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How Top Agents Are Converting Online Leads + 4-Point Follow-Up Strategy



Are You Reeling In the Leads?

BY GAYLE BENNETT

In 2016, for the first time, US consumers made more purchases online than in stores. Online shopping is now the norm, and many people—particularly first-time homebuyers—now start the home-buying and REALTOR®

selection process online.

Understanding this, [Sam Miller, CRS, with RE/MAX Stars Realty in Mount Vernon, Ohio](#), has 15 different home search sites with URLs like [BuyInKnoxCountyOhio.com](#) and [KnoxCountyOhioHomes.com](#).

“Unless the consumers look closely, they don’t even know it’s my site,” Miller says. “They think they have access to Zillow or the MLS. It integrates their data through my database, gets them the automated listing and then we have the ability to follow up with them.”

Miller estimates that at any given time, about 70 percent of the leads he and his team are working come from these lead-generation sites, in addition to Realtor.com, Trulia and Facebook ads, among others.

However, it’s the rare CRS who will say online leads are their only concentration—or the majority of their actual business transactions—and that includes Miller. The conversion rate is typically higher for past clients and client referrals than it is for online leads.

“For anyone who is established, past clients should still be the primary focus,” Miller says. “If you did a good job the first time, that business is easier to nurture. But if you just focus on past clients and not on the online leads, it can be more difficult to grow your business.”

Best Online Lead Sources

There are now many ways to generate online leads. Real estate agents can create their own lead generation websites, like Miller, or use one of the many services, like CRS’s Qualified Consumer Leads, BoomTown, Zillow Premier Agent and many more. And, of course, agents can create their own targeted ads on Google, Facebook and other social media sites.

[Rob Levy, CRS, with Keller Williams Realty Professionals in Portland, Oregon](#), relies mainly on Google and Facebook ads. He says that Google ads have become much more expensive over the last few years, up to about \$50 per click, but Facebook ads are more affordable. He recently spent \$20 on a Facebook ad for a \$950,000 riverfront condo.

“I put the picture of the view on a Facebook ad and said, ‘Coming soon, this view from a condo two minutes from downtown Portland on the Willamette River. Contact me for more information,’” Levy says, noting that

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NUMBERS Across all generations,

87%

of buyers use an online resource at some point in their home search.

Source: 2016 Zillow Group Report on Consumer Housing Trends

the client signed the appropriate paperwork allowing him to pre-market the home. He's now showing condos to someone who called him in response to that ad. Generally, on his Facebook ads, Levy always includes a home search link for similar properties, resulting in several leads.

Lead generation platforms not only push leads to you, but also automate much of the outreach. But [Char MacCallum, CRS, with Char MacCallum Real Estate Group in Olathe, Kansas](#), learned that not all companies are created equal. In an effort to lower her marketing costs, she switched to a new service and promptly saw her leads drop dramatically.

"When you go to these new companies, if they aren't seasoned, their URLs aren't identified through Google as a reliable source," MacCallum explains. "So a lot of my emails were going to spam." She went back to her previous company.

Follow-up and Conversion Strategies

Whether online leads are a big or small portion of your business, keep in mind these four tips to increase your chances of converting them.

1. Respond quickly and personally, at least initially.

The biggest key to online lead conversion is fast follow-up.

"You've got to be able to respond to them very quickly," Miller says. "If it takes you two hours to respond to an online lead, they don't even remember filling out the form."

MacCallum has set a five- to six-minute time limit for her team members to respond to the online leads that get routed to them.

Automated drip campaigns can help agents stay on top of responding to online leads, both initially and on an ongoing basis. But, when possible, MacCallum and others like to add something personal, particularly in the initial drip, to show that a real human being is involved in the response.

"I can see from the backend what kinds of houses they were clicking on," says [Alyce Dailey, CRS, with The Dailey Group in Baltimore](#). "So I just add a sentence to a drip such as, 'That house at 123 Main has a really great pool. Let me know if you are interested in talking more about it.' So then they know it's a live person who sent that message."

2. Don't give the hard sell.

While quick follow-up is key, keeping things casual is also critical. Many of these potential buyers and sellers are just doing their homework and a hard sell will turn them off.

Levy focuses on education. "I have a series of drip emails that will start going to them talking about everything from home inspections to here's what you need to fill out when you buy a house to how to check that the roof is OK," he says. Levy also sends a PDF with samples of all the forms buyers will need when they are ready to put in an offer.

Miller provides all of his online leads with weekly market updates. "The key is providing them with something of value, not pestering the heck out of them."

3. Set yourself apart.

Your online leads are probably also your competitors' online leads, so you need to set yourself apart. Dailey likes to send a text message that includes a video of her introducing herself.

"People will read and listen to text messages," Dailey says. "With email, prospective clients are quick to delete messages, but we know they have their phone in their hand. With video text messages, they can hear my voice and see my face. They can see that I come across as someone who is genuine, friendly and kind, and they are more likely to respond."

And if you aren't texting online leads yet, you need to consider it. According to a recent study by OpenMarket, people ages 18–34 say they prefer to hear from and communicate with businesses via text.

4. Be patient.

Online leads, like other cold leads, take a lot of follow-up. MacCallum estimates that it takes from five to eight contacts before an online lead will enter into a dialogue with her.

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NUMBERS Starting a home search online doesn't mean that millennials won't eventually connect with an agent.

92%

of millennials use an agent to buy a home and 90 percent use one to sell.

Source: National Association of Realtors® 2017 Home Buyer and Seller Generational Trends

Miller has found that the incubation period on good online leads can be anywhere from five months to two years, particularly if they are just starting the home-buying process.

“It’s a numbers game,” Miller says. “They say that 2 percent of online leads will actually do something. I believe that number is higher. The average agent only has success with 2 percent of the leads because they don’t stay in touch with them.”

Millennials now make up the largest portion of the home-buying population, and they have put their full faith in the internet. However, that doesn’t mean trying to convert online leads should take away from nurturing your sphere of influence.

“Don’t make [online leads] your only source of business,” Levy advises. “At the end of the day, nothing has changed. Most of your money is going to come from your past clients; this is just a way to supplement it.”

Lead generation platforms are now a standard marketing expenditure for many CRSs. Nobody will convert every online lead, but with a consistent follow-up strategy in place—and a long view—some of these leads will become lifelong clients.

Heat Up a Cold Lead

Alyce Dailey, CRS, with The Dailey Group in Baltimore, sees online lead conversion as a game with the following challenge: “How quickly can I cut through and find how we are connected?” she says.

She considers Baltimore a big small town where everybody knows everybody. So when she gets the email of an online lead, she tries to find that person on social media. She uses the Gmail plugin Xobni (“inbox” spelled backwards), which finds the social media accounts associated with an email address.

“I can see if we have mutual friends, which wouldn’t be unheard of in Baltimore,” Dailey says. “Can I figure out what they do? Where they work? How quickly can I turn this cold lead into a warm lead?”

In addition, in her initial outreach, she lets online leads know that her team offers free buyer consultations to people looking to buy in the next 24 months.

“They realize that you aren’t in for the kill when you use words like ‘complimentary,’ ‘free consultation,’ ‘no obligation,’” she says. “I let them know that I’m not going to have paperwork for them to sign. That takes the pressure off.”

If she gets that meeting, that lead is no longer cold.

“The conversion rate for cold leads is low, so I’m trying to make it as warm as possible,” Dailey says.

“Because if I’m able to make it warm, my close rate is really high.”

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