

Specialization's the name of the game

Part 1: Agent's guide to online success

BY [BERNICE ROSS](#), FRIDAY, APRIL 25, 2008.

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(This is Part 1 of a three-part series. Read Part 2, "[Attract attention, attract business](#)," and Part 3, "[Become resource for all things home ownership](#).")

Is your Web site generating the leads you want or is it a money pit that produces no results? If you want to turn your Web site into a moneymaking machine, today's column will show you how.

Michael Russer, aka "Mr. Internet," has been an expert on how to use the Web to market your real estate services since the mid-1990s. He has been a leading advocate of working with virtual assistants and has shown thousands of agents how to build successful online businesses.

According to Russer, the number one reason that agents fail miserably online is that they do not target market. Virtually every top producer in the country controls a specific market niche. The niche may be geographical or it may be a specific market segment such as first-time buyers, relocation or luxury.

Specialization is the key to succeeding online. In fact, designing your Web site so that it is highly targeted to a specific area or group is an excellent way to generate more Web leads. It also allows you to fend off the competition.

Russer argues that most agents try to be everything to everyone. The result is that if you fail to niche your business, you are competing with everyone. "Many agents are concerned that if they specialize, they will lose business. In most cases, they don't have it anyway, so there's really nothing to lose. Furthermore, it's not a loss if it's the wrong type of client for your business."

Russer believes that using the Web to build your business is faster and more effective than working by referral, networking or door-knocking. The challenge is that these techniques require a considerable amount of face-to-face time. Furthermore, these approaches "provide no insulation from other agents who may know your potential client. In fact, the typical person knows between 6 to 12 people who hold real estate licenses. In contrast, when you're the recognized expert in your area, other agents will find it difficult to compete with you."

While many agents want to know how to drive more traffic to their Web sites, the real issue is what happens when your Web visitors get there. If your Web site does not provide the experience the consumer wants, the money you spent to acquire that Web lead is wasted. Consequently, you must first address what market you will target rather than how to drive traffic to your site.

In Russer's [Online Dominance](#) course, he encourages agents to find something that they are passionate about doing. For example, if you select a geographical niche, you must be excited about working that area. You also need to be involved in that community. If you specialize in a specific market segment such as golfers, you must be excited about working with golf course homes as well as being passionate about playing golf. To succeed online, you will have to live and breathe the choice you make. If your choice is half-hearted, look elsewhere.

It's common for agents to decide, "Well, I'll just specialize in the area where I live." This can be a great decision, provided that you do the necessary work to become the dominant player in your market. Sometimes, however, the area where you live is a poor choice. One of the first steps to take is to examine

how much turnover is occurring in your area. If you live in an area where people seldom move, this is probably a poor choice. On the other hand, if your area has high turnover and properties sell with ease, then that would be a wise choice.

To illustrate this point, one of Russer's clients wanted to specialize in horse properties. When the agent evaluated how much turnover there was in this specific niche, he could not hit his income goals, even if he had 100 percent market dominance. Instead, he decided to become the "outdoor specialist" for his area. This specialization drove tremendous business to him almost immediately.

Recently, a group that I'm working with decided they wanted to double their current sales level. Their first step was to hire a marketing specialist to help them identify what their past clients had in common and how they could market more effectively to that niche. Their research showed that they were most likely to work with highly successful, young entrepreneurial business and entertainment clients. Their target market was a very specific geographical location consisting of a few prime streets and buildings. They are now in the process of creating a Web site that provides both real estate and lifestyle information that specifically target this market. Even though they are only partially through the process, they have already started seeing results.

Building a successful online business requires you to go deep into a specific niche. Look for next week's column to learn what else you need to do to convert more leads online.

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