

# 5 Reasons Why Your Real Estate Lead Conversion is Terrible

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Image Source: <http://agentmarketing.com>

Clients are not responding to your emails? Failing to convert your lead into clients? There could be some serious issues with your lead management strategies.

Tom Ferry, #1 ranked Real Estate Educator by Swanepoel Power 200, highlights that up to [87% of all new agents experience failure](#) within just five years of serving in real estate. While poor-time management skills and understanding of the industry are all factors that could contribute towards the failure of a real estate agent, terrible lead conversion is generally the real culprit.

Recent changes in the real estate industry have made leads more valuable than ever. While social media and mobile marketing tools, such as Facebook and Google ads, have made capturing leads easier, most real estate agencies continue to suffer in the process of converting a lead.

Wondering why you are unable to convert leads into clients? Here are five reasons why your lead conversion is not up to the mark:



## Reason #2: Not Segmenting Your Leads



Image Source: <https://www.segmentify.com>

Different individuals have different needs, especially when it comes to real estate. While one family may be looking for a free home valuation, others might be in search of consultation services.

As a part of effective lead conversion, it is important for you to identify the driving force behind your audience's interaction with you. You can learn about this by requesting them to complete a simple survey that provides answers to the following questions:

- Why are you looking for a real estate agent?
- What goals are you seeking to achieve by working with us?
- How can we help you achieve your buying/selling goals?
- How did you find our company?
- How can we serve you better?

A survey based upon these simple questions can help you get all the information you need to segment your leads and cater to clients with regards to their specific requirements.



The NAR highlights that referral systems, especially when it comes to finding the right real estate agent, are very much alive. In a survey conducted by the NAR in [2017](#), it was found that while 9% of homebuyers and 4% of sellers were able to find an agent online, 64% of sellers and 52% of homebuyers found their real estate agent through referrals. Although pursuing new clients is effective, it is just as important for real estate businesses to nurture their already existing clients and continue to remain in touch with them.

## Reason 5: You Don't Respond Fast Enough



Image Source: <http://www.manageyourleads.com>

The idea of being prompt when catering to inbound leads is essential for effective lead conversions. Almost all homebuyers and sellers are impatient – they need real estate services and they need them now.

Most homebuyers and sellers like to do their homework and start by seeking information on the Internet. Such leads don't often guarantee an instant conversion, but if you contact and guide them before other agents, there is a high chance that they will stick with you for all their real estate related needs.

While a study by the WAV Group, titled "[Agent Responsiveness Study Reveals Critical Flaws in Real Estate Lead Response](#)", indicates that 48% of all buyer inquiries are ignored and never responded to, research indicates that [35-50%](#) of most sales are secured by the vendor that is first to respond.

Emphasizing on the importance of responding to your leads without any delay, [Lead Response Management Survey](#) by [InsideSales.com](#) highlights:

*“The odds of calling to contact a lead decrease by over 10 times in the 1st hour. The odds of calling to qualify a lead decrease by over 6 times in the 1st hour. After 20 hours every additional dial your salespeople make actually hurts your ability to make contact to qualify a lead. The odds of contacting a lead if called in 5 minutes versus 30 minutes drop 100 times. The odds of qualifying a lead if called in 5 minutes versus 30 minutes drop 21 times.”*

With responsiveness being such an important component for an engaging lead, it is only right to say that the key to capturing and converting online leads is to “be prompt.”

## **The Bottom Line**

It is essential for real estate agents to look at the bigger picture of things and cater to every lead. Plan to grow gradually, build connections, promote healthy relationships with clients, and give your leads some time to nurture. As Matt Fagioli, Founder of [Xplode Conference](#), says, *“Even the worst lead can become a great lead given enough time (nurture) in the hands of a talented agent or team.”*