

# Internet Marketing 101

The bad news is that in today's market, Internet advertising doesn't make sense. Let me clarify what I mean by that. The current cost for advertising on the Internet for mortgage loans is so high that it isn't justifiable economically. The cost on a per loan basis is upwards of \$800 per closed loan which is a lot to pay for just an advertising expense.

The reason the costs are so high, has a lot to do with the Venture Capital backed companies who are out to build loan volume at almost any cost. Further, they do this under the name of "building brand awareness". The end result is that traditional companies in the industry simply can't afford to compete with these E-Lenders. For typical Internet marketing, it's probably best to wait until the market returns to normal. At some point, the advertising costs will come out of the stratosphere.

So just how can you do any Internet marketing today? There are areas you can still advertise your site and obtain at least some share of the few loans that are out there. Start by looking for the freebees. This mostly includes having hot links from your many referral sources and their web sites. Ask them for a hot link from their site to yours. Sometimes, you'll need to trade them with a link from your site. However, if they are a good source of referrals, you should be more than willing to put a link on your site to theirs. Other free sources are search engine listings. There's plenty written on how to get registered with search engines. Sometimes, your web hosting service will do this for you – just make sure it's done. Another freebee is to put your domain name on everything your company prints. This includes business cards, brochures, rate sheets, the sign outside your office and even your car license plate frame.

If you want to advertise, consider traditional "off line" media. This includes local publications such as Real Estate listing magazines, newspapers, local direct mail, etc. Even here though, it's difficult to get a return on the advertising dollar because there's just too many boats fishing for too few fish.

Perhaps one of the best areas to invest your marketing dollars is on the site itself. We are quickly headed into an era where standard practice will be consumers reviewing all the sites of the local mortgage companies. They'll use the tools, libraries, product selection engines and other features of these web sites. While they may also visit the national E-Lenders, the majority will still work with a local mortgage company. What's crucial, is that the site is strong enough to convince the consumer that you're the best company in town.

Take a look at the sites of all your local competitors and compare with how yours matches up. You'll see some sites that are basically brochures on the web. Such sites are real turnoffs for consumers. Consumers feel that if they are going to spend their time on your site, you'd better offer something of value. You'll also want information that keeps them coming back and that shows your site is useful even after the application has been taken. Once 80-90% of consumers go to the web first and review every company they might give their business to, you'll only have that one chance to win them over. First impressions are everything so use your advertising dollars wisely by investing into your site.