



HomeActions

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Email Marketing Statistics for Residential Real Estate Agents

2013

TABLE OF CONTENTS

Letter From Our CEO	3
Open Rates	4
Open Rates Introduction	4
Open Rates By Quarter	5
Open Rates By Region.....	6
Open Rates By List Size	7
Click Through Rates	8
Click Through Rate Introduction	8
Click Through Rates By Quarter	9
Click Through Rates By Region.....	10
Click Through Rates By List Size	11
Daily Send Rates	12
Emails Sent By Day of the Week.....	12
Daily Send Rates By Region.....	13
Daily Send Rates By List Size	14
Unsubscribe Rates.....	15
Unsubscribe Rates Introduction	15
Unsubscribe Rates By Region.....	16
Unsubscribe Rates By List Size	16
Definitions & Tips.....	17
About HomeActions	20

LETTER FROM OUR CEO

We are proud to release our first annual report on *Email Marketing Statistics for Residential Real Estate Agents*. This report covers statistics for the calendar years ending December 31, 2011 and December 31, 2012.

HomeActions is an e-publishing company that specializes in content delivery for the real estate industry. We deliver e-marketing, home advocacy and industry best practices content via email, newsletters and other electronic channels. Since we produce the majority of the content for our newsletter product line, this study is unique and definitive. Going forward we will produce annual studies, in addition to tracking trends in real estate, and reporting on industry best practices.

This study is based solely on our customer base and includes more than 10 million emails delivered by real estate agents to their clients and prospects. This report examines several critical email marketing metrics, including click through rates and open rates, over the course of two years. It also explores the performance of each geographic region based on various list sizes as well as launch day.

The world of email marketing continues to be the most effective and least expensive method of marketing. This is particularly true with real estate agents who have the formidable task of staying in touch with clients and prospects for long periods of time. A system that "touches" their contacts twice per month with outstanding articles is the basic strategy of the HomeActions platform.

The HomeActions *Email Marketing Statistics for Residential Real Estate Agents* reinforces the importance of email marketing as a means for real estate agents to reach their clients and prospects. Managing effectively the pipeline of clients and prospects of real estate agents is perhaps one of the most important action plans for a successful real estate agent. Our goal at HomeActions is to help real estate agents succeed and grow their business.

We welcome all comments and hope you find this report meaningful.



Barry J. Friedman, CEO
HomeActions, LLC
www.homeactions.net



Barry J. Friedman

Note - This report contains statistics of HomeActions clients and excludes the following:

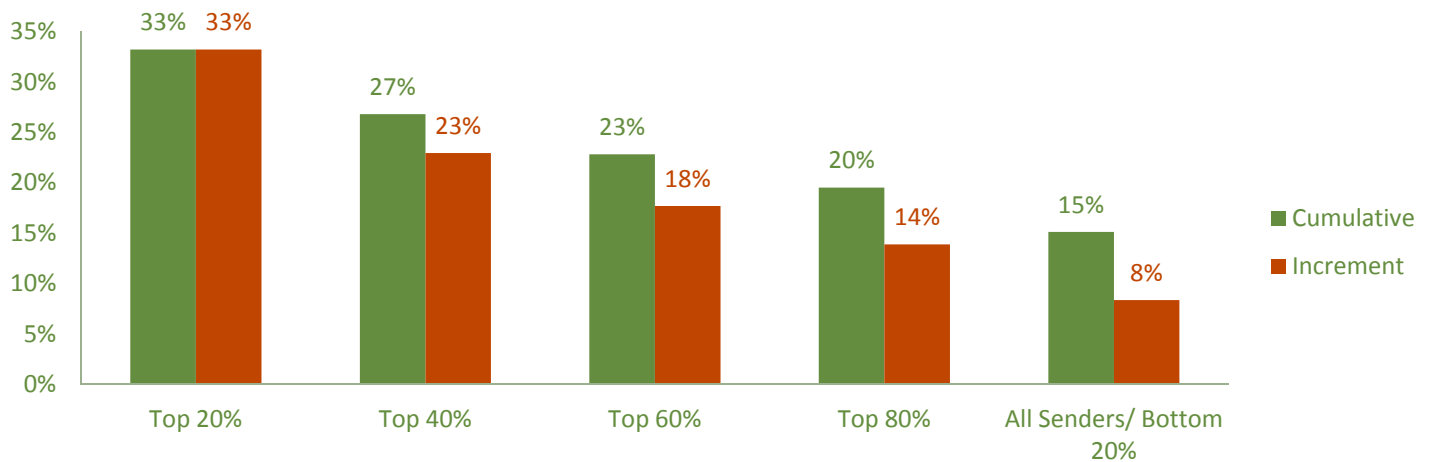
- 1 - Real Estate agents with less than 25 email addresses in their platform
- 2 - All marketing emails of HomeActions

OPEN RATES

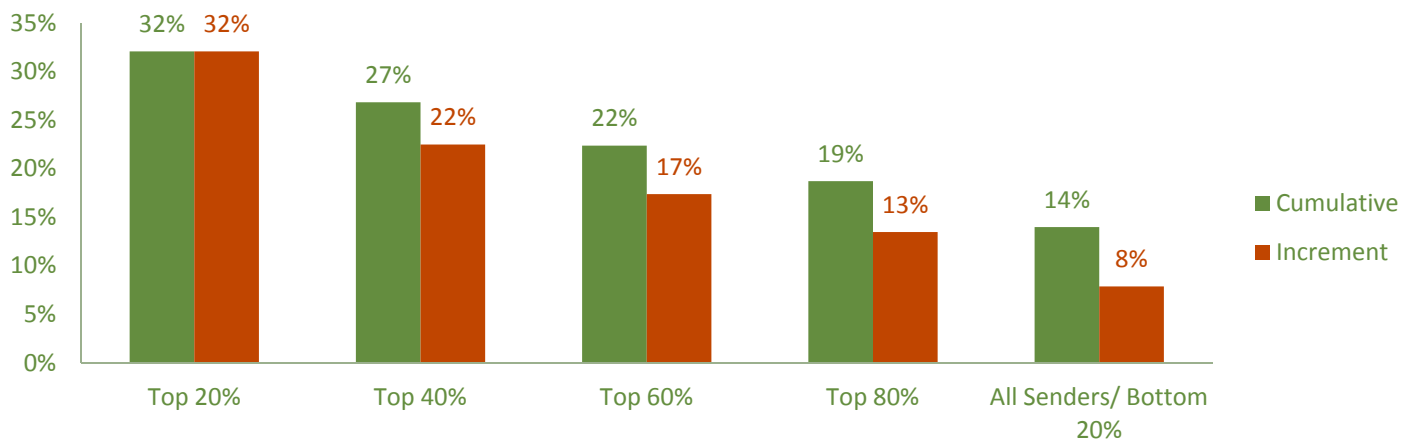
Open Rates Introduction

This analysis is based on over 10 million emails sent by HomeActions real estate agents. With some accounts sending out 1,000 emails, and others sending out 200,000 emails, both open and click through rates vary greatly. The charts below depict detailed open rates ranging from 15% to 33% for cumulative open rates in 2012 (both the lowest and highest increased 1% from 2011). These open rates demonstrate the range that elements such as list hygiene, relevant content, list segmentation and other factors may play in achieving opens.

2012 Open Rates by Sender



2011 Open Rates by Sender



Average open rates increased slightly from 2011 to 2012, from 14% to 15%. This may be due to the slight boost in the nation's economy, which may have had homeowners and renters recognizing the benefits of the budgetary and cost-saving tips included in many of the newsletters, piquing their interest in what was happening in their neighborhoods, and other environmental and financial factors. The HomeActions newsletters include tips and strategies for homeowners to save money, make improvements and learn about their communities in addition to real estate listings, announcements from their Realtors® as well as other news and events.

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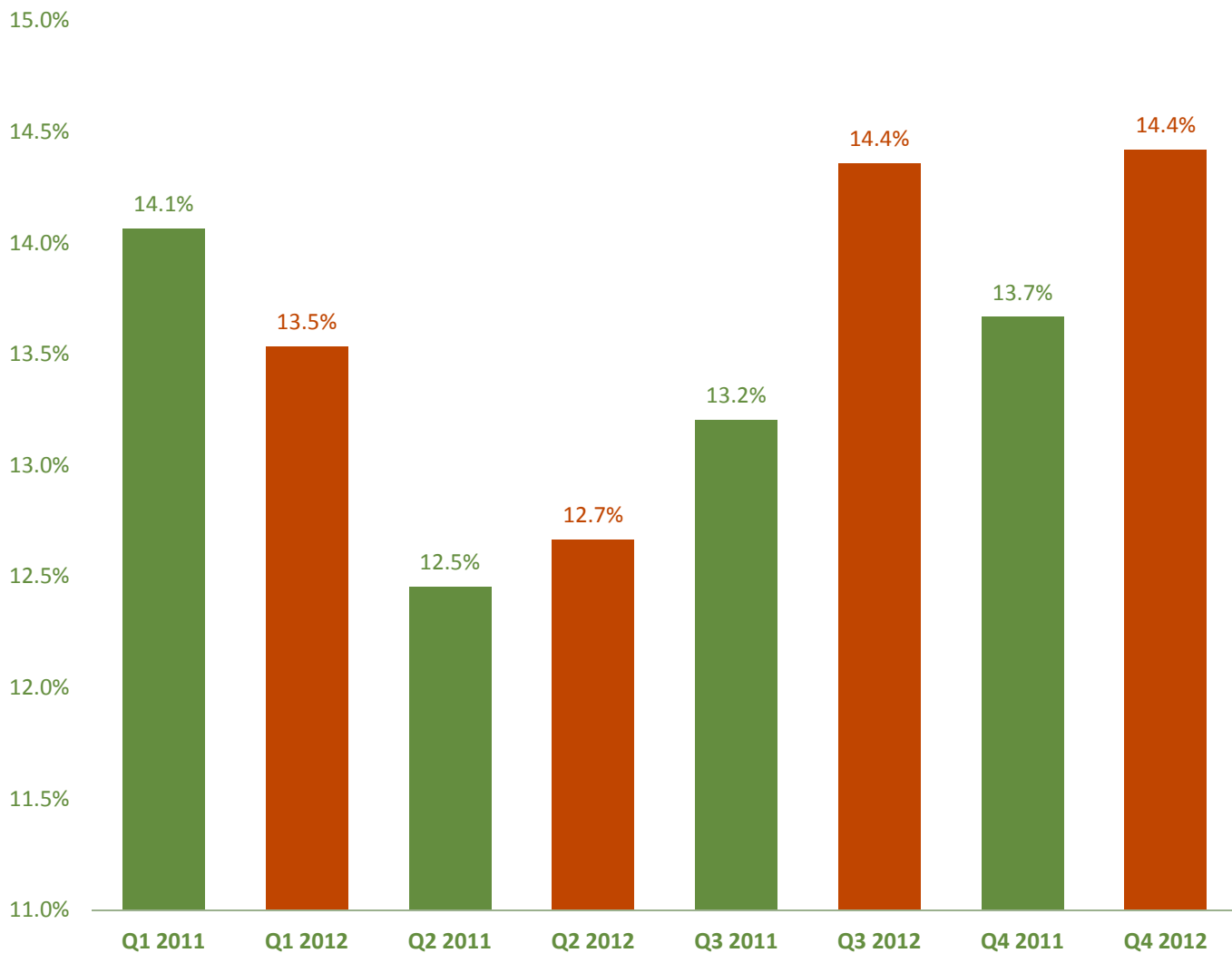
(What is an Open Rate? See [Definitions & Tips.](#))

Open Rates By Quarter

In 2011, the first quarter led open rates, closely followed by the fourth quarter. The second quarter showed the lowest number of opens, a trend which continued in 2012. The dip in open rates for both years in the second quarter may be attributed to early summer vacations or some other variable. It will be interesting to see if this trend continues in coming years.

In 2012, there was a clear increase in opens for the second half of the year, with the third and fourth quarters tied for the most opens. There are several theories for why open rates peaked for the two quarters ending December 2012, including messaging as well as economic factors. More people may have been more interested in seeing how the real estate market was beginning to bounce back in this recession, while others may have begun looking at the home improvement articles as their personal financial situations began to improve slightly.

Comparative Average Open Rates By Quarter



Open Rates By Region

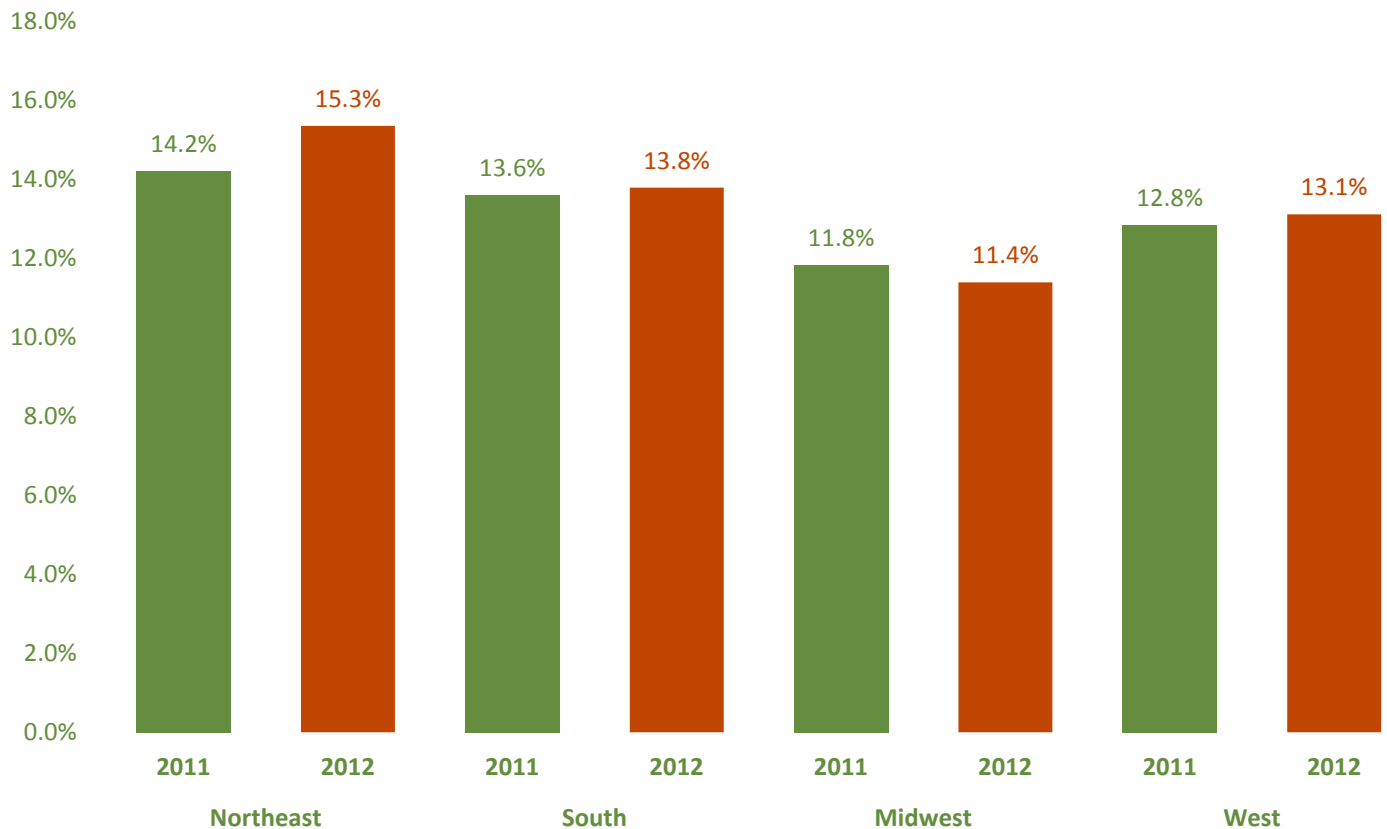
The following chart shows the average percentage of email newsletters opened for the years ending December 31, 2011 and December 31, 2012 in each of the four regions identified.

There does not appear to be a significant amount of difference in open rates throughout the country. While in other industries, the region being marketed to might have a more significant impact on open rates, for real estate professional email marketing, the trends appear fairly consistent regardless of geographic location.

The Northeast Region showed the highest percentage of opens overall, with an average of 14.2% in 2011 and 15.3% in 2012. The South Region had the second highest averages, with 13.6% in 2011 and 13.8% in 2012. The Midwest Region had the lowest rate of opens, with 11.8% and 11.4% in 2011 and 2012, respectively.

The Midwest Region was also the only geographic area targeted that showed a decrease in open rates from 2011 to 2012. It is unclear as to why the open rates are lowest in the Midwest Region or why the open rates decreased over the past two years (however slightly) when all other regions showed an increase in open rates during the same period.

Comparative Average Open Rates By Region



(How are regions defined? See [Definitions & Tips.](#))

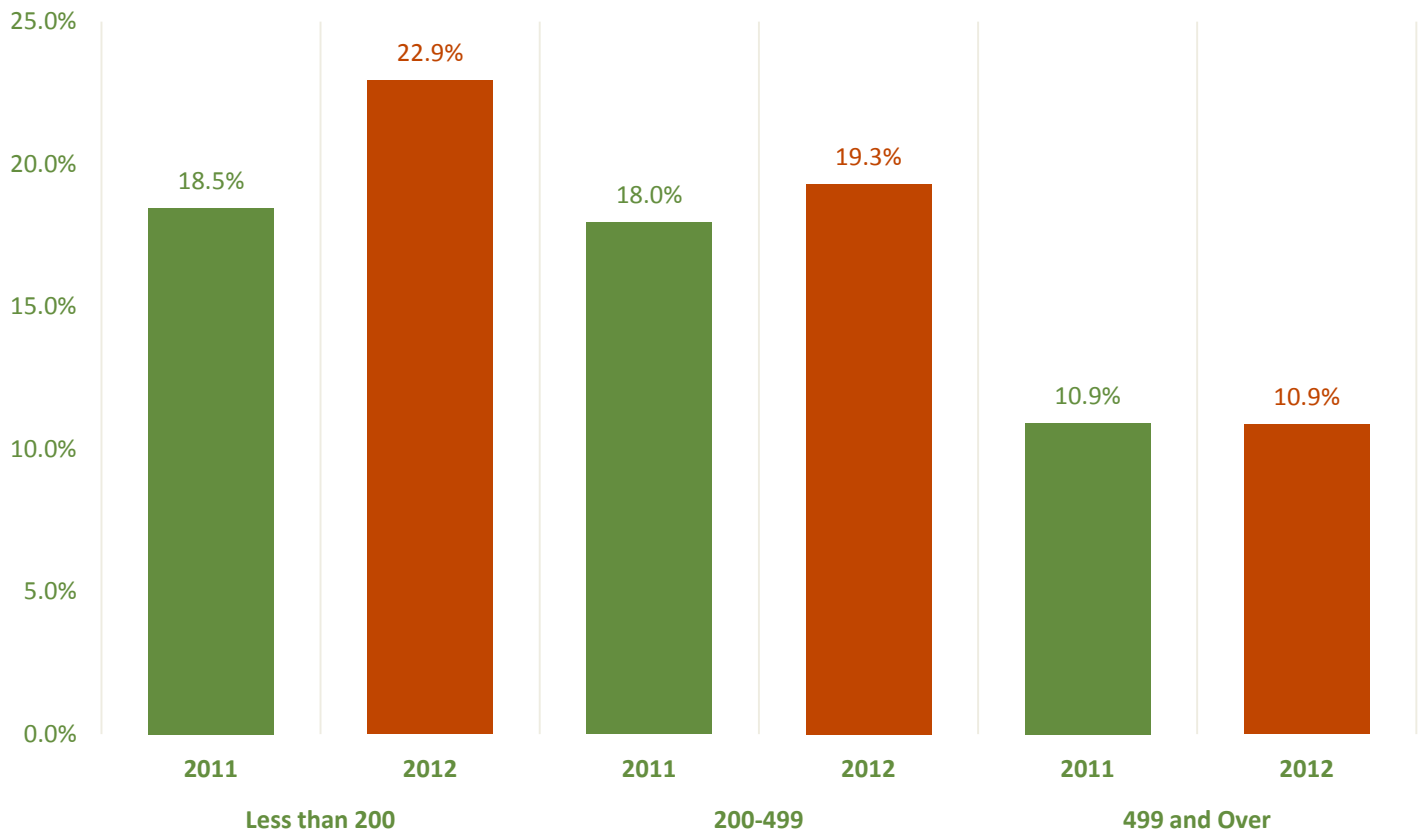
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Open Rates By List Size

Open rates, when analyzed by list size, show a surprising trend: open rates appear to be lower for larger lists. This statistic is anomalous with other email marketing trends found in other industries. The reason for the lower open rates for larger lists is unknown, though hypothetically, it could be due to a larger number of recipients having their images turned off in their respective email programs, having been on the distribution list for a longer period of time or reviewing the newsletters on their mobile devices.

The chart below confirms that open rates ranged between 10.9% and 18.5% in 2011 and between 10.9% and 22.9% in 2012 based on list size.

Comparative Average Open Rates By List Size



(How is List Size defined? See [Definitions & Tips](#).)

CLICK THROUGH RATES

Click Through Rate Introduction

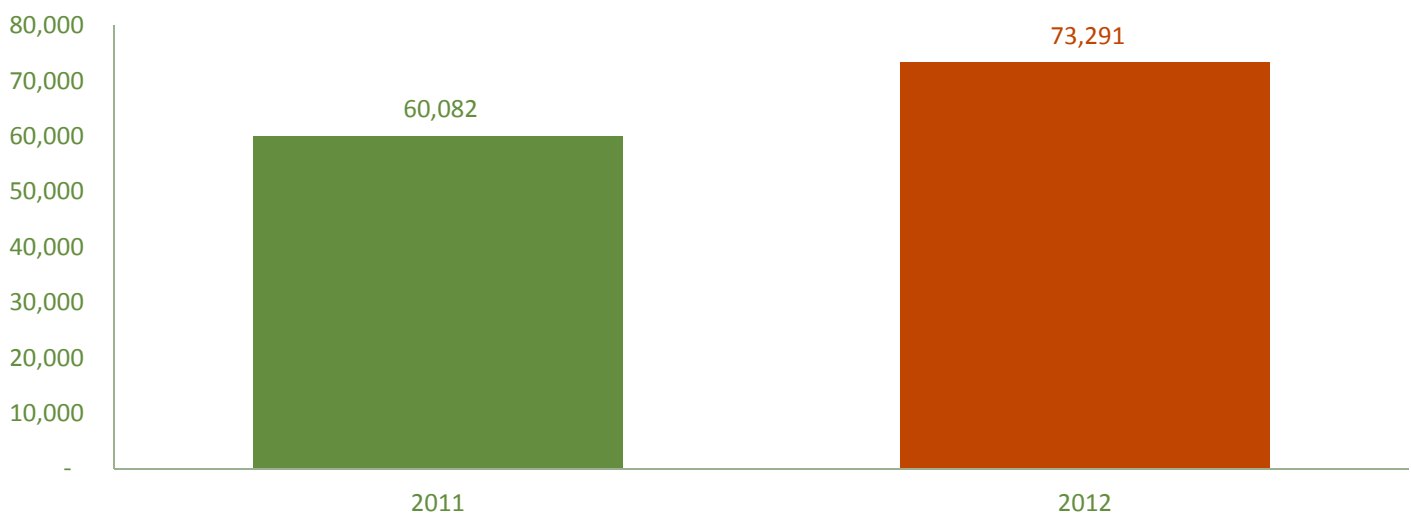
The purpose of click-through rates is to capture recipients' interest in content included in an email or email newsletter campaign. It is nearly impossible to fully quantify the emotional reaction to an email newsletter. One piece of information that is easy to acquire, however, is the click-through rate. The click-through rate measures the proportion of recipients who initiated action by clicking on a piece of content to read more about a particular subject.

Most email marketers use this metrics along with open rates and other metrics to understand the effectiveness and success of their email campaigns. In general, there is no ideal click-through rate. This metric can vary based on the type of email sent, how frequently emails are sent, how the list of recipients is segmented, how relevant the content of the email is to the audience, and many other factors.

Email newsletter click activity represents the interest the recipient has in the content or the sender and the perceived value of the information delivered.

The total click through activity for 2011 and 2012 is shown below. While the number of actual clicks rose over the two-year period, the percentage of click throughs dropped by 0.2%. This increase in engagement but loss in percentage may be attributed to the addition of new subscribers to lists who interacted more with newsletter content than those who have been receiving messages for a longer length of time, economic conditions or other external factors, or may point to a need to examine each campaign's content and make adjustments based on the specific types of content that changed during the periods analyzed, review what had higher click through rates in 2011 than in 2012 and whether it was continued in 2012 or replaced with other kinds of content, as well as what kinds of content generated the highest click through rates overall and incorporate more of that kind of content in future newsletters.

Total Clicks

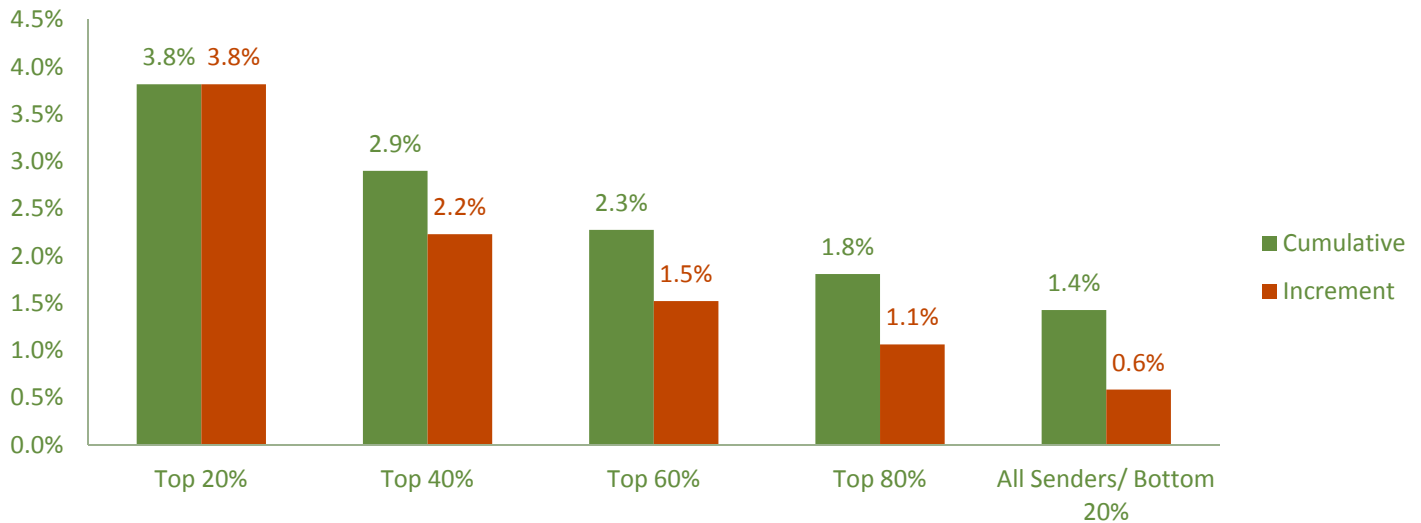


(How are Click Through Rates calculated? See [Definitions & Tips.](#))

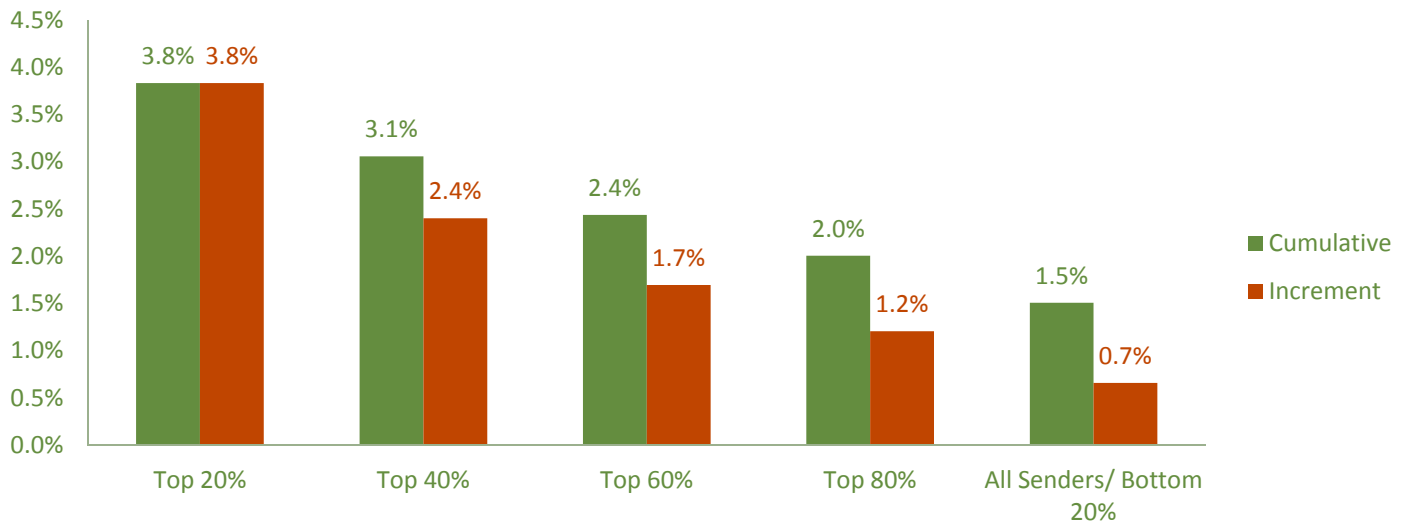
Click Through Rates By Sender

Click through rates by sender are presented below. As with Open Rates, the cumulative and incremental ranges are shown by sender. Users who regularly maintain their database lists, subscribe to quality opt-in email practices, and offer relevant, educational and interesting content specific to their audience have the highest click through rates, at 3.8%. Users who could employ better email marketing practices show the lower rates.

2012 Click Through Rates by Sender



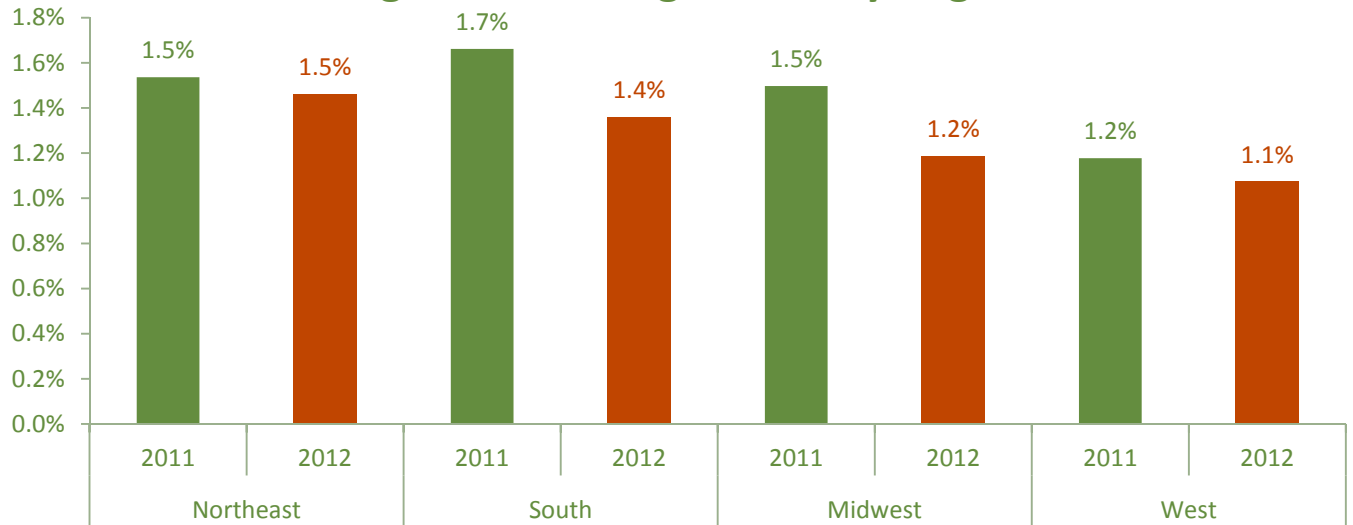
2011 Click Through Rates by Sender



Click Through Rates By Region

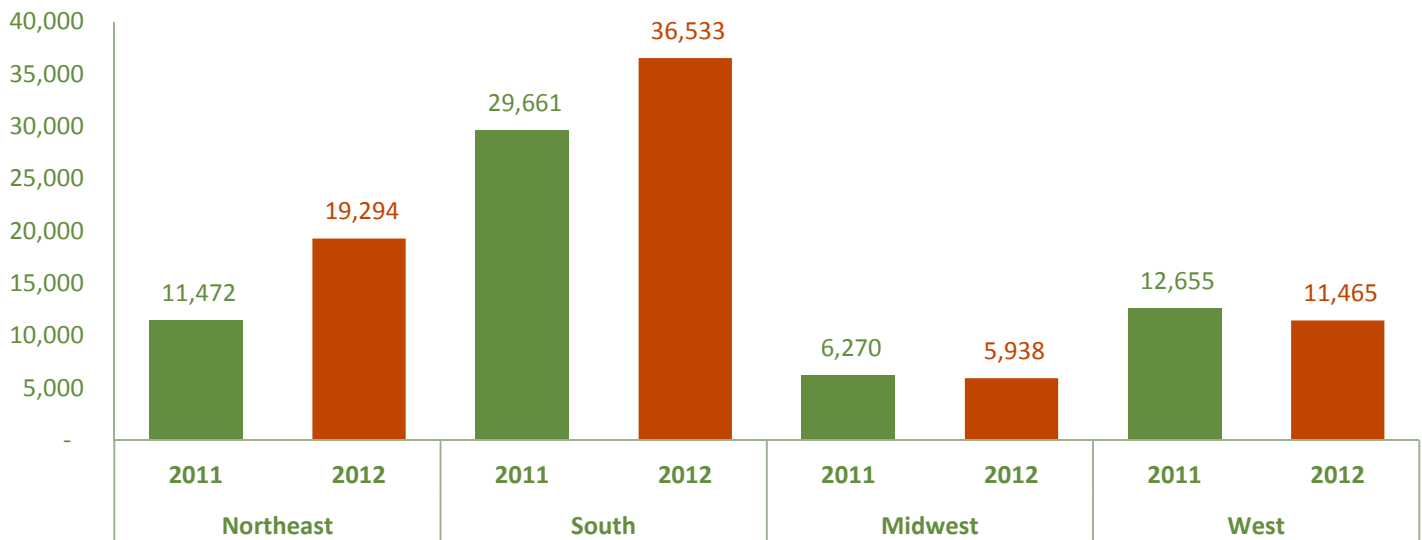
Click through rates by region are presented below. The regions are based on the location of the real estate brokerage office that the agent is affiliated with. As with Open Rates, click through rates appear to be fairly consistent regardless of region, with the Midwest region demonstrating the lowest percentages overall.

Average Click Through Rates By Region



Total click activity by region is shown below. All regions demonstrated an increase in total click activity from 2011 to 2012, with the South region showing the largest increase overall.

Total Clicks By Region



Click Through Rates By List Size

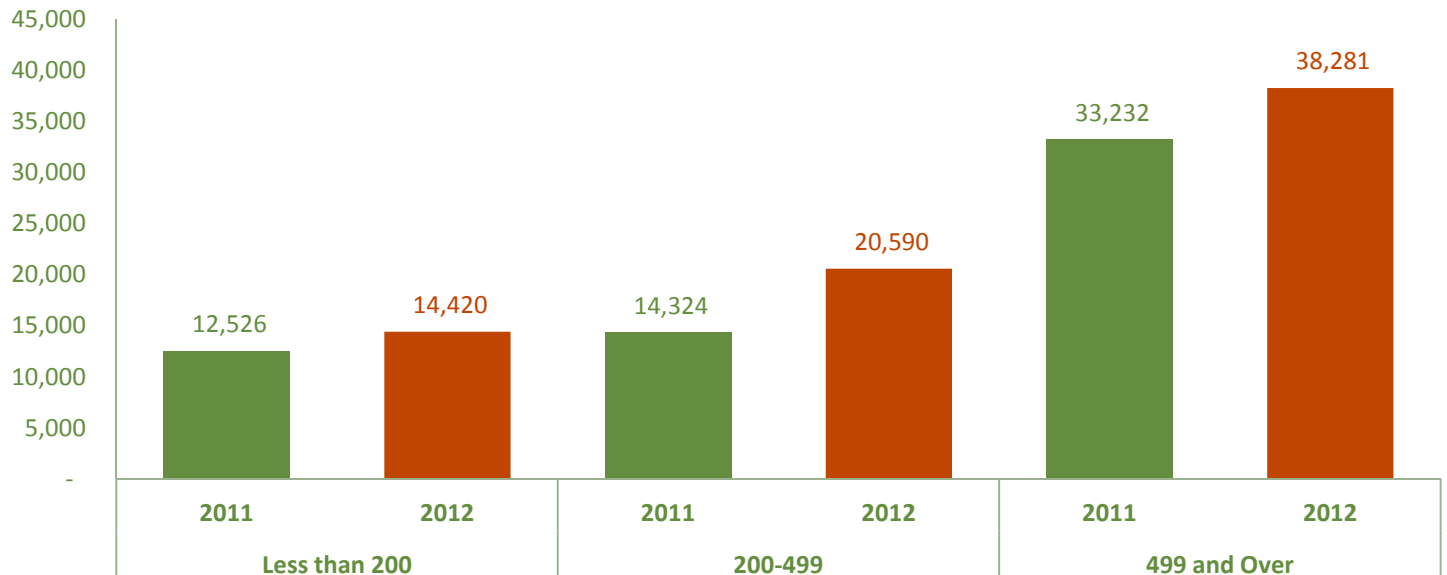
Continuing the trend shown in the Open Rates, the largest lists showed the lowest percentage of click through activity. The smallest lists jumped up .4% between 2011 and 2012, perhaps due to a larger number of small lists launching in 2012 than any other list size.

Average Click Through Rates By List Size



Total click through rates by list size are shown below. An overall increase in engagement was demonstrated between 2011 and 2012, with the total number of clicks increasing for the largest lists (presumably because there were more recipients in total).

Total Clicks By List Size



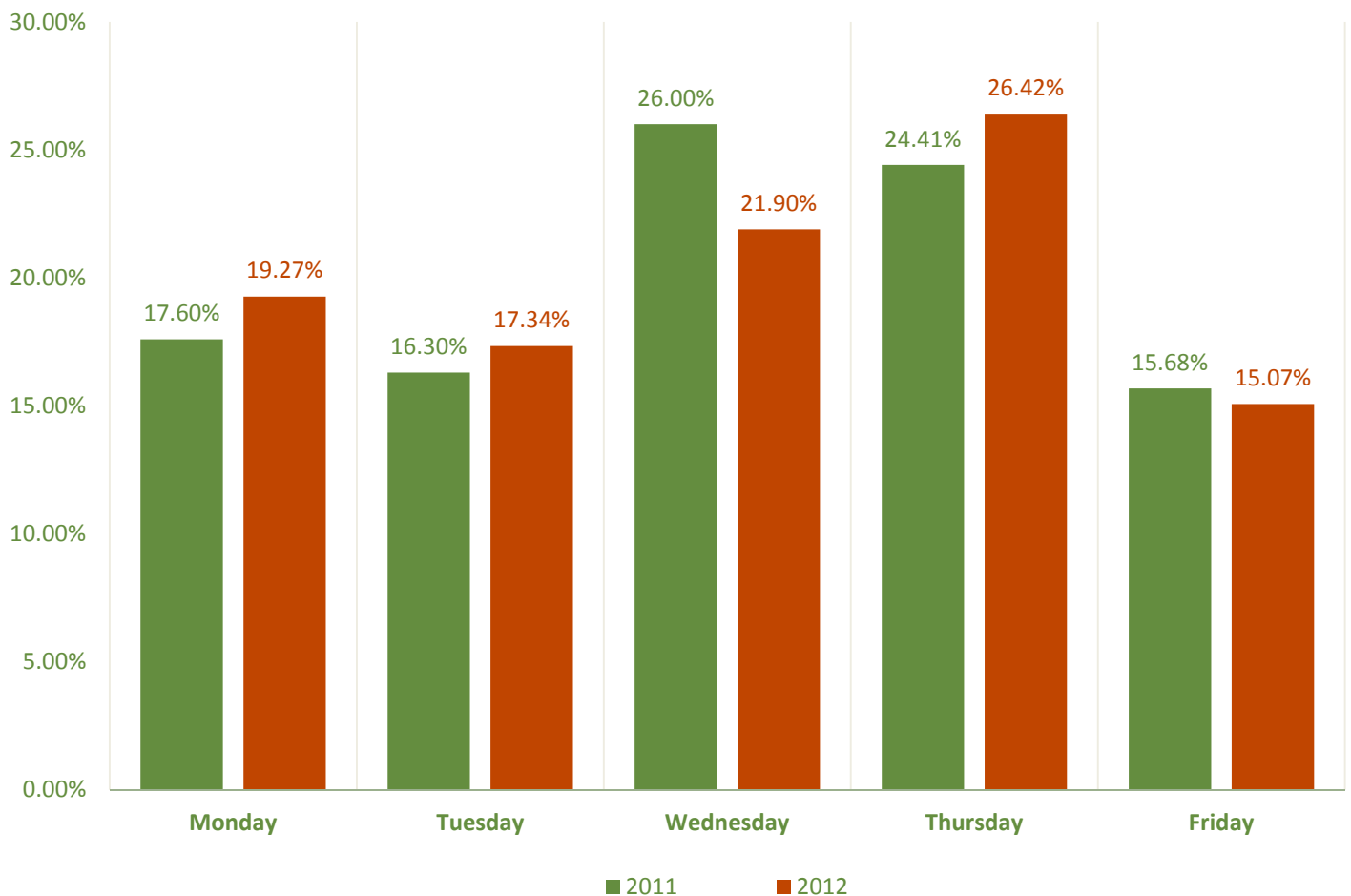
DAILY SEND RATES

Emails Sent By Day of the Week

The timing of email marketing launches, including the day of the week and time of day, may affect click activity and open rates. Our clients select their launch schedules with input from our Customer Support Representatives. Frequency of launches as well as content relevance to each recipient may also impact click activity and open rates. HomeActions typically recommends sending email newsletters either monthly or bi-weekly. We examined our real estate professionals' sending habits by the day of the week in the graphs shown in this section.

In 2012, the trend shifted from Wednesday to Thursday as the preferred launch day, with an overall increase of 2% launching on Thursdays and a drop of approximately 4% for those launching on Wednesdays from 2011 to 2012. Fridays were the least common launch day for our real estate professionals in both 2011 and 2012 and showed an additional decrease of half a percent from 2011 to 2012.

Comparative Total Daily Send Rates



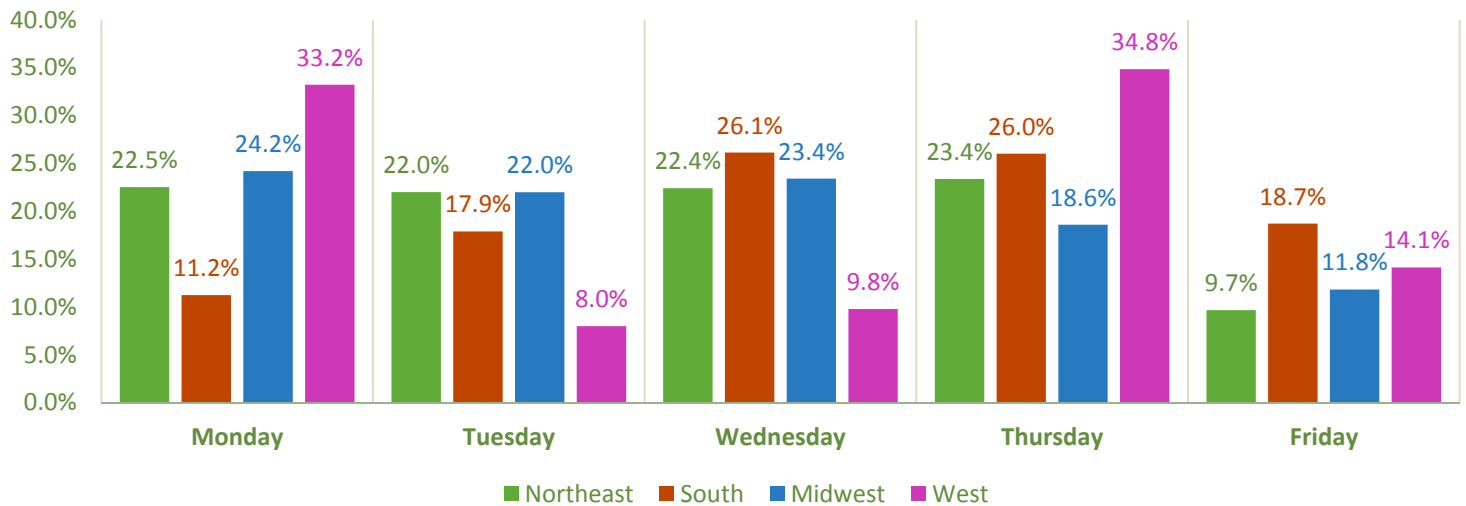
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Daily Send Rates By Region

Depending on the marketing campaign and industry, different regions of the country may exhibit different preferences for day-of-week email delivery. For real estate professionals, the trends in 2012 showed slightly more consistent delivery days throughout the week. The Northeast and Midwest regions showed no clear preference for a particular day, other than lower send rates on Fridays. The South region demonstrated a preference for Wednesday and Thursday launches, with Monday launches the least common. The West region showed preference for Monday and Thursday launches, with Tuesday being the least common launch day, followed closely by Wednesday.

Daily Send Rates By Region

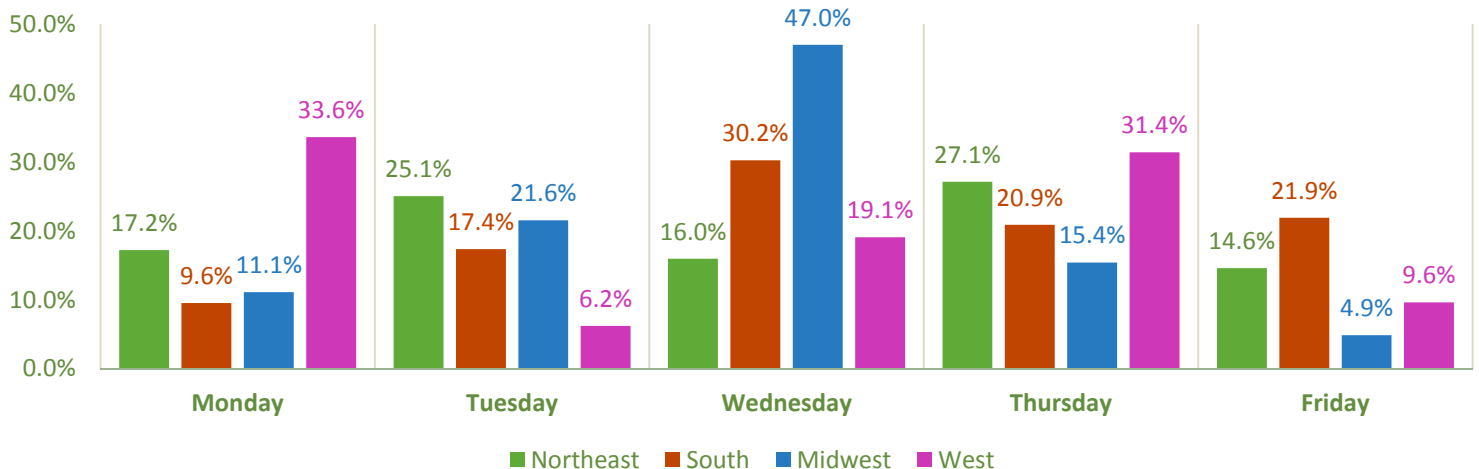
12 months ending 12/31/12



In 2011, the delivery days were slightly more erratic, with the Midwest region showing a clear preference for Wednesday launches. The Northeast region launched fairly consistently throughout the week in 2011, as did the South region. The West region demonstrated a preference for Monday and Thursday launches in 2011.

Daily Send Rates By Region

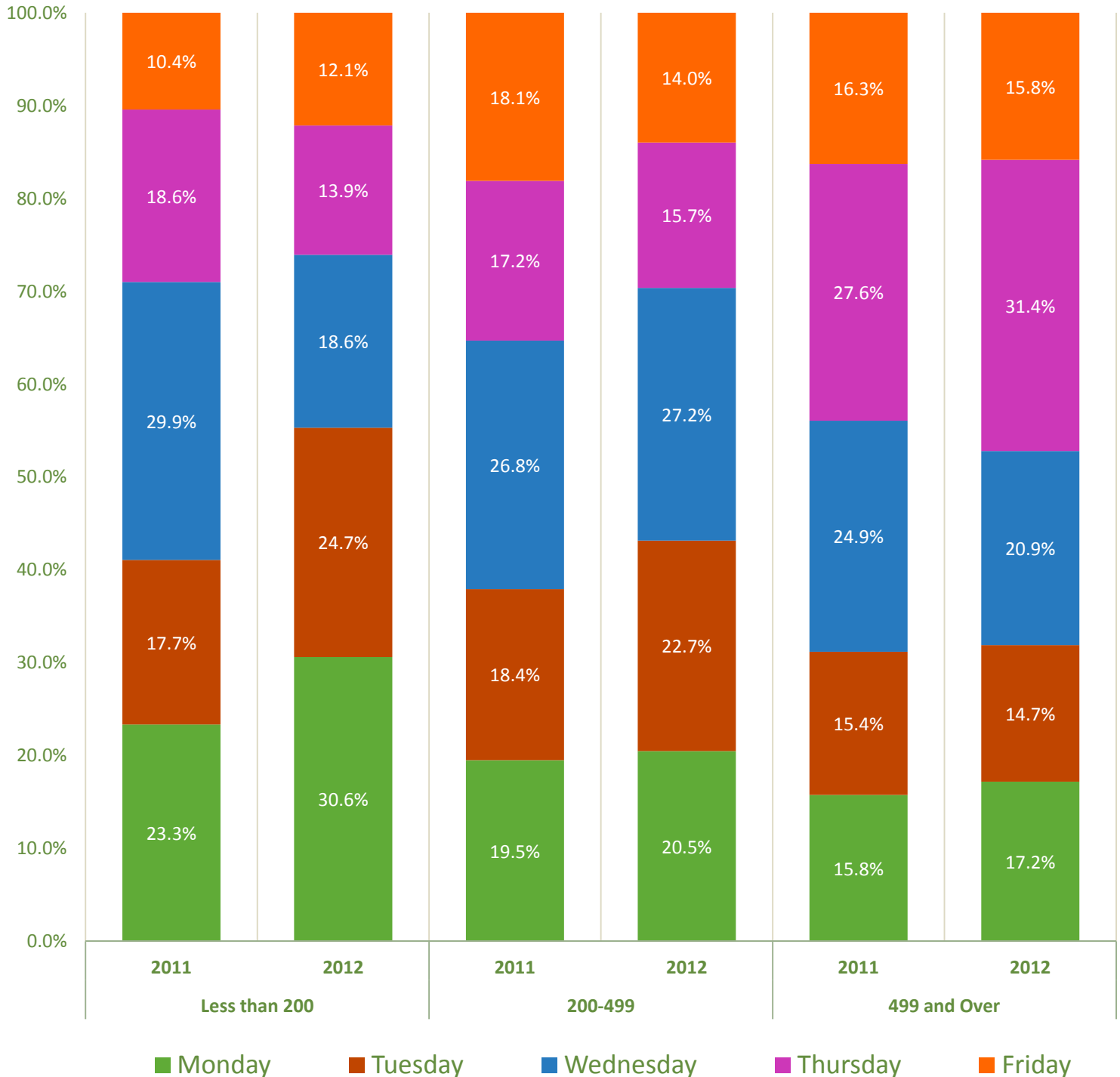
12 months ending 12/31/11



Daily Send Rates By List Size

List size does not appear to have had much effect on which day of the week a real estate agent chooses to send his or her email newsletter. The trends between 2011 and 2012 for daily send rates by list size remain fairly consistent with no significant changes noted.

Comparative Daily Send Rates By List Size



UNSUBSCRIBE RATES

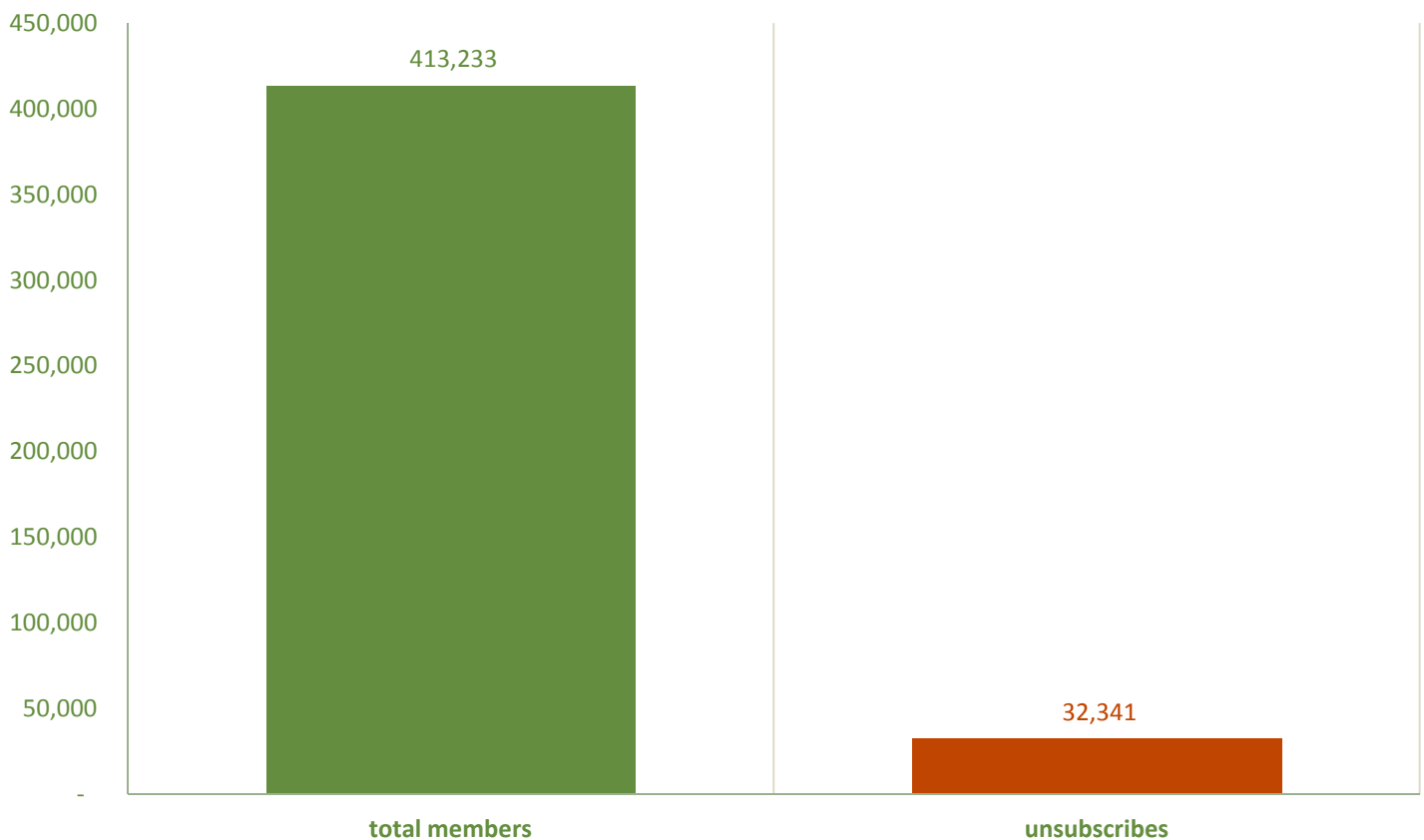
Unsubscribe Rates Introduction

An email unsubscribe rate is one of the metrics used by email marketers to identify the effectiveness of a campaign. The higher the unsubscribe rate, the more likely that changes need to be made to the content, delivery day or time, list relevance or other components of a campaign. The unsubscribe rate shows how many people requested to be removed from an email campaign.

The unsubscribe rate varies significantly by organization and issue, as well as over time. For instance, expect a temporary increase in the unsubscribe rate after adding a batch of new email addresses to your campaign's distribution list. Unsubscribe rates may also fluctuate dramatically over time if your list is small.

The total unsubscribe rate in 2012 averaged approximately 8% for all HomeActions clients. Note that this information was collected for 2012 only and therefore cannot be shown in comparative format.

Total Members Versus Total Unsubscribes in 2012

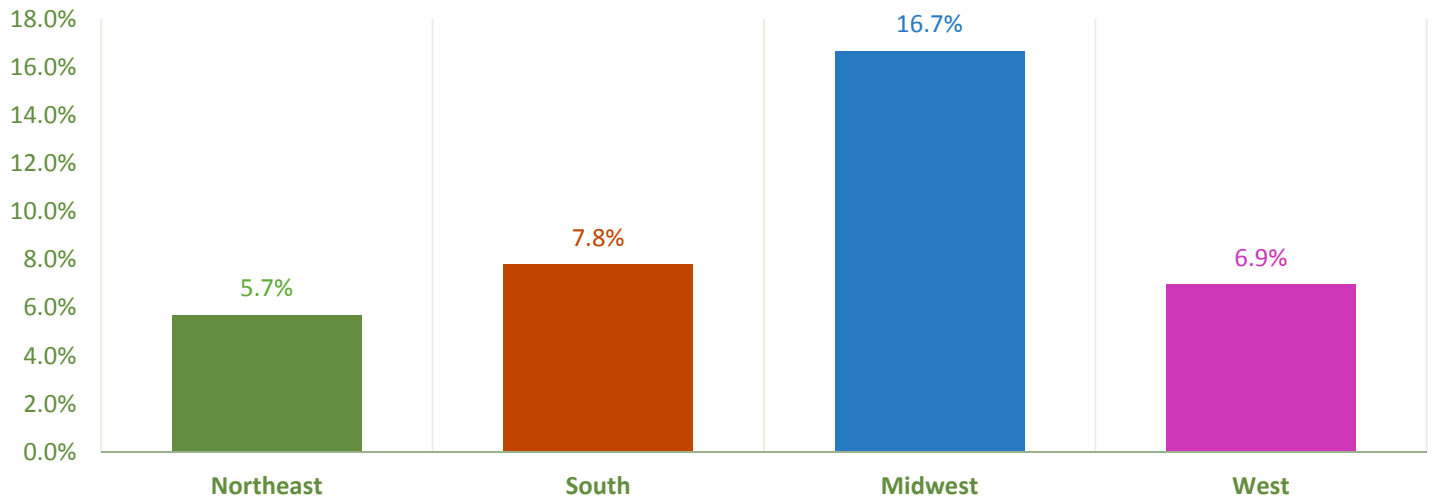


(How is the Unsubscribe Rate calculated? See [Definitions & Tips.](#))

Unsubscribe Rates By Region

The following chart shows the percentage of unsubscribe requests by region in 2012. The Midwest had the largest percentage of opt-outs, while the other three regions were moderately similar, each staying within the 5-8% range.

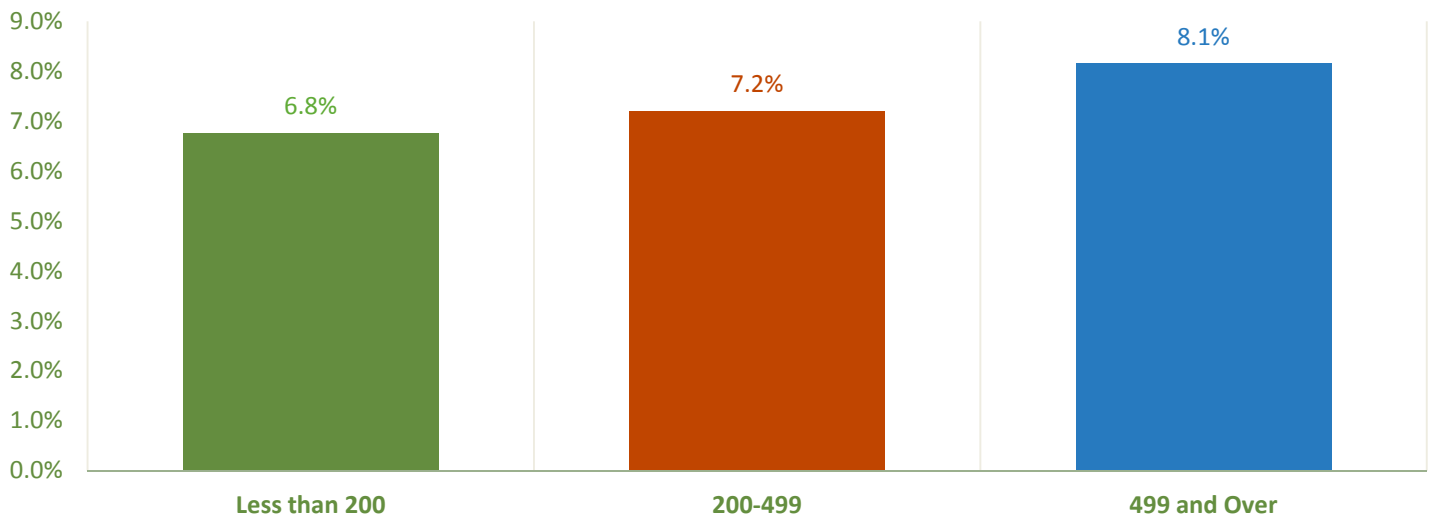
Unsubscribe Rates by Region



Unsubscribe Rates By List Size

Not surprisingly, the largest lists also had the largest unsubscribe requests. This is likely due to larger lists containing fewer personally-known contacts and more “marketing” prospects.

Unsubscribe Rates by List Size



DEFINITIONS & TIPS

Click Through Rate (CTR)

An email click through rate is defined as the number of recipients who clicked one or more links in an email and landed on the sender's article, landing page, website, blog, or other desired destination. More simply, email click-through rates represent the number of clicks that an email generated.

The email click-through rate is typically expressed as a percentage, and calculated by dividing the number of click throughs by the number of messages delivered.

The clicks shown in this report are unique clicks, meaning that no particular individual's multiple clicks have affected the data. An individual is identified by a unique email address. Click activity rates have been calculated by dividing the number of unique clicks in an email message by the total number of recipients. Additionally, team members (database members that have been categorized as the sender's employees) have been excluded from the statistics.

In this report, click activity rates have been calculated by dividing the number of unique clicks in an email message by the total number of recipients.

Tips To Improve Your Click Through Rate:

Make content and descriptions compelling. Provide recipients something they really want to click to see, and a description that makes it clear why they should.

Ensure the subject line prepares the reader for the content. Generally, readers are more likely to click through when their experience is consistent. If the subject line matches the email content, they'll see what they expect when they open the email, and be more likely to take action.

Change your format. The format of an email, particularly an email newsletter, can have a dramatic effect on your CTR. The Adjusted CTR can be particularly useful in accurately homing in on what's working and what's not.

Highlight what you want readers to click on. A call out box—generally an outlined or colored box with a link and a simple call to action—can increase Click-Through Rates, as can buttons and relevant images. Also consider a hotspot—a hyperlinked text-based call to action located at the very top of your email, above even the header or any other html. This ensures that readers will see your message even if they have image-viewing disabled in their email browsers.

List Size

For the purposes of this report, the list size equals the total number of unique active email addresses in an account's database, including Team Members (employees), Clients, Prospects and Referral Sources. Unsubscribed and bad email addresses are not included in list size data.

Open Rates

The email open rate is a measure primarily used by marketers as an indication of how many people "view" or "open" the commercial electronic mail they send out. It is most commonly expressed as a percentage and calculated by dividing the number of email messages opened by the total number of email messages sent (excluding bounced emails).

Open rates are typically tracked using a transparent 1x1 pixel, or small transparent tracking image, that is embedded in outgoing emails. When the email program or browser used to display the email requests that image, then an "open"

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is recorded for that email by the image's host server. The email will not be counted as an open until one of the following occurs:

- 1) The recipient enables the images in the email or*
- 2) The recipient interacts with the email by clicking on a link*

The open rate of any given email can vary based on a number of variables. For example, the type of industry the email is being sent to. In addition, the day and time an email is scheduled or sent to recipients can have an effect on email open rate. The length of an email's subject line can also affect whether or not it is opened.

Good open rates traditionally range between 15 and 25 percent. However, open rates are declining across all organizations as a result of changes in how email clients are handling images. Because more and more email programs default to blocking all images, or showing only plain text, people can open the email without the email being tracked as having been opened.

This means that the Open Rate is a questionable metric at best. It can still be a useful way to compare the success of one subject line to another, but shouldn't be considered a measure of who's actually seen your email.

Tips To Improve Your Open Rate:

Create more compelling From and Subject lines. This seems commonsense, but it's not always clear what it actually means in practice. Think about what subject lines make you open an email in your own inbox—good rules of thumb include asking a question, keeping subject lines under six words and using lowercase in all but the first word and proper nouns.

Test your subject lines. There are several ways to do this. If you have more than 10,000 or so people on your list, create two separate emails with the same body information but different subject lines, and send each to half your list. Measure the Open Rate for both emails, and see which one did better. As you do this a number of times, you'll start to develop a better sense of what works well for your particular audience. Or, if you have a very large list—hundreds of thousands of people or more—you can even test two subject lines on a smaller percentage of your list, pick the one with the higher open rate and send it to the remainder of your list. (This type of testing is called A/B testing, as you're measuring the performance of email A against email B.)

Regions

For the purposes of this report, regions are comprised of the following states:

Midwest Region

The Midwest region includes IL, IN, IA, KS, MI, MN, MO, NE, ND, OH, SD and WI.

Northeast Region

The Northeast region includes CT, ME, MA, NH, NJ, NY, PA, RI and VT.

South Region

The South region includes AL, AR, DE, DC, FL, GA, KY, LA, MD, MS, NC, SC, TN, VA and WV.

West Region

The West region includes AK, AZ, CA, CO, HI, ID, MT, NV, NM, OK, OR, TX, UT, WA and WY.

Unsubscribe Rate

This is the number of individuals who unsubscribe from your list in response to each mailing sent. Unsubscribe Rate = unsubscribes/ # of messages delivered. Use the Unsubscribe Rate to measure how well you hold your subscribers' interest over the long run. If subscribers do not like what you're saying, don't find it interesting or feel that you're sending them too many emails, they'll tell you by choosing to leave your email list.

In general, your Unsubscribe Rate should be low; certainly lower than your click through rate.

Tips To Reduce Your Unsubscribe Rate:

Provide more value. Are you sending emails that are viewed as useful by those that receive them rather than focused solely on your own needs?

Reduce your volume of email. If you're sending emails more than every couple of weeks and seeing a high Unsubscribe Rate, you might want to consider decreasing the volume. However, weigh your Response Rate as well—if your emails are getting a good response from a committed base of supporters, maybe it's just as well to let those who are less interested unsubscribe, or to try to decrease the volume of emails only for those who aren't as active.

Allow unsubscribes by type. Provide recipients with an opportunity to unsubscribe from a particular type of email communication instead of broadly opting out of all email communications. A subscriber might appreciate your e-newsletter, but be put off by fundraising appeals.

ABOUT HOMEACTIONS

Who We Are

HomeActions is a leading provider of real estate email newsletters, delivering proven solutions needed to build business. With a culmination of years of experience, immersion in the real estate industry and enhanced technology, HomeActions delivers the most effective way for real estate professionals to foster relationships.

Did you know that a mere 6% of real estate professionals have any type of "stay in touch" service, and many of these are once a month, cookie-cutter email newsletters that focus solely on buying and selling. At HomeActions, we know that this is not the kind of content that today's homeowners need or want. In response, we built the first email newsletter program for real estate professionals more than ten years ago. The HomeActions program is the culmination of years of experience, immersion in the real estate industry, enhanced technology and development of the most effective way for real estate professionals to cultivate relationships.

Our Mission

At HomeActions, our objective is to help real estate professionals stay connected. We're committed to building, nurturing and retaining relationships that matter. We strive to help build business by supplying superior customer service and unique content.

We accomplish this mission by providing an accessible, automated, and robust e-marketing platform that includes only the most relevant and informative content, is branded specifically to the agent, realtor or professional who sponsors it, and comes with world-class technology and client support built in.

Providing a service that former clients, friends, family and prospects can't get anywhere else adds real value to a relationship. The end result of participation with HomeActions is greater top-of-mind awareness. Your members will thank you for helping them manage their biggest social and economic investment, their home.

Learn more about HomeActions by visiting us [online](#) or call (240) 408-4002.

