Automate Reminders, Follow Ups and Next Steps. Make notes and action plans that remind you when to touch base with them. Automating these ensures that nothing slips through the cracks.

6. Know Your Last Contacted Dates. Use this as a sorting category, so you can stay in touch with contacts who have slipped too long in your communications. Communications don't always have to be calls, meetings and emails. Think about video, social media and more.

7. Sync Your CRM with Your Email, Contacts and Calendar. Make sure your Gmail or Microsoft Exchange is syncing with your CRM. Imagine you are at a soccer game with your kids, you meet someone, and you add the person to your contacts on your phone. If it automatically syncs with your CRM, you don't have to add the information twice or forget to add it.

8. Get Mobile. Make sure that your CRM is mobile adaptive and compatible (or a mobile app), and you are actually using it on the go to trigger emails, welcome emails, lead responses and more.

9. Mix in Multiple Media Sources. Inject social media, video and print marketing options into your CRM. Create a field for last social contact. Do the same for video and print components.

Case Study: Mike Hogan, Keller Williams Realty, Virginia

Brokerage: The Hogan Group, Keller Williams Realty
Location: Mechanicsville, Virginia
Years in Real Estate: 13
Joined Zillow: April 2011
Zillow investment today: $27,000
Business Growth: Total team transactions of 203 units in 2015 (from 20 units in 2010) and $43 million in volume (from $1.9 million in 2010)

Although he received a significant number of leads from Zillow, Mike Hogan was years into his real estate career before he realized he couldn't manage them all on his own. When he looked for help automating certain tasks, he chose a customer relationship management (CRM) system. Today, he easily handles hundreds of online leads each month to the tune of $43 million in 2015 sales. Here's how he did it.

Hogan acknowledged he had no idea what he was doing when it came to managing his leads. "When you're getting 50 leads each month and trying to grow a team, then you become the bottleneck. Leads would stay in my inbox for an hour or two—you just can't do that," he says.

So he cobbled together a solution of an Excel spreadsheet and a round-robin approach to track and distribute inquiries. After he joined Zillow, he got even more leads. He knew he needed a system to automate assignments based on rules he defined. "For example, I wanted a system that, when a lead came in from a specific ZIP code, was assigned to the agent who covered that area," he says. "When you automate 90 percent of that process, your scalability is unlimited and you can take on as many leads as you want."

Challenge

Hogan needed help with two primary tasks. The first was lead management, responding to leads and parceling them out as they came in. The business was doing OK with 15 to 20 leads per month, so he hired a buyers' agent to assist him. However, Hogan remained the one in charge of working the leads before assigning them to his agent. "I was still the person who worked the leads to start and did what needed to be done before handing them off."

The second task Hogan needed help with was lead follow-up. He wanted to put leads into automated campaigns.

After you've made that initial contact, the nurturing piece is huge, yet it's the biggest piece real estate agents let go of," says Hogan. "We couldn't just drop leads into a drip campaign or send them a monthly newsletter; they want a real person to talk to and ask questions of."

Solution

Hogan chose a CRM solution that could efficiently and intelligently manage all the online leads he generated. He and his team can instantly send customized texts and email replies that are automated, yet convey a personal tone that auto-responses lack.

"The CRM automatically assigns leads, so there's almost no time between when they hit Submit and when they're connected with a Zillow agent," says Hogan. "We're able to make a quality response in five to ten seconds."

Results

Hogan doesn't quantify the benefits of using a CRM in terms of time or money savings. He looks at its value in the number of leads he and his team can handle. One of the most significant outcomes of adopting a CRM is that automated responses free him up to generate more business. "Initially, my CRM allowed me to do 10 times more than what I could have done on my own; now it's probably 40 to 50 times that," he says.

Since implementing a CRM system to handle all his Zillow leads, Hogan has doubled his team, doubled his lead conversion and doubled his sales volume:

- Approximately 70 percent of his business comes from Zillow; the remainder comes from referrals and working his sphere of influence
- $43 million in 2015 sales volume, $22 million in 2014 and $11.8 million in 2013
- 18 Premier Agent ZIP codes
- More than 200 transactions closed in 2015, 115 in 2014 and 81 in 2013
- 300 to 400 leads per month through Zillow
- A team of 8, including five buyers' agents and an inside sales personassistant

"There are real estate agents who are still acting as inside sales agents—I don't know how they can do that," says Hogan. "I can pretty much beat those agents every day of the week."

"INITIALLY, MY CRM ALLOWED ME TO DO 10 TIMES MORE THAN WHAT I COULD HAVE DONE ON MY OWN; **NOW IT'S PROBABLY 40 TO 50 TIMES THAT,**"

Injecting Digital Marketing, Reviews and Open Houses into Your CRM

CRM can extend beyond your typical knowledge of tracking tasks and emailing your clients. For example, there are many productive apps, such as Open House Pro, that you can integrate into your strategy. Automate thank you emails and update emails to open house visitors through your CRM.

Also, inject social media triggers or reminders to engage your sphere. Reach out every six months on social channels. Use your CRM to record and trigger those.

Use video as a communication outlet integrated with your CRM. Reach out once a quarter to recruits or agents.

Finally, build a testimonial/review program. Create a few email templates that rotate through your request for testimonials and use Facebook to connect, message and ask for a review.

Top CRM Strategies to Stay Connected

By Eric Pointer, co-founder and COO, AgentJet

Not knowing how to build and retain relationships and the processes and systems necessary to do so is the primary reason by sales associates spend too much time chasing online leads. Online leads, why nature, are colder contacts than friends, family and former clients. Online lead conversion alone isn't a comprehensive business-building strategy. So what makes a comprehensive business-building strategy?

Work your contacts from warmest to coldest. Nurture relationships with people you already know—friends, family and former clients. Then, build relationships with people you meet at open houses and at other, in-person social engagements. After that, work your social media followers.

Finally, invest in paid advertising to attract buyers and sellers to expand your client base.

Think of your website as the core of your business where all
- Communications takes place.
- Emails are drafted or selected from a library and sent.
- Texts are prepared or chosen from a library and sent.
- Content is created and shared across social media.
- Friends, family and former client contacts and invitations reside.
- Leads are managed and routed.
- Endorsements are blasted.
- And automated smart follow-up is sent from.

Then, connect your website to your Facebook Business Page where
- You stay in front of prospects by boosting content to your target market.
- Your Facebook budget is set.
- You choose specific audiences.

The key here is to have a system and processes in place to easily stay connected with your entire list, regardless of source.

TRANSACTION MANAGEMENT AND ITS IMPORTANCE ON THE REAL ESTATE FUNNEL

In 2014, REAL Trends did a survey on transaction systems that produced several productive metrics for our industry. We found that 61 percent of brokerages use a transaction system. Contrary to our hypothesis, the more agents that were in a brokerage the fewer brokerages used these systems; less than half of surveyed brokerages that had more than 700 agents used a transaction system.

In 2016, we are seeing this trend reversed. Through our technology consulting, valuation and other research, we are able to conclude that this number has approached 81 percent of all brokerages (regardless of size) that use a transaction system, with the larger firms implementing more transaction systems.

Adoption numbers are also significantly climbing and have outpaced CRM adoption in our industry. Some 69.4 percent of brokerages adopted a CRM in 2015 compared to 81 percent of brokerages that adopted a transaction management system. Through our calculations, there are approximately 10,000 brokerages in the United States that do not use a transaction management platform.

Because more brokerages are adopting these systems, we are seeing more agents adopting them as well. Self-reported adoption of CRM systems was 72.5 percent in 2015, and transaction management systems was 76 percent in 2016. In 2014, many brokerages reported that they did not use transaction management systems because "No system does it all." This has changed as features from companies such as dotloop and DocuSign helped closed that gap.

In 2014, REAL Trends found that the average agent who used a transaction management system had 2.3 more transactions than those who did not use the system. Do agents who have a high volume of transactions need a transaction system, or does the system help them complete more transactions? We are seeing that agents in firms that use transaction management systems close deals faster and have a higher client satisfaction rate on average than those who are in brokerages without such systems.

How to Squeeze Every Marketing Opportunity

The experience of transaction management plays a critical role in satisfaction of customers and their willingness to repeat. People are generally happy when they close on their house, which is why 80 percent of buyers say they will use their agent again. However, only 10 percent do. That's why follow-up and relationship marketing is critical.

Many brokers are figuring out the marketing value of the transaction. Many request a testimonial or review by sending automated surveys and aggregating the information on Google, social media and the listing portals.

Other brokerages companies, like Coldwell Banker Franchise, are choosing to stay connected through smart home technology closing gifts or packages for the homeowner. Imagine that when your consumers adjust the home's temperature using the Nest thermostat you gave them; they'll think of you.

The Shifting Landscape of Transaction Management
Co-authored by dotloop

Along with the competition for listings and agents, brokerages face a new set of challenges unique to this housing market. Why should the process that takes homebuyers through the largest purchase of their life be digitally less sophisticated and comprehensive than their fitness tracker application?

While clients may not understand the legalities and nuances that go into a real estate transaction, they still expect the process to be streamlined and easy.

Valid or not, client expectations are what they use to gauge the success of their transaction.

Transaction Management as Marketing
The openness created by social media and the inexhaustible information on the Web have broken down traditional categories of marketing. Businesses are finding that it is no longer enough to get their message out and build brand awareness. For a customer constantly barraged by messages and drowning in data, businesses need to do more to stand out.

Every touch, whether receiving a bill or making a call to customer service, influences the customer's opinion of the organization and must be considered marketing. Successful real estate brokerages know that this new paradigm is a double-edged sword. When well

executed, this multitude of marketing touchpoints creates more opportunities for positive brand awareness and business success. Without thoughtful preparation, however, these opportunities quickly become marketing risks and business failures.

Brokerages can be sure of one thing: clients will open and engage with the documents needed to complete the sale of their house, which makes the client experience with the brokerage's transaction platform of vital importance.

From the client's perspective, the brokerage's actions are much more persuasive than its marketing claims. Many brokerages can claim that they make buying a house easy, but when their transaction process is confusing or unnecessarily complicated, their claim is easily undermined.

The Customer Experience

Consumers have shown that they will choose businesses that interact with them on their own terms. Thus, it is important for the transaction platform—an extension of the brokerage's professional brand—to have a clean interface and straightforward user experience. Even when faced with contracts and agreements with dense legal language, the platform must be able to guide the client through the signature process with very little instruction.

The Agent/Administration Experience

Equally important to the customer experience is that of the real estate professionals who must use the transaction management system on a daily basis. If the system does not increase their productivity by automating tasks, eliminating the hunt for paper, prepopulating forms with data and enabling real-time visibility into the transaction process, then it doesn't matter if the customer likes using it.

Brokers and administrators are adopting tools that give them instant insights into the progress of any transaction—such as who still needs to sign what—along with tools that give them intelligence on the performance of individual agents and offices. This is relevant to team analytics where compensation is shared, making individual performance a key metric.

Going Paperless Isn't Enough

Print solutions are analogous to the simple flip phones designed specifically for the elderly. Those phones do only one thing: make phone calls. But if, in addition to making calls, users need to manage their schedules, respond to email, track contacts, pay bills and share photos on social media, they need a device that integrates all these functions—a smartphone.

A prime example of a point solution in the real estate world is the esignature program. By eliminating the need to print-sign-scan agreements, these programs speed up part of the transaction process. But, because they don't offer collaboration, version control, tracking

and compliant archiving, they don't solve real estate transaction needs at the broader system level.

Similarly, only an end-to-end transaction management platform fully leverages digital technology in a way that allows a brokerage true operational efficiency.

The Need for Scalability

For a brokerage, the biggest value of adopting a comprehensive transaction management system is its ability to scale. From preparing the sale packet through to long-term storage, the technology is doing the heavy lifting each step of the way. Information is collected once, automatically retained and passed on to the next step. It takes little effort to add a new transaction or onboard a new agent. And because the platform is designed as a unified system, adding transactions or people does not increase operational complexity.

The Future Belongs to the Connected

While computers have been in use since the 1950s, it wasn't until they were connected to the Web in the early 1990s that the information revolution took off. Successful agents use their connections to get listings and collaborate with their team of professionals to successfully complete the sale. The brokerages that will thrive in the future are the ones that can successfully use technology to build connections with people.

All-in-One Is the Future

When measured in terms of speed, oversight, ease of use and security, an all-in-one transaction management platform offers the best option for real estate brokerages.

An all-in-one transaction management platform can provide a system that works. New features can be added with a single update. Management can be done through a single login. And the components work together seamlessly, allowing brokers and their agents to spend time doing what they do best.

FOLLOW UP AND RELATIONSHIP MARKETING
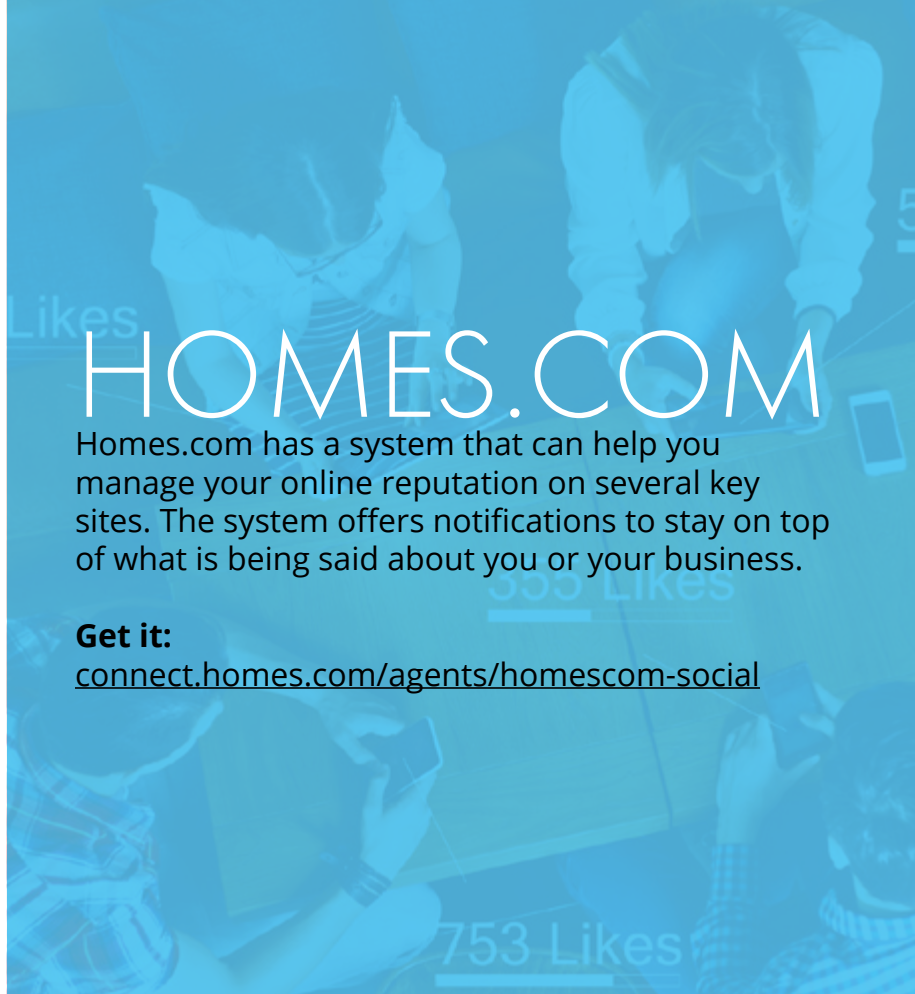
Reviews and Testimonials

HubSpot reported that 58 percent of consumers trust a business with positive online reviews, that 65 percent read between two and 10 reviews and that a large number of reviews gave users more confidence in the legitimacy of the star ratings. With consumers relying on strangers' ratings and comments about a brand, you need a game plan for responding (or not responding) to such content. Here are some rules:

RULE 1: Never write a response while angry.
But do write a well-thought-out response. Often, customers just want to be heard, so by responding, you are letting them know their complaint was acknowledged. Plus, your potential clients can see that you addressed the issue.

RULE 2: Always use empathy and be authentic.
If you come across as unsympathetic or dismissive, you will either look bad to other consumers or encourage the person to take further action. Being genuine and open about your brand is always the right way to go as it increases your credibility and authenticity.

HOMES.COM

Homes.com has a system that can help you manage your online reputation on several key sites. The system offers notifications to stay on top of what is being said about you or your business.

Get it:
connect.homes.com/agents/homescom-social

RULE 3: Don't blame the customer or another teammate.
Take responsibility for the situation. According to Marketing Pilgrim, when applicable, you should quickly apologize. Consumers don't care whose fault it is. They just want it fixed.

RULE 4: Never get into an online comment battle.
Always keep it professional and respond quickly to unfavorable reviews. You want to attempt to rectify the situation. Show that you are concerned about reviewers' experience by asking them to meet or call you to discuss the matter further. Andy Beal, founder of Marketing Pilgrim, says, "Oftentimes, you have the opportunity to turn a detractor into an evangelist by fixing situations."

RULE 5: Never ignore the bad reviews.
Always acknowledge the review and respond quickly to set things right. Follow through immediately or they may not trust you or remove the negative review.

REAL TRENDS TECHNOLOGY CLIENTS

Clients of REAL Trends Technology and Marketing get access to powerful tools that taps into nearly 80 sites.

Learn More:
realtrends.com/technology/brokerage-consulting/online-reputation-management

Create a Reputation Management Team

Reputation is an asset. Employees are a company's best advocates and become your protectors (defense) and promoters (offense). So set up a team of key players who have ownership of the brand, social media, reputation and risk management, legal and human resources. The team should champion the cause for social media and online reputation management.

The team should have a variety of players with different roles and include one to take ownership of the company's image. This player makes the calls, rallies the team, knows the plays backward and forward, and is responsible for day-to-day management.

Here are steps to help you get started in creating your team:

1. **Identify the key players** to become a part of the team and engage each of them in the creation of the guidelines.

2. **Set routine meetings** for the team to share best practices, new trends, emerging platforms and technology.

3. **Establish goals**, objectives and tactics to support them.

4. **Conduct a reputation and social media audit.**

5. **Craft a risk management plan** along with response protocol to become a strategic guide for units of the organization to follow.

6. **Set up listening tools** and formal mechanisms to actively monitor, measure and manage reputation.

7. **Develop internal training material** and deliver it to the organization as often as possible.

8. **Evaluate effectiveness** of actions taken.

Toolkit for Managing Reviews

As a business owner you're constantly reevaluating the best ways to enhance brand recognition and to optimize your online presence. This is no small task. According to our Online Performance Study, nearly 60 percent of your traffic comes from search. Imagine what would happen if the information being shown to potential customers was inaccurate. Something as simple as an incorrect phone number or the wrong hours of operation can be the thing that drives people away from your company and to your competitors.

In partnership with Yext, an online location management company, REAL Trends can maintain your company's information across 60+ sites from one location. This includes Google, Bing, Yelp, Tom Tom, Facebook and other online publishers. With one click, we can update information with a direct API connection. Not only that, but we can notify you the minute you receive a less-then-stellar review.

Next to your website, this is the second-most-important feature of your online presence.

To see how your business stacks up on the above sites, REAL Trends built a scan tool that allows you to enter your business, offices or agent information and see how many errors you have in online directories. Click on the Image Below. Warning! The average real estate company has about 80 errors.

Real Trends

REAL TRENDS is The Trusted Source for news, analysis and information about the residential real estate industry. Founded in 1987, REAL Trends is a privately-held publishing, communications, technology and brokerage consulting company based in Castle Pines, CO. Residential real estate leaders look to us for timely and trusted information and analysis.

HOW IS YOUR BUSINESS LISTED?

Enter business information to scan below:

Business Name

Address

City | State | ZIP

Phone Number

SCAN NOW

REPUTATION MANAGEMENT **CHECKLIST**

Contact Information

- ☐ Correct Business Name
- ☐ Current Address
- ☐ Current Phone Number
- ☐ Current Website

Keyword Adjustments: Updates/Additions

- ☐ Daily
- ☐ Weekly

Monitoring: Reviews/Mentions/Social

Scanning Frequency

- ☐ Daily
- ☐ Weekly
- ☐ Monthly

Response Frequency

- ☐ As I am Notified/Immediately
- ☐ Weekly
- ☐ Monthly

Establishing Brand Presence

Search Engines

- ☐ Bing Local
- ☐ Google+ Local
- ☐ Yahoo Local

Review Sites

- ☐ Insider Pages
- ☐ Judy's Book
- ☐ Kudzu
- ☐ Yelp
- ☐ Other

Directory Sites

- ☐ 411.com
- ☐ DexKnows
- ☐ Local
- ☐ LocalEdge
- ☐ MerchantCircle
- ☐ Super Pages
- ☐ Yellow Book
- ☐ Yellowpages
- ☐ Ziplocal

Homes.com

For more ideas on how to market you business, visit connect.homes.com.

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COMMENT & REVIEW **GUIDELINES**

Homes.com   For more ideas on how to market your business, visit **connect.homes.com.**

Some Things to Consider

When we have an Internet crisis, brand abuse or defamatory discussion threat, what does our response system look like now? _____

What social media sites are we currently on? _____

What social media sites and online sources do we currently track? _____

Do we have a monitoring program put in place to track positive, negative and neutral mentions of our brand? _____

How do we manage all of the responses that come in today and who is responsible? _____

What is our plan of action if a crisis occurs during business hours and after business hours? _____

What tools are we using to track defamation? _____

Who is our company spokesperson should a crisis arise? _____

Do we have the capability to quickly issue out a statement? _____

How will we mange negative reviews? _____

How will we manage positive reviews? _____

Will we reject comments that include offensive or inappropriate language? _____

Will we allow personal attacks? _____

In an ideal world, you might allow people to question or argue your company's content – after all, this medium is about conversation. Even if you do allow criticism, consider outlawing aggressive attacks.

On-topic comments: What will you do with comments that veer away from the topic of the post or other peoples' comments? _____

Will we allow comments that appear to be spam? _____

Will we take action against repeat offenders? _____

Will we provide a way for commenters to contact someone if their comment is not approved, or if they have other questions? _____

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Managing Your Online Reputation

Your online reputation is measured by consumer perception in terms of credibility. Seventy-six percent of consumers regularly or occasionally use online reviews to determine which local business to use, while 80 percent of consumers have received advice through a social media outlet regarding which product or service to buy.

Take a moment to consider how clients and prospects perceive your brand. Can they easily find you online? Do you know what they're saying about you? And do you know where they're talking about you? If you did not answer, "Yes" to these questions, it's time for you to invest in your online reputation!

Companies are investing heavily in managing their reputations because two-thirds of consumers are using search engines to help them research and make purchase decisions. If consumers can't find you, haven't heard of you or aren't talking about you online, chances are your competition will gain their business.

The Impact of Online Directories for Real Estate

The world of online addresses, directories, Yellow Pages and business pages is extremely complex. Currently, there are nearly 100 main online directories where you can find business information,

"IT TAKES 20 YEARS TO BUILD A REPUTATION AND ONLY FIVE MINUTES TO RUIN IT. IF YOU THINK ABOUT THAT, YOU WILL DO THINGS DIFFERENTLY."

—Warren Buffett, American Business Magnate

such as Google, Google Local, Google+, Facebook, Yelp, Yahoo, Bing, Yellow Pages, City Pages and more. These sites aggregate information much like the listing portals. One bad piece of information from one site can resurface on other sites, even when you think you have the problem solved.

Inaccurate Listing = Low Google Rankings

If you search your business and you have inaccurate listings, Google will spot that and give you a lower ranking in search results. Let me apply this to your business, the real estate brokerage. In this example, a brokerage company has 100 agents, five offices and mortgage, title and commercial divisions. It moved several offices to new locations. Sometimes sales associates will claim these offices on Google. But sales associates come and go, so agents who no longer work at your company show up on these sites. You potentially have thousands of entries online.

The Solution

What is the solution? There are services to handle this information, but many of them charge $1,000 per year, per office.

In 2016, REAL Trends rolled out a tool (for clients only) that has a direct API connection to all these sites. We can take an office, get the correct information, and connect with every site to update your information across the Web. And, we're doing it for a lot less than other services.

LEAD MANAGEMENT: ETEAMS AND REAL ESTATE TEAMS

For more information, visit optimizelocation.com/partner/realtrends/diagnostic.html

With so many lead-generation programs available, consider building an eteam. The most common eteam within a brokerage is a team that has increased accountability and technology demands. The brokerage collects a referral fee or closing fee for every lead it generates. Commonly, performance standards are put into place. A properly run eteam can be one of the most profitable areas of a brokerage.

Eteams are typically made up of about 10 percent of the overall agent count for firms of 50 to 400 agents. Then, economies of scale set in and about 5 percent of agents are involved in an eteam in firms that have 400 or more sales associates. Referral fees range from 25 to 50 percent, with the average running at 35 percent.

Implement lead-generation programs that involve CRM, such as Boston Logic's ACE or AgentJet, and then supplement with a wide variety of lead- generation sources like SEM, Facebook, SmartZip, Adwerx and more. Here are three types of eteams:
- The Convenience Team. We see this team the most. It includes two or more agents who share clients and assistants.
- The Personality Team. Most of the business is driven by the personality, with assistants to serve client flow.
- The Business System Team. This is rare but growing. Business is derived through some lead-generation activities and team services.

The business system has been shown to have the highest value when the topic of valuing teams is discussed.

Lead Routing in Eteams

By Boston Logic

Delivering the right leads to the right agents is as important as delivering the right content to the right leads. After leads take action on your site, such as filling out a form or contacting an agent, it's important that the best agent for their needs follows up. Here are some lead-routing systems:

Automated Lead Assignment

With automated lead assignment, we've seen a 45 percent increase in site actions overall, and specifically, a 650 percent increase in site visits where a user has asked to be contacted by an agent. Having lead assignment rules in place within your CRM helps to streamline this process. These rules ensure that leads are automatically distributed to agents based on smart criteria that the agent defines, so that the appropriate agents are always matched with the right leads.

Click to Claim

With click to claim, when a lead comes into the system, all agents are notified at once, and the first agent to claim the lead gets to move forward with it. This creates a healthy incentive for agents to stay more productive because they all have an equal opportunity to grab the lead and grow their pipeline.

Closed Loop Reporting

To fully understand the impact of your efforts on your conversion rates, you want to implement closed loop reporting. This entails connecting your CRM system to your transaction management to evaluate the ROI of each of your marketing channels. This will enable you to understand the cost per lead, cost per deal and cost per acquisition, among other things.
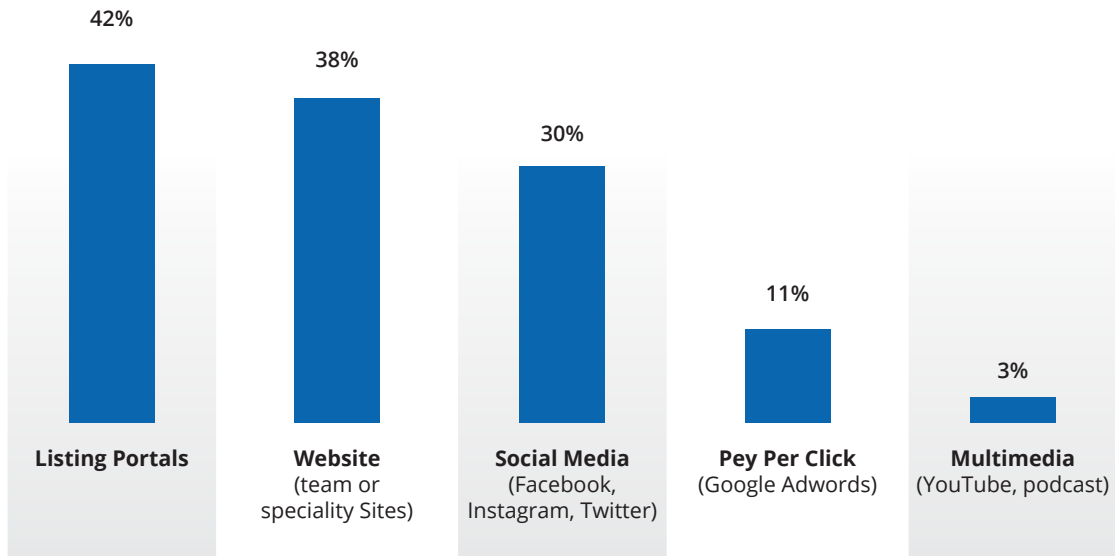
Technology and Marketing Fuel the Growth of Teams

It's no secret that a successful real estate business depends on a continual flow of leads. Before the use of the Internet, real estate professionals relied on door knocking, open houses, distributing fliers and an extensive list of other activities to generate business.

Individual sales associates and teams are still successfully using many of these practices; however, there is an ever-growing list of technology platforms and services intended to speed up the lead-generation process. From websites, listing portals and Google AdWords to remarketing and social media campaigns, there is no shortage of ways to generate leads online. Some teams start using these resources, and other teams form when a single sales associate capitalizes on these tools and expands his or her business.

Leads generated through online platforms or marketing efforts are important pieces of the puzzle for most real estate teams, but they are used in conjunction with traditional lead sources as well. According to a recent study, "The Real Estate Team Playbook" by REAL Trends, team leaders and team members ranked their sphere, repeat and referral clients as the top lead source, followed by listing portals and websites.

Online Lead Sources for Real Estate Teams

42%	38%	30%	11%	3%
Listing Portals	**Website** (team or speciality Sites)	**Social Media** (Facebook, Instagram, Twitter)	**Pey Per Click** (Google Adwords)	**Multimedia** (YouTube, podcast)

Offline Lead Sources for Real Estate Teams

64%	34%	18%	16%	11%	3%
Sphere, Repeat & Referral Clients	**Sign Calls** (Llsting or open house)	**Farming** (door knocking, mailings)	**Cold Calling** (expireds, FSBOs)	**Print Advertising** (newspapers, magazines)	**Multimedia** (TV, radio)
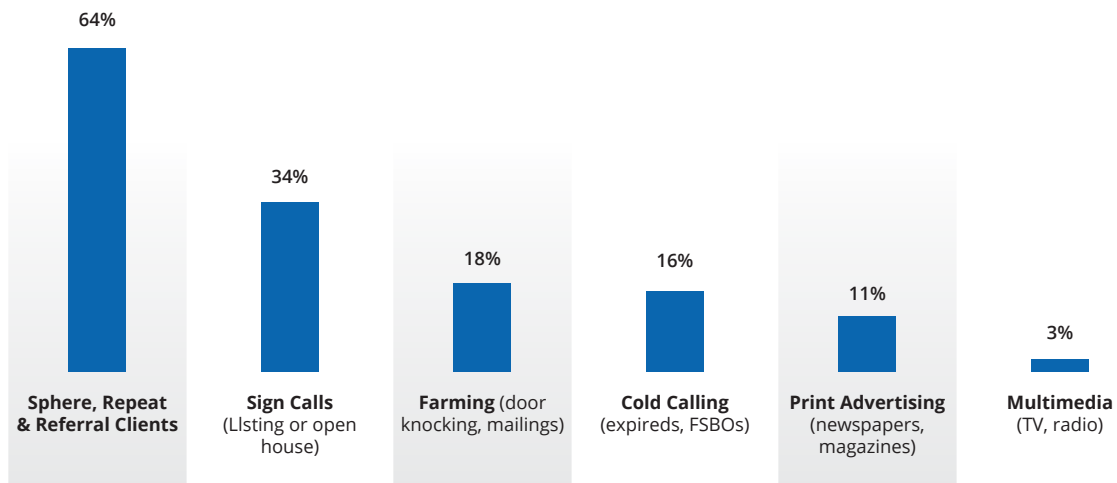
REAL Trends released a complete study on teams entitled, "The Real Estate Teams Playbook," that features details about trends in brokerage teams. Download it free at realtrends.com/research/the-real-estate-teams-playbook.

TECHNOLOGY AND MARKETING DEPARTMENT BREAKDOWN AND ORGANIZATION

Developing a Technology and Marketing Plan for Your Company

Did you know that most U.S. brokers don't have a plan when it comes to their technology and marketing? Sure, they have technology and marketing, but there is no shared vision between the two. Some organizations run flat, with many people meeting and controlling everything, only bringing to the table what they find interesting. This type of brokerage is susceptible to the shiny penny syndrome. Other brokerages run in linear silos with people in charge of respective areas but not coordinating or communicating with each other.

Here is a simple exercise that we recommend each brokerage complete to get a handle on what they are spending, where, what the return on investment is, how you use these efforts for recruiting, what lead sources and rules you have and, ultimately, your plan.

First, organize anything technology and marketing into four areas:
1. Technology Initiatives
2. Marketing Initiatives
3. Leads Initiatives
4. Recruiting Initiatives

You may be asking yourself, "Why is recruiting on the list?" Recruiting today is largely a byproduct of the three areas that precede it on your list. Without clarity in the first three areas, your recruiting managers have a hard time telling your story. Without clarity, your efforts in those areas blend with every other firm in your market. This is one reason why E-edge from Keller Williams made such big waves. They were one of the first firms to add

clarity and message around what they were doing in the first three areas on the list above. So, yes recruiting belongs here. More specifically, the person in charge of recruiting needs to communicate clearly with the other three areas to develop a concise value proposition and use those other areas to drive home your value proposition to potential recruits. The problem with most organizations is that recruiting is done in a silo, and they don't get the help from the other areas.

Build the Foundation

Let's talk about leads. In the next three areas, we have a great exercise every firm should do and repeat every six months. Build yourself a lead matrix. Use a google doc/sheet or an Excel file and make it simple. Track every lead source in your organization. If you get a name, email address or phone number, then it goes in as a lead source. Lead sources include your website, listing portals, MLS, mobile, sign riders, customer service desk, relocation, etc. Any name or opportunity is placed in this spreadsheet. Then, add a field for estimated monthly volume, cost, comments/feedbacks, and what do you currently do with the leads. If you have closing information, place it here as well. This will act as the foundation for your leads strategy. Whoever is in charge of this area will update this doc every six months. They will then set three attainable goals every six months to work towards for their area. This evolving message is then relayed to Recruiting for use.

Marketing Leads

You may think marketing and leads are the same. In some organizations they are, but they should be separated. In the marketing section, repeat the above exercise and build a marketing matrix. This is a spreadsheet where you track marketing sources, number of visits, impressions, clicks, followers and other pertinent information. Start with your website, social media, digital marketing campaigns, listing syndication and more. Anything that has eyeballs on your brand or listing goes into this spreadsheet. The more detailed you are, the better. Think of this as more outbound and leads as inbound. Tackle three goals every six months with clear, measurable success KPIs. This is then relayed to leads and recruiting.

Technology Initiatives

Finally, you have the technology initiatives. Create a technology matrix that lists every technology penny you spend. The slight overlap is with marketing where the website and agent websites should be in here. This is small; however, and the goal is to see the landscape of your technology. But, in this matrix, you want fields such as cost or cost per month, agent adoption of tools, training initiatives, last training held, perception and more. Your goal is to see which technology is being used. This offers you coaching and training ammunition and sets the foundation for the brokerage to add or subtract technology.

In the end, you have the four pillars for getting your technology and marketing under control and ultimately the foundation for a great recruiting and retention strategy. Clarity and shared vision across your organization are important, and this exercise will help you achieve that.

Technology and Marketing Macro Trends

In 2015, brokerages retained a record low 17.4 percent of gross commission income. For every dollar of commission earned, brokers kept an average of 17 cents. It is these tight margins that are forcing brokers to be more efficient in the way they spend their money if they want to turn a profit.

From 2012 to 2015, REAL Trends studies show a 10.8 percent average decline in operating expenses. This includes a 20.4 percent decrease in salaries and payroll-related expenses, a 17.3 percent decrease in advertising and marketing expenses, a 20.7 percent decrease in occupancy-related expenses and a 22.2 percent increase in other operating expenses.

The trend in advertising and marketing is of particular interest when it comes to spending efficiency. As a percentage of gross margin, advertising and marketing spending has fallen from 7.8 percent in 2012 to 6.5 percent in 2015. Even though overall dollars spent are less, the effectiveness of these dollars has improved. REAL Trends studies show brokerages now spending less on traditional forms of advertising and marketing, such as newspaper, magazines and fliers, and more on various technology platforms, including listing portals, SEO/SEM, social media, pay-per-click, multimedia and more. Spending on brokerage websites is now an important operating expense for brokerages, so our studies show that it is falling outside of the advertising and marketing budgets within the income statements, which explains why other operating expenses are higher.

Though overall operating expenses are down, technology spending as a part of advertising and marketing, as well as standalone website expenses, has become critically important for real estate brokerages.

CONCLUSION AND SUMMARY

REAL Trends' Recommended Plan

REAL Trends Technology and Digital Marketing consultants have worked with hundreds of brokerages, from small to large. No matter what the size, an action plan can be scaled to individual needs. Based on this vast wealth of knowledge, we've developed a list of best practices—our recommendations based on our real-life experiences.

Obviously, one size does not fit all. For this example, we are going to provide recommendations for a 250-agent brokerage. We will also discuss eteams as many of these strategies could be applied to brokerages as well as teams.

Brokerage Perspective

You can't get where you want to be until you know where you are right now. Brokers should take inventory and list what technology systems and digital marketing they are currently using.

Step 1: Build an Eleads Team.

Once you do that, develop an eleads team. Choose 25 agents to be on the eleads team (remember, we are using a 250-agent brokerage example). To be on this team, agents should be committed to responding within 10 minutes to leads that are generated from the team. Choose a team coordinator to hold the 25 agents accountable. Every six months, this person should graduate and remove people from the team and then add new agents. In our experience, brokers should charge eleads team members a 35 percent referral fee and a $50 technology fee to cover the cost of extra technology and lead generation. These should be charged only on leads generated by the brokerage.

Working with average closing rates, you need to fuel this team and make a profit. Set a goal of 25 agents receiving 10 leads a month and closing one deal per agent each month. That should net the brokerage about $3,600 per transaction on a $300,000 home. Multiply that by 25 deals less a $50 technology and marketing fee, and the brokerage would gross $91,250 per month.

For an eteam leader, remember to include an average salary of approximately $6,250 plus $1,000 per month for performance-based bonuses paid out every six months. (Obviously, the salary would vary by geographic location.)

To get 10 leads per month per agent, or 250 leads for the whole team, you need to generate around 5,000 clicks (5% conversion ratio).

Working backwards, invest in the following digital marketing channels:

- Search Engine Marketing (SEM): $1,000 per month = 826 clicks
- Facebook: $500 per month = 4,167 clicks
- Predictive Marketing: $1,000 per month = 500 clicks
- Remarketing: $100 per month = 128 clicks
- Listing Portal Investment: $1,000 per month. Based on average cost per lead, you could expect about 20 leads per month.
- Online Seller Lead Generation: $300 per month. This system will generate about six leads (not clicks) per $100, or 18 per month.

With this distribution, you'll get 5,621 clicks. At a 5 percent conversion rate, that would be 281 leads per month.

Total Online Marketing Investment: $3,900 per month

We also recommend that you invest in a lead-generation website.

Cost: Approx. $2,125 per month with a CRM and lead router tool.

This would be the only technology tool that would need to be 100 percent allocated to this division, as all other tools would fall under the general brokerage category.

After your marketing and technology expenses, you have approximately $77,975 per month for overhead and traditional expenses.

Step 2: Expand Your Team.

Now that the eteam and online marketing is covered, it is time to hire technology officers who can coordinate your digital marketing and technology needs. We recommend that you hire a Chief Technology Officer (CTO) and a Chief Marketing Officer (CMO). Your team

should eventually expand to a person under the CTO to handle agent ??items and three people under the CMO to offer full-service listing and marketing coordination, fliers and more.

Some other team members to consider hiring are transaction coordinators. We recommend one coordinator for every 12 average-producing sales associates.

The next is a marketing assistant, with one per 12 sales associates. Building these teams allows for growth and puts the team concept for the average agent within reach.

Step 3: Invest in a Customer Relationship Manager Program.

The most productive firms in the country invest in a CRM, website, CMA tool and email marketing that powers their brokerages. Typically, you'll spend around $10,000-$20,000 for website design and $20-25 per agent. Hint: Make sure you train your agents to use the technology!

To encourage agent adoption, hold contests and celebrate the small victories with your technology platform. If you want to ensure brand continuity, offer high-quality marketing collateral in your CRM. Just as tech companies schedule rollouts, so should you with new, quarterly marketing pieces and strategies added into your company CRM.

Leverage scalability when it comes to technology. The fewer systems you have (as long as they integrate with each other), the better your chance for long-term success, return on investment and adoption. Pay to have your systems integrated. There is generally a $5,000 to $10,000 one-time API integration fee, and it is money well spent. More tech partners are opening up API integrations. For example, Boston Logic has a cloud CMA integration that allows sales associates to generate a CMA from the backend of their CRM.

Step 4: Put It All Together

Once you have a good CRM in place, here are your next steps for technology:

1. Integrate into one platform: Website, Agent Websites, CRM, Email Marketing, Mobile Tools, CMA, Lead Routing, Blog, Neighborhood Pages, Lifestyle Pages.

2. Add a Live Chat solution into your lead-conversion strategy.

3. Find a transaction management platform that starts in your CRM and flows into the transaction management solutions. It should include a solid testimonial function.

4. Develop long-term relationship marketing programs, including social content, email content, video content, direct mail and testimonial/review content. Find a solution that, for every closing, generates an email that aggregates reviews on Google, Facebook, Yelp and Zillow. As a closely related strategy, use an online reputation-management platform and review platform to aid in this conversation.

Budgeting (250 agents example)

Here's what you should expect to pay:

1.	Website, CRM, Agent Sites, Email Marketing, CMA: $40 per agent per month

2.	Live Chat. We recommend a fully staffed solution integrated with your CRM lead routing which will run you about $6-$8 per lead. You can expect to budget about $1,000 a month, or $4 per month per agent.

3.	Transaction Management: $5-10 per agent per month

All this technology would cost about $50 per agent per month. If you add file storage, email accounts and other miscellaneous technology, that number will go to about $60 per agent per month.

Step 5: Develop Content

Develop a content calendar that includes Web content, neighborhood strategies, email strategies, lifestyle and niche market strategies; marketing content strategies for agent tools, CRM drip content, social content, video content, smart home content and more.

Your daily goals would be to post eight strategic updates or stories per week, per team member. This would help increase your organic SEO strategy.

Step 6: Develop a Listing Promotion Strategy

A well-rounded listing promotion strategy will not only generate further business, but will also help retain and recruit talent. A recent REAL Trends/Virtuance study, "Invest in Professional Photography," shows that high-quality photography helps sell homes faster and for more money than listings without professional photography. REAL Trends recommends that you invest in this area, even if you have to reduce your traditional media spends.

Then, quarterly, invest time designing value proposition-centric marketing messages that can be reinforced to your sales associates and used in listing presentations and recruiting campaigns.

Every listing should also have a marketing campaign dedicated to it. This program would likely be subsidized by the brokerage on a 50/50 split.

Finally, we would include a unique smart-home focused program to your marketing. Offer prelisting enhancement packages and postsale programs. A partnership with local installers would generate opportunity for them and revenue for you, while showcasing your company as smart and hip.

Step 7: Focus on Follow-up and Relationship Marketing

Follow-up and relationship marketing is the final to-do on your list. You do this with content to engage the sphere of influence on social and email channels. Then, be aggressive with digital marketing, offline marketing and in-person meetings. You want your CRM and technology-marketing solutions to run in the background and remind you when you need to stay in touch with your sphere. Using a system, such as Adwerx or SmartZip, to engage your sphere would be a powerful addition to your marketing. By automating these functions, you free sales associates to visit in-person with their spheres, thus retaining more clients.

Developing these systems takes a concerted effort by the broker leader to make it work. Your managing broker or recruiting director should understand these systems so they can sell the brokerage and culture.

Summary

Technology moves at the speed of light. A lot has transpired since last year's "Online Performance Study," and we envision this trend continuing. Please let us know what information you would like covered in future studies. Also, we are gathering intelligence and insights to find engaging, vital topics to cover in future studies. Contact our technology team at Tech@realtrends.com, or (720) 545-0919.

Don't miss our 2016 Real Estate Website Rankings and Real Estate Website Grader— http://realtrends.com/2015-website-rankings/index.html.

About the REAL Trends Technology and Marketing Team

REAL Trends is the trusted source in real estate technology and marketing strategies. Our team of specialists delivers top technology and digital marketing strategies to help top brokerages, teams and sales associates grow their businesses. Think of us as a full-service advertising and marketing agency with powerful tools driven by results. We can help our consulting clients maximize the efficiencies of their technology solutions and deliver a powerful marketing menu unparalleled in our industry to drive traffic and leads to these clients.