

Advertising Age®

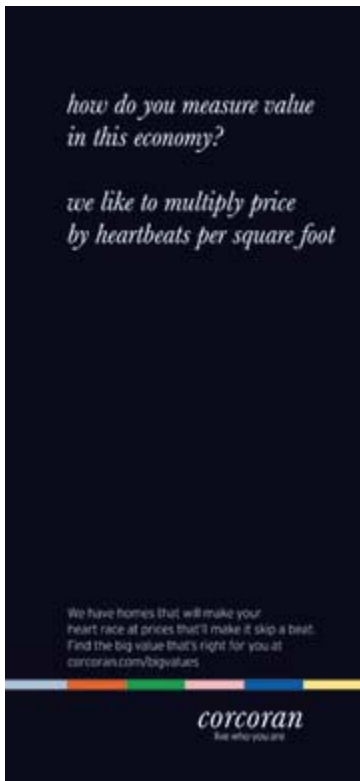
Real-Estate Ads Find New Home on Web in Recession

House-Selling Business Moves From Papers to Facebook, Twitter, Blogs

By [Marissa Miley](#)

Published: June 01, 2009

NEW YORK (AdAge.com) -- Disappearing are the bold-colored suit jackets, poufy hairdos and stilted smiles that, for decades, have been plastered across newspaper pages pushing real estate to potential homebuyers. In their stead: informal blogs, online video tours and sophisticated consumer targeting.



THE END OF LISTINGS? Corcoran still places classified ads in The New York Times and on some newspaper and magazine sites, but that may drop off over time.

The recession and a cratered housing market have curtailed real-estate advertising overall, and many companies have cut back significantly on newspapers. Realogy Corp., parent company of Century 21, Coldwell Banker, Sotheby's International, and Better Homes and Gardens Real Estate, among others, spent 31.7% less on measured

media in 2008, according to TNS Media Intelligence, down to \$129.3 million from \$189.4 million in 2007. And more than half of the decrease, \$31.8 million, came out of newspapers. At the same time, Realogy upped its internet spending 29% to \$8.6 million. The internet ad dollars pale in comparison largely because the internet is less expensive, but the trend toward online is unmistakable.

Christina Lowris, exec VP of marketing and advertising at the Corcoran Group, a real-estate firm with properties in New York City, the Hamptons, and South Florida, said Corcoran spends "a lot less" on print classifieds than it used to, and views that change as permanent.

Behavioral shift

"It is very antiquated to think that people are opening up the Sunday paper and looking for real estate. It just doesn't happen anymore," she said. "The behavior has changed. It's been a major shift in behavior, and I don't see that going back at all. I don't think that people are not necessarily going to read newspaper, but I don't think they'll be looking for real estate in newspapers."

Nearly nine in 10 homebuyers used the internet as an information source, and one in three found a home on the internet, according to 2008 data from the National Association of Realtors. Newer, growing "aggregate" sites such as [Zillow](#) and [Trulia](#) -- which pull together listings from a variety of brokerage firms, in addition to providing other services -- have made it easier to find more property information online. All this has catalyzed marketing activity for real-estate companies.

"There are more places for people to go to get more information," Ms. Lowris said. "It's making everyone kind of raise their game."

Despite record foreclosure rates and depressed home sale prices, the real-estate industry anticipates selling 5.3 million homes this year, many to first-time homebuyers -- so there's still a consumer market to fight for.

Perhaps no real-estate entity has taken the web by storm as much as Realogy. Among its digital pushes: Coldwell Banker launched [a branded YouTube channel](#) earlier this month; Century 21, which is handled by McGarryBowen, moved all of its national TV advertising dollars to the internet in January; and Better Homes Twittered about its live-streaming launch press conference last July, said Camilla Sullivan, senior VP-marketing.

Where customers are

Better Homes and its executives are on Twitter, Facebook, YouTube, Flickr, LinkedIn, you name it, and they have a blog, too. But all this activity is not just for keeping up appearances.

"It's not Facebook for Facebook's sake," she said. "We're finding that's where the community lives."

Better Homes is built around Meredith Corp.'s 85-year old Better Homes and Gardens magazine and has invested heavily in [its website](#). The Infinia Group is its agency of record. Realogy entered an agreement in October 2007 to license the Better Homes name for 50 years, with an option to renew for another 50 years.

With the transparency of information on the internet, consumers are more empowered when it comes to finding and purchasing a home, Ms. Sullivan said. And during a recession, they're searching for even more relevant, educational information about value. "People really want to be armed with information," she said, adding that Better Homes has online advice for a host of things -- from enhancing a home's appearance for an open house to making an offer -- in addition to its real-estate listings.

Coldwell Banker views its YouTube channel, created with the help of FD Kinesis, as "game-changing," said senior VP-marketing Michael Fischer. "We felt there was a huge unmet need in the market," he said. "With video, we can really show a property off."

The decision to go to YouTube was "natural," Mr. Fischer said. It is the second-largest search engine in the world, behind Google. And when it comes to finding properties, "users are going to go where they want to go," he said.

"We need to go where they go."

Up to speed

Sam Sebastian, director of classifieds and local advertising at Google, said he has conversed with more real-estate clients in the past four months than he used to in a year and a half. "I've been kind of waiting for this for the past 10 years. Consumers have adopted the internet, but advertisers haven't come on as fast" -- until now.

That's not to say real estate will completely disappear from print. The real-estate business is almost as complicated as the real-estate market, and while corporate brands may be cutting down on print, the army of real-estate representatives and Realtors who make the day-to-day decisions on their listings might still be placing ads.

Mort Goldstrom, VP-advertising for the Newspaper Association of America, said he believes some ad dollars will return to print when the real-estate market turns around. He said newspapers offer an unparalleled combination of advertising and content for real-estate companies that will "probably will be relied upon again," though to what extent he could not say. Perhaps real-estate listings won't return, he said, but ads will. And they'll return to newspaper-affiliated websites, too.

A real-estate company's site alone "won't do it," Mr. Goldstrom said. "The site is a branding tool and a listing tool, but you have to get to it." Even investing in search alone won't pay off, he said -- at least for now.

Corcoran still places classified ads in The New York Times and on "a few choice" newspaper and magazine sites, including nytimes.com and nymag.com, but Ms. Lowris said she expects that to drop off over time. The Times declined to comment for this story.

"The model is we won't be paying for listings as much in the future," she said.

Ms. Lowris also said to entice Corcoran and other real-estate advertisers, newspapers and their online counterparts have been trying to promote special editions, themes, technologies and more. Ms. Lowris said she senses these organizations realize it's a lost cause, but "they're not going out without a fight."

The 'best' of real-estate advertising

What would a world without real-estate ads look like? Aside from an even smaller classified section, we'd be deprived of those wonderful ads for local real-estate professionals. And that's a world Minneapolis-based ad director Dana Severson doesn't want to live in. The proprietor of the [Official Real"ad"tor Awards blog](#), Mr. Severson collects his favorites and nominates them for his mostly imaginary award program. Here are a few of his favorites:

STAIRWAY TO HEAVEN



LOOKING TO BUY OR SELL YOUR HOME?
Do you want a bigger home, or is it time to downsize?
Call Jo Ann Parrish Dabney. She'll take you in the right direction

HomeFront Realty, LLC
I'll take you step by step to your new home. -Jo Ann Parrish Dabney
(804) 457-2232

Ladies and gentlemen, I present you . . . Led Zeppelin:

There's a lady who's sure all that glitters is gold
And she's buying a stairway to heaven
When she gets there she knows, if the stores are all closed
With a word she can get what she came for
Ooh, ooh, and she's buying a stairway to heaven

Mission accomplished, Jo Ann! We've effectively tied your brand message (an incredibly strong one, I might add) to arguably the greatest

song in rock 'n' roll history. But don't thank me. Your creative was my inspiration. When you throw me a quote like, "I'll take you step by step to your new home" and marry that with the staircases, I mean, what options do I have but to offer you a platinum nomination?

Warning to Realtors: If any of you have the bright idea of selling the value of a home's staircase instead of those fancy-schmancy granite countertops, think again. Our new platinum goddess has the market cornered.

ICE CUBES TO ESKIMOS



Burrrr! All right, we're sold. Now everyone please come inside and enjoy some hot cocoa with me so I can figure out who's the mastermind behind this gem. I'm not one for assumptions, but I have a sneaking suspicion that it might be the Grand Poobah in the middle whom everyone seems to be coddling.

What really impresses me is that this indigenous real-estate group from Iowa not only sold us on their creative prowess but also managed to sell the photographer and designer on this controversial concept. In a word:

spectacular! You all get an A for Awesome.

Hey, mama bear, let the crew know that we'll keep PETA off your back. You guys just keep pumpin' out ads.

UNDERWATER WORLD



I guess it's time to point out that outstanding real-estate creative doesn't always have to come in the form of billboards and bus benches. Take Liz here, for example. While on a trip to Maui, she suddenly had a stroke of brilliance. "Captain, turn this boat around! I need to go back to the hotel and grab my sign." (Thank god you packed it, Liz, good thinking.) You see, as Liz was peering over the edge of the speeding boat, it suddenly dawned on her: "What if I could visually represent the sale of the biggest piece of real estate on the planet -- the ocean?" Clearly the concept worked, hook, line and sinker, Liz. Bravo! Once you get back to shore and pat yourself dry with your shammy, go check with the front desk -- there's a special waterproof gold nomination waiting for you!

GOT TALENT?



Thank you, thank you, thank you, Linda. Finally! We've waited patiently for someone to have the vision to exploit those two simple words that have transformed the entire dairy industry. Just a slight modification, and voilà! You did it! And, let's be honest, how many people have really seen the "other" campaign anyway? Plus, it just makes a ton of sense grammatically. Got Realtor? Yes, we do -- we got you. Guess what you got, Linda? You got yourself a silver nomination.

A BEAUTIFUL MIND

Laurel, it's your lucky day! It just happens that a good friend of the



Real"ad"tor team is also a professor of applied mathematics at MIT. So naturally, we asked him to take your advice, crunch the numbers and do the math. And, guess what he came up with! You guessed it -- Laurel Coyle + spectacular ad = gold. Nomination, that is.

~ ~ ~

Follow Dana Severson on Twitter: [@daneroberth](https://twitter.com/daneroberth).