THE COMPLETE GUIDE TO

TARGET MARKETS

For Real Estate Professionals

What's Inside:

- How to create a target market
- What your target market is really looking for in a home?
- Direct mail strategies most agents haven’t considered
- What to say in your monthly newsletter
- How to be known as THE neighborhood expert
Table of Contents

Creating a Target Market for Your Real Estate Business  3

Location-Based Target Market

  3 Tactics to Position Yourself as the Neighborhood Expert  8

Demographic-Based Target Market

  What Are Different Generations Looking For?  11
  How to Market to the Tech Generation  15
  How to Market to the Baby Boomer Market  17
  How to Market to International Clients  21

Real Estate Newsletter Marketing Tips  24

How to Use Direct Mail to Reach Your Target Market  27
Creating a Target Market for Your Real Estate Business

Back in 2008, Seth Godin, “America’s Greatest Marketer,” spoke to a group of real estate agents and offered a way to build assets for the long term. He calls it “micro-specialization.”

The days of the generalist – being everything to everyone – are over, he claims, and it’s time for real estate agents to start taking marketing cues from the big guns in corporate America.

The most effective weapon of all is target marketing – identifying, targeting and owning a smaller and more profitable clientele. It’s not an easy process and it doesn’t yield overnight results. But if you’re looking for long-term success and a chance to get off the “chasing after business” wheel, choosing a real estate specialty might be the answer for you.

Warning: This doesn’t apply to all agents.

Consider the size of your market and whether you need to specialize to stand out. Focusing on a very specific niche may work well in Boston or San Francisco, but if you work in Albuquerque or Cheyenne it may narrow the top of your funnel too much, and the brand benefit you get may be washed out by the shrinking the size of your potential audience.
Here’s a Cool Advantage

A back-end advantage with specializing in a niche is how it helps you get clear on your brand and the ease it provides in building and reinforcing it. Immediately upon settling on a niche, you know who your audience is. That’s almost three-fourths the battle in branding.

Let’s suppose you’ve decided to specialize in real estate for veterans. Wham! Instantly you’ve got your target audience, right down to the age range. You know that most of them are men, you know that most of them are easy to finance, and you know that many new veterans are eager to use their benefits.

Instead of marketing yourself as “Your-Hometown- Realtor®-Who-Blends-in-with-Everyone-Else,” you are now the area’s “VA Specialist.” Now you’re attracting prospects instead of chasing leads.

Defining Your Target Market

If you promote your real estate business to everyone, you’ll wind up with an unfocused marketing campaign. Creating a brand that appeals to everyone is too overwhelming and not feasible. To sell your product (homes) or services (ability to sell properties), you must know your customer. Identifying your target market is more difficult than it sounds. You must give yourself some time for self-reflection.

What do you want your niche to be?

What is your expertise?

Knowing your strengths helps when determining what demographic to target.

What criteria should you use when defining your target market? “Peter Johnson, National Vice President of Sales and Marketing for YourDox, suggests using geographic, economic and social criteria to narrow down your potential clientele. “Defining a target market can be a key to success for those who do it well; a Realtor® or broker may market themselves specifically to luxury properties, for example, or to families with young children, and gear their marketing efforts and materials to their desired clientele, says Johnson.

Avoid wasting time by coming up with a wish list of clients. Research what types of properties people are buying or selling in your geographic region.

Research
You can never know too much about the real estate market in your area. In fact, research is absolutely essential for finding your niche. “I did some research to figure out where most of the condo transactions were happening in the areas near my home. There aren’t many single-family homes in the area, so I had already decided condos would be the focus, says Jon Sterling, sales associate at Climb Real Estate Group. Sterling decided that he would specialize in selling homes in an up-and-coming neighborhood in San Francisco called SOMA (South of Market), because the transaction volume was higher compared to other parts of the city.

In some extreme cases, you will have to tailor your target market to the most popular ideology around you. Mark Warden, owner of Porcupine Real Estate, specializes as a buyer’s agent in New Hampshire and targets people relocating to the state with Free State Project. “My clients are all libertarian-leaning and thus typically want property with very few zoning restrictions (certainly not CC&Rs), lower property taxes, and a “less-is-more” small town government,” says Warden. Once you’ve figured out your target market, you are ready to create a focused marketing plan.

**Finding Your Perfect Niche**

Longtime blogger and real estate broker Geordie Romer says that “If you serve five counties, four congressional districts and three area codes, I would argue that you aren’t a ‘local expert’ in much of anything.”

He found his niche by looking around at who wasn’t being served in his small community (golf course homes), bought a few “relevant URLs” and plastered them with content.

He now shows up on the first page of Google results for that particular community. For the first five years in the niche, he and his wife sold one-third of the properties in the golf community. For the past two years, they’ve sold two-thirds of them.

You can follow Romer’s lead and look around for an underserved market, or approach it more methodically.

Make a list of all the niches that come to mind. Here are a few examples you might want to consider:
Types of properties: Farms, ranches, luxury estates, condos, townhouses, commercial, historic, mobile homes and distressed.

Types of clients: First-time buyers, distressed homeowners, seniors, relocation, veterans, second-home buyers, single moms, boaters, teachers, law enforcement officials, medical professionals, horse owners, local or international investors, or immigrants.

Location: Neighborhood, subdivision, master-planned community, downtown area, vacation area, beach or lakefront, or golf course community.

It helps if the niche you choose is also something you’re passionate about or feel that you can develop a passion for.

**Develop a Marketing Plan of Action**

Your target market will dictate how you approach planning marketing strategies. Ben Fisher, real estate agent at Summit Sotheby’s International Realty, targets out-of-state vacation home and condo owners. He’s found that a combination of monthly direct mail and online advertising consistently reaches the homebuyers and sellers he’s looking for. “Instead of a broad campaign reaching the masses with a basic sales proposition, we can target ourselves as leaders in selling and representing buyers purchasing vacation property throughout the area,” says Fisher.

Like most things in marketing, there will be some trial and error before you find the right marketing combination that reaches your target market. However, any type of marketing plan or campaign you implement must showcase how well you know your target market. Blogs, articles, website content, direct mail and newsletters must demonstrate your expertise in a particular field. “I have a blog devoted to the condo market in the area. I share information on new developments, condos for sale, and market statistics in SOMA. Whenever I talk to clients and potential clients about my business, I make it clear that I focus on SOMA condos,” says Jon Sterling.

To stay top-of-mind with your target client requires consistent, focused marketing. Build an entire brand around your chosen niche so that there is no doubt in anyone’s mind that you are the expert. Here are a few items that should be done right away:

- **Build or revamp your website to reflect the niche you serve.** Keywords, page descriptions, blog posts and other content should all promote your specialty.
- **Design marketing materials** that promote your brand as the expert in your niche. From business cards to sign riders, keep it consistent.
• Build a marketing campaign that is laser-focused to your niche. If you decide to specialize in golf course communities, determine what is important to people who want to live in those communities and use that information in your marketing campaign.

If you are rolling out a new marketing campaign, you should also keep tabs on how well it’s doing.

**Measuring Success**

There are numerous ways that you can measure how successful you are at creating a target market:

- An increase in website traffic.
- A higher click-through rate from social media networks to your website.
- A larger client base.
- Brand awareness throughout your region.
- Closing more homes or adding more listings.

Your goal doesn’t need to be as large as doubling your revenue in a year. Some real estate agents are happy with satisfied clients. “The satisfaction of my clients is how I keep score because it drives market share. Real estate is a referral-based business, and if my clients are happy, they will refer me more business. My market share grows as an extension of me keeping my clients happy, which feels good,” says Jon Sterling. It’s like the old adage, “If you build it, they will come.”

Building a focused marketing campaign that is tailor-made for your target market will help you increase revenue. “Focusing on this smaller niche has led to increased response rates to our marketing efforts as well as increased sales,” says Ben Fisher.

If you’ve found that your target market is too small, all is not lost. You may find that there are complementary audiences that can benefit from your expertise. For example, those selling loft properties may be able to widen their audience to condo or apartment buyers. Be flexible, but don’t overextend your brand to accommodate too large of a client pool.

Choose a niche, establish yourself as the expert and dominate it.
3 Tactics to Position Yourself as the Neighborhood Expert

A lot of agents attempt to position themselves as a neighborhood expert just by claiming to be one. To fill this real estate niche effectively, however, requires more than a statement on your business card or a line of text on your website.

Let’s take a look at what agents must do to truly become neighborhood experts.

**Online Presence**

Your online presence is made up of a combination of all of the places you promote your real estate business on the Internet: your blog, website and social media platforms. It is through this combination that, hopefully, potential clients find you and get to know you.

Strategy number one is to focus your online presence to brand yourself as the neighborhood expert. Start with your website. If you don’t have a blog, it’s time to start one – a hyper-local blog that is full of interesting, useful neighborhood information. Beef up the blog with the following types of content:

- **Videos** – Interview local experts, do community tours and preview hot new listings.
• **Photos** – Even a snapshot of a neighborhood restaurant is considered hyper-local content, especially if you include a written review. Don’t forget to include photos of interesting local architecture with a story about a building’s history, photos of historic homes, local sports teams and noteworthy merchants.

• **Written content** – You’ll never want for topics when you become the neighborhood expert. Write articles about your neighborhood’s interesting residents, history, great places to eat, the best happy hour, the best burger, the farmer’s market and street fairs or festivals.

• **Resource posts** – If you’ve ever moved to a new area, you understand how valuable comprehensive collections of local resources can be. Include utility and cable company contact information, the local bus routes, the location of the closest library, a map of schools, and information about parks (both human and dog) and nearby recreational facilities.

• **Neighborhood housing market** – A monthly market report snapshot is valuable content for both potential residents as well as those currently living in the area. Market Leader’s Market Insider automatically publishes this information right on your website.

Don’t forget to push this content out to your social media pages. Speaking of which, do you have a neighborhood Facebook page? As the neighborhood expert, you should.

**Marketing**

Direct mail typically plays a large role in the marketing plan of a neighborhood expert. It’s an inexpensive, quick way to keep your name in front of every single resident in the neighborhood. Some of the content you can use here includes:

• Just-listed and just-sold postcards.
• Neighborhood market reports.
• A neighborhood newsletter that covers local events, school events, restaurant reviews and other hyper-local content.

**Be Visible**

Consider yourself the unofficial mayor of your chosen neighborhood and become as visible as possible. Here are a few methods to consider:

• Join the neighborhood gym.
• Join the Chamber of Commerce and promote your neighborhood expertise at mixers and other events.
• Sponsor a neighborhood youth sports team, put your logo on display and attend the games.
• Hold homebuyer seminars in the neighborhood.
• Join the local PTA.
• Take a different local business owner to lunch once a week.
• Attend HOA meetings if your neighborhood is in a managed community.
• Host monthly happy hours at the local tavern.

The idea is to be seen everywhere, to talk to everyone, and hand your business cards to everyone you meet.

**BE the Neighborhood Expert**

As mentioned early on, it’s not enough to tell people you are the neighborhood expert – you need to actually BE the expert. Here are some ways to beef up your neighborhood expertise:

Tour every single home that comes on the market. Take note of their floor plans and any distinctive features. Nothing says “expert” better than being able to rattle off the features and drawbacks of any address in the neighborhood.

Attend city planning commission meetings to keep up-to-date on zoning changes and any new developments in the works.

Know the neighborhood’s amenities such as parks (for families, dogs, and skateboarders), public recreational facilities such as pools and tennis courts, when and where the farmer’s market is held, and the best streets to take the kids to look at holiday lights.

Does the neighborhood take part in block parties or area festivals? Consider holding your own annual neighborhood event, such as a pumpkin patch or haunted house at Halloween, a Christmas tree giveaway to past clients, a summer barbecue, movie nights at the park, or a spring fling.

Facebook released their first-ever brand campaign last year, the cornerstone of which was an amazing video. In it, they claim that “A great nation is something people build, so they can have a place to belong.

"The same can – and should – be said about a neighborhood. Be the architect, the developer, the builder and the self-proclaimed mayor of a place where potential clients will want to belong.
Demographic Target Market

What are Different Generations Looking For?

Anyone who has ever worked with even one homebuyer knows what they want:

- A decent price – the lower the better.
- A home in move-in condition.
- A home in a desirable area.
- Assurances that the home’s value will increase.

Aside from the basics, though, just what are today’s buyers looking for in a home? That depends on several factors, including their region and what age demographic they belong to. Pew Research, a nonpartisan think tank, breaks the U.S. population down into several demographics, depending on the year we were born: The Millennial Generation (Gen Y), Gen X, baby boomers and the Silent Generation. Each generation’s real estate preferences are discussed below.

**Millennial Homebuyers**

Millennials, also known as Gen Y, are those Americans born from 1980 to 2003, according to Pew Research. The oldest millennials have hit their 30s, and as boomer offspring, they want to buy houses. They are often lumped together with their older Gen X siblings.
In fact, a recent survey conducted by Better Homes & Garden Real Estate says that both of these generations have the same thing at the top of their home shopping list: a smart home, with all the technological bells and whistles possible.

The Better Homes & Garden survey came up with some other results that may surprise you:

- Nearly 30 percent of the millennials surveyed said they prefer a “fixer-upper” to a house that requires only a few repairs.
- Seventy-seven percent of the survey’s respondents said that they prefer a home that is customized to their lifestyle and less “cookie cutter.”
- A nightmare for future resale value, 43 percent of survey respondents said that they wouldn’t mind transforming their living room into a home theater.
- More than half of the millennials surveyed place more importance on home technology capability than curb appeal. In fact, 64 percent of them say that they wouldn’t purchase a home if it didn’t offer modern technology capabilities. In order of importance, these include an energy-efficient washer and dryer, a security system and a smart thermostat.

When a millennial reaches out to you about one of your listings, understand that he’s been to your website, he has also most likely used a mortgage calculator to determine how much home he can afford, and he has studied the neighborhood. Deal with this generation as savvy, aware individuals and you’ll earn their respect.

**Gen X Buyers**

While there is disagreement over exactly what years encompass the birthdates of Generation X babies, most agree those years are roughly between 1965 and 1979. Children of the baby boomers, this is the generation that is now raising children.

Gen X homebuyers are more likely to purchase a home in the suburbs, according to Pew Research. In fact, according to a study by Frank N. Magid Associates, Gen Xers consider the suburbs the “ideal place to live.”
A majority of Gen Xers are also looking for larger homes, with room for growing families, according to a study conducted by the National Association of Home Builders. Other findings from the study include:

- Seventy percent of survey respondents said that they would pay up to $5,000 over the value for a green home.
- Gen Xers want dark wood cabinetry in the kitchen.
- Survey respondents said they would pay more for a home with a separate tub and shower.
- Most Gen X homebuyers claimed a preference for a great room over more formal spaces.

Finally, the majority of buyers in this generation are looking for a home on a large lot in a suburban development, while only 21 percent of them are seeking a “walkable” neighborhood.

**Baby Boomers**

Between 1946 and 1964, the United States saw the birth of over 76 million babies. In fact, historians place the exact date of the beginning of this baby boom at nine months after the end of World War II.

The baby boomer generation is so large that marketers typically break it down into two categories: younger boomers, who are now between the ages of 49 to 57, and the so-called “leading-edge” boomers, aged 58 to 67.

A recent survey of real estate agents who work with boomers found that:

- Younger baby boomers prefer a single-family home, and over half of them want to downsize.
- Leading-edge boomers also want to downsize but are equally split in their desire for a single-family home or a condo or townhouse.
Only 25 percent of leading-edge boomers prefer a home in an active adult community.
Over three-fourths of the agents surveyed say that their boomer clients either already own or are going to purchase an investment property.
All boomers showed a preference for a neighborhood within close proximity to shops and restaurants, healthcare facilities and family.

To earn the respect of your boomer client, never talk down to her and avoid typecasting and ageism. This is a vibrant, active group of Americans. Some are still raising families, and most of them intend to continue working past the time their parents retired.

The Silent Generation

Born between 1925 and 1945, the members of the silent generation are the group considered “senior citizens.” These are the folks who are now selling their homes to either downsize or move on to assisted living facilities.

RE/MAX agent Adrian Reed tells the Colorado Springs Business Journal that the silent generation and boomers are selling the same types of homes, but for different reasons.

Between 68 and 88 years old, the silent generation members she counts among her clients are “typically older women who have lost their spouses,” Reed said. Their reasons for selling include:

- The house is too large and too difficult to maintain.
- Without the spouse’s social security income, the house is too expensive.
- Medical reasons.

Working with silent generation clients requires patience. They grew up during the Great Depression and World War II and often find it difficult to let go of items, be it something as simple as tchotchkes or as emotionally charged as the home in which they raised their families.
Generally speaking, every generation has a different idea of what attributes make up a dream home. For example, baby boomers often rank state-of-the-art kitchens, hobby rooms, fireplaces and swimming pools high on their list of must-haves. Their idea of a home is one that acts as a private retreat or a place where they can comfortably nest as they approach their golden years. Generation Xers tend to look for places where they can raise a family. They often know a lot about contemporary design and want a casual home that helps them stay organized while raising kids.

The Tech Generation wants modern social hubs. They are interested in homes brimming with the latest in technology, like built-in network technology or high-end appliances. Because many tech-savvy people work from home, they are also interested in large offices or large airy living rooms where they can comfortably work. Show a techie a home with a large garden and family room and you may lose a customer. You must design a strategy that is tailored for the Tech Generation when focusing on this target market for your real estate business.

How to Market to the Tech Generation

The Tech Generation did not grow up reading the classifieds. In fact, Craigslist is probably the closest they’ve gotten to property listings. Print advertisements, billboards or print newsletters will have little effect if you are marketing to this generation. According to Brian Capossela, broker for Cap Equity Realty, “Techies spend a substantial amount of time online, so that’s the best place to connect with them. They’re also numbers driven, analytical, and want to see that the investment they’re about to make is a good one. They’re rational, not instinctual.”

Techies respond to clear marketing campaigns. Campaigns that thoughtfully engage customers work best. They don’t want pushy marketing tactics. They’ll do their research, look at pictures, visit the property and figure out if it’s worth their investment. Because property listings are just a couple of clicks away, they’ll do a lot of comparison-shopping.
The biggest challenge is creating an online presence that they will see. Facebook, Twitter and YouTube should be staples in your marketing campaign. According to Mary Peck, the associate broker and co-owner for Discover Arizona Real Estate, “You’ll find the tech generation on social media. If you aren’t Tweeting and Facebooking, you won’t be working with the Tech Generation.”

The branding for your real estate business must showcase your expertise in the properties that they find desirable. Likewise, you’ll also have to up the ante with the way that you communicate with this target market.

**Communication With the Tech Generation**

The Tech Generation considers emailing and texting to be normal forms of communication. Unlike many from the baby boomer generation, they do not put meeting face-to-face with people at a high importance when finding a home. “Techies have limited time, and move at a fast pace, so you don’t want to waste any time with them. This group also expects more instant communication, such as text messages. They’re extremely comfortable and responsive with email, whereas older buyers prefer to meet in person.

Techies also tend toward using agents who can provide mobile accessible services, such as a mobile-friendly website, or the use of web signatures,” says Brian Capossela. Investing in a smartphone isn’t a bad idea. In fact, you must be able to have access to your email, take pictures, post on Facebook and text customers at a drop of a hat. The Tech Generation has come to expect this lightening speed response time.

**Selling Homes**

What types of properties are techies interested in? “If the home has technology features like built-in network wiring, smart controllers for heating and air, iPad compatibility to control lighting, heating and air, and a security system, those amenities would absolutely be showcased. Techies are also very interested in luxury amenities like professional grade appliances, natural stone countertops, and building amenities if it’s a condo,” says Brian Capossela. The Tech Generation is also looking for:

- Homes near public transportation.
- Properties that are funky or have a lot of personality.
- Shining examples of architectural periods such as the Victorian era.
- Homes close to cafes, restaurants, clubs, bookstores and other social amenities.

When targeting the Tech Generation, you must get into their mindset. Sticking to old marketing tactics won’t help your real estate business. This generation wants to connect to something authentic and important as much as any other generation, but the way they engage with everyday life is different.

**How to Market to the Baby Boomer Market**

Might we interest you in focusing on a group of people that will soon constitute one-half of the U.S. population?

This segment is one that is almost completely ignored by the real estate industry, yet they bring home $2 trillion a year and can take credit for half of all discretionary spending. That’s not all:

- They control 70 percent of all wealth in this country.
- They represent half of all credit card use.
- They own almost 80 percent of all financial assets.
- They purchase 50 percent of all luxury cars and 73 percent of all hybrid cars sold in the U.S.

“They” are baby boomers – a generation of Americans born between 1946 and 1964, according to the U.S. Census Bureau.

To make matters even more confusing, this group is further broken down into a smaller category known as the “leading-edge boomer” – those now aged 58 to 67 years old – which constitutes 38,002,000 Americans, according the National Center for Health Statistics.

**Why Agents Should Consider the Boomer Niche**

The baby boomer generation has turned everything we used to think about the senior housing market upside down. Gone are the days when the real estate agent who
specialized in the senior niche sold two types of homes: those of deceased seniors or those of the frail elderly moving into long-term care or other facilities.

Members of the previous generation, the so-called “silent generation,” are now beyond retirement age and represent those we use to think of when we considered the senior real estate niche. Boomers, on the other hand, represent a mixed bag of folks: Some are still raising families, many are still working, and the older members of the generation – who should be in the early stages of retirement – have, for the most part, decided to postpone retirement and continue working.

Aside from the astounding amount of wealth they hold and spend, boomers make up the country’s largest share of homeowners. A whopping 26 million baby boomer homes are expected to be released to the housing market by 2030, according to a 2012 study published by the Bipartisan Policy Center.

Even more intriguing for the real estate industry, however, is that 41 percent of leading-edge boomers – a group with over $500 billion in spending power, according to Brent Green, author of “Marketing to Leading Edge Baby Boomers” – say they will definitely purchase another home.

An additional 45 percent are undecided as to whether they’ll rent or buy, according to a study commissioned by the National Association of Home Builders.

With the housing market reaching a somewhat healthy state, boomers are starting to get off the sidelines and are reconsidering their plans to sell their homes and move on to the next stage of their lives. Many want to move closer to children and grandkids.

Agents considering working with boomers should understand this segment of the population and what they seek in a new home.

**Who are these Boomers?**

If you want to work with boomers, and you don’t count yourself among them, the first thing to understand is that most of them are not frail, and they don’t consider themselves elderly.
In fact, boomers are far healthier than their predecessors and don’t take kindly to being talked down to. “They will not tolerate typecasting, stereotypes, pandering or ageism,” says Green.

So, step number one is to throw out all the assumptions you might have about senior citizens. And if you don’t think the real estate industry has assumptions about this generation, read some posts at ActiveRain: “I think the baby boomers are still going to pick up books in the grocery store, but everyone else is looking online first, researching second and then picking up the phone,” posted an agent old enough to know better.

“The agent who uses the technology is the agent who gets the sale. Bottom line, since they’re really going to have to start catering to us twenty-somethings coming into the market,” says a twenty-something agent.

Let’s take a sledgehammer to what is arguably the most common myth about this “older” generation: Boomers are tech averse.

What these agents and others fail to realize is that “tech” didn’t drop from the sky the day they turned old enough to use it.

- In 1974 – 40 years ago – we had phones in cars.
- It was boomers who invented the Apple II in the 70s, which ushered in the home computing revolution.
- The PC was released in 1981. Who do the young whippersnappers of today think were using these computers when they weren’t even a twinkle in our eyes?
- Today, 53 percent of boomers are on Facebook, according to a recent Nielsen survey, “Introducing Boomers, Marketing’s Most Valuable Generation.”

Boomers spend more money on technology than members of Gen X and Gen Y, according to Forrester Research.

So, rid yourself of any assumptions and get to know this segment of the population. To get an even better handle on baby boomers, hang out where they hang out online: “50 is the new 40,” “Fierce with Age” and “Boomer Café.”

Next, find out what baby boomers want in a new home.
What Boomers Want: Location

Again, throw all of your preconceived notions out the window. Despite what you might read online, boomers don’t really care how far away the nearest medical facility is and aren’t at all interested in being located on public transportation lines.

In fact, a full 60 percent of adults 55 years of age and older want a home in close proximity to walking and jogging trails, 54 percent want a park nearby and half find an outdoor pool attractive, according to a new survey published by the National Association of Home Builders (NAHB).

Golf communities have fallen out of favor with today’s seniors, but a fitness center in a community is a hot feature.

The survey also finds that these homebuyers prefer suburban and rural settings to urban living.

Home Features

Are you ready to explode another myth about senior homebuyers? While they overwhelmingly want a single-story home, most of them are not seeking to downsize, according to NAHB Vice President of Survey and Housing Policy Research, Paul Emrath.

“For every age bracket, people want a bigger home than they currently have,” Emrath said. “The degree of upsizing gets very small when you get to the 55-plus market, but I don’t see a lot of evidence of downsizing here,” he added.

Some of the features boomers and seniors are attracted to are the same as those that younger buyers want, including:

- Energy-efficient appliances.
- Home offices.
- Large windows.
- Tech/media centers.
- Low-maintenance yards.

From Woodstock to inspiring the World Wide Web, baby boomers have left their mark on the world and will continue to do so. Ignore this huge segment of the population in favor of focusing on young, first-time buyers at your peril.
Working with International Clients

Real estate is local – how many times have we heard that one? Real estate buyers, however, – especially in certain parts of the country – are increasingly global, and many real estate agents are turning the international real estate client niche into a lucrative living.

Consider this: Foreign buyers spent more than $82 billion dollars on U.S. residential real estate in 2011 and 2012, according to Hispanic Business.

The dollar volume of purchases has declined slightly in the 12 months ending in March of 2013, but it’s still a healthy market: Foreign buyers spent $68.2 billion, according to the National Association of Realtors® 2013 Profile of International Home Buying Activity.

Where is all this money coming from? It depends on local markets. NAR claims that most of it is coming from China, Canada, India, the UK and Mexico. Ask a Miami agent, however, and he’ll be shocked that Brazil isn’t on the list.

Speaking of Miami, despite the fact that South Americans are flocking to the city’s luxury condo market, NAR says that most international purchases are for single-family residences. The study also says that the most preferred cities for the foreign buyer are in Florida, California, Arizona, Texas, and New York.

So, how does an agent get their fingers in the international real estate pie? Like most niches, it takes time and requires a system.

How to Break In

Choose an area of specialization. “Because of the wide variation in customs, language, geopolitical and procedural considerations involved in serving international customers and clients, international specialists usually focus on one or two countries, either related by language or belonging to the same global region,” says Coco Waldenmayer, managing broker of Engel & Völkers in Naples, Fla.

To select a region in the world that you are best suited to serve, Waldenmayer suggests asking yourself the following questions:

- Are you attracted to one continent over others?
What is your familiarity with one or more other cultures?
Does your sphere of influence already include individuals from a certain country?
Have you travelled to the region?
Do you speak the language?

If you don’t speak a foreign language, keep in mind that many international clients come from English-speaking countries. Aside from the United States, the countries with the highest percentage (not number) of English speaking residents are:

- Australia
- United Kingdom
- Ireland
- Philippines
- Canada
- Germany

Once you’ve decided on an international farm area, consider obtaining the Certified International Property Specialist designation and the Trans National Referral Certificate, both of which offer exceptional networking opportunities.

Then, get busy with some strategic local networking. Join an ethnic organization, such as the Hispanic Chamber of Commerce or the National Association of Asian American Professionals, provided there is a chapter in your area. Canadian broker Tina Mak, who works with clients from Taiwan and mainland China, tells Inman News that she got her start by becoming active in Asian organizations.

Boca Raton’s Senada Adzem, Director of Luxury Sales with Douglas Elliman, keeps an eye on who is buying what in her city. She tells the story of taking a listing in a building that was popular with Brazilian nationals. To sell it, she reached out to the top agents in Brazil and found an international buyer. She’s also willing to travel to find clients.

“I had a building where three or four people from the Netherlands bought. I thought, ‘the Dutch like this building,’ so I went to Amsterdam,” she laughed.

**Build a Team**
International real estate clients count on you, as a native, to help them navigate the foreign waters of the American real estate process. To provide the best service possible, take the time to build an advisory team that includes key players in international real estate transactions, such as lenders, attorneys and accountants. Ask other agents who specialize in the global real estate market for referrals to the people they use.

Then build your service team. The most important member of this team may be your assistant. If you don’t speak your potential client’s language, hire an assistant who does. Add a handyman, contractors, inspector and any other service providers your client may need to make the transaction as smooth as possible.

**Language and Culture**

“When compared to other investment vehicles, there is a general preference for real estate investment amongst Chinese clients,” Jonathan Cooper tells Inman News. Cooper calls this a “cultural predisposition” and goes on to explain some of the reasons behind it.

Are you aware of the cultural predispositions of your international client? It is important to understand the geopolitical drivers behind your client’s desire to purchase properties in the United States as well as what is driving his decision-making process.

To help you, Waldenmayer recommends reading “Kiss, Bow, or Shake Hands (The Bestselling Guide to Doing Business in More than 60 Countries)” by Terri Morrison and Wayne A. Conaway.

She also suggests keeping abreast of issues affecting your clients in their home country by reading one or two magazines and newspapers, covering global affairs and the global economy, weekly.
If you are writing a weekly or monthly real estate newsletter because your competition has one, then you’re doing it for the wrong reasons. Newsletters should support your overall marketing campaign and better help you communicate with your target market. If you don’t have a clear strategy with your newsletter, then you’re wasting money and effort by creating one.

According to Dustin Russell, Manager of Acquisition Marketing at Market Leader, “Newsletters vary by industry, but for real estate professionals, they need to focus their newsletter on the consumer. Many real estate professionals make the mistake of talking about themselves too much, ‘I just sold this house’ or ‘Why I’m the number one agent in x city.’ It’s important for agents to gear their newsletters toward the consumer.”

**Market**

Before you come up with a strategy, think about your target market. Who are you trying to stay in contact with? Who are you trying to sell homes to? Are they retirees, first-time homebuyers or people purchasing property as an investment? Don’t believe that you are trying to sell homes to everyone. If you build a strategy for “everyone,” you won’t be able to focus your marketing campaigns.

**Budget**

Look at your budget for a newsletter. First, figure out if you want a print or email newsletter. Print newsletters are expensive, and it’s hard to determine if anyone has read one unless they contact you. But they also have a physical presence that wins them respect from the reader (provided they are well-designed and written). Likewise, print newsletters have
staying power (think about how many you collect in a month). They can be easily passed on, left in waiting rooms or given out.

E-mail newsletters are popular because they are less expensive, but they are also less formal. People respond less favorably and distrust e-mail newsletters that look like spam or appear to be poorly designed. According to Robert L. Weiner Consulting, only 11 percent of people actually read e-mail newsletters and 57 percent skim them.

To decide, take a look at your budget and think about your target market. If your target market consists of retirees and you can afford to print, think about going with a printed newsletter – it will have better chances getting into the hands of your target market. For those who are marketing to first-time homebuyers and are on a small budget, consider choosing e-mail newsletters. People in the first-time homebuyer category are generally accustomed to getting their information online or through their e-mail.

**Content**

You need to write copy that engages the reader. If you are writing an e-mail newsletter, spend some time coming up with engaging subject lines. A generic newsletter subject line like “Alice Ross’ Weekly Newsletter” will not get most people to open it. To come up with a good subject line, wait to write one until after you’ve written the newsletter. Come up with a 40- to 50-character subject line that explains the content in the newsletter. You can get some good ideas for subject lines from your own inbox. Use your e-mail inbox as a resource.

So what should you write in the newsletter? Write about topics that are interesting to you or that your target market will find informative. You are trying to connect with your target market, and there is nothing that will lose that connection faster than a boring newsletter.

Russell gives some pertinent tips about creating a content toolbox to use for your newsletter:

“Customize the newsletter for each prospect. If you know where the prospect is searching, talk about interesting things happening in that area – new shopping centers opening up, schools that performed highly on state exams, local bars and restaurants with great reviews, etc. If you have too many prospects to manage something like this, focus on your top five for customized content.”

- **Update prospects with trends** in interest rates, home values, and neighborhood stats.
• **Position yourself as the local expert.** Write a blog post with your expert opinion on a trending topic in real estate and link to it in your newsletter.

• **Include listings!** Most consumers will be interested in listings. Take a few that are extremely interesting (customized to the prospect) and post them on your newsletter with a link back to your website. This keeps them engaged with you and off of other websites where they’ll run into more agents vying for their attention.

• **Add something fun.** Express your personality, but in a professional manner – funny cartoons, games, puzzles and articles may be just the thing you need to connect with a new lead.”

Personalizing your newsletter will make it stand out from the crowd regardless of whether it is printed or e-mailed. Having a clear strategy for your newsletter raises your chances of making and maintaining important contacts in your market – contact that may eventually become leads.
How to Use Direct Mail to Reach Your Target Market

Let’s just call it what it is: Snail mail, a term invented to differentiate postal mail from electronic mail. Snail mail, obviously, is slower. It’s more expensive, as well. OK, it’s “old school” too. If it works as well or better than email, however, it may just be worth it to incorporate a direct mail campaign into your target market marketing plan.

Does it Work?

Think back to a time, if there is one, when you responded to a direct mail piece. Why did you respond? Most likely the piece was laser-focused and targeted to some aspect of your life. It might have been a postcard from a car dealership offering a maintenance special for the owner of a Nissan Sentra with over 125,000 miles, and you just happened to own that very car, with that many miles.

The answer, then, to the question of whether or not direct mail works is: “It depends.” It depends on what you are mailing and whether it targets a need that they have.

It’s not enough just to send direct mail. In order to increase your sales and profits, you need to pinpoint your audience and tailor your marketing directly to them.

Do you want to reach first-time buyers? Empty nesters? Veterans?

With targeted mailing lists you can target the exact leads you’re looking for, based on specific criteria that you choose. You can narrow your audience by selecting criteria—
based on income, homeowners or renters, home values, age range, and more. By adding a targeted mailing list to your direct mail piece, you’ll be able to provide relevant information that makes these leads come to you, rather than other agents.

**What to Mail**

While your campaign can and should contain a variety of media, that first contact is the most important. Should you send a letter or a postcard?

Ask other marketers which works better and you’ll get different answers. Many agents swear by full-color postcards that grab the recipient’s attention, while others prefer a more personal letter.

If you opt for the letter format, here are a few tips to keep in mind:

- **Mention, upfront, their problem.** Remember the car dealership mentioned previously: The marketing department understood that the owner of a Nissan Sentra with over 125,000 miles on the odometer is most likely concerned with maintenance. What are some of the problems veterans face? Are empty nesters curious about the local real estate market? Choose something relevant to get them to read on.
- Let them know, without being pushy, **that there’s a solution to the problem and you can provide it.**
- **Provide a call to action and your contact information.** Entice them with a “no obligation” offer if they call you within a certain time limit. This can be a free market analysis, recent listings, or any other content that is relevant to the contact.

**Follow Up**

“The worst number in any business is one,” according to marketing guru, lecturer and author Dan Kennedy. One product, one customer, one type of marketing and one direct mail piece all get you nowhere. Yet, so many agents send one letter, postcard or other direct-mail piece and call it a campaign.

Remember, the money is in the follow up. So, why don’t you do it? Better yet, let’s find a way to help you do it.
Automation, Baby

While marketing is one of the most important aspects of a successful small business, as a real estate agent your time is better spent networking and pounding the pavement. This is why having an automated marketing campaign is a must.

Look for software that is powerful yet easy to use and a system that allows you to combine campaigns – such as integrating your drip email campaign with your direct mail campaign. Market Leader studies show that this combination increases response rates by up to 20 percent. It’s called “multichannel marketing campaigns,” and it definitely gives you more bang for the buck.

The direct mail of today isn't the old school stuff of yesteryear. It has evolved and has become more targeted, personalized, and effective than ever before.