95% of Agents Fail at Internet Marketing - What are the 5% Doing?

by Mike Parker

An agent from Hawaii wrote in asking for information from us recently, and as I saw the inquiry float over my screen I decided to look at her existing website and check it out.

I went to the site www.mauipropertyseller.com and as I looked at the homepage, my heart sank: while on the surface, this site seems perfectly fine, this site embodies all that guarantees frustration in Internet marketing. It is plain that a lot of effort has been expended here; unfortunately, as a prospecting site, it comes up short. As an informational site, it does fine—but that won't bring the prospects—it will help her existing prospects see what choices they have, but it won't attract new prospects. This got me thinking about all the really hard-working agents and brokers who become stuck in a pattern of frustration and failure trying to become Internet real estate agents because they keep trying what no longer works to attract prospects. (Even the NAR says 95% of agents are unhappy with the results from their personal and corporate online marketing production.) I will give a brief explanation of why that site (and so many others) is literally programmed for failure later in this article.

Before doing that, however, there are two giant misconceptions about online marketing that must be addressed: with 94% of all residential real estate sales starting online it's plain that every agent needs a successful Internet marketing plan; but with 95% of all agents dissatisfied with the results of their attempts to establish an Internet presence, clearly, the majority of agents haven't got a plan that works.

What must be exposed are "The two big lies about Internet marketing:" that (1) websites sell houses all by themselves if you add enough "content" to them and (2) that the average real estate agent can successfully build and execute a successful Internet marketing strategy on their own. While there are exceptions—after all, 5% of agents are happy with the output from their websites—95% of all agents fail at Internet marketing—according to our own trade organization! When agents set out on a course to succeed at Internet marketing, there is a 95% chance they will fail. No one tells them that dream-crushing fact, which only breeds more disappointment. The statistics are plain and well-known; the question before us today is this; how does an agent join the 5% of agents who succeed at online marketing for realtors? There's a lot at stake in the answer, because Internet real estate agents make about three times what "traditional" agents make annually.

No website will ever be able to do all that a good agent does

So many agents think that if they put up a site and get it optimized, throw in a blog, buy-some-pay per click, incorporate that all encompassing IDX, or buy advertising on a portal of some sort that they'll sell loads of homes to Internet buyers. That rarely occurs. The truth is that the paradigm has changed---again. We are seeing a return to the days when less is more; i.e., buyers want the agent to actually help them choose and find a home-- they are not necessarily looking to find it themselves. Oh sure—they like to look around and get ideas, but they much prefer to tell a quality agent what they are looking for and then have that

agent use the web to show them examples of such in the neighborhoods they want, then visit the ones of most interest. Often, not only do buyers know little about which neighborhood will suit them, they can't settle on what is within their realistic ability to expect. Thus, buyers want the involvement of a strong and knowledgeable agent. Websites do not sell homes: agents and brokers sell homes.

What is the purpose of a website, then?

Different websites have different purposes and they obtain different results. Since the website was invented agents have been cluttering them up with every possible piece of information that might be tangentially related to what the client is looking for in the obsolete belief that informational sites are best. (You know, "Content is King?") Today, there are all sorts of 'experts' telling you to put video on your sites, telling you to use green screens for special effects, to employ complex mapping and satellite solutions and to continue to add 'content' every chance you get. Some of this technology has real value; most of it really adds nothing that results in more sales for the agent. What might work on the splashy corporate-funded master site, that strategy is ridiculous for the typical agent, untrained in any of those things. After all, are you an engineer or a real estate agent?

A large cause of agent failure is because today everyone is suffering from information overload. Few people will read past the first paragraph—or maybe even the first sentence—unless you grab their attention (you can be sure that most readers have stopped reading this article by now, too!). Even TV commercials are no longer 60 seconds long—why?—because viewers attention spans can't be held that long. Twitter limits 'conversation' to 140 characters, Facebook to 420. In this environment it is simply wrong to think that success is measured by how long visitors stay on your site, how low your bounce rate is, how many page views you get, how many awards you win, or any other

formerly hip strategy. The ONLY thing that really matters are how many leads and how many sales your website produces for you.

Putting it another way, the only "success" that really matters in online marketing is commission income earned from an agent's online marketing plan.

When was the last time you sold a home from an inquiry to your website? How many good leads did it produce for you last month? Folks—let me say this again: 94% of residential real estate sales start online these days. You must succeed there.

Second question: Are you more interested in being a) the 'information source about real estate' for the world or b) the top agent in your territory?

You answered "b?" I thought that would be your answer.

Focus on getting information from your website about what buyers really want and starting dialog with people who are looking for homes online instead of trying to let them look at every house for sale in the world. You must rethink the entire purpose behind what you do online as well as the process of what your site tries to do online.

That means that you must give the visitor fewer choices when they land on your site. Why? Because you want them to contact you and ask you to help them! That's what you are good at—not playing Internet guru and employing the latest gimmickry! If you could find 10 serious buyers every month to ask you for more information you will eventually sell some of them, correct? Then to succeed, start focusing your efforts on getting 10 Internet buyers to ask you (and only you) for more information each month and on starting a dialog with them: forget about competing in the beauty contests.

Back to Hawaii

If you looked at the site listed early in this article, you saw a standard do-it-yourself site homepage with 1970's stock 'happy family' photos (folks, people looking for homes online are not looking to see 'happy family' photos on your homepage, they want to see something about what you sell!). Also, the site has no lead capture where folks can sign in on the homepage. No leads will come from there. (Don't buy into that falsehood that the "contact page" accomplishes lead capture, for it does not). While lead capture is employed on the "home audit" (and some other) pages, if someone isn't interested in a 'home audit' (whatever that is), they won't go to that page. You also saw the agent's photo and you read the text she obviously took the time to write instead of using the vendor's generic text.

Or, did you? Most visitors to that site would exit and move on because the site is too wordy, has no attention-grabbing details or photos, and no call to action. Isn't that precisely what you did? In a world full of information overload, this site gives no one a reason to mark it as worth a detailed look. Internet homebuyers are looking for sites that capture their attention quickly.

It is impossible to have a selling dialog unless you have interested prospects to have it with. You can't sell a home if you have no one interested in purchasing one to talk to.

The number one job of your website should be to attract interested prospects and to get those prospects to contact you to help them find what they want in sufficient volumes to impact your business. While some agents revel in the technical aspects of doing that, 95% can't succeed at making it happen on their own (based on NAR's report).

Ask yourself this question: "If I knew that I had a 95% chance of failure by trying to do my own Internet marketing by myself, would I even bother trying?"

I didn't think so.

Internet marketing is too important to 'do it yourself' unless you are already succeeding

"Do it yourself" is great if you are putting a new birdhouse in the back yard, but in online marketing, it's an uphill battle. You can bet that those 5% of agents who are succeeding at online marketing worked very hard and endured a lot of frustration to get to where they are now. They invested plenty of money, time and frustration until they made it work—and now; they invest large amounts of the same in keeping it working—because successful online marketing is an ongoing process. There has been so much change in online marketing in just the past few years that even our own clients of two years ago are surprised when they see what we do now. How is any agent to keep informed on those changes, as well as all the technological changes that happen almost daily while being a full time real estate agent?

My advice to the 95% of agents still not succeeding online is to get some help. The stakes are too big to let someone else dominate your online market. Over 90% of residential real estate sales start online these days. You've got to get your fair share of them and it starts by having a website with the right focus. The failure to recognize this simple fact and to execute a strategy to put that strategy in place is the single biggest reason 95% of agents fail at online marketing, despite trying as hard as they can to succeed.