

EPISODE 1485

[INTRODUCTION]

Dan Barrett (DB): Google as an ad platform occupies this really critical role for most real estate businesses, especially real estate investors. That's what makes it so special.

Whitney Sewell (WS): This is your daily real estate syndication show. I'm your host, Whitney Sewell. Man, we are jumping into a series of topics over the next few days. Actually, one topic, main topic, that's maybe different than what you expect. But, maybe something you need to learn more about. We're all trying to get in front of more investors, right? We're all trying to gain more clients and get them in the door so we can follow up right, and we can gain their trust, right, so they can invest with us.

And, our guest today is Dan Barrett. He's the head nerd at AdWords Nerds, the world's largest Google partner agency, working only with real estate investors. He's managed over \$5 million a year in client ad span, found hundreds of real estate deals online for his clients, and been behind extensive industry experimentation, and original research. He's the voice behind the REI Marketing Nerds Podcast, over 150 episodes strong with a five star rating on Apple podcast, and the Ad Words Nerds YouTube channel.

Dan and I have a great time we jump through numerous parts of advertising, and specifically Google ads. But, he even goes into numerous different platforms in some of the segments that I know you're going to want to hear about, you're going to learn about. We're going to talk about him some in the beginning, but then get into what Google ads are, and maybe why you should know what they are, can they help your business? Is it something you should be spending money on? You're gonna learn that today and over actually over the next three days with Dan and I.

[INTERVIEW]

WS: Dan, welcome to the show. I'm honored to have you on and to learn more about this thing called AdWords that you are an expert in that seems like for some reason, I need to know something about it. Glad to have you here, because I'm afraid the listeners might need to know something about it as well. And you are the expert. So welcome to the show.

DB: Thank you so much for having me, man. I appreciate it. You said that in the exact same tone of voice that I talked about, like my gut health, where I'm like, I keep hearing that I'm supposed to have a biome, and I don't really want to know about it, but maybe I do. So, I will do my best to make it as painless as humanly possible.

WS: I've just given you our time at the same time. And I'm grateful for your your humor around it. But, you're an expert in this thing called AdWords. And and I wanted to attend to that. I want to learn a little more about Dan though, right before we do. Who is Dan Barrett? Give us a little more background on yourself and get even getting into this space of AdWords. What do you do before?

DB: Yeah, thanks a lot. Yeah, my main gig today is I'm CEO of a company called AdWords Nerds, which is an online marketing company. We only work with real estate investors, it's been about a decade doing that. And even within that, really only focusing on motivated seller leads. You know, my trajectory to get here was a little weird. Initially, I was in school to become a teacher. I wanted to teach history, I was getting my master's degree in education, I've got a master's degree in history, and was working at public schools, that kind of thing. And in that process, kind of just in the background, I've been playing music, right, I've been playing music with friends ever since I was in high school. This has been a big part of my life.

And through music, I was sort of forced to be the one that was, you know, there always needs to be a guy in the band who's like, gonna watch the box of money. You know, you got like a little plastic box where you put your money or you're gonna make T shirts, you're gonna make CDs, you gotta sell those things, or you need a website, you need to make a website to promote the band. So I was always that guy. And over time, it just developed this weird hodgepodge of skills for, you know, essentially what is online marketing.

And so, when I was training to be a teacher, I was doing my student teaching, I was working as a paraprofessional with special needs kids and sort of kids a lot of behavioral issues, I was working in after school programs, I was, you know, I was doing the whole thing. And not making a ton of money, like public schooling, although it is the noblest of professions is not a particularly high paying, right? So I was like, I need to make some extra cash. I started freelancing, and just doing some basic online marketing for local businesses, you know, my local pizza place. I worked with, like an ambulance company, like all sorts of random stuff.

And, I realized about a year in that I was making more freelancing than I would have about three years into a full-time teaching position, right? And at the time, it was really hard to find a teaching position for history. So, you know, with the support of my fiancée, my wife, I was like, I'm gonna jump in and try to make this work and spent a couple years just honing my skill set with local businesses. And, I knew in that process that I wanted to focus, like I wanted a narrow focus. I wanted to be the best in the world at something and I like to think of myself as fairly self aware.

You know, if you're listening to this, you're not watching me right now. I'm not like the world's most handsome man, I'm not gonna be the strongest dude, I'm not like there's a lot of things. I'm not going to necessarily, you know, basketball career, probably not in my future. I was like, if I focus in a really, really a narrow field, I can be the best. Right? So I had decided, okay, I want to focus on somebody's particular niche. And I had had a couple of real estate investor clients, just sort of randomly actually. Actually, Dan Schwartz, who went on to found investor fuse, one of my first ever real estate investor clients and sort of showed me what real estate investing was all about. And I'd had some success running ads for him, getting deals, getting motivated seller leads.

So that's kind of in the background of my head, I made this commitment. I was like, "Okay, I'm going to pay, it was the most money I've ever spent on anything at that time, \$10,000, which was an unheard of an amount for young Dan Barrett to go to a Tony Robbins business seminar." And at this seminar, I was like, I will pick my niche, my focus, and I ended up sitting

all the way in the back, because I didn't know anything about Tony Robbins, other than he made people dance. And I was like, "I do not want to dance. It's not my thing." I'm gonna sit all the way in the back. And I ended up sitting next to Glenn and Amber Swarm, who are still today, incredible real estate investors, credible real estate investor mentors, and everything, just incredible people. I sat next to them in the back row, and had that whole conversation like, "Hey, what do you do? You know, what are you looking to get out of this?" And I told them my whole story. And they just said, "Hey, you should work with investors, we always need leads." And I was like, That's it. It's a sign from the universe.

And literally, from that moment forward, I have been working with only real estate investors, basically all day every day ever since. It's been a really wild, challenging, and very gratifying journey. So it's, it's been really awesome, really incredible on many levels. And that's how I ended up where I am today, more or less.

WS: Awesome. And, I'm grateful for your just elaborating a little bit. It's great to niche down I think, too, it's important. And, it sounds like what you have done in the real estate space. And, you've even found, part of that real estate space, that's like a whole nother niche, I believe, you know, this AdWords and marketing component or even niching down into marketing, right, you know, into a special thing. But one important question, before we move on, what instrument did you play?

DB: I am mostly a singer, I play guitar, but only in the air quotes sense of the word play. So, like five chords on the guitar, I can hit those five chords, and still play music today. Like I'm still, you know, I still play music with the same people and love it quite a bit. But you know, I'm 42 now. My ability to stay up past 9:30 pm is extremely limited. So, I've got to really pick and choose my battles as far as music goes. But yeah, a singer is what I am.

WS: That's awesome. That's awesome. I appreciate you sharing that I'm a drummer by the way.

DB: Awesome. Drummers are the most valuable person on the stage at any given moment. And there's not a lot of them. So I you know, all the props to you, man.

WS: I appreciate that. Well, let's jump in. What are AdWords? And ultimately, why do we need know, why does that affect me as a real estate operator, syndicator, investor? Why should I know? But first, what is it?

DB: Yeah, so Google AdWords, also known as Google ads, I think actually, the technical term is now Google ads, right? Is Google's ad platform. Right? So if you are paying to generate impressions, which are views on ads, you're paying to generate clicks, you are paying to generate leads, either inside Google search on the YouTube advertising platform, if you are running ads on any number of third-party websites, like espn.com, or cnn.com, or The New York Times or whatever they're run Google ads, you are advertising on the Google ad platform. And for me, Google ads is probably the single most critical paid acquisition channel that you can run.

And it is that way, because of the fundamental distinction that makes Google ads, particularly Google search ads, like if you go into Google, you type something and you see the ads at the top. What makes those ads unique, is that you generally as the advertiser, as for example, the investor, don't know anything about the person that's seeing your ad, you don't know what their property is worth, you know how much equity they have, you know how old they are? Right? These are all things you do not see in Google. What you see in Google, through the proxy of what they typed in, is their intent.

So, unlike for example, with direct mail, where you are building a list based on whatever criteria you want, right, and you are mailing everyone on this list that matches that criteria, but you have no idea if they have the intent to sell. You just know for example, maybe their demographics, their neighborhood, you might know something about their equity, you might know something about, you know, like a certain number of violations or whatever, whatever criteria you have. You know all that stuff about them, but you have no idea if they want to sell, right?

In Google, it is the opposite, where I might not know, for example, how much equity they have or how old they are, but I know if they type in to Google, I need to sell my house. I know they need to sell a house, right? They have intent. And what that does, is fundamentally changed the average lead quality that you can generate from that channel, right. So Google ads, particularly search ads tend to close more often, they tend to close more quickly, they tend to be easier to reach, it is just a profoundly powerful channel for reaching people who are ready to go, right? And by all means, you know, that's not the limit of what it can do. But that is what I think attracts real estate investors to Google ads, and that has what really made that channel, the predominant online marketing channel for investors still to this day.

I think even, you know, Facebook now is kind of in a decline. I think, as regards to its ad platform, and you've got rising app platforms, like for example, Tiktok or something like that. But Google Ads remains the single most profitable channel for most real estate professionals. And, that's because the vast majority of real estate transactions of any type originate on Google, right? Like, if I need to sell a house, I'm at least going to do some research on Google as I get started. If I'm looking to buy a house, I do the exact same thing.

So, Google as an ad platform occupies this really critical role for most real estate businesses, especially real estate investors. That's what makes it so special. Now, obviously, they might need a company, AdWords Nerds, I'm clearly a diehard, right? Like, this is my baby. I always say take what I say with a grain of salt. But that would be my argument for why I think real estate investors need to at least understand a little bit about the chip.

WS: Okay, no, that's, that's good to know. I mean, it's really because of all the data that they're just constantly taking in, right? It's what you're saying, is that right? Like, because I'm going to type in and search something about selling a home, or buying a home, or investing. And all of a sudden, Google knows that, I need to see some ads with something related to that. Is that accurate?

DB: Yes, you can go out and sort of deliberately target the given search term or keyword, whatever you want to say that you think is going to put you in front of people that you really want to talk to, right? So I always say, you can run an ad on Google to people that type in sell my house, or you can run ads to people that type in sell my house fast. And obviously, you could do both, but you could separate those if you want. And those keywords are going to produce leads with over time, different average behavioral tendencies, right? So you might get, for example, if you add that word fast, you know, better close rate on average, right? But you might get less of those people, right? And, you might go the opposite route where you want to get in front of a more generalist real estate audience, you're going to get a higher volume of leads, maybe you're closer, it's going to be a little bit worse, right?

So these are decisions that you can make with objective data to back it up. And this is another difference that I think most people aren't really aware of, unless they really engage with the platform's themselves, which is, when you are advertising on a platform like Facebook ads, and I run a lot of Facebook ads myself, I spent hundreds of thousands of dollars of my own money running Facebook ads. So this is not, I'm not saying Facebook ads are bad or anything like that. But when Facebook ads don't work, you largely have no idea why. Right?

If that information is hidden behind an abstraction layer of an algorithm, that is basically a black box you have zero visibility into. Whereas with Google ads, you have much more visibility into what is working, why you think it is working or not, it is much easier to determine your ROI down to the keyword level. And for those reasons, like for someone like me, who is very data driven, and very analytical, at least in this part of my life, that to me makes it the superior channel. Right? Again, personal taste. Maybe people have a different opinion. But you know, there are many like them, but that one is mine. Well, if you are a data driven decision maker, Google ads is by far the more transparent chip.

WS: Interesting. Yeah, I would imagine to that anybody that's on Facebook and Google are using Google, as probably I don't know what the numbers are, but I've imagined a lot more that use Google than us Facebook.

DB: Yeah. I mean, I think you know, it's interesting, because like Facebook, as we record, this is in the middle of a real transition. There was Facebook in its heyday and Facebook as it is now. Right? And I think Facebook, you can kind of think of it as a destination. It's the club that night have in your local town, right? And nightclubs go in and out of popularity, sometimes, you know, this nightclub is where everything's popping off. And then over time, you know, people are like, "Oh, that nightclubs kind of no fun anymore. Everybody goes over here now, right or whatever that change."

Google is like a public utility, right? In my opinion, they actually should be a public utility, we could get into that. But Google is a utility, it is how people navigate the Internet. And so it doesn't really go through the same boom and bust cycles of popularity that we see social media platforms go through. And in some eras, that's been viewed as a weakness, because they haven't had necessarily the kind of exponential growth rates that Facebook saw. But also Facebook's kind of in the middle of an implosion. And Google is chugging along exactly the same as it has been growing year over year. So it is one of those things, man, we don't know what the future is gonna hold. That's always true. And I do think that there are a number of sort of long-term internet trends that might, for example, threaten the sort of chokehold that Google has is like the homepage of the internet.

But at least for the foreseeable future, I don't really see that changing. And especially as it impacts real estate, and people running real estate transactions, it's only going to get more and more important as those sort of younger internet first generations become the vast majority of home sales and purchases. So yeah, I mean, to me, it's where the action is still today.

WS: Speak to how, say, the commercial real estate investor might use, you know, AdWords versus, you know, a single-family operator, I was thinking, you know, obviously, most of our listeners are trying to buy large multifamily assets or some type of commercial property. It could be self storage, could be lots of things.

But, you know, let's say we're purchasing a \$20-30 million dollar project, you know, a big thing that in our industry that we're doing online is trying to find investors, right? We're trying to get

in front investors, whether it's promoting our podcast, right, or whether it's promoting our brand one way or another. Is that something we should be, you know, highly concerned about using Google ads for?

DB: Yeah, I think the short answer is yes. And the long answer is it depends. Right? So the short answer is, it's always easy to say yes, because Google ads is a pay per click platform, by which I mean, let's say you are targeting what is going to be a low volume campaign. Right? So for example, when we have worked with commercial real estate, what I'll typically tell people to expect is, look, there aren't a lot of people going into Google and typing in sell my commercial building, right? It just isn't a thing that necessarily happens. Those deals are sort of fundamentally different in terms of where they originate, how they start, who people work with, right? It's just not, I'm googling it and finding the first person to sell my building to right, it does happen sometimes. But it's not super common, and particularly if you've got a local focus, or it's one thing if you're doing national.

But if you've got a local focus, that shrinks even more, right, so you might be looking at only a few leads a month from a campaign link. But because you are only paying Google, when someone clicks your ad, it essentially costs you very little to run a very focused campaign for a low volume service. I'll give you an example. My service, right, I do PPC management for real estate investors, right, or Google Ads management for real estate investors, I run a Google ads campaign that targets that keyword.

Well, guess what, like five people take that in a month, maybe, right? It's not that common, aren't that many real estate investors, they're not technically doing a ton of that specific kind of thing. But I know that when they do type it in, that's my client, right? So I will spend a couple 100 bucks a month targeting those five people a month, and generate, let's say, two to three long term clients from that, that could get me anywhere from a 20 to 30 to 50 times ROI on that cash. Right? So it depends a little bit on what you're trying to do.

Now, for investors that are looking for example, let's say you're doing syndication or you are looking for other investors, right, you're doing this kind of thing where you are looking to sort of

grow your audience over time. And in fact, I just did a really great interview with this guy, Josh Cantwell, right, who's really great at raising money. One of the things he was always saying is, you got to raise the money before you need to raise the money before you start building your audience before you need. Right?

So let's say you're taking that approach. There's a bunch of different ways you can use Google to help you hit your target, right? You could, for example, either run ads or do organic marketing, which is you just try to rank your website. You're not paying for anything, but you're creating content or so on around common questions new investors will have as they start to explore the space. So let's say you're like, "Okay, I know that everybody asked me this particular question about how syndication works. I'm going to write a really great piece of content around that." That's going to rank me aggressively in Google that's going to give me leads that ways people are just going to find me and Google.

I could also run ads to that content. So for example, if someone types in that particular question into Google, I want them to see an ad. And that ad is going to promote this blog post that I wrote. So they start to get to know me, or I might promote a podcast that way, I might promote a YouTube channel LA, where I'm building an organic audience that I can tap into later when I have a deal. And I'm looking for investors. Right? So the way that I'll typically differentiate these types of campaigns is, are we top of funnel or bottom of funnel, right?

If you imagine a funnel, that sort of gets narrower towards the bottom, and all the way at the bottom, that's the purchase or the investment, whatever you're trying to generate all the way at the top is you got the biggest audience coming in, and then you're filtering down over time. So top of funnel are things like I'm doing general research, or maybe I'm looking to define what real estate syndication is, or how do I get into commercial real estate investing or something like that these really generalist terms, that's a top of funnel campaign, and that's going to have a big audience, you're going to want to target general terms, you're gonna want to go content, first, you're gonna want to provide value first, rather than seeking to immediately generate a conversion.

But then as people get further through that process of learning about you, and what you do, their searches become more and more specific, and they get further and further towards the bottom of that funnel, that starts to be where you start to specifically seek to generate a conversion, a sale an investment, a purchase, whatever it is, does that make sense?

WS: It does make sense. I'm gonna stop you right there, because we're gonna stop today's show. Because I want to build into tomorrow show -- how to execute that effective ad campaign. Right? And I think you're, you're going into that and I think man learning about this funnel and us being able to think about where are we at in that funnel? What do we have? Do we have that piece of marketing material like you're talking about? Are we trying to promote that podcast? Are we ready to raise money tomorrow? Like, where are we at? I just think sometimes we don't think very strategically before we just start throwing some money at something.

And so, I love where you're going with that. Before we break. Tell the listeners how they can get in touch with you, Dan to learn more about you.

DB: Absolutely. So you can go to AdWordsNerds.com. So AdWordsNerds.com. You can go find all sorts of information about me. I've got all my podcasts, episodes, blog posts, linked to my YouTube channel, all that stuff is on there so they can go there and check us out.

[END OF INTERVIEW]

[OUTRO]

Whitney Sewell: Thank you for being with us again today, I hope that you have learned a lot from the show. Don't forget to like and subscribe. I hope you're telling your friends about The Real Estate Syndication Show and how they can also build wealth in real estate. You can also go to LifeBridgeCapital.com and start investing today.

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