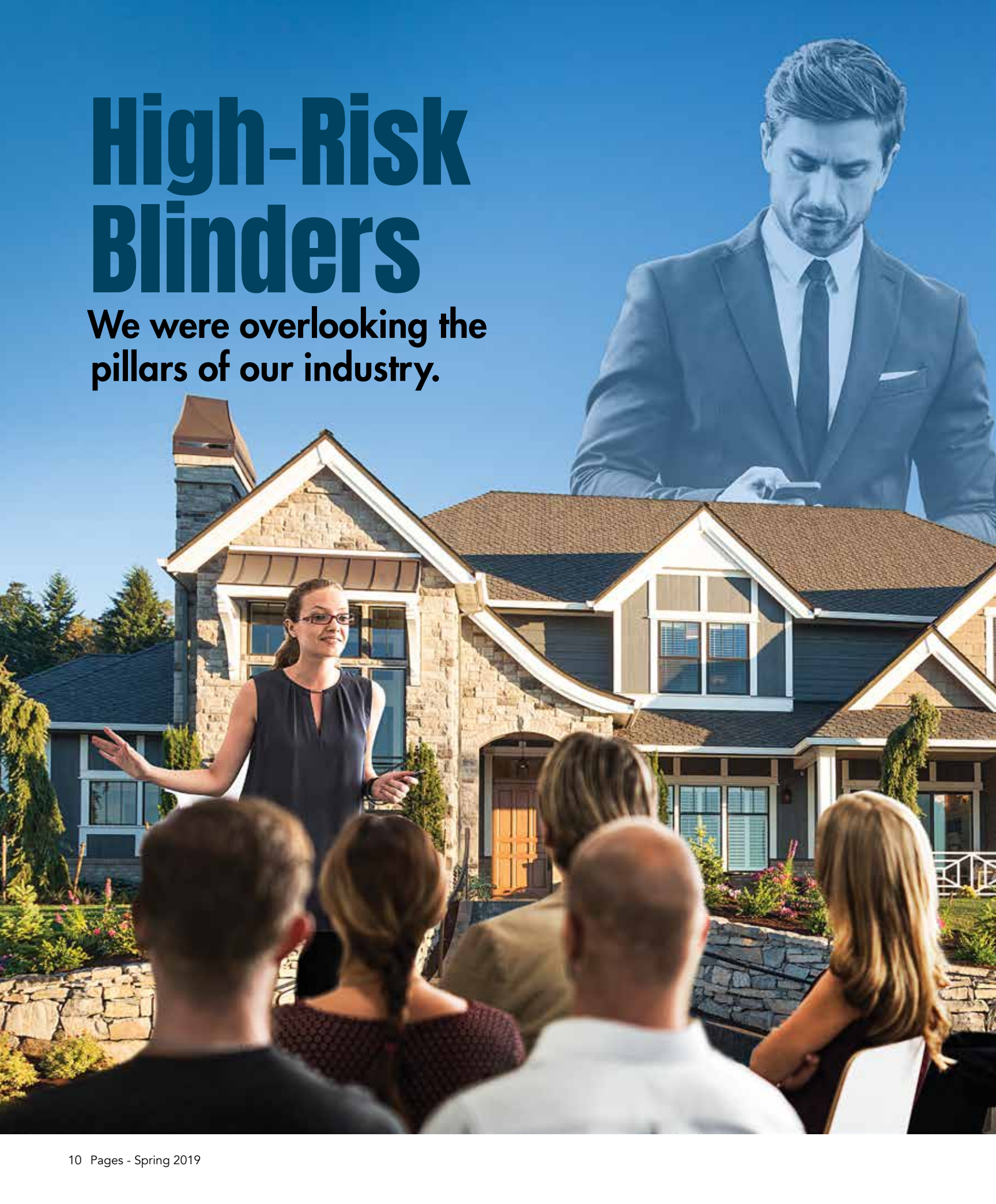


High-Risk Blinders

We were overlooking the
pillars of our industry.





By Erica Christoffer

Our magazine doesn't sit on the newsstand. It can't be picked up for \$4.99 at an airport terminal. Our flagship publication is mailed directly to people who choose to be members of the National Association of REALTORS® (NAR). It serves as an exclusive benefit to them, a business- and career-improvement tool that's paid for with their dues and our \$3 million in annual ad revenue. So our job — as an association and a publication team — is to make sure that it speaks to and provides value to the entire spectrum of our membership. Imagine our surprise when we discovered that we were largely ignoring a significant, particularly influential group.

REALTOR® Magazine lands in the mailboxes of 1,368,530 members six times per year. Stick with me here: Approximately 65 percent of these individuals are licensed sales agents; 21 percent are licensed brokers; and 15 percent are broker associates. Although some states require *all* real estate licensees to get their broker's

[three brokers walk into a bar . . .]



Hanging With Competitors

Local rivals discuss the value of collaboration, lessons from disruption, and the need to find the right home for agents.

From three corners of the Twin Cities market, brokers Long Doan, Samone Ekholm, and Claire Killen gathered on a chilly afternoon at Edwards Desert Kitchen in Minneapolis to talk shop. Although they had never met before, the three real estate veterans bonded over their shared values, including their tenacious work ethic and strong relationships with peers. While undoubtedly they are competitors, all three see networking as an opportunity to learn best practices, solve problems, and call out unethical business dealings in their common market. Here are highlights from their conversation in this second in a series of broker conversations around the country.

Collaboration vs. Competition

Claire: We need collaboration to maintain professionalism in the industry. There are disruptors coming in like the iBuyer movement, and we need to talk about that together. I network at local association events but also at national and international real estate events. I take in those different perspectives

from different markets. But locally, I want to know what other agents' and brokers' approaches are.

Long: I look at you [both] more as peers than competitors. In our industry, you eventually become my partner in a transaction. At the end of the day, we're giving our clients an experience. I always look up the agent on the other side of the deal so that I know whether I should put on my partnership hat or mentorship hat. We want to make sure all clients have the right experience.

Claire: We don't want to let the other side down, either. We want all clients to see that we go above and beyond. We're together on that.

Samone: And you never know when you're going to run into an agent again. Yes, we're competitors in that we own different brokerages, but honestly, one of my agents might join your brokerage one day and vice versa. We do business where we live. You want to make sure you're doing the best you can and modeling that for the agents on the other side of the table and at your company.

Different brokerage models fit different agents. We want to be a place where, if an agent comes to us, we can say, 'We're not right for you, but you should see Claire or Samone.' When they're happy with you or me, then our consumers are happy, which raises professionalism and the customer experience. —Long Doan

Promoting Competence

Samone: How do we, as brokers, teach our agents to put their clients before their commission—especially the agents who aren't the top producers?

Long: I tell them that one bad experience with an agent affects us all. We're constantly out there defending our commission to clients who say, "Why am I paying you X percent when my last agent didn't do anything?" I feel like I'm always fixing someone else's problem.

Samone: When I was first licensed, I didn't know anything. I was, a week out of school, negotiating in a multiple offer [situation]. I remember delivering the offer and sweating because I'd never done it before. New agents need someone to mentor or train them. We're very training-focused when we bring new people into an office.

Long: I'd add that it doesn't always matter how long you've been licensed; it's more about your experience level. I had a transaction with an agent who'd been licensed 25 years, but she only does about one transaction a year. She told me, "Long, I don't have to do that," on something that was pretty serious. I don't care how long you've been licensed, if you're using the wrong agency disclosure form or some-

thing like that, it's hurting the business.

Claire: Sometimes I think the technology we have is making people lazy. With e-signatures, for example, agents don't always go through everything with clients. I'll say to my customers, "I'll send it to you electronically, but can I go over it with you first?" I'm particular—sometimes to a fault—but always to the benefit of my clients.

Learning From Disruption

Long: We have more competitors coming in from outside the industry, and our consumers' behavior is changing. We have to figure out how to raise the standard. We require agents do eight transactions or more a year to sell independently—if they do less than eight, they have to agree to be on a team or work with a mentor. We also don't take part-timers.

Claire: I agree with you, but there can be a shift in the other direction, too. We need to provide an experience above and beyond what our clients can get online. Taxi drivers were disrupted because their service was terrible, and someone saw an opportunity [for a ride-sharing app]. Now we're in the middle of change in real estate. How we respond to that is going to affect the direction of our industry.

the broker-owners. (left to right)

Samone Ekholm
owner: 8 years | Licensed: 17 years | Number of agents: 75
Her Realty, South Suburban, Apple Valley, Minn. | wearekw.com

Long Doan
owner: 10 years | Licensed: 12 years (mortgage broker-owner for 15 years prior) | Number of agents: 350+
Realty Group Inc., Coon Rapids, Minn. | realtygroupmn.com

Claire Killen, ABR, SFR
owner: 9 years | Licensed: 16 years | Number of agents: 3
Emerald Real Estate, Edina, Minn. | emeraldrealestate.com



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REALTOR® Magazine print content includes the series "Three brokers walk into a bar," wherein three broker-owners talk shop. At right, Broker to Broker content online.

license, the fact is that many individuals in the 21-percent group in fact own or manage a real estate company. Over the first 15 years of the magazine's now 20-year existence, we had been targeting our content to real estate agents and weren't nearly as consistent about speaking to the owners and leaders of brokerages. We were, for example, publishing broker-focused articles in print only three times per year (partially due to our reduction from 12 to six print issues) and maybe in a few ad hoc pieces published on our website.

Maybe they were forgetting about us, too. That was a risk. Broker-owners and brokers of record (managing brokers) are influential. They're well-established in their careers and embedded in the real estate community. As business leaders, they set the tone at their companies, cultivate organizational values, and disseminate information to their agents. Reaching them means also reaching and engaging the agents in their offices. It's in NAR's best interest to work closely with these real estate leaders and serve as a resource to them. In fact, our decision to refocus on brokers coincided with NAR's larger, association-wide effort to better engage and retain this segment of membership.

Doing the Diligence

How do you start talking to a group of readers you've been neglecting? We decided to ask them.

At NAR's annual REALTORS® Conference and Expo in 2013, which took place in San Francisco, members of REALTOR® Magazine's

team participated in NAR-hosted roundtable discussions with broker attendees to get a better understanding of what they wanted from NAR, and more specifically, from their trade magazine. Predominantly, the answer was "tools." They wanted packaged information, ideally via an online broker resource portal, that could help them grow their business and differentiate themselves. They asked for more legal articles, tips for building morale and professionalism, and advice they could pass on to their agents responsible for the nitty-gritty aspects of the job, such as handling multiple offer situations. We then dug into our organization's 2014 broker-agent survey, where we found similar results. There, brokers asked for help with lead generation and profitability.

Armed with this insight, we soft-launched our **Broker to Broker** content initiative in the middle of 2014. We started with 25 articles posted on a new, dedicated section of our magazine website. And then we kept listening and learning.

The same year, NAR invested in a new event called the Broker Summit, an education and networking opportunity exclusive to designated brokers. I went to cover it for our magazine's new initiative but also to meet brokers and pick their brains. I took my camera and asked several of them to talk on video about issues and challenges in their businesses. We posted these in a Broker to Broker playlist on our YouTube channel and embedded them into our content.

Then in May 2015, during our annual Legislative Meetings & Trade



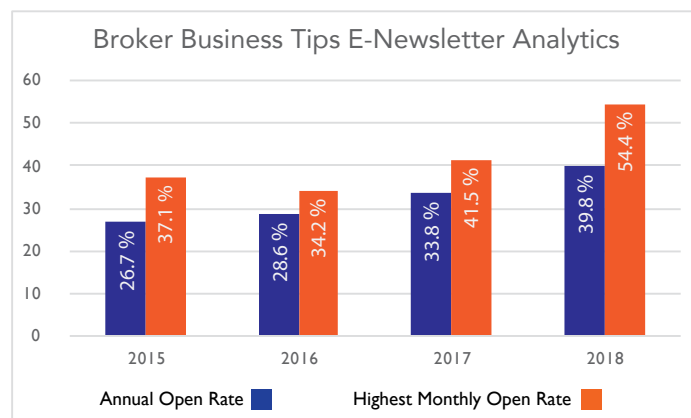
main association website, www.nar.realtor, we began to heavily promote the Broker to Broker program, helping to direct traffic to our content.

Expo in Washington, D.C., we talked to brokers again, this time in a small focus group led by folks from NAR's research department on behalf of the magazine. All of these face-to-face meetings allowed us to hear about the challenges these members face and better understand what content they would find valuable.

Developing Strong Content

After extensive consideration of our options, we decided to keep Broker to Broker integrated into REALTOR® Magazine's existing website and our team's beat structure. We worked with NAR's web team to create a landing page that features a long vertical feed of our content (a preference expressed in the focus group). And we had our design director develop a logo and a tagline, "Broker-to-Broker is an information network that provides insights and tools with business value through timely articles, videos, Q&As, and sales meeting tips for brokerage owners and managers," which we attach to the bottom of every article to reinforce the offering's mission. On the broker page of NAR's

In addition to these promotion techniques, we needed targeted communication. We segmented the distribution list of one of our existing e-newsletters — our monthly Business Tips — to send a broker-only version. We worked with NAR's email manager to run our subscriber list against our member database to parse out those listed as the designated broker of their office. The broker-centric edition contains tips for recruiting, training, and managing agents, as well as tech tools and industry trends positioned for those running a real estate office. The decision to segment the newsletter was instrumental in driving traffic to our newly created broker content. Although the number of subscribers to this opt-in broker newsletter



has generally hung around the 100,000 to 120,000 range, the open rates have jumped significantly every year, taking us from 26.7 percent in 2015 to 39.8 percent in 2018. (See chart at left.)

Building Real Muscle

Since Broker to Broker's hard launch in January 2015, we have published between 95 and 120 stories per year. That's up from about 10 to 15 broker-

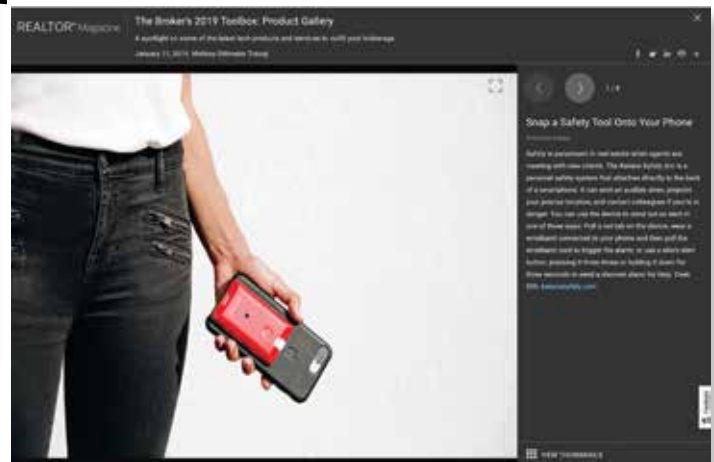
EMAIL



Each month, 120,000 brokers receive a broker-specific Business Tips e-newsletter. At right, NAR's closed broker group on Facebook has over 1,300 members.

could be further from the truth. Like a lot of publications, our magazine's editorial staff has dwindled over the years, today sitting at about seven, some of whom are on contract. We're a group of 12 when you include the designers and multimedia staff who work on all sorts of NAR communication projects in addition to the magazine.

While Broker to Broker is the largest part of my job, it's not the only part. I realized that in order for this initiative to be sustainable, I needed to recruit content contributors. My readers — REALTORS® — taught me to work my sphere, and that's exactly what I did. I used my existing network of real estate professionals to connect me with leaders of real estate companies and asked them to contribute articles from a first-person point of view for an audience of their peers. I attended broker-specific conferences and networked. I reached out to communications staff at many of the major and individual franchisees, such as Berkshire Hathaway HomeServices, Coldwell Banker, ERA, Keller Williams, RE/MAX, Weichert, Windermere, and others. They recommended both contributors and sources. PR people soon caught on to my beat and directed some of their clients



specific articles per year prior to the program. “Views” on these articles, as tracked by Omniture/Adobe Analytics, have been high and steady: 252,650 views in 2016; 304,228 in 2017; and 301,949 in 2018. Our website's overall traffic fell last year when we migrated to a new CMS and refreshed our site, so seeing only this slight drop is actually encouraging. Our two most significant traffic drivers are our e-newsletters and NAR's social media pages.

Two Broker to Broker articles were in our magazine site's top 15 pages viewed in 2018, with one being our top article of the year (both were published in December of 2017): “5 Types of Agents Your Firm Shouldn't Recruit” with 50,976 page views, followed by “7 Habits to Boost Business in 2018” with 42,159 page views.

Our publication volume may give the impression that we have a bustling newsroom and dozens of staff working on content. Nothing



my way. I have my other hand in NAR's Young Professionals Network, managing a team of bloggers and writing editorial content, so that is a rich source of broker-owner leads as well.

I've had a stable of broker member contributors whose work has impressed me beyond measure. They've come from all areas of the country, owning and operating small, medium, and large real estate firms. I also accept work from subject matter experts, whether they're business coaches, technology experts, or marketing specialists, as long as they understand the Broker to Broker audience. My small team of freelance journalists has been instrumental in content development. What I've learned is that it's possible to grow a whole new section of content for your brand and publication even when staff is limited, but it requires being creative with your resources and staying committed to the endeavor. Today, Broker to Broker offers something to meet every broker's needs, no matter what their office size or how long they've been in the business.

Creating the Tools

With an average of eight to 10 Broker to Broker stories per month as well as content across all the other sections of REALTOR® Magazine and its website, we need to carefully track what we produce. In 2014, our prescient former managing editor developed a system of Google spreadsheets to ensure everyone knows what content is online or in the pipeline at all times. Today, I can go to my section's tab and look all the way back to the very first Broker to Broker article published on August 1, 2014 and see exactly where it was promoted on our website, when it was shared on our Facebook and Twitter profiles, and even where the stock images were sourced.

On a day-to-day basis, it's an effective communication tool, enabling everyone on the team see what we're working on and when something is published in print or online. Our design editors can go into a spreadsheet and see which articles need stock art, and our

content strategist can see which stories should be shared on our social channels. It's about being organized and transparent with our workflow, which in turn holds us accountable to our beats and assignments. It also helps us strategically promote various pieces of content where they are most apt to drive traffic. Whether or not you're trying to broaden your reach to a specific subset of your readership, this is a great publication management tool.

Can't Stop, Won't Stop

In early 2017, we started the National Association of REALTORS® Broker to Broker Network on Facebook, where we currently have about 1,365 members. Our goal here is to create an interactive, productive network limited to members of this group. We ensure this by checking every member request against NAR's membership database to verify that an individual is part of the association and a broker-owner or designated broker of a real estate company. We believe the closed nature of the group leads to a livelier and more valuable exchange, and that's what we're seeing take place.

Our listening efforts haven't stopped. In 2018, we decided it was time to see what brokers think of our program by conducting another focus group. We again solicited the help of our skilled researchers at NAR to conduct the group interview during the REALTORS® Conference & Expo in Boston last fall. In addition to getting useful insight about our content, we put out feelers for a new idea: Broker to Broker live events. Participants said they'd be "very interested" in a broker networking event at the REALTORS® Conference & Expo in 2019 and would pay a fee to attend — \$30 to \$40. They expressed a preference for a breakfast or coffee event with minimal structure and more time to network, meet new people, and talk about their local associations. And they like the idea of roundtables with topics to drive discussion. So we're now planning to kick off a networking event this November when our conference returns to San Francisco — fitting, as it's the location where our broker initiative began to take shape five years ago.

What began as a seemingly herculean task of reaching a neglected segment of our audience is now a sustained, thriving, and growing program. We're doing a better job of reaching and engaging this group, which is now on the cusp of enjoying a face-to-face network. If we can do this much with minimal staff, just think of what you can do at your magazine.

Erica Christoffer is a multimedia journalist and contributing editor of REALTOR® Magazine. Prior to her 11 years with the trade publication, she spent several years as a newspaper reporter. She credits her publishing path to parents who read the newspaper to her as a kid. Connect via christoffer@pagesthemagazine.com.