

# The Impact of Automated Digital Listing Marketing on Real Estate Agent Listing Counts

An Adwerx Case Study



 ADWERX





# Table of Contents

- 3      **The Real Estate Technology Landscape**  
Before diving into the Adwerx case study, it is useful to contextualize its service in the broader landscape of real estate technology.
- 5      **The Evolution of Digital Marketing**  
With \$9 billion of capital invested from 2016 to 2019, the residential real estate industry is under significant pressure to change.
- 8      **Adwerx as a Digital Platform**  
Adwerx was one of the first real estate tech vendors to systemize digital marketing and has become one of the leaders in the space.
- 11     **Performance Analysis**  
The sample of agents for this sample study included over 30,000 geographically dispersed agents from several brands and business models. The results show Adwerx agents had a better listing performance than the non-Adwerx agent cohort.
- 13     **Takeaway**  
A multi-medium, well-balanced solution strategy is imperative in today's fast-evolving marketing world. With agent adoption a persistent challenge, a system such as Adwerx gives brokerage clients a way to ensure the service gets used.



# The Real Estate Technology Landscape

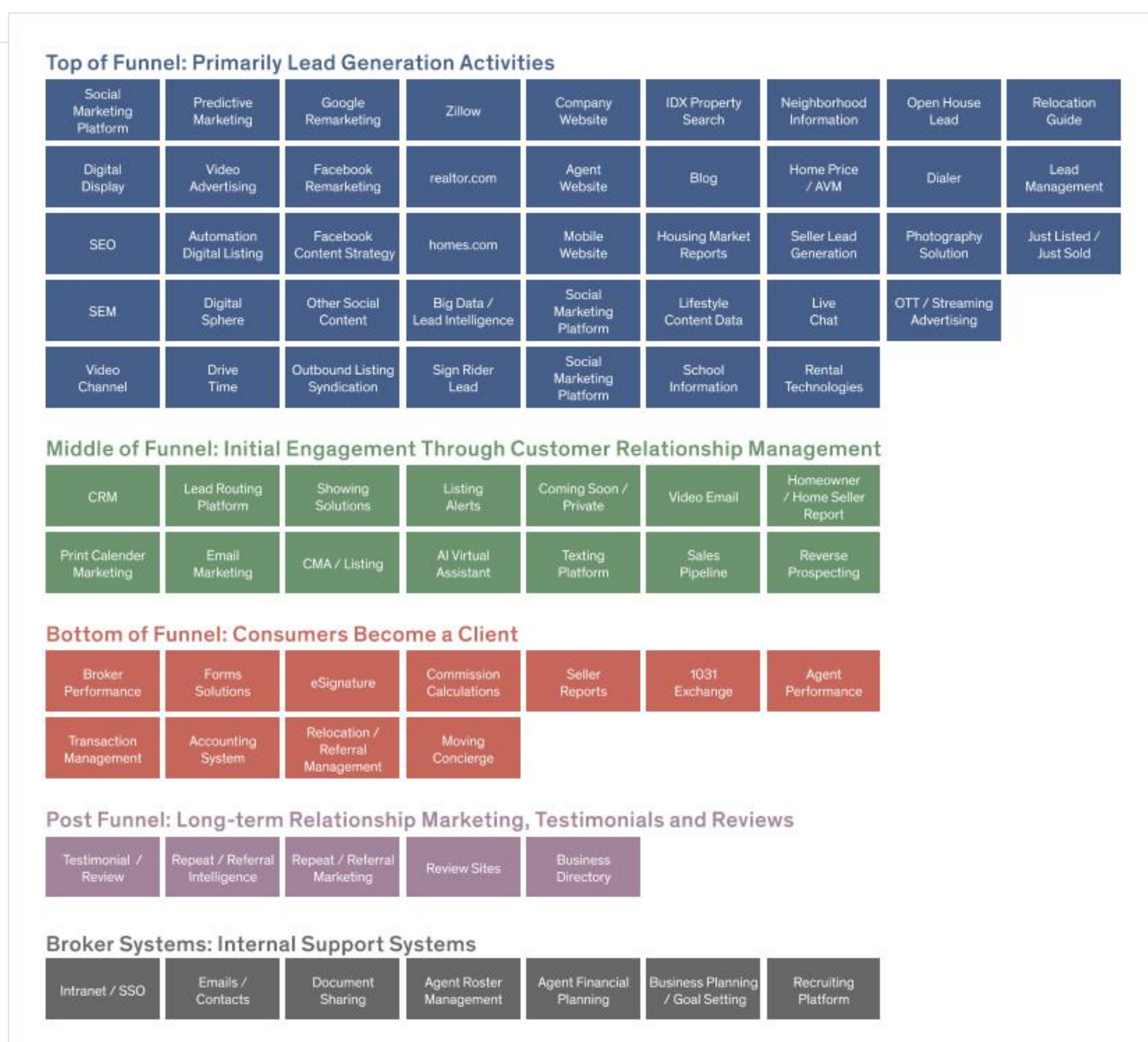
Before diving into the Adwerx case study, it is useful to contextualize its service in the broader landscape of real estate technology.

Technology companies, products and services serving the residential real estate brokerage industry span a wide and diverse range of features and functionality. Through years of analysis, T3 Sixty has developed a technology landscape to dissect and analyze this complex marketplace.

The Technology Landscape classifies features and functionalities into 79 residential real estate technology categories. These categories provide a framework to assess a tech company's coverage of broker-customer needs but helps brokerage firms determine the coverage of their current solutions.

**Figure 1**

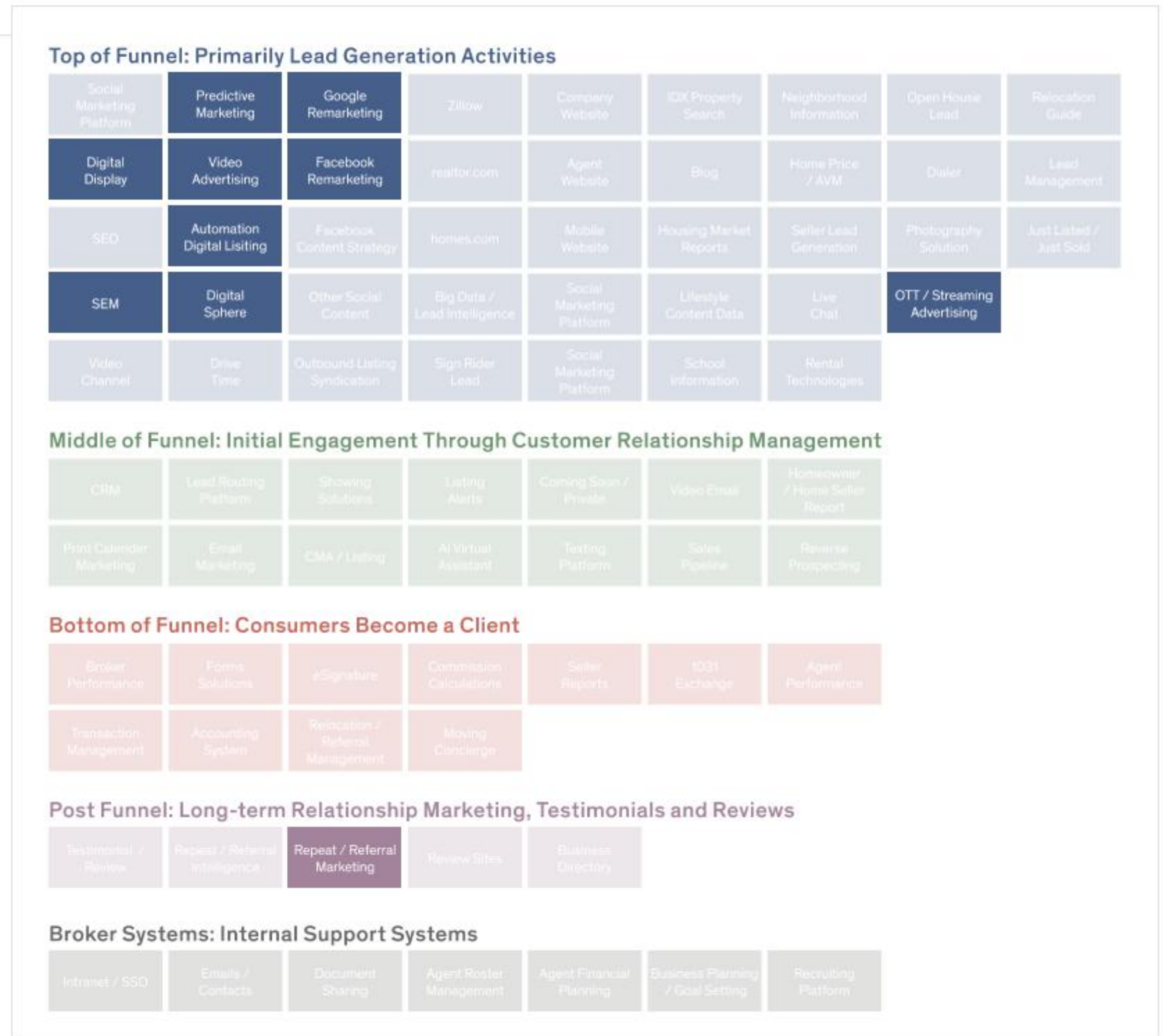
Visual of the Real Estate Technology Landscape with all 79 categories.  
Source: T3 Sixty





**Figure 2**

Highlighting the Digital Marketing Categories within the Real Estate Technology Landscape.  
Source: T3 Sixty



T3 Sixty tracks and monitors the constant growth and adoption in residential real estate technology's digital marketing sector and identified 10 categories listed below that encompass the digital marketing section of the T3 Technology Landscape. For the purpose of this study, a few classifications such as listing portals, SEO, social content strategies and video channel categories have been excluded as they reflect more of an organic rather than paid digital marketing strategy.

The digital marketing section includes the following categories:

1. Predictive Marketing
2. Google Remarketing
3. Display Advertising
4. Video Advertising
5. Facebook Remarketing
6. Automated Digital Listing Marketing
7. Search Engine Marketing
8. Digital Sphere Marketing
9. OTT/Streaming Advertising (Connected TV)
10. Repeat/Referral Marketing





Like most technologies, digital marketing technology constantly evolves. This progression offers real estate practitioners a continual opportunity to refine and improve the ROI they receive from their marketing spend.

The 10 digital marketing categories often overlap in products and tools. For example, this case study centers on Adwerx and its automated digital marketing tool for listings, which uses, of course, Automated Digital Listing Marketing, but also uses Facebook Remarketing and Display Advertising. The study reveals how this tool works and its effectiveness, which helps provide a better understanding of how newer real estate marketing tech works and how agents and brokerages can leverage one tool for results.

## The Evolution of Digital Marketing

With \$9 billion of capital invested from 2016 to 2019, the residential real estate industry is under significant pressure to change. This increases the power of technology, which has played a disproportionate role in the industry since emerging on a larger scale in the mid-90s. Now, a quarter of a century later in 2020, a slew of tech-driven business models and technology innovations are redefining and reshaping how homes are bought and sold.

As part of this shift, digital marketing has become increasingly important, especially with the rise of search engines in the early 2000s. The digital marketing 1.0 era kicked off with search engine marketing, in which brokerages and franchisors directly managed search engine advertising and leveraged firms such as Market Leader and TigerLeads to participate in the pay-per-click advertising available on Google and Bing.

In the early 2010s, the digital marketing category evolved into more creative formats with expanded distribution such as the Google Display Network



## Industry Innovation

To help track and understand how the industry evolves, T3 Sixty developed a model that describes its development in a set of recurring patterns based on analysis that goes back to organized real estate's beginning in the early 1900s.

As part of the analysis, T3 Sixty researched all the major events, innovations, technologies and shifts in the past century that impacted the residential real estate brokerage industry. For more information, see chapter 10 in the 2019 Swanepoel Trends Report.

and the Facebook Audience Network that represented the 2.0 era of digital marketing. Using these new networks and platforms, companies could now automate advertising and disperse ads across multiple targeted and highly trafficked websites, such as the Wall Street Journal, New York Times, ESPN and more, from just one interface.

Now, in the middle of digital marketing's 3.0 era, advertisers can target ads with increasingly powerful behavioral and geographic insights with Facebook leading the way. In this era, users can create custom audiences and advertisers can reach potential customers across multiple mediums including email, video channels and connected TV. Remarketing automation technology further enables an advertiser to reach people that have previously viewed their content with the same or new advertising messages.

The advanced automation and behavioral intelligence that characterizes the digital marketing 3.0 era make social media more powerful than ever. But only if users go beyond sharing and choose to advertise.

For example, an unadvertised Facebook post only reaches a small sliver of an advertiser's sphere, while paid campaigns reach a far broader audience.

“ At the beginning of the relationship with Adwerx Enterprise, it was something new, something flashy, but now over the last two years, we've started to see results, and we have a lot of success stories from brokers being able to capture business they otherwise wouldn't have been able to. ”

- Kevin Van Eck, EVP of Innovation and Education, @properties

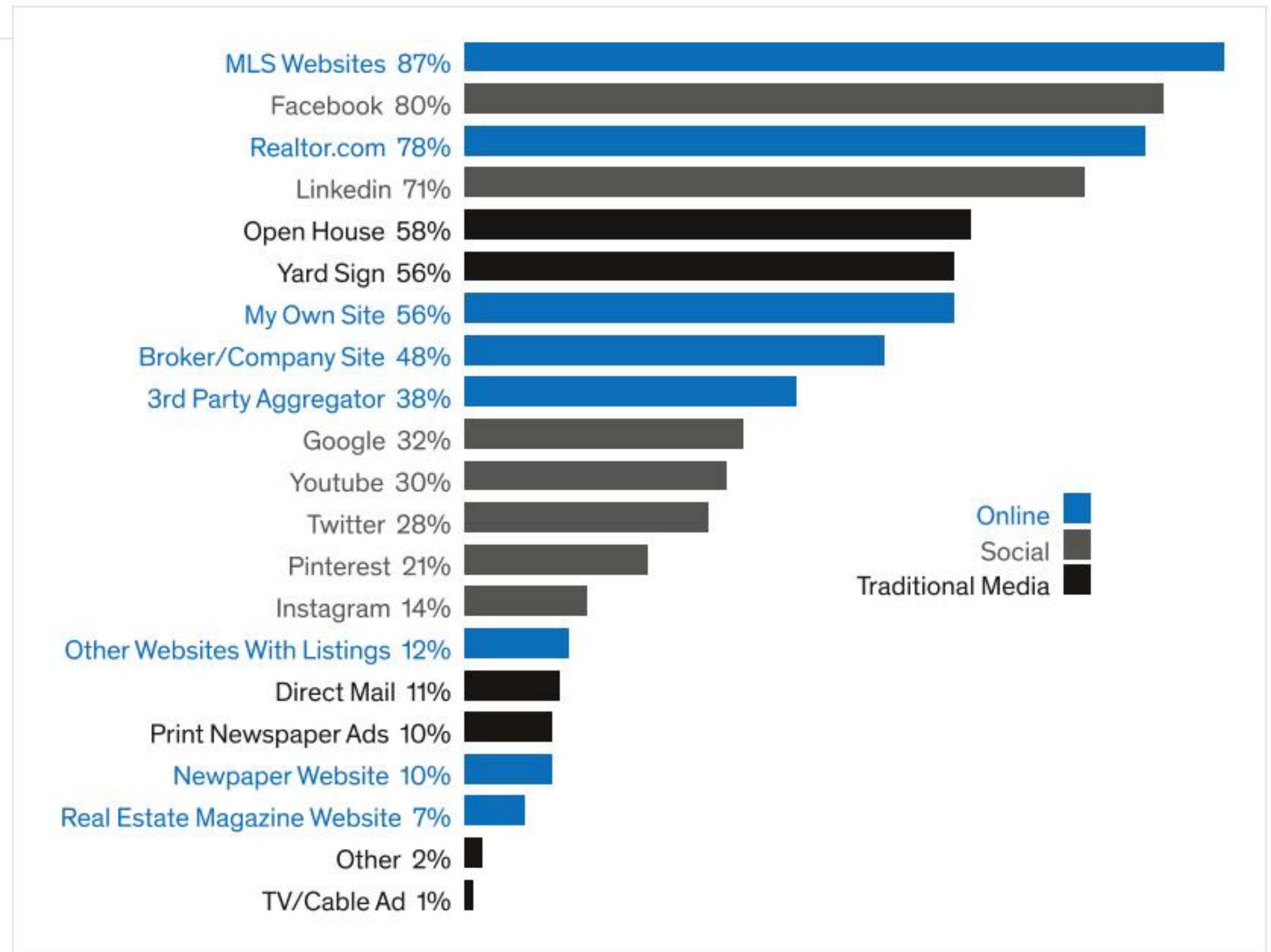
## Marketing Listings

Listings represent one of the most powerful items real estate agents can advertise. They demonstrate specific geographic knowledge, success as an agent and impress sellers; they also can gin up buyer interest.



**Figure 3**

Methods to Market  
an Individual Listing.  
Source: NAR's Report  
*2019 Real Estate in a  
Digital Age*



In 2019 NAR released a study, *Real Estate in a Digital Age*, identifying the methods used to market an individual listing. Among the various types of digital marketing available for agents to broadcast a listing, automated digital listing marketing is one of the fastest growing and widely adopted solutions, according to a T3 Sixty review of the category.

### Automated Digital Listing Marketing

In recent years agents, teams, brokers and franchises have employed automated digital listing marketing, typically facilitated by a technology company. Automation is achieved by firms tapping into listing feeds to automate listing advertisement marketing on ad networks such as Google and Facebook.

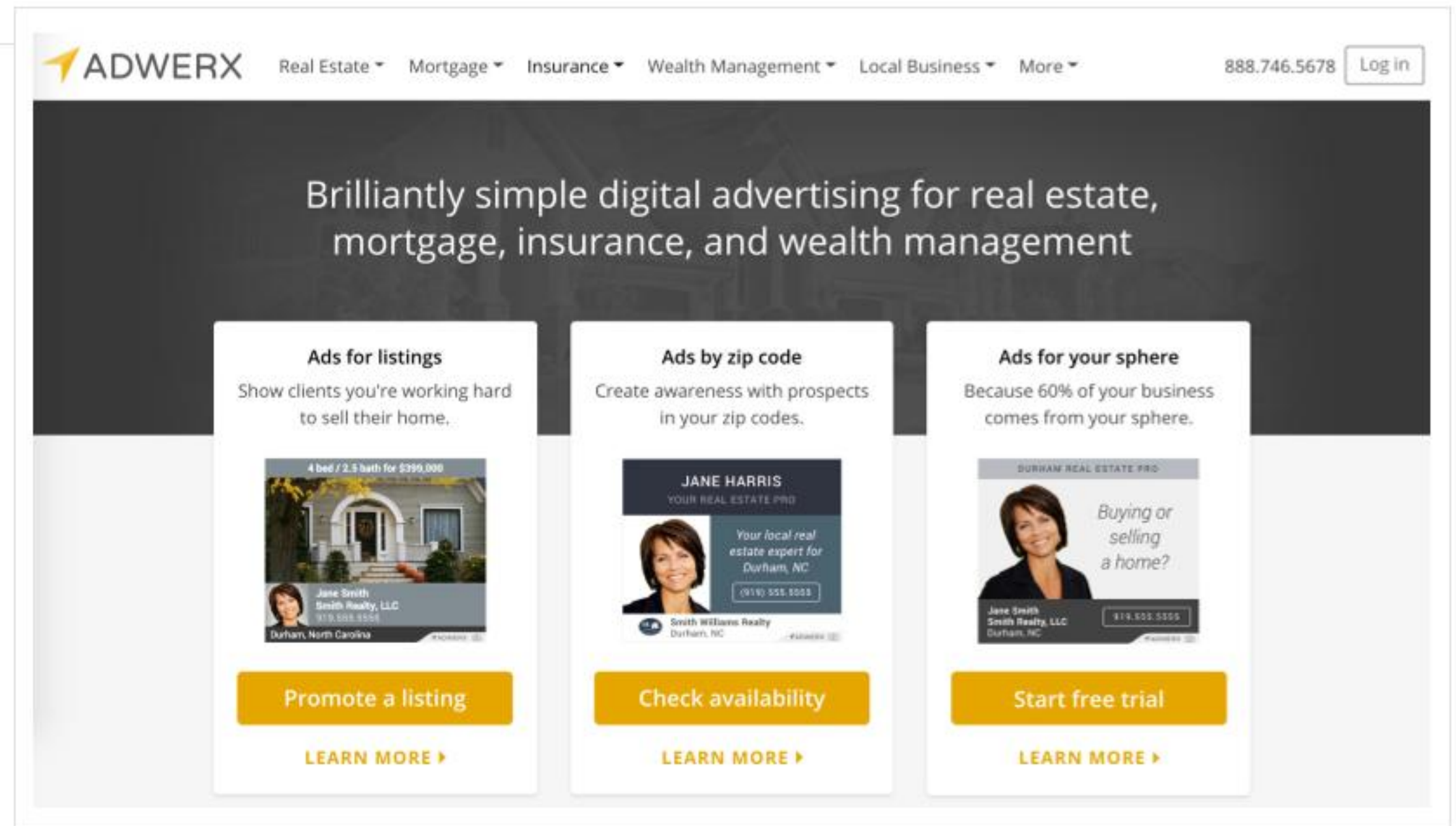
In some cases, agents still create listing advertisements manually, but this method has far lower adoption as it requires specific knowledge of the ad network's advertising system, the creative ability to design ads and, of course, the agent's time and energy. Automation has become a powerful and efficient way to ensure the broadest reach for listing digital marketing campaign.

Based on T3 Sixty research, at least 22 percent of all listings in North America have an automated digital listing marketing campaign. Some of the major players include Adwerx, Back At You Media, HomeSpotter, Homesnap and Quantum Digital.



**Figure 4**

Adwerx's homepage.  
Source: Adwerx



## Adwerx as a Digital Platform

Adwerx began as a business tool in 2013 within ReverbNation, a company that developed business tools for musicians. ReverbNation co-founder and CEO Jed Carlson spun Adwerx out as a separate company in 2015 and leads it as CEO.

Adwerx was one of the first real estate tech vendors to systemize digital marketing and has become one of the leaders in the space. In 2019, Adwerx automated approximately 14.4 percent of the U.S.'s 455,293 average monthly listings, based on an analysis of realtor.com public data and Adwerx campaign data.

### How It Works

Adwerx sells its product to franchisors, brokerages, agents and teams. Brokerages and franchisors either provide the tool as a service or roll the fee into a technology fee they charge agents. When a brokerage engages Adwerx, it shares its agent roster and listing feed with the vendor. Then, Adwerx automatically advertises each new listing attributed to an agent on Facebook and display ad networks, which include many of the most popular websites such as Yahoo, The Wall Street Journal and ESPN on agents' behalf.

Once the listing is obtained, Adwerx receives the data via a listing feed, usually supplied by a team, brokerage or franchise and the platform creates an automated ad template such as the example below.



**Figure 5**

Example of an ad for a zip code and for a listing as provided by Adwerx' website.  
Source: Adwerx



The listing ads are then allotted a budget either paid by the brokerage, franchise or the agent; in some cases brokerages and franchises subsidize the spend with their agents (the average automated ad in North America is allocated approximately a \$50 per week ad campaign associated with the listing) and behaviorally targeted to potential real estate consumers in a certain geography or radius around the listing. Many of the criteria around the who, what and where these ads run are customizable in the Adwerx technology platform.

On top of the automation, Adwerx works in close partnership with Facebook and other major websites to verify that the automated ads comply with the new and changing rules for real estate advertising.

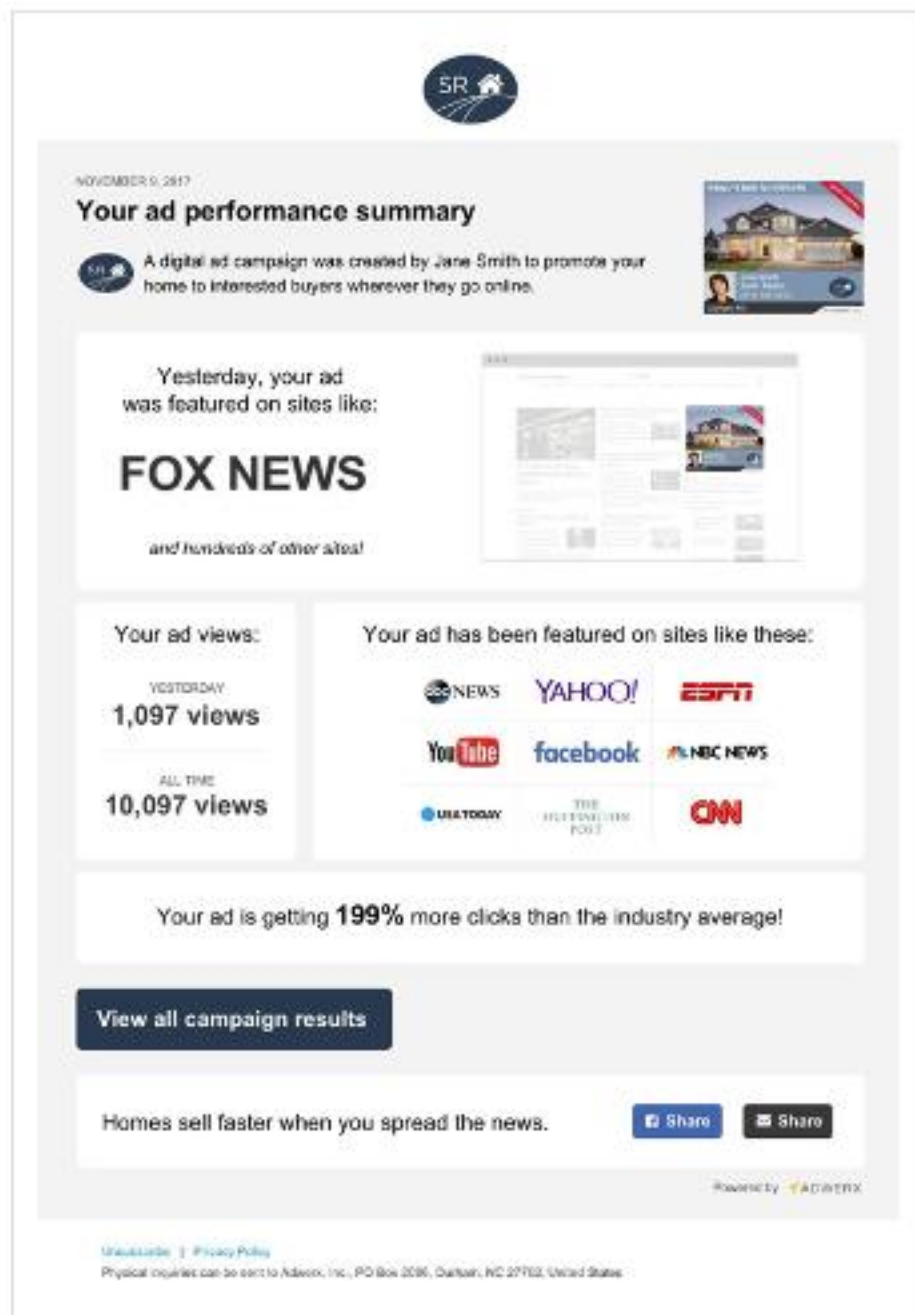
Agents can enhance the Adwerx-powered listing advertising by sharing seller email addresses, which allows Adwerx to target ads to sellers, and also can choose to contribute additional advertising dollars to the campaigns.

“ Adwerx really does work. After the first initial buy we do, our sales professionals are purchasing their own ZIP code ads, sphere ads, and extending their listing ads, because they believe in it, they’re seeing the results and they’re getting a lot of great feedback from their clients about it. We can confidently say that we own the digital market for advertising in all of our markets because none of our competitors are doing what we’re doing with Adwerx. ”

- Dan Mirsky, Marketing Director, HUNT Real Estate ERA

When an agent enters the homeseller’s email address into the Adwerx platform, a series of steps results. The seller receives periodic emails detailing the exposure generated from the Adwerx system, branded to the agent and brokerage.





**Figure 6**

Sample ad performance summary listing views and features.  
Source: Adwerx

The agent and the seller can drive traffic to the ad landing page, which in turn informs retargeting ad campaigns to be deployed around the internet. This retargeting reinforces the agent and brokerage branding with the seller, potential buyers and other agents.

Just as the seller and the agent see data reports on exposure for a specific listing, the data reports are aggregated up to the agent, brokerage and franchise to ensure the effectiveness and reach of this program.

Agents can also use the platform to run custom audience ads, geo-targeted ads, and streaming television commercials increasing personal brand lift and the effectiveness of their other advertising efforts. These other types of ad campaigns could be used for personal branding, sphere targeting and even recruiting and retention, on top of the automated digital listing marketing.

## Designed to Help Agents Grow Their Listing Business

With all their listings automatically advertised, agents maximize their ability to market their listing expertise, especially in and around the geographies where they have listings thanks to Adwerx' geo-targeting feature. Potential sellers in the same neighborhoods will see their listing ads – and serve as a powerful digital complement to the physical yard signs – branding them as a neighborhood selling expert.

The tool also serves as a powerful feature in listing presentations. When interviewing listing agents, many seller prospects ask how the agents will advertise their listing. When agents say they will market their listing with a sophisticated digital marketing tool that provides them frequent updates on performance, sellers see a clear example when agents present them with how they will market their home with the Adwerx service. Agents can explain use of an automated system can commit to exposure through thousands of highly targeted ad impressions – reaching significantly more potential buyers.

In addition, when agents add their sellers' email address to the Adwerx system, the seller themselves become part of the ad's target audience. By encountering the ad for their home online confidence in their agents' efforts and ability go up, which can lead to a better impression and increase the likelihood that they recommend their agent to friends and family.

## Costs

Adwerx packages for a single listing start at \$59 per listing for an individual campaign that runs one week. Many enterprise clients see reduced costs based on volume that can go as low as \$35 per listing campaign.

In addition, NAR members receive 15 percent additional impressions on Adwerx campaigns they purchase, which can be combined with other eligible discounts through the National Association of Realtors' Realtor Benefits Program.

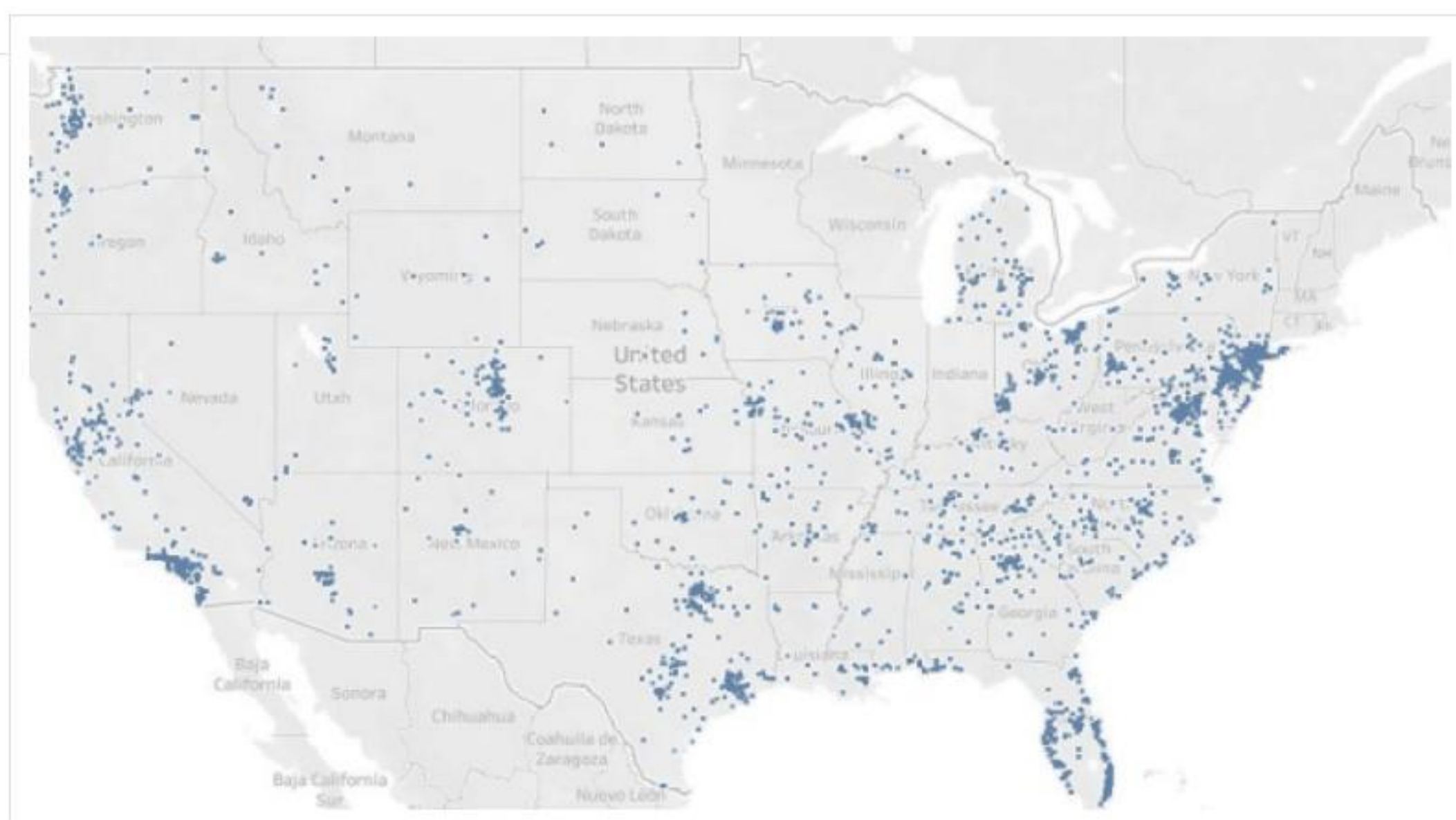


# Performance Analysis

To evaluate the impact that Adwerx service had on agents' listing business, T3 Sixty reviewed anonymized Adwerx performance data for a set of agents who received Adwerx automated listings and a set of agents (at the same brokerages) who did not receive Adwerx and compared how their listing performance changed from 2018 to 2019. Only agents who had at least one listing each year were included in the study. Generally, agents in the Adwerx program see all of their listings automatically advertised; because of this, T3 Sixty discusses the number of agents' listings automatically marketed through Adwerx as their total listing count.

**Figure 7**

Locations of agents included in the Adwerx performance study.  
Source: Adwerx



The sample of agents for this sample study included over 30,000 geographically dispersed agents from several brands and business models. The majority of the agents in the study representing over 20,000 agents had Adwerx applied to their listings; over 2,000 agents were in the control group whose listings did not receive the Adwerx treatment. Both pools of agents came from the same brokerages and geographies.

## Results

The results show Adwerx agents had a better listing performance than the non-Adwerx agent cohort. After normalizing the data to account for broader market dynamics, the agents with Adwerx treatment on their listings grew their year-over-year listing count 35.8 percent more than the control group whose listings did not receive the Adwerx service.

## Agent Engagement

T3 Sixty further analyzed Adwerx performance data to assess results of agents

**35.8 percent**

percent change in listings  
2018 to 2019 of test group  
vs. control group



↓ **4.8 percent**

drop in minimally engaged agents based on listings from 2018 to 2019

↑ **0.8 percent**

rise in moderately-engaged agents based on listings from 2018 to 2019

↑ **7.1 percent**

rise in highly-engaged agents based on listings from 2018 to 2019

whose listings received Adwerx treatment based on their level of engagement with the platform. As introduced above, agents can participate in the Adwerx platform by entering their sellers' email addresses in the platform.

By doing this, sellers receive regular advertising performance reports (from Adwerx advertising) and also receive targeted ads in the Adwerx system. Given that personal referrals are an important way agents grow their listing business, this added exposure of the performance of the marketing the agent does on their home can lead to more referrals, and business.

By analyzing the listing performance of 27,738 agents whose listings received the Adwerx treatment, T3 Sixty determined performance by three groups based on agents' level of engagement with the Adwerx platform: minimally engaged, moderately engaged and highly engaged. These groups are defined by the below:

- **Minimally engaged:** These agents included seller emails on less than 25 percent of their Adwerx-advertised listings.
- **Moderately Engaged:** These agents included seller emails between 25 percent and 50 percent of their Adwerx-advertised listings.
- **Highly Engaged:** These agents included seller emails on over 50 percent of their Adwerx-advertised listings.

The segment of agents who did not frequently input sellers' addresses into the Adwerx platform saw a 4.8 percent drop in the number of listings automated within Adwerx from 2018 to 2019. Those who included sellers' addresses on between 25 and 50 percent of the listings advertised in Adwerx saw a slight 0.8 percent increase in average listings per agent. Highly engaged agents saw a 7.1 percent jump in year-over-year listings.

Further, when comparing agents with 51+ listings, the data of Group 1 (Minimal engagement) versus that of Group 3 (Highly engaged) there is a significant increase in productivity for Group 3 over Group 1. The highly engaged Group 3 users who are also high producers took on average 10 more listings than the high producers in Group 1 that were not engaged.

## Discussion

Based on the analysis of the first set of results, Adwerx appears to be an effective tool in helping agents grow their listings business. An improvement of over a third in year-over-year listing count suggests a Adwerx plays a role in agents improving their listing count performance.

This makes sense as yard signs have historically played a significant role in homeowner impressions of an agent's knowledge and success in a neighborhood. By serving as a digital yard sign, Adwerx gives agents online exposure to the neighbors surrounding a listing.

But even more significant is the role that the second set of data suggests Adwerx plays in improving seller satisfaction with their listing agent performance by rewarding them with referrals. Agents have long known that



“ Adwerx is easy to use. Our brokers don't have to spend a lot of time to learn the ins and outs or be a technology expert to create a marketing campaign. The home owners and sellers absolutely love it. ”  
- Kourosh Sharifi, CFO, RE/MAX Executive

a significant portion of marketing really goes to satisfy sellers (as the MLS and online portals generally broadcast listings to an efficient, broad degree). The fact that year-over-year listing performance improved as agents in the Adwerx program included their sellers' email addresses on more campaigns, reinforces just this idea: sellers are happy when they see their home marketed, which can lead to their referrals.

With its regular emailed performance reports and targeted ads to the sellers themselves when agents enter their email address into the system, Adwerx showcases listing agents' marketing efforts in a thorough, seamless way. This data suggests that Adwerx' core benefit is not in the marketing of the listing to find a buyer, but in marketing to the seller to showcase their marketing expertise and performance and thus win referrals. Adwerx users are leaving listings on the table when they do not include seller email addresses in the campaigns.

## Takeaway

Digital marketing in the real estate industry has been around for more than a decade but has really shot to the industry forefront in the last five years. Digital marketing is a complicated practice that involves skill, consistency and constant reevaluation. Any system that provides an effective automated solution represents an attractive option for brokerages and agents to target one all-important element of their business with a modern digital marketing tool: their listing count.

With agent adoption a persistent challenge, a system such as Adwerx gives brokerage clients a way to ensure the service gets used. But Adwerx and other automated digital marketing tools are just one element of a well-rounded marketing system. Agents and organizations must also engage in the tactics and systems available to employ as many of the 10 digital marketing categories identified in the T3 Technology Landscape – whether remarketing, video, connected TV or even more traditional methods such as email or print.

A multi-medium, well-balanced solution strategy is imperative in today's fast-evolving marketing world. Brokerages and agents should look to inject the technology systems and tactics into their day-to-day activities, so they become part of an established process. To win in 2020 and beyond will require this type of commitment to keep pace with increasingly important ways to engage your sphere and new business.





## About Adwerx

Adwerx provides digital advertising tools for real estate, mortgage, insurance, financial services, and other businesses. Ads powered by Adwerx have received over 16 billion impressions on social media, mobile platforms, and the most widely read news sites. Adwerx has served over 200,000 customers across the U.S., Canada, and Australia. To learn more about Adwerx, visit [adwerx.com](http://adwerx.com).

## About T3 Sixty

Exclusively serving the residential real estate brokerage industry, T3 Sixty provides management consulting and counseling to real estate C-level executives, organized real estate leaders, broker-owners and leaders of high-performance teams to help them grow their businesses. T3 Sixty also offers in-depth research, information and best practices with its hallmark Swanepoel Trends Report, an annual analysis of the biggest trends impacting the industry, and the Real Estate Almanac, a comprehensive examination of the U.S.'s largest brokerages, franchises, networks, associations, MLSs and technology providers. More at [t360.com](http://t360.com).

**Research**  
January - February 2020

**Copyright**  
T3 Sixty, LLC

**T3 Sixty**  
[t360.com](http://t360.com)

29122 Rancho Viejo Rd, Suite 102  
San Juan Capistrano, CA 92675  
United States of America  
949.681.9409

**Adwerx**  
[adwerx.com](http://adwerx.com)

324 Blackwell Street, Suite 510  
Durham, North Carolina 27701  
United States of America  
888.746.5678



**T3 Sixty**  
Enabling Intelligent Change

[t360.com](http://t360.com)