Search Engine Optimization for Real Estate Agents and Brokers

Internet Marketing for Realtors

If someone told you five years ago that 70 to 90 percent of all people start their house hunting on the web would have you believed them? I think common sense would have told you this is just someone trying to sell you a very expensive web site design. Ok, let's jump ahead five years, today 2004. It's the real estate industry's own trade association, the National Association of Realtors telling you this.

If this is the reality why are agents and brokers still spending the bulk of their advertising budgets on signage, newspaper ads, MLS handouts, telemarketing, etc? Why do that when the web is where house hunters start their exploration and narrow down the geographic area, price range, style and the agent/broker with whom they want to deal with. Why, well here's some reasons:

1. Old habits die hard, this is human nature. If something happens quickly, like real estate marketing being radically switched to the web, we have a hard time adapting. The fancy word for this is cognitive dissidence.
2. Agents are used to hard sell tactics. Let's put a better face on this, agents are used to branding, themselves. This is the exact opposite of what people want on the web. They want to do their own research and then come to you when they are ready to buy.
3. We like our present vendors and now we have to find new vendors we don't know nor TRUST, see item 4 below.
4. We can't get a straight answer from our Internet vendors because we can't even figure out what questions to ask. Some offer excellent service and support but it's the agent/broker that has to use those tools for best effect. You are so overwhelmed with the technology you can't focus on what you need to really do, use the web to sell real estate.

Much of what I have to say about marketing real estate on the web comes from learning the hard way, with other agents/brokers checkbooks. So you don't have to hire my firm to help you with your Internet marketing efforts but you should take the time to read this write up, I think you'll at least gain some perspective on the issues.

Search Engine Marketing (SEM) Basics

Let's start with the basics, what is Search Engine Marketing? Search Engine Marketing is the field of getting the best position for your Web site with the different search engines. The most important thing is to be on the first page of listings. Over 50 percent of all people will stop their search if they don't find what they want on the first page, the end-users tend to go to another search engine or stop altogether.

SEM breaks into two main methods. One is Pay-Per-Click (PPC) and the other is Search Engine Optimization. (SEO).

Price Per Click Through (PPC)

The PPC pricing model has two methods. The first is a bidding system. The higher you bid, the higher up on the Web page the hyperlink to your site is listed. This is how Overture and Google's "AdWords" work. The other is a fixed price-per-click, no bidding wars to worry about. This is how MSN/LookSmart works.

There are only four major SEs, and each has its own or PPC or partners with a third party. Google has its own AdWords program. Overture, which syndicates it's listings on other major SE like Yahoo!, MSN and IWon. MSN partners with both Overture and LookSmart.

Yes, this is confusing, and if you participate in multiple PPCs, a site could be listed more then once.

Search Engine Optimization (SEO)

SEO is a really a collection of techniques to move your Web site in search engines listing when you are not using the PPC method. Again, the most important thing is to be on the first page of listings.

Search engines classify Web pages one of two ways; there are human editors and/or software spiders. If an editor reviews your site, you are put in a particular category and there is less that you can do to effect your placement when a query is made.

If the SE uses software to analyze your site, the SE sends a program called a Spider, which "crawls" your site via the Internet and assigns a ranking to that site. When a user puts in the search term if the SE highly rates your site you show up on the first page.

Real Estate on the Web

As of the Spring of 2004 around 6 million people enter real estate oriented search terms into the major search engines on a monthly basis. Every month the major real estate portals get millions of visitors. Because of this real estate is already very competitive on the web. If you put in the name of the geographic area in which you market in plus the phrase real estate I am sure you will find many, if not all of your competitors already listed. It is not usual to find that agents/brokers are paying multiple dollars per click throughs (PPC) in many major cities.

The search engine companies like Google, MSN and Yahoo know that the real estate industry is dependent for leads from the web. For example, late last year Google made a change in their ranking software, that has been nicknamed Florida. Many real estate agents found that their listing had disappeared. Was this specifically aimed at the real estate industry? The pundits are not in agreement. But what it does mean is that agents/brokers had

to go scrambling to make adjustments.

Another big change came this year from Yahoo. The switched to a Pay For Inclusion model for their regular listings with a fixed fee click through rate. Was this aimed at the real estate market? Since real estate specifically categorized at the highest click through rate of 30 cents there can be little doubt in Yahoo's case.

Real estate Internet marketing is already very mature. It is a known fact that every trick in the book is being used to get higher listings. Real estate companies companies used the most advanced techniques to get to the top of the search engines such as linking, mini-sites, doorway pages and the blackest art, cloaking. Yes, this last sentence is full of techno jargon, some is unavoidable.

Problems with Internet Web Marketing

The are a number of problems that need to be considered when marketing on the web that are specifically related to real estate

1. Who should pay this bill, the agent or the broker? The real answer is that this is a shared expense but frankly most agents and brokers have somewhat of a competitive relationship. This is to the detriment of both parties, particularly on the web.
2. Attracting both buyers and sellers takes different approaches. Most efforts are built on attracting buyers. Further, most seller efforts seem to be aimed at For Sale By Owner (FSBO) web sites, a somewhat self defeating strategy.
3. Switching advertising budgets. This was mentioned at the start of the article. If you're afraid then educate yourself, read these types of articles. It should make you more comfortable.
4. How you attract local buyers versus people that are doing a major relocation calls for a different approach.
5. Should you put part of your budget into an enhanced presence at the major real estate portals like Realtor.com and/or Homes.com? In some case you should consider this step, depending on your market and budget.
6. Real Estate web sites are complex. The most important part of your web site are your listing which in most cases comes from your local MLS. In other words, a real estate web site is dynamic, it has to be updated all the time. This seems to have end for most agents/brokers with one of two bad situations. A web site that was done by a local designer which really isn't dynamic and can't be updated. Or two, a web site from a vendor that is designed for real estate agents but is too much of a cookie cutter approach to give you or your search engine marketing company the flexibility to adjust your site.

We can help you in one of two ways. For solo or a small group of agents we offer a training/mentoring program. This mentoring program is 3 to 4 hours of personal training done over the phone and using web conferencing. During the training program we mutually set up your PPC accounts, optimize your web site, and you are educated in all major SEM methods. If you are too busy, or not interested in DIY, or a broker with mutual agents we can design a custom program to do this initial work and maintain your SEM program based on a monthly fee. If you'd like to work with an Internet Marketer that has already been educated in the world of real estate please email us or call us at 914-262-1749