

BUILDING YOUR BUSINESS: MARKET STRATEGIES

Maximizing your Internet IQ

Moving marketing off the page and on to the screen can be paying off.

By Patrick Duffy

Post – what's your Alexa Rating or Page Rank®? I know, it sounds like a strangely personal question, but performing well on either of these Internet website ranking tests can exert tremendous influence on how your customers find the products and services you sell. Given that nearly 90 percent of today's potential homebuyers start their search on the Internet, companies which include "Search Engine Optimization" (SEO) or "Search Engine Marketing" (SEM) as part of their overall strategic plans are discovering that a high "Internet IQ" can pay dividends far beyond what traditional offline campaigns can deliver.

Compared to 10 years ago, most homebuilding company websites have become much more sophisticated and user-friendly, although our research also found that the top 10 builders on the Builder 100 list have yet to embrace the idea of a weblog, or blog. But no amount of on-the-fly custom brochures or detailed community information will hit their targets if they're hard to find, and that's where expanding incoming links to a website is crucial. For example, although many buyers might find a site through a direct search on Google or Yahoo, they're just as likely to stumble upon a specific page – such as one which promotes an individual development – through a generic search term, a well-placed ad or a link from another site. That's why a website run by Beazer Homes – which according to the web information company Alexa has

been online since 1996, can claim 300 outside links pointing to it and loads up a page in just 1.6 seconds – reports far more traffic than any of the other top 10 builders we studied.

In order to fully understand and utilize this information, some definitions are in order. An Alexa Rating refers to a website's rank among the universe of sites this company regularly surveys, with bragging rights accorded to any in the top 100,000 (for example, Beazer's rating is 32,136 versus 1,664 for Realtor.com, 4 for Google and 1 for Yahoo!). Besides its ranking system, Alexa can also reveal a website's speed, how many outside links it has and even how long the site has been online. Although critics maintain that an Alexa score can be increased simply by downloading their toolbar or using special software, it's still a useful way to gauge competitor's websites.

A Page Rank® – named after one of its developers, Google co-founder Larry Page – is how the search engine giant ranks the relevance of a website based on the number of incoming links from other sites as well as the quality of those referrals (i.e., faux websites which repurpose content and feature links only to sell advertising need not apply). Thus, based on a 1-10 scale Google's rank is 10 (not surprising, since it's their methodology), CNN.com's is 9 and most homebuilder websites range between 5 and 6 (anything over five is considered quite decent).

One company on the cutting edge of this marketing transformation on behalf of builders and developers is One Eighteen Advertising in Los Angeles. According to owner Michael Larson, the diversity of his client base outside of homebuilding has allowed his team to bring

other relevant experiences to his clients, with the result being targeted advertising based on both geography (determined by users' Internet Protocol (IP) addresses) and behavior (profiled by the content they're viewing).

"What most people don't know is that we can target down to a cluster of zip codes, so if your buyer pool is coming from West L.A., we can target that region with banner campaigns," he explains. "We also know about behavioral searches and sites, and target ads to those who are looking to buy a new home depending on the sites they visit." Even better, he says, is the ability to follow potential buyers who aren't biting at the first bait. "I can tell if you're seen the ad, clicked on the ad, and signed up. But if you haven't, tomorrow you could be off surfing on ESPN.com and our networks get a flag that you're on one of their websites, so we can re-target and increase the offer."

If that sounds a bit too complicated, Larson recommends starting out first with a test case. "Just take one ad insertion in a new home section – about \$15,000 – and I'll take that same amount of money and put you online for an entire month for an exponentially greater response." How exponentially greater? When working with Centex Homes in Northern California, Larson says the Cost Per Lead rates ranged from \$3 to \$5 versus \$15 to \$30 for traditional offline media, which is also why he's moved 30 percent of his total media budget to the Internet.

Patrick Duffy is a Principal with *MetroIntelligence Real Estate Advisors*. He can be reached at pduffy@metrotel.com or at 310-666-8288.



Fast Facts



- Improve your website's Alexa Ranking by downloading their toolbar.
- Improve your website's Page Rank by encouraging inbound links.
- Think about creating a corporate blog that you manage.
- Cost per leads online range from \$3-5 versus \$15-30 for offline media.
- Use targeted Internet advertising by hiring a web-savvy ad firm.