

Student Manual



Official Certification Course



© Copyright 2018, 2020, Center for Specialized REALTOR® Education

Version 4.0

Published by the Center for Specialized REALTOR® Education, a wholly-owned subsidiary of the National Association of REALTORS®. All rights reserved. The National Association of REALTORS® owns these materials or have been granted permission from the copyright owners to distribute and reproduce them. Authorization is limited to view, store or print these materials for personal and non-commercial use only. No part of these materials may be reproduced, in any form or by any means, without permission in writing from the National Association of REALTORS®.

Important Note: The National Association of REALTORS®, and its whollyowned subsidiary, the Center for Specialized REALTOR® Education, its faculty, agents, and employees are not engaged in rendering legal, accounting, financial, tax, or other professional services through these course materials. If legal advice or other expert assistance is required, the student should seek competent professional advice.

National Association of REALTORS®
Center for Specialized REALTOR® Education
430 North Michigan Avenue
Chicago, Illinois 60611

Table of Contents

Introduction	1
Welcome	1
How to Earn NAR's e-PRO® Certification.....	1
Benefits	2
Why e-PRO® Is More Relevant Than Ever	3
What You Will Learn.....	4
 Module 1: Getting to Know the Digital Consumer	7
Connecting in a Digital Age.....	7
Reaching Customers Early in the Process: the Zero Moment of Truth	8
Marketing to the Digital Customer.....	12
 Module 2: Organizing Your Website	17
Key Components.....	18
Best Practices for Your Website.....	23
Developing a Privacy Policy	24
Domain Names.....	25
Signs Your Website May Need A Redesign	26
Need a Website?.....	27
 Module 3: Developing Owned Content	29
What Is Owned Content?.....	29
Types of Owned Content	30
The Content Dilemma: What Should you Create?.....	31
REALTOR® Content Resource	39
Intellectual Property	40
REALTOR® Code of Ethics	49
 Module 4: Creating a Social Media Strategy	55
Building Social Capital Through Social Media	56
What Is Your Brand?	60
Identifying Your Target Audience.....	63
What Will You Share?	65
Creating Your Social Media Strategy	68
Popular Social Media Platforms.....	95

Module 5: Attracting the Digital Customer—Generating Leads.....	109
Search Engine Marketing (SEM).....	110
Search Engine Optimization (SEO).....	116
Online Advertising	123
Decision Time	126
 Module 6: Converting Leads and Managing Clients.....	 129
Nurturing Leads	129
Effective E-mail (Drip) Marketing	136
Customer Relationship Management Tools	138
Measuring Your Results	138
CAN-SPAM.....	139
Managing the Paper(less) Client	139
 Module 7: Managing Your Online Reputation	 145
Word-of-Mouth or Earned Marketing	145
Tools to Help Manage Your Reputation	146
Rankings	147
Ratings and Reviews.....	148
Client Surveys.....	152
Agent Rating Websites	153
Agent Reviews on Major Portals	154
 Module 8: The Importance of Data Security	 157
What Types of Information Do You Collect?.....	160
Customers Expect their Data to be Secure.....	161
Identifying Suspicious E-mail	163
Eight Threats to Your Data Security.....	164
Be Tech Smart.....	169
Prevention, Policy, Preparation	169
Security Practices of Service Providers.....	172
 Module 9: Developing a Data Privacy Program	 175
Five Key Principles of Data Protection	178
Document Retention	184
A Data Security Program Checklist	187
Employee Training for Data Security.....	188

Module 10: Responding to a Data Breach 195

Four-Step Security Breach Response Plan	196
Notification Letter Templates.....	199
Notification Procedures.....	202
Cost of a Data Breach	202
Ransomware Incidents are Growing	204
What Happens to Stolen Data: The Dark Web	206

Module 11: Online Safety at Home 209

Creating Secure Passwords.....	210
E-mail Scams.....	212
Mobile Phone Security	214
Mobile Phone Scams.....	215
Social Media Security	216
Security Challenges and the Internet of Things.....	221

Module 12: Know the Law 223

Federal Laws about Consumer Privacy	224
Monitoring, Alerts, Information.....	225
State Laws about Consumer Privacy	226
What is “Personal Information”	228
NAR Best Practices for Collecting Data	229
Mission Accomplished!	232

Resources 233

REALTOR Benefits® Program	233
Glossary	236
Document Retention Guidelines for Associations and MLSs	240
Wire Transfer Advisory	241
Model Written Data Security Plan (WISP)	241

Acknowledgement

The Center for Specialized REALTOR® Education expresses gratitude and appreciation to the following individuals for their subject matter and industry expertise, input and feedback, and commitment to providing the best education for today's real estate professionals:

- **Craig Grant**
e-PRO®
Stuart, Florida
- **Brandon Johnson**
ABR®, e-PRO®
Alexandria, Minnesota
- **Justin Letheby**
PSA, e-PRO®
Saint Charles, Illinois
- **Marki Lemons-Ryhal**
ABR®, CRS, CRB, SRS, SFR®, RENE, C2EX
Chicago, IL,
- **Juanita McDowell**
e-PRO®
Atlanta, Georgia
- **Gonzalo Mejia**
ABR®, AHWD, C2EX, CIPS, CRB, CRS, C-RETS, GRI, RENE, SRS,
Jacksonville, Florida
- **Matthew Rathbun**
CRS, GRI, ABR®, AHWD, e-PRO®, CDEI, CRB, CRS, CIPS, CRETS,
GREEN, PSA, MRP, RSPS, RENE, SFR®, SRS, C2EX
Fredricksburg, Virginia

As well as subject matter experts from previous editions of this program: Rephael Chorew, Bill Lublin, Jeremias Maniero, Rebecca Mountain, and Marion Napoleon.

This program is dedicated to the memory of Sheila L. Lublin, who was instrumental in the creation of SMMI and continues to inspire us today.

EMPOWER YOUR FUTURE.

Make an investment in yourself, your career, and your industry.

Commitment to Excellence is an award-winning program that empowers you to enhance and showcase your high levels of professionalism, providing you an advantage in our highly competitive market.

It's a program that enables a self-directed experience and offers engaging ways to continue to learn and grow. It's not a designation or a course, and it's not a requirement. Thousands of REALTORS® have already started their C2EX journey and are leveraging their learnings. If you haven't signed up, get started today. Don't miss this opportunity to gain market advantage for yourself and stand out among your competition!

Learn more and get started at C2EX.realtor.





Manage time, money and financial risk.

NAR's **Center for REALTOR® Financial Wellness** will help you ensure your future financial security. Simply log-in to find easy-to-follow tips created specifically for the unique financial needs of REALTORS®.

Explore resources related to calculating business expenses, goal-setting, setting up a retirement account, how much of your commission to set aside for taxes, and so much more.

Get started at [**FinancialWellness.realtor**](https://FinancialWellness.realtor)

Benefit from interactive features:



Assess your current financial profile



Practice financial decision-making skills



Discover financial resources related to budgeting and retirement



Receive personalized goals to help navigate your financial security



Register for the upcoming monthly webinars at [**NAR.realtor/FinancialWellness/Webinars**](https://NAR.realtor/FinancialWellness/Webinars).

CENTER 
REALTOR®
FINANCIAL WELLNESS

 **NATIONAL
ASSOCIATION OF
REALTORS®**



Introduction

Welcome

Welcome to NAR's e-PRO® certification program. e-PRO® is the only technology certification of its kind to be officially recognized, endorsed, and conferred by NAR.

Certification in this course helps REALTORS® understand how to create and protect their online presence. REALTORS® who hold this certification demonstrate:

- **Excellence:**
In adopting, implementing, and promoting technology best practices.
- **Ethics:**
With a commitment to use technology in a fair and responsible manner.
- **Professionalism:**
By completing this program and keeping their technical knowledge and skill sets up to date.

How to Earn NAR's e-PRO® Certification

The next steps for earning NAR's e-PRO® certification are straightforward. When you have successfully completed the course, you will need to submit a one-time application fee of \$149.00 online at www.ePRONAR.com. Once you complete all of the program requirements, NAR will confer the e-PRO® certification to you and notify you by e-mail.

If there are any questions, NAR staff can answer regarding the certification process, please contact us by e-mail at epro@nar.realtor.

Benefits

The benefits of becoming e-PRO® certified are:

- Consumers find you first through a search on the e-PRO® website
- Use of the e-PRO® logo and name
- Differentiation at NAR.realtor and at Realtor.com®
- Customizable marketing materials
- Online referral directory
- Networking opportunities with other tech-savvy REALTORS®
- E-mail Newsletter
- Downloadable certificate
- Private Facebook group
- Periodic Facebook Live events on timely topics
- Lapel pin available for purchase through the REALTOR® Team Store

NAR'S e-PRO® CERTIFICATION COUNTS AS ELECTIVE CREDIT FOR OTHER PROGRAMS

Completing NAR's e-PRO® certification is a great way to start on other NAR designation and certification programs. Students who successfully complete NAR's e-PRO® course and receive the certification can use it as credit toward the ABR® and C2EX requirements.

Why e-PRO® Is More Relevant Than Ever

Technology continues to advance at a rapid pace and has fundamentally changed how people communicate in their day-to-day lives. The adoption of smartphones and mobile technology keeps us connected all the time, everywhere we go. For the real estate professional this results in more tools you can use to connect with potential and current customers.

The Covid-19 pandemic of 2020 created an even stronger reliance on technology for all professionals – including the real estate professional. We have had to rethink the way we communicate with customers and co-workers, how we present properties, and touch-free ways to close the deal. Today, even more than before, your online presence is your key to developing and maintaining business. The e-PRO® course is designed to help you not only create and maintain an effective online presence but also learn how to protect it.

Today's real estate professionals need to have mobile technology and social networking skills and the know-how to engage consumers by using a wide variety of ever-changing online communication tools. Of course, that doesn't mean that you should drop marketing and communication strategies that are currently working in your business. Rather, this course is designed to help you enhance those strategies by:

- Understanding how technology has changed consumer behavior and communication.
- Integrating and using new technology to run a more effective and efficient business, which will ultimately help you...
 - ▶ Be more profitable
 - ▶ Have stronger, more trusted relationships with your clients and potential customers
 - ▶ Protect your license and your online reputation
- Understanding the importance of data privacy and security, as well as, how to develop data privacy policies and procedures and fulfill legal responsibilities created by a data breach.

What You Will Learn

The modules in this course guide you in creating your online presence. You will examine the modern consumer and discover how to capture and convert these prospects into clients. You will study the various types of content that go into your online presence and learn about using keywords effectively to drive customers to your website.

We will discuss how to create a social media marketing strategy. You will discover where to focus social media efforts and how to develop a consistent and sustainable content creation strategy. Intellectual property rules will also be covered, and online advertising and paid marketing will be touched upon.

In addition to using technology to market your business, market your listings, and connect with clients, technology is used throughout the buying and selling process. This creates large amounts of online data that real estate professionals are responsible for. When home buyers and sellers do business with real estate professionals, they trust that the information they share will be kept confidential – so it is up to you to protect your clients' data and prevent the possibility of a data breach.

Later in this course you will learn how to protect your online presence and keep data secure. This section discusses the importance of data privacy and security, as well as, how to develop data privacy policies and procedures and fulfill legal responsibilities created by a data breach.

Below is an overview of the learning objectives for each module:

► **Module 1: Getting to Know the Digital Customer**

- ▶ Identify the concept of the Zero Moment of Truth and learn how to connect with the modern consumer early during their initial real estate related Internet searches.
- ▶ Recognize the challenge of being found online and understand the importance of keywords to drive traffic to your online web presence.
- ▶ Learn about a marketing strategy to streamline your efforts and increase the impact of your digital presence.

► **Module 2: Organizing Your Website**

- ▶ Identify the role that your online presence plays in your marketing efforts.
- ▶ Optimize your website to include content that demonstrates your expertise, personality, and interests.
- ▶ Recognize the power of targeted local content and how it drives consumers to take action.

► **Module 3: Developing Owned Content**

- ▶ Identify the types of owned content, including blogs, photos, and videos, and how to use these to connect with potential customers.
- ▶ Identify which type of content you should create for your website and social media platforms.
- ▶ Recognize the intellectual property rules related to creating and publishing online content, including copyright, plagiarism, and fair use.

► **Module 4: Creating a Social Media Strategy**

- ▶ Recognize the importance of building social capital and expanding your online presence.
- ▶ Identify your target audience and develop an online strategy designed to advance your marketing goals.
- ▶ Learn about popular social media platforms and tools to help engage your audience.

► **Module 5: Attracting the Digital Customer: Generating Leads**

- ▶ Distinguish between Search Engine Marketing and Search Engine Optimization and identify why both are important.
- ▶ Identify how online advertising can help you generate more targeted leads.
- ▶ Recognize that lead generation companies can help you in this process if your budget allows.

► **Module 6: Converting Leads and Managing Clients**

- ▶ Identify the four keys to nurturing leads.
- ▶ Recognize how to use e-mail (drip campaigns) to reach large audiences and comply with CAN-SPAM in all your e-mail campaigns.
- ▶ Identify the value of customer relationship management (CRM) and transaction management platforms.

► **Module 7: Managing Your Online Reputation**

- ▶ Describe the importance of word of mouth (earned) marketing.
- ▶ Identify tools to help manage your online reputation.
- ▶ Illustrate how to resolve an online conflict.

➤ **Module 8: The Importance of Data Security**

- ▶ Identify the types of information your business receives and assess the security of this information.
- ▶ Recognize eight threats to your data security.
- ▶ Develop steps to keep your data secure.

➤ **Module 9: Developing a Data Privacy Program**

- ▶ Identify the key principles used to protect personal information.
- ▶ Understand document retention guidelines mandated by the federal and state governments.
- ▶ Assess employee training guidelines for data security.

➤ **Module 10: Responding to a Data Breach**

- ▶ Identify the four steps in the security breach response plan.
- ▶ Learn the costs associated with data breaches.
- ▶ Identify ways to assess the information learned from a data breach.

➤ **Module 11: Online Safety at Home**

- ▶ Identify the key principles of a data security program for your home.
- ▶ Learn how to protect your e-mail, mobile phone, and social media accounts.
- ▶ Recognize data privacy issues concerning children.

➤ **Module 12: Know the Law**

- ▶ Identify basic aspects of state and federal laws regarding data privacy and security that affect real estate organizations.
- ▶ Identify NAR best practices for data collection.
- ▶ Demonstrate methods for keeping informed on current legal requirements regarding data collection.



MODULE 1:

Getting to Know the Digital Consumer

IN THIS MODULE YOU'LL LEARN HOW TO:

- Identify the concept of the Zero Moment of Truth and learn how to connect with the modern consumer early during their initial real estate related Internet searches.
- Recognize the challenge of being found online and understand the importance of keywords to drive traffic to your online web presence.
- Learn about a marketing strategy to streamline your efforts and increase the impact of your digital presence.

Connecting in a Digital Age

Today's modern consumer is thoroughly immersed in the digital world and spoiled by abundant and easily accessible information. They turn to the Internet for everything from styling tips, to dinner recipes, to dating – and of course for information on the real estate market and on any business or individual with whom they consider doing business.

The time when real estate professionals controlled the information on what property was for sale has long passed. Today's consumer has access to thousands of websites, mobile apps, and videos providing information about properties for sale, in default, and for sale by owners; properties that have been foreclosed upon; and even properties that are not for sale, as well as, those that have been sold and are inaccurately advertised online.

Real estate professionals need to consider how to be found in a world where they are no longer the main source of property information or even the immediate by-product of the consumer's property search. In today's online world, the consumer is almost drowning in property information.

Individual real estate professionals can't expect to win a competition against property search websites and portals and other professional advertising sites that spend a considerable amount of money, time, and human resources to ensure their pages appear early in online search results. But take heart: there are things you can learn about the digital customer that can help you become the one they turn to when it's time to buy or sell a home.

Reaching Customers Early in the Process: the Zero Moment of Truth

To compete in today's marketplace, real estate professionals must work smarter and try to reach customers earlier in the sales process. According to Google's research study, *Winning the Zero Moment of Truth*, the old three-step sales journey is now obsolete. In the old model, consumers who were home buyers experienced:¹

- 1. Stimulus**

A consumer saw a "For Sale" sign for a property in a neighborhood where he or she wanted to live and decided to learn about buying a home.

- 2. Shelf or The First Moment of Truth**

The consumer contacted a real estate professional and, after weeks of learning about homes for sale, viewing homes, putting in offers, and negotiations, closed on a home.

- 3. Experience or The Second Moment of Truth**

The consumer moved into the home.

With the abundant amount of information about homes for sale on the Internet, traditional stimuli just doesn't work the way it used to. Now, the modern consumer may experience a mild stimulus ("What a great neighborhood to live in...") and instead of immediately starting the home buying process, they turn to the Internet to conduct searches about the neighborhood, community resources, school districts, and property values well before they are ready to take action. This time period is referred to as the Zero Moment of Truth (or ZMOT for short). This means that consumers experience:

- 1. Stimulus**

A consumer sees a "For Sale" sign for a property in a neighborhood where he or she wants to live and decides to learn about buying a home.

¹ Jim Lecinski. *Winning the Zero Moment of Truth*, <https://www.thinkwithgoogle.com/collections/zero-moment-truth.html>.

2. Zero Moment of Truth

The consumer educates himself or herself about the home buying process and begins to look online for information about neighborhoods and homes for sale.

3. Shelf or The First Moment of Truth

The consumer contacts a real estate professional and, after weeks of viewing homes, putting in offers, and negotiations, closes on a home.

4. Experience or The Second Moment of Truth

The consumer moves into the home.

In the Zero Moment of Truth, today's consumer spends hours looking through real estate websites, online videos, and social media channels for information long before they begin the actual process of contacting agents or physically visiting houses for sale.

In other words, this is where your job as a real estate professional must begin. Clients are no longer asking you to find the properties first or where the best school districts are or property tax rates for a particular neighborhood, etc. This means you have to find a way to drive them to you early in their search process – during their Zero Moment of Truth – so you're the one they turn to when they are ready to take action.

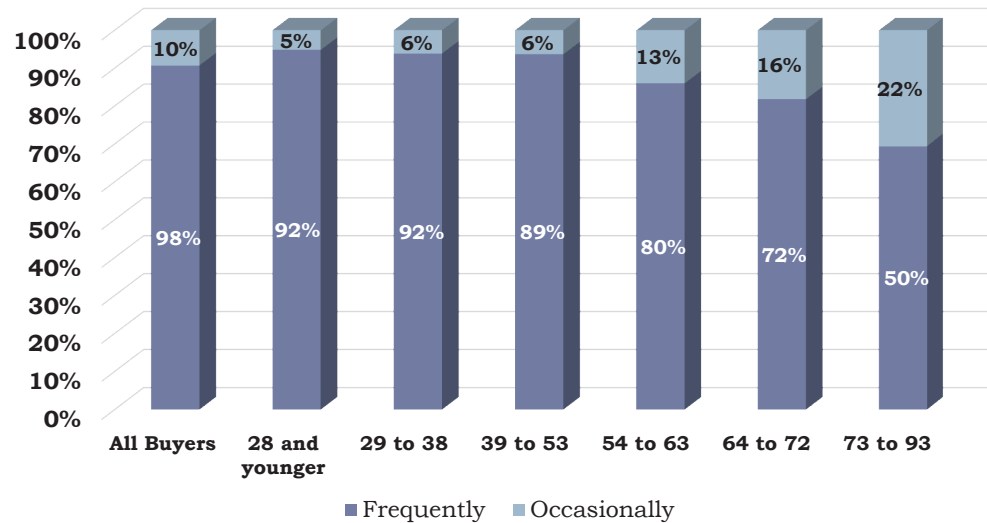
The 2019 NAR Profile of Home Buyers and Sellers and the 2020 NAR Home Buyer and Seller Generational Trends report offer some actionable insight into how the modern consumer uses online resources in their home search.²

- **84%** of home buyers used the Internet to search for a home in 2019.
- **44%** of home buyers looked online for properties for sale as their first step in the home buying process, while **16%** first contacted a real estate agent.
- Online websites were seen as the most useful source of information by **93%** of home buyers.
- Buyers who used the Internet searched for **10 weeks** and visited **10 homes** on average.
- **52%** of buyers found their home on the Internet.
- Photos were the most important website feature for **90%** of buyers under age 55.
- **20%** of buyers pre-qualified for a mortgage online.

² National Association of REALTORS®. 2019 Profile of Home Buyers and Sellers. 2019 Chicago, IL, and National Association of REALTORS®. 2020 Home Buyer and Seller Generational Trends Report, 2020 Chicago, IL

- Property and neighborhood information, floor plans, and virtual tours all ranked high in website importance.
- 71%** of buyers found their home with a mobile app while **17%** found their agent with a mobile app.

Figure 1.1: Use of the Internet to Search for Homes



Source: NAR Home Buyer and Seller Generational Trends Report 2019

It is clear that online content for all aspects of real estate is more relevant than ever. Having a strong web presence is critical for real estate professionals. If the vast majority of buyers are using the Internet to search for properties and real estate information during the Zero Moment of Truth, then you should work to create high-quality, mobile-friendly, keyword-rich online content, as well as photos and videos that will show up in the search results and drive those clients to you.

Keep in mind that marketing in the Zero Moment of Truth is more a marathon than a sprint. The idea is to create content that homeowners are looking for, branded in a way that helps them identify you with the area. Not as the number one salesperson, but as a neighborhood expert who has in-depth knowledge about your market and area.

Unlike the “lead” search inquiry on a specific property, the digital content you create—blogs, photos, and videos—should help consumers find you during their Zero Moment of Truth. When your name is associated with the real estate content they refer to, they are more likely to contact you when they are ready to act.

ATTRACTING CUSTOMERS DURING THE ZERO MOMENT OF TRUTH

When you create content to attract consumers early in the information-gathering process or Zero Moment of Truth, be mindful of the keywords you use. Keywords refer to the ideas and topics found in your online content. When a consumer does an online search and the terms they use match with the keywords you use then your website will appear in their search results. As a general rule, the more specific and locally relevant the keywords, the better your chances to rank higher in organic search results.

Keywords are the mainstay of search engine marketing (SEM). We will get into greater detail about keywords and SEM in chapter 5 but keep in mind that if you want to attract customers during their Zero Moment of Truth, you'll want to choose your keywords carefully. A Google study confirms that 95% of people only look at the first page of a web search, so you can't afford to miss this opportunity. From over-arching terms like "homes for sale" to keywords that focus on a specific listing "how to sell a home in Denver, Colorado," the keywords that lead to your online sites will drive traffic – and business – to you.

Marketing to the Digital Customer

Before diving into this topic, let's take a few minutes to learn about your current marketing strategies.

EXERCISE 1.1:

SELF-EVALUATION OF TRADITIONAL AND DIGITAL MARKETING

Answer the questions below based on your current marketing plan. For each yes answer, assign yourself one point.

Question	Points
1. Do you have a mission statement?	
2. Do you have market-tested and validated channels selected?	
3. Do you currently have marketing goals?	
4. Have you completed a SWOT analysis in the last 12 months?	
5. Do you know who your competitors are?	
6. Do you know who your audience is?	
7. Do you have a marketing calendar in place and are you currently executing on that plan?	
8. Do you have a budget for your marketing strategy and are you following that budget closely?	
9. Do you have an official marketing strategy and that strategy is recorded for implementation?	
10. Are you measuring your marketing success in a meaningful and aggressive way?	
Total Points:	

How did you score? Don't worry if you didn't achieve a perfect 10. The purpose of this exercise is to demonstrate how the building blocks of a traditional marketing plan overlap with a digital marketing plan. All of these considerations are necessary for both traditional and digital efforts to be successful.

Your digital marketing efforts to create meaningful consumer content should direct consumers to a place where they can find you and where you can obtain their contact information and learn more about their needs and wants. This place is your website. Your website is the foundation of your digital presence. It's your home base—the place you want to drive consumers to so that you can do business with them. You use your website to demonstrate expertise, build community, and capture and convert clients.

You drive traffic back to your website via all the online activity you engage in – Instagram, Twitter, and YouTube videos to name a few. Think of your social media as the roads that lead back to your home website.

Figure 1.2:

Everything Drives Back To Your Website. Everything Drives Back to YOU.



See the following page for more complete lists of both digital and non-digital ways to drive traffic to your website.

Nondigital ways to drive traffic to your website:

- Printed business cards
- Yard signs
- Direct-mail campaigns
- Brochures and flyers
- Print newspaper ads
- Regional and community magazines

You should be sure to include your website URL on each of these traditional platforms to lead prospects back to your website.

Some ways to drive traffic digitally include, but are not limited to:

- Blog posts/local content
- Social media profiles and pages, including: Facebook business pages and groups, Twitter, Instagram, and LinkedIn, etc.
- Your YouTube channel with locally relevant real estate videos
- E-Newsletters
- E-mail campaigns
- Agent profiles in directories such as portals and rating review websites
- Online Paid Advertising (Google, Facebook, Twitter, etc.)

In the following chapters, we will review ways to optimize your social media to effectively drive traffic back to your website, increasing the likelihood of consumers contacting you for your expertise during their Zero Moment of Truth.

EXERCISE 1.2: TEST YOUR DIGITAL SAVVY

What are some digital ways you would use to drive traffic to your website?

Would you use different methods depending upon the customer and the property type?

Think of four strategies that are appropriate to use for first-time buyers looking for a townhome.

1.

2.

3.

4.

After completing Module 4 on Creating a Social Media Strategy, come back to this exercise and see if your answers are the same.

KEY POINT REVIEW

- Today's consumer turns to the Internet first for information on the real estate market.
- You must reach consumers early in the search process, at their Zero Moment of Truth, and drive them to you by creating content consumers are looking for.
- Appropriate, specific keywords are vital in driving consumers to your online presence.
- When marketing to the digital customer, real estate professionals should rely on the same building blocks they use in traditional marketing channels.



MODULE 2:

Organizing Your Website

IN THIS MODULE YOU'LL LEARN HOW TO:

- Identify the role that your online presence plays in your marketing efforts.
- Optimize your website to include content that demonstrates your expertise, personality, and interests.
- Recognize the power of targeted local content and how it drives consumers to take action.

Today, a strong digital presence is expected for most businesses—and that includes real estate. While buyers continue to work with agents almost exclusively to purchase a home, their initial search process now starts online.

According to REALTOR® Magazine, having a profile on a brokerage website isn't enough. Agents who create and maintain their own business website will attract more leads and build better brand recognition.³ They set themselves apart from their competitors.

As noted on Placester.com, the majority of real estate professionals are using the Internet to market their businesses: 93% of brokerages and 70% of individual agents have a website.⁴

Let's take a closer look at the key components of a website.

³ Why Every Real Estate Pro Should Have Their Own Website by Adrian Fisher, August 19, 2019 <https://magazine.realtor/technology/feature/article/2019/08/why-every-real-estate-pro-should-have-their-own-website>

⁴ <https://placester.com/real-estate-marketing-academy/custom-landing-pages-real-estate-lead-generation>. Accessed July 22, 2020.

Key Components

Your personal website is the central online location where all of your online and offline marketing sends clients and prospects. Your website is a public place to display and promote your personal and business information.

Among all ages of buyers, looking online for properties is the most popular way to begin a search. Buyers especially enjoy looking at websites with photos, home lists, and information about the buying process.

As the centerpiece of your digital image, your website also provides a central location to showcase any other online platforms you use. For this reason, links to all your social media accounts should appear here.

Your website should also promote your abilities as a real estate professional. As the NAR 2020 Home Buyers and Sellers Generational Trends Report notes, all generations of buyers continue to utilize a real estate agent or broker as their top resource to help them buy or sell a home. Your website is the place to connect the consumer's search process (their Zero Moment of Truth) with a qualified agent—you!

To truly optimize your website and generate organic search traffic, include these key components:

1. You and Your Expertise
2. Useful Local Content
3. Property Search Functionality
4. Calls to Action
5. Pop Up or Landing Page (optional)

1. YOU AND YOUR EXPERTISE

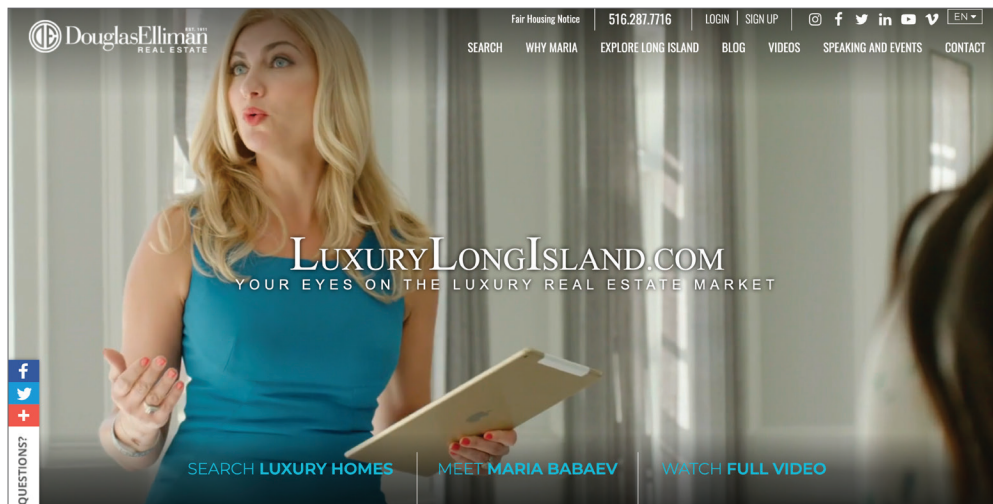
Your website is where consumers will go to learn more about you. Think about what you would want to know about someone before doing business with them. Your website should make you approachable and reflect your capabilities and interests:

- Who you are: Include information about your interests, specialties, and core values.
- Your local expertise: Show off your local knowledge by including keyword-rich content about the areas you serve.

- ▶ How you connect with consumers: Find areas of common ground with your clients and potential clients. Hobbies, sports teams, and school affiliations are all potential points of connection.
- ▶ How you do what you do: Point out your strengths and areas of differentiation from other agents. Highlight your specialties and what makes you unique. Note any special accreditations or certifications.
- ▶ How to contact you: Contact information should be prominent and easy to find on your site. Ensure that clear links to any other digital platforms you use are included so that consumers can easily connect with you (Instagram, Twitter, etc.)

By demonstrating who you are, what you know, and how you work—as Maria Babaev, MBA, does with her website, LuxuryLongIsland.com (Figure 2.1)—you have an opportunity to gain the attraction and the trust of prospective customers. It's more likely that someone will choose you because they like or trust you than because they happened to see a property on a site you're attached to.

Figure 2.1: www.LuxuryLongIsland.com



Source: Reprinted with permission of Maria Babaev, MBA, e PRO®, SFR®, CLHMS, CIPS, GRI, CRS, CBR, SRES

2. USEFUL LOCAL CONTENT

Creating locally relevant content on a regular basis and featuring it on your website is one of the most effective tactics you can use to get found online. This demonstrates your expertise and showcases your knowledge about the local markets and neighborhoods you service. Your website should include a way to easily refresh and update the content to keep it current and relevant.

GUIDELINES:

- Photos of a property, as well as, detailed information about properties for sale were cited as the most valuable aspects of a website for every generation of consumers.⁵
- About half of buyers found floor plans and virtual tours useful.
- Adding new keyword-rich, locally-relevant content and media is easy if you include blogging functionality in your website. Blogging allows users without advanced technology skills to easily add fresh quality content.
- Use target keywords in important parts of the page's content, such as the title element, headline, and body content to help browsers find you. While generic keywords are useful, hyperlocal keywords will drive more traffic: this can be as simple as including the name of your town in a keyword term (relocation REALTOR® in Denver).

We will talk more about the three types of content you can create in the next chapter.

3. PROPERTY SEARCH FUNCTIONALITY

Most websites now include property search functionality, since NAR adopted an IDX policy in May 2000. Internet Data Exchange (IDX) is an umbrella term used to cover policies, standards, and software pertaining to the display of real estate listing information on websites.

Today, it's simple for REALTORS® to show off listings using IDX. This software establishes a data connection between your website and the MLS, imports listings and displays them on your site. It's updated every few hours, so visitors to your site can see the most recent listings—and then contact you for more information. Note that web portals like Zillow and Trulia don't use IDX: they get their information from other sources, so they may not always be up to date.

⁵ NAR Home Buyer and Seller Generational Trends Report 2019 & 2018 Profile of Home Buyers and Sellers.

Recent data shows that 44 percent of all buyers search online for property listings as the first step in purchasing.⁶ So agents who don't incorporate listings into their website are at a clear disadvantage.

IDX (Internet Data Exchange) gives MLS participants the tool they need to display each other's listings on their Internet websites. Under IDX, brokers consent to display each other's listings online.

You should consult your MLS to understand their particular policies, and avoid misusing the information. For detailed information on the NAR IDX policy, visit the website at nar.realtor.

4. CALLS TO ACTION

Your goal is to turn "lurkers" into active users once they get to your website. A Call to Action (CTA) represents something of value that you offer to the customer that inspires them to take the next step.

For example, you might offer a downloadable neighborhood guide in exchange for an individual's contact information. Calls to Action are where real estate professionals can capture contact information and convert consumers into clients.

Consider including one of these Calls to Action:

- Search for properties.
- Home worth calculator.
- Receive e-mail updates about market statistics.
- Learn about the neighborhood.
- List an event on a community calendar.
- Request more information.
- Downloadable homebuyer or seller checklist.

CAPTURING CONSUMER INFORMATION

When asking for contact information, keep the registration process as simple as possible. Overly detailed registration forms can turn consumers away. Fields for first name, last name, e-mail address, phone number, and the ability to enter a specific message are generally sufficient. Only require them to submit an e-mail to contact you.

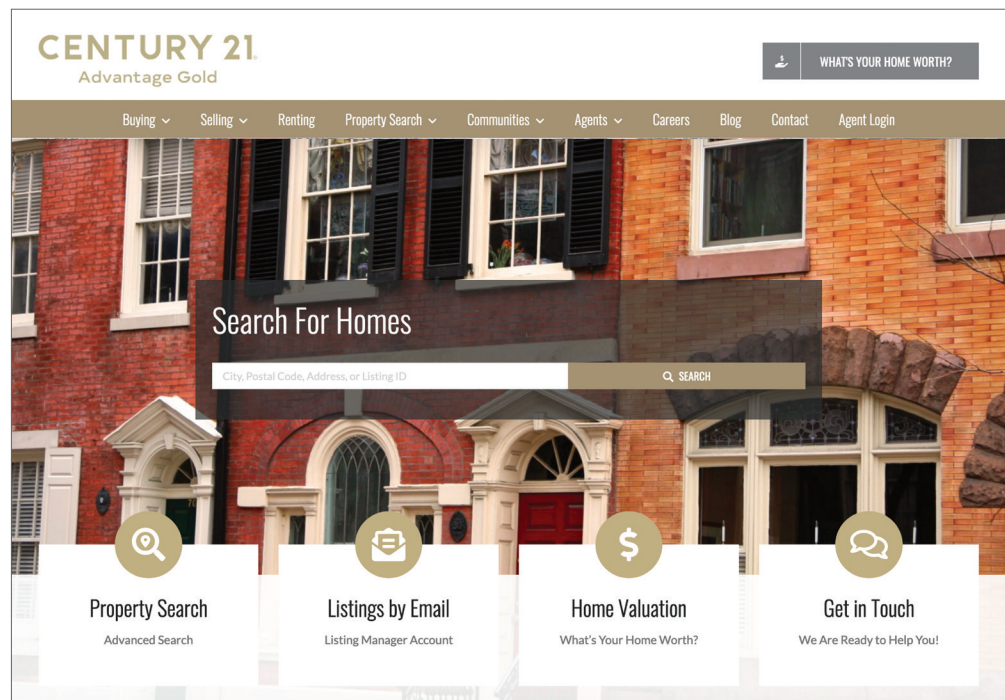
⁶ Real Estate in a Digital Age 2019 Report/National Association of REALTORS® Research Group.

5. OPTIONAL POP-UP OR LANDING PAGE

Consider adding a landing page with a contact form to opt-in to communications from your business. These are single-pages or pop-up boxes on a website where a visitor “lands” after clicking a link. They are designed to provide specific and targeted material, usually in exchange for contact information. Typically, these are stand-alone web pages, disconnected from the main navigation.

The optimal format for a landing page is a two-step opt-in, which allows visitors to digest the CTA on the landing page, plus highlights from the provided document. When someone opts-in, they select Download Now, and then they are taken to a second window that asks for their name and e-mail address.

Figure 2.2: Landing Page Example from Century 21 Advantage Gold



Reprinted with permission of Century 21 Advantage Gold

BASIC DIFFERENCES BETWEEN A HOMEPAGE (WEBSITE) AND A LANDING PAGE

- Homepage can contain several links.
- Homepage provides information on several topics.
- Landing Page is simpler and focused on a single issue. For example, a home price calculator.
- Landing Page has one link, providing a Call to Action (such as providing contact information).

Best Practices for Your Website

When designing or updating your website:

- Keep your branding consistent. Use consistent fonts, colors, and styles in every element. Templates help coordinate a professional and consistent look.
- Check readability. Avoid overly-fancy fonts and low-contrast images.
- Use keywords to drive traffic to your site (more about keywords and Search Engine Optimization in later modules.)
- Make your contact information prominent and easily visible.
- Use a top-quality or professional photo of yourself with a simple background. Avoid wearing clothing with busy patterns.
- Add visual elements to engage readers.
- Make sure your site is mobile friendly.
- Check the site's navigation. Is it logical? Do you have a search function?
- Include easily identifiable social media buttons for all platforms you use.
- Be aware of website requirements mandated by your brokerage. Do you need to include a logo, color scheme, photo, or other identifier? Check the requirements, and visit colleague's websites to see how they incorporate these elements.
- Include a Terms of Use statement that governs participant's actions and gives the host certain privileges and protections. This is sometimes called Terms of Service or Terms and Conditions and appears as a link at the bottom of the site.

Developing a Privacy Policy

A privacy policy is an online document that discloses the ways your business collects, shares, protects, and destroys personal information. Some states, for example California, require commercial websites that collect personal information regarding its residents to post a privacy policy on the website. If your business collects information from a resident of a state with laws requiring privacy policies, then it is a good idea to have a privacy policy in place and to provide a link to it on each page of your website.

The following list presents issues to consider when developing a privacy policy.

➤ **How is notice provided to consumers?**

- ▶ Stated clearly and posted conspicuously.
- ▶ Accessible through a direct link from each page of the website.
- ▶ May be amended with (or without) notice.

➤ **What type of information is collected about a user?**

- ▶ Information volunteered by the user.
- ▶ Domain name or IP address.
- ▶ Type of browser or operating system being used.
- ▶ Date and time of visit.
- ▶ Statistical information about which Web pages a user visits.
- ▶ Websites the user visited prior to coming to your website.
- ▶ Websites the user visits after leaving your website.
- ▶ Minors are prohibited from volunteering any personal information.

➤ **Why is the information collected?**

- ▶ Improvement of the website content.
- ▶ Gain understanding of how consumers use your services.
- ▶ Update send the users on website changes or new services.
- ▶ Share information with affiliates and other third parties.

➤ **What happens to the collected information?**

- ▶ How is the information stored?
- ▶ How long is information retained and when is it deleted or destroyed?

- **How can the user obtain access to the collected information?**
 - ▶ Under what circumstances is the information accessible to a user?
 - ▶ Who should the user contact with inquiries or complaints regarding the handling of collected information?
 - ▶ How can the user opt-out of collection of the information?
- **Identity and contact information of the website operator.**
- **Effective date of the privacy policy.**

Domain Names

A domain name is the address that people type in the browser URL bar to visit your website. To create a website, you need both a domain name and web hosting.

Without domain names, finding someone online would be very difficult. The first thing potential customers will do is conduct an online search. If your website is easy to find, you'll greatly increase your chances of engagement.

Your domain name offers the first representation of your brand. A strong name adds professional credibility and creates awareness, and establishes you (and your business) as savvy and forward-thinking.

Keep in mind that by registering a domain name, it creates mobility for you online. Your domain name can stay with you if you change web hosting services, or relocate. Note that for most agents, a .com address is ideal. It's the most common domain extension used. You do not need to use the same name as your registered business name, but it should be related or similar. For example, if your business name is Diamond Property Realty, then your domain name could be diamondproperties.com.

Familiarize yourself with NAR policy regarding the use of the REALTOR® name and trademark. The rules governing the use of the REALTOR® marks are the same regardless of the medium in which the marks are being used, i.e., print advertising, web advertising, URLs, e-mail addresses, usernames, and more. These rules require the REALTOR® marks to be used with a member's name or with the legal name of a member broker's real estate business. For use as a domain name or e-mail address on the Internet the term REALTOR® does not need to be separated from the member's name or firm name with punctuation. Visit the topic "Trademark & Logo Use on the Internet" at nar.realtor for detailed information.

TIPS FOR CHOOSING A DOMAIN NAME⁷

- Stick with a .com domain name as it is the most popular, easy to remember, and easy to promote.
- Keep it unique and brandable.
- Avoid hyphens or doubled letters.
- Make sure it is short and easy to remember.
- Make it easy to pronounce and spell.
- Do not use numbers.
- Popular domain registrars include Domain.com, GoDaddy, Bluehost, and SiteGround.

Signs Your Website May Need A Redesign⁸

1. It has a high bounce rate: visitors only view your website a single time. This information is available via Google Analytics.
2. It takes longer than 3 seconds to load. Run your website through a speed tester like tools.pingdom.com or gtmetrix.com to see how quickly it loads. Longer load times cause visitors to abandon your site.
3. It lacks basic on-page SEO (search engine optimization). Each page should contain unique title tags that help browsers find your content. URLs should use relevant keywords, and you should include links to other pages.
4. It doesn't have recent content. New content increases search results and exposure, improves the overall quality and compels visitors to return.
5. It's not secured with HTTPS. If your site is not secure, visitors may hesitate to leave their contact information. (More on data privacy and security in the second half of this course.)
6. It does not function properly on mobile devices. Statistics show that three in five internet users who visit a website do so from a mobile device. If your website doesn't function properly on mobile devices, you'll lose a lot of views.

⁷ "Beginner's Guide: What is a Domain Name and How Do Domains Work? Editorial Staff, last updated August 23, 2019 <https://www.wpbeginner.com/beginners-guide/beginners-guide-what-is-a-domain-name-and-how-do-domains-work/>

⁸ Adapted from "11 Telltale Signs Your Website Needs Updating & Redesigned" by Justin Smith, Update Feb 22, 2019 <https://www.outerboxdesign.com/web-design-articles/when-to-redesign-your-website>

7. It's difficult to navigate. When visiting your website for the first time, users should be able to find specific content easily. If it's difficult or confusing to navigate, visitors won't stay long, and they won't engage with you. Pretend to be a first-time visitor to your site: how easily can you find the information you want?
8. It contains dead links. You don't have to manually click every link on your website to see if they work. Just enter your website's URL at brokenlinkcheck.com, and it will reveal whether it contains dead links. Remove or modify dead links with correct target URL.
9. It doesn't match your brand. This includes the logo, images, formatting, and every element on your site.
10. It has an ineffective call to action. What percentage of users click your website's CTA. Known as click-through rate (CTR), it reflects how well this can grab visitors' attention and compel them to click the linked text or image. If your CTA has a low CTR, consider changing the shape, color, text, or placement of your call to action.
11. Too much technical troubleshooting. If your time is spent troubleshooting technical issues instead of engaging with customers, it's time to start looking for new options.

Need a Website?

Do you need help creating a website? Through NAR's REALTOR Benefits® Program, members enjoy savings on Placester® website subscription packages. Built on the foundation of affordable and beautifully-designed agent websites, Placester is a real estate marketing platform, designed to help real estate professionals develop this aspect of their online presence. Here are the benefits of using Placester:

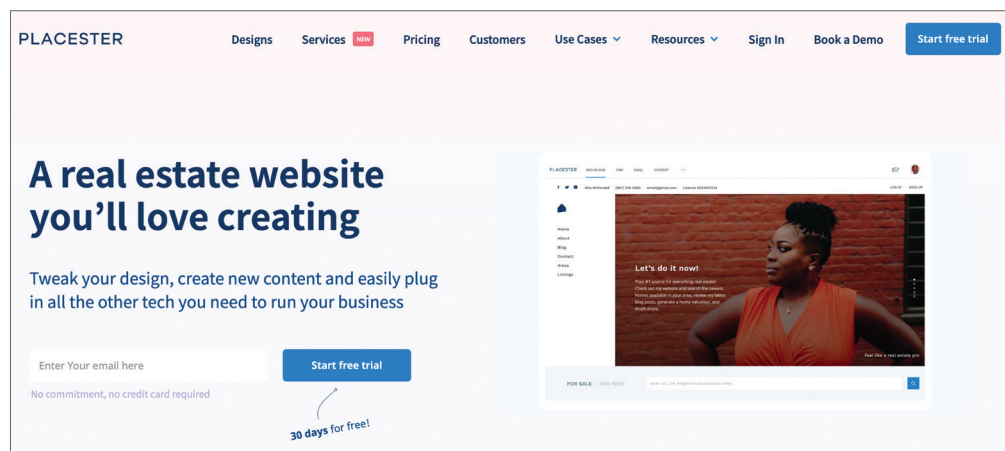
- Quick and easy setup
- Mobile-friendly (responsive) site design
- Homepage with editable slideshow images to showcase your market or featured listings
- About page to promote your expertise
- Testimonials page with available RealSatisfied integration
- Ability to add custom logo and tagline

- Social media account integration
- Sharing icons for visitors to post your listings to their social networks
- Reliable, hassle-free hosting
- E-mail support

To learn more about this opportunity visit nar.realtor/RealtorBenefits/Placester.

All Placester sites allow you to showcase your market and/or featured listings in a slideshow. As a unique benefit available exclusively to NAR members, Placester also offers a design template with the REALTOR® logo, trademarks, and value statement.

Figure 2.3: Placester Homepage



KEY POINT REVIEW

- Your website is the central focus of your marketing efforts.
- Effective websites provide information about you and the local market, include a property search function, and lead the visitor to take action.
- You should develop a privacy policy and include it as a link on your website.
- Your domain name leads traffic to your website and is the first representation of your brand.



MODULE 3:

Developing Owned Content

IN THIS MODULE YOU'LL LEARN HOW TO:

- Identify the types of owned content, including blogs, photos, and videos, and how to use these to connect with potential customers.
- Identify which type of content you should create for your website and social media platforms.
- Recognize the intellectual property rules related to creating and publishing online content, including copyright, plagiarism, and fair use.

As you'll recall there are both traditional "offline" and online components of your marketing strategy that direct customers back to your website. It's important to point out that when we talk about online content, we are talking about a few things – the content you create yourself, pay to have created, or curate (legally) from other sources.

Content is at the core of all your resources—both online and offline—so it's important to create the right type of content for your brand and deliver it effectively.

In this chapter, we'll take a closer look at owned content and discuss ways that content will help drive traffic to your website and increase the likelihood that customers will find you during their initial search for local real estate information – their Zero Moment of Truth.

What Is Owned Content?

Owned content is content you create or that you source and pay for. It is content that you publish in social media posts and videos, e-mail blasts, press releases, or single-property websites. Most importantly, owned content is original. It cannot be copied or borrowed from other sources without express permission.

With that in mind, remember that there is a cost to developing your online content. It comes in the form of dollars and cents when sourcing from elsewhere, but comes in the form of time when you are creating something on your own. While creating and sourcing quality content on a regular basis will take time it will also pay off in customers finding your online presence and contacting you to do business.

Once you have developed the content, there are a host of time-saving social media management programs like Hootsuite which let you schedule future posts across all platforms. RIS Media has a service that helps you schedule, maintain, and automatically post original real estate content.⁹

Owned content helps you create and reinforce your personal or company brand by providing consistent messaging across your online platforms. But with so many types of content and ways to deliver it – how do you know which format is right for you? We will cover that dilemma in the next section.

Types of Owned Content

There are many types of content that you can create to market your business. A few of them include:

- Website copy that you or someone you hire writes
- Original blogs or vlogs that have quality information optimized for real estate searches
- Photos that you take yourself, or that a photographer takes on your behalf, or that you have purchased with the appropriate licenses
- Facebook business pages, where you can connect with those in your sphere who “Like” your page
- Videos of your listings or the neighborhoods you serve
- Social media posts and page updates
- Downloadable neighborhood and community information
- Buyer and seller tips/resources that you host
- Drip e-mail campaigns that incorporate digital newsletters or short video clips
- Agent profile content in directories such as portals and rating review websites

⁹ Social Media: A Powerful Tool for the Real Estate Business, February 18, 2020, RIS Media <https://rismedia.com/2020/02/18/social-media-tool-real-estate/>

- Single-property websites
- URLs that you have purchased to redirect traffic to your website
- Paid marketing on social networks like Facebook (sponsored posts) and Twitter
- Electronic press releases announcing your most recent productivity award or credential

The Content Dilemma: What Should you Create?

The content you create for your website and social media platforms can take many forms. Videos, photos, downloadable neighborhood guides, blog posts, and social media posts are great – but it can be overwhelming to try to tackle everything at once – and some of these formats are more daunting than others.

Think about your personality, your skills, and your brand. Which of these content formats will be best for you?

Should your content be video based, primarily photos, or written articles? More detailed discussion about selecting and creating the best format for specific platforms takes place in Module 4.

For now, let's look at a general overview of each option.

VIDEO

While the Covid-19 pandemic pushed video to the forefront in the real estate industry, many experts believe the demand for it will remain high. A recent Matterport study revealed that if an online property listing included a 3D tour, 55% of 1,000 home buyers and sellers said they would consider buying the property without actually stepping foot in it. In addition, nearly 80% of respondents said they were more likely to work with an agent who used 3D tours.¹⁰

Technology for 3D tours is growing in importance. According to Sebastian Badea at Matterport, more than 500 agents, brokers, home builders, and architects sought to purchase their 3D equipment and services in the early days of the Covid-19 pandemic. At the same time, there was a demand for virtual closings and online notarization.¹¹

¹⁰ New Study Shows Property Buyers and Sellers Overwhelmingly Prefer Listings with 3D Tours, January 27, 2020, Matterport. <https://matterport.com/news/new-study-shows-property-buyers-and-sellers-overwhelmingly-prefer-listings-3d-tours>

¹¹ COVID-19 and Real Estate, May-June 2020, Realtor Magazine

High-quality videos do demand plenty of storage space that your current technology may not be able to handle. Since you want your clients to access a virtual home tour easily, look into storing your videos on an app like Yaza that enables agents to upload virtual home tours and plot them on neighborhood maps. When a client is ready to view the tour, they simply press the play button.

It's important to remember that video doesn't have to be a huge, expensive production – you can get started with a smartphone! If you're shy in front of the camera, you don't have to be in it – you can just narrate it. Today, creating video content can be as easy as "Going Live" on Facebook or Instagram, saving the files and uploading them to your website or preferred video platform.

THERE ARE MULTIPLE WAYS TO CREATE RELEVANT VIDEO CONTENT FOR CONSUMERS:

- You are the subject and narrator. Whether you're discussing what's happening in the market, answering consumer questions, or talking about the latest trends in home design, video can be a powerful way to blog without writing a word.
- Others are the subject and narrator. By interviewing others, you don't have to be on camera. Let others tell the story of your community. Interview shopkeepers, locals, historians, politicians, principals, and so on.
- Your community is the subject and you are the narrator. Consider commenting as you walk through your community with a video camera in hand or a drone camera overhead and let the sounds and sights of the community do the talking. Capture your community live in action, and showcase it to prospective buyers in your community through a video blog.

TYPICALLY, REAL ESTATE VIDEOS FALL INTO 4 CATEGORIES:

1. Introduction/agent videos (Who you are and what you do)
2. Local information/neighborhood highlights or local business features (Show the features of neighborhoods/businesses/communities that you service)
3. Property videos/tours (Virtual tours of the property)
4. Educational (Providing information about the buying/selling process)

THE KEYS TO CREATING AND MAINTAINING VIDEO CONTENT ARE TO:

► **Make your videos short and sweet:**

- ▶ The ideal length is between 60 seconds and 3 minutes. If you go over 3 minutes, you may lose the prospect.
- ▶ Focus on just one message at a time. If you have more than one message to share, make a video for each one.

► **Ensure that the camera is in focus, held steady, and that the scene is well-lit and decluttered:**

- ▶ Poorly lit videos do not represent you or your brand to the best advantage. Try to record in natural daylight.
- ▶ Move the camera slowly, capturing details of the property or community.
- ▶ Avoid adding filters or editing the video to make a property look “better” or larger than it is.

► **Use your voice:**

- ▶ Videos that have just pictures and music can’t sell. Your voice can help point out the features that make a house a home and a community a neighborhood while creating a connection with the viewer.

► **Include captioning:**

- ▶ Always include captioning in videos you post. While necessary for the hearing impaired, keep in mind that 85% of all Facebook videos are watched with the sound off.¹²

► **If you end up starring in your video, remember to represent your brand:**

- ▶ Look professional, and wear solid colors, which work best on camera.
- ▶ Plan your setting and your content ahead of time and practice, practice, practice until you are able to give a seamless presentation that is clear and succinct.
- ▶ Pay attention to lighting, sound, focus, and framing of your subject.
- ▶ Be sure to introduce yourself and your agency at the start of the video. If it’s a home listing, include the property address and when it came on the market.
- ▶ At the end of the video, include the best way to contact you or your office.

¹² 10 Steps to Step-Up Your Real Estate Social Media Marketing in 2020, January 1, 2020, SNAPPA. <https://blog.snappa.com/real-estate-social-media-marketing-tips/>

**DON'T KNOW WHERE TO START WITH YOUR VIDEO CONTENT?
CONSIDER THESE IDEAS BELOW:**

► **Home Buying and Selling Advice**

Answer commonly asked questions, like what to expect during the home-buying process. Or, address what's happening in the market.

► **Buyer Tours**

Send video e-mails of homes you have previewed for your buyers. (Get the listing agent's permission first!)

► **Virtual Tours of Homes**

Pictures can show the feel of a home, while video can tell the actual story. Discuss the features of each room in the home. Capture testimonials from the sellers regarding their favorite features of the home and neighborhood.

► **Virtual Community Tours**

Showcase your community to prospective buyers. People don't just buy homes; they buy communities.

► **Interviews with Local Business Owners**

Ask them what makes their business unique. Make sure you get their name and contact information to follow up with them. Let them know you will contact them after you have posted the video. Also, specify where you post the video (preferably your website).

► **Interviews with School Principals or Local Event Organizers**

Ask principals about the school's most recent accomplishments. Talk with community event organizers about what makes their event unique and what visitors will gain as the result of attending.

► **All About Me**

Explain who you are, where you're from, and aspects of your experience in real estate. Include any designations you've earned, your sales history, and any other noteworthy information.

► **How-To**

These videos can range from how to start your home search, to how to understand property tax rates and everything in between.

► **Real Estate Success Stories**

This information helps build an aspect of trust in your work which gives potential customers the confidence to contact you.

EXERCISE 3.1: SIMPLE STEPS FOR CREATING VIDEO CONTENT WITH YOUR SMARTPHONE

- Imagine a friend you haven't seen in ten years is coming to visit you and think about where you would want to take them. Then, write a list of those places in your town or neighborhood—your favorite diner or coffee house; a local park or museum; the elementary, middle, and high school; the local library, etc.
- Set up and memorize simple intro and “outro” scripts, for example, “This is Sam Smith from Hometown Realty in MyTown. I’m standing in front of MyTown’s courthouse, a Victorian structure built in 1899. This beautiful granite building is the pride of our town square and stands over a lovely small park area where people feel free to walk, gather, or just enjoy a quick lunch break from work. If you need any more information about MyTown, please feel free to reach out to me, Sam Smith from Hometown Realty, at 555-555-1212.”
- Go somewhere in your market and take a video of the place you want to talk about. Use a microphone for better sound quality.
- Title it with your town and state in a consistent manner (using your town and state for reference—for example, Rittenhouse Square in Philadelphia, Penn., or Parks in Philadelphia, Penn. Rittenhouse Square).
- Post it to YouTube, Google Videos, and your own website, and then share it to your social networks.
- When you have finished recording your video, edit it, and are happy with the results, what do you do now? You post it, of course! Consider video-sharing services such as YouTube and Vimeo. Note: in Module 4 you will learn about social media sites that are good for posting videos.
- Ensure that every video link or online marketing piece you create sends the viewer back to your website. So, post your video on your website first, with some insider comments that make it distinct from the other places you may post it. Next, use the same link to post it to your blog, Facebook business page, your LinkedIn page or other social media site.

PHOTOGRAPHY

Photos are an excellent way to showcase your community or a property without having to write a lot of content or worry about appearing on camera. Pictures on their own can tell an entire story. Walk your community and let your photos capture the essence of where you live and work.

Just like with videos, you'll want to take photos in natural light and, if you're working at a property, prep the area you're photographing to minimize clutter. The use of a tripod helps prevent the camera from wiggling as you take a picture.

Accessorize to energize décor. This can be as simple as placing a healthy plant on a table, adding colorful pillows, or putting an eye-catching item on the mantle.

In this current era of social media marketing, the most highly-viewed posts are image posts. You'll recall from chapter 1 that photos are the most important website feature for 90% of buyers under age 55. Pictures can tell a story in an instant, while text takes longer to comprehend. In fact, most people just skip over most text posts longer than three or four sentences unless they are particularly intriguing.

An image description for your photos is a must. Captions should simply describe what is in the photo. The addition of #hashtags help guide readers as to what they are looking at and where the photo was taken. We will take a closer look at #hashtags in the next chapter.

What does all this mean for you as a real estate professional? Well, you should take more pictures! Take pictures with your smartphone of the properties you're viewing, of the great staging and design ideas you've seen, and of interesting (even mildly interesting) things you see during the course of your day. Just keep the "selfies" to a minimum, and take it easy on reposting images that you didn't create: self-generated content is preferred.

BLOGGING AND VLOGGING

Many real estate practitioners are fearful of blogging or producing video log content for their website because they're not trained writers. They don't want to produce content that is unprofessional, and it can be a struggle to figure out what to write about.

One place to start is with any of the ideas we discussed earlier in this chapter in the video content section! Or, truly put yourself in the mindset of a home buyer. What would they be searching for related to the neighborhoods you serve or services you provide?

Here are a few more ideas . . .

- You already keep track of community events and festivals – why not write a post about the Top 5 Not-To-Miss Neighborhood Events this Summer?
- Or if you know your home buyers are searching for properties near parks, create content that showcases the neighborhoods or streets that are near parks and highlight their amenities.
- If some of your home buyers play tennis, write about tennis courts and clubs in the area.
- Another popular topic for families with young children is an overview of public and private schools.
- Don't forget all those pet owners out there – they want to know about dog-friendly parks, groomers, veterinary care, and boarding programs.
- Reach high-end consumers by blogging about luxury properties and interior design ideas.
- First-time home buyers are looking for information about the "right time to buy" and the best way to obtain a mortgage.

There really is no limit to the type of content you can create! Just imagine you are having a conversation with a potential buyer – write down your responses to their questions and post it on your website.

Consistently creating and posting content on your social media sites is one of the most worthwhile online activities a real estate professional can undertake.

This type of content will help real estate professionals:

- Show up earlier in search results. Search engines love websites that have consistently updated, relevant content.
- Establish their expertise as a valued member of their local community.
- Demonstrate their unique personality and interests.
- Develop a following and establish trust with prospective clients.
- Keep existing clients by educating them and staying in front of them.
- Gain exposure to potential clients by showing up in organic search results.

The ongoing effort required to create a successful online presence discourages many real estate professionals from pursuing blogging. However, it is critical to point out that content is king, and it is the best tool that real estate professionals have to win the attention of the modern digital consumer.

REALTOR® Content Resource

Finding ways to develop online content is a challenge and keeping it fresh and up-to-date makes it even more challenging. NAR's REALTOR® Content Resource provides hundreds of ready-to-use articles on all aspects of homeownership and it's all free! It's an easy way to freshen up your online presence. You select how you want to share the articles: Facebook, Twitter, e-mail, blog, website, e-newsletter, or even a printed handout for in-person events. Best of all, you can add your own personal branding to the content. You can log-in at HouseLogic.com/members to get started.

Figure 3.1: REALTOR® Content Resource Website

NATIONAL ASSOCIATION OF REALTORS®

REALTOR® Content Resource

Powered by **houselogic**

The best **FREE** way to keep in touch with your clients

The REALTOR® Content Resource: Your source for ready-to-use articles on all aspects of homeownership, including homebuying and selling, for your consumer communications. Use the content *when* you need it, *how* you need it:

Facebook Twitter E-mail Your site or blog Handouts

LEARN MORE

Sign In

Enter your NRDS ID

Enter your Last Name

Forgot your ID? Look it up on REALTOR.org

☐ I agree to the HouseLogic [Reprint Rights Policy](#).

☒ Remember me next time.

LOG IN NOW

Free Consumer Guides Brand and Share!

Just download the Word files below, add your logo and contact info to the footer field where noted, and share! (Note: You only have to add your contact info in the footer once to apply it to all pages.)

NEW! Guide for At-Risk Homeowners

[Buying Guide](#)

[Selling Guide](#)

[Buying & Selling Guide](#)

Set Clients Up For Success

Share HouseLogic's Best Tips for Home Buying

Image: HouseLogic

[Make an Offer Like a Boss](#)

[In Closing: How to Seal the Home-Buying Deal](#)

LOG IN AND SHARE

Intellectual Property

Real estate professionals must be careful not to violate intellectual property rules in their quest to create content for their website and social media platforms.

In today's digital world, most consumers believe that anything online that is not blocked from being copied is theirs to use in any manner they see fit. As widespread as this notion is, it is a severe misconception.

With real estate agents creating listing and website copy, blog posts, digital photographs, and video and audio recordings, there are a number of issues that arise from the creation of such content without contracts or agreements in place to determine who has the rights to use and re-use such material.

Think of it this way: you are looking through your social media feed and see photos for your listing that you paid a professional photographer to take. The photos are on another agent's website who is using them to promote various ways to take photos that will make a home sell quickly. That other agent doesn't own the photos – you do. What is the appropriate response to this situation? Should that agent have asked your permission to use the photos?

The National Association of REALTORS® believes the number one step real estate professionals can take to be sure they aren't violating intellectual property rights is to read and follow the licensing agreement provided by the photographer. Practitioners should try to obtain ownership of the photos but if that is not possible, they should advocate for a broad license agreement to use the photos.¹³

While real estate professionals are not generally thought of as artists or authors, we do frequently create intellectual property. Intellectual property is defined as the physical expression of ideas contained in books, music, plays, movies, and computer software. Every time we take a photo in a client's house, questions regarding who owns that picture are raised.

- *Do homeowners own the photo of their property because you are taking the photo as their agent?*
- *Do you own the photo because you took it?*
- *Does your managing broker or does the company own the photo because of your affiliation with them?*

¹³ Wait! That's My Listing Photo!, September 2019, REALTOR Magazine

Though there are guidelines for the creation of what is called “work product,” the independent contractor relationship, as well as, the existence of other contracts with buyers and sellers make this a less than simple question.

Knowing that the question can be raised should enable you to craft an agreement (with an attorney’s assistance), which determines who owns the work product when that photo is taken. In some companies, the listing contract spells out the relationship of the owner, the agent, and the broker, detailing who has the ownership of the intellectual property created. In the absence of such an agreement, if an associate were to leave a firm and there were bad feelings, the owner of the firm might insist that the photos remain with the company, even if the listing expired and was moved. As in any other business situation, a formalized agreement between the parties is perhaps the best way to address this issue before it becomes a problem.

PRACTITIONER PERSPECTIVE: INTELLECTUAL PROPERTY



Terry Watson

Instructor, Motivational Speaker
President at Easify, Inc.
Chicago, IL

What are the most common mistakes that real estate agents make related to intellectual property?

It seems so easy to just add a soundtrack of your favorite song in the background of your informational video and upload it to YouTube. But this is actually copyright infringement and you can be hit with anything from a cease-and-desist letter to heavy penalties and fines. This is a common mistake that many real estate professionals make when they begin creating content for their business. Misusing photos is even more common. Many agents will pull photos directly off of Google and use them on their websites or in their promotional materials – or even copy blog posts or content that they find on someone else’s website. It seems so simple and harmless, but it’s a serious violation and you can be held liable – even if you’re not the one that did the copying/posting. If it’s posted on a site or platform that you own, you are liable.

What is your advice for real estate agents to avoid copyright infringement?

- If possible, use your own photos. If you purchase stock photos, be sure they are licensed for commercial use.
- Get an agreement in writing with the photographer that you are authorized to use these photos in whatever medium you see fit. Have them sign a universal release.
- If in doubt, talk to a lawyer. Most states have a legal hotline for the state or local REALTORS® Association. NAR also has a library where you can complete a Research Request for copyright/IP for marketing.
- If you have a question, do your research and spread the risk around. Get an AND – build a coalition of people who tell you the same thing. You have your opinion AND the broker AND the legal hotline AND the library. No going rogue. If you don’t talk to anyone, you’re going rogue.

PLAGIARISM

Put simply, plagiarism occurs when you copy someone's work and present it as your own. REALTORS® who are found to have plagiarized another's work might find themselves in violation of Article 12 (the "true picture" article, which we will discuss in more detail shortly) because they are presenting less than a "true picture" in their communications.

Consider this example: Al, a real estate licensee, is excited to start blogging and wants to establish himself as the local real estate expert in his town. In researching information for his blog, he finds a detailed history of the town's early settlers at a municipality.gov website. Because the content isn't attributed to an author, Al copies and pastes the content to his blog without explaining that this is a section of his blog he didn't write. In this example, Al has plagiarized the content of another.

PROPER ATTRIBUTION

To avoid plagiarism, you must provide proper attribution; that is, you must make it clear when you are using material or presenting an idea that you have not created. Guidelines include:

- Any time you source someone else's words or ideas, that person **MUST** be given credit by linking to his or her thought or quote.
- Merely saying "I read this in The Wall Street Journal" doesn't cut it; you must refer or link to the specific article.
- When quoting someone else's material, it is recommended that you put the original author's words in quotes or in block quotes.
- In the U.S., there is legal precedence for use of content, but there is no law specifically stating how many words, characters, or what percentage you may use before it is considered copyright infringement. The safest guideline is to source very clearly who created the content and where it is from via link.
- If the owner of content requests that you remove the content, we would recommend that you do so immediately to avoid litigation. You may be able to find another source or another way to make the statement you need to make.
- Providing proper attribution avoids the problem of plagiarism, but it does not give you permission to use someone else's creation, which leads us to the concept of copyright.

COPYRIGHT

Copyright is frequently misunderstood, and since we are not attorneys, we are only going to provide you with the broadest understanding of the principles involved. Copyright infringement is a legal issue. Copyright infringement occurs when works protected by copyright are used without consent.

It is a misunderstanding that registration is required to obtain copyright. According to the U.S. Copyright Office: “No publication or registration or other action in the Copyright Office is required to secure copyright.”¹⁴ Copyright is secured automatically upon creation.

As a real estate professional, you should assume that everything you see online is copyrighted, unless you have reason to believe otherwise. You should also assume that just mentioning the name of the creator of the content when reusing or reprinting the content is not sufficient. You need to have written permission, which is often granted as a result of a simple courteous request.

FAIR USE

Others may use works protected by copyright under the concept of *fair use*, which allows you to use portions of the work without asking permission of the owner. The U.S. Copyright Office defines the concept of fair use by explaining that “it is permissible to use limited portions of a work including quotes, for purposes such as commentary, criticism, news reporting, and scholarly reports. There are no legal rules permitting the use of a specific number of words, a certain number of musical notes, or percentage of a work. Whether a particular use qualifies as fair use depends on all the circumstances.”¹⁵

Simply put, if you use small portions, you may be able to use parts of someone’s work without asking permission. For example, a paragraph from a book might be used as part of a commentary; however, it is infinitely more preferable and far less risky to seek permission from the author.

¹⁴ U.S. Copyright Office, “Copyright Basics,” <http://www.copyright.gov/circs/circ01.pdf>.

¹⁵ U.S. Copyright Office. “Fair Use,” www.copyright.gov/fls/fl102.html.

REQUESTING PERMISSION

Practical tips for requesting permission are:

- Make your request in writing.
- Be specific about the content, image(s), or videos you would like to use and explain:
 - ▶ Where you would like to use it: your website, blog, newsletter
 - ▶ How you would like to use it—for example, if the use is educational
 - ▶ How you will attribute the source of the content/image(s)

RESPECTING OTHERS CONTENT AND PROTECTING YOURS

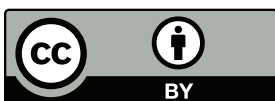
If you're searching for graphics and photos to incorporate on your website or blog and you would benefit from a resource that identifies available graphics and photos that you can use for commercial purposes, one place to consider is [Creativecommons.org](http://creativecommons.org).

Creativecommons.org is "a nonprofit corporation dedicated to making it easier for people to share and build upon the work of others, consistent with the rules of copyright."¹⁶ There are six levels of licenses available on the site—from "no rights reserved" to "all rights reserved." The licenses are not made to replace copyright; they are made to work with copyright law in a wide variety of jurisdictions all around the world. The licenses are found on a number of other websites that contain content such as Flickr, Google, Wikipedia, Whitehouse.gov, and others.

Let's take a look at what the Creative Commons licenses would mean if you found a photo or graphic you wanted to use in your marketing or content creation. Before you use any image or content that you find on the Internet, take a closer look at the license restrictions and if needed, ask permission to use it.

The six levels of licenses, as described on the Creative Commons website, are outlined below:

➤ Attribution (CC BY)



You could distribute, remix, tweak, and build upon the photo or graphic, even making something to sell as long as you credit and link to the original creator. This is the most accommodating of licenses offered in terms of what others can do with works licensed under Attribution.

¹⁶ CreativeCommons.org, <http://creativecommons.org/about>

► **Attribution-ShareAlike (CC BY-SA)**



You could distribute, remix, tweak, and build upon the photo or graphic, even making something to sell, as long as you credit and link to the original creator and share your photo or graphic under the same terms. This license is often compared to open source software licenses. All new works based on the original will carry the same license, so any derivatives will also allow commercial use.

► **Attribution-NoDerivatives (CC BY-ND)**



You can use the photo or graphic, distribute, and even make something to sell with it as long as it is passed along unchanged and in whole, with credit and a link to the creator.

► **Attribution-NonCommercial (CC BY-NC)**



You could distribute, remix, tweak, and build upon the photo or graphic as long as you credit and link to the original creator, but not make something to sell. You don't have any other restriction on how you share it (for example, your derivative work could be "all rights reserved").

► **Attribution-NonCommercial-ShareAlike (CC BY-NC-SA)**



You could distribute, remix, tweak, and build upon the photo or graphic, but not make something to sell as long as you credit and link to the original creator, and license your new photo or graphic under the same terms.

► **Attribution-NonCommercial-NoDerivatives (CC BY-NC-ND)**



You can use the photo or graphic and distribute it as long as it is passed along unchanged and in whole, with credit and a link to the creator, but not make something to sell. This is the most restrictive license.

WEBSITE AND BLOGGING POLICIES

Website and blogging policies establish the ground rules for engagement in your space, and they should be included on your website – either on a separate policies page or in the footer of your site.

They don't need to be complex but they should:

- set expectations
- discuss your policy about sharing content
- detail how you address problems
- reveal your response to Internet trolls
- talk about how you deal with spam

INTERNET FIELD TRIP

You will find website policies on almost every website you go to. To see what the National Association of REALTORS® uses, go to [REALTOR.com](https://www.realtor.com).

1. What type of privacy policies are listed on the site?

2. How do these policies protect NAR?

3. How do these policies protect visitors to this site?

REALTOR® Code of Ethics

The first version of the REALTOR® Code of Ethics was ratified in 1913, just five years after the NAR was created. Like the Constitution, the Code is a living document, which is reviewed constantly and changed as needed to accommodate our changing business.

The adoption of Internet advertising created new concerns, and the Code was modified to meet them. Blogging, texting, and social networks created additional concerns, which have created additional response by NAR's Professional Standards Committee and volunteer leadership. As a result, you need to remember that your actions in every space, including the Internet, are always viewed as the actions of a member of the NAR.

The obligations of REALTORS® under the Code of Ethics are spelled out in the Articles of the Code and clarified in the Standards of Practice. The two Articles of the Code of Ethics that have been modified to reflect the use of electronic communication by REALTORS® are Article 12 and Article 15.

Article 12 is called the "true picture" article because it revolves around our duty to present a true picture to the world in all of our real estate communications. It means that we have the obligation to tell the truth and not to stretch the truth even a little. In the online world that means a lot!

ARTICLE 12

REALTORS® shall be honest and truthful in their real estate communications and shall present a true picture in their advertising, marketing, and other representations. REALTORS® shall ensure that their status as real estate professionals is readily apparent in their advertising, marketing, and other representations, and that the recipients of all real estate communications are, or have been, notified that those communications are from a real estate professional. (Amended 1/08)

- This article requires you to make clear that you are a real estate professional in all of your representations. For example, in the opinion of the Social Media Marketing Institute, your status as a REALTOR® should be made clear, even in a non-real estate–related blog.

STANDARD OF PRACTICE 12-5

REALTORS® shall not advertise nor permit any person employed by or affiliated with them to advertise real estate services or listed property in any medium (e.g., electronically, print, radio, television, etc.) without disclosing the name of that REALTOR®'s firm in a reasonable and readily apparent manner.

(Adopted 11/86, Amended 1/10)

- Put plainly, that includes the requirement that you tell people the name of your firm in everything that might be construed as advertising.

STANDARD OF PRACTICE 12-8

The obligation to present a true picture in representations to the public includes information presented, provided, or displayed on REALTORS®' websites.

REALTORS® shall use reasonable efforts to ensure that information on their websites is current. When it becomes apparent that information on a REALTOR®'s website is no longer current or accurate, REALTORS® shall promptly take corrective action. (Adopted 1/07)

- If you're going to put property information on your site, you have the responsibility to keep it current, which means changing statuses or removing the information as required. Also, this would apply to other information you would post on a blog or your Facebook business page, or any other online presence you publish to. Once again, it's more important to print what you know rather than what you think, but in any case, you need to clarify the difference between facts and opinions.

STANDARD OF PRACTICE 12-9

REALTOR® firm websites shall disclose the firm's name and state(s) of licensure in a reasonable and readily apparent manner.

Websites of REALTORS® and non-member licensees affiliated with a REALTOR® firm shall disclose the firm's name and that REALTOR®'s or non-member licensee's state(s) of licensure in a reasonable and readily apparent manner.

(Adopted 1/07)

- Like Standard of Practice 12-5, this includes the requirement that you tell people the name of your firm on every website that you control—a property website, a business website, a blog, or a Facebook business page.

STANDARD OF PRACTICE 12-10

REALTORS®' obligation to present a true picture in their advertising and representations to the public includes the URLs and domain names they use, and prohibits REALTORS® from:

1. Engaging in deceptive or unauthorized framing of real estate brokerage websites;
 2. Manipulating (e.g., presenting content developed by others) listing content in any way that produces a deceptive or misleading result; or
 3. Deceptively using metatags, keywords or other devices/ methods to direct, drive, or divert Internet traffic, or to otherwise mislead consumers. (Adopted 1/07)
- You cannot steal information from other sites or manipulate listing information to make it appear to be yours or mislead in any other manner. Metatags are words that are embedded in a website, not readily apparent to the naked eye. You cannot use other firm names or keywords that are not an accurate reflection of your site to drive traffic to your site.

STANDARD OF PRACTICE 12-11

REALTORS® intending to share or sell consumer information gathered via the Internet shall disclose that possibility in a reasonable and readily apparent manner. (Adopted 1/07)

- You should tell people what you plan to do with the information you collect from them. This reinforces the need for a blog policy that speaks to that issue clearly.

STANDARD OF PRACTICE 12-12

REALTORS® shall not:

1. *Use URLs or domain names that present less than a true picture, or*
 2. *Register URLs or domain names which, if used, would present less than a true picture. (Adopted 1/08)*
- You cannot use misleading website names; you also may not use misspelled domains to drive traffic to you. For example, advertising with a franchise name that you are not entitled to use like www.franchiseposer.com would be wrong if you didn't have the right to use the name "franchise," which is distinguished from using a domain name that is neither misleading nor deceptive, such as www.imnotafranchiseposer.com.

Domain names that are misleading can involve the use of the term "MLS," misspellings of other company names, names of agents not associated with you, and so on.

You cannot knowingly or recklessly make false or misleading statements about your competitors, their business, or the way they conduct business. You are responsible for the comments made in the places you publish on the Web, and for correcting misstatements made by others about your colleagues.

Article 15 was also modified to reflect the realities of today's electronic world.

ARTICLE 15

REALTORS® shall not knowingly or recklessly make false or misleading statements about competitors, their businesses, or their business practices. (Amended 1/92)

- Though the idea of not gossiping or being negative about our colleagues or competitors seems straightforward enough, the ability of other people to post negative statements about our colleagues or competitors on our blogs or other electronic communications that we publish led to these changes.

STANDARD OF PRACTICE 15-2

The obligation to refrain from making false or misleading statements about competitors, competitors' businesses and competitors' business practices includes the duty to not knowingly or recklessly publish, repeat, retransmit, or republish false or misleading statements made by others. This duty applies whether false or misleading statements are repeated in person, in writing, by technological means (e.g., the Internet), or by any other means. (Amended 1/10)

- This amplifies our need to refrain from using or allowing blogs to be used to make false or misleading statements. It includes a restriction about reprinting or quoting or sharing such stories using any electronic communication including our phones, Facebook, blogs, online bookmarks, Twitter, and so on. This does not limit the ability to criticize others as part of a blog or elsewhere if it is honest and not misleading.

STANDARD OF PRACTICE 15-3

The obligation to refrain from making false or misleading statements about competitors, competitors' businesses and competitors' business practices includes the duty to publish a clarification about or to remove statements made by others on electronic media the REALTOR® controls once the REALTOR® knows the statement is false or misleading. (Adopted 1/10)

- In other words, if someone says something about a competitor on your blog or your Facebook page, and you know that it is untrue, you have a responsibility to either remove the offending phrase or correct it immediately in writing on that site. There is no need for proof that it is untrue, merely a statement from a fellow REALTOR® is enough to cause the correction or removal.

PROTECT THE REALTOR® TRADEMARK

- The term REALTOR®, whether used as part of a domain name or in some other fashion, must be used with a member's name or a member's firm name.
- The term REALTOR® may not be used with descriptive words or phrases. For example, Number1realtor.com, numberone-realtor.com, chicagorealtors.org or realtorproperties.com are all incorrect.
- The term REALTOR® should never be used to denote an occupation or business. Do not combine words like "your," "my," "our" or any descriptive words or phrases between your name and the membership mark. JaneDoeMyRealtor.com and YourChicagoRealtorJohnDoe.com are examples of improper use.

- For use as a domain name or e-mail address on the Internet the term REALTOR® does not need to be separated from the member's name or firm name with punctuation. For example, both johndoe-realtor.com and johndoerealtor.com would be correct uses of the term as a part of domain names and jdoe*realtors@webnetservices.com and jdoerealtors@webnetservices.com are both correct uses of the term as part of an e-mail address.
- The REALTOR® block R logo should not be used as hypertext links on a website as such uses can suggest an endorsement or recommendation of the linked site by your Association. The only exception would be to establish a link to the National Association's website, NAR.Realtor, or its official property listing site, REALTOR.com.
- The public has adopted the use of all lowercase letters when writing domain names, even those containing trademarks. Therefore, for purposes of domain names and Internet addresses only, there is an exception to the rule on capitalization of the term REALTOR® and it may appear in lowercase letters.

KEY POINT REVIEW

- Owned content refers to content that is original and created by the real estate professional or that which is sourced, attributed, and paid for.
- The real estate professional should create an online presence by developing a website and social media that fits their personality and skills through video, photography, or written blogs.
- Intellectual property rules must be adhered to when sourcing content.
- The REALTOR® Code of Ethics specifically addresses the rules of usage for online content.



MODULE 4:

Creating a Social Media Strategy

IN THIS MODULE YOU'LL LEARN HOW TO:

- Recognize the importance of building social capital and expanding your online presence.
- Identify your target audience and develop an online strategy designed to advance your marketing goals.
- Learn about popular social media platforms and tools to help engage your audience.

Social media provides a unique opportunity to connect with others in a more personal and meaningful way than traditional advertising. Social media lets you:

- foster engagement,
- start conversations,
- present your expertise and personality to potential clients in a more down-to-earth way.

Learning to leverage the right networks and developing a social media approach that works for you and your brand is an essential part of attracting and converting customers in the modern business climate. According to a recent survey, REALTORS® say that social media is the best tool for generating high-quality leads.¹⁷

¹⁷ NAR 2018 Technology Survey/Real Estate in a Digital Age 2019 Report. NAR Research Group

Building Social Capital Through Social Media

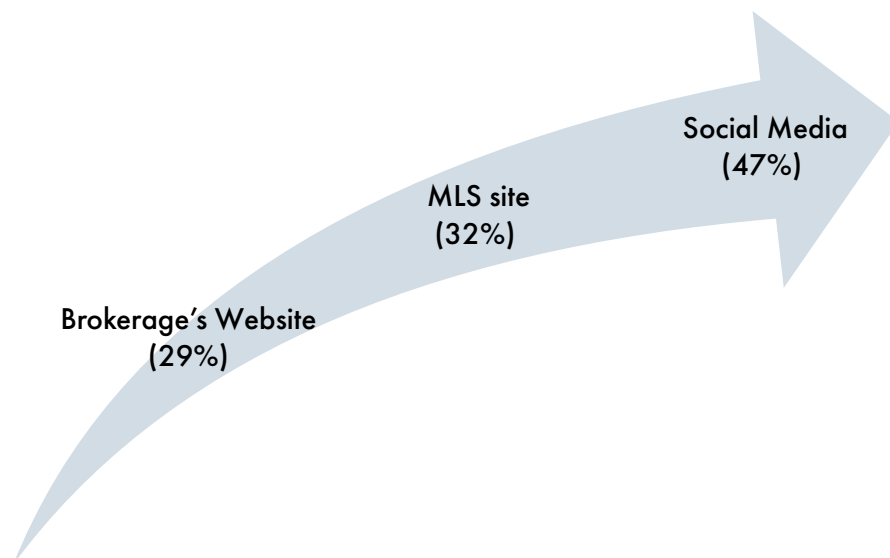
Not too long ago, a business could post a status update on Facebook and feel confident that most followers would see that post—at no cost. Today's consumers expect more. They are accessing more online platforms and expect businesses to keep pace.

It's clear that technology has changed how you conduct business, and how consumers approach the home buying process. Agents remain essential to the process, but now 93% of buyers used an online website in their home search, and 37% used an online video site.¹⁸ For real estate professionals, this means new opportunities to engage with current and potential clients during the search process.

How can you maximize these opportunities to grow your business? First, realize that successful social media engagement comes from building relationships with people and having them care about you and share in your successes. In turn, you can then demonstrate how your expertise can solve their problem or fill their need during that Zero Moment of Truth. To accomplish this authentically and thoughtfully, let's begin by reviewing three essential social concepts: social objects, social contracts and social capital.

Figure 4.1:

Best Source for Generating High-Quality Leads among REALTORS®

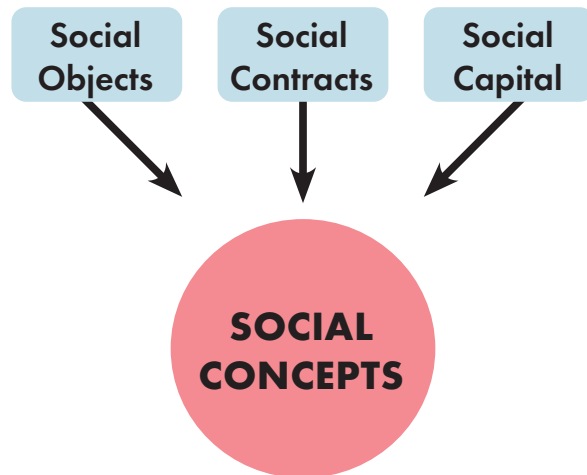


Source: NAR 2018 Technology Survey/Real Estate in a Digital Age 2019 Report

¹⁸ NAR Real Estate in a Digital Age 2019 Report

Figure 4.2:

Understanding Social Objects, Social Contracts and Social Capital



Social objects connect us to others. A social object is anything two people have in common that they can talk about and bond over. Typically, these are the first topics of conversation or connection with someone when you meet. For example: sports teams, favorite restaurants, or where you grew up.

Establishing this common ground with someone forms the beginning of a relationship. It provides you with a basis for connecting with people, including potential clients.

In social media marketing, a **social contract** refers to the unspoken and unwritten set of rules created for engaging on social networks or platforms. For example, some people will only engage online with people they already know. Others will have a looser social contract and engage with everyone. It's important to recognize and respect the boundaries others set for themselves. Keep in mind that you might need different "rules" for professional engagement than those you use with family and friends.

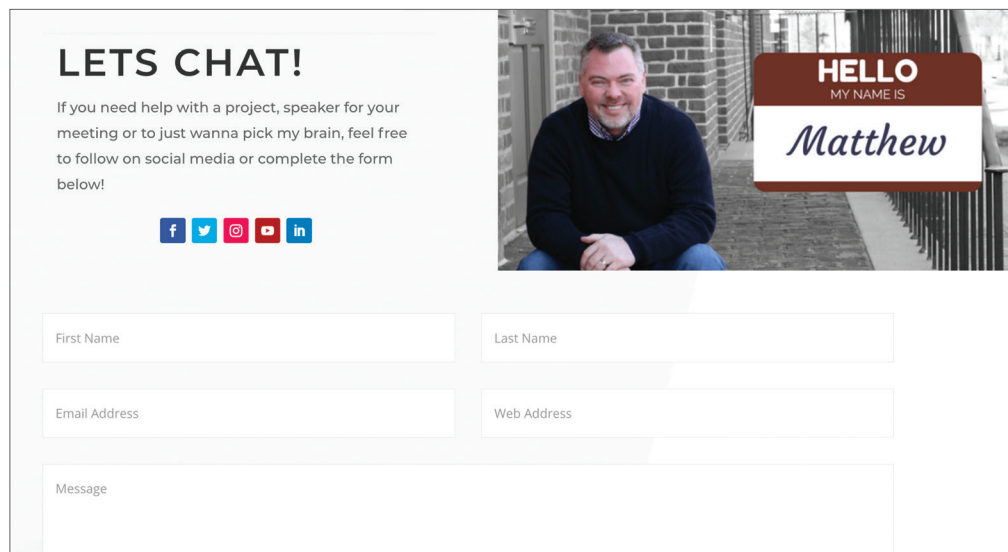
Social capital is what makes us predisposed to like or dislike people we meet. Simply put, the things we do for others (wish someone a happy birthday, or refer business to others) build social capital; when we ask for things from others (can you recommend my services?), we spend social capital.

Remember that you must earn social capital before you spend it. Your online presence is a public type of social capital. You must first "give" to your selected community before asking for anything in return. This is where social media engagement can help: providing information, sharing resources, and reaching out with moral support are important ways to contribute and build social capital. These connections build your reputation and create trust, which eventually leads to influence. It sounds complicated, but it's actually simpler than it seems.

A few examples of how you might build social capital as a real estate professional:

- Tweet tips about staging your home.
- Set aside time each week for community networking.
- Recommend a business or service to others.
- Create and share a community newsletter.
- Check in on recent clients.
- Reconnect with former colleagues.

Figure 4.3: Contact Page on MatthewRathbun.com



The contact page features a light gray background. On the left, the heading "LETS CHAT!" is in bold black text. Below it, a paragraph invites visitors to reach out for project help, speaking engagements, or brainstorming. Underneath the text are five social media icons: Facebook, Twitter, Instagram, YouTube, and LinkedIn. To the right of the text is a photograph of Matthew Rathbun, a man with a beard and mustache, wearing a dark sweater, sitting outdoors. Overlaid on the bottom right of the photo is a brown and white graphic that says "HELLO MY NAME IS" followed by the name "Matthew" in a script font. Below the text and photo are several input fields: "First Name", "Last Name", "Email Address", and "Web Address". At the bottom is a large text area labeled "Message".

Reprinted with permission of Matthew Rathbun

EXERCISE 4.1: BUILDING SOCIAL CAPITAL

Consider your contacts within the community. List a group or organization with which you are linked that is related to your business. For example, does your firm hold an annual drive to benefit a local food pantry? Do you belong to the Chamber of Commerce? Do you work with any homeowner's associations?

Write down a few strategies for building your social capital with this group. Include at least two online strategies: these can be as simple as sharing information on your website about an upcoming meeting or event.

Keep in mind that the purpose of the strategy is to benefit the organization.

Group/Organization: _____

Strategies:

1. _____
2. _____
3. _____
4. _____

What Is Your Brand?

Branding is important in any industry. It's a way for competitors in a market to distinguish themselves. The importance of branding is no different in real estate. With approximately 2 million real estate licensees in the United States alone, creating a unique brand for yourself is essential for success.¹⁹

Your personal brand is built around imaging and messaging that's designed to create a feeling. It influences how you want others to feel about you.²⁰ It's the total of the impressions that clients and prospects have about you and your business—and buyers and sellers want to work with people they like and trust.

A strong brand should capture your character and business abilities.

For most real estate professionals, the brand of their brokerage is also part of their personal brand. It's important to make sure the two are aligned. Not only are there federal and state laws that all agents must know, policies and protocols can change among brokerages. Before looking at your personalized brand, let's review what you should know or find out about with regard to online activity with your own brokerage.

ARE YOU IN SYNC WITH YOUR BROKERAGE?

Make sure you know all the rules and policies of your brokerage. Sometimes brokerages have policies that are hard to find in writing yet you're responsible for knowing. Don't rely on assumptions and make sure your brokerage isn't relying on the idea of "everybody knows that." Asking the right questions may inspire development of written policies which may benefit you and your colleagues.

Ask your broker or office manager the following:

- Do we have policies regarding the use of social media for business? For personal use?
- Are there written policies about how we present ourselves using the brokerage marketing materials? What must be included?
- What social media vendor or service provider agreements are currently in place?
- What types of agency relationships do we offer and not offer?
- Do we have a statement of agency policy?

¹⁹ <https://www.nar.realtor/research-and-statistics/quick-real-estate-statistics>

²⁰ Adapted from: 7 Sins of Personal Branding, by Tonya Eberhart and Michael Carr. REALTOR Mag, June 15, 2016

- What disclosures are required, when, and to whom?
- Do we have standard disclosure forms?
- How should the agent interact with the client or customer in each type of relationship?
- What procedures are in place to assure client confidentiality?

There's a lot that goes into creating your unique brand—and it requires consistency across every marketing platform that you use. It involves your words, the images and colors you use and the ways you interact (or fail to interact) with your target market.

The benefit of personal branding? A good brand sets you apart! It reflects your education, your expertise, and your experience. This also includes your personality, your knowledge of specific transactions, the types of houses and neighborhoods you like to work in, your referrals, etc.

But to be effective, a brand must be unique and authentic. Your unique value proposition is your market distinction expressed as the services you offer to buyers.

Branding begins by identifying your strengths, values, passions, and purpose. Ask yourself how you want to use your qualifications to serve your target customers. It may seem obvious, but don't ignore this essential step. It will take time: personal branding is a marathon, not a sprint.

In brief, personal branding focuses on three key concepts:

1. Differentiate yourself.
2. Serve your customers.
3. Be authentic.

Identifying Your Target Audience

Identifying your target audience is essential for effective online marketing. After all, if you don't have a specific audience in mind, how will you know what content to share to get their attention and engage with them? How will you determine what online platforms they prefer?

A good way to start is by focusing on specific segments of the market, either by property type or clientele. Select one or two groups to target with your marketing efforts. Be sure that your defined audiences are large enough to generate the number of sales and listings you want, but not so large as to include every possible home buyer. Analyze the characteristics of the best prospects within these one or two segments.

Characteristics might be:

- Income brackets
- Age groups
- Geographic areas
- Cultural groups
- Levels of education or certain professions
- Lifestyles (such as golfers, or second home buyers)

As you narrow your focus, know that people are always drawn to authenticity. Think about what differentiates you: your interests, passions, and experiences. This helps point the way to a target audience that you genuinely connect with.

Remember that you can sell to everyone, but you cannot target everyone with your social content. Connect with your best potential customers by creating content directed to them. **A social media target audience is the specific group of people you want to reach with your social channels.** They are the people who are most likely to be interested in your content, products, or services.

One content management platform suggests the following strategies to determine your social media target audience:²¹

1. Compile data on your existing customers and social media audience.

This might include such information as their age, language preferences, interests, and stage of life. Your own customer database will have much of this information.

2. Use social listening.

Monitor relevant keywords and hashtags to see what people are saying about you online.

3. Research which social channels your audience uses.

Social media monitoring tools, such as Google Analytics, can help in this research. Informally, what platforms or content generate the greatest response from current or potential customers?

4. Check out the competition.

Your social media audience likely overlaps with that of your competitors. Enter some known keywords into a search engine to see the results.

5. Understand what your target audience wants.

How can you make the reader's life better or easier? How can you create more value for this audience?

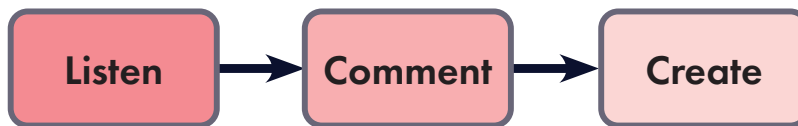
²¹ How To Find and Target Your Social Media Audience by Christina Newberry, July 8, 2020. Accessed July 24, 2020. <https://blog.hootsuite.com/target-market/>

What Will You Share?

Once you've identified a target audience, consider what kinds of information to share and how to share it effectively.

Real estate professionals who wish to engage others thoughtfully, effectively, and successfully develop content using a general three-step process: (1) Listen, (2) Comment, and (3) Create, as demonstrated in Figure 4.4.

Figure 4.4: Listen, Comment, Create Cycle



1. Listen

As always, the key to successful communication begins with listening. This is especially true if you have just joined a group on a social network. Oftentimes, people refer to “lurkers”—those who simply observe and who do not voice their opinions or create content. However, lurking is not necessarily a negative activity. The best ways to learn rules of online conduct and become familiar with the people on a specific platform are to watch and listen.

2. Comment

After listening for a while, you'll begin to feel more comfortable in the community, and may begin commenting on the content created by others, continuing (and sometimes starting) the conversation. This allows you to build rapport, establish knowledge, and introduce yourself to the community. Participating in Facebook groups or commenting on someone's photos on Instagram are all valuable forms of commenting.

3. Create

Now you've listened and are ready to get more involved. The next step is finding ways to establish yourself as a valuable resource. You might share relevant, timely news you've found, or offer specific advice or commentary on different subjects. Sometimes, you'll deliver content designed to entertain. But with each item shared with your target audience, you build your reputation, establish your expertise, and earn trust. As always, consistency in your messaging and delivery is essential.

WHAT PROBLEM OR NEED CAN YOU FILL?

When creating content, an important driver of information is fulfilling a need or solving a problem for your audience. Think about a typical target audience that's probably very familiar to you: first-time home buyers. Who are they? What issues most concern them? What kinds of information do they seek? How can you assist in their home purchasing journey?

Information you might provide to help this audience:

- Buyer readiness checklist
- Avoiding first-time buyer mistakes
- State programs for first-time buyers
- Federally backed loans
- Finding and using a real estate lawyer
- Understanding the appraisal process
- The ins and outs of home inspection
- What's covered by a home warranty?

The focus here is on creating content which builds your social capital with this target audience. Remember, you have to earn social capital before you can spend it.

WHAT ELSE CAN I SHARE?

You have something to say that's valuable to many kinds of buyers, sellers, and people in your community. A good rule of thumb for all online content is to keep it educational, informative, and entertaining. Here are 10 additional suggestions on what you might share on social accounts:

1. Links to your blog posts with brief updates on why the posts are relevant. Doing so drives traffic to your blog.
2. Photos and videos of your community. Original content is the most compelling.
3. Information/links to upcoming events or activities in your area. For example, share great hiking tips, new business openings or news on upcoming festivals.
4. Share news articles—housing news, mortgage news, new rules and regulations. Your local newspaper, NAR, your state and local association newsletters are all great sources of content.
5. Post about things you like to do. Engaging on a personal level is key and a great way to make you appear human and real!
6. Quick market statistics with your commentary about the local market.
7. Ask questions. And the questions don't always have to be real estate related. For example, where is the best location for a family photo shoot? What's being offered at farmer's markets this week?
8. Your local favorites such as restaurants, parks, dog parks, and so on. Include a link to their websites and a description of why this is one of your favorites.
9. Anecdotal stories about what is happening in the market. For example: multiple offer stories, big sales, hot new listings (but be aware of confidentiality and fiduciary responsibilities when posting.)
10. Your listings. Yes, your listings. Everyone says you can't post them, but you can. Tell a story about your listing. People don't want to know it is a three-bedroom, two-bath for \$450,000. Share the story about your listing that makes it unique— someone famous used to live in it, its location, its unusual gardens. Make it interesting.

Creating Your Social Media Strategy

A general social media strategy is a summary of everything you plan to do and hope to achieve to grow your business. It's a blueprint for both strategy development and for evaluating and adjusting that strategy.

Generally, the more specific your plan is, the more effective it will be. Know your goals. Keep your plan concise and actionable. Follow this quick 8-step outline for developing a winning strategy.²²

STEP 1: SET SOCIAL MEDIA GOALS THAT ALIGN TO BUSINESS OBJECTIVES

Begin with at least three social media goals. These goals can involve market share, target audiences, media coverage, client engagement or almost anything related to your business objectives. An example of a specific social media goal: "Increase traffic to landing page by 20 percent in two months."

The SMART goal framework is easy to remember and helps define your business objectives. It encourages you to set tangible objectives that you can measure and track.

S.M.A.R.T. goals are:

- **Specific**
What exactly are you trying to accomplish?
- **Measurable**
How will your efforts be measured? Some methods include percentages or increases by specific numbers.
- **Attainable**
What is challenging, but not impossible? Keep resource constraints in mind.
- **Relevant**
Do goals align with the larger goals of your business? Consider team goals if you work on a team.
- **Time-Bound**
What is your time frame? Weekly or monthly; quarterly, or long-term, such as yearly? Think of short-term goals as steps towards longer-term goals.)

²² Adapted from "How To Create a Social Media Strategy in 8 Easy Steps"; Hootsuite, by Christina Newberry, Evan LePage, May 27, 2020; <https://blog.hootsuite.com/how-to-create-a-social-media-marketing-plan/>

EASY FORMULA FOR WRITING SMART GOALS

- I will accomplish my goal of _____
- within this time frame _____
- by using method(s) of _____

Example:

I will increase my consumer engagement by 25% within the next six months by developing a bi-weekly blog.

SMART goals for real estate success might be related to generating leads, improving your online presence or increasing your knowledge on a particular industry topic.

STEP 2:

LEARN EVERYTHING YOU CAN ABOUT YOUR AUDIENCE

This means getting to know your followers, clients and potential clients as real people with real wants and needs by gathering data. You must also determine where, how and when your target audience consumes information.

STEP 3:

KNOW YOUR COMPETITION

Begin by conducting an analysis to understand your competition, and what they are doing well. This provides an overview of what others in the industry or your area of expertise are doing. You'll discover what their strengths and weaknesses are, and how they compare to your own.

Make special note of social media engagement used by local real estate professionals. What platforms are popular? What kinds of content? How often are they posting? Review what others are sharing and what comments they elicit.

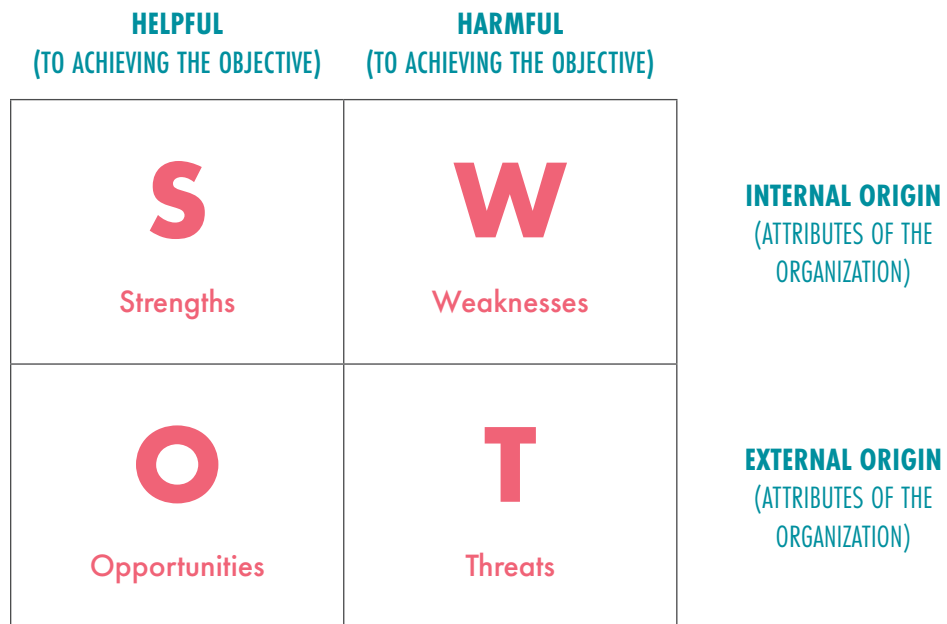
Don't worry about learning everything about every potential competitor. Focus on the top 3 to 5 competitors in your market area. Visit their Facebook pages, Instagram and Twitter accounts, etc. Follow the links they post and check how often new content is added. What hashtags do they use?

After gathering data, a SWOT analysis can help you discover where you stand compared to the competition. A SWOT analysis looks at both internal and external factors affecting your business.

The basic idea is to identify:

- Strengths
- Weaknesses
- Opportunities
- Threats

Figure 4.5: SWOT Analysis



STRENGTHS AND WEAKNESSES

Strengths and weaknesses are typically internal factors that you have some degree of control over. In real estate, this could mean your personal attributes or perhaps the brokerage you work for.

Ask yourself the following:

- Do you have name-recognition in your market?
- Do you have marketing resources you can access?
- How experienced and knowledgeable are you?
- What industry-related courses have you completed?
- Do you have a strong list of contacts and connections?
- What is your current advertising strategy?
- Do you use any social media strategies for marketing?

Assign each above factor you can think of into either a strength or weakness category.

OPPORTUNITIES AND THREATS

Opportunities and threats typically consist of external factors, which you have less control over.

Ask yourself:

- Who are the most successful real estate agents in your area? Why?
- Is the market heating up or cooling down for buyers?
- What challenges are faced by sellers in your market?
- Are any businesses opening in your area? Closing?
- Are there any government regulations that will make home buying easier or more difficult?
- What do mortgage rates look like? Is it easy to qualify for a loan?
- What are the latest home-buying apps?

Again, assign any factor you can think of as either an opportunity or a threat.

EXERCISE 4.3: YOUR SWOT ANALYSIS

When you look at the analysis in total, you can begin to see ways to gain competitive advantages (i.e., external opportunities + internal strengths), as well as mitigating places where you might be at a disadvantage (external threats + internal weaknesses).

Use the SWOT template below to conduct your own initial competitive analysis.

SWOT ANALYSIS	HELPFUL	HARMFUL
Internal: 	Strengths: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____	Weaknesses: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____
External: 	Opportunities: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____	Threats: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____
ACTIONABLE ITEMS: Two ways to capitalize on advantages: 1. _____ 2. _____ Two ways to mitigate disadvantages: 1. _____ 2. _____		

STEP 4: DO A PERSONAL SOCIAL MEDIA AUDIT

Take stock of your own social media experience and knowledge. Begin by recording all the accounts you (and your team) currently use on a regular basis.

For each account, ask yourself the following questions:

- Is my profile up to date?
- What is working?
- What can I do better?
- Who is engaging with me? On what platform?
- Which networks does my target audience use?
- Do I use a consistent message or branding across every platform?
- What new opportunities do I see?

STEP 5: CHECK YOUR ACCOUNTS AND IMPROVE THEIR PROFILES

Review your list of existing accounts, and then add the name of new platforms where you'd like to be active. What is your goal for that platform? Can you describe it in one simple sentence? For example: "Use Twitter to engage directly with community members on timely real estate topics."

Revise your profile for each platform. Ensure everything is up to date and reflects your unique skills and abilities. Do you use an appropriate high-quality photo for each platform?

Remember that it's better to do a great job on a few platforms, than a poor job on many.

Three reminders in developing your social media profiles:

1. Make sure you fill out all profile fields.
2. Descriptions should include keywords people would use to search for your business.
3. Use consistent branding (photos, logos, images, etc.) across networks so your profiles are easily recognizable. High-quality images are a must.

TIPS FOR GREAT PROFILE PHOTOS

- Smile with teeth showing.
- Eyes should be looking directly at camera.
- Head-and-shoulders, or head-to-waist shots are best.
- Use a simple or monochromatic background.
- Contrasting colors look best (no white shirts against a white background).
- Wear a color which reflects your personality.
- Image features you (avoid cropping others out of existing picture).
- Use a professional photographer for best results.

STEP 6: FIND INSPIRATION—AND START DEVELOPING IT

Great ideas exist for engaging your target audience on every platform. What inspires you and supports your personal brand?

A few ideas to get you started:

- Client testimonials
- Key affiliations with local community members
- Interviews with local business owners
- Milestones achieved by your team or your firm
- Mortgage calculators
- Community market reports
- Buyers and seller's guides
- Lifestyle information
- Notable area attractions
- Neighborhood descriptions

STEP 7: CREATE A SOCIAL MEDIA CONTENT CALENDAR

Most experts agree that one secret to engaging a target audience is posting consistently. A social media calendar lists the times, dates and types of content which fit each platform. It is also a place to note link sharing across your posts, or to highlight upcoming events, such as open houses, that you'll preview across platforms.

A good rule of thumb is the 80-20 rule. This means 80% of your posts should feature original content from you conveying your business's "personality" — news about your clients (with their permission), tips for homeowners who need to sell, how you've completed transactions virtually, and personal perspectives about your changing market. The other 20% can be straight market facts and stats about your community and local sales.²³

Social media scheduling tools automate this process. They can deliver an automatic news feed to your account or help you schedule and post items at varying intervals, while avoiding duplicate posts. Some popular options include those offered by Buffer, Hootsuite, Sprout Social, Agora Pulse, and Social Pilot.

STEP 8: EVALUATE AND ADJUST YOUR STRATEGY AS NEEDED

As you get started, you'll find success on some platforms, but not others. Or maybe certain content generates a larger response than you anticipated. Take the time to review your platforms and strategies, then evaluate what is working. You can use free UTM parameters (the built-in analytics for each social media platform), to help track key metrics.

Social media changes constantly, so being adaptable is important. Your business goes through periods of change, too, which means adjusting your approach. This is normal and helps keep your social engagement fresh. Don't be afraid to make changes to better reflect new goals or new opportunities.

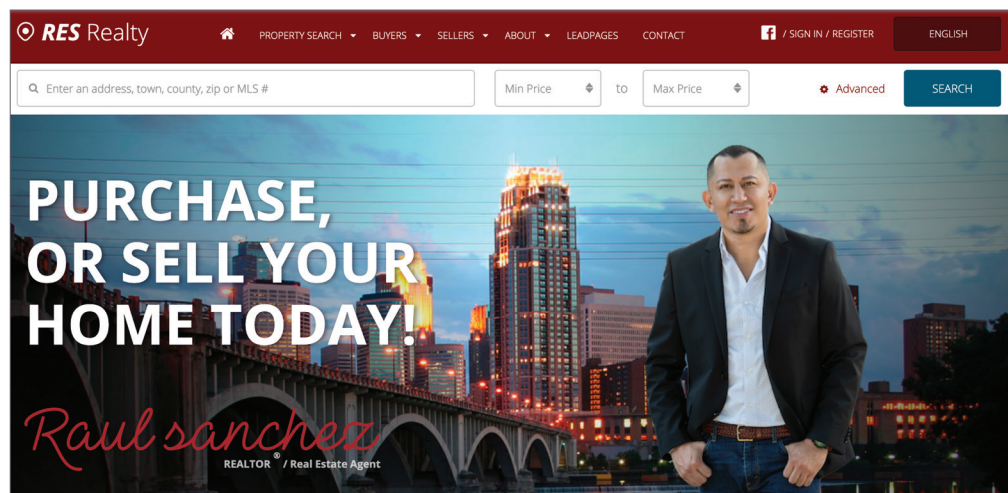
²³ "Beyond the Screen: Take Your Social Media to the Next Dimension" April 9, 2020 by Ally Stegman, <https://www.nar.realtor/blogs/culture-scan/beyond-the-screen-take-your-social-media-to-the-next-dimension>

Some Important Building Blocks

BUSINESS WEBSITES

As discussed in Module 2, your personal website is the centerpiece of your brand. If you currently do not have a personal website, it's easiest to customize a pre-set template to reflect your personal style and brand. Always review any website development agreements you are a party to. Know in advance who owns the intellectual property associated with your website, and the rights and usage agreements associated with its domain name.

Figure 4.6: Business Website of Raul Sanchez



Reprinted with permission from Raul Sanchez

PHOTOS

Social media is a crowded space, and photos help you gain attention. Some experts say that a social media post with a photo is ten times more likely to get noticed.²⁴ Of course, to get the right kind of attention, you must include images that interest your target audience and that promote your message.

With every photo you feature, it's a good practice to include copy that provides specific details and your contact information: your name, e-mail address, phone number, website or landing page link. Property photos with added information rank highest in consumer engagement.

²⁴ Why Images Are So Important To Social Media March 29, 2017; accessed August 3, 2020 <https://medium.com/@onlinelogomaker/why-images-are-so-important-to-social-media-b9411dd678a8>

In fact, 87 percent of buyers rated photos and 85 percent of buyers rated detailed information about properties for sale as the most useful website features.²⁵ But all kinds of photos creatively tell the stories that advance your brand. For example, a client testimonial accompanied by a photo of a happy couple on moving day sends a powerful message about your professional expertise. Original content adds authenticity to your brand.

When You Are the Photographer: Most photos posted on social media will likely be taken by you. These images capture moments that reveal your successes, share events as they're occurring, or provide timely information to viewers. Today, it's easy to capture a quality photo and upload it to a social media account all from your smartphone.

Use these simple tricks to improve your smartphone photos:

1. Clean the camera lens before you begin. A microfiber cloth is best.
2. Turn on your camera's gridlines and use them to balance the image. Check "settings" to turn this feature on.
3. Set the focus. Tap the screen to select the person or object to focus on to sharpen the image.
4. Focus on one subject whenever possible. A close-up of one person is a much more compelling photo than a group shot.
5. Forget the zoom. Move closer to your subject, rather than zooming in with your camera. The resulting image will be much clearer.
6. Use natural light whenever possible. But try using flash during the day to fill in shadows.
7. Steady your arms by propping them on a ledge or table or buy a small mobile tripod.
8. Take candids instead of staged photos for more interesting shots. Take as many photos as possible to get that perfect shot.
9. Use the "portrait mode" for better photos of people.
10. Pay attention to the background. Simplicity and negative space enhance the central subject.
11. Give editing a try. Photo apps are easy to use, and really improve image quality.

²⁵ National Association of REALTORS® (2019). Real Estate in a Digital Age. <https://www.nar.realtor/research-and-statistics/research-reports/real-estate-in-a-digital-age>

CHOOSING A PROFESSIONAL

When you must hire a professional photographer, check out recent photos they have shot, and ask if they are familiar with your business and understand its rules. Photographs are considered intellectual property and there are laws which govern how they're used. Review Module 3 of this course for a more detailed discussion of intellectual property rights.

VIDEO

Video has become an important communication channel and a powerful tool for a real estate professional's business. Video provides a richer, more complete experience for consumers seeking information about homes, communities, and the home buying and selling process.

Online visitors spend more time watching videos than reading text: technology giant Cisco reports that over 80% of all consumer web traffic will be video in 2020. This trend applies to the real estate industry as well.²⁶ Some sites report that real estate listings with videos receive over 400 percent more inquiries than those without video.²⁷

As we talked about in Module 3, the four general kinds of videos you're most likely to use are:

1. Introduction videos.
2. Local information/neighborhood highlights or local business features.
3. Property videos/tours.
4. Educational.

²⁶ Cisco Global 2020 Forecast Highlights; VNI Complete Forecast Highlights https://www.cisco.com/c/dam/m/en_us/solutions/service-provider/vni-forecast-highlights/pdf/Global_2020_Forecast_Highlights.pdf

²⁷ "The Ultimate Guide to Real Estate Video Marketing" by Matthew Bushery; Placester.com <https://placester.com/real-estate-marketing-academy/real-estate-videos-worth-creating-marketing>. Accessed July 31, 2020

WITHIN THESE CATEGORIES YOU CAN CREATE A VARIETY OF CONTENT:

► **Listing Videos**

Listing videos remain the most popular types. Today, these are not just compilations of photos in a slideshow but include music or narration which truly showcase a property. According to recent NAR research, 46% of buyers who used the Internet found virtual tours very helpful.

► **Interview Videos**

Record respected local businesspeople or other industry professionals (architects, appraisers, mortgage lenders) on a specific topic.

► **Client Testimonials**

This is a specialized type of interview video, where clients share their experiences and show off their new homes. Showcasing real clients and their new homes adds authenticity.

► **Home Buyer/Seller Advice**

Short (one to two minutes) videos where you offer advice on a specific topic, such as staging your entryway or researching mortgage lenders.

► **Blog Post Recaps**

Review a recent blog posting on color trends by recording a short video summary to post to other social media accounts.

► **Local Business Reviews**

Put another business in the spotlight and review the great service you experienced. You build social capital and increase your community's appeal.

► **About Me**

Use the information on your profile and prepare a brief script that introduces you, your background, certifications and other qualifications.

► **Neighborhood/Community Videos**

Take prospective buyers on a quick trip around the community. Showcase businesses, parks, developments and schools. You may wish to hire a professional videographer to capture this footage: it can be used in every listing video you create.

► **Housing Market Update Videos**

Compile local housing data and provide a quick update to viewers on the current status of the market.

► **"Listicle" Videos**

Everyone enjoys learning about things in list form. You can repurpose content from your blog, such as "Top 10 Ways To Get More For Your Home," and turn it into an appealing video feature.

► **“How-To” Videos**

Share your knowledge on video about staging and preparing your home for sale. “How to” videos are one of the most popular content types across Internet searches.

► **Year in Review**

Share stories and stats about your previous year’s business. Include images and clips of homes you sold and satisfied clients.

A side note: one tool many real estate professional use to add videos to e-mails and other platforms is BombBomb. You can try it out for free, but it does require a subscription for ongoing use.

A WORD ABOUT DRONES

The legal issues surrounding drones remain unclear. But they are commonly used by real estate professionals nationwide to get amazing aerial video and images of properties and neighborhoods. Drone footage has become a must for luxury properties.

Today, almost 30% of REALTORS® hire a professional to operate a drone for their business, while 5% personally use drones. Another 14% don’t currently use this technology, but plan to in the future. If you own or have access to a drone, become familiar with FAA regulations concerning registration and use, as well as local restrictions. Those operating a drone for commercial purposes must be certified drone pilots. A person who doesn’t have a FAA certification in-hand is breaking the law when they take aerial photos for you. Check insurance and certifications before you hire someone to obtain footage for commercial use.

VIDEO CREATION

You can either record your own video or hire a professional videographer. The choice might depend on what others in your market area are doing. If your competition is using a professional videographer and you are not, there will be a noticeable difference. That being said, a video with a candid and authentic feel that you create yourself resonates strongly with viewers. Even if you make a mistake, you can delete or edit your video.

► **Using A Pro**

The benefits of using a professional are clear: the images they capture are typically of higher quality, which helps make a stronger first impression. Professionals also have top-quality equipment and years of experience. They will have suggestions and ideas on making your videos stand out in the market. If you do hire a professional, provide a specific list of what you want to capture on film. Create a list of signage, businesses, streets, community centers, etc. that you want to feature. But leave some room for experimenting.

► Recording Your Own

Even if you use some professional services, such as for recording community and neighborhood footage, you'll likely post a few videos that you've created. Check out the applications listed below to make your own videos more interesting and professional-looking.

TOP FREE OR LOW-COST REAL ESTATE VIDEO APPS ^{28, 29}

► Videshop

Video editing tool

► Magisto

Editing suite especially good at creating moods

► Hyperlapse

Allows time motion photography to show speeded-up processes

► Boomerang

Takes bursts of photos and joins them together into a video loop, creating a GIF-like video.

► Animoto

Video slideshow organizer

► iMovie

Video editing software for Apple devices

► Splice

Music creation and collaboration platform

► Camera Plus

Allows connection of two iOS devices and unique editing functions

► FiLMiC Pro

Editing and pro advice

► Spark Camera

Editing, add music and easy uploads to social media

► VidTrim

Editing software

²⁸ Best Real Estate Video Apps 2019; <https://www.propertyme.com.au/blog/property-management/best-real-estate-video-apps>. Accessed July 31, 2020

²⁹ "The 10 Best Video Recording Apps for Real Estate Agents" by Matthew Bushery; Placester. <https://placester.com/real-estate-marketing-academy/real-estate-video-recording-app>. Accessed July 31, 2020

EASY WAYS TO IMPROVE YOUR VIDEOS

► Before You Begin

- ▶ Practice with your equipment to become familiar with all the settings.
- ▶ Create a general outline: a list keeps you on track.
- ▶ Consider purchasing an inexpensive lighting kit and an external microphone to improve light and sound quality.
- ▶ Record a test video to check the quality of lighting and sound at the location.
- ▶ Do a trial run, if time and circumstances permit.

► As You Record

- ▶ Make sure any background sound is not distracting.
- ▶ Turn on all the lights at the location.
- ▶ Check placement of your subject and eliminate distracting background elements.
- ▶ Don't position your subject directly in front of a light or bright window.
- ▶ When using a smartphone, be sure it has the right orientation. Horizontal/Landscape for videos; Portrait mode (vertically oriented) for going live on mobile or Instagram.
- ▶ Hold your camera steady. Keep your elbows against your body as you record, or prop your elbows on a table for stability.
- ▶ Consider a tripod to lock the camera down. Mini tripods work well with handheld cameras (both still and video).
- ▶ Avoid excessive panning and zooming. It's a quick way to show off your amateur status.
- ▶ Keep it short. Viewership decreases dramatically after just 4 minutes.

► Before You Post

- ▶ If you plan to edit the video, shoot far more footage than you need. You can delete the extra footage later, but you can't add more without reshooting.
- ▶ Add contact information or logos, where appropriate. Include required attribution.
- ▶ Add a relevant Call to Action at the end. What do you want viewers to do?
- ▶ If you add music, ensure that it is royalty free. Review the usage rights and licenses closely. Many programs and apps have royalty-free music built in, so keep that in mind. Review Chapter 3 for detailed information on licensing requirements.

PRACTITIONER PERSPECTIVE: VIDEO



Jeremias "JMan" Maneiro

ABR, e-PRO®, GRI, H.O.M.E.S, MRP, SRES, ITI
Associate Broker of The Maneiro Team at
Re/Max Realty Group
Rochester, NY

How do you integrate video in your real estate business?

Video is the best tool for communicating with clients and connecting with potential clients. Many agents have started using video for virtual tours of their listings, but I use it for so much more than that. I actually use video to communicate and stay in touch with my clients. I send them video email messages that explain the buying/selling process and what next steps they are supposed to take. Since most people don't like to read and will skip important details, videos end up being a useful communications tactic that crosses generational divides. It saves time and comes across as more personal and engaging than a form email. BombBomb is a great tool for sending video messages and I tell everyone about it.

I also use video as a way to work the Google Search game. Think about it – people Google everything – from "How do I buy a house?" to "Things to do in Rochester". And YouTube videos appear at the top of the search results. So, I create a lot of videos about my area, educate consumers on real estate and also answers their frequently asked questions.

I've also embraced live streaming on all social media networks, especially Facebook. This is a great way to gain exposure on social networks since the algorithm prioritizes it and it goes to the top of the newsfeed. Live video also gives people insight into who you are and your personality. If they can see that you are talking intelligently without notes or a script, that's impressive and shows that you really know what you're talking about. I also repurpose my live videos for my YouTube channel after some editing. It's a great way to extend the reach and life of your work.

What advice do you have for real estate professionals who want to use video in their business?

- **Stop overthinking and start doing.**

Video does not have to be perfect – it's very forgiving. People who know you already know what you look like and the others will find out soon enough. So stop waiting to do video until you have a full production crew.

- **Just use your smartphone and be yourself.**

The key to doing video is to actually DO a video. Use the tools you have right now to get started. Don't create a fake persona or make things too scripted – just be yourself and act natural. People only want to work with people they like, so be yourself and they will like it.

- **If you're worried about editing, get some help.**

Don't overthink the editing on your videos. Most programs have editing functionality built in and are pretty intuitive to use. I use Movavi Video Suite for my editing which is super intuitive and works across platforms. If this is still a stumbling block for you, just get on Fiverr.com and hire someone to do it for you at a low cost.

- **If you're using YouTube, be sure you're optimizing it for SEO.**

The videos that get the most views on YouTube have been optimized for SEO. That means the Title, Descriptions and meta-tags are on point and help the video be discovered by people who are searching for related content. VidIQ and TubeBuddy are two programs with free and paid versions that help you do this.

BLOGGING AND VLOGGING

Blogging and vlogging (video blog) for real estate professionals means writing on topics in which you can position yourself as an expert. It's an excellent tool for making yourself stand out and a great way to drive traffic to your website. Yet, according to NAR research, only about 10% of REALTORS® currently have a blog.

A blog or vlog must be more than just a new listings feature. A relevant blog keeps the target audience in mind and provides them with value by helping readers solve a problem or fill a need. It creates shareable content that can be used in more than one online location: it can originate on your website, and then appear on your Facebook Page, or included in a link on Twitter or Instagram.

Most blog posts have a relatively long life (about two years) so adding a blog creates a lot of value for your business. For example, a Home Buyer Checklist doesn't change much. You probably already have one that you provide to clients. But repurposing this material in the form of a blog and titling it so that others can find it online helps drive new traffic to your site.

One challenge in maintaining a real estate blog is posting regularly and sticking to a schedule. "Nothing is worse than a blog as a dead zone, with the last post showing a date from years ago," states marketing and media relations expert Kaycee Miller in *It's Never Too Late to Start (or Relaunch) a Blog*.³⁰

Miller suggests deciding how often you are going to post (once a week? once a month?) and creating an editorial content calendar. Your calendar should list topics, author, notes, article ideas, etc. Spend a little time brainstorming to fill out your content calendar for the next few months. This helps you stick to a schedule and post regularly. Whenever you have new topic ideas, enter them into your calendar.

BLOG POSTS MUST BE EASY TO READ

Blogs should use clear and straightforward language, short sentences, and short paragraphs.

Good headlines are essential and draw readers in. One expert says while 8 out of 10 people will read your headline, only 2 in 10 will read the rest.³¹ Craft the headline carefully with keywords but remember that adding numbers or lists also draws readers. Some examples: "Top 10 Strategies for Savvy Sellers" or "5

³⁰ *It's Never Too Late to Start (or Relaunch) a Blog* by Kaycee Miller, February 27, 2018. <https://magazine.realtor/for-brokers/network/article/2018/02/its-never-too-late-to-start-or-relaunch-a-blog>

³¹ 19 Headline Writing Tips for More Clickable, Shareable Blog Posts by Megan Marrs; Last Updated August 27, 2019. <https://www.wordstream.com/blog/ws/2014/07/17/headline-writing>

Reasons Why You Need to Sell Your Home”. Your headline must also define what the article is about and show how you can offer valuable advice. Brainstorm a list of ten headlines for your article before you choose one. A trusted colleague can tell you which headline has the most appeal.

KEEP BLOG CONTENT EDUCATIONAL, INFORMATIVE, AND ENTERTAINING

The goal is helping your audience solve a problem or fill a need. A few ideas to get you started:

- Staging to make your home stand out
- Renovations that add value
- Seasonal maintenance tips
- Community highlights: restaurants, parks, trails, etc.
- Local housing trends
- How to pick a real estate professional
- Developing a renovation budget
- Secrets to increasing your home’s value

Top Five Ways to Put Your Best Blog Forward

1. Original content is highly engaging.
2. Use natural and simple language.
3. Add an infographic or other image.
4. Vary posts of the same content by using different headlines.
5. Create posts about your blog for other social media platforms right away while content is fresh in your mind.

HOW TO VLOG

Creating a vlog is like having a one-sided conversation with friends which is recorded. It can be informal and relaxed, but the conversation should focus on a specific topic of interest to your audience. “Transforming Your Backyard in Just One Weekend” or “Calculating Your Homebuying Budget: What Can You Afford?” tells the viewer exactly what they will learn. It provides an immediate and personal connection to your audience.

Common vlog topics include neighborhood tours, great reasons to live in your town, and introductory videos about yourself.

Let's assume you've selected a topic and decided on a specific point you wish to make. You've even chosen a title which makes the vlog's purpose very clear: "Questions Your REALTORS® Should Be Asking You."

BEFORE YOU RECORD, REVIEW THIS CHECKLIST:

- ☐ **Pick an appropriate location which reinforces your message.**
The exterior of a beautiful home you've listed makes a different statement about you than filming in your office.
- ☐ **Check the lighting.**
Lighting should be bright but diffused.
- ☐ **Move the camera closer.**
Many people view videos on a small screen or smartphone. When you appear on camera, you should be the focus of the action, and large enough to be seen.
- ☐ **Check the sound.**
An external microphone provides the best sound quality.
- ☐ **How do you look?**
Polished and professional is best. Avoid wearing busy patterns or all white.
- ☐ **Increase your energy level.**
Project your voice; sound confident, and enthusiastic.
- ☐ **PRACTICE!**
It might require recording your piece two, five, or ten times before you're satisfied with it. Review your first few attempts and make notes on what to improve. Then try it again!

NATIONAL ASSOCIATION OF REALTORS® BLOGS

Look at the blogs available on the National Association of REALTORS® website. They may inspire you! Be sure to review the guidelines for reproducing this content at www.nar.realtor/reprint-guidelines.

- | | |
|-----------------------|------------------------|
| ➤ Economists' Outlook | ➤ NAR Newsline |
| ➤ Emerging Technology | ➤ Spaces to Places |
| ➤ Culture Scan | ➤ Styled Staged & Sold |
| ➤ NAR en Español | ➤ YPN - The Lounge |

PRACTITIONER PERSPECTIVE: ELEVATING YOUR ONLINE PRESENCE WITH VIDEO AND BLOGGING



Marki Lemons-Ryhal

MBA, ABR®, CRS, SFR®, SRS
Chicago, IL

How Did You Get Started Using Videos?

Once I embraced social media and technology back in 2006, I instantly surrounded myself with people who utilized technology and social media in their businesses. Frankie Taylor and Anita Clinton forced me to create my first video and to elevate my video production.

What Are the Advantages of Using Video Emails?

Videos in emails create more engagement because the brain can digest video content 60,000 times faster than written word. Also, video creates the opportunity to build likeability and trust because people feel as though they get to know you through your videos.

Is It Time-Consuming Making Videos?

I create a lot of live video content, so I do not have to edit the videos. My rule of thumb is to create 60 seconds of video content daily because 60 seconds of video content is equivalent to 1.8 million words. 60 seconds per day will enhance your online visibility.

What Are Some Best Practices for Video Creation That You Would Like to Share?

1. People do not care how you look they care of you can solve their problems.
2. Always clean your lens before taking photos or creating videos.
3. Hold your device at or above eye level.
4. The light should always be behind the device and not behind you.
5. Create 60 seconds of video content daily

How Do You Integrate Blogging into Your Real Estate Business?

I create one hour of video content for my podcast. Utilizing tools like Temi.com and Otter.ai I transcribe my video to text content and create my blogs from the text that is extracted from the video. To make the blog post more engaging I embed the video in the blog post.

How Would You Advise Someone to Get Started Using Blogging in Their Business?

Repurpose your video content by transcribing your video to text.

Should Every Agent Use Video And Blogging in Their Business Strategy?

Every agent should consistently create video content. I've created a system where I'm repurposing my video content to a weekly podcast, email, blog post, and online marketing content.

SEO

SEO, also called “Search Engine Optimization,” is the practice of improving web content’s ability to rank higher in the organic (non-paid-advertising) listings of search engines like Google, Bing, and Yahoo!

Terms and phrases which can increase your SEO are called keywords. What’s important to know about SEO is that it really reflects an understanding of what people are searching for online, the answers they are seeking, and the types of content they want.

Real estate professionals must invest in SEO because online searches can bring in highly qualified prospects. Showing up in the right searches helps build your business in the manner that you want. We’ll take a closer look at the specifics of SEO in Chapter 5.

HASHTAGS

A hashtag (which uses the # symbol on your keyboard) is a way to connect social media content to a specific topic, event, theme, or conversation. Knowing how to use hashtags correctly will boost your social media engagement immediately.

Including hashtags in your posts signals that you are taking part in an online conversation. It makes your posts visible to others, which can lead to greater engagement. In addition, if you create a hashtag, it works to build your business and your brand. Hashtags are a shorthand way to encapsulate what you are talking about, without using up a lot of space: important on platforms like Twitter, or in captions.

Popular hashtags differ depending on what social media platform you’re using. One expert says finding the best hashtags involves monitoring competitors and knowing which hashtags are trending in your industry. Track which hashtags you’ve used successfully in the past, and which drew the most comments from your target audience. Finally, keep in mind that the optimal number of hashtags differs on each platform. For example, for Twitter and Facebook posts, the optimal number is 1 to 2, while on Instagram, you can use 5 to 10.³²

³² “How To Use Hashtags: A Quick and Simple Guide for Every Network” by Karin Olafson, April 15, 2020 <https://blog.hootsuite.com/how-to-use-hashtags>. Accessed July 27, 2020

HASHTAG BASICS:

- Hashtags always start with # but won't work if you use spaces, punctuation or symbols.
- Make sure your accounts are public. Otherwise the hashtag content won't be seen by any non-followers.
- The best hashtags are relatively short and easy to remember.
- Use relevant and specific hashtags. If it is too obscure, it will be hard to find.
- Limit the number of hashtags you use. More isn't always better.

REVIEWS

Good ratings are important to consumer perception in today's digital world. We'll cover this topic in-depth in Chapter 7, but for now keep in mind that modern professionals must be aware of their reviews on platforms such as Yelp, Angie's List, Facebook, Google, Zillow, Trulia, and REALTOR.com. Search these platforms to see what others have to say about you.

USING LISTICLES

A listicle, or list post, is an article written in a list-based format. There's often enough detail on each item to create a longer piece—and adding content with each item helps grab the audience's attention. Listicles should always be fun, fast, and easy to read.

The list is not necessarily sorted by importance but reflects the central theme. Here are a few industry-related examples: 10-Point Checklist for Buying a Home, Top Reasons Why People Use Real Estate Agents, or The 5 Best Colors To Repaint Your Front Door.

There's also the added advantage of being easy to plan, write, and update the list. Listicles are a great tool for incorporating keywords relevant to your brand. But use a list post only when it's the best format for sharing information with your audience—this usually means simple or fun topics.

TWO OTHER TIPS:

1. Adding your unique angle enhances the authenticity of your message.
2. Illustrating your listicle with a photo or graphic increases its appeal.

HERE ARE SOME TERMS TO SPARK IDEAS FOR YOUR OWN LISTICLE:

- Strategies
- Reasons
- Tips
- Ways
- Best of
- Favorite
- Top
- Checklist
- Guide
- Stages
- Advice
- Hacks
- Myths
- Steps

Social Media Best Practices

STRATEGIES TO INCREASE ENGAGEMENT AND GROW YOUR SOCIAL FOLLOWING

Action-based language strengthen your posts and draws readers in. Incorporate terms like read more, see why, check out, discover, explore, share your thoughts, we want to know. Other ideas to increase social connection:

- **Promote your social accounts anywhere and everywhere you can.**
 - ▶ Feature your social accounts on your website via icons.
 - ▶ Include your social accounts in your e-mail signature.
 - ▶ Add social icons to your business card and other printed materials.
- Post frequently, and on a regular schedule.
- Let your personality shine through: let followers learn a little about your personal life.
- Time your posts appropriately: when is your audience most likely to be online?
- Ask questions or ask for feedback.
- Keep the interactions rolling: publicly respond to others.
- Thank people for posting, answering your questions, or participating in your polls.
- Include photos everywhere you can.

LOOKING YOUR BEST ONLINE ³³

You're not alone if you are a little uncomfortable appearing on camera. But in today's video-driven world, it's become a professional essential. When you appear online conducting a virtual tour, enjoying a local festival, or during a "meet your agent" vlog post, your goal must be to present a polished image that reinforces your personal brand.

REALTOR® Magazine contributing editor Melissa Dittmann Tracey shares some easy and practical tips for looking your best online.

- **Clean off the lens of the camera you will use.**

The lens on your smartphone gets dirty quite easily. Use a special lens wipe (like one for eyeglasses) to clean it off before you begin.

- **Look at the setting.**

Are you recording in your office, a property, outside? The background says something about you and should appear organized and attractive. If you're using a stationary location, select a three foot by three-foot area, and stage it appropriately. Avoid blank walls. Instead, consider displaying your awards or a bookshelf, or adding attractive pictures or flowers. Take a quick photo of this area to see what it looks like on camera.

- **Check the lighting.**

Avoid placing a light source directly behind you: this makes your body appear in silhouette. Have a light nearby, with the light shining on your face. Never sit directly under a light, as this casts shadows on your face.

- **Check the audio.**

Find a quiet location or use an external microphone that plugs into your device. Ambient noise distracts from your message.

- **Check the angles.** Never allow yourself to be recorded from below your chin level. Your device should be at or about eye level. Use stacks of books to raise computers or laptops to the right level, or set up a tripod.

- **Smile and make eye contact.**

We communicate most of our message through nonverbal behaviors such as eye contact, posture, gesture, and facial expressions. Speak slowly and confidently. Look directly at the camera and smile.

- **Check your appearance.**

Dress professionally, just as you would for an in-person event. It's better to wear other solid colors rather than plain white or black, which can cause exposure issues. Avoid wearing patterns that may seem to "move" on video. Do a final appearance check in a mirror just before you begin.

³³ Adapted from article "10 Tips for Looking Your Best on Video". REALTOR Mag, July–August 2020 by Melissa Dittmann Tracey.

EXERCISE 4.4: INTRODUCTION VIDEO

Record a 30 - 60 second introductory video about your community using a mobile device. Your target audience is potential customers who have expressed interest in living in your community. This exercise can be conducted in pairs. Students can evaluate selected videos as a group. Discuss both the positive aspects of the videos, as well as, areas for improvement.

1. Find a good location in the room to record. A light-colored wall or simple background works best.
2. Quickly jot down one or two important points to include.
3. Strive for a warm and informal tone.
4. Record yourself or ask your partner to record you on your own device.
5. Begin by stating your name and your job title.
6. Next, talk about two reasons people enjoy living in your community.
7. Good ways to end include referring to a future goal, asking the audience to take action, or stating a memorable line or slogan.
8. Review the completed videos.

CHECK YOUR ETHICS

Real estate professionals must be careful not to violate intellectual property rules when creating content or using content created by others. Chapter 3 of this course discusses this issue in more detail.

Online communications should also adhere to the NAR Code of Ethics at all times, specifically Articles 12 and 15. These policies are summarized below.

- REALTORS® shall be honest and truthful in their real estate communications and shall present a true picture in their advertising, marketing, and other representations. REALTORS® shall ensure that their status as real estate professionals is readily apparent in their advertising, marketing, and other representations, and that the recipients of all real estate communications are, or have been, notified that those communications are from a real estate professional.
- REALTORS® shall not knowingly or recklessly make false or misleading statements about other real estate professionals, their businesses, or their business practices.

Popular Social Media Platforms

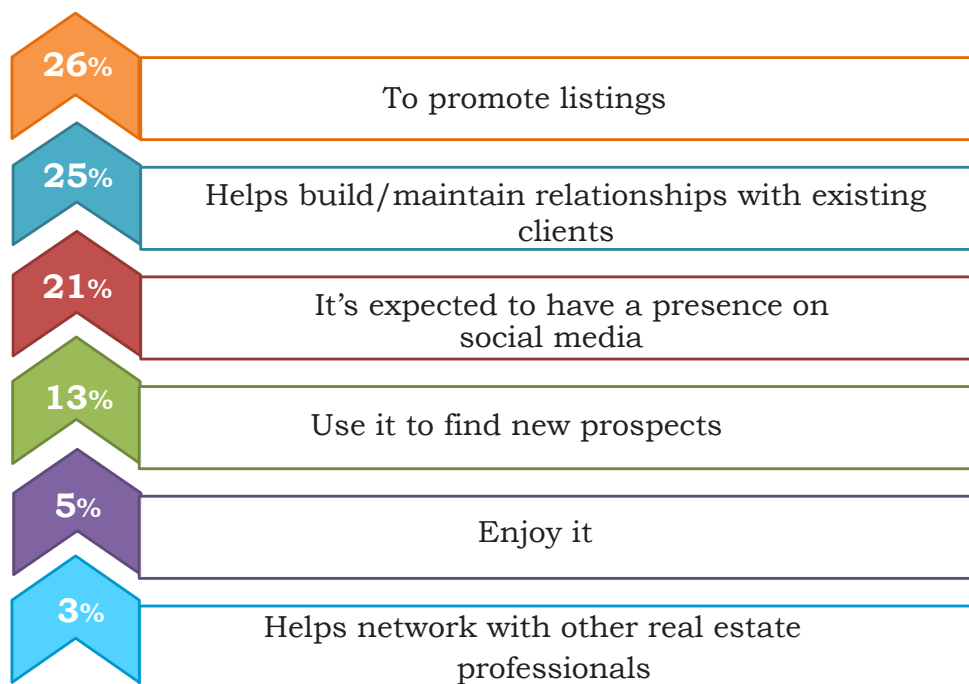
According to the Pew Research Center, social media has emerged as Americans' go-to platform for connecting with others, with almost three-fourth of all U.S. adults accessing social media.³⁴ While industry professionals use a variety of sites, a recent study by the National Association of REALTORS® found that Facebook, LinkedIn and Instagram are the top social media picks for REALTORS®.

Other platforms may also be right for your business. As you've learned, the best social platforms for you are the platforms your target audience is using!

Buyers across all generations use the Internet to search for homes, from over 90% of younger buyers to about half of elderly buyers. They're also looking for general information on the home buying process, as well as, agent and other professional recommendations.

We'll look briefly at some popular platforms and ways you might use them. Overall, REALTORS® report six primary reasons they use social media:

Figure 4.7: Main Reason for Using Social Media for Business



Source: NAR 2018 Technology Survey/Real Estate in a Digital Age 2019 Report

³⁴ Pew Research Center; "10 tech-related trends that shaped the decade" By Brooke Auxier, Monica Anderson and Madhu Kumar December 20, 2019. <https://www.pewresearch.org/fact-tank/2019/12/20/10-tech-related-trends-that-shaped-the-decade/>

CHECKLIST FOR CHOOSING A BEST SOCIAL SPACE

Determine what best supports your specific business objectives:

1. What are the strengths and limitations of the platforms you are considering?
2. Who is your target audience? What platforms do they use?
3. What is your social media experience level? What resources are available for assistance?
4. What kinds of problems can you solve? What need do you want to fulfill?
5. What positions your business as a thought leader in your local market?
6. Will you manage your social media or outsource it? How much time can you commit on a weekly basis?
7. What specific results are you hoping to achieve? In what time frame?

PLATFORM OVERVIEWS

This following provides an overview of popular platforms currently used by many industry professionals. Use it as a starting point for exploring the available options. ^{35, 36, 37, 38,}

FACEBOOK BUSINESS PAGE

► Description:

Social network that connects people personally and professionally through messages, photos, and videos.

► Useful For:

- Fostering engagement
- Blogs and vlogs
- Messaging
- Live events
- Networking
- Advertising

► Key Information

- Top social media network used by REALTORS®
- Popular across every demographic
- Facebook business page preferred

³⁵ NAR 2018 Technology Survey

³⁶ Pew Research Center; "10 facts about Americans and Twitter" August 2, 2019 <https://www.pewresearch.org/fact-tank/2019/08/02/10-facts-about-americans-and-twitter/>

³⁷ Pew Research Center; "10 facts about Americans and YouTube" December 4, 2019 <https://www.pewresearch.org/fact-tank/2019/12/04/10-facts-about-americans-and-youtube/>

³⁸ Snapchat Posts Increases in Both Users and Revenue in Q1 2020 Report" SocialMedia Today <https://www.socialmediatoday.com/news/snapchat-posts-increases-in-both-users-and-revenue-in-q1-2020-report/576493/>

INSTAGRAM

- **Description:**
Photo and video sharing platform.
- **Useful For:**
 - ▶ Photos
 - ▶ Short videos or “stories”
 - ▶ Live events
 - ▶ Story polls and countdown stickers
 - ▶ Advertising
- **Key Information:**
 - ▶ Most popular for sharing photos
 - ▶ Always include captions
 - ▶ Growing at double the rate of other platforms

TWITTER

- **Description:**
Microblogging platform where users can send/receive messages up to 280 characters.
- **Useful For:**
 - ▶ Real-time comments and updates
 - ▶ Sharing links
 - ▶ Starting conversations
 - ▶ Local content
- **Key Information**
 - ▶ “Tweets” have shelf life of under 2 hours
 - ▶ Hashtags (designated by #) designate keywords related to a topic, interest, or event
 - ▶ Used by about 1 in 5 U.S. adults

LINKEDIN

■ Description:

Business networking platform designed to give professionals visibility and help them connect with other professionals.

■ Useful For:

- ▶ Networking
- ▶ Sharing your professional background and expertise
- ▶ Expertise requests
- ▶ Posting recommendations

■ Key Information

- ▶ Used by almost 60% of REALTORS®
- ▶ Connections are “contacts,” organized by name, company, location, and industry
- ▶ Used 15 times more for content impressions than job postings

YOUTUBE

■ Description:

Largest video-sharing app in the world. Users can create their own YouTube channel.

■ Useful For:

- ▶ Reaching broad audience
- ▶ How-to videos
- ▶ Customizable channels
- ▶ Live streaming

■ Key Information

- ▶ Bigger reach among Americans than all other social media platforms (about 73% of adults)
- ▶ Popular with home buyers during search process
- ▶ Difficult to target audience

SNAPCHAT

► **Description:**

Messaging platform that lets users exchange pictures and very short videos that are meant to disappear after viewing.

► **Useful For:**

- ▶ Hyperlocal content
- ▶ Creating new connections
- ▶ Personal insights into your personality and business
- ▶ Highly mobile friendly

► **Key Information**

- ▶ Popular among millennials and Generation Z
- ▶ Number of users grew by 20% over the past year

NEXTDOOR

► **Description:**

Hyperlocal networking platform which connects people within designated neighborhood(s).

► **Useful For:**

- ▶ Fostering relationships
- ▶ Generating discussions
- ▶ Posting events
- ▶ Advertising

► **Key Information**

- ▶ Real people who live in the neighborhoods where you do business
- ▶ Must use a business page to post as a real estate professional

ACTIVERAIN

■ Description:

Networking site used by professionals in or associated with the real estate business.

■ Useful For:

- ▶ Networking
- ▶ Articles and blogs on industry-related topics
- ▶ Service and product reviews

■ Key Information

- ▶ Participants include real estate agents, brokers, home stagers, inspectors, contractors, lenders, and other industry professionals
- ▶ Members can also ask, answer, like, and subscribe to questions posed on the site, or build a referral network.

MEETUP

■ Description:

Online service used to organize groups that host events for people sharing the same interests.

■ Useful For:

- ▶ Connect with other industry professionals
- ▶ Publicize events for groups you are affiliated with

■ Key Information

- ▶ Join industry professionals to exchange ideas or socialize.
- ▶ Homebuyers access MeetUp to meet others interested in buying a home, or to research purchasing a home.

QUICK START IDEAS FOR POPULAR SOCIAL MEDIA PLATFORMS

► Facebook:

If you're not active on Facebook, watch a YouTube video on getting started on the platform. Go to YouTube.com and enter "How to Use Facebook" in the search bar. Facebook also offers a variety of training resources to assist you in setting up a business page.

► www.facebook.com/business

► Instagram:

Visit Instagram.com and look for "Creating an Account and Username." Once you're familiar with Instagram, visit the Business Help Center to learn about setting up a professional account.

► help.instagram.com

► Twitter:

Familiarize yourself with the platform by checking out the NAR account at nar.realtor/stay-connected/nar-on-twitter. Once you have an account, visit the Twitter help center for more information. Remember to click "follow" to begin seeing updates on your Twitter page.

► help.twitter.com/en/twitter-guide

► LinkedIn:

Create an online profile by clicking on "sign up" on the LinkedIn homepage. Make sure your profile photo presents your best self.

► www.linkedin.com

► YouTube:

While anyone can view YouTube videos, you must have an account to "like" or comment. See the example of the real estate YouTube Profile below. To create an account or channel of your own visit the YouTube Help center.

► www.youtube.com

► Snapchat:

Download the app and sign up to create an account. Once you create your username, remember that you cannot change it. Refer to the "How to Use Snapchat" guide for more information.

► support.snapchat.com/en-US/a/how-to-use-snapchat

► **Nextdoor:**

You can find if there's an active Nextdoor website associated with your area by visiting the link below and typing in your address. If you find one for your area, you can log on and create a personal profile. Then, you can claim or create a Business Page.

► nextdoor.com

► **Active Rain:**

Join Active Rain by visiting the link below.

► activerain.com/join

► **MeetUp:**

Learn about industry-related events taking place in your area on MeetUp.

► www.meetup.com

PRACTITIONER PERSPECTIVE: LINKEDIN



Marion Napoleon

e-PRO®, SRS, GREEN, ABR®, GRI, SRES, SFR,
RENE, PSA
Broker/Owner, Unlimited Realty Solutions

How do you leverage LinkedIn for your real estate practice?

LinkedIn is the best kept secret of my business. It's a platform that is built specifically for businesses – as opposed to the other social networks – and it provides ample opportunity to market yourself and your services. And what's better is that people come here expecting to find information about your business and expertise, so your posts are not interrupting their more social feeds.

Your LinkedIn profile is a resume on steroids, and I've optimized mine to showcase my experience and skills. Since the platform allows you to upload videos and other media related to your experience, I intentionally chose to include videos that speak directly to consumers about the services I provide as a real estate professional. I also created a separated entry for my Instructor activities and uploaded two articles where I'm quoted and presented as an expert commentator.

Under the accomplishments section, I'm able to put in all my designations and certifications and explain what they mean, and this prompts people to reach out to me about specialties, such as Foreclosure/Short Sales and Senior Real Estate. In the end, I don't have to sell myself as much because potential clients and corporate contacts have access to the full picture of who I am and what I do.

What advice do you have for real estate professionals building their LinkedIn profile?

► If you don't have a profile, create one right now.

I tell every real estate professional that I meet that if they don't have a fully optimized LinkedIn profile, they are leaving money on the table! Once you have a profile set up, you can begin optimizing it by adding media assets, posting updates and engaging with other users.

► Use the built-in analytics.

LinkedIn has a great analytics section that shows how many people saw my posts and engaged with them. This allows me to figure out what type of posts and content are most effective on this platform.

► **Always check your messages on LinkedIn!**

I learned this lesson the hard way after missing out on two major business opportunities that came through my LinkedIn messenger. Now, I have alerts set up and I check the platform every single day.

► **Modify your Facebook Posts before sharing them to LinkedIn.**

LinkedIn is about business, so the things you post here should have a more corporate feel. I like to think that I'm taking my Facebook posts and putting them in a "business suit" when I post them to LinkedIn. The same content can work on both platforms as long as it's dressed up a bit and tweaked for the business mindset.

GETTING RESULTS FROM YOUR SOCIAL MEDIA: BACK AT YOU

Back At You is a social media center that you can use to market yourself and your business on Facebook, Instagram, LinkedIn, and Twitter. You select the level of automation you want and Back At You does the rest, including advertising your listings, creating and posting content to your social media sites, and capturing leads through social media. The NAR Realtor Benefits® Program includes special offers for Back At You.

You can learn more at nar.realtor/RealtorBenefits/BackatYou

JUST GETTING STARTED?

For REALTORS® just getting started with social media marketing, the NAR Starter Plan is simple and affordable. This plan allows you to:

- Manage your real estate social media marketing* via an automated Social Media Center
- Automatically post listings to Facebook, LinkedIn, and more
- Schedule and boost listings and content and much more
- Have unlimited access to mobile-friendly single property websites
- Capture leads using a 'What Is Your Home Worth' landing page
- Receive performance reports

The NAR Starter Plan is exclusively available to REALTORS®. Members can choose from an annual or monthly plan. As an additional benefit, REALTORS® receive a discount off the one-time activation fee for this plan.

A FINAL WORD OF ADVICE

There is a lot to learn about each social media platform and how to use it effectively to grow your business. Keep in mind that changing your strategies and goals along the way should be part of your overall marketing plan.

While every experienced professional differs on which social engagement strategy works best for their unique market, most offer this essential piece of advice: Don't try to do everything at once. Choose one platform, and work to master it before moving on to the next.

EXERCISE 4.5: WHAT'S MY STRATEGY?

Consider the following properties you might encounter as a real estate professional. Think about the new opportunities you've discovered for engaging your target audience. For each scenario, describe a simple social media strategy you might use to market this property, and the target audience you are interested in reaching. (Keep in mind there are no "right" answers. Your expertise will guide your choices.)

- 1. A recently renovated condominium in a trendy urban neighborhood. The condo has two bedrooms and two baths and includes rooftop access.**
 - ▶ Social media strategy: _____
 - ▶ Target audience: _____

- 2. A luxurious smaller home built on the edge of a private golf course community. All exterior maintenance is provided by the HOA.**
 - ▶ Social media strategy: _____
 - ▶ Target audience: _____

- 3. An older home in an established neighborhood. The property needs some updates but is roomy and well-maintained. It's close to parks and an award-winning school district.**
 - ▶ Social media strategy: _____
 - ▶ Target audience: _____

KEY POINT REVIEW

- Expanding your online presence begins with building online relationships.
- Your brand, target audience, and business goals should shape your social media strategy.
- Effective social media goals are specific and measurable.
- The best social spaces for real estate professionals are platforms which help you connect with the customers you want to reach.



MODULE 5:

Attracting the Digital Customer— Generating Leads

IN THIS MODULE YOU’LL LEARN HOW TO:

- Distinguish between Search Engine Marketing and Search Engine Optimization and identify why both are important.
- Identify how online advertising can help you generate more targeted leads.
- Recognize that lead generation companies can help you in this process if your budget allows.

Now that you understand the types of content you can create and have developed your online presence through your website and social media platforms, it’s time to put that presence to work for you. How do you attract customers to your online presence? How do you convert all the work you’ve done into leads?

The most successful real estate agents are always seeking ways to expand and find more leads.

Attracting the digital customer can be accomplished in a variety of ways:

- **Prospecting:**
You send out mass e-mails across an entire region that pinpoint those interested in real estate activity. While this is a very general way to develop leads, it might result in some business.
- **Farming:**
You use an Instagram post to target a specific geographic area or demographic group, building name recognition in those groups that may convert to business in the future.

► **Networking:**

You work to develop relationships in the community. You might do this through social media posts that inform the community about real estate topics and indicate you're the expert on these matters and the one to turn to.

In addition, paid marketing and ad placement are ways you can get more targeted results from the digital customer. There are two main channels for online advertising: search engines and social media platforms.

Search Engine Marketing (SEM)

SEM is an excellent way to extend your company's reach. SEM occurs when you pay Google, Yahoo, or Bing to place your website ad at the top of a search results page based on specific keywords.

When someone searches for a keyword or several keywords that are relevant to your site and you've properly developed your SEM then they will see a link to your site. For example, if you're an agent in Nashville, you might want your website to appear when people search for "Nashville homes for sale" or "Nashville real estate."

Although SEM encompasses any kind of search engine-centered marketing strategies (including Search Engine Optimization), we are going to focus on paid placement.

How do paid placements work? When you execute a search in Google or any other search engine, you will see organic results (from sites that rank well on search engines for a particular term or set of terms) and you'll also see a collection of websites that have paid to have their ad appear above and below those organic results (Figure 5.1). Those paid placements are a way to get your name and website in front of people who are searching for a term you think is relevant to your business. Ultimately, this is the goal of your entire online presence: to drive the customer to your website. SEM is one way to accomplish this.

Google Ads is a popular source for creating paid ads and has step-by-step guidelines for beginners.

Figure 5.1:

Paid placements appear above and below organic Google search results

The screenshot shows a Google search for "chicago homes for sale". The search bar at the top contains the text "chicago homes for sale" with a search icon to the right. Below the search bar, there are tabs for "All", "Maps", "Shopping", "News", "Images", and "More". To the right of these tabs are "Settings" and "Tools". Below the tabs, it says "About 213,000,000 results (0.62 seconds)".

The first paid advertisement is from **www.fultongrace.com/** with the phone number (773) 904-1296. The headline is "Buy Chicago Homes - Top Real Estate Brokers - fultongrace.com". The description reads: "Navigate The Tricky **Sales** Process Of Buying A **Home** w/ The Help Of Our Experienced Agents. Search By Neighborhood, Address, Or MLS Number. Contact An Agent Today. **Buy Property**. Sell **Property**. Rent **Property**. Full Service Agency." Below the description are four links: "Homes For Sale" (View All Homes Currently Available, Search By Neighborhood, ZIP), "About Us" (Learn More About Fulton Grace, See How We Can Help You), "Sell With Us" (Sell Your Property, Connect With A Local Expert Today), and "Contact Us" (Reach Out To Connect With An Agent, Buy or Sell Property With Us).

The second paid advertisement is from **www.zillow.com/**. The headline is "Chicago IL Homes For Sale - Explore Homes On Zillow". The description reads: "Browse **Chicago** IL **homes for sale**. View **home** details, photos & more! Find a Mortgage Lender. Find a **Real Estate** Agent. Get **Home** Design Ideas. Types: **Homes**, Townhouses, Condos, Apartments." Below the description are links for "Logan Square Homes", "Little Village Homes", "South Austin Homes", and "Uptown Homes".

Below the advertisements, there is an organic search result from **www.realtor.com** for "Chicago, IL Real Estate - Chicago Homes for Sale | realtor.com®". The description reads: "View 18660 **homes for sale** in **Chicago**, IL at a median listing price of \$369900. Browse MLS listings in **Chicago** and take real estate virtual tours at realtor.com®. With Newest Listings · Condo, Townhome · Single Family Chicago · North Chicago".

Source: www.google.com

There are many advantages to this type of paid placement (as opposed to traditional newspaper ads, billboards, or bench ads):

- An opportunity to expose your brand to a targeted audience.
- The ability to create geo-targeted and demographic-based search ads. You can set your area to anything from a zip code, to a town, to a congressional district, and as you select your target areas, you'll see the rough size of the audience exposed to your ad. You can also focus on a specific demographic group: first-time home buyers, families with young children, retirees.
- The ability to control your budget. Every time you run an ad, you'll be able to see how many click-throughs to your site you receive relative to the audience size and the amount you spent, giving you your cost per click (CPC). The CPC reveals one component of the cost of acquiring a new customer.
- Assurance that your ad is relevant to potential consumers. You write a headline and two short taglines that will run with your ad. Google gives your ad a quality score based in large part on how relevant your site is to the search terms you're hoping to rank for. As an example, a real estate site wouldn't be as relevant to a search for "beach activities in New Jersey" as it would be to a search for "New Jersey homes."
- Performance measures reveal success of the paid search ad. For example, Google Ads provide data on an ads impressions, clicks, click-through-rates, top keywords, etc.

Use the Google Ads interface to make your ad more appealing and relevant to the people you're targeting (Figure 5.2). The Google Ads help page has information from how to craft a unique, relevant headline to the use of keywords to how to improve your ad strength. It's designed to help the beginner create their paid ad.

Of course, SEM has downsides, as well. There is a paid media cost that might be prohibitive for some brokers. The fight for placing high in Internet searches is constant and must be monitored. A professional digital marketing agency can be extremely beneficial if your budget allows.

Consider these factors before jumping into search engine marketing:

- Your “bid” for being placed in a search result doesn’t guarantee premium ad placement. In Google Ads, placement is decided by a complicated algorithm that considers both the maximum bid and the quality score of your ad, meaning that your cost to acquire a new customer may be much higher than you’d want because you’re competing with anyone else who is buying ads against those same keywords. To achieve a higher quality score you have to have landing pages that are relevant to the ads you’re going after and when a user gets to your website, they must have a great user experience.
- Limited exposure (after you have finished running an ad, it will no longer appear in those featured spots), making it much less visible than it would be on a properly optimized site.
- With so many ads popping up in Internet searches, consumers have become more complacent in looking at paid results and tend to focus more on the organic results of their search. Although recent studies indicate that sponsored results in Google do get a lot of clicks, this is mostly because they take up a large amount of real estate on result pages for popular keywords. That can be an issue if your bid isn’t high enough to get you in the top of the sponsored area, meaning that other sites can garner more clicks than you, despite what you have paid for placement.

If you decide this route is the right choice for you, here are some guidelines for creating paid ads:

1. **Set a budget and stick to it.**
This includes both the bid amount you’re willing to spend on a keyword and how much you want to spend per day.
2. **Have a Strong Call to Action (CTA).**
Getting people to click through to your site isn’t the ultimate goal. You want them to do something when they’re there, and they should be doing it because you provide something that they need. For example, a CTA asking someone to “Learn More” isn’t nearly as specific or enticing as, “Learn More About Single-Family Homes in Your Neighborhood.”
3. **Keep It Consistent.**
Make sure your ad is consistent with what people are going to find on your website. Getting someone to visit your site on a promise you can’t fulfill isn’t going to do anything to get more business.

4. Select Your Keywords.

It will enhance your quality score to have the ad contain the keywords you're advertising for. This also makes it more relevant to the people doing the searching because those are the words they entered in the first place! Remember to choose keywords that you believe people will use when searching for what you have to offer. Google's Keyword Planner is a handy tool that can generate a list of possible keywords for your unique campaign.

Include a list of negative keywords in your search criteria so searches that involve those terms won't call up your ad for display. There are further discussions on keywords later in this chapter.

5. Know Which Devices You Want to Be On.

According to the 2019 NAR Real Estate in a Digital Age Report, 93% of people used an online website in their home search, 73% used a mobile or tablet website or app, and 37% referred to an online video site.

6. Monitor Your Progress.

Once your ads are in place it is essential that you see how they perform. Are the keywords you selected doing the work you intended them to do?

ADWERX

If the SEM process sounds overwhelming to you, know that you are not alone! The good news is that there are solutions that simplify the process.

NAR has partnered with Adwerx -- the home of digital ads for real estate. Adwerx makes it simple for you to display your personalized ad on the web and mobile devices. Ready-to-use templates allow you to customize ads with your name, photo, contact information, and landing page. You can set up your personalized ad in minutes. The Adwerx interactive ad-builder makes the process easy for everyone.

The following products are available in Adwerx's suite of offerings for agents and brokers:

- Ads for Your Listings enable you to target potential home buyers within a specific radius of the home's address, to people engaging in behavior indicative of moving, such as looking at listings online, or researching moving companies.
- Ads by Zip Code help you break into established markets by putting your ad in front of people who are thinking about buying or selling in the areas where you want to work.
- Ads for Your Sphere of Influence empower you to stay top-of-mind with a targeted digital ad campaign that reaches your most important contacts.
- Ads for Recruiting recruit the best agents for your firm or team with online ads. Great option for Associations, too.

REALTORS® receive an exclusive 15% additional impressions on new and renewing Adwerx campaigns as part of the REALTOR Benefits® Program. An impression refers to when your ad is viewed. So with this offer, if you originally targeted 10,000 ad views per month, it will target 11,500 ad views. Be sure to have your NAR Membership ID (NRDS ID) handy and add at checkout when prompted.

To get started visit www.nar.realtor/realtor-benefits-program/marketing-resources/adwerx?cid=dis_RB1782.

Search Engine Optimization (SEO)

If search engine marketing is paid placement, what is search engine optimization or SEO for short? SEO refers to efforts to make your website organically place or rank higher in the unpaid results of an online search. Organic results get about 95% of all clicks across searches on Google.

This is as complicated as it sounds and while you may not become an expert in this area, it's good to have the basic knowledge behind it. Algorithms relate to how the search engine ranks your placement in terms of its relevance to the search. Each type of search engine has various algorithms it applies to your ad and these can be both beneficial (ranks you earlier in the search process) and harmful (ranks you at the bottom of the search process). These algorithms are constantly changing and constantly evaluating your ad, making it a challenge to stay up to date and relevant so that potential customers can easily find you.

If you decide to pursue SEO to enhance lead generation, there are some things to keep in mind.

WEBSITE CONTENT

One of the most important factors in an effective SEO plan is the content of your website—it must answer the query of an online search. As discussed in chapter two, there is essential information every website should include to appeal to the customer. It's important to keep the information on your website relevant.

Some paid services help you optimize your website content. Moz, for example, charges a monthly subscription fee and includes a suite of products designed to help you navigate SEO for your site. If you do decide to go the paid route to help you optimize, here are a few practical points to know:

BE DESCRIPTIVE IN TITLES

What do you want people to know about your site at a glance? If they're using a search engine, which searches do you want to lead to you? The title of your website—the words that appear at the top of the browser window or in the tab—are extremely important because they also determine how your site appears in search engines. The title of your site should contain relevant keywords.

Similarly, if you have a blog or vlog, the titles of your posts should be relevant to the keywords of the body of the post. For example, if you're writing about home staging tips, you would want to include "home staging" as early as possible in your title; it's your primary keyword. The same is true when naming photos you use on your sites. The more specific and descriptive you are, the greater chance you will have to advance your SEO responses.

KEYWORDS

Keywords are exactly what they sound like: key words and phrases you put in your content to make it easier for customers to find you in an online search. The content you create should be filled with relevant, organic keywords that make your content discoverable in several different searches. Keywords should relate to your target market, what you do, and your local area. For instance, you will get optimum results from video searches by including geographic location, property type, and property features as keywords.

In general, the more specific your keywords are, the more targeted the results you will achieve.

Since many people use locations when searching for real estate, be sure to include location-specific keywords. Take advantage of tools like Google Keyword Planner to find out what is being searched for and what the competition is for each keyword or phrase. adwords.google.com/keywordplanner.

Keep in mind that there are keywords for which many different sites might be competing; in those cases, even if your content is perfectly optimized, the overall popularity of a site to Google determines which sites rank better in results. The popularity of sites is determined by the sites linking in through backlinks and interlinks which will we discuss next.

EXERCISE 5.1: KEYWORDS

Take a few minutes and brainstorm five terms you think are good keywords that will lead customers to your online presence. Type those terms into the Google Keyword Planner (adwords.google.com/keywordplanner) and see how effective they will be. Were the terms you selected effective? If not, how can you improve on them?

1. _____
2. _____
3. _____
4. _____
5. _____

BACKLINKS

Backlinks can be thought of as word-of-mouth for your website. If someone else mentions your website on their social media page then you've received a backlink—an incoming hyperlink from a social media page to your website. The key to earning backlinks is giving people a reason to mention or review your business and you can do that by developing content that people want to read. Of course, you can also encourage backlinks by contacting other organizations or businesses that might have an interest in the type of online content you're generating.

Backlinks (or inbound links) help determine a site's popularity for search engines. The more trusted sites there are linking in, the more authority the search engine will think your site has. Although it would be nice to get links from high-profile blogs and sites the moment you create your website, those relationships happen over time and are earned, because links like that are a tacit endorsement of your site.

"It is generally accepted that if all other factors are equal, the volume and quality of links pointing to a page will make the difference between rankings."³⁹

To get started, here are two places where you can build some backlinks right away:

- **YouTube**

If you have a YouTube profile, you can add a link to your profile page that will follow back to your website.

- **Google My Business**

Creating an official listing for your site and yourself at google.com/mybusiness helps you show up in search listings and also creates an official-looking listing in search results. This process requires a postcard physically sent to your business' address so you can verify its location on the map.

³⁹ The Beginner's Guide to Link Building, Moz, <https://moz.com/beginners-guide-to-link-building>

INTERLINKS

Another type of link to your website that can help improve your SEO is an Interlink – or Internal Link. As you develop web content, link your newer content back to your older but still relevant content. Think of it as fortifying the foundations of a house from within rather than using outside supports (which is the job of a Backlink).

The key difference with Interlinks is that you're trying to increase SEO for the keywords you're already ranking for as opposed to linking back to articles so that you can rank for new keywords.

Here are a few tips for interlinking:

- The higher you place your links within the new article the better. Sensibly enough, the earlier a link appears in an article, the more weight Google gives it.
- Linking to the same article multiple times doesn't do anything to help you. Search engines look for the first instance of the link and ignore the others.
- Be sure that the text that you use to hyperlink to an existing page on your site actually describes the content on that page. Called "anchor text," this descriptive text refers to the words or phrases that you click to visit a link.
- Be sure the title of your content pages includes the keywords and phrases that people will be searching for. Instead of www.mywebsite.com/myjuneblogpost3.html, try something more descriptive like www.mywebsite.com/top-5-neighborhoods-in-chicago-for-foodies.html.

CAPTIONS AND ALT-TEXT

Images can play a significant role in boosting your SEO and making your site even more discoverable, but although people look at images and see homes, mountains, rivers, forests, or whatever else is pictured, a search engine reads it as strings of code and, based on what's in that code, decides where it shows up in search results. Creating the right caption and alt-text is essential if you want your ad to place high in search results.

Captions appear next to a photo and give you an opportunity to provide a more detailed description of the image's contents. Alt-text simply means "alternative text." It's as if you are describing an image to someone who cannot see it for themselves. It describes the content of the image to the search engine and also allows screen-reader software to make your images accessible to people who are visually impaired.

Alt-text is crucial to the SEO value of an image. Here are tips for creating effective alt-text for your images:

- Make it relevant not only to your keywords but also to the image itself. Many search engines penalize sites that try to game the system by entering inaccurate information in their alt-text.
- Keep it short. Most screen readers cut off alt-text at around 150 characters but a search engine may not even read that far. Limit yourself to ten words or less.
- Naming your images is also important. Google knows the difference between an image titled **IMG0009.jpg** and one called **Philadelphia_ranch_home.jpg**.
- Finally, write the alt-text and then close your eyes and have someone read it to you. Can you visualize the image?

REGISTER WITH WEB DIRECTORIES

Registering your site with different web directories is another way to increase exposure to the digital customer and develop leads. These directories are collections of websites organized by categories and subcategories instead of keywords. Although they don't necessarily have any SEO value on their own, when you're listed in a directory, they do give you an Inbound link. Some directories are free, while others charge a fee to be listed. Be mindful that some directories have NoFollow links, while others want you to pay for placement. A NoFollow link is an indicator to a search engine that it should ignore that link.

Registering your business with Google My Business, however, gives you a listing on Google Maps and a click-to-call feature on mobile sites so that customers can call you directly from their phones.

WANT TO KNOW MORE ABOUT SEO?

NAR has a series of videos about SEO available on its website. In these two 10-minute videos, the five core elements of SEO practices specifically for the real estate industry are presented by Rand Fishkin.

- **SEO Fundamentals for Real Estate: Core Elements of Doing SEO: Part 1**
www.nar.realtor/videos/seo-fundamentals-for-real-estate-core-elements-of-doing-seo-part-1
- **SEO Fundamentals for Real Estate: Core Elements of Doing SEO: Part 2**
www.nar.realtor/videos/seo-fundamentals-for-real-estate-core-elements-of-doing-seo-part-2

PRACTITIONER PERSPECTIVE: USING SEM AND SEO TO GENERATE LEADS



Justin Letheby

ePro, PSA

Berkshire Hathaway HomeServices Starck Realty;

JBL Team Inc; eProfessor of Real Estate

Do you use Search Engine Marketing (SEM) or Search Engine Optimization (SEO) to boost your ad placement? Has this been a benefit for your business?

I use both and it has definitely benefited my business. I get more leads by using both strategies. Personally, I do not think you can only do one. In today's world of online lead generation you have to use both to first find the leads organically and second to play in the arena of what the Internet wants you to play in and that is the pay-to-play model. The other benefit of doing both, I find I can reduce my expenses on SEM.

Are there important keywords a real estate professional should use to optimize SEM and SEO efforts?

The honest answer about keywords for a real estate agent to be successful is to use keywords that are unique to you and your business. I teach most agents to do some activities that help them get to know themselves, then some activities that help them get to know what market they want to be in. The more specific the words can be, the better your results will be. For instance, New York real estate . . . but better would be Manhattan sellers, Brooklyn first-time homebuyers. Think about two things: how do people search and what are other real estate professionals using in terms of keyword tools?

Are there some guidelines you follow when creating a paid ad?

This is shifting all the time, but right now the biggest rule I follow is: will the title/headline catch attention? I check this with a/b/c/d testing. I create various ads and then use them all at once, at a very low rate of a couple of dollars a day. I vary the ads by changing things like title, description, colors. Then I watch which one is getting better traffic and turn off the others.

Have you ever used Adwerx (who has partnered with NAR) to create a paid ad?

Yes, I have used Adwerx. I find this tool great for simply creating ads and getting my listings exposure. I have also used various CRMs paid advertising models. I will next look to hire someone who is focused in this area.

What are the most important things a real estate professional should consider when using SEM and SEO to generate leads?

1. Brand awareness. Know your goal. Do you want to brand or get leads? (both are necessary but very different)
2. Know your niche. We can get leads from anywhere, but your niche is crucial to be successful.
3. Plan for a year. You need to be consistent doing both or one of them for at least a year.
4. Think give before receiving. My favorite quote is "They won't care about how much you know until they know how much you care about them."

Why are SEM and SEO important in the real estate industry?

Simply put they are important for all industries that want to get in front of their desired audience. Real estate is no different. We need to catch our customers extremely early in their selling/buying process. I tell most people that we now want to be in their head before they even know they want to do something. SEO and SEM are crucial if you want to achieve that.

Online Advertising

In addition to SEO and SEM strategies, you can pursue different types of online advertising to attract the digital customer.

Online advertising is all about driving eyes and clicks to your site. Not unlike a magazine ad or a billboard, they come in different sizes and can be text, images, or a combination of both.

Unlike traditional forms of media advertising, however, online advertising gives you a lot more control. You can pay by views, traditionally measured in pay per thousand impressions (PPM). You can also use pay-per-click (PPC) advertising. Each model has its place and should be determined by budget, objectives, and channel.

If you're looking to increase brand awareness, PPM is a better choice because you're essentially paying for exposure, not to elicit a specific action. With PPC, you pay only when a potential consumer clicks through to your site. This is great for lead generation and gives you even more information about what it costs to acquire a new customer.

In addition, online advertising in various social media platforms lets you target your message to a specific geographic area, a particular age group, an income group, or even by home ownership status.

Keep in mind that with any form of advertising, you run the risk of ad blindness—people becoming so accustomed to the look and labeling of sponsored content and ads that they skip over them.

GOOGLE DISPLAY ADS

Google Display Ads allow you to advertise all over the web on different sites. You have control over where and to which demographics your ad is targeted.

Figure 5.2: Sample Google Display Ad



Here are some suggestions for creating effective display ads:

- Make sure your ads are clear and engaging. You should have a strong Call to Action and thoughtful images. Consider having an advertising professional design your ad.
- Identify your target audience: Knowing the audience you want to reach will take you a long way toward making your ads as relevant as possible and bring you the best return.
- Try, try again: If you're planning to run ads more than once, use the results to improve and retarget the groups you're trying to reach.

FACEBOOK/INSTAGRAM ADS AND SPONSORED OR "BOOSTED" POSTS

The biggest advantage to Facebook ads is that they leverage the profile information people provide to create perhaps the most targeted ad system available. This interface also helps you create specific, goal-oriented ads, whether you're looking to boost traffic to your website or your Facebook business page.

Steps for creating a Facebook ad:

1. Narrow down your target audience for the ad
2. Set a budget
3. Determine how long you want the ad to run

Facebook keeps a record of all your campaigns so that you can easily see for any given ad how much you spent, how many people you reached, and how many actions (Likes, Clicks, Comments) resulted, giving you a cost per action that you can compare to similar ads.

When creating these ads, keep in mind that the best practices that apply to other forms of advertising apply here:

- Be succinct and effective.
- Include a strong Call to Action and a compelling image.
- Avoid too much text. Every ad is reviewed for the amount of image text it includes. If it's too much (over 20% of the viewable image), your ad may be restricted or not shown at all.

Facebook sponsored posts help overcome the challenge of getting posts to your business page seen by people who “like” your page and people to whom the post would be relevant. You can target and set budgets and schedules just like Facebook’s ads, but sponsored posts are more about getting attention for a post than driving more specific actions. You’re paying to guarantee visibility more than posting organically.

If you’re going to sponsor a post, you should select a post with a URL in it so there’s a CTA for people who are ready to take it.

TAKE ADVANTAGE OF REALTOR.COM® PAID ADS

The most targeted advertising you can have is to get in front of people when they’re on a site to start their search for a new home or to learn more about property values in a specific area. That’s why some agents prefer to advertise on real estate portal sites like Zillow, Trulia, and REALTOR.com®.

Both Zillow and Trulia allow you to pay for placement in specific geographic areas for people who are looking to buy or sell a home. You can get your listing featured at the top of results, similar to the SEM examples discussed earlier.

REALTOR.com® differs from both Trulia and Zillow in that it offers a full CRM suite so that you can manage all your communication. You’re paying for exposure to leads, and then using its system to contact them throughout the sales process.

SMARTZIP

One company taking marketing and lead generation for the real estate industry into the future is SmartZip. SmartZip takes the process of farming to an entire zip code and narrows it to the homeowners most likely to sell. It calculates the different factors important to determining why people sell in an area, and then offers you a suite of tools to contact specific homes on a block as opposed to the neighborhood focus of other services.

While the predictors available through SmartZip don’t produce guaranteed buyers and sellers, they do provide the real estate professional with an additional tool to generate leads.

Paid Online Lead Generation

If you're looking for an alternative to paid online advertising, you can pay companies to generate leads for you—BoomTown, Zurple, and Tigerlead are three companies that work in this area. These vendors create custom Internet Data Exchange (IDX) home search websites and offer dashboards that allow their clients to track buyer and seller leads as those leads navigate online.

While using one of these companies to generate leads for your business simplifies the process, it comes with a price and it's an expensive one. You will incur setup fees plus a monthly maintenance cost that can be well over \$1,000 a month.

Decision Time

So, what's the best way for you to attract the digital customer and generate leads? There is no right or wrong answer as to which solution is right for you. Like any sound business decision, you will want to explore all the options presented in this chapter and decide which will give you the best return on your investment. If you're lucky, you'll find the perfect solution right off the bat, but most likely it will involve testing different solutions to figure out the best fit.

Combining the varied aspects of digital marketing to generate leads will help you grow your business the fastest but your budget will ultimately determine which lead generation tools you rely on.

EXERCISE 5.2: BRAINSTORMING SESSION: WHAT DID YOU LEARN?

In the left column below, write down the ways you have developed leads in the past and note their success rate. In the right column, write down three to five ways you can adapt the lead generation ideas from this chapter into your marketing strategy.

Previous Lead Development Strategies	New Ideas to Adapt from this Module

KEY POINT REVIEW

- Search engine marketing (SEM) strategies help rank your website higher in online search results.
- Paid ad placements appear above and below organic results in an online search and provide more targeted results.
- SEM is an expensive process not only in terms of money but also in terms of time—AdWerx is an option for simplifying the process.
- Search engine optimization (SEO) refers to efforts to make your website organically rank higher in an online search.
- Keywords are a vital part of SEM and SEO.
- Online advertising on social media platforms lets you target your message to a more specific audience.



MODULE 6:

Converting Leads and Managing Clients

IN THIS MODULE YOU'LL LEARN HOW TO:

- Identify the four keys to nurturing leads.
- Recognize how to use e-mail (drip campaigns) to reach large audiences and comply with CAN-SPAM in all your e-mail campaigns.
- Identify the value of customer relationship management (CRM) and transaction management platforms.

Nurturing Leads

This course has shown you how to create an online presence through your website and social media platforms and explained how to attract the digital customer with SEM and SEO strategies. The result of all this new knowledge will be consumers who are reaching out to you for help in the home buying process – these are the leads you've been waiting for!

Now that you have leads in hand it's time to take care of them. This nurturing process is your time to provide leads with valuable information and build awareness of your brand. Consistent visibility and prompt attention to the consumer's requests are vital if you want to hold onto those leads.

The four keys to converting leads to clients are:

1. Be responsive to the consumer.
2. Make a connection with the person.
3. Add value to the conversation.
4. Set the appointment.

By concentrating on these four key steps you can increase your effectiveness and put into place a sustainable method for converting these lead inquiries into clients.

PUTTING THE KEYS TOGETHER

It's crucial that you respond to buyers' inquiries promptly using the same method they used to contact you. If they sent you a Facebook message, respond on Facebook; if they called on the phone, call them back. A quick response is imperative since many people who conduct online searches will contact more than one agent and end up working with the one who responds first.

According to the NAR 2019 Home Buyers and Sellers Generational Trends Report, buyers from every age group interview only one agent and 93% of home buyers list responsiveness as a quality they find very important.

Some consumer inquiries come by phone and are easily handled, but many consumer inquiries are made through the agent or company website using a contact form. These consumers expect to be contacted quickly, and the faster your response, the greater the potential for converting the inquiry into an appointment or relationship.

Contact form responses that you include on your website should provide you with e-mail addresses, phone numbers, or both, and different response plans should be in place to handle them properly.

If the consumer provides a phone number, a return call within 15 minutes of receipt is the best way to create a connection:

- Keep the call brief and leave a message if there's no answer. In the message be sure to:
- Introduce yourself.
- Acknowledge the request on the specific property and tell the caller that you will be sending them that information.
- Ask if they would like you to provide them with information about similar properties.
- Provide a timeframe for supplying the information you have promised.

SAMPLE SCRIPT FOR NURTURING AND CONVERTING LEADS

CURRENT ONLINE LEAD: RESPONSE VIA PHONE

Hi, this is [NAME]. I see that you were looking at [SITE] and requested information about [PROPERTY], and I wanted to follow up with you. Are you interested in properties in that area?

Great. I'd like to help you. Can I send you my [SOMETHING HELPFUL]?

OK, I'll send that out to you. If you'd like, I can also send you periodic e-mails with properties I think you'll be interested in. Would you be interested in that?

In the meantime, if you see something you want to view, let me know and I can set up an appointment for you to walk through.

If you are on an appointment, in a meeting, or cannot call promptly for some reason, there are several ways you can respond:

- Send an immediate introductory text message. Most phones can be set up with a simple text response that can be sent without composing a new response—something like, “I’m on an appointment right now. Please text me the property address you’re interested in so I can gather the information you need and call you right back.”
- Send an e-mail with the information requested and if you have a ready-to-send video that briefly describes your brand attach it.
- Set expectations by letting the customer know that you’ll be in touch with the information they are looking for and seek an appointment—for example, “If you would like to see the interior of the property, I can show it to you today at 2:00 p.m. or tomorrow at 3:00 p.m. Please get back to me to let me know which would work with your schedule.”
- Provide additional value to the consumer: send personal observations about the property or the area and be sure to provide complete MLS information or search Realtors Property Resource® (RPR®) to find information about the housing, demographics, the economy, or quality of life. Send the customer information about additional listings, as well. For an overview of RPR®, see below.

REALTORS PROPERTY RESOURCE®

REALTORS® can tap into a unique decision-making tool to help buyers make informed choices and narrow the property search. Realtors Property Resource® (RPR®) is a member benefit, which means it is already included in the dues you pay to the National Association of REALTORS®.

What can RPR® do for you? Consider this: you receive a text message from a client who says “I saw there was a home for sale at 123 Maple Street. Can I see that one?” You respond by using your computer or phone to search the home’s address which you use to download the RPR® Property Report, Mini Property Report, or Neighborhood Report. Each of these contains a wealth of public information such as sales and financing history, square footage, lot size, and more. In other words, you can present the buyer with facts about the property on-the-spot and if they’re interested, you can call the seller immediately to schedule a viewing. RPR® aggregates recent and current sales to calculate an estimated value for the property—this can indicate if it is over- or underpriced compared to similar properties.

The RPR® reports can be viewed online and can be downloaded. You can generate a full-color report that indicates your contact information and brand within minutes to e-mail or present in person to your client.

If the consumer doesn’t provide a phone number and all you have is a name and e-mail address, the process still requires a quick response.

CONTACTING AN INTERNET LEAD VIA E-MAIL OR WEB RESPONSE

*Hi , We recently received your information from **[NAME OF WEBSITE LEAD CAME FROM]** indicating that you were interested in **[INSERT LISTING/ PROPERTY NAME AND LINK LISTING TO YOUR WEBSITE]**.*

I’m sure you’re busy, but I wanted to see if you had few minutes for me to answer any questions you might have about this or similar properties. I’d also be happy to set up a time for us to go see the home in person.

*Some of our best clients are referred to us from **[NAME OF WEBSITE LEAD CAME FROM]**, so I hope we will have the pleasure of working with you. Please let me know when a good time to speak would be, and I’ll be in touch with you soon! Have a great day – I look forward to speaking soon!*

[INSERT YOUR NAME]

Keep the body of the text in a document that you can easily access so that you can personalize it and send it quickly no matter what the circumstances, even from your phone.

Guidelines for an e-mail response to an online query:

- Send your e-mail response quickly (that's why you had a ready response!—in no more than 15 minutes).
- When you send the property information, add some context, including your personal observations about the property or the area. Adding context to the property information demonstrates the value your experience can bring to the consumer's property search. Remember, RPR® can be a valuable resource.
- Set the expectation that you will be sending a follow-up e-mail to ensure that the consumer received the information. Alternatively, ask the individual to text or call you on your mobile phone.
- Include or offer to send information about similar listings, new listings in the area, and listings that may be coming soon.
- Create a dynamic Call to Action—for example, "Hi, I received your request for information. It does look like the property is still active at \$XXX,XXX. If you're interested, I can show you this home tonight at 7:00 p.m. or tomorrow at 5:00 p.m. Can you give me a call when you see this? What's the best number for me to reach you?"

Follow-up to the initial contact is crucial, because not all buyers are ready to act when they first contact an agent.

REFERRAL EXCHANGE

According to NAR research, the average home buyer searches for 10 weeks, two of which are spent searching before contacting an agent.⁴⁰ This shows that the final step of setting an appointment may take time so consistent and ongoing contact is vital. For that, you should use a Customer Relationship Management (CRM) system that includes e-mail marketing so that you don't miss opportunities in the press of daily business.

NAR has a solution to help you manage your leads: ReferralExchange. This new NAR-partner program provides lead verification services so that you can focus on pursuing the best opportunities. Licensed experts with LIVE (Lead Information Verification Engine) by ReferralExchange validate your leads then connect you with clients who are ready to make a transaction, in real time. This program acts

⁴⁰ National Association of REALTORS®. *Real Estate in a Digital Age 2019 Report* Chicago, IL.

as an extension of your brand and helps you qualify leads you receive online from your website, Facebook, realtor.com, and other platforms. The experts at LIVE determine which leads are real by confirming contact data, nurturing the contact, and then transferring the contact to you when they are ready to move forward with a transaction.

ReferralExchange eases your administrative burden so you can focus on building the relationships that drive your business. Visit nar.realtor/realtor-benefits-program/marketing-resources/referralexchange?cid=dis_RB1787 to learn more.

EXERCISE 6.1: CONVERTING LEADS TO CLIENTS

Take a moment to review these three scenarios and construct a plan to convert each lead into a client. How will you contact them? What will you say? Outline what steps you would take. Reflect on how your plans will differ with each client.

SANJAY AND MARTA

This couple has been researching homes online for the past two months. They are relocating from Boston next year because Marta will be going to grad school in the area. They sent you an inquiry after your paid ad appeared during one of their online searches. The only other thing you know about them is that Sanjay works for a Fortune 500 company and they have no children. You have their e-mail address but no phone number.

JESSICA

Jessica filled out a form on Zillow asking for information about one of your listings. You have her name, e-mail address, and a phone number.

BRETT

Brett googled "townhomes for sale near me" and found your name. He called you and left a message.

Effective E-mail (Drip) Marketing

E-mail marketing can be an efficient, effective, and cost-effective way to communicate regularly with the leads you've generated, as well as, drive traffic to your website. If e-mail is already your main way to contact clients then you are not alone: 92% of NAR members listed e-mail as their preferred method of communication with clients.⁴¹

You may have heard the term "drip marketing" and wonder what that refers to. Drip is actually an acronym for "Differentiate, Reinforce, Inform, and Persuade." Drip marketing is a strategy that "drips" messages to the target audience over a period of time. An e-mail marketing campaign is one form of drip marketing.

The key to an effective e-mail marketing campaign is relevant content. Leigh Brown is a broker-owner at RE/MAX in Concord, North Carolina and notes that, "Pushing out information is old school. You are just throwing things out there. It doesn't push someone to call you. But pull marketing pulls them in with content marketing that's valuable to them. This makes them call you."⁴²

Consumers want to know that you understand their fears, needs, and desires when it comes to buying or selling real estate.⁴³ Your current leads may enjoy receiving daily or weekly messages on real estate topics that relate to their needs. If you provide them an easy way to subscribe, this list can be a valuable asset to you. E-mail newsletters provide you with a way to educate and connect with your audience. If you write blog posts or articles on your website, you can use the posts as articles in your e-mail newsletter. Write 25 to 50 words, and then include the link back to your website. E-mail newsletters may also feature embedded photo tours and direct links to specific information such as a particular property. They can be automated and scheduled to be date-specific or sent in conjunction with some other event, like an open house.

Just like with the rest of your marketing tools, remember to include that Call to Action, a link to your website, and your contact information so the lead knows who to call when they're ready to do business.

⁴¹ Real Estate in a Digital Age 2019 Report, NAR

⁴² Not Your Average Drip Campaign, October 21, 2019, REALTOR® Magazine

⁴³ Personable Content Gets Leads, January-February 2020, REALTOR® Magazine

Calls to Action for your e-mail newsletter:

- Contact us
- Follow us
- Learn more
- Share

All your e-mail marketing should be permission based. In building a relationship between you and prospects, as well as, past customers, the last thing you want is to flood them with unwanted e-mail. Be sure to include a link on your website where visitors can subscribe to your e newsletter. If you have a Facebook business page, set up a tab for visitors to register for your e-mail newsletter.

E-mail newsletter topic ideas:

- How much mortgage can you afford?
- Current local housing trends
- Staging ideas for selling your home
- Upcoming local events such as a home expo or an historical home tour
- Working with a home inspector
- Ask a local landscaper to share yard and garden tips
- Design ideas and budgets for updating a bathroom

Advice varies, but the e-mail community has consensus on the following e-mail tips:

- Know your audience: the content of your e-mail marketing campaign must be relevant.
- Send your e-mail campaigns during the day, not in the evening.
- Avoid Mondays as people are still catching up after the weekend.
- If you have a special event, it's wise to send out an e-mail just 3–5 days before the event. Some e-mail programs suggest an additional e-mail an hour before, as well.
- Sending e-mail in the middle of the week and in the middle of the day seems to be the best.

Customer Relationship Management Tools

It's not easy to keep in touch with all of your customers and leads. That makes a customer relationship management (CRM) tool invaluable in this process. It creates automated texts, e-mails, and messages on social media platforms based on intervals that you set. Some CRM tools also have website templates and the ability to generate your social media accounts.

Here are some you can try:⁴⁴

- **Wise Agent:**
Helps not only with transaction management but also with lead generation and marketing. Integrates with programs such as Gmail, BombBomb, DocuSign, and Facebook. Monthly plans range from \$29 to \$299+.
- **Contactually:**
Organizes contacts, offers customized marketing templates, and sets automated follow-ups. Monthly plans range from \$59 to \$599.
- **kvCORE:**
Offers lead generation, website templates, listing management, business analytics, and email marketing automation. Monthly plans start at \$499.
- **BoomTown:**
Assists agents with managing clients, lead generation, and websites, and integrates with tools such as REALTORS Property Resource®, Zapier, Facebook, Constant Contact, Mailchimp, and Office 365. Monthly plans range from \$750 to \$1,500+.

Measuring Your Results

There are several tools that can track the activity on your website and help you understand the effectiveness of your e-mail campaign. Google Analytics shows how many visits your website receives, where people come from, how long they stay, what they look at while on the site, and more. All of this information is available to you free of charge.

Taking the time to review and understand this feedback is a key process in learning how effective your website is. The data might show you need to adjust your content or make your website more user-friendly.

⁴⁴ The Tech Tools You Really Need, May-June 2019, REALTOR® Magazine

CAN-SPAM

Make certain you comply with the CAN-SPAM Act, which stands for Controlling the Assault of Non-solicited Pornography and Marketing, legislation enacted in 2003. CAN-SPAM establishes requirements for any e-mail that advertises or promotes a commercial product or service, including website content.

E-mails must include:

1. An accurate header
2. Accurate subject lines
3. An easy opt-out method
4. Legitimate return e-mail address and valid physical postal address

CAN-SPAM Mobile Service Commercial Messages (MSCM) bans delivery of unwanted MSCM to wireless devices or domain names, including mobile phones, PDAs, and smartphones. Check the Federal Communication Commission's list of wireless domain names at www.fcc.gov to ensure that you're not sending commercial e-mails to prohibited domains.

Managing the Paper(less) Client

Now that you've converted your leads to clients you have the task of managing the paper and online documentation that comes with every transaction. While the physical paperwork generated from online transactions may not be as plentiful as it was in the past, it's been replaced with online forms. One thing that hasn't changed in our industry is the number of documents generated from a single transaction.

Real estate professionals need to manage documents electronically, their brokers need to review documents for compliance, and all of the participants to a transaction need copies of every item the buyer or seller has touched. Documents need to be shared, split, merged, supplied to the participants in the transaction, and stored for compliance with state regulations. Today, cloud-based document management software can simplify this process.

From a brokerage perspective, the transaction management platform should provide basic reports to help agents guide their business, including days on market, difference between list and sale price, pending business, settled business, average sale price, number of units sold, total volume sold, and average productivity per person. There are some platforms that go to the next level and provide robust compliance management.

Some practitioners prefer the simplicity of Dropbox or SugarSync to manage their documents, creating individual folders to store documents and share with various participants, assigning different security rights and privileges to different users. The confidential nature of the information contained in the documents created during a real estate transaction would suggest that dedicated platforms, though more expensive, are the best choice for the real estate professional.

WHICH TRANSACTION MANAGEMENT PLATFORM SHOULD YOU USE?

As the Covid-19 pandemic forced electronic forms and signatures to dominate the transaction landscape, transaction management platforms continued to evolve to keep up with the demand.

Currently, companies like Lone Wolf and DocuSign are working on integrating the process of creating, executing, and managing documents in the simplest possible manner. With MLS-Connect from Transactions (zipForm Edition)®, the software can access the MLS and input the property information fields automatically, linking the property information to every document in the transaction. Everyone can use eSignatures to execute the documents, and then DocuSign Rooms for Real Estate to manage the documents and create standardized task lists and templates to ensure the workflow and process of the transaction are consistent and compliant. Dotloop offers similar integrations in some markets, though you need to determine which forms they have access to in those different markets.

In DocuSign Rooms for Real Estate, the documents are circulated to the participants depending on their role in the transaction: who does and does not need to be in the “room” to execute, send, or receive the documents. Transactions (zipForm Edition) enables the user to seamlessly track and manage all transaction activities, from listing to closing, offering transparency and risk mitigation along the way.

By adding the DocuSign app for Google Drive, you gain all of the functionality of electronic signatures. When you sign or send a document, the signed copy, including the Certificate of Completion, will automatically be returned to a DocuSign-Completed folder.

DocuSign helps you master the eSignature through DocuSign University which offers specialized training and webinars, blogs, and more. Visit nar.realtor/RealtorBenefits/DocuSign to learn more

Here are questions you should ask about any transaction management software:

- Does it manage documents?
- Does it track the tasks from listing to sale?
- Can it communicate with all of the participants in the transactions?
- Can it provide useful business intelligence through reports to help you understand your business and manage it through measurement?
- Can it track commissions, expenses, and commission payments to agents?
- Does the platform provide calendar-based reminders and automate tasks common to each transaction?
- Does the platform provide timely reminders as contingencies are due to all parties involved?
- Does the platform require the participation of the other broker or agent, or can those parties send and receive communications without adapting their business rules to yours?
- What data security measures does the software have in place?

Transaction management platforms to consider:

- **DocuSign:**
www.docusign.com
- **Dotloop:**
www.dotloop.com
- **Propertybase:**
propertybase.com
- **SkySlope:**
www.skyslope.com
- **zipLogix**
ziplogix.com

ALTERNATIVES TO DEDICATED TRANSACTION MANAGEMENT PLATFORMS

If your brokerage firm is not ready to adopt a full-featured transaction management platform or you are responsible for processing your own transactions, you might choose to use a generic document management solution combined with a series of checklists or folders to help you work toward a paperless environment—or at least an environment in which there is less paper. Although many platforms offer “freemium” models, for your business, you should be prepared to spend the money for premium accounts on whatever sites you use. It will mean more storage, better recovery of deleted files, and useful extra features. More importantly, it will mean continued access to stored files 24/7 as long as you’re paying for your account and don’t exceed your storage limits.

Some commonly used cloud solutions for file storage and management are Box, Dropbox, and Google Drive. Microsoft offers OneDrive as a cloud-based solution.

BOX AND DROPBOX

Box and Dropbox are both cloud-based document storage systems and can be used for file storage and sharing. However, there is a difference in price and features between the two. Box is aimed at corporate users, with far fewer individual users, but both sites offer options for syncing files to your desktop as well as free versions, so before you choose one over the other, it makes sense to open an account on each and see which interface you like the most and would be easiest for your clients and customers to work with.

GOOGLE DRIVE

Google Drive is actually the residence of the Google suite of office products—Docs, Sheets, Slides, and Forms (the equivalent of Microsoft Word, Excel, and PowerPoint and a lightweight version of SurveyMonkey, respectively). It provides much more integral functionality, and if you’re already a devoted Gmail and Google Calendar user, it simplifies integration into your business.

When you start on Google Drive, you should set up six folders to help organize your real estate business. They can be labeled prospects, buyer, sellers, pending/under contract, closed, and templates, and the labels explain what you will store and share in them.

There are five basic ways to use Google Drive in your real estate business:

1. Leverage templates to perfect and optimize real estate workflows. With a complete document suite, creating and sharing templates and checklists are a one-stop process; create, store, and share them all in one place.
2. Share real estate documents with others involved in your transactions. Plus, you can manage permissions on a variety of levels.
3. Collaborate on real estate documents. Any document you share with Google Drive allows you to see others working on it in real time. It allows you to see how you change documents to implement other users' transaction, thereby avoiding misunderstandings about phrasing or terms.
4. Leverage third-party integrations. Use tools from DocuSign to implement electronic signatures. By adding the DocuSign app for Google Drive, you gain all the functionality of electronic signatures. When you sign or send a document, the signed copy, including the Certificate of Completion, will automatically be returned to a DocuSign–Completed folder for you.
5. Search and find all your real estate documents. Who does search better than Google?

APPS TO HELP YOU MANAGE CLIENTS

With so many platforms and tasks to monitor on a regular basis, how can a real estate professional keep it all straight? Listed here are just a few of the apps and tools that may be useful in managing your clients and your work. Since new mobile applications are always coming onto the market, talk to your fellow brokers to learn which ones they are using and like..

► **HubSpot CRM**

A no-cost way to make your job easier. You can use it for contact management, e-mail templates, and meeting scheduling.

► **Contactually**

Allows you to sync your e-mail, phone, and communication history so your entire network is in one place. You can prioritize and organize your contacts to make sure you're contacting the leads you've developed and make your work flow smoothly.

► **RPR® Mobile**

We talked about RPR® earlier in the course. This mobile version allows you to search and locate any property around you easily, allowing you to create and send company-branded reports from your phone or tablet, and view local market statistics.

➤ **Street Peek and Sign Snap**

These give you instant access to listing information that will help you better manage your clients' requests. Take a picture of a For Sale sign using Sign Snap and the homes listing on realtor.com® will automatically be pulled up.

➤ **WhatsApp**

This real-time, cross-platform messaging app allows users to exchange text, audio, photo, and video messages without paying SMS charges. Users can also create groups to broadcast messages.

➤ **BombBomb**

Allows you to easily record and send video through e-mail, text, and your social media accounts. Plus, it tracks everything you send and provides alerts, notifications, and reports to make your follow-up more effective.

➤ **Mailstrom.co**

Mailstrom is designed to help with the wholesale organization of your inbox, with the stated goal of helping you reach Inbox Zero. The service sorts your e-mails by sender, time, size, subject, or the name of the person you emailed. By grouping your e-mails, the application allows you to organize your messages quickly and easily into files that appear as part of your e-mail platform, making them easy to access when you need them.

KEY POINT REVIEW

- Nurturing leads requires the real estate professional to provide consistent visibility of their brand and prompt attention to client inquiries.
- E-mail or drip marketing can help generate traffic to your website and convert leads into clients.
- A customer relationship management tool can help create automated texts, e-mails, and messages on social media platforms based on intervals that you set.
- Transaction management platforms are available to help the real estate professional organize documentation and keep in touch with clients.
- Numerous apps for mobile use help the real estate professional to manage clients.



MODULE 7:

Managing Your Online Reputation

IN THIS MODULE YOU'LL LEARN HOW TO:

- Describe the importance of word of mouth (earned) marketing.
- Identify tools to help manage your online reputation.
- Illustrate how to resolve an online conflict.

Once you've created an online presence, you become subject to other people's opinions of that content. That's why monitoring and managing your online reputation has become one of the most important tasks you do in your business.

Studies show that there is a direct correlation between online reviews and revenue. In other words, clients are searching for proof that you and your firm have done good work in the past. This is one of the greatest indicators that you will do good work in the future and gives prospects a reason to hire you.

Word-of-Mouth or Earned Marketing

Consumers today are more educated in the home buying process than ever before and when you collect data on customer experiences, you can use it to boost your online reputation. One of the easiest ways to collect this data is to simply ask a client to give you an online review after your transaction is complete. Online reviews are the way your customers help drive your business through word-of-mouth marketing.

We have always been an industry that values word-of-mouth marketing. Customers, clients, friends, and family refer us to new buyers, sellers, tenants, and landlords, but the explosion of online information has brought new interpretations of the concept of word-of-mouth or earned marketing. Today, not only do people talk about their experiences when they meet someone face-to-face but they put

their experiences down in words in reviews for everyone to see. So while you may think you've created an optimum online presence, you must still manage it and understand it can be affected by consumer input.

Tools to Help Manage Your Reputation

In addition to your online activities at Facebook, LinkedIn, Twitter, and Instagram, your offline activities can find their way onto the Web. When you are in a public venue, whether having drinks or dinner or just talking to someone, realize that you can become part of someone's photo or video library which effectively extends your digital footprint.

There are many tools that can help you keep an eye on your digital footprint and see where your name and business are appearing online.

GOOGLE ALERTS

Not surprisingly, the search engine Google is where many of us search for a topic or mentions of our name. Google has a "set it and forget it" function called Google Alerts (Figure 7.1), which lets you set up an automated search of Google. This sends you an e-mail every time one of your search words is found by the search engines in any website indexed by Google (as you'll recall from chapter 5, that's known as SEM). This is one of the most effective ways to monitor your online reputation. You can set up alerts based on your company's name, principals' names, community, town, or any other topic that interests you. Google also allows you to limit the searches by type.

Figure 7.1: Google Alert Form Sample

The image shows a screenshot of the Google Alerts form. At the top, the word "Alerts" is displayed in a large font, with the subtitle "Monitor the web for interesting new content" below it. A search bar contains the text "real estate" with a magnifying glass icon on the left and a close button (X) on the right. Below the search bar, there are several settings, each with a label on the left and a dropdown menu on the right:

- How often: At most once a day
- Sources: Automatic
- Language: English
- Region: Any Region
- How many: Only the best results
- Deliver to: ajhall@realtors.org

At the bottom left of the form is a blue button labeled "Create Alert". To its right is a link labeled "Hide options" with a small upward-pointing triangle icon.

Go to google.com/alerts to begin. You don't have to use a Google e-mail address or even have a Google account to use Google Alerts. Just type your search terms as you would for a normal Google search, enter an e-mail address to receive the alerts, and click "CREATE ALERT."

In addition to Google Alerts, other online reputation tools can help you monitor what's being said about your business on the Web.

A few to consider include:

- RealSatisfied
- BirdEye
- ReviewPush
- Pozative

Rankings

Most consumers think that all members of the real estate industry are the same, finding little difference between agents or companies until those differences are pointed out to them. As a result, real estate professionals have traditionally worked hard to build their reputation and attract new customers and clients through referrals from satisfied customers and by making comparisons with other agents or agencies to differentiate their services.

With the availability of data and the love of lists that permeates our society, however, it's inevitable that third parties will assemble similar information (no matter how poor or incomplete the data) and use it to lure consumers. In the attention economy, a list that draws the eye will get viewed. Be sure to keep your eye on these less-trustworthy sites.

A reputable rankings site that your clients can view is an important tool. RealTrends, well known for its list of the top companies in the United States, has now created Top Agent lists that the people ranked in them can share with their online communities.

Ratings and Reviews

As consumers, we look at reviews on Rotten Tomatoes before buying or renting movies on iTunes, we visit TripAdvisor when we plan vacations, we check out customer reviews on Amazon before buying products, and we look to Yelp, Google, and social networks for information about businesses and professionals.

Yelp, a contraction of the term Yahoo! Help, has become a staple for consumers seeking reviews by peers of products or services they're interested in buying.

Aside from Yelp, Angie's List, Facebook, and Google Local have also incorporated reviews: you might be surprised to find that you already have some reviews posted on one of these sites. Even though you might not have thought about these outlets to look for or review real estate agents, consumers in your market no doubt have. Search these sites to see what consumers would see if they were to look for a real estate agent.

Obviously, good ratings are important and you suffer by comparison if you don't show up when consumers are looking for an agent, so let's look at what it takes to get good reviews.

GETTING REVIEWS

Every buyer; every seller; and every vendor, landlord, or tenant is a potential reviewer in today's world, and it's no coincidence that the people who ask, receive.

Asking for testimonials isn't new to digital review sites—salespeople have been asking satisfied clients to write testimonials for the past 100 years—but today, instead of asking for a written letter or typing such a letter and asking the client to sign it, make it part of your business to seek the electronic endorsement of a review. Keep in mind that today's consumer often trusts the review of anyone—buyer, seller, landlord, tenant, contractor, mortgage person, home inspector, appraiser.

As with everything else in our business, consistency and persistence are the keys to success. Set expectations early and remind clients often of the importance of their opinion. Use your customer relationship management (CRM) system to remind them, use a form to help them through the process, and make the completion of a review part of your presale or after-sale checklist for the buyer or seller.

TEMPLATE: REVIEW REQUEST

Dear [NAME],

I enjoyed getting to know you during the home buying process and now that you are all moved in, I hope your new home will bring joy to you and your family for years to come.

Would you consider leaving me an online review so other buyers can learn more about me? If you're comfortable with this, you can leave a review here:
[INCLUDE LINK TO REVIEW SITE].

Please don't hesitate to contact me if I can assist you with any of your real estate needs. It was a pleasure working with you.

[INSERT YOUR NAME]

SIX TIPS TO GET MORE REAL ESTATE CLIENT REVIEWS ⁴⁵

1. Get over your fear of looking pushy and bothering your clients.
2. Make asking for a review a primary task in the transaction process.
3. Use a review platform, such as Real Satisfied, to increase efficiency.
4. Choose your review sites wisely.
5. Don't take reviews personally.
6. Reply to every review you get and fill in missing details.

⁴⁵ How to Get More Client Reviews (Without Breaking Any Rules!), February 21, 2020, [Homelight.com/blog](https://homelight.com/blog)

PRACTITIONER PERSPECTIVE: ONLINE REVIEWS



Matthew Rathbun

CRS, GRI, ABR, AHWD, e-PRO®, CDEI, CRB,
CRS, CIPS, CRETS, GREEN, PSA, MRP, RSPS,
RENE, SFR, SRS
Coldwell Banker Elite

What process do you use to obtain a review from a client?

One issue that REALTORS® face is deciding which platform to use to ask consumers for reviews. Most of your past clients, or others who may give you reviews, do not want to spend an afternoon posting on several different sites. I recommend choosing the sites where you would like to have a review and then specifically ask clients or others to give you a review on those sites – such as Zillow, Google Business, and Facebook Business. I start by using RealSatisfied.com as a tool to collect the review from my client. RealSatisfied.com does a pretty good job of promoting those reviews to various sites, but not all platforms allow third parties to provide the feedback. For those sites I will ask the provider of the positive review to also post it on a specific site where I may need more feedback.

How do you use the reviews you receive to market yourself?

I send out a pre-meeting e-mail to my seller or buyer before the first counseling session. I typically add one or two positive reviews to the bottom of that pre-meeting packet. I also add some to my Buyer Guide and Listing Presentation. I have a page on my website with the reviews, which is populated from RealSatisfied and I will often share a positive review on my social media business platforms, such as my Facebook Business Page or Instagram business account. I don't do this regularly as it seems self-aggrandizing, but once or twice a year I'll share a nice compliment from a client.

Do you have a plan to keep track of your online reviews? A system that notifies you when you receive a review?

I recommend that agents set up accounts on Yelp, Google Business, Facebook Business, Zillow, Realtor.com®, etc. so that if someone provides a review on those sites the agent will be alerted. I keep a Google Sheets document with a list of the reviews, date, time, and related property. Many of your clients will be in the same social circle and if I have a positive review from a friend related to a potential client, I may add that review from the person they know to my presentation materials.

What are the top three things a real estate professional should keep in mind if they want to earn a positive review?

1. The consumer's perception of you starts from their Zero Moment of Truth when they are researching you online before meeting you. Make sure that from the first digital encounter until the last in-person encounter you are always putting your best foot forward.
2. Consumers give positive reviews when they have had positive experiences. A stressful or embattled transaction will often leave the consumer fatigued and deep-down wonder if the transaction could have been easier somehow. Agents should always be positive in their approach to negotiations and delivering messages to their clients during the transaction. Showing frustration, positioning the other party in a transaction as difficult to work with, or interjecting drama in a transaction will impact the client and lessen their chance of giving you a good review.
3. Once you have provided exceptional service, you have to ask for the public review. At the end of the transaction the client is excited for their new home, but they also have a lot of work to do during the move. You may have to be patient before asking and then asking again for a review. Make it easy for them by e-mailing them a link to the location where they can post their review.

What steps do you take if you receive a negative review?

When an agent receives a bad review, the first effort should be to remember that you aren't trying to correct the reviewer – they've made up their mind. Your first instinct should be to address the potential reader of the review in the future. Most online consumers are understanding. One bad review among many good reviews is considered an outlier and often dismissed. However, everyone wants to see how you handle it. Don't ignore the review. Respond to it as soon as possible. Apologize that the poster had a bad experience and offer an opportunity for them to call you and talk about what steps could be taken to ensure that others have a better perception of the hard work you put into serving your clients. Always remain professional and accept criticism even if you don't agree with it. An angry or sharp response will harm you more than help you and may even support the negative review that you were given.

Client Surveys

In the past several years, there has been a proliferation of companies that send surveys to consumers on behalf of real estate professionals. These firms send specially designed surveys to collect information about the quality of service the real estate professional provided, as well as, determine the client's satisfaction. Like the after-purchase survey you filled out after buying your new car, this survey is designed, at least in part, to elicit answers that you can use in testimonials, post to other sites, and share with your social sphere of influence.

- **RealSatisfied**

Visiting its website at realsatisfied.com allows you to send a survey to yourself so that you understand the process from the client's point of view. It also allows you to post to your social media sites each time you receive a testimonial.

- **Reach150**

Reach150 was part of the NARReach program and like RealSatisfied offers the ability to post automatically to Nar.Realtor as well as your social networks. Visit at reach150.com.

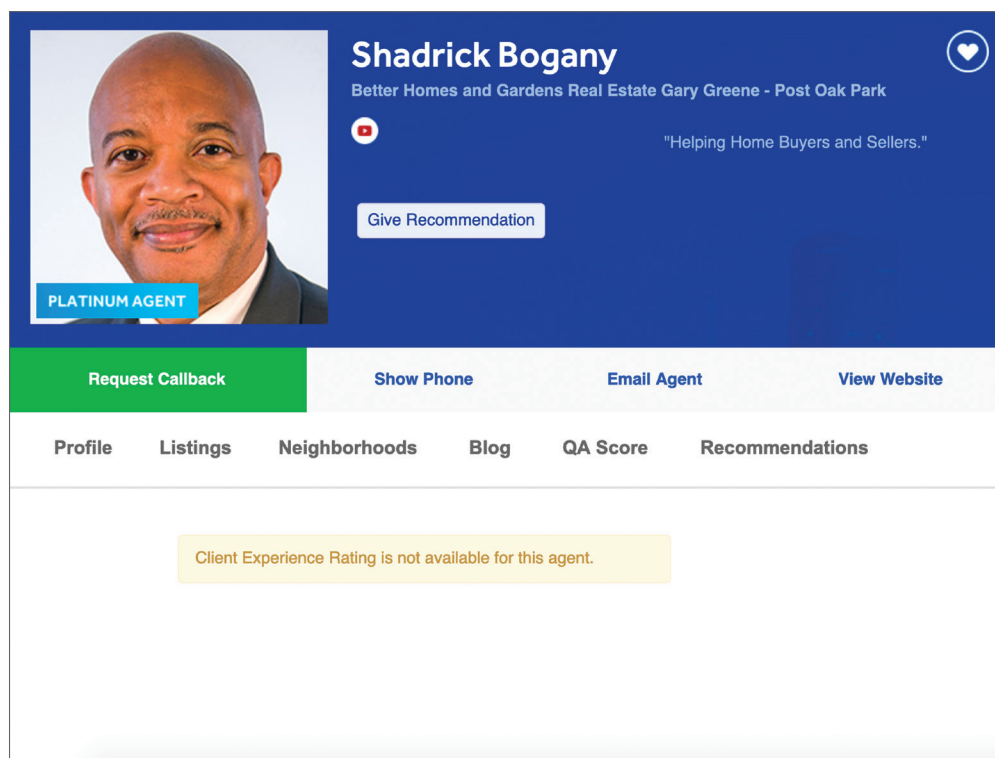
- **Testimonial Tree**

Testimonial Tree prompts clients to share testimonials on their social sites, bringing an additional referral component to the process. Visit Testimonial Tree at get.testimonialtree.com.

Agent Rating Websites

The Houston Association of REALTORS® recognized the trend of customer reliance on ratings and decided to implement a client experience rating feature. The association is able to harness those reviews and build credibility that drives traffic to the site.

Figure 7.2: Sample HAR.com Agent Rating Report Page



Reprinted with permission of Houston Association of REALTORS®, Sample Rating Report,
<http://members.har.com/Realtor-Rating-Program/default.cfm>.

Agent Reviews on Major Portals

Zillow, Trulia, and REALTOR.com® all have places where consumers can review their agents. Each site handles these reviews differently, but they are places where REALTORS® gain new, relevant content written by others, providing them with SEO benefits. Consumers can find information relating to agents that keep them on the site longer—a valuable metric for any website.

When a review is submitted at REALTOR.com®, it is reviewed and posted to your REALTOR.com® profile. Along with the written review, you will also receive a summarized rating which you can choose to display on your profile.

Disruptions to Your Online Reputation

The first thing many people do when they are thinking of working with a company or individual is to Google them. Ensure that your online reputation is stellar and presents the best possible picture of who you are and how you conduct business. There are many review and rating sites out there, and it pays to know what people are saying about you – both the good and the bad.

INTERNET TROLLS AND FLAMERS

An Internet troll is someone who posts inflammatory, extraneous, or off-topic messages in an online community, such as an online discussion forum, chat room, or blog, with the primary intent of provoking other users into a desired emotional response or of otherwise disrupting normal on-topic discussion.

Internet flammers are those who engage in hostile and insulting interaction on social networks, comment threads, discussion boards, e-mail, and on game servers such as Xbox Live or PlayStation Network as well as video-sharing websites.

When you encounter these, think carefully about whether responding to them will relieve the issue or inflame it.

RESOLVING ONLINE CONFLICTS

Though it's never pleasant to get into a disagreement with someone, if you do, enter the conflict as prepared as possible. The following steps are an outline for thoughtful participation that should help you prevail in most situations:

1. Engage or Ignore

Sometimes you need to decide if a specific challenge needs to be met or is best ignored. If the challenge is made by someone with a "small" Internet voice, in an arena that is not well travelled by others, it may be best to ignore the comments and move on. If, however, the need to reply to a statement is necessary to prevent it from becoming the lead search result on Google then you need to develop a well-considered and thoughtful response.

2. Choose Where to Respond

- ▶ On Twitter, for example, because you are limited to only 280 characters, you cannot use your full vocabulary to establish thoughts or premises for your conversation.
- ▶ If someone were to post a comment on a blog or a forum or Facebook, you might be better served responding to the issues on your own blog and posting a link on the original space to direct traffic to your answer. By posting on your own blog, your blog policy can help limit certain types of responses, allow you to use images to help make your point, and denies the original site the traffic your response generates. In addition, you can outrank the original post on Google by allowing your point to be made before the opposing point is heard, modifying the impact that other post might have.
- ▶ Take it offline. It can be difficult to understand intent in an online conversation. Sometimes misunderstandings occur online that are best resolved with an offline conversation, either over the phone or in person.

3. Don't Respond in Anger

Whatever your initial emotional response to someone's attack, a calm and measured answer will read better than the emotional outburst that we all would like to make. Your writing will be more articulate, you are more likely to review your answer before posting or sending, and you are more likely to view the situation clearly. Be sure to keep your response professional, articulate, and free of provocative language.

4. Ask Others for Assistance

When others support your position, it gives even greater credibility to your claim. Just as a third-party reference validates your expertise, a third-party defense validates your position in the discussion.

5. Don't Make It Personal (Ad Hominem)

An ad hominem argument uses a personal attack on your opponent to distract the audience from the core of the disagreement. However, that type of personal attack can easily be defeated by taking the moral high ground and refusing to engage in a contest of personalities.

6. Stick with the Facts

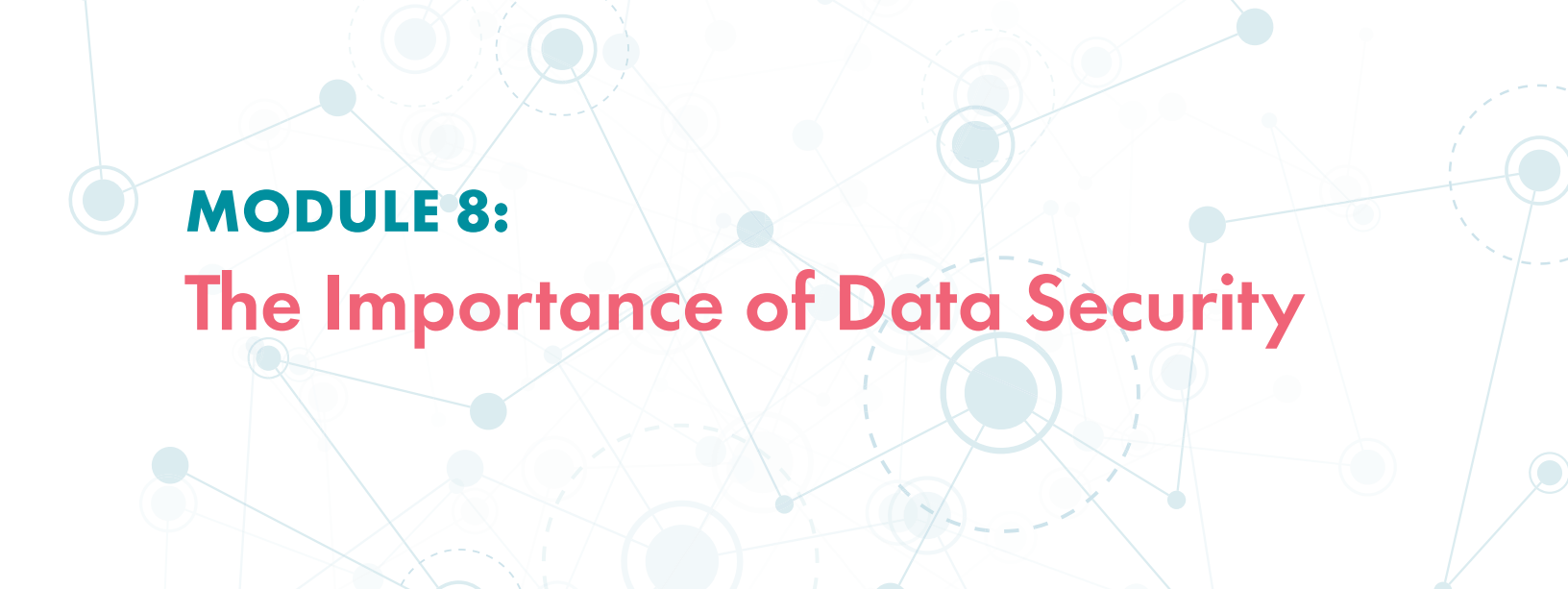
Often, insulated from criticism by the anonymity of the Internet, people feel free to make statements without support or to write about what they think instead of what they know. By responding to the issues with facts instead of opinions, you make the argument objective rather than subjective and place your opponent in a position to either agree or to debate reality.

7. Use Humor When You Can

We can all think back to a time or situation in our lives when laughter defused an awkward or tense situation. Appropriate humor can be valuable, as long as your humor doesn't seem to denigrate the position or emotions of the opponent. Self-directed or self-deprecating humor works best here.

KEY POINT REVIEW

- Word-of-mouth or earned marketing is the direct result of your online presence.
- Managing your online reputation has become a necessary part of your workday.
- Agent rankings, reviews, and ratings all play a role in managing your online reputation.
- Your response to an online conflict should be thoughtful and articulate



MODULE 8:

The Importance of Data Security

IN THIS MODULE YOU'LL LEARN HOW TO:

- Identify the types of information your business receives and assess the security of this information.
- Recognize eight threats to your data security.
- Develop steps to keep your data secure.

Real estate professionals collect, store, and share large amounts of consumer information, much of which is of a sensitive personal and financial nature. When home buyers and sellers do business with real estate professionals they trust that the information they share will be kept confidential.

You understand that trust is at the heart of your client relationships. But if that trust is broken by a data breach, can it ever be fully restored? What is the cost in lost business and referrals? Picture the harm to your business if someone steals confidential client information and uses it for fraudulent, criminal purposes.

While you can see if someone pries open the locks of file cabinets or steals your wallet, would you know if someone broke into your online systems and stole valuable data? How long would it go unnoticed? How much harm could be done in the meantime? What can you do to ensure the protection of the important personal information clients entrust to your business?

Creating a data security program for your business means implementing and maintaining reasonable safeguards to protect the security, confidentiality, and integrity of data, including proper disposal of that data.

Test Your Data Privacy IQ

Test your knowledge of data privacy and security facts. Mark the best answer.

- | | |
|---|-----------------------------|
| 1. A privacy policy is an insurance policy that covers notification costs if a business experiences a data breach. | True
False |
|---|-----------------------------|

- | | |
|--|-----------------------------|
| 2. Wi-Fi networks in airports and coffee shops can be a data security risk. | True
False |
|--|-----------------------------|

- | | |
|---|-----------------------------|
| 3. Most states do not have laws regarding notification requirements in the event of a security breach. | True
False |
|---|-----------------------------|

- | | |
|---|-----------------------------|
| 4. It is important to install malware on all computer systems since it acts as a firewall against cyber attacks. | True
False |
|---|-----------------------------|

- | | |
|---|-----------------------------|
| 5. FTC regulations require unsecured networks to include a cautionary red flag symbol in their URLs. | True
False |
|---|-----------------------------|

- | | |
|---|-----------------------------|
| 6. A DDoS attack occurs when a person's user name and passwords are stolen resulting in double delivery of services on the Internet. | True
False |
|---|-----------------------------|

- | | |
|--|-----------------------------|
| 7. The “s” on the end of the https: indicates that it is using a “secure socket layer” protocol to encrypt data. | True
False |
|
 | |
| 8. No comprehensive federal regulation currently exists that specifically applies to real estate associations or brokerages. | True
False |
|
 | |
| 9. The “dark web” refers to websites that form the underlying structure of all content on the Internet. | True
False |
|
 | |
| 10. A strong password is a combination of numbers, symbols, and upper- and lower-case letters that do not form any dictionary word. | True
False |

What Types of Information Do You Collect?

Later in this course we will take a more in-depth look at assessing how your business receives, stores, and shares client information. For now, think about the flow of information—your own and your clients’—what are the various types of information that comes to you and how do you share that information with others?

For example, in order to complete a transaction you probably collect:

- Social Security numbers for credit checks on renters or to complete an REO or short sale transaction.
- Bank account information for mortgage documents and closing statements.
- Personal checks as earnest money.
- Credit card information to pay for services such as inspections or appraisals.
- Driver’s license numbers when agents leave the office with a new client for the first time.
- Name, address, previous address, e-mail, phone, family members’ names, birthdays, hobbies, and other details for contact management programs.

Real estate professionals collect personal information to help clients buy or sell property, to move transactions along, and maintain personalized contact. But, collecting and storing all of this information electronically may open the data doorway just enough for a malicious intruder to slip in and steal it.

Does this mean that real estate firms cannot maintain the vital client and transaction information they need for business success? Of course not. But, it does mean that data privacy—protecting clients’ personal information—must be a top priority for everyone from the CEO to the janitorial staff.

Customers Expect their Data to be Secure

Protecting personal information has become a top concern for consumers worldwide. Consumers expect businesses to safeguard the information they share, but few have confidence in the ability of businesses to keep their information private. News reports of data breaches undermine the confidence of every consumer. Unfortunately, consumers who lack trust in your ability to protect their information will go elsewhere to do business.

A recent PwC report revealed how consumers view privacy risks: ⁴⁶

- 65% of consumers believe companies are vulnerable to hacks and cyberattacks.
- 25% of consumers believe most companies handle their sensitive personal data responsibly.
- 10% of consumers feel they have complete control over their personal information.

The good news is this:

- You don't have to be a tech whiz to avoid the common risks and threats related to data security.
- Your business can implement preventive measures, set security policies, and make contingency plans for a data breach.
- You can outsmart the attempts that rely on human actions to steal personal data with vigilance, common sense, and readily available tools.

⁴⁶ Consumer Intelligence Series: Protect.me, [pwc.com/CIScyber](https://www.pwc.com/CIScyber)

EXERCISE 7.1 HOW SECURE IS THE DATA YOU COLLECT?

Every time there's a news report about a data breach, we all hold our collective breath hoping our personal information isn't involved. While these reports remind us of the importance of data security, we often ignore putting a data privacy plan into place in our own line of work. **Read through this scenario and consider whether this data breach and its resulting consequences could have been avoided.**

On a Friday afternoon, a company owner fired a member of the IT staff. The dismissal came after numerous warnings and reprimands for substandard work and inappropriate behavior. To everyone's relief, the fired employee picked up a few personal items and left quietly.

When the office opened for business on Monday, the firm's agents and office staff couldn't access any transaction records. When they tried to log in, a pop-up message stated that the company's data was being held for ransom. An e-mail offered the company owner a decryption key upon payment of a \$15,000 ransom. The e-mail said that if the ransom was not paid, the details of all transactions would be published on Facebook.

During the week it took to neutralize the threat and restore access to company records, four closings were postponed, and all showings were cancelled. The ransomware attack was traced to the fired IT employee who confessed to downloading the malware from the Internet as well as offering some data for sale on the dark web. When the perpetrator was arrested and charged, the local news media reported the ransomware attack.

The company notified clients of possible exposure, hired consultants to restore access and trace the attack, redesigned systems to prevent further losses, and offered clients free credit monitoring for one year.

Although it appeared that no client data was exposed, the costs and damage to the firm's reputation were considerable. Agents' listing appointments and showings dropped by half and the company's market share dwindled as its top producers left. Within a year, the extra costs and loss of business forced the company owner to declare bankruptcy.

Could this data breach and its resulting consequences could have been avoided.? If yes, how so?

Identifying Suspicious E-mail

Can one click really cause so much damage? One click on a “phishy” website or a reply to a fake e-mail can expose the data for all of a company’s clients, customers, and employees. Interconnections between people and devices—laptops, phones, tablets, desktop computers—increase the risks exponentially. That one click can open the door to legal liabilities and business-destroying scams, deceptions, trickery, and malicious intrusions.

Malware (short for malicious software) refers to software designed and deployed to steal data or harm operating systems or devices. It includes computer viruses, worms, Trojan horses, spyware, and ransomware. These harmful programs can steal, scramble, encrypt, or delete data, alter operating systems, render devices useless, or spy on user activity. Malicious infections often rely on phishing scams to trick users into clicking on e-mail links that download and install the malware.

One type of malware, ransomware, holds a victim’s data hostage or threatens to destroy or expose it unless a ransom is paid. The programs typically lock users out of systems by freezing the system’s screen or blocking access to files.

The message here is obvious: don’t click on a link in an e-mail without first confirming it comes from a reputable source.

We can all learn from the 2019 e-mail hacking incident that happened to the Louisiana Association of REALTORS®.⁴⁷

Amy Fennell, the association’s communications director, was the first person to notice suspicious e-mails that appeared to come from within the association’s network from a staff person who left the organization a year before. It included an attachment and a message that read: “Warning. Please see attachment.”

“I alerted our outside tech service provider immediately and they were able to shut down that e-mail account and scan our network for any breaches,” said Fennell.

While Fennell’s quick thinking prevented any damage, if someone would have clicked on that attachment, it could have launched some sort of virus or malware that could have been sent out to thousands of members whose e-mail addresses were in this former staff person’s account. By waiting for the right time, a hacker could have sent buyers an e-mail with instructions on where to wire closing funds.

⁴⁷ REALTOR® Associations Hacked, Spring 2019, REALTOR AE Magazine.

There are a few ways to confirm the source of an e-mail:

1. Make sure the URL is one that you trust. You can hover your mouse over the link URL in the status bar to make sure it matches the site it should be from.
2. Check the sender's e-mail address. A reputable source would not use a public account from Hotmail or Yahoo.
3. Typos and poor grammar often indicate e-mails are fake.
4. The e-mail should address you by name and not by generalities such as "Dear friend" or "Valued customer".

Eight Threats to Your Data Security

Hackers count on a victim's curiosity, distraction, or carelessness. The multi-tasker surfing the Net, checking e-mail, talking on the phone, and grabbing lunch is just the type of distracted user hackers hope will click on a spoofed website. As a working professional, be aware of the types of online attacks that make the data you collect vulnerable.

1. PHISHING ATTACKS

A phishing attack deceives the victim into doing one of two actions: revealing confidential information or downloading self-installing malware. Phishing scams show up as spoofed websites or phony e-mails, texts (smishing), or tweets with links or attachments. There is even a variation for phones known as vishing.

2. BUSINESS E-MAIL COMPROMISE

A business e-mail compromise (BEC) can combine phishing with wire transfer fraud. When real estate transactions are involved, the financial consequences can be devastating for clients and companies. The usual targets are the client and providers are typically the source of the breach.

The scam starts with an urgent e-mail impersonating the real estate professional or some other person involved in the transaction. The target could easily be the buyer in a real estate transaction with the fraudulent e-mail. For example, an email could be sent from a free Yahoo or Gmail account, or an email could be sent from a duplicated or modified account. Consider the difference between katie@titlecompany.com versus kat1e@titlecompany.com. The e-mail could also impersonate a contractor completing a build, an attorney, or an escrow agent. The e-mail appears legitimate and instructs the recipient to quickly wire funds to the scammer's account in order to secure the transaction.

Some real estate professionals are using this wire fraud e-mail notice template developed by NAR below their signature line to remind consumers about fake wire transfer requests:

"IMPORTANT NOTICE: Never trust wiring instructions sent via e-mail. These e-mails are sophisticated and convincing. Always independently confirm wiring instructions in person or via a telephone call to a trusted and verified phone number. Never wire money without double-checking that wiring instructions are correct."

The NAR Cybersecurity Checklist also reminds you to:

- Use encrypted e-mail, a transaction management platform, or a document-sharing program to share sensitive information.
- Carefully guard login and access credential to e-mail and other services used in transactions.
- Regularly purge e-mail accounts and archive important e-mails in a secure location.

3. WEAK PASSWORDS

A strong password is the first line of defense against hackers. It's just common sense, yet weak passwords offer an almost open door for hackers. Weak passwords are easily guessed or decoded.

Weak passwords include:

- Names (family members, friends, your own name, common names)
- Significant dates (birthdays, graduation years, phone numbers)
- Dictionary words
- Keyboard patterns and swipes (1234567, QWERTY)
- Repetition of a user name or log-in code
- Repeating previously used passwords
- Use of the same password for multiple devices
- Use of default settings (password, changethepassword)

It should be your priority to create the strongest passwords for every online account. Robert Siciliano, a real estate safety and security trainer, recommends that passwords include 14 characters. He suggests using this formula to create a password: Eight characters + three characters (category) + three characters (unique to site).

To do this, follow these steps: ⁴⁸

1. Categorize websites on which you use a password (e.g., *social media, bank, etc.*)
2. Start your passwords with eight unique characters.
For example: **H76&2j9@**
3. Dedicate three characters in your password to coordinate with your categories (social media could be **SM\$**)
4. Add three more unique characters that are unique to that social media or banking, etc. site. Siciliano used g5P for a Facebook password as an example.
5. The complete password is now **H76&2j(@SM\$g5P**

In addition, keep these things in mind:

- Do not use the same passwords for multiple accounts.
- Use two-factor authentication whenever it is available.
- Avoid doing business over public, unsecured networks.

Chances are that you don't have just one online account which means that you have multiple passwords. In research conducted by NordPass, an average person has 70–80 passwords.⁴⁹ With so many passwords to remember, it's vital to have a way to organize and safeguard them.

⁴⁸ Update your Passwords to Protect You and Your Client, March 19, 2019, REALTOR Magazine

⁴⁹ New Research: Most people have 70-80 Passwords, February 27, 2020, Newswire.
<https://www.newswire.com/news/new-research-most-people-have-70-80-passwords-21103705>

One of the most secure methods for password storage and recall is the least used—password management programs. Password management programs store a collection of passwords, PINs, credit card numbers and CVV numbers in a secure file so that the user only has to remember one password. According to PC Magazine, five of the best password managers include: Keeper, LastPass, Dashlane, bitwarden, and Logme.⁵⁰

4. SOCIAL MEDIA—FAKE ACCOUNTS AND BOTS

Because social media users select—and trust—the friends, brands, and companies they follow, they are more likely to click on shared links. Hackers take advantage of the informality and trust of social media interactions to trick users with fake or hijacked accounts. Bogus social media accounts and malicious bots allow the same types of attacks—phishing, impersonation, manipulation—as those aimed at e-mail users.

Profile cloning uses fake or stolen accounts to impersonate people the user knows. The user is tricked into sharing information or clicking on a malicious link that downloads malware or spyware. Fake accounts can also be used to intrude into discussion threads or popular hashtags to spread malicious links. Phony accounts can be used to manipulate clicks, likes, and shares to increase the priority and spread of content. Hackers can turn hijacked accounts into bots that spread “click-fraud” scams.

5. INSIDER ATTACKS

An insider attack—current or former employee, contractor, service provider—is more insidious than an outside one. The trusted insider has already bypassed the firewalls and security measures put in place to keep out malicious intrusions.

We want to trust the people we hire and work with, but even a trusted employee can become disillusioned. Ultimately, an inside attack perpetrated by a current or former employee is not at its heart a technical problem. It is a human behavior problem that involves the misuse of technology tools.

⁵⁰ The Best Password Managers for 2020, July 1, 2020, PC Magazine. <https://www.pcmag.com/picks/the-best-password-managers>

6. LOST LAPTOPS AND PHONES, BYOD

A lost or stolen phone, laptop, or tablet is equivalent to stealing the keys to the front door. Just as risky are the many user-owned devices that may be connected to company networks. Typically, real estate professionals use their own phones and laptops—known as BYOD (bring your own device)—and there is little separation of business and personal use. The threats from all of the human causes we've looked at so far grow exponentially when personal devices access company networks. Strong firewalls offer little protection when insiders don't realize that their devices, particularly those with weak or no passwords, are an open invitation for a data thief.

A strong password for the device provides a first level of defense. A more comprehensive solution is a remote-wipe app for the device.

7. UNSECURED NETWORKS

The unsecured networks and public Wi-Fi in coffee shops, airport lounges, public libraries, big-box stores, and myriad other places are open territory for hacker attacks. Any network that can be accessed without a password is public and unsecured. Even the public networks that have passwords are shared. A hacker lurking within range of the network can see everything a user is doing online including passwords, e-mails, any information stored on the device, and anything on an accessed company network. Clients should be warned not to send confidential information over unsecured networks or discuss transaction details on shared social media such as Twitter.

There are some preventive steps to take when using an unsecured network.

- The security settings on devices can be adjusted to turn off sharing, as well as, select which apps are allowed access.
- Using a smartphone's personal hotspot or using an air card or shared hotspots are safer ways to use the internet in public.
- Subscribing to a virtual private network service (VPN) routes activity through a secure network even when using public networks.
- Finally, the simplest preventive steps are to turn off Wi-Fi when it's not needed or when conducting confidential business, like online banking, at home.

8. PAPER FILES

Some data thieves still prefer the old-fashioned method for stealing information. Discarded paperwork is a treasure trove for a data thief. They rifle through trash bins, file cabinets, desk tops, and inboxes to pilfer sensitive paperwork. As a business works to strengthen data security, it's equally important to maintain secure methods for storage and disposal of paper documents. Be sure to shred paperwork that is no longer necessary.

Be Tech Smart

Here are a few other intrusions that can affect your data security procedures:

- Be suspicious of e-cards sent "from a friend" or that contain a file with an .exe suffix.
- If someone asks for confidential information, verify the requestor's identity and query independently. Don't use the address in the e-mail.
- When looking at websites, particularly shopping online, look for https: in the URL or the padlock symbol at the bottom of the screen. These notations mean that the site is secured and uses encryption to safeguard exchanged data.
- Keep antivirus software and firewalls active and up-to-date.
- Regularly back up critical data, applications, and systems – keep this data separate from online systems.

Prevention, Policy, Preparation

Most security experts would say that the possibility of a business data breach is a question of "when" and not "if." This means that a data security policy is a necessary part of your business plan. Here are some basic steps you can take to implement a security policy.

TRAINING

Everyone in a company, regardless of job description or level of authority, has a stake in preventing data theft. Raising awareness about how data thieves operate starts with training. It's very possible that your company's employees, including senior managers, don't know about the scams we're talking about in this course.

Company training could start by tapping into the resources, including webinars, available on the NAR's Data Security Webpage at www.nar.realtor/data-privacy-security.

SET POLICIES

Along with training, a set of policies and procedures—what to do and how to do it—can help a company protect its confidential information. Furthermore, company policies should make data privacy and security everyone's responsibility. Employees are more likely to remember and follow a succinct list of do's and don'ts.

Policies should include these basic items:

- Statement that data privacy and protection is a pledge to clients and customers.
- Rules for communication over public, unsecured networks such as use of VPN or encryption programs.
- Password policy for all employees including temporary workers. Set standards for secure passwords.
- Standards for permissible Internet usage on company devices and networks.
- Standards for e-mail usage including message content, encryption, and file retention.
- Responsibility for security and appropriate use of company-provided mobile devices.
- Specifications for types of devices—phones, laptops, tablets—that can connect to company networks and security settings for those devices.
- Standards of use for employee-owned mobile devices for company business including an approval process.
- Standards for use of social media for business networking, marketing, and client communications.
- Compliance with company software copyright and licensing standards including not downloading or using software that has not been reviewed and approved.
- Procedure in place for making sure that former employees no longer have access to personal information.
- Contact for reporting incidents of malware and steps for mitigating damage.

SET DATA PERMISSION LEVELS

Data level permissions define who can access certain types of data. Obviously, employees need access to the data needed to do their jobs. This can be a challenge for small firms where an employee may have multiple roles and consequently need access to multiple types of data. Later in the course we will look at taking stock of the types of data a company collects and who should be able to see it.

EMPOWER EMPLOYEES

Setting policies for wire transfers is the most effective way to prevent a BEC scam. For example, establish a policy of never initiating a wire transfer solely on the basis of an e-mail request. It should be standard procedure to verify a wire transfer request. Verification should be independent of the e-mail, such as a phone call to a known sender or recipient of the funds or information.

Make sure clients know that no one from your company will ever ask them by e-mail to wire funds and warn clients never to wire money without checking with you first.

REPORTING INCIDENTS

Along with empowering employees to verify fund or data requests, they need to know who to contact for reporting suspicious activity, accidental malicious downloads, or stolen devices—even on BYODs. The incentive to report an incident should be stronger than the consequences of ignoring or concealing it.

The NAR Legal Affairs Department has developed this checklist of best damage control practices in the event of a data breach involving a wire transfer:

- ☐ If a money wire has gone out, immediately contact the bank and try to stop the funds.
- ☐ Notify all affected or potentially affected parties.
- ☐ Change all of your passwords and, if possible, change usernames.
- ☐ Talk to your attorney.
- ☐ Contact the police.
- ☐ Report the breach to the FBI Internet Crime Complaint Center:
www.ic3.gov/default.aspx.
- ☐ Report to your REALTOR® Association.

Security Practices of Service Providers

Another type of threat is the third-party attack (also known as a supply-chain or value-chain attack). When businesses outsource functions—for example, accounting, payroll, health insurance claims, or pension fund administration—they share client and employee data. Hackers can exploit data-sharing connections to break into a company's systems and steal data. Along the chain of information sharing, hackers look for the weakest and least secure link.

Before outsourcing any of your business functions—payroll, Web hosting, customer call center operations, cloud computing, or other functions—investigate the company's data security practices and compare their standards to yours. Asking questions about a service provider's data security demonstrates that you and your company are serious about data privacy and security.

- What does the service provider do with the data they collect?
- Do they have a document/data retention policy?
- How secure are their networks?
- Does the service provider outsource?
- What is the vendor's data breach policy and response plan?
- Will they notify you of a security incident even if it may not involve an actual data breach?

Pay a visit to the vendor's place of business and look at how customer information is handled. If you see stacks of printouts gathering dust, you might want to look for a different provider. Remember, even when the data you collect is in the hands of others you hire, you and your company are still responsible for that data.

NAR CYBER LIABILITY INSURANCE PROGRAM

FBI data reveals that about 11,300 people were victims of wire fraud in the real estate and rental arenas in previous years, adding up to more than \$150 million in losses nationwide. In the United States alone, thousands of phishing e-mails are received every year that have been sent out from more than 115 countries around the world.⁵¹

Malware, hacks, and data loss are very real threats in the real estate industry where high-value transactions and sensitive customer information are prime targets.

In February of 2020, the National Association of REALTORS® announced a partnership with CyberPolicy® to develop a cyber liability insurance program targeted for the real estate profession. This policy offers coverage for actual financial losses for both the first-party (the real estate professional) AND third-party (the client)—who are key targets of phishing scams.

CyberPolicy has high coverage limits, discounts on monthly premiums, no retroactive dates, and much more. NAR members also receive support to quickly restore business operations should a cyber attack or fraudulent attack occur.

Visit nar.realtor/cyberpolicy to learn more.

KEY POINT REVIEW

- To comprehend the relevance of data privacy, it's important to assess how your business receives information.
- Many consumers do not have confidence in a company's ability to safeguard their personal information.
- There are threats to data security that real estate professionals should be aware of.
- The basic steps of a security policy include training, setting policies, defining data permission levels, empowering employees, and reporting incidents.
- Real estate professionals should assess the security practices of service providers before doing business with them.

⁵¹ NAR Announces New Cyber Liability Insurance Program for Realtors, February 20, 2020. [NAR.realtor](https://nar.realtor)

MODULE 9:

Developing a Data Privacy Program

IN THIS MODULE YOU'LL LEARN HOW TO:

- Identify the key principles used to protect personal information.
- Understand document retention guidelines mandated by the federal and state governments.
- Assess employee training guidelines for data security.

We have all heard the reports of data breaches happening in major corporations but they can just as easily happen to small businesses. The Personally Identifiable Information (PII) you collect from clients typically includes financial and demographic information that they entrust to you. Ultimately, you want to assure your customers and yourself that the online data you store will be protected. While this can seem overwhelming, there are basic steps you can take to develop a program that keeps your clients' data secure.

Let's first review some indicators that could mean your online data has been compromised and how they verify the importance of developing a data privacy program.

Indicators Your Data Has Been Compromised: ⁵²

1. You get a ransomware message.
2. You get a fake antivirus message.
3. You have unwanted browser toolbars.
4. Your Internet searches are redirected.

⁵² Adapted from 15 Signs you've been hacked—and how to fight back, August 6, 2020, InfoWorld, CSO from IDG. <https://www.csoonline.com/article/2457873/signs-youve-been-hacked-and-how-to-fight-back.html>

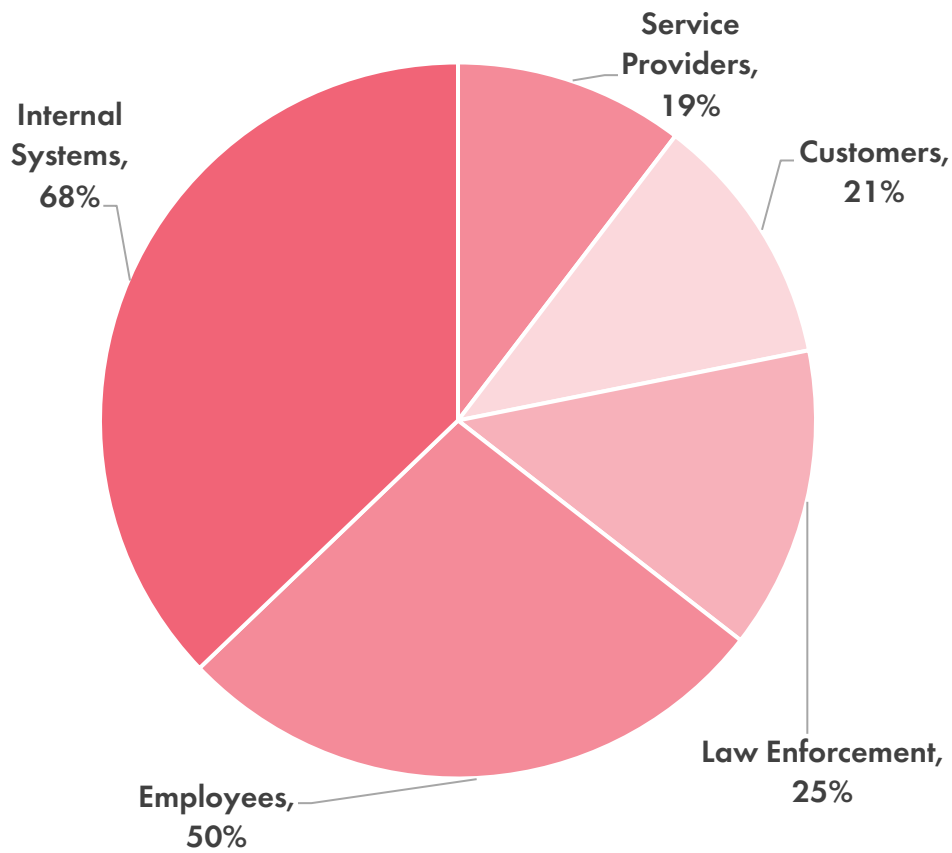
5. You see frequent, random pop-ups.
6. Your friends receive social media invitations from you that you didn't send.
7. Your online password isn't working.
8. You notice unexpected software installs.
9. Your mouse moves between programs and makes selections.
10. Antimalware, Task Manager, or Registry Editor is disabled
11. Your online account is missing money.
12. You've been notified by an outside party that your account has been hacked.
13. Confidential data is leaked to the public.
14. Your credentials are in a password dump.
15. You observe strange network patterns.

Even an unusually slow Internet or device, including a slow log-in, can indicate a problem. Being locked out of an account you use regularly and receiving numerous requests for the same files or objects might also be indicators of suspicious activity.

According to a study sponsored by IBM and conducted by the Ponemon Institute, the average length of time to discover a data breach is 191 days and to mitigate the breach takes an additional 62 days. Malicious attacks tend to go undiscovered longer (average 214 days) than system glitches or human errors (average of 168 days). The following chart shows that data breaches are discovered in several ways, some of which may overlap.

None of us want to be exposed to a data breach so putting a data privacy program into place is essential. In order to protect the data, you need to identify what types of data you have, where you get it, and how you store it. This will provide a starting point so you can determine if your current protection measures are sufficient or if you need to upgrade them to avoid having your data compromised.

Figure 9.1: How Are Data Breaches Discovered?



Source: "CEO's Guide to Navigating the Threat Landscape," AT&T Cybersecurity Insights, Volume 4, www.securityresourcecenter.att.com.

Five Key Principles of Data Protection

The Federal Trade Commission promotes five key principles for protecting personal information that businesses collect and store.⁵³

1. **Take Stock:**
Know what personal information you have in your online files.
2. **Scale Down:**
Keep only what you need for your business.
3. **Lock It:**
Protect the information that you keep.
4. **Dispose of It:**
Eliminate what you no longer need.
5. **Plan Ahead:**
Create a data security plan, as well as, a data breach response plan.

1. TAKE STOCK

The first step in the process involves doing a thorough assessment of:

- Type of information collected and its sources
- How the information is received (for example, e-mail, website, paper, or verbally)
- Why the information is collected
- How the information is used
- How and where the information is stored
- Who has access to the collected information
- When and how information is destroyed
- What information is shared with service providers

⁵³ *Protecting Personal Information; A Guide for Business*, Federal Trade Commission, <https://www.ftc.gov/tips-advice/business-center/guidance/protecting-personal-information-guide-business>.

A THOROUGH DATA INVENTORY WILL TAKE INTO ACCOUNT...

► Who sends personal information to your business?

- ▶ Clients and customers
- ▶ Independent contractors
- ▶ Employees
- ▶ Association members
- ▶ Credit card companies
- ▶ Credit reporting companies
- ▶ Banks or other financial institutions
- ▶ Brokerages
- ▶ Referrals
- ▶ Call centers

► How does your business receive personal information?

- ▶ Websites and Social Media
- ▶ E-mail
- ▶ Mail
- ▶ Interactions with clients and customers
- ▶ Credit card transactions
- ▶ Credit reports
- ▶ Service providers

► Who has access to —or could breach— the information?

- ▶ Employees
- ▶ Broker, office manager, agents
- ▶ Vendors
- ▶ Service providers
- ▶ Independent contractors
- ▶ Consumers
- ▶ Public

► **Where does your business keep the online information collected at each entry point?**

- ▶ Central database
- ▶ Individual laptops
- ▶ Desktop computers
- ▶ Home computers
- ▶ Disks
- ▶ Flash drives
- ▶ Branch offices
- ▶ Employees' computer files at home
- ▶ Mobile devices (phones, tablets, etc.)

► **What information does your business collect from others at each entry point?**

- ▶ Individuals' first names, initials, and last names
- ▶ Mailing address
- ▶ Telephone/fax number
- ▶ E-mail address
- ▶ Social Security number
- ▶ Driver's license number
- ▶ Tax ID
- ▶ Passport number
- ▶ Real estate license number
- ▶ Other government-issued identification number
- ▶ Credit card or debit card number
- ▶ Bank account information
- ▶ Security code, access code, or password for financial accounts
- ▶ Credit history
- ▶ Mortgage application
- ▶ Medical information
- ▶ Health insurance information
- ▶ Race or ethnicity
- ▶ Religion
- ▶ Sexual orientation
- ▶ Unique biometric data

- ▶ Financial information
- ▶ Precise geolocation information
- ▶ User activity on the website
- ▶ Unique persistent identifier (customer number, user alias, IP address)
- ▶ Preference profile (preferences associated with a specific individual, computer, or device)

2. SCALE DOWN

Here's a good rule of thumb: if your business does not have a legitimate need for the personally identifying information, don't collect it. If there is a legitimate business need for the information, keep it only as long as it's necessary and then dispose of it, remembering to abide by any federal or state regulations.

If you must keep information for business reasons or to comply with the law, then develop and adhere to a document retention policy to identify what information must be kept, how long to keep it, how to secure it, and how to dispose of it securely when it's no longer needed.

3. LOCK IT

The next step is safeguarding electronically-stored personal information to protect the privacy of clients, customers, and employees.

REALTORS® should never reveal personally identifiable information to an unaffiliated third party without the prior consent of the consumer unless the disclosure is required by law.

Put these measures into place:

- Don't store personal information on any computer with an Internet connection unless it's essential for conducting your business.
- Pay attention to the security of Web applications—the software used to exchange information with a website.
- Use password-activated screen savers to lock employees' computers after a period of inactivity.
- Require the use of a token, smart card, thumb print, or other biometric, as well as a password, to access a computer that contains personal information.
- If a laptop contains personal information, encrypt it and configure it so users can't download any software or change the security settings without approval.

- Encrypt the sensitive information sent to third parties over public networks.
- Consistently run current anti-malware programs on computers and servers on your network.
- Use a Virtual Private Networks (discussed earlier in this course) to ensure that all communications are automatically encrypted.
- Install a firewall to put a barrier between hackers and your network connections.

4. DISPOSE OF IT

Proper disposal of personal information is an important step in any data privacy and security program. Implementation of a document retention policy will help prevent unauthorized access to personal information. In general, properly disposed of personal information cannot be read or reconstructed. But what constitutes “proper disposal” of electronic documents?

- **Electronic Storage Media**
CDs and DVDs can be shredded or cut into pieces. Flash drives, SIM cards, and SD cards are more difficult to destroy, but a well-placed whack with a hammer may do the job.
- **Old Computers**
Before selling or donating computers, take the extra step of wiping or overwriting business and personal files. If the computer is headed for the electronic recycling bin, remove and destroy the hard drive.
- **Deleting Electronic Documents**
Dragging a document into the trash bin on the desktop only destroys the file system path. The deleted document remains on the hard drive and is retrievable with recovery software. Reformatting a drive is effective only if all areas of the disk are overwritten. The best option is to use secure-erase software (also referred to as wipe utility) to overwrite data.

5. PLAN AHEAD

By creating a document retention policy, you will have the steps in place for keeping data secure.

The policy should include the following:

- Purpose of the policy
- Definitions (if needed)
- Length of time specific documents should be retained (discussed in greater detail below)
- Policy effective date and date of last review and revision
- Individual who is responsible for implementing the policy
- Process for preserving records if litigation arises or is likely
- Record of document disposal

Document Retention

A document retention policy should state how long information is stored on backup tapes and other backup systems. The policy should also state that the purpose of the backups is to restore the business's computer network in the event of a crash.

Electronic documents should be stored in a read-only or other unalterable format to demonstrate that the documents are in their original state.

Legal counsel should review a data disposal policy to assure compliance with applicable laws and regulations. You may want to consider involving an attorney in creating the policy.

Distribute the final policy to employees and independent contractors and make sure they follow it. If litigation arises, having a policy that hasn't been followed will have worse consequences than not having any policy.

Be sure to set a future date to review and update the policy to verify it is still relevant.

DOCUMENT RETENTION GUIDELINES

Following is a list of documents that businesses typically maintain in their files and suggested time periods for keeping them. The suggested time periods, which are conservative estimates, do not preclude keeping documents for a longer time. Note that these are suggested timeframes and are not based on state laws regarding document retention. When you add a new online document, put a review date at the end of the document or file folder name. That date is your cue for assessing the document and deciding if it's time to remove it from your files.

► Accounting Records

- ▶ Accounts payable and receivable (7 years)
- ▶ Annual financial statements (permanent)
- ▶ Bank statements (7 years)
- ▶ Bank reconciliations (7 years)
- ▶ Canceled checks: routine matters (7 years)
- ▶ Canceled checks: special (loan payoff, etc.) (permanent)
- ▶ Correspondence: routine (4 years)
- ▶ Deeds and closing papers (permanent)
- ▶ Deposit slips (4 years)
- ▶ Electronic payment records (7 years)

- ▶ Employee expense reports (7 years)
- ▶ Fixed-asset acquisition invoices (after disposal) (7 years)
- ▶ Freight bills (7 years)
- ▶ General ledgers (permanent)
- ▶ Income tax returns (permanent)
- ▶ Inventory count & costing sheets (7 years)
- ▶ Insurance policies (after expiration) (4 years)
- ▶ Investments (after disposal) (7 years)
- ▶ Mortgages, loans and leases (paid) (7 years)
- ▶ Payroll journals and ledgers (permanent)
- ▶ Purchase orders (except accounts payable copy) (1 year)
- ▶ Purchase invoices and orders (7 years)
- ▶ Receiving sheets (2 years)
- ▶ Sales commission reports (5 years)
- ▶ Sales records (7 years)
- ▶ Sales tax returns and exemption support (5 years)
- ▶ Subsidiary ledgers (7 years)
- ▶ Tax returns (federal & state) (permanent)
- ▶ Trial balances (permanent)

▶ Legal Documents

- ▶ Contracts (10 years after expiration)
- ▶ License Applications (1 year after expiration)
- ▶ Licenses (1 year after expiration)
- ▶ Trademarks, Patents and Copyrights (permanent)
- ▶ Warranties and guaranties (2 years beyond terms of the warranty)
- ▶ Correspondence: legal (permanent)

▶ Corporate Records

- ▶ Articles of incorporation and amendments (permanent)
- ▶ Bylaws and amendments (permanent)
- ▶ Corporate filings (permanent)
- ▶ Corporate minute book (permanent)
- ▶ IRS exemption letter (permanent)

► Employment Records

- ▶ Records of job recruitment: advertising, employment agency job orders, interviewing, testing, hiring, training, demotions, promotions, layoffs, discharge, and other personnel decisions (1 year)
- ▶ Employee benefit plans (duration of plan)
- ▶ Garnishments/wage assignments (3 years)
- ▶ Immigration I-9 forms (duration of employment plus 1 year, minimum 3 years)
- ▶ Medical records relating to the exposure of to any toxic or hazardous substances (duration of employment plus 30 years)
- ▶ Payroll records (3 years)
- ▶ Personnel records (10 years after employment ends)
- ▶ Record of occupational injuries, including those under state workers' compensation law and any ERISA awards (5 years for ERISA; state law requirements vary)

► Property Records

- ▶ Deeds of title (permanent)
- ▶ Leases (2 years after expiration)
- ▶ Depreciation schedules (permanent)
- ▶ Property damage (7 years)
- ▶ Property tax (permanent)
- ▶ Appraisals (permanent)
- ▶ Blueprints and plans (permanent)
- ▶ Warranties and guaranties (2 years beyond terms of the warranty)

► Pension and Profit Sharing

- ▶ ERISA disclosure documents (6 years from date disclosure was due)
- ▶ IRS determination letter(s) (permanent)
- ▶ Forms 5500 plan documents (permanent)

Data security is not a one-time endeavor. It must be an ongoing process of assessment, monitoring, and modification as business needs evolve and new threats emerge. An example of a REALTOR® association written information security plan (WISP) is included in the resource section of this manual. You can use these examples, along with the information tools and resources presented during the course to develop a comprehensive plan tailored to your specific business needs.

NAR DATA SECURITY AND PRIVACY TOOLKIT

NAR offers a toolkit that provides information about state laws and federal regulations regarding data security and privacy protection. The toolkit also includes checklists of issues to consider when drafting a security program.

- Go to nar.realtor/data-privacy-security/nars-data-security-and-privacy-toolkit.

INTERNATIONAL DATA PRIVACY DAY, JANUARY 28TH

Did you know that January 28th is International Data Privacy Day? This effort was put in place to empower individuals and businesses to respect privacy, safeguard data, and enable trust. It's a good day for reviewing and updating business data security policies and capabilities as well as purging files.

A Data Security Program Checklist

- **For Securing Your Computers and Networks:** ⁵⁴
 - Encrypt your data.
 - Backup your data.
 - Install anti-malware.
 - Install operating system updates.
 - Secure your wireless network with a password.
 - Power off your computer when it's not in use.
 - Install a firewall.
 - Disable file and media sharing if you don't need it.
 - Overwrite deleted files.
- **For Securing Your Mobile Devices:**
 - Monitor app privacy settings.
 - Be mindful of the apps you install.
 - Lock your smartphone and tablet.
 - Backup mobile device data.
 - Disable automatic uploading.
 - Disable Bluetooth when not using.

⁵⁴ 101 Data Protection Tips: How to Keep Your Passwords, Financial & Personal Information Safe in 2020, August 5, 2020, Digital Guardian Data Inside Blog. <https://digitalguardian.com/blog/101-data-protection-tips-how-keep-your-passwords-financial-personal-information-safe>

- ▶ Install anti-virus software.
- ▶ Enable Touch ID on Apple devices.
- ▶ Avoid sensitive transactions on public Wi-Fi.

► **For Securing Your Social Networks:**

- ▶ Don't share too much information.
- ▶ Customize your privacy settings and check them regularly.
- ▶ Block suspicious users.
- ▶ Set your Tweets to private.
- ▶ Know who your "friends" are.
- ▶ Use two-step authentication.

Consult the NAR Data Privacy and Security Reference Guide to keep up to date on this topic. [nar.realtor/data-privacy-security#section-170068](https://www.nar.realtor/data-privacy-security#section-170068).

Employee Training for Data Security

- **A data security program is only as strong as the employees who implement it.**
 - ▶ Do reference and background checks before hiring employees who will have access to personal data.
 - ▶ Make sure everyone understands that abiding by your company's data security program is an essential part of their duties. Impose disciplinary measures for security violations.
 - ▶ Require immediate notification of a potential security breach, such as a lost or stolen laptop or a downloaded virus.
 - ▶ Warn about phishing scams and fraudulent schemes.
 - ▶ Perform internal phishing tests as an assessment and awareness tool.
 - ▶ Require use of strong passwords and prohibit sharing of passwords.
 - ▶ Allow employees to only access the information they need to do their work.
 - ▶ Warn of the potential risks when connecting with mobile devices and over unsecured Wi-Fi connections.
 - ▶ Provide training on the proper use of computer security systems and the importance of personal information security.
 - ▶ Have a procedure for making sure that anyone who leaves the company no longer has access to personal information.

EXERCISE 9.1: TEST YOUR PHISHING KNOWLEDGE

A data security breach can occur as quickly as you click on a suspicious e-mail. Many companies have implemented phishing training practices to help employees identify fake e-mails that can wreak havoc with data security systems. This image below is from the Norton website. Based on our earlier discussion, what are some indicators that tell you it's fake?

Now take a look at this list of possible phishing messages you or your employees might receive. What steps would you take to determine if they are reputable?

1. An e-mail from an executive at a bank regarding a closing procedure.

2. An e-mail asking you to log in to another website to fill out information for a notary.

3. An e-mail indicating that there has been a change to your client's employee benefits and you need to adjust your records before the closing.

PRACTITIONER PERSPECTIVE: DEVELOPING A DATA PRIVACY PROGRAM



Craig Grant

e-PRO®, CRS, GRI
The Real Estate Technology Institute

Why is a data privacy program essential for real estate professionals?

Because as a REALTOR®, you are a perfect target for hackers due to the fact you are involved in large transactions typically with parties that don't know each other, amassing large amounts of data, and often handling Personally Identifiable Information (or PII) which you are legally required to protect. Often you have very little, if any, training on how to protect yourself, your business, and your clients from these threats. Having a data privacy program or policy in place is extremely important as it ensures that you and/or your team have thought through these situations and have a strategic and actionable plan prepared. As it is always better to be prepared than have to react.

What type of data privacy program have you developed – what data are you trying to protect and what measures do you use to achieve this?

I have worked with many clients to help them develop their policies and the items I typically recommend it should include are listed below. This is true for anyone working for the company:

- Have a preferred anti-virus program installed and running on all their devices at all times
- Employ proper password/log-in requirements for all accounts
- Refrain from using public/non-secure WiFi networks without the use of a VPN
- Ban the exchange of information between agent and client via any form of disk or drive
- Install all updates and patches on all devices in a reasonable amount of time
- Represent the company in proper ways in online activities
- Monitor their online reputation on a consistent and on-going basis

- Monitor their marketing activities and creative used within on a consistent and on-going basis to ensure compliance and copyright, trademark, and slander purposes
- Review their website and online marketing vehicles (including social media accounts) on a consistent and on-going basis to ensure they are up to date, have the proper disclosures for data collection and privacy, including GDPR and ADA compliance
- Have each client sign a wire transfer fraud disclosure agreement and ensure that each agent's e-mail signature includes a wire transfer legal disclaimer
- Complete cybersecurity training on a consistent and on-going basis

As for how to measure it, each company should have a periodic review (monthly or quarterly) of each agents' activities to ensure they are fulfilling their responsibilities to the policy, because if it is not reviewed and enforced, it is essentially useless.

How often do you assess your existing program? What might occur that causes you to assess your data privacy?

I review and update my policy a couple of times a year because new challenges and threats often arise. For example, 2020 has seen a huge increase in people working from home on their own devices/networks and litigation for things like ADA Compliance of Websites. So as situations change, so should your policy.

With more people working out of their homes in 2020, how does that affect data privacy in the real estate industry?

When more people work from home it means they are primarily using their own devices, depending on their own security. So there has been a huge increase in cybercrime this year as hackers and fraudsters realize this situation and realize that the average person lacks the knowledge to properly protect themselves in the digital world. This of course affects the real estate industry which has seen a huge spike in scams and fraud this year.

What are the top three things a real estate professional should consider when developing a data privacy program?

1. You are a target regardless of the size of your market, company you work for, or the size of a transaction you are a part of. So, yes it can happen to you and therefore, cybersecurity needs to be a focus in your business going forward. Communication between you and your clients on the threats that exist is key.

2. Most cybercrime happens due to negligence or a careless mistake by an individual. The best advice I can give you is to slow down, pay attention and look out for anything out of line, and trust your gut if something seems fishy.
3. Invest in a Cyber Liability Insurance policy. Most REALTORS® think they will be protected by their General Liability or Errors & Omissions Insurance and are shocked to find out it doesn't cover 1 cent of most digital crimes. Cyber Liability Insurance can include coverage for financial loss, legal fees, etc. and access to a team of experts that are invaluable if you have a data breach or legal matter and it can be obtained for under \$250/year. This not only gives you the peace of mind to run your business but is becoming a necessity to consider for any business in today's digital world, but definitely in real estate which is so heavily targeted for cybercrimes.

What do you discuss with your clients in terms of data privacy? How do you assure clients that their data is secure?

I remind them there are a lot of bad actors out there and I am telling them about this to protect them and their interests. Topics like wire transfer fraud should be covered and the disclosure agreement should be signed in the initial meeting you have with them. Because the truth is, one click can destroy the lives of everyone involved in the transaction. You can also reassure them that any data you (and/or your online marketing tools) collect are just for your business purposes and will never be shared and/or resold for any reason.

Separately, address the fact that the tools you use in your business and the vendors you decide to work with have been vetted because security and maintaining their data privacy is of key importance.

Are there any specific resources/programs/software you use for data privacy?

- **Anti-Virus:**
Avast and Avast Secure Line VPN
- **Cyber Insurance**
RealtyCyber.com or CyberPolicy.com
- **ADA compliance**
UserWay and Accessibe
- **Website Security/Firewall**
WordFence

KEY POINT REVIEW

- Real estate professionals should be aware of the indicators that reveal a data breach has occurred.
- There are five key principles you can follow when taking steps to protect the personal data you collect (1) take stock (2) scale down (3) lock it (4) dispose of it (5) plan ahead.
- Real estate professionals should always check federal and state regulations concerning the disposal of documents.
- A data security program should be continually monitored and assessed.
- All employees should be trained on data security procedures.



MODULE 10:

Responding to a Data Breach

IN THIS MODULE YOU'LL LEARN HOW TO:

- Identify the four steps in the security breach response plan.
- Learn the costs associated with data breaches.
- Identify ways to assess the information learned from a data breach.

When you walked into the office this morning and tried to log on to your system, your password failed to work. You try a few more times and suddenly realize that your network may have been compromised. What should you do?

Just as if someone broke into your office, you should move quickly to secure your business operations and limit the damage. High-priority tasks for the team are identifying the source and nature of the breach, containing it to prevent further loss or damage, and patching vulnerabilities. For example, if a computer is compromised, disconnect it immediately from the network. Remote wipe a lost laptop or phone.

Once business operations and your network are secured, the issues are restoring data from backups, deciding when systems can safely be brought back online, and issuing new log-in credentials and passwords.

As demonstrated in the previous chapter, if you have a data security plan in place, you will be able to act quickly and confidently if you feel that your online data has been compromised. The four-step response plan included in this chapter outlines the actions you need to take.

Four-Step Security Breach Response Plan

1. DESIGNATE RESPONSIBILITIES FOR RESPONDING TO THE BREACH

The first response to a data breach involves assembling the team. State laws may require a business to designate a person to implement the required notification process. The data security plan should include a list of team members, their responsibilities, and specific tasks in the event of a breach.

- **Senior executives:**
Make high-level decisions throughout the process of managing the data breach.
- **Information technology systems employee:**
Secure systems, investigate and mitigate the current breach, restore data from backups, issue new log-in credentials, conduct a forensic analysis.
- **Human resources employee:**
Keep employees informed, terminate an employee if guilty of malicious actions, conduct employee training.
- **Legal counsel:**
Provide guidance regarding liability, compliance with laws, review notifications, assist in law enforcement investigation, and other legal concerns.
- **Communications and media relations employee:**
Compile a database of affected parties, prepare and send required notifications, develop a FAQ for company website, handle media relations.

WHAT IF YOU ARE A TEAM OF ONE?

Chances are that many of you are independent real estate professionals who handle everything in your office. Small businesses like yours don't have the advantage of a team of specialists and dedicated IT experts on staff.

This makes it even more important for you to have a plan in place should a data breach occur. This plan should have guidelines for investigating the breach, containing the breach, notifying those who have been affected, and managing customer relations.

Take the time now to identify experts who can guide you through the containment, investigation, notification, and recovery process. Insurance companies that provide data breach coverage may be able to connect you with a "breach coach" to guide you through the process.

In addition, the Federal Trade Commission has created a Data Breach Response Guide for Business which outlines the steps any business should take if a breach occurs. You can view this guide at ftc.gov/tips-advice/business-center/guidance/data-breach-response-guide-business.

2. COLLECT INFORMATION

As much information as possible should be collected about the data breach. The information collection process will not only help resolve current issues, but also identify and patch vulnerabilities.

What information should you be looking for?

- Extent of exposure
- Damage to systems
- How breach was discovered
- Who discovered the breach
- Method of intrusion
- Entry or exit points and paths taken
- Compromised systems
- Whether data was deleted, modified, or viewed
- Whether any physical assets are missing
- Affected individuals and type—clients, employees, suppliers, etc.
- Data fields affected
- Number of records affected
- Whether any data was encrypted (if so, which fields)

3. ASSESS THE BIG PICTURE

The implications of the data breach could reach beyond your network. Consider whether other systems and businesses are vulnerable because of your company's data breach. For example, the data breach may create issues for service providers if your network interfaces with them.

As a database of impacted parties is compiled, check if any are residents of another state. If so, the laws of that state may apply too. And don't forget the clients of other real estate professionals if any personal information has been collected from them.

4. NOTIFY THE AFFECTED PARTIES

Every jurisdiction in the United States has a law describing what constitutes a security breach and setting forth actions a business must take to notify affected parties following a breach. In many cases, these laws specify the means, content, and timing of the notification. Applicable notification laws may also require the provision of identity theft protection or monitoring services to the affected individuals.

Although the laws vary, they commonly require the breach notification to include the following elements.

- Description of what happened (unless limited by applicable law)
- Type of protected data involved
- Actions to protect data from further unauthorized access
- What the company will do to assist affected persons
- What affected persons can do to assist themselves
- Contact information for company inquiry response system
- Contact information for local and federal government authorities

When a business is under the stress and pressure of managing a data breach, there may not be much time to craft a notification letter from scratch. Take the time now to develop a model notice template that can be tailored easily to include the particulars of the incident. The specific content of your notice will likely be governed by the laws of the various states in which the affected parties reside and each of those laws should be consulted when drafting your own model template. Your attorney should review both the model template and the actual notifications that will be sent to those affected by the data breach.

The Federal Trade Commission includes a model of a notification letter in its' guide for a data breach response. This particular letter is a response to a breach in which individuals' names and Social Security numbers were compromised. You can use it as a starting point for your own notification letter.

Notification Letter Templates

LETTER TEMPLATE #1 ⁵⁵

[NAME OF INSTITUTION/LOGO]

[INSERT DATE]

NOTICE OF DATA BREACH

Dear [INSERT NAME]:

We are contacting you about a data breach that has occurred at [INSERT COMPANY NAME].

What Happened?

[Describe how the data breach happened, the date of the breach, and how the stolen information has been misused (if you know)].

What Information Was Involved?

This incident involved your [describe the type of personal information that may have been exposed due to the breach].

What We Are Doing

[Describe how you are responding to the data breach, including: what actions you've taken to remedy the situation; what steps you are taking to protect individuals whose information has been breached; and what services you are offering (like credit monitoring or identity theft restoration services).]

What You Can Do

We recommend that you place a fraud alert on your credit file. A fraud alert tells creditors to contact you before they open any new accounts or change your existing accounts. Call any one of the three major credit bureaus. As soon as one credit bureau confirms your fraud alert, the others are notified to place fraud alerts. The initial fraud alert stays on your credit report for one year. You can renew it after one year.

- **Equifax:**
equifax.com or 1-800-685-1111
- **Experian:**
experian.com or 1-888-397-3742
- **TransUnion**
transunion.com or 1-888-909-8872

⁵⁵ Federal Trade Commission, Data Breach Response: A Guide for Business, <https://www.ftc.gov/tips-advice/business-center/guidance/data-breach-response-guide-business>

Request that all three credit reports be sent to you, free of charge, for your review. Even if you do not find any suspicious activity on your initial credit reports, the Federal Trade Commission (FTC) recommends that you check your credit reports periodically. Thieves may hold stolen information to use at different times. Checking your credit reports periodically can help you spot problems and address them quickly.

If your personal information has been misused, visit the FTC's site at IdentityTheft.gov to get recovery steps and to file an identity theft complaint. Your complaint will be added to the FTC's Consumer Sentinel Network, where it will be accessible to law enforcers for their investigations.

You also may want to consider contacting the major credit bureaus at the telephone numbers above to place a free credit freeze on your credit file. A credit freeze means potential creditors cannot get your credit report. That makes it less likely that an identify thief can open new accounts in your name.

We have enclosed a copy of Identity Theft: A Recovery Plan, a comprehensive guide from the FTC to help you guard against and deal with identity theft. We've also attached information from IdentityTheft.gov about steps you can take to help protect yourself from identity theft, depending on the type of information exposed.

Other Important Information

[Insert other important information here.]

For More Information

Call [telephone number] or go to [Internet website]. [State how additional information or updates will be shared/or where they will be posted.]

[INSERT CLOSING]

[YOUR NAME]

In the notification letter, remember to keep your focus on the steps you're taking to protect your customers. While it's important to give a brief review of the data incident, it's even more important to let your clients know that they are your number one concern.

LETTER TEMPLATE #2

[SALUTATION]

We are writing to you because of a recent security incident at **[NAME OF ORGANIZATION]**.

[Describe what happened in general terms, specifically what kind of personal information was involved, and what you are doing in response.]

To protect yourself from the possibility of identity theft, we recommend that you place a fraud alert on your credit files by following the recommended privacy protection steps outlined in the enclosure. For more information on identity theft, you may visit the website of the **[STATE OFFICE OF AGENCY THAT OVERSEES DATA PRIVACY REGULATIONS]** at **[WEB ADDRESS]**.

We regret that this incident occurred and want to assure you that we are reviewing and revising our procedures and practices to minimize the risk of recurrence. Should you need any further information about this incident, please contact **[NAME OF THE DESIGNATED AGENCY OFFICIAL OR AGENCY UNIT HANDLING INQUIRIES]** at **[TOLL-FREE PHONE NUMBER]**.

[INSERT CLOSING]

[YOUR NAME]

[Enclose information regarding what steps to take following a security breach.]

Notifying affected parties is serious business that should be a high priority for the team. Even if your company had strong safeguards in place to prevent a data break-in, you could still face liability and civil penalties if the steps to notify affected parties were delayed or not followed completely.

As soon as the extent and exposure can be identified, the communications team member should begin compiling a database of affected parties and their contact information. Determine whether you are legally obligated to provide notification about the breach and to whom.

- Residents of your state
- Residents of other states
- Other businesses
- State agencies
- Law enforcement
- Credit reporting agencies

Notification Procedures

- Prepare a database of persons to be notified.
- Choose a mode of communication for notification, if not already mandated by law.
- Draft a notice that complies with applicable laws and contractual obligations.
- Consider whether to offer remediation services to assist affected persons, such as credit monitoring.
- Comply with any legal or contractual timing requirements.
- Prepare an online FAQ and document inquiries and responses.

Cost of a Data Breach

The real estate industry conducts huge fund transfers daily which makes it a prime target for hackers. Data breaches involve costs in terms of both time and money. A recent study by IBM revealed the average value of a single data breach at \$3.86 million per company.⁵⁶

According to a study sponsored by IBM and conducted by the Ponemon Institute, the average direct cost is \$146 per record and the average indirect cost is \$79 per record. Direct costs include items such as consultant fees, legal fees, preparing notifications, temporary help, and providing free identity protection services for victims. Indirect costs include the time and effort required to manage the data breach as well as lost business and reputation damage.

The faster a business discovers the data breach and begins the containment and recovery process, the lower the cost. In fact, having an action plan in place can reduce costs by up to 25 percent.⁵⁷

⁵⁶ The Multibillion-Dollar Problem of Weak Cybersecurity in Real Estate, June 12, 2019, Forbes.

⁵⁷ 2017 Cost of Data Breach Study, Global Overview, Ponemon Institute LLC, June 2017, www.ibm.com/security/data-breach.

One-half of the class will represent the real estate professionals, while the other half will represent the clients. From the scenario below, the real estate professionals will develop a brief notification letter regarding the incident. Those representing the clients will then review the letter and provide feedback – does the letter address all the necessary information to make the clients feel at ease?

Notification Letter:

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Ransomware Incidents are Growing

Ransomware incidents are increasing in frequency and scope. For the Anne Arundel Association of REALTORS®, a three-week battle against cybercrime started with one hacked password. The criminals got in and encrypted all of the association's files and all of its backup. They demanded a one-bitcoin ransom. Bob Johnson, the CEO, notified his tech support provider who shut down all of the infected machines and took a picture of the hard drives and servers. However, it was not possible to recover any data.⁵⁸

Ransomware is a popular scam for hackers because it is very profitable. Most ransomware demands are not excessive, averaging at around \$500 payable in Bitcoin. Paying the ransom, however, doesn't guarantee that the attacker will provide the promised decryption key. Paying a small first-time ransom can set up a victim for a repeat incident with a higher payment demand.⁵⁹

Norton, provider of popular security software, suggests five dos and don'ts in the event of a ransomware attack.⁶⁰

1. Don't pay the ransom.
2. Don't click on attachments in e-mail.
3. Do keep software up-to-date.
4. Do use security software.
5. Do back up.

⁵⁸ REALTOR® Associations Hacked, Spring 2019, REALTOR AE Magazine

⁵⁹ Internet Security Threat Report, Ransomware 2017, an ISTR Special Report, Symantec, July 2017, <https://www.symantec.com/content/dam/symantec/docs/security-center/white-papers/istr-ransomware-2017-en.pdf>.

⁶⁰ Ransomware: 5 dos and don'ts, Malware, Norton website. <https://uk.norton.com/internetsecurity-malware-ransomware-5-dos-and-donts.html>

INTERNET FIELD TRIP: SECURITY BREACH NOTIFICATION LAWS

Every state has laws regarding the responsibility to notify consumers in case of a data breach. Many state laws apply to any business in the country that maintains personal information of a resident of that state. So, it is wise not only to refer to the laws of the state in which your business is located, but also the laws of the states where the individuals whose personal information you collect reside.

- Check the National Conference of State Legislatures for information on notification laws.
- Go to: ncsl.org/research/telecommunications-and-information-technology/security-breach-notification-laws.

1. What state(s) are your clients, customers, service providers located in?

2. Does your state specify a time frame for providing notification?

3. Does your state allow notification by e-mail?

4. Does your state require free credit monitoring service?

Learning from a Data Breach

Experiencing a data breach is a hard lesson for a business to learn. Evaluating the response to the data breach and applying the lessons from it can help a business strengthen security and prevent future breaches.

Post-crisis assessments should examine:

- Policies and procedures for data collection, retention, and storage.
- Vulnerability of technology systems and physical security.
- Need for employee training and changes to employee policies.
- Changes to agreements, policies, and procedures regarding relationships with service providers.

What Happens to Stolen Data: The Dark Web

The dark web is a totally separate internet that is not accessible in a regular web browser, you need a program called a Torrent (which is untraceable) to connect to it. Payment is done with digital currency like BitCoin which is also untraceable. For identity thieves, the dark web is a sophisticated marketplace providing one-stop shopping to get the tools to commit cybercrime – whether it's malware kits, stolen account information, or "drop" or "cash-out" services to help monetize their crimes."⁶¹ The damage from information sold on the dark web goes beyond stolen credit card and bank account numbers. Criminal organizations, from small-time thieves to state-sponsored hackers, fund their operation through sales of stolen data.

Unfortunately, once your data is on the dark web there's no way to remove it from there. This means that hackers have access to it today and into the future. There are secure companies that can monitor the web and alert you when your identity is showing up in places it shouldn't be. These companies charge an annual fee but could save you millions of dollars in the event of a data breach. While it is not our intention to promote a particular company, it might benefit you to research the companies that provide this service especially if you are the sole employee of the business.

⁶¹ Krebs, John, "The Dark Web: What Your Business Needs to Know," *FTC Business Blogs*, October 2017, <https://www.ftc.gov/news-events/blogs/business-blog/2017/10/dark-web-what-your-business-needs-know>.

KEY POINT REVIEW

- **Real estate professionals can implement a four-step security breach response plan:**
 1. designate responsibilities for responding to the breach;
 2. collect information;
 3. assess the big picture;
 4. notify the affected parties.
- The Federal Trade Commission has outlined a data breach response plan for business on its website.
- A real estate professional should have a ready-to-use data breach notification letter in the event of a breach.
- Incidents of ransomware are becoming more commonplace in the industry.
- A data breach provides a business with valuable information on how to improve their data security measures.



MODULE 11:

Online Safety at Home

IN THIS MODULE YOU'LL LEARN HOW TO:

- Identify the key principles of a data security program for your home.
- Learn how to protect your e-mail, mobile phone, and social media accounts.
- Recognize data privacy issues concerning children.

Chances are that even prior to 2020, you already conducted a great deal of business out of your home or at least on your own phone. When the year 2020 ushered in a pandemic, it forced all of us to learn how to work differently. Suddenly we were all rushing around trying to figure out how to find new listings, show properties, and help with closings remotely.

Before working remotely became commonplace, your home computer and electronic devices contained valuable personal information that you need to protect. Your bank account, credit card, passwords, and utility bills all contain the data a hacker wants to find.

Consider these issues:

- Is the information on your home electronic systems secure?
- Do you or your family members use the same computer for personal use that you use to conduct business?
- What steps do you or your brokerage take to make your online work activities at home safe?
- What steps have you taken to make your family's personal information secure?
- An increasingly connected world delivers convenience and control, but it also raises the scary possibility of malicious intrusions into the privacy of our homes.

Creating Secure Passwords

Earlier in the course, we discussed a formula for creating more secure passwords. In addition to that formula, listed here are a few other ways to develop passwords for your home systems—included with each example is the length of time it's estimated for someone to hack that password.

You can test the strength of your passwords at howsecureismypassword.net.

ACRONYMS

You can create an acronym from any sentence or sequence of words such as the first line of a favorite book or poem or a sentence you will remember.

EXAMPLE

I Think That I Shall Never See/A Poem Lovely As A Tree

- **Password:**
Ittlsns/Aplaat\
- **Time to crack:**
655 million years

EXAMPLE:

My 3 Favorite Ice Cream Flavors Are Pistachio Vanilla And Strawberry

- **Password:**
m3ficfRpv&s
- **Time to crack:**
4 thousand years

PICTURE, ACTION, OBJECT (PAO)

Imagine a memorable character, place them in a vivid setting, and imagine an action. Then create a password using the first two letters of the main words. For example, Ben Franklin at the beach playing volleyball on the 4th of July in 1776

EXAMPLE:

Ben Franklin Beach Volleyball July 4, 1776

- **Password:**
BeFrBeVo741776
- **Time to crack:**
98 million years

EXERCISE 11.1: PASSWORDS

As a group, try creating some secure passwords using the methods described above. Test the strength of the passwords at howsecureismypassword.net.

E-mail Security

When working out of your home, you might be working on a computer that other family members also use. You could be receiving both work and personal e-mail. If this is the case and a hacker accesses your computer then both your work and personal information is at risk.

In particular, e-mail is especially vulnerable. Every e-mail that you send passes through the servers of another company, like Outlook or Gmail, before it reaches the recipient. On that trip from your computer or phone to the recipient, there are multiple opportunities for messages to be intercepted and most e-mail is sent and stored in unencrypted plain text. Furthermore, you have little control over what happens to e-mail after it's sent. Anyone who receives an e-mail can save it or forward it to another recipient.

By far, the most serious e-mail security threats and leaks originate from human behavior. Although it's disheartening to think that our own actions open the door for e-mail hackers, the good news is that almost any threat caused by human action can be prevented by human action.

As you will remember from earlier in the course, there are some signs you can look for that indicate an e-mail is fraudulent. Almost all malware requires the user to take some action, like clicking on a link, downloading an executable file (.exe), or responding to an e-mail. All of these actions are 100 percent avoidable.

Actions you should take to keep your e-mail secure:

1. Require two-factor authentication to access an e-mail account.
2. Limit the number of e-mails you forward to others. The chain this creates can provide an additional opportunity for someone to hack the account.
3. Install robust antivirus software and be sure to update it regularly. Most threats can be identified by this software.

E-mail Scams

E-mail scams can vary widely in their content but their intent is all the same—to take something that belongs to you. Keep in mind the discussion from earlier in the course about signs of phony e-mails and share this information with other members of your family who have access to e-mail.

The Federal Trade Commission keeps a running list of common scams by topic, ranging from cars to lottery winnings to mortgages. You can view this ever-changing list at consumer.ftc.gov/features/scam-alerts. Below are some common e-mail scams you should be aware of.⁶²

“NATIONAL DO NOT E-MAIL REGISTRY” SCAM

If you have submitted your e-mail address to a “National Do Not E-mail Registry” in hopes of reducing the number of spam e-mails, you are the victim of a high-tech scam that tricks consumers into disclosing their e-mail address or personal information. There is no such national registry. The scammers collect valid e-mail addresses and sell them to spammers or identity thieves.

SURVEY SCAM

You receive an e-mail that says you’ve been asked to participate in a survey because you have shown interest in saving the rainforests or another global cause. Once you click on the survey link, spyware or malware is installed on your computer and criminals can see every move you make online.

PAYPAL SCAM

The e-mail you receive says that your PayPal account will be deactivated if you don’t act now or there’s been a security issue with your account. The big issue here is that this e-mail isn’t from PayPal and if you click on the link and open your account you’ve opened the door to a hacker.

⁶² Federal Trade Commission, Consumer Information, www.ftc.gov/search/site/email%scams.

MAIL ORDER SCAM

An e-mail informs you that your order has been received and processed and your credit card will be billed for charges ranging from \$250 to \$899, but you haven't ordered anything. The e-mail advises consumers that if they have questions about the order or want to speak to a representative they should call a given telephone number. Callers find themselves connected to an adult entertainment service and later charged for an expensive international phone call.

FTC-PENDING CONSUMER COMPLAINT

The e-mail warns that a complaint against you has been filed with the FTC. It asks you to click on a link or attachment for more information or to contact the FTC. Clicking on the link installs malware that steals your personal information, sends spam, or hacks into business networks.

URL OR TRADEMARK EXPIRATION SCAM

An e-mail states that your company web address or trademark is about to expire if you don't pay a renewal fee immediately. The fraudster counts on you being too busy to investigate and quickly paying what amounts to a fake invoice.

YOUR COMPUTER IS INFECTED ALERT

A scary e-mail informs you that your computer is in imminent danger. The typical message line blares "Your computer has been infected with a virus" or "Trojan found." These messages instruct you to download a protection service, but when you click on the link, malware infects the computer and sets you up for information theft.

Mobile Phone Security

The available apps on the market today make it easy for REALTORS® to conduct much of their business on a mobile phone. This is often out of necessity rather than choice. Aside from that, we all use our phones for shopping, entertainment, communication, and more. Most smartphones also hold personal information such as your credit card numbers, health information, addresses, and passwords.

One of the most basic safety precaution with a phone is to lock the home screen. But a recent Pew report revealed that nearly 30% of smartphone owners don't use a screen lock or any other security feature to access their phone.⁶³

Actions you should take to keep your mobile phone secure:

1. Lock your home screen: require a passcode or facial recognition to unlock the screen.
2. Use caller protection apps: these protect you from unwanted callers trying to access your phone.
3. Avoid charging your phone in public areas: if an outlet is compromised, your device is now infected.
4. Use two-factor authentication: a common form is one that generates a time-sensitive code that's sent to your phone via text. While this is extra work for you, it makes it more difficult for someone trying to breach your phone.
5. Update your phone's software regularly: this can limit malware malfunction so take the time to accept the notification that a software update is ready for you to install.
6. Turn off Bluetooth and Wi-Fi when not using: these are often on by default. Be sure to double-check which devices you're connecting to, especially when it's your first time connecting.
7. Stop jailbreaking or rooting your device: these actions which allow you to customize your phone can make your device more vulnerable.
8. Encrypt hotspots from other devices: while hotspots are convenient for you, make sure they aren't accessible to those around you.

⁶³ 10 Ways to Make Your Phone Safer, According to Security Experts, September 23, 2019, Business Insider.

9. Store passwords in encrypted files: always use a password management app to store your data.
10. Use a VPN: this allows you to send and receive data over public or shared networks without unauthorized users being able to see it. If you're doing business at the coffee shop, use a VPN rather than a public network.

Mobile Phone Scams

The Federal Trade Commission has created guidelines to help consumers recognize a phone scam.

Keep these things in mind the next time you receive a suspicious call or text on your phone.

- A scammer might claim they are with a federal agency, such as the IRS, and state that you will be arrested if you don't comply. Remember that a legitimate agency would never call to threaten you.
- If someone is pressuring you to decide right now, it's probably not legitimate.
- Government entities won't call you to confirm your sensitive information.
- Charities are popular choices for scammers because they tug at your heartstrings. Always check out the charity's legitimacy before donating over the phone.
- Low-cost or no-cost vacation "prizes" are a way to lure you into signing up for something that will cost you plenty in "hidden" fees.
- Don't trust your caller ID. A scammer can make any name or number show up on your ID – this is known as spoofing.
- If you're the victim of a phone scam, report it to the FTC. They release this information to the public which helps phone carriers and others who work on eliminating phone scams. It also assists law enforcement in identifying the people behind those calls.

Social Media Security

The risk inherent in social media like Facebook, Twitter, and LinkedIn is the creation of online relationships with people you really don't know. The casual nature of social media can easily lead to oversharing. Be sure to stop and think before posting something on social media. Could a vacation photo on Facebook reveal your home is empty? Could an Instagram photo showing you stop at the same coffee shop every Tuesday morning to work "remotely" provide incentive for a hacker?

Actions you should take to keep your social media secure:

1. Keep business and personal separate.

Use privacy controls to keep personal accounts restricted to family and known friends only, and don't post personal information on business accounts.

2. Watch what you say.

On your business accounts, everyone doesn't need to know where you are, what properties you are showing, or your buyer's reactions to properties. In fact, revealing information about buyer's actions and thoughts could hurt their negotiating position when it's time to make an offer. Describing properties as vacant invites trouble.

3. Use privacy controls.

Set privacy levels so your personal social media accounts are viewable only by family and approved friends. For example, when you sign up for Twitter, the default setting for tweets is public, which means anyone can follow you and read your tweets. You can, however, restrict followers to those you have approved so that anyone who wants to follow you must send a request.

4. Verify friend requests and block fake accounts.

You don't have to accept every friend, follower, and connection request that you receive. Before you click on the accept link, consider if you want to establish a connection with the person. Don't be caught up in measuring your popularity by the number of Twitter followers, Facebook friends, or LinkedIn connections you have.

Fake accounts are common and can be tricky to identify. However, if you are already friends with someone and they are asking to add you again, chances are it's a fake account. You can also check to see if the account is more than a few months old, the number of followers associated with the account, and if it has a profile photo. If any of these seem not quite right, investigate further before agreeing to accept the link.

5. Don't reveal too much information in profiles.

Posting too much information in personal profiles can reveal enough information, like the high school you attended or the name of your first pet, for hackers to guess passwords and security question answers.

Data Privacy Issues and Children

In the United States, 92% of children have an online presence before they turn two. On top of that, 95% of U.S. teens report having or having access to a smartphone. Those teens and many younger children are online on a near-constant basis for many hours every day.⁶⁴

All of this online activity results in an overwhelming digital footprint that many children aren't even aware they are creating. In 2018, NBC news reported that more than one million children were victims of ID theft and that two-thirds of those were under the age of eight.⁶⁵

Thieves see a child's identity as a clean slate that will potentially remain unchecked for many years. This gives the thief plenty of time to open a bank account or rent a house using a child's Social Security number they've found online. By the time your child is old enough to open their own bank account or obtain a credit card, their credit history has been damaged. Unless it is legally required, consider opting out of including your child's Social Security number on school, doctor, and other forms. You can also request to only provide the last four digits of the number.⁶⁶

Although some child ID thefts may not show up for a decade or more, others produce some telltale signs that should alert parents.

- Unpaid balances from collection agencies or credit card and loan offers addressed to your child.
- A warning pops up when you e-file your taxes and list your child as a dependent, or an IRS notice that your child owes taxes.
- Your child is turned down for government benefits because there is an existing account with the same Social Security number.
- A child under the age of 15 shouldn't have a credit report. If they do, it's a fairly good indicator that the child's identity has been stolen.

⁶⁴ How to Protect our Kids' Data and Privacy, July 7, 2019, Wired magazine.

⁶⁵ More Than One Million children were Victims of ID Theft Last Year, June 21, 2018, NBC News online

⁶⁶ 5 Child Identity Theft Facts You Need to Know, ID Theft Resources, Lifelock

What can parents do to prevent theft of a child's identity? If enabled by state law, parents can create a credit report for a child and place a security freeze on it.⁶⁷ When a child reaches age 15, parents should consider requesting credit reports for the child from each of the big three credit rating agencies. If there are any issues, that will allow time to clear up problems before the child applies for a driver's license, job, credit card, or student loan.

CHILDREN'S ONLINE PRIVACY PROTECTION ACT (COPPA)

Although no federal laws pertain to protection of children's identity, the Children's Online Privacy Protection Act prohibits collection of information from children under age 13. The law applies to operators of commercial websites and online services (including mobile apps) directed to children under age 13 that collect, use, or disclose personal information from children, and operators of general audience websites or online services with actual knowledge that they are collecting, using, or disclosing personal information from children under age 13. Under COPPA, the definition of personal information for children is much broader than for adults under most state laws.

Specifically, children's personal information is defined as:

- First and last name;
- Home or other physical address including street name and name of a city or town;
- Online contact information;
- Screen or user name that functions as online contact information;
- Telephone number;
- Social Security number;
- Persistent identifier that can be used to recognize a user over time and across different websites or online services;
- Photograph, video, or audio file, where such file contains a child's image or voice;
- Geolocation information sufficient to identify street name and name of a city or town; or
- Information concerning the child or the parents of that child that the operator collects online from the child and combines with an identifier described above.

⁶⁷ The National Conference of State Legislators reports that 29 states currently allow parents or guardians to place a security freeze on minor's credit reports. <http://www.ncsl.org/research/financial-services-and-commerce/consumer-report-security-freeze-state-statutes>.

INTERACTIVE TOYS

The new generation of Internet-connected toys take interactivity to a new level and can help children stay active, healthy, and engaged. Unfortunately, they also open a new gateway for hackers to access you or your children's data. Most interactive toys require an online registration which creates a rich pool of personal information about kids and their families.

Like any other web-connected device, the toys use Wi-Fi or Bluetooth to interact and communicate which makes them open to hacking. In one incident, which was exposed in early 2017, a Bluetooth-connected interactive teddy bear manufactured by Cloud Pets experienced a data breach that exposed e-mail addresses and passwords, access to profile pictures, and more than a million voice recordings of children and adults.⁶⁸

The FBI, concerned over potential privacy issues involved with interactive toys, issued a public service announcement to warn consumers of the issues.

*"The FBI encourages consumers to consider cyber security prior to introducing smart, interactive, internet-connected toys into their homes or trusted environments. ...These toys typically contain sensors, microphones, cameras, data storage components, and other multimedia capabilities—including speech recognition and GPS options. These features could put the privacy and safety of children at risk due to the large amount of personal information that may be unwittingly disclosed."*⁶⁹

The FBI recommends that parents closely monitor children's activity with the toys, ensure the toy is turned off, particularly those with microphones and cameras, when not in use, and use strong and unique log-in passwords when creating user accounts. Use of the toys should only be in environments with trusted and secured Wi-Fi Internet access.

⁶⁸ Alex Hern, "CloudPets stuffed toys leak details of half a million users", *The Guardian*, February 28, 2017, <https://www.theguardian.com/technology/2017/feb/28/cloudpets-data-breach-leaks-details-of-500000-children-and-adults>.

⁶⁹ Consumer Notice: Internet-Connected Toys Could Present Privacy and Contact Concerns for Children, Alert Number, I-071717(Revised)-PSA, July 17, 2017, <https://www.ic3.gov/media/2017/170717.aspx>.

MONITORS AND SURVEILLANCE CAMERAS

Any device connected through Wi-Fi, including baby monitors, nanny cams, and even pet surveillance cameras can be hacked. It's even possible to hack into the speakers which enables the hacker to talk to children and caretakers. When setting up any Internet-enabled camera, create a unique username and password. Also, turning off the camera when not in use makes it a less likely target.

Diligence is key to keeping your children's online security safe. Once children are old enough to understand, be sure to involve them in conversations about keeping safe online.

TALKING TO YOUR KIDS ABOUT ONLINE SAFETY

As soon as your child is using a computer, a cell phone, or any mobile device, it's time to talk to them about online behavior, safety, and security. When your kids begin socializing online, you should talk to them about certain risks:

- **Inappropriate Conduct:**

The online world can feel anonymous. Kids sometimes forget that they are still accountable for their actions.

- **Inappropriate Contact:**

Some people online have bad intentions, including bullies, predators, hackers, and scammers.

- **Inappropriate Content:**

You may be concerned that your kids could find pornography, violence, or hate speech online.

You can reduce these risks by talking to your kids about how they communicate—online and off—and encouraging them to engage in conduct they can be proud of. For more information visit www.consumer.ftc.gov/articles/0006-talk-your-kids

Security Challenges and the Internet of Things

If you have an Alexa, Amazon Echo, or Google Assistant sitting on your countertop then you are not alone. These devices can help you control smart home products like your coffee pot, thermostat, and your garage door. The Internet of Things (IoT) is connecting more devices every day and it's estimated that we will have 64 billion IoT devices by 2025.⁷⁰ The increase in connected devices opens up more channels for would-be hackers.

IoT connected devices are designed to operate so unobtrusively that we don't notice them. Many of the devices are also designed to collect data so that they become "smarter" about our day-to-day activities. The billions of Internet-connected devices are producing mountains of data. But it may be difficult to ascertain what information is being collected, how it is being used, and who has access to it.

A Federal Trade Commission report, "Internet of Things: Privacy & Security in a Connected World" found that fewer than 10,000 households can generate 150 million discrete data points every single day.

It's easy to see that the IoT has tremendous potential for enriching our personal lives and making homes and businesses smarter. It also, however, has the potential to heighten security challenges. Security patches and updates for devices seem to always be in a reaction mode with hackers staying just one step ahead. Furthermore, the intense interconnectivity of the IoT means that any poorly secured device is a potential threat to the security of every connected device.

As you integrate new devices and connectivity into your home, take time to consider what personal information may be collected and shared and apply the data privacy and security principles you've learned in this course.

⁷⁰ The Security and Privacy Issues that come with the Internet of Things, January 6, 2020, Business Insider

KEY POINT REVIEW

- Follow the five key principles of a data security program described earlier in the course to also protect your data at home.
- The three main areas of concern for your private data involve e-mail, your mobile phone, and social media accounts.
- Social Security numbers and other personal data associated with children are prime targets for hackers.
- The Internet of Things has introduced another avenue for hackers to attempt to compromise your online information.

MODULE 12:

Know the Law

Important Note:

The following information is offered for general information purposes. It is not legal advice. Students should seek guidance from legal counsel on compliance with federal and state laws and regulations.

IN THIS MODULE YOU'LL LEARN HOW TO:

- Identify basic aspects of state and federal laws regarding data privacy and security that affect real estate organizations.
- Identify NAR best practices for data collection.
- Demonstrate methods for keeping informed on current legal requirements regarding data collection.

Public concern about the confidentiality of personal medical, financial, and consumer data has put pressure on policy makers to increase regulation on the uses of this information. While NAR advocates and promotes the importance of protecting client data, it is keeping a close eye on how Congress is responding to this matter. Proposed regulations must be narrowly tailored to avoid burdening businesses, especially those small businesses that lack the resources of larger entities.

In March of 2019, the real estate industry was represented before Congress by Nina Dosanjh, vice chair of the National Association of REALTORS® Federal Technology Policy Committee. She testified in support of strong, uniform data protection standards that can be implemented by small businesses, including most real estate brokerages.⁷¹

⁷¹ Realistic Laws Can Help Brokers Protect Data, March 27, 2019, REALTOR® Magazine

Most regulation of data privacy happens at the state level. Some federal laws, however, may apply to real estate businesses that qualify as financial institutions or creditors. Real estate professionals should know the applicable data privacy laws so that their methods for handling client data and informing consumers of privacy policies comply with federal and state laws.

As big data breaches and attacks increase in frequency and scope, both federal and state lawmakers look for legislative solutions to protect consumers. However, you shouldn't wait for enactment of new laws to take the threat seriously and implement data privacy and security measures. It's just good business to comply and show clients that you care about their privacy and safety.

Federal Laws about Consumer Privacy

Although no federal laws apply specifically to real estate professionals or brokerages, some do establish legal requirements for businesses involved in financial matters.

- **The Gramm-Leach-Bliley Act (GLBA)**

Requires financial institutions—publicly traded companies that offer consumers financial products or services like loans, financial or investment advice, or insurance—to tell their customers about their information-sharing practices and explain the right to opt out.

- **The Identity Theft Red Flags and Address Discrepancy Rules (Red Flags Rules)**

Contained in the Fair and Accurate Credit Transactions Act (FACTA) require "creditors", and those who regularly arrange for credit to be provided, to establish policies and procedures to protect against identity theft.

There are no criminal penalties for failing to comply with the provisions of the federal legislation. However, a business could be subject to civil monetary penalties.

Monitoring, Alerts, Information

Both the Federal Trade Commission (FTC) and the Department of Homeland Security are involved in monitoring data privacy threats, providing information to help businesses comply with federal regulations, and making sure that companies live up to the promise to safeguard consumers' personal information.

THE FEDERAL TRADE COMMISSION

START WITH SECURITY: A GUIDE FOR BUSINESS

The FTC provides resources to help companies think through their data decisions as well as learn from FTC cases. The guide presents ten principles for data security. There is an online tutorial for employee training, publications on data security challenges; news releases, blog posts, and guidance to help businesses identify and prevent pitfalls.

- ftc.gov/tips-advice/business-center/guidance/start-security-guide-business

STICK WITH SECURITY: A BUSINESS BLOG SERIES

The business blog offers news on recent law enforcement actions, closed investigations, and experiences companies have shared about starting with security at their business.

- ftc.gov/tips-advice/business-center/guidance/stick-security-business-blog-series

VIDEOS

The FTC website has numerous videos ranging in topics from “why care about identity theft” to “sharing information: a day in your life” to “peer to peer file sharing”. These are invaluable resources that can help you be more knowledgeable about data security and the laws associated with these topics.

U.S. COMPUTER EMERGENCY READINESS TEAM (US-CERT), DEPARTMENT OF HOMELAND SECURITY

The US-CERT program focuses on internet safety by responding to major incidents, analyzing threats, and exchanging critical cybersecurity information with trusted partners around the world. Its webpage for home and business offers alerts and information resources for home and business users. Visit us-cert.gov/home-and-business.

- **Alerts:**
Timely information about current security issues, vulnerabilities, and exploits.
- **Bulletins:**
Weekly summaries of new vulnerabilities along with patch information when available.
- **Tips:**
Advice and best practices about common security issues.

State Laws about Consumer Privacy

"Since the Equifax data breach in 2017, a number of states introduced legislation that would provide for free credit freezes for victims of data breaches. Other bills would amend breach laws to expand the definition of "personal information," to set specific timeframes within which a breach must be reported or require reporting to the state's attorney general. In addition, several bills would require notification in the case of breaches of student information."⁷²

Almost all states have enacted data protection laws to protect consumers. Some have enacted laws that require businesses to:

- Develop a written information security program (WISP).
- Dispose of personal information that serves no business purpose.
- Notify individuals when their personal information may have been exposed because of a security breach.

⁷² National Conference of State Legislatures, 2018 Security Breach Legislation, 3/29/2018, <http://www.ncsl.org/research/telecommunications-and-information-technology/privacy-and-security>.

Most state—and federal—legislation allows businesses to take a “reasonableness” approach when implementing a security program. Guidelines take into consideration the size and scope of business, amount of resources, and nature and quality of data collected or stored. As real estate professionals assess the client data they collect and keep, it’s important to comply with state laws and seek legal guidance on document retention policies. If your market area covers more than one state, you must comply with the data privacy laws in every state you do business.

On January 1, 2020, the California Consumer Privacy Act (CCPA) went into effect. This is intended to provide more security for consumers’ personal information and it applies to all for-profit industries that have a gross annual revenue of over \$25 million. It also reaches beyond the state of California – your organization does not have to be physically located in the state in order to be affected by this law. A property owner or manager who lives in Tennessee but owns property in California that they lease to tenants must comply. Many other states are looking at CCPA to gauge its success and it’s possible others will adopt same or similar measures.

Here are a few key points found in the CCPA:

- Consumers have the right to know about the personal information a business collects about them and how it is used and shared.
- Consumers have a right to have their personal information deleted.
- Consumers have the right to opt out of the sale of their personal data.
- Consumers have a right to non-discrimination for exercising CCPA rights.
- In the event of a data breach and violation of the law, consumers can seek statutory damages from \$100 up to \$750 per incident.

What is “Personal Information”

According to the U.S. Department of Labor, personal identifiable information (PII) includes information (1) that directly identifies an individual – in other words, name, address, social security number, or other identifying number, telephone number, e-mail address; (2) by which an agency intends to identify specific individuals in conjunction with other data elements which might include a combination of gender, race, date of birth, geographic indicator and other descriptors.

Almost every state and territory have enacted legislation to define “personal information” and establish requirements for its safekeeping. Laws vary among the states but the baseline for personal information usually includes first and last name, Social Security number, and financial and credit card account numbers. Some states include driver’s license numbers, passport numbers, and health care information. Some states draw a distinction between encrypted or unencrypted data.

Compare the following definitions. What are the similarities and differences?

► **Texas:**

First name or first initial and last name in combination with any one or more of the following items, if the name and the items are not encrypted: Social Security number, driver’s license number or government-issued identification number, account number or credit or debit card number in combination with any required security code, access code, or password, information that identifies an individual and relates to: physical or mental health or condition, provision of health care, payment for the provision of health care.

► **Maryland:**

First name or first initial and last name combined with any of the following data elements: Social Security number, driver’s license number, financial account number, including a credit or debit card number that, in combination with any required security code, access code, passport number, health information, biometric data, user name and email in combination with a password.

These definitions may look similar, but there are significant differences. For example, Texas includes information that relates to: physical or mental health or condition and provision and payment of health care. Maryland includes passport numbers, health information, and biometric data.

WHY IS THIS IMPORTANT?

Collecting statutorily defined personal information comes with specific duties as far as how it can be stored and when it must be destroyed. Plus, real estate professionals must comply with laws in every state in which they do business.

NAR Best Practices for Collecting Data

As data collection continues to become a valuable asset for building relationships with their clients, so does the responsibility of real estate professionals to be trusted custodians of that data. Consumers are demanding increased transparency and control of how their data is used. For this reason, NAR endorses the following Data Privacy and Security principles: ⁷³

- **Collection of personal information should be transparent**
Real estate professionals should recognize and respect the privacy expectations of their clients. They are encouraged to develop and implement privacy and data security policies and to communicate those policies clearly to their clients.
- **Use, collection, and retention of personal information**
Information about individuals should be collected and used only where the real estate professional reasonably believes it would be useful (and allowed by law) to administering their business and to provide products, services and other opportunities to consumers. Real estate professionals should maintain appropriate policies for the reasonable retention and proper destruction of collected personal information.
- **Data security**
Real estate professionals should maintain reasonable security standards and procedures regarding access to client information.
- **Disclosure of personal information to third parties**
Real estate professionals should not reveal personal information to unaffiliated third parties unless 1) the information is provided to help complete a consumer initiated transaction; 2) the consumer requests it; 3) the disclosure is required by or allowed by law (i.e. investigation of fraudulent activity); or 4) the consumer has been informed about the possibility of such disclosure through a prior communication and is given the opportunity to decline (i.e. opt-out.)

⁷³ <https://www.nar.realtor/data-privacy-and-security/nar-principles>

- **Maintaining consumer privacy in business relationships with third parties**

If personal information is provided to a third party on behalf of a consumer, the third party should adhere to privacy principles similar to those of real estate professional who provided the information.

- **Single federal standard**

NAR supports a single federal standard for data privacy and security laws in order to streamline and minimize the compliance burden.

KEEP INFORMED

It's imperative that you identify and understand the laws regulating data privacy in the state(s) where you do business. The Internet Field Trip at the end of this chapter lets you explore data privacy laws that are in effect in your state. If you need further assistance, consult with your legal representative.

INTERNET FIELD TRIP: STATE LAWS

Let's take a look at how your state defines personal information and applicable data privacy and breach laws.

PERSONAL INFORMATION:

**Search your state's law definition of personal information.
Summarize it below:**

THE NATIONAL CONFERENCE OF STATE LEGISLATURES (NCSL)

Maintains a list of state data security and privacy laws and pending legislation. Check out these webpages.

- **Data Security Laws**

[ncsl.org/research/telecommunications-and-information-technology/
data-security-laws](https://ncsl.org/research/telecommunications-and-information-technology/data-security-laws)

- **Data Disposal Laws**

[ncsl.org/research/telecommunications-and-information-technology/
data-disposal-laws](https://ncsl.org/research/telecommunications-and-information-technology/data-disposal-laws)

- **Security Breach Legislation**

[ncsl.org/research/telecommunications-and-information-technology/
overview-security-breaches](https://ncsl.org/research/telecommunications-and-information-technology/overview-security-breaches)

Does your state require businesses to post a privacy policy?

KEY POINT REVIEW

- There are no specific federal laws relating to real estate and protecting consumer data but there are laws that apply to businesses in general.
- The 2017 Equifax data breach resulted in many states implementing response procedures in the event of a data breach.
- NAR has a list of best practices with regard to data collection.
- Real estate professionals can be informed about data privacy laws by consulting The National Conference of State Legislatures webpages for data security laws, data disposal laws, and security breach legislation.

Mission Accomplished!

For the past two days you have been involved in an intensive course of study. We have discussed the many factors that go into creating your online presence, as well as, the ever-evolving role of protecting the online presence you create.

You now have all the information you need to create more business using the online techniques you've learned. While this can seem overwhelming, remember that the best way to start is to focus on one objective and then add another only after you have the previous task mastered.

NAR is here to help. As noted throughout this course, there are countless articles and videos on our website that offer even more information. These are continually updated to keep up with this ever-changing topic.



Resources

REALTOR Benefits® Program

Designed with you in mind, NAR's REALTOR Benefits® Program is your official member benefits resource, bringing savings and special offers just for REALTORS®. Program partners are carefully selected, so you can be assured they understand the unique needs of real estate professionals and are committed to your success. nar.realtor/RealtorBenefits.

Partners in this program include:

► Adwerx

nar.realtor/RealtorBenefits/Adwerx

Dive into digital advertising and build your local brand through hyper-targeted campaigns designed to promote your listings, create awareness in your zip codes and drive referrals. NAR members receive 15 percent additional impressions on newly-purchased and renewed campaigns. This is an extra value when combined with any existing Adwerx offers you may already enjoy through your brokerage, local association, or other Adwerx partner.

► Back At You

nar.realtor/RealtorBenefits/BackatYou

Get more results from your social media, while working less. Back At You provides REALTORS® with a social media center to help you stay top of mind and capture leads on Facebook, Instagram, LinkedIn, and Twitter. Simply choose your level of automation and Back At You takes care of the rest: from fully automating your listing posts and advertising, to creating and scheduling your content, and more. Back At You promotes you and your business on today's most popular social networks. Individual and Enterprise solutions are available at member-only pricing.

► **CyberPolicy®**

nar.realtor/RealtorBenefits/CyberPolicy

Protect your real estate business with a customized and comprehensive cyber liability insurance program created for REALTOR®-owned brokerages. Designed to meet the unique needs of real estate professionals, you have access to preparedness tools, premium discounts, and specialized coverage, with support to help quickly restore your business if a cyber attack or fraud occurs. This coverage extends beyond the broker to include clients and is unique to this program.

► **DocuSign**

nar.realtor/RealtorBenefits/DocuSign

DocuSign is the National Association of REALTORS® official and exclusive provider of electronic signature services under the REALTOR Benefits® Program. DocuSign services are easy-to-use and accessible at any time, from any desktop or mobile device. No matter what stage you are at in your real estate career, DocuSign offers solutions to best meet your needs--all at member-only pricing. DocuSign helps you master eSignature through DocuSign University offering specialized training and webinars, blogs, and more.

► **Placester**

nar.realtor/RealtorBenefits/Placester

Placester® offers NAR members access to websites with beautiful mobile-ready design, hassle-free hosting, and more. This turnkey solution includes everything you need to build an online presence, including quick setup and personalization, without the need for technical or programming skills. Beyond its website and marketing tools, Placester® also offers a Real Estate Marketing Academy with free educational content, including how-to articles, infographics, videos, and webinars about digital marketing for real estate.

► **REALTOR Team Store®**

nar.realtor/RealtorBenefits/RealtorTeamStore

NAR's official supplier of REALTOR®-logo branded promotional items is your go-to resource for your new e-PRO® pin. Within the store you'll find a wide array of items, including all professional lapel pins, plus logo branded bags, hats, shirts, decals, folders, jackets, and more.

 ReferralExchange

nar.realtor/realtor-benefits-program/marketing-resources/referralexchange

Manage your leads so you can focus on pursuing your best opportunities. With LIVE by ReferralExchange you will have access to licensed real estate agents who act as an extension of your brand and validate leads you provide from your form sources (such as your website, realtor.com®, and social media). Using proprietary scrubbing technology, they'll determine which leads are real by confirming contact data, nurture the contact, and transfer those who are ready to transact. NAR members receive exclusive savings and custom benefits on this monthly subscription service.

 Victor Insurance Managers Inc.

nar.realtor/realtor-benefits-program/risk-management/victor-insurance-managers-inc

Victor Insurance Managers Inc. and the National Association of REALTORS® have partnered under the REALTOR Benefits® Program to provide a first-class errors and omissions (E&O) insurance program to REALTOR® members. Several premium credits are available, as allowed by state law, including a credit for being an NAR member, holding select NAR designations, continuing education, use of standard contracts, use of home warranties, risk management programs, and more.

 Transactions (zipForm Edition)

nar.realtor/realtor-benefits-program/transaction-management/transactions-zipform-edition

Simplify real estate transactions with this comprehensive transaction management system provided by NAR. The benefit, available through 2021, includes Transactions (zipForm Edition), unlimited zipVault® document storage, an exclusive NAR library of REALTOR® Forms & Templates, and access to the industry-standard forms engine where you can add and manage your own custom documents. State and local forms libraries may also be available if those forms are licensed to Transactions (zipForm Edition) by your state or local association (some fees, which are set by state and local associations/boards, may apply).

Glossary

Alt-Text:

also known as alternative text, describes the content of an image to the search engine and allows images to be accessible to individuals who are visually impaired.

Backlinks:

an incoming hyperlink from one web page to another website.

Blog:

a regularly updated online journal on a particular topic, often written in an informal style.

Brand:

a distinctive image or identity regarded as an asset.

Business E-mail Compromise (BEC):

combines the act of phishing with wire transfer fraud.

Calls to Action (CTAs):

marketing term for an element, such as a word, phrase, or button, that asks a consumer (website visitor) to take a specific action.

Click-throughs:

the result when a consumer clicks on a web advertisement and goes to the advertiser's website.

Copyright infringement:

occurs when a copyrighted work is reproduced, distributed, performed, publicly displayed, or made into a derivative work without the permission of the copyright owner.

Customer Relationship Management (CRM):

technology for managing a company's relationships and interactions with current and potential customers.

Dark web:

refers to places on the Internet that are not indexed by traditional search engines and act as sites for illegal activity.

Domain name:

the unique name of an organization or person on the Internet; it is a substitute for a site's numeric Internet Protocol (IP) address.

Drip e-mail marketing:

an e-mail campaign that sends messages to a target audience over an extended period of time. Drip is an acronym for differentiate, reinforce, inform, and persuade.

Earned marketing:

also known as word-of-mouth marketing, it is the result of customer feedback (negative and positive) that is found in online reviews.

Fair use:

a part of U.S. copyright law that allows for the use of portions of a work, under certain circumstances, without asking permission of the owner.

Farming:

a more targeted way to generate leads by posting on social media to a specific geographic area or demographic group.

Forensic analysis:

the process of gathering and analyzing information about a data breach for future detection and prevention.

Hashtag:

a word or phrase preceded by the symbol # that classifies or categorizes the accompanying text on a specific topic.

Intellectual property:

a work that is the result of the physical expression of ideas such as books, music, plays, movies, and computer software.

Interlinks:

also known as an internal link, these are generated when you link new online content to older but still relevant content.

Internet Data Exchange (IDX):

an umbrella term used to cover policies, standards, and software pertaining to the display of real estate listing information on websites. It enables members of a multiple listing service to integrate listings from the MLS database into their own websites.

Internet of Things (IoT):

describes the connectivity of devices over the Internet – people to machines and machines to machines.

Internet Trolls and Flamers:

individuals who engages in hostile interaction on social networks.

Jailbreaking and rooting:

modifying a smartphone or other electronic device to remove restrictions imposed by the manufacturer or operator.

Keywords:

a word or phrase of significance that best describes content on a website and is used to foster search engine results.

Landing page:

a stand-alone web page that a person “lands” on after clicking on a link or ad. It has a single focus, such as capturing information.

Malware:

also known as malicious software, it refers to software designed to steal data or harm operating systems or devices.

Owned content:

original content created by an individual or purchased from another source with the intent of publishing and distributing.

Phishing attack:

the fraudulent practice of sending e-mails purporting to be from reputable companies in order to induce individuals to reveal personal information.

PII:

this is the acronym for Personal Identifiable Information and refers to information that directly identifies an individual such as name, address, e-mail, etc.

Proper attribution:

providing the source for any content or materials created by another person. Necessary to avoid implications of plagiarism.

Prospecting:

a general way to develop leads by sending out mass e-mails to an entire region.

Ransomware:

a form of malware that holds a victim’s data hostage until a ransom is paid.

Security incident:

Unauthorized access to assets, such as data, networks, and devices.

Search Engine Marketing (SEM):

the process of fostering website traffic through the use of paid ads on search engines.

Search Engine Optimization (SEO):

the process of increasing website traffic through organic search results.

S.M.A.R.T. goals:

a goal setting framework using the criteria of specific, measurable, attainable, relevant, and time-bound.

Social capital:

the network of relationships between people in a particular society; or what makes us predisposed to like or dislike people we meet.

Social contract:

the unspoken and unwritten set of rules created for engaging with others.

Social object:

an object that creates a connection between two people.

SWOT analysis:

a strategic framework for identifying the strengths, weaknesses, opportunities, and threats faced by a business.

Target audience:

the group of people within a market identified as the intended recipients of a marketing campaign.

Two-factor authentication:

the process in which users provide two different authentication factors to verify themselves when accessing an online account.

Unsecured network:

any network that can be accessed without a password.

Vlog:

a blog that contains video material or a video link.

Virtual Private Network (VPN):

provides online privacy and anonymity by creating a private network from a public Internet connection.

Zero Moment of Truth:

the first phase of the home buying sales journey in which the consumer is beginning to educate themselves about buying a home.

Document Retention Guidelines for Associations and MLSs

The suggested time periods, which are conservative estimates, do not preclude keeping documents for a longer time. Note that the suggested timeframes are not based on state laws regarding document retention.

ASSOCIATION DOCUMENTS

- Association charter (permanent)
- Territorial jurisdiction (permanent)
- Member file & membership applications (two years after membership terminates, with Social Security number and other financial information removed (if applicable))
- Professional Standards Hearing Records: Ethics (result of hearing—permanent rest of hearing file—minimum of one year after satisfaction of sanctions (if any) and there is no threat of litigation)
- Arbitration/Mediation (minimum of one year after payment of award (if any) and there is no threat of litigation)

MLS DOCUMENTS

- Rules and Regulations (permanent)
- MLS Policies (permanent)
- Listing agreements (at least until expiration of listing)
- Sold property information (ten years)
- Lockbox key agreements/leases (one year after agreement terminates)
- MLS Service Mark License Agreements (Permanent)
- Contracts (ten years after expiration)
- Subscription Agreements (ten years after expiration)
- Participation Agreements (ten years after expiration)
- Website Click-Through Confirmations (ten years)

Wire Transfer Advisory

The following is an example of a notice you may wish to consider adding to your email signature line. This notice should not serve as a substitute for educating your clients and other participants in your real estate transactions about email wire fraud. For more information about best practices to avoid victimization by cyber criminals, see *Protecting Your Business and Your Clients From Cyberfraud* at www.nar.realtor/law-and-ethics/protecting-your-business-and-your-clients-from-cyberfraud.

IMPORTANT NOTICE: Never trust wiring instructions sent via email. Cyber criminals are hacking email accounts and sending emails with fake wiring instructions. These emails are convincing and sophisticated. Always independently confirm wiring instructions in person or via a telephone call to a trusted and verified phone number. Never wire money without double-checking that the wiring instructions are correct.

Model Written Data Security Plan (WISP)

Model written data security program created by the Massachusetts Association of REALTORS®

SECTION 1. PURPOSE AND OBJECTIVE:

MAR's objective, in the development and implementation of this WISP, is to create effective administrative, technical and physical safeguards for the protection of Personal Information of residents of the Commonwealth of Massachusetts, and to comply with obligations under 201 CMR 17.00 effective March 1, 2010. This WISP sets forth MAR's procedure for evaluating our electronic and physical methods of accessing, collecting, storing, using, transmitting, and protecting Personal Information of residents of the Commonwealth.

For purposes of this WISP, "Personal Information" as defined by 201 CMR 17.02 means a Massachusetts resident's first name and last name or first initial and last name in combination with any one or more of the following data elements that relate to such resident: (a) Social Security number; (b) driver's license number or state-issued identification card number; or (c) financial account number, or credit or debit card number, with or without any required security code, access code, personal identification number or password, that would permit access to a resident's financial account; provided, however, that "Personal Information" shall not include information that is lawfully obtained from publicly available information, or from federal, state or local government records lawfully made available to the general public.

The purpose of the WISP is, consistent with MGL Ch. 93H Sec. 2 (a) and 201 CMR 17.01, to (a) Ensure the security and confidentiality of Personal Information; (b) Protect against any anticipated threats or hazards to the security or integrity of such information; (c) Protect against unauthorized access to or use of such information in a manner that creates a substantial risk of identity theft or fraud.

SECTION 2. SCOPE OF WISP:

This WISP specifically seeks to protect Personal Information by:

1. Identifying reasonably foreseeable internal and external risks to the security, confidentiality, and/or integrity of any electronic, paper or other records containing Personal Information;
2. Assessing the likelihood and potential damage of these threats, taking into consideration the sensitivity of the Personal Information;
3. Evaluating the sufficiency of existing policies, procedures, customer information systems, and other safeguards in place to control risks;
4. Designing and implementing a WISP that puts safeguards in place to minimize those risks, consistent with the requirements of 201 CMR 17.00; and
5. Regularly monitoring the effectiveness of those safeguards:

SECTION 3. DATA SECURITY COORDINATOR

We have designated the Director of Finance and Administration to implement, supervise and maintain MAR's WISP. That designated employee (the "Data Security Coordinator") will be responsible for:

- A. Initial implementation of the WISP;
- B. Training employees;
- C. Regular testing of the WISP's safeguards;
- D. Evaluating the ability of each of MAR's third-party service providers, to implement and maintain appropriate security measures for the Personal Information to which we have permitted them access, consistent with 201 CMR 17.00; and requiring such third party service providers by contract to implement and maintain appropriate security measures.
- E. Reviewing the scope of the security measures in the WISP at least annually, or whenever there is a material change in MAR's business practices that may implicate the security or integrity of records containing Personal Information.

- F. Conducting an annual training session for all employees who have access to Personal Information on the elements of the WISP. All attendees at such training sessions are required to certify their attendance at the training, and their familiarity with MAR's requirements for ensuring the protection of Personal Information.

SECTION 4. INTERNAL RISKS:

As part of its regular business actions and in providing services to its members, MAR needs to collect Personal Information as defined by 201 CMR 17.00. MAR recognizes the sensitivity of this information and the need to protect this information, and as such, seeks to limit the amount of Personal Information that is collected. In all cases, Personal Information will be collected only in those instances where it is deemed necessary to carry on the business, services, and functions of MAR. MAR recognizes that Personal Information, as defined in 201 CMR 17.00, is regularly collected in the areas identified below. MAR shall take consistent steps to ensure that such information is adequately protected.

1. Employee Records

All records containing Personal Information of employees of MAR shall be maintained by the Director of Finance and Administration. Files shall be restricted and maintained in a locked file cabinet at all times.

2. Educational Courses, Conferences, and Programs

MAR regularly hosts professional education and conferences for members. Payment for such programs is typically made via credit card or debit card. Information received via the MAR website shall be processed on a daily basis and immediately deleted from the MAR website. All electronic records of said Personal Information shall be deleted upon printing. All hard copies of records shall be maintained in locked filing cabinets with limited access for a period of one year. After this period, any hardcopy records shall be destroyed by shredding. MAR hosts various conferences on an annual basis. As a part of such programs, MAR sells sponsorships to various vendors and exhibitors in the Commonwealth. Payment for such services is typically made via credit card. All paper copies of records shall be maintained in locked filing cabinets with limited access for a period determined by the Data Security Coordinator.

3. Product Mall

MAR regularly sells goods to members and non-members of the Association, including, for example, books, apparel, REALTOR® paraphernalia, real estate forms, brochures, etc. When items are purchased with a personal check containing a bank account number, a credit card or debit card, Personal Information will be collected. Information received via the MAR website or via email shall be processed on a daily basis and immediately deleted from the MAR website. All electronic record of said Personal Information shall be deleted upon printed. All paper copies of records (including personal check, credit card, or debit card) shall be maintained in locked filing cabinets with limited access for a period determined by the Data Security Coordinator.

4. REALTOR® Political Action Committee (RPAC)

MAR collects contributions from members and affiliates for its Political Action Committee (RPAC). MAR also engages in joint fundraising for RPAC and the NATIONAL ASSOCIATION OF REALTORS® Political Action Committee (NAR PAC) and Political Advocacy Fund (NAR PAF)..When a personal contribution is collected by MAR, Personal Information is, in most cases, collected. Personal Information is collected when contributions are collected via personal check, credit card or debit card. Contributions made by personal check shall be deposited into MAR's bank account on a weekly basis. Checks shall be kept in a locked drawer of the appropriate staff person upon receipt of such contributions. This drawer shall remain locked at all times when not in use and access shall only be provided to employees depositing and recording such contributions. Copies of all personal checks shall be kept pursuant to the Massachusetts Office of Campaign Finance regulations 970 CMR 1.10(2)(c). All copies shall be kept in a locked filing cabinet with limited access. Contributions made via credit card or debit card shall be processed on a weekly basis. Copies of such contributions shall be maintained pursuant to the Massachusetts Office of Campaign Finance regulations 970 CMR 1.10(2)(c). All copies shall be kept in a locked filing cabinet with limited access. Personal Information regarding contributions shall not be kept in an electronic manner. Contributions received via the MAR website shall be processed as detailed above, and any electronic record of said contribution shall be deleted upon printed for record keeping purposes.

5. Charitable Foundation

MAR collects contributions from members and affiliates for its Charitable Foundation. Contributions made by personal check shall be deposited into MAR's bank account on a weekly basis. Checks shall be kept in a locked drawer of the appropriate staff person upon receipt of such contributions. This drawer shall remain locked at all times when not in use and access shall only be provided to employees depositing and recording such contributions. Personal Information regarding contributions shall not be kept in an electronic manner. All copies and records shall be kept in a locked filing cabinet with limited access.

To combat internal risks to the security, confidentiality, and/or integrity of any electronic, paper or other records containing Personal Information, and evaluating and improving, where necessary, the effectiveness of the current safeguards for limiting such risks, the following measures shall be implemented by MAR. To the extent that any of these measures require a phase-in period, such phase-in shall be completed on or before March 1, 2010.

1. A copy of this WISP shall be distributed to each employee who shall, upon receipt of the WISP, acknowledge in writing that he/she has received and read a copy of the WISP.
2. There shall be immediate retraining of employees on the detailed provisions of the WISP. Any new employees hired after March 1, 2010 shall be notified of MAR's WISP, provided with a copy, and shall be trained on the details of this WISP. All such employees shall acknowledge, in writing, receipt of the WISP.
3. The amount of Personal Information collected by MAR shall be limited to that amount reasonably necessary to accomplish our legitimate business purposes, or necessary to comply with other state or federal regulations.
4. Access to records containing Personal Information shall be limited to those persons who are reasonably required to know such information in order to accomplish your legitimate business purpose or to enable us to comply with other state or federal regulations.
5. All security measures shall be reviewed at least annually, or whenever there is a material change in MAR's business practices that may reasonably implicate the security or integrity of records containing Personal Information. The Data Security Coordinator shall be responsible for this review and shall fully apprise MAR Chief Executive Officer of the results of that review and any recommendations for improved security arising out of that review.

6. Terminated employees must return all records containing Personal Information, in any form, that may at the time of such termination be in the former employee's possession (including all such information stored on laptops or other portable devices or media, and in files, records, work papers, etc.).
7. A terminated employee's physical and electronic access to Personal Information shall be immediately blocked. Such terminated employee shall be required to surrender all keys to MAR's building. Moreover, such terminated employee's remote electronic access to Personal Information shall be disabled; his/her voicemail access, e-mail access, Internet access, and passwords shall be invalidated. The Data Security Coordinator in conjunction with the Manager of Information Technology shall maintain a highly secured master list of all passwords and keys.
8. Employees must report any suspicious or unauthorized use of customer information to the Data Security Coordinator.
9. Whenever there is an incident that requires notification under M.G.L. c. 93H, §3, there shall be an immediate mandatory post-incident review of events and actions taken, if any, with a view to determining whether any changes in our security practices are required to improve the security of Personal Information for which MAR is responsible.
10. Employees are prohibited from keeping open files containing Personal Information on their desks when they are not at their desks.
11. At the end of the work day, all files and other records containing Personal Information must be secured in a manner that is consistent with the WISP's rules for protecting the security of Personal Information.
12. Access to electronically stored Personal Information shall be electronically limited to those employees having a unique log-in ID; and re-log-in shall be required when a computer has been inactive for more than a few minutes.
13. Paper or electronic records (including records stored on hard drives or other electronic media) containing Personal Information shall be disposed of only in a manner that complies with M.G.L. c. 93I. MAR shall maintain a paper shredder (or contract for the services of a professional third-party shredding service) on the premises to destroy all paper records containing Personal Information that are no longer needed.

14. Electronic access to user identification after multiple unsuccessful attempts to gain access must be blocked.
15. Current employees' user ID's and passwords must be changed periodically. Access to Personal Information shall be restricted to active users and active user accounts only.

SECTION 5. EXTERNAL RISKS:

To combat external risks to the security, confidentiality, and/or integrity of any electronic, paper or other records containing Personal Information, and evaluating and improving, where necessary, the effectiveness of the current safeguards for limiting such risks, the following measures shall be completed on or before March 1, 2010:

1. MAR shall, at all times, maintain an up-to-date firewall protection and operating system security patches, reasonably designed to maintain the integrity of the Personal Information, installed on all systems processing Personal Information.
2. MAR shall, at all times, maintain an up-to-date version of system security agent software, which must include malware protection and reasonably up-to date patches and virus definitions, installed on all systems processing Personal Information.
3. Certain MAR staff maintains portable electronic smart phones and laptops owned by MAR and provided to staff for official employment duties. To the extent technically feasible, all Personal Information stored on laptops or other portable devices shall be encrypted, as well as all records and files transmitted across public networks or wirelessly, to the extent technically feasible.
4. All computer systems must be monitored for unauthorized use of or access to Personal Information.
5. There shall be secure user authentication protocols in place, including: (1) protocols for control of user IDs and other identifiers; (2) a reasonably secure method of assigning and selecting passwords, or use of unique identifier technologies, such as biometrics or token devices; (3) control of data security passwords to ensure that such passwords are kept in a location.

