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6 Realities of Doing Business on the Social Web

How can you maximize your exposure on the Web? Here's how.

By Brian Summerfield | September 2009



Perhaps the most remarkable thing about online networking is the wide range of reactions it stirs up. Some real estate professionals swear by it. Others say it's a diversion at best—and an utter waste of time at worst.

Somewhere between these extremes is the reality of how the social Web is changing the profession. While it might not be a good fit for everyone, millions of people are using it to communicate and its popularity shows no signs of fading.

If you've filled out a profile at Facebook or LinkedIn but are wondering what to do next, here's some advice from practitioners and experienced social media users who know how to do it right. When used correctly, they say, blogs and social networks are powerful tools that can help broaden your real estate knowledge, strengthen your reputation, and ultimately expand your clientele.

Reality 1

You have to be a great agent first.

One of the biggest mistakes that real estate pros can make in approaching the Web is to think that the simple act of creating an online presence—whether through a blog, a Facebook profile, or a fancy Web site—will in itself bring new business.

In reality, to see results, you must already have strong business fundamentals and a solid marketing plan, says Matt Dollinger, a real estate performance coach who helps practitioners integrate new technologies into their business. "If you're not a great agent, don't worry about social media right now. It's not the silver bullet for your business," says Dollinger, who works for @properties in Chicago. "If you're a bad agent or even an average agent, you won't be able to fake it on the Web. People will be able to see right through you."

Part of being a great practitioner requires knowing what type of communication resonates with your customers, including when it might be better to use offline marketing vehicles. Even with the power of social media at your fingertips, be wary of using it for messages that are still best conveyed through personal or other means. John Morley, a real estate professional with the Morley Real Estate Group in Huntsville, Ala., and one of REALTOR® magazine's 2009 "30 Under 30" honorees, enjoys social media but still gets most of his business from phone calls and TV and radio ads, he says.

"April 2009 was our best month ever in terms of new listings and sales contracts, and I found myself spending a tenth of the time that I usually do on Twitter and Facebook during that month," Morley says. "It's fun spending time on those sites, but that's not where my business is coming from."

Even if you can increase your prospecting efforts through the Web, that won't mean much if you aren't able to get deals done and generate real profits. "You get leads because you're on social media," Dollinger says. "You close the transaction because you're a great agent."

As St. Paul, Minn., practitioner Teresa Boardman aptly puts it, "Finding clients and selling real estate aren't always related."

Reality 2

Using social media is like riding a bull—getting on is the easy part.

When Arizona real estate practitioner Jay Thompson started a blog earlier this decade, he wasn't sure what he was getting into. Having just left a corporate job in engineering, he was entering the real estate business at around the same time that social media were gaining mainstream appeal. Seeing an opportunity, he thought he'd give blogging a shot.

"I didn't have a strategy," he says. "I'd always been interested in writing, so it just made sense to combine my love of writing with real estate." He soon discovered that writing was just one of many ingredients required for a successful blog. He spent months learning about things like search engine optimization and researching topics that would provide value to his target audience. He also had to devise a schedule for posting content to his now well-known blog, [The Phoenix Real Estate Guy](#).

"In the beginning, I was only posting once a week and nothing was really happening," he says. "I realized that I had to do it more often so search engines would notice me."

Thompson now devotes about two hours a day, four days a week, to blogging. That includes visiting other blogs and making comments. It's all part of his strategy to build his brand and drive traffic to his blog. Apparently, it's working: His blog had 380,000 visitors and 1.4 million page views in the first half of 2009.

"Blogging isn't just researching and writing," he says. "It's also reading and engaging with other sites."

It's this kind of dedication that produces real business results online, says Boardman, who says she is contacted several times a week by prospects who've learned about her through her [St. Paul Real Estate blog](#).

"People who fail at it are those who think it's some gimmicky, get-rich-quick technique," she says. "You have to think of it as a job. If you don't have that kind of discipline, it's a waste of time."

If potential clients come across a blog that hasn't been updated in more than a month, they might conclude that it is inactive—or that the author isn't on top of his game. Also, for the blog to place highly in search engines, it should be updated frequently.

That's why Morley has held off on blogging. Although he wants to blog, he doesn't have time right now to research and write about local real estate issues and market trends. "If I can't do at least three articles a month, it could do more harm than good," he says.

Creating a strong following on Twitter, Facebook, and other sites also requires a big time commitment that can't be outsourced. Even though some elements can be updated automatically, it will be no secret to other users if you're not personally interacting with the sites on a regular basis.

Reality 3

You don't have to be a tech whiz to participate.

The last thing that should stop you from leveraging the business tools, information resources, and networking opportunities on the Internet is the technology itself.

Some people may find the concept of an online social network intimidating, but the applications and platforms are typically intuitive and easy to learn. And for real estate practitioners, who tend to be naturals at networking and forming community connections, social media seem to be a perfect fit, says Peter Kim, a former analyst at Forrester Research who is now part of a team that's developing social software startup Dachis Group in Austin.

"The Web isn't something people should be afraid of," Kim says. "On one hand, it takes time to learn about the technology and the interactions. But once that's done, social networking should be no different from the work [real estate professionals] are already doing—researching, networking with customers, and marketing. It's just using a new technology to get there."

Thompson says many of his colleagues are reluctant to try social media, but he thinks it's usually because they aren't familiar with the tools. For instance, the head of his Century 21 office was initially skeptical about blogging, and still doesn't consider it a serious business-building strategy, Thompson says.

Yet Thompson says he gets the vast majority of his business from people who've gotten to know him through his Internet presence, mainly his blog. "A lot of people think it's just an online diary," he says. "That's what we have to get past."

So how does a social media novice get started? Through experimentation, suggests Dollinger. Join Facebook, join LinkedIn, read blogs, and ask your peers what sites they find most valuable.

Dollinger jumped in with both feet a few years ago, spending a day and a half joining every social network mentioned in a Time magazine article. "I just started signing up and playing around on the sites," he says. The experience made him more familiar with the various platforms and tools and helped him narrow his focus on those he liked best and found most useful.

Reality 4

The Web is in constant flux.

You have to keep up with it.

Having an experimental, early-adopter attitude is a big advantage for anyone who wants to make the most of the ever-changing Web.

Take Twitter. A couple years ago, this microblogging platform was practically unknown, but today it gets about 55 million visits every month, making it the third most trafficked online social network, according to Compete Inc., a Web analytics company.

Or consider that since the beginning of this decade, three very different social networks each have enjoyed the "most popular" status in the social media universe. In 2003, Friendster was the hottest social network, showing up on magazine covers and getting millions of members in a matter of months.

In 2005, the mantle passed to MySpace. And less than a year ago, Facebook began overtaking MySpace in terms of members and site traffic.

So while the Web is here to stay, don't get too attached to any one social media platform or site, Thompson says. Although he gets most of his business from blogging, at press time Thompson had one listing, one buyer under contract, and three active buyer clients who were generated solely from Twitter.

You have to be willing to try out new things and keep up with the latest communication trends.

Reality 5

You can't fake it.

As you venture into the new world of online communication, it's important to remember that every interaction, as anonymous as it may sometimes seem, is a representation of you and your business.

Although your goal is to project a positive and professional image to prospects and clients, you should not attempt to create a new persona that you think customers would desire, Dollinger says. Rather, you should be the same person that you are in your everyday, face-to-face interactions.

"You need to be authentic," Dollinger says. "Don't think that people want to work with a particular type of agent, and then try to fill that mold. Just be yourself."

On social networking sites such as Facebook, authenticity should carry over to your personal profile—which is one of the first things that prospects, colleagues, and friends see when they visit your page.

While some people may wince at letting their professional and personal lives collide on the Web, many practitioners say that sharing photos and tidbits about their family, pets, and hobbies can actually create a stronger bond with customers. It is "social" media, after all.

The same goes for blogging, Thompson says. Being willing to write openly about issues that are important to you and your customers builds trust with readers and enhances your reputation as a real estate expert. Boardman agrees, saying that the genuineness that comes across on her blog works to her advantage in forming connections with prospects.

"Some people may not have a lot of respect for real estate agents," she says. "But when they read my blog, they see I'm a person like them. They meet me and say, 'You're exactly like your blog.'"

Establishing that personal bond is part of Boardman's overall strategy of lead generation, which emphasizes quality over quantity.

"I don't generate a huge number of leads and then spend time following up," she explains. "I generate a smaller number, and my conversion rate is over 60 percent. It's a different way of running a real estate business."

Reality 6

The Web is so much more than a prospecting tool.

As Thompson and Boardman prove, a well-planned social media strategy can generate clients, but what many practitioners find most valuable about the Web is its capacity to teach.

"I think [the Web is] the best learning platform available," Dollinger says. "Every time I talk about social media, I always come back to the learning element. There's nothing else out there today that allows you to learn more quickly or with a more laser-beam focus on particular topics. Learning, collaboration, and sharing are what it's all

about."

Many real estate pros don't necessarily realize this immense value, he adds, because the connection between getting new information and earning money isn't always apparent.

"Part of the problem is that there's money associated with prospecting, but there's no direct association between money and learning," Dollinger explains. "Some people understand that when they get to be a really smart agent, the money will come, but that's a long-term thing."

Not surprisingly, the Web is also the best place to find information about successful online marketing and prospecting strategies.

"If someone's out there just killing it, generating real business on the Internet, I want to know about it. And that kind of information is really easy to find," says Morley, who uses Google Reader to track blog posts about hot industry issues and selling techniques.

Social media in particular can serve a business purpose that should be obvious to any practitioner: market intelligence. These online networks are like a window into the minds of consumers.

"Set up a strategy that includes spending a certain amount of hours per week on Facebook identifying who you might connect with, reading what your Twitter followers are reading, using Google Reader to read blogs, and developing valuable, pertinent information to reach clients through social media," Dollinger says.

By developing an understanding of consumers and interacting with them online, you can generate business using what Dollinger terms "the law of attraction"—that is, pulling clients to you by sharing valuable information, rather than the more traditional strategy of pushing yourself out to them.

"How can we engage people? How can we build trust? How can we get them communicating with us? That's what we should be asking," he says.

Make Sure It's Time Well Spent

As the old business saying goes, anything that can be measured can be improved. Yet measuring your return on investment in the world of social media can be a bit more challenging than other marketing or networking activities.

For starters, the initial investment isn't purely monetary—most social media tools are free. However, they do require a substantial investment of your time before you start seeing tangible results in the form of new clients, higher search engine rankings, or whatever your goals may be.

So the question for many practitioners is: How much time should I be spending on this, and how do I know that it's working?

Mariana Wagner of the Wagner iTeam with Keller Williams in Colorado Springs, Colo., says it's best to start small. "The first six to nine months that I was involved in any of this, I never replaced any activity that was currently bringing me business," says Wagner. She would squeeze in social networking at the end of the day or during stints of downtime. "I do a lot of short sales, and I'm on hold with banks for a long time," she says.

Eventually her blog posts would pop up first when key real estate terms were entered into Google, and leads started rolling in daily from people who found her team online. "Once I saw that I was getting results, I would spend more time on it."

You may not be looking for the same types of results as Wagner. Maybe you want to increase your contact database or simply boost your visibility. It's smart to define those goals up front; that will help you evaluate your progress.

Just don't give up too quickly, says Todd Carpenter, social media manager for the NATIONAL ASSOCIATION OF REALTORS®. Social networking is all about building relationships, and that doesn't happen overnight, he says.

"If you're going to commit only three months to it, it's not worth doing. Like any traditional networking activity, it's going to take longer than that for it to pay off."

Read More: Sites You Need to Know

More Tips from the Experts

REALTOR® magazine has two webinars on social networking, where you can learn the ins and outs of specific Web sites and get tips on generating business. Download or watch the webinars for free at REALTOR.org/realtormagwebinars.

You can contact the staff of REALTOR® magazine by e-mail at narpubs@realtors.org.

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