



Making A Difference In 90 Days



# Setting Your Marketing Strategy



## Two Marketing Tasks Ahead

- Promote yourself and your expertise
- Promote your real estate clients' listings

- How will you help?
- What sets you apart?



- Fit with buyer need
- Show 'em the value!

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2

Your first and most important marketing task is to promote yourself as a newcomer to the business.

Recognize that your most important prospects at the outset will be family members and close friends. They are people usually most willing to put their support where your mouth is; that is, they're willing to "talk you up" to others. You must ensure those family members and friends are the first to receive notice that you have a sales license and joined a brokerage. Notify them in a PERSONAL way; avoid a text or e-mail. Let them know you wanted to have them hear the good news from you directly; they are that important to you. Let them ask questions, if they have any, and provide uncomplicated answers.

Next, ask your broker or sales manager if the firm will send a press release announcing your arrival. Many do, some don't. It can't hurt to find out.

If they do not, send a press release yourself. Reminder: a press release is "news," and therefore free. An editor can run it or choose not to. Advertising on the other hand is "paid." You're not buying advertising yet. It's too expensive.

Joe Zlomek can provide a press release template and will distribute it by e-mail.

Determine which 10 media outlets (excluding television; those stations are unlikely to do anything with your material) you believe others read or listen to (they can include local or community websites too) and send it along by mail or e-mail. After a few days, talk with the recipient and ask when it may be published. Be persistent, but not obnoxious.

Use the press release on your website as well, as part of its introductory content about you.

In any advertising or press materials you distribute, be sure to answer questions for the public: How do you expect to help them? What sets you apart from other licensees? How can you demonstrate your value? How will you fulfill their needs as prospects or clients?



## What You Hope To Achieve

- Get a listing (or two, or three, or five!)
- Make a sale (another OK; yours, better)

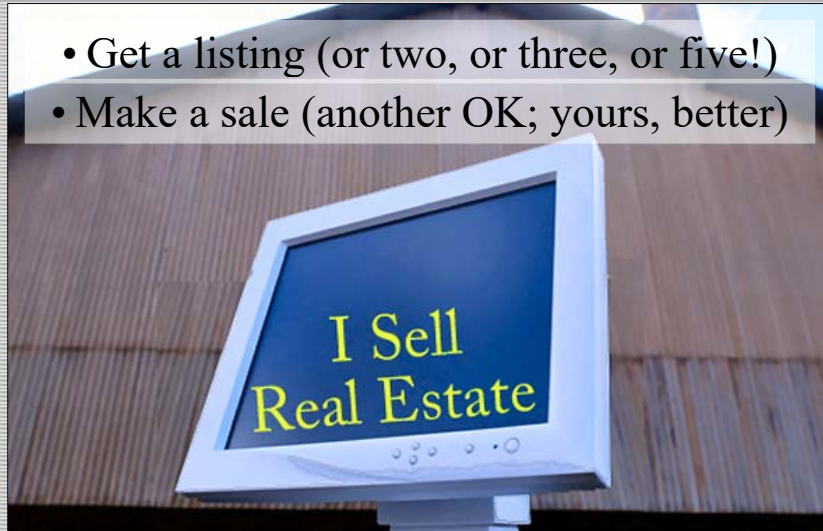


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3

It's great to make a sale of the property someone else listed. It's better to sell a property you listed (it's more fulfilling, and it's likely to bring in more listings and more referrals).

But overall, it's better to be a top-notch listing licensee and marketer than to be a seller. Why? Because no matter who sells the property you list, you still earn your expected commission. Moreover, by keeping a high listing inventory, other agents need to negotiate with you for their buyers on behalf of your sellers. You're somewhat in the catbird seat. So is your broker, who also benefits from your listing activity.



## Five Marketing Goals Ahead



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4

You face 5 marketing goals:

- 1) You need to find and reach the right target market. The most important word in that phrase is “target.” Although you can sell to anyone, you maximize your efficiency when you focus and concentrate on a small geographic area like a farm. Your advertising and promotional dollars go further when communicating with the owners of between 150-200 households, rather than thousands. It’s also easier to build one-to-one relationships with the relatively limited number of people within your farm. Targeting is important, too, in deciding where you will market a property you list. You’re not going to sell a \$600,000 home to someone who makes only \$60,000 a year. They can’t afford it, and reaching them is a waste of time and money. For a variety of homes, the target populations to whom you promote make all the difference in prospective buyer responsiveness.
- 2) Remember real estate is a numbers game. You must reach a large segment of the right target market to be able to identify willing buyers. They you must separate the buyers capable of affording the purchase from those just willing to make it. They you must show the property to those who are willing, have the money, and are interested in what you’re seller client is offering. The pool keeps getting smaller with each step. That’s why you’ll always be in prospecting mode, looking for others who need your help and expertise.
- 3) We’ve talked earlier about the need to be persistent without being obnoxious, The advice applies here. You’ll need to contact your market in as many ways as possible, and regularly vary the methods, so you’re not perceived to be a giant pain. Use postcards, flyers, newsletters, longer-form letters, texts, e-mails (so long as you have permission to send to those recipients), Facebook, Instagram, Pinterest, Twitter, your website, videos, podcasts, local cable television, community newspapers, and any other outlet you can imagine to craft and sent targeted messages as frequently as possible but without seeming to be annoying.
- 4) Be consistent in your message whenever possible. Repeatedly use you broker’s name, your name, your phone, your addresses (including social media), and other ID components that allow those interested to find you quickly and easily.
- 5) Finally, measure your effectiveness vs. the cost of marketing. Did one type work better than another? Use it. The return on your marketing investment must be known for you to succeed time-after-time.



## Identifying Target Audiences

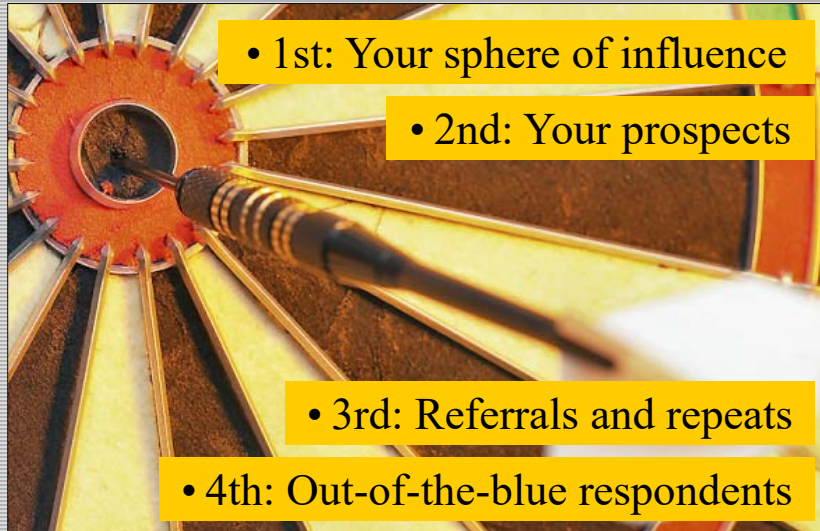


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5

Who and where are your targets?

- 1) Your sphere of influence is first on the list; the people who know you and trust you, the people willing to promote you to others. Make sure they know what you're doing (keep them in the know about your listings, your promotions, your education, your successes!
- 2) You'll always have a need to find prospects. They're the people who you don't know but want to, the people who you someday hope will become your clients. They're on that list of at least 100 folks you'll call each week to determine when and how you can help them with a transaction. And remember, prospect circumstances change. They may tell you they're not interested now, but in two weeks someone can lose a job, or have a baby, or have a new need that changes family life so much that now YOU and your real estate expertise become their most valuable asset. Get comfortable hearing the word "NO." Don't be turned off by it, Embrace it and keep working, because statistically a "YES" arises after every seven "NOs." That's known as the Retailing Rule of Seven.
- 3) Pursue referrals and repeats from clients, those for whom you've already provided outstanding service. Remember, each happy client is likely to offer you three valid referrals in their housing lifetimes. What if you fail to deliver great service? The penalty is dire: instead of three referrals, statistically you'll be bad-mouthed 10 times!
- 4) And although you can't target them per se, recognize that business can come from anywhere via prospects that emerge out of the blue. Some may be from leads your broker buys or provides. Some may be from web inquiries. Some may be from client relatives who heard you did a good job for someone else in the family. Be open and receptive to good luck and fortune. Luck is merely the result of being fully prepared at the time something coincidentally favorable happens.



## Your Sphere Of Influence

- Family
- Friends
- Acquaintances
- Work circle
- Social circle

About 150 people

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Who's in your spheres (you may have several) of influence? All the usual suspects!

Family members. Those close to you physically, or not. Those close to you emotionally, or not. When people need the kind of real estate expertise you can offer, it truly helps for them to realize they "know someone in the business."

Friends. People you relax with. Competitor friends you play against, in sports or other games of skill. The individuals with whom you share common interests, goals, ideals, or philosophies.

Acquaintances. They're more like prospects than the first two. You may know them by name. You may know a little about what they do, and where, but maybe not much more. Do THEY know what you do?

Work socials and social circles. Sometimes a series of crossovers from the first three, but separated somewhat by where you find them. Work circles are commonly understood as places of business, or where you do business, but maybe not real estate. Social circles can be advocacy groups (people who believe in the same cause), school groups (other parents in the PTO, as an example), religious or belief-based groups, even ethnicity or heritage groups.

Depending on what you're marketing in real estate, and how it appeals to any specific group, they all represent specific targets for specific appeals. Your success in reaching them with a compelling call to action in part determines your success.



## Prospects From Your Farm

- Geographic area
- Assigned by broker (you can ask)
- Usually 150 +/- households

Where's the best possible farm?



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7

A farm generally represents a geographic area of a selected number of somewhat alike homes. They may be in the same neighborhood. They may be on the same linear street. They may be within the same development. In all, the most manageable farms are about 150 properties in size. They can also represent a demographic (think: the Main Line) or a lifestyle (think: retired adults).

Ask your broker if he or she assigns or recommends a farm that can be yours alone to work systematically. You're not limited to it. You can sell anywhere. But most brokers recognize a farm helps you concentrate your scarce resources to make a bigger impact. Many brokers prefer to recommend a farm that is not new, but maybe five to seven years established. Most homes with that farm have sold at least once, and maybe twice. Their value is known and established. It's easier for you to research comps.

The best possible farm is the neighborhood where you live! Ask if it can be your farm. Don't be surprised if the broker says no, however. Someone else in the brokerage may have already been assigned there or claimed it.



## Working The Farm Bears Fruit



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8

Here's another reason why a farm is valuable. It has a built-in turnover rate.

The United States Postal Service has studied neighborhood moving rates. It has easy access to that information. Anyone who wants to get their mail delivered to a new address must contact the Postal Service to have their mail follow them. USPS has determined that, on average one in every 13 home-dwellers changes addresses every year. In a farm of 150 homes, that means up to 12 could be available on the real estate market in any 12-month period.

What if every one of the 150 home owners in your farm understood – really understood – the value of your service as the farm's real estate expert? What if they had consistently heard from their neighbors about what fantastic service you offered, how successful you were, how you under-promised and over-delivered? They wouldn't dare turn to any other agent for help in selling their property. All 12 of those annual sales might be locked up as yours ... and they could be a launching point for referral-related sales elsewhere.

That's how you build clients for life, and a thriving real estate practice, from humble and seemingly small beginnings.





## Groundhogs: Referrals, Repeats

- Special members of ‘influence sphere’

- *Cultivate: ask for referrals routinely*
- *Fertilize: give specialized access; send a thank you!*
- *Harvest: added sale, no added cost*



- What those who offer referrals want ...

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9

Those who offer you referrals for other business, and those who repeatedly rely on your for purchases of not just a home, but a vacation property, a business property, an investment property (or more than one) and even as an occasional property manager, are a special breed of client. Treat them like the gold they are.

Don't hesitate to ask for referrals if you sense clients are happy with your efforts.

Ensure you thank clients who offer referrals, and ask if you can use their names when talking to someone they're referred. Don't assume you can.

Recognize a referral for what it is: an opportunity for you to shine to someone else. The referrer wants primarily one thing out of your success with someone they recommended you talk with: they want to look good in the eyes of that individual!



## Your Practice: 1st Nine Months

**75% or more**

*Sphere, floor time, luck*

**20%**

*Prospecting*

**5%**

*Out-of-the-blue*



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10

If you think of the 18-month shake-out period as the make-or-break point for your real estate career, where should your business come from and in what period? Let's look at your first nine months. You've been affiliated with a broker for a relatively short time. You're still in the process, probably, of expanding your real estate career education. You're gradually building the number of calls you make each week. You're gaining confidence.

Experts say your first listings or sales (consider either a great success!) will come from your sphere of influence, or floor time, or luck. None is bad. All business is good.

You'll spend about 20 percent of your time making contacts with prospects and cultivating them as potential future clients.

Five percent of your business may come from out of the blue. Expect and be grateful for the unexpected.



## Your Practice: 2nd Nine Months

**65% or more**

*Sphere, referrals, repeats*

**34% or more**

*Prospecting*

**1%**

*Out-of-the-blue*



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11

Compare the first nine months to the second. You're already had some listing and sales success. You're getting hungrier with each, and gaining even more confidence. The work to find and contact people begins to pay off. Your farm knows you, its occupants see you regularly in the community and helping out with events there.

In your second nine months, 65 percent or more of your business comes, experts say, still from your sphere, but also from referrals and repeats.

Prospecting kicks into higher gear, You need to make more contacts more regularly to ensure your transaction pipeline is filled. Real estate is a numbers game, you'll recall. Keep the numbers high; statistically, that the source of 34 percent of your business in the second nine months.

Out of the blue sources become less valuable, because you're busy tending your own real estate garden for its fruits.



## Expertise As A Marketing Tool

Be an instant expert with 4:

- *The average sales price of homes in your market*
- *The median, low, and high sales price of homes in your market*
- *The average difference between ask, sell prices*
- *Average number of days a home is on the market*

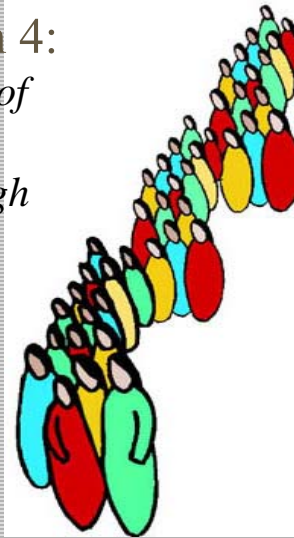


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12

Here are four important reasons to learn the best ways to add and extract information from Bright, the Philadelphia area multiple listing service. Courses about using Bright for data mining, when available, are free to members. The more you know about Bright and how to extract its data, the easier it is to create compelling reasons why YOU are the expert in your market or farm.

You can expect to be regularly asked about what the real estate market's like "right now." You can know, not guess, by researching four statistics every week. Why weekly? As houses sell, and go on or off market, the numbers change. For a clear understanding of what's happening with area real estate in general, and real estate in your farm's zip code in particular, get the answers to these four questions from Bright:

What's the **average sales price** of homes in your market? Pretty straight-forward, and what most people want to know.

What are the **median, high, and low prices**? Forgotten what a median is? If 10 homes sell in the market, and are placed in order from lowest to highest-priced property, the home priced in the middle of the pack is the median. Why is it different from the average? Because a single high-priced home can skew the average sales price higher than what a home might normally sell for, in the same way that a bargain-priced home can bring down the average value. The median then becomes a potentially better judge of market value.

The **average difference between ask and sell** prices. The "ask" price is what the property was listed for. The "sell" price is what it actually sold for. The difference between the two is either a positive or negative number. A negative number shows people are asking more for their homes, and possibly buyers are winning negotiations or concessions. A positive numbers shows the market is hot, and values are rising higher than anticipated or sought. Sellers are winning negotiations, or they're getting multiple offers. The difference on a single home isn't a good indicator. But the cumulative difference on a dozen or more homes might indicate a negotiating strategy.

The **number of days a home is on the market**. Look at the average, and you'll get a snapshot idea of how long it might take a property to sell. If your selling expertise consistently moves properties days faster than the average, that's worth promoting or crowing about.