

Beyond the Lead: Measuring Online Marketing Success



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It would be ideal if your investments in your brand, advertising and your branded websites ensured that every home shopper who turned to the internet when shopping for a new home made a beeline directly to your website and (completely and accurately) filled out an inquiry form or called your dedicated phone number right away, but of course that's not usually the case.

WHERE DO CONSUMERS SEARCH FOR NEW HOMES – AND WHAT HAVE WE LEARNED FROM OTHER INDUSTRIES?

According to a 2008 Harris Interactive study of real estate shoppers, only 10% of shoppers consulted a new home builder's website as part of their search, while more than 40% used general real estate websites/aggregators. And "aggregator sites" can run the gamut from pure-play new home listing sites, broad real-estate portals, newspaper real-estate sections, online classifieds and more, so, broad distribution of your home and community listings is important.



What they found was the 56% of dealership visitors had consulted an aggregator website prior to their showroom visit. This was three times as often as in-person visits after consulting search engine results, and three times as often as visiting after consulting manufacturer or dealership websites. Additionally, Synovate found that the third-party websites were 25% more likely to influence a dealership visit among the buyers versus non-buyers. While cars and homes are not the same, the distribution of listings and use of aggregator sites by consumers is quite analogous for what is often an expensive and "considered" purchase.

ONCE CONSUMERS FIND YOUR HOMES, WHAT ACTIONS DO THEY TAKE?

So, you've covered your online marketing bases: strong, feature-rich branded website, banner and email campaigns, broad internet distribution of your listings (through BDX of course!), good search engine optimization, keyword, and advertising strategies? Check, check, and check. Now it's time to reap the benefits and watch those leads pour in, right? Well, yes and no.

Consumers do respond online, and the most common outcomes that builders measure are webform or emailed leads, and other measurable actions such as a clickthrus on your listings, advertising, landing pages and the like. Shoppers also perform other high-value actions such as view your videos, pictures, tours, and interactive floor plans. They also "share", "like", and "save" your key pages and listings. These are all important and highly measurable outcomes of the efficacy and cost-efficiency of your online marketing and advertising that should not go overlooked.

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But not all shoppers follow the paths we've so carefully laid out for them. The result is that they more often take actions that are out-of-phase with their online exposure to your community and home listings. Meaning, they either do not respond right away, and/or they respond in ways that are not measurable online. Both of these behaviors make it nearly impossible to tie online exposure and actions to key marketing outcomes such as delayed traffic to your sites, phone calls, and walk-in's.

There are two primary tendencies at play that work together to confound the complete and precise measurement of your marketing effectiveness. They are:

1. The long timeframe of the typical shopper's home-shopping cycle, and;
2. The inherent reticence of most shoppers to give up their real or perceived security and privacy.

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How long is the new home shopping cycle? We're sure you have your own estimates and it does vary, but it's generally quite long compared to other types of considered purchases. In a 2006 new home buyer survey conducted by a major new home print advertising company, it took an average of 5-1/2 months before shoppers settled on their new home. That length of time means that buyers do not need nor do they want to act immediately; and will likely conduct a great deal of research before narrowing their choice and making any sort of direct contact. And much of that direct contact comes in the form of phone calls, walk-ins, and visits to your website that are often time-delayed from their exposure to your online ads, listings, and marketing.

As for privacy and security, there are many studies showing that consumers are wary of all forms of self-identification online and the trend continues to be in the direction of trying to remain anonymous. Whether their concern is being hounded by salespeople; or concerns about the privacy and handling of their information

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such as name, phone number, and email address -- consumers are more likely to delay action, remain anonymous, or simply take action other than that which is immediately measurable.

BDX's own survey conducted in October of 2010 confirms this. Fully 76% of visitors did not take any immediate and measurable action as a

result of their visit to newhomesource.com. 59% said they were "just looking". Further, 74% of all survey respondents said that they did not typically fill out "request more information" forms on the Internet. Is this alarming or surprising? No. As a matter of fact, of those who did not take action that day, 22% said that they preferred to visit a builder's community in person -- certainly a desirable and measurable action, but because they took no online action, it cannot directly be measured and attributed as an outcome of their visit to New Home Source.

INCREMENTAL ACTIONS AND HOW YOU CAN INCORPORATE THESE INTO YOUR ROI ANALYSIS.

These actions are what BDX calls "incremental actions" -- actions you receive as a result of your listings being seen on our owned and operated websites, as well as via your listings being seen on our large and growing network of distribution endpoints.

These actions are:

1. Traffic to your website (website visits)
2. Calls to you sales centers or call center
3. Foot traffic to your models and sales centers

So, as you can see, while some of the actions consumers take are immediate and measurable, the more likely consumer action path is latent, often offline, and therefore difficult to quantify and measure. However, our own observations and surveys, as well as those of other real estate websites, companies, and analogous industries, show that these actions do take place with certainty and predictability. Because of this certainty, these actions should be estimated and valued as part of the total ROI of your online marketing efforts, both through your broadly distributed online listings, as well as your other marketing activities.

Don't be misled by our use of the word "incremental". We use that term because these actions are incremental to the directly measurable statistics we currently report to our customers via the Digital Dashboard report and in the other performance reports found in our BDXLive customer portal. These "incremental" offline and time-delayed actions are those you value the most, and that directly contribute to prospect activity and home sales.

Tracked by BDX	TRACKABLE ACTIONS										ESTIMATED ACTIONS			
	Headlines	Local Area	Word	Photo	Video	Sound	Direct	Online	Direct	Call	Foot	Est. Foot	Est. Call	Total
NewHomeSource	100,000	15,000	2,000	500	100	✓	✓	✓	✓	✓	✓	1,000	500	7,000
MoveNewHomes	100,000	15,000	2,000	500	100	✓	✓	✓	✓	✓	✓	1,000	500	7,000
Yourscoop	100,000	15,000	2,000	500	100	✓	✓	✓	✓	✓	✓	1,000	500	7,000
Trulia	100,000	15,000	2,000	500	100	✓	✓	✓	✓	✓	✓	1,000	500	7,000
Aol	100,000	15,000	2,000	500	100	✓	✓	✓	✓	✓	✓	1,000	500	7,000
HomeGain	100,000	15,000	2,000	500	100	✓	✓	✓	✓	✓	✓	1,000	500	7,000
MLS.com	100,000	15,000	2,000	500	100	✓	✓	✓	✓	✓	✓	1,000	500	7,000
Homefinder	100,000	15,000	2,000	500	100	✓	✓	✓	✓	✓	✓	1,000	500	7,000

IN SUMMARY:

- **Distribute your online listings widely.** You need to be wherever home shoppers are shopping and researching online -- Start with aggregation sites.
- **Estimate and assign value to offline and latent response.** Research and surveys show that these actions do happen and they can be correlated or inferred as a result of online traffic and/or visits to your information.
- **Consider reasonable estimations as part of an overall ROI calculation.**



Paul Gruber is Senior Product Manager for Builder's Digital Experience. He manages all consumer-facing online properties, including NewHomeSource and Move New Homes as well as other niche new home websites, and BDX's internal reporting portal: BDXLive. Paul has 15 years of experience in websites, web-delivered software solutions, including product and consumer marketing. To learn more about BDX, and opportunities to effectively market your new homes online, visit us at www.theBDX.com.