

# social media 101 for homebuilders

Once upon a time in the Internet, to sell homes you needed a website and social networking meant happy hour. In 2010, the website is a tiny little piece of a large and interconnected puzzle. And while social networking may still mean happy hour, it all begins on Facebook, gets amplified on Twitter, and dissected on blogs. **These days for a homebuilder to be online means planning, building, executing and measuring a highly contextualized web presence.**

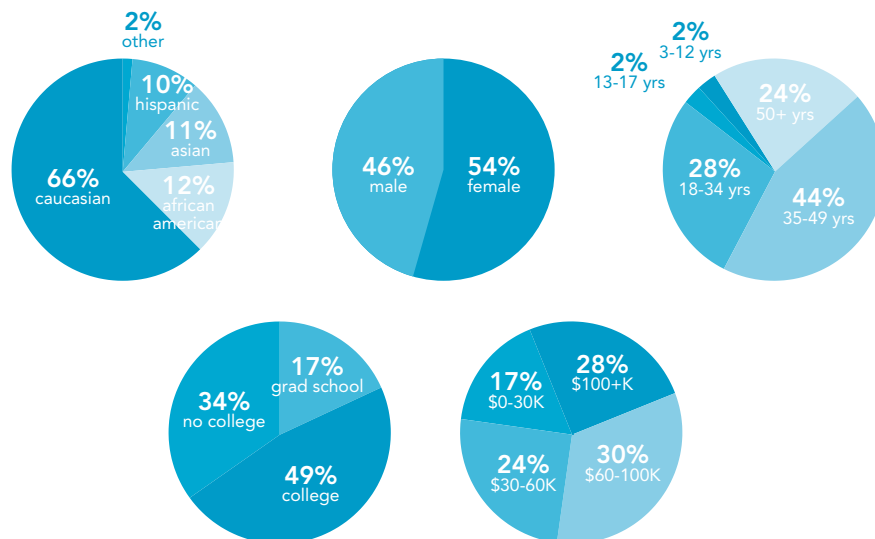
The question then becomes: what do I need to do to build and maintain this highly contextualized web presence, and why should I bother? While recommending every internet campaign include a website, the extremely important use of real estate listing websites, pay-per-click marketing at least on Google, and contextual ads where appropriate, it should be mentioned that communication with the incoming generation of first time homebuyers must include the use of social media. The goal here is to begin answering these questions by zeroing in on social media for homebuilders, providing an overview of the social media space, and presenting a plan every homebuilder can use to create a holistic, highly contextualized web presence. Examples of how some builders have enjoyed success with social media are provided, as is a summary of social media best practices.

## what do you get out of social networking sites?

For most people, it's (social media) about finding like minded individuals that they can relate with. This can be on either a business or casual level. Your new found friends can be great sources of inspiration and information. The key is to build a trusting relationship with someone. Once you have that, anything is possible.”

Trulia's blog, [www.truliablog.com](http://www.truliablog.com)

This is all well and good, but why bother? To answer that question, let's begin with demographics. Take a look at the following pie charts? 28% of a builder website's visitors are under 34. Over 70% are under 49. And this is a demographic with money, looking to buy a home. The demographics alone prove builders must have a social media presence. The generation buying homes now is online, and has a technical fluency unmatched by previous buying generations. v



As Gen X transitions from “first time” to “move up” buyers, the new generation of first time buyers are more web savvy and less individualistic than Gen Xers , more likely to have a porous relationship with their online selves and those who market to them, and they speak the casual, bloggy language of Facebook, Twitter and YouTube. This generation came of age marinated in marketing, and while enthusiastic about being introduced to potentially desirous products, the overtly promotional messaging of yesterday will be greeted with a weary if not dismissive skepticism. Indeed, this is a generation who will shower a company with praise should they successfully reach out to them with a product they want, and who will take to sites like Yelp.com or one of countless blogs to mock and deride.

To reach a generation whose primary web browser may be a phone, and who is one of the 1 million+ to have downloaded the Facebook app, you must reach this demographic where they are and speak to them in their language. Of course, it can be tricky, especially for the homebuilder industry, an industry which seems to single-handedly be keeping the billboard industry afloat while researching what exactly might “the Google” be.

"Step by step, the homebuilding industry is beginning to see that social media isn't a fad; it's a critical marketing tool," says Scott Posner, principal at red rocket LA marketing & PR. "With media fragmentation making it so difficult to be heard, social media sites such as Facebook, Twitter and YouTube give us critical channels through which we can have meaningful discussions with prospects."

**Why social media?** To be heard. To engage with the incoming generation of first-time buyers (and, increasingly, their parents). To manage your reputation online.

## social media

Social Media is (online) media designed to be disseminated through social interaction. The technology democratizes information, transforming web users from passive content consumers into active content producers. Using these new technologies can

create a dialogue – a give-and-take – between companies and consumers. Common social media tools include Facebook, Twitter, YouTube and Blogs, and brief descriptions of each follow.

## Facebook

Facebook is a free-access social networking website. Users create personal profiles and join networks organized around hobbies, professions, city, places of work, school, and region to connect and interact with other people. When an update is made by friend or network, the update is known to affiliates.

The “wall” is perhaps the central feature of Facebook. On a user’s wall, comments and updates can be made, photos and videos updated, news and blog items syndicated. Companies to create a presence on Facebook may gather “fans,” and it is these fans who will receive, and may comment and share, the company’s posts.

## Interesting Statistics:

### The Average User:

- ▶ Has 130 friends on the site
- ▶ Sends 8 friend requests per month
- ▶ Spends more than 55 minutes per day on Facebook
- ▶ Clicks the Like button on 9 pieces of content each month
- ▶ Writes 25 comments on Facebook content each month
- ▶ Becomes a fan of 2 Pages each month
- ▶ Is invited to 3 events per month
- ▶ Is a member of 12 groups

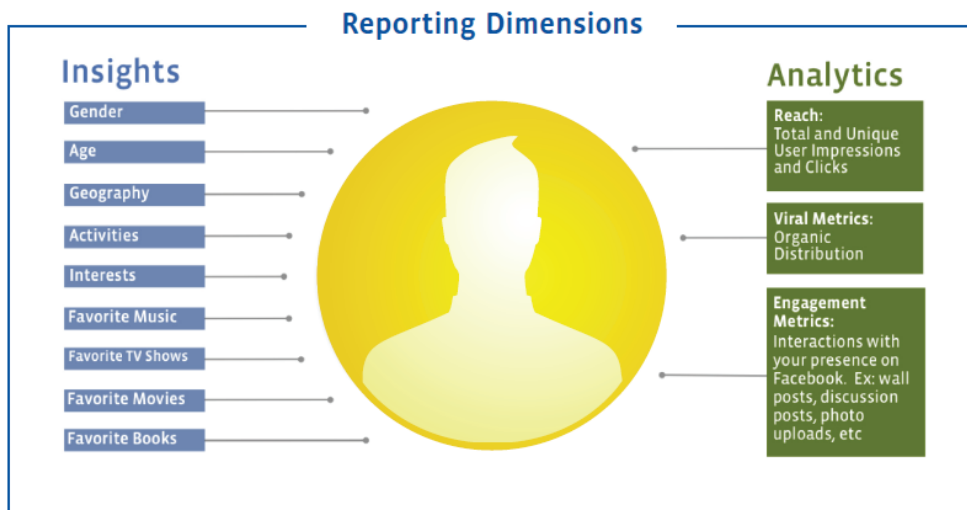
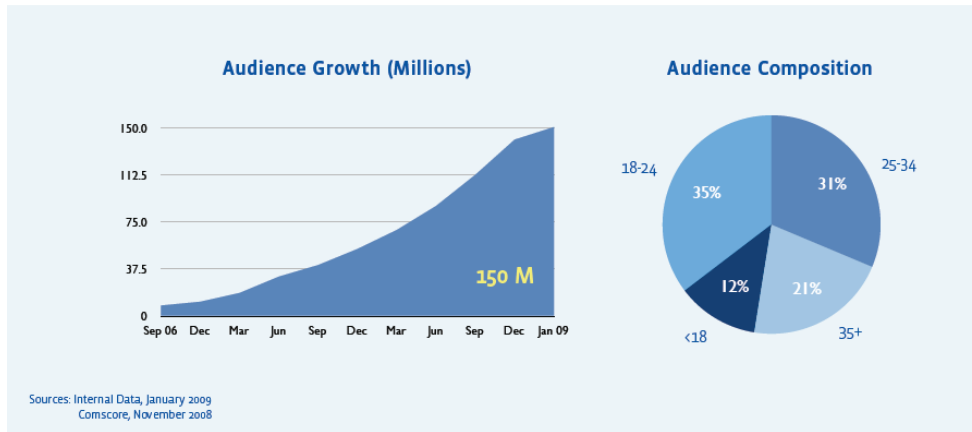
### Company Figures:

- ▶ More than 350 million active users
- ▶ 50% of the active users log on to Facebook in any given day
- ▶ More than 35 million users update their status each day
- ▶ More than 55 million status updates posted each day
- ▶ More than 2.5 billion photos uploaded to the site each month
- ▶ More than 3.5 billion pieces of content (web links, news stories, blog posts, notes, photo albums, etc.) shared each week
- ▶ More than 3.5 million events created each month
- ▶ More than 1.6 million active Pages on Facebook

- ▶ More than 700,000 local businesses have active Pages on Facebook
- ▶ Pages have created more than 5.3 billion fans

**Mobile:**

- ▶ There are more than 65 million active users currently accessing Facebook through their mobile devices.
- ▶ People that use Facebook on their mobile devices are almost 50% more active on Facebook than non-mobile users.
- ▶ There are more than 180 mobile operators in 60 countries working to deploy and promote Facebook mobile products



Source: Facebook Media Kit

## Twitter

Twitter is a social networking and “micro-blogging” service that allows its users to send and read other users' updates (known as tweets), which are text-based posts of up to 140 characters in length.

“We can’t explain it. But if you get it, we’re doing it.”

**Monticello Communities**

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Builders are using Twitter to communicate with this web savvy audience. Communicating via Twitter, as with Facebook, means not to simply push marketing messages – it cannot be a marketing megaphone. Instead, in addition to broadcasting promotions and specials, use the tool to provide support, answer questions, introduce new concepts and communities, and generally provide transparency. Indeed, to build a solid presence on Twitter, builders will need to be responsive to questions from followers on the Twitter community.

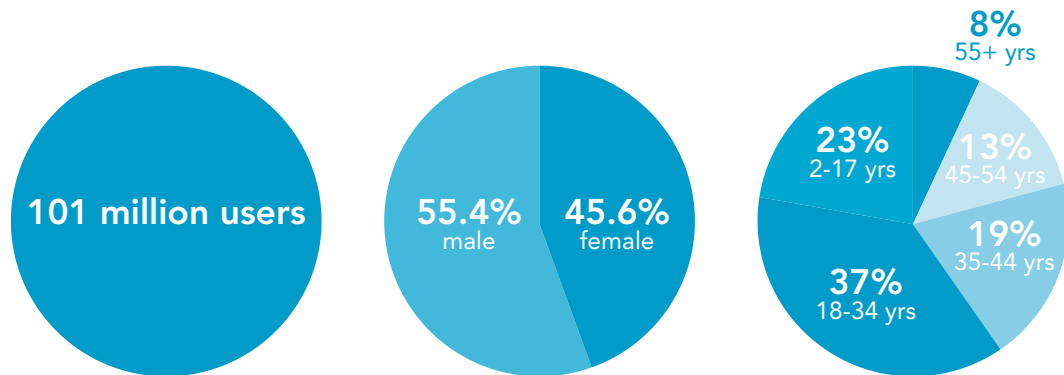
### **A general understanding of Twitter goals and objectives should be:**

- ▶ Gather “followers” on Twitter
- ▶ Directly and indirectly drive traffic, online and offline, to communities
  - ▶ Including driving traffic to blogs and presence on other social networking sites like Facebook
- ▶ Message about specials, promotions, contests, and openingsv
- ▶ Communicate, provide customer service, and answer questions of the Twitter community in the relevant markets
- ▶ Share interesting news and tidbits that are of interest to those searching new homes for sale

**A very useful directory of articles on how companies are using Twitter can be found here: <http://pistachioconsulting.com/featured-articles/twitter-for-business/>**

## YouTube

YouTube is the ubiquitous video sharing website on which users can upload and share videos. As video searches command as much as 25% of all Google searches, the case for a presence on YouTube is clear.



## Blogs

Blogs are the most important use of time and resources devoted to social media. Why? Carol Flammer of mRELEVANCE and author of "Social Media for Home Builders: It's Easier Than You Think," available from BuilderBooks.com, explains, "A blog is the most important aspect of any social media marketing program for many reasons, one of which is a well-built blog will increase website traffic by 50 – 200%." "Well-built" means user-friendly, search engine friendly, well-written, well-built, and informative for its readers. Flammer adds, "Many blogs are not built properly, much less used effectively and they won't experience these increases." A blog post is not the place for the aggressive sale, but rather a place to mix a soft message with useful, friendly information. Information on area schools, or farmers markets, or plans for mixed-use space in an emerging neighborhood.

If asked where to begin when selecting from the social media tool bag, **the recommendation is a blog be the first priority.**

# how homebuilders should plan a social media strategy

The social media strategy for homebuilders includes four components:

1. **Commit** to taking advantage of the opportunities social media presents.
2. **Set goals** in advance of building and launching campaigns. What will the content look like? Who will manage everything? What actions and results should be anticipated?
3. **Execute plan** in accordance with achieving goals and keeping with pre-determined schedule.
4. **Measure results**, having set benchmarks in advance. Then review the results and tweak and modify as necessary.



These steps are an extremely condensed version of a process that takes months. A timeline therefore helps clarify.

month 1	<ul style="list-style-type: none"> <li>▶ Commit to sustained social media effort</li> <li>▶ Planning and identifying goals</li> <li>▶ Activate "friending" process</li> </ul>
month 2	<ul style="list-style-type: none"> <li>▶ Continue friending process and ensure cross-pollination between various social media presences</li> <li>▶ Encourage conversations</li> <li>▶ Identify champions of company</li> </ul>
month 3	<ul style="list-style-type: none"> <li>▶ Continue building trust and relationships</li> <li>▶ Start giving "shout outs" to champions; take note of popular posts and subjects to elicit positive feedback</li> <li>▶ Introduce special contest (if applicable) and build a pay-per-click campaign (during first contest) to bring web traffic to contest page</li> </ul>

<b>month 4</b>	<ul style="list-style-type: none"> <li>▶ Begin incorporating increased posts on subjects resulting in positive feedback</li> <li>▶ Begin planning a special event and specific communities (two months out from event date)</li> <li>▶ Continue aggressive messaging about contest and special event(s)</li> </ul>
<b>month 5</b>	<ul style="list-style-type: none"> <li>▶ Targeted messaging to champions and groups</li> <li>▶ Begin bringing champions into fold by encouraging participation in events and planning process</li> <li>▶ Continue aggressive messaging about contest and special event(s)</li> </ul>
<b>month 6</b>	<ul style="list-style-type: none"> <li>▶ Host first special “live” event, noting what worked and what failed in planning process</li> <li>▶ Announce winners of contest (if applicable)</li> </ul>

## two examples of engagement

### Lennar Homes

Jim Adams of Newhomesdirectory.com writes, “I’m beside myself looking at the progress Lennar has made in the social media space.” And he isn’t alone. A quick glance at the website and you can easily find them on Facebook, Twitter (59,000 followers!), YouTube, Flickr, LinkedIn, and Wikipedia. Their messaging and branding efforts are remarkably consistent, but without being overly “corporate” in the communication. As Adams says, “Social media is about making connections with people and Lennar gets that.”

Social media is a complicated space and the full impact of these technologies and trends is still coming into focus. Answers to “what Lennar is doing well” will vary but it can be clearly said that on the list of things done well are two key items: engagement; and use of contests.

### Engagement

Comment on Lennar’s Facebook page, positively or negatively, and you will probably get a personal response pretty quickly from their communications team. Beyond simply addressing comments, the company will actually reach out to the community and ask for feedback, ask for ways that Lennar can do a better job of providing the public what it wants. This means that Lennar is doing at least two things extremely effectively: making the public feel heard, personally heard; and Lennar is getting real “on the ground” intelligence about what the most engaged segments of the buying public wants. As a result, the public gets warm fuzzies about Lennar while Lennar gets actionable information on how to better move product.

### The Facebook Contests

Much has been written on Lennar's use of contests to build followers of their Facebook page. The process and simple genius is clear: become a fan of Lennar, enter their Facebook contest, winner gets a prize. For an extremely low cost of entry (build Facebook page, perhaps modestly market the contest, invest in inexpensive prizes of about \$1,000), the company is able to attract thousands of potential buyers and convince them to become fans. While they may not be buying a home in two weeks, they may be in two years, and a builder being followed on Facebook will be at the top of mind when a new home search begins in earnest.

The contests are sometimes dictated from the top down (for example, around the Thanksgiving of 2009, the contest had to do with giving) while others are the result of polling their Facebook fans, thus inviting people to participate in the inner doings of the company. The result of the contests is more fans, and therefore more potential buyers hearing friendly messages from a homebuilder.

### TLofts

Red Rocket LA, an agency in Los Angeles, has written a detailed case study, which shows how Facebook and Twitter were used to bring nearly 100 people to explore TLofts, a building of new condos for sale. To make a long story short, given the demographic anticipated for the building, an opening was promoted entirely using social media, and the resulting opening overflowed with potential buyers. Using the language of the demographic, and providing something these potential buyers wanted, units were sold.

### SummerHill Homes

San Francisco bay area homebuilder SummerHill Homes had ten communities when they began using Facebook. Unlike a large, public company like Lennar, SummerHill Homes had a much smaller marketing budget that did not allow for extensive trial and error. With the desire to build a quality fan base on Facebook, the SummerHill Homes team asked themselves, "What do our prospects care about?" and proceeded to post about these subjects. Faster than expected, the numbers of followers increased, and a warm conversation with potential and recent bay area buyers began.

“Instead of looking at our marketing budget as a limitation, we saw it as a challenge to be creative. By integrating our social media tools through our blog, Twitter and Facebook, we were able to engage consumers in new ways to give them more access to our team. We also were able to give them more of the information they seek. And all of this was done at a much lower investment cost than typical advertising campaigns, which of course our executive team appreciates. We’ve already had our first sale as a result of our Facebook presence.”

**Allison Buffum, Online Marketing Manager of SummerHill Homes**

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Social Media. It sells homes, and isn't a budgetary black hole. Use it.

## summary

### **Use Social Media**

Do not make the mistake of planning a social media strategy without using the tools. Be on Facebook, check out YouTube, try Twitter, even start blogging. As a result, you will have hands-on experience with these tools and will synthesize and digest how others are finding success with these tools.

### **Know Your Demographic**

When you know who is interested in the types of properties being sold, you can then communicate in their language, the language of a familiar having a conversation rather than a corporation trying to dictate what you should and should not like.



### **Get Followers**

Having a presence on social media outlets is well and good, but followers is how your message is received. Contests are a great way to build followers, but simple things like providing content of interest to your demographic will naturally and organically result in followers. Also and of course, companies are wise to encourage employees, and friends of employees, to “become a fan” of their employer. Marketing dollars if available could also be devoted to driving traffic to a company’s Facebook page, and if this is pursued, be sure the page, once reached, offers something of interest to these new visitors.

### **Be Consistent in your Message**

When a presence is created for the company on various social media outlets, be sure that a message on one is broadcast on all. For example, if Lennar is announcing a new contest, the announcement appears on Facebook, Twitter, YouTube, the blog, and the homepage, resulting in maximum penetration.

### **Don’t Be Corporate**

Share and comment on information of interest to your target demographic. Items of interest on area schools, or economics, or popular weekend activities will seem useful, and result in an expanding network.

### **Define Goals, Track Success, Modify, Repeat**

Determine your goals for social media, and know if these goals are being met. Be ready to modify your messaging if something does not seem to work – and nothing works every time – and repeat, repeat, repeat.

Social media is a key element in every real estate marketing plan. To learn more about how to put your marketing dollars to work, contact your NewHomeFeed Account Manager now at 415.836.6760, or visit [www.newhomefeed.com](http://www.newhomefeed.com) for more information.