

PROSPECTING TOWARD SUCCESS (C7603)



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PROSPECTING FOR SUCCESS

SESSION 1 "Goal Setting"

As a result of completing this session, you shall be able to:

- ✚ Distinguish between passive and pro-active prospecting
- ✚ Name 5 elements of a business plan and answer clarifying questions as they pertain to your goals
- ✚ Implement activities that will help you gain success

SESSION 2 "The Success Cycle – Mastering Skills & Developing Contacts"

As a result of completing this session, you shall be able to:

- ✚ Name the 3 parts of the Success Cycle and describe how they relate to one another
- ✚ Name 4 important skills you must develop to be successful
- ✚ Develop a "Sphere of Influence" list

SESSION 3 "The Success Cycle – Farming, Networking & Referrals"

As a result of completing this session, you shall be able to:

- ✚ Describe various people and property farms
- ✚ Implement referral-building strategies
- ✚ Name 3 hot social networking trends on the internet
- ✚ Define skills you need to master at each business stage
- ✚ Identify 7 deadly sins of prospecting

SESSION 4 Characteristics of and Barriers to Success

As a result of completing this session, you shall be able to:

- ✚ Identify the #1 reason sales professionals don't succeed
- ✚ Name 10 "Be" signs of professionalism
- ✚ Evaluate yourself against the 9 characteristics of success
- ✚ Describe the 4 internal barriers of success

SESSION 5 Exam

As a result of completing this session, you shall be able to:

- ✚ Successfully answer at least 70% of the questions correctly

SESSION I "Goal Setting"



Let me start by saying **real estate is a tough business!** When you first considered a career in real estate you may have thought "oh I think it would be fun to sell real estate"! And if you've been in the business for awhile you probably have learned that there are no buffers between you and the reality of daily difficulties, delays and disappointments. You may already be aware of the emotional roller-coaster that you experience in this business. And if you're new to the business, it won't take you long to learn that **real estate is a tough business!**

A positive attitude is essential and only you can control the way you think and react. It's up to you whether your day will be fun or a nightmare. Certainly others may try to influence how your day will be, but only you have total control of your attitude, how you will respond to and address the challenges and opportunities that present themselves. You also know (or soon will) that you are in charge of motivating yourself. There is no employer to tell you what, how and when to do your business. Your managers may provide you guidelines, but in the end it's up to you to set time aside to do the tasks that spell success. This career path is tough because even when you do everything you've been taught about salesmanship, in the end there may be outside influences that produce nothing more than rejection. And how you deal with that rejection will determine, in part, your success.



This business requires continual effort if you expect to be successful – that means developing prospecting skills that offer you connections. "Connections" is a powerful word and it can provide you a powerful sales advantage if you set up the right connections - connections that make sales easier. So how do you develop these all-important "connections"? Unlike many sales positions, you can't afford to wait for customer to come to you. You must be pro-active in getting out in front of people, face-to-face. Certainly sitting "floor" or "open houses" is sometimes an important aspect of your business, but scheduling time to actually meet with people, attend functions, make phone calls etc. is even more critical. And when you do make these face-to-face encounters you'll find more success if you are willing to stop the sales pitch and just start your relationships with a conversation. Rather than trying to sell something right off, begin your conversations with the idea that you are just trying to determine if you and the prospect are a GOOD FIT. Beginning the sales process in

this manner will save you much anxiety later when the sale just doesn't seem to want to come together no matter how hard you try.



Whether you sink or survive in this business will depend on how you spend your day – what activities you choose to do or not do. You have choices. You can spend your time, day-after-day, sitting in the office waiting for the phone to ring (passive or reactive) or you can get out and prospect (pro-active). When you prospect there are three things you must do each day:

- ✚ Prospect for future business (This will help minimize the stomach-churning roller coaster affect you feel when your business hits radical peaks and valleys)
- ✚ Provide consultation for your present business (Satisfied customers will help ensure future referral business)
- ✚ Service your past business (This will ensure they don't forget you when either they or someone they know are in need of real estate services)

There is a saying that goes *“the price of commitment is often failure and big achievers know more about it than mediocre performers. The only way to avoid failure is to do nothing; unhappily, that's also the surest way of avoiding success.”* Ideally, new business comes from referrals. But in order to depend on referrals, you must be continually contacting people and cultivating your network. We'll discuss more about referrals later.

As mentioned earlier, there are two methods for acquiring customers: You can either be reactive or passive which is generally what happens when you don't have a business plan or goals or you can create goals that force you to set time aside each day to get out and pro-actively prospect. Let's spend a little time now discussing goals and how they relate to your overall business plan.



We set goals for a variety of reasons. They help us create a journey for our life; they give us a sense of direction and they provide us clarity on why we are doing what we do. Unfortunately 86% of people who set goals, fail. Of those who do succeed, 30% are not able to maintain long-term success. The primary reason is that they've not created clarity on the why and where they want to go.

Well known motivational speakers like Earl Nightingale, Lou Tice, or Napoleon Hill are constantly quoted by people who have known success at some level.

“Your life is controlled by your thoughts. Your thoughts are controlled by your goals.”
Earl Nightingale.

“Setting and achieving goals is the process of turning thoughts into reality. All the thoughts, ideas and dreams we have in our life are worthless unless we give them legs.” **Lou Tice**

“Success comes to those who become success conscious. Failure comes to those who indifferently allow themselves to become failure conscious.” **Napoleon Hill**

Certainly circumstances and events can influence your life; however, ultimately, you shape the destiny of your life through the choices you make. There are many paths you can take and as you venture down these paths, you choose whether to live life consciously or unconsciously.

Setting goals and developing a business plan help you live your life consciously.



BUSINESS PLANS

A great business plan consists of 5 elements:

- ✚ **Review** – You must take the time to look at where you currently are in your life **NOW!** This means reviewing not only the business angle of your life but you must also review your life in terms of your family, friends, relationships, finances, personal growth, community involvement, fun and spiritual growth to name a few. How did you get where you are now? What sacrifices have you made? What are your values? What is **MOST IMPORTANT** to you? What is your passion? What drives you? What are your priorities? Is your life balanced? Conducting this review is the most important element of the business plan because if you don't properly identify where you are today, it's very difficult to plot a course for tomorrow. Honestly answering these questions will help you to move onto the second element of a business plan.
- ✚ **Vision** – Where do you want to be? Can you see yourself getting there? What is your **LEVEL OF BELIEF** that you can be, have, and do what you want?
- ✚ **Mission** – You must have a clear understanding of why you exist in the business/career you've chosen. A mission statement doesn't need to be some long, drawn out proclamation but you must be clear on why you've chosen real estate as your career.
- ✚ **Objectives or goals** – What are you doing right now to make your dreams and goals a reality? Are you being reactive, sitting back and waiting for business to come to you, or proactive, getting out and finding business through a variety of avenues? What are you doing to set a successful course for your life? Are your goals clear, measurable, attainable and noticeable or are they some vague statement that fails to hold you accountable?

- ✚ **Action plan** – what specific tactics have you identified that you'll accomplish to get to the goals that you've set?

**Clarity comes from focusing on the WHY you want something,
rather than the WHAT!**

According to Rich Levin in his Realtor Magazine article titled *5 Critical Steps for Your Business Plan* - Both planning your work, and working your plan are necessary for a successful real estate career. Yet most practitioners suffer because they don't have a plan, or never finished their plan, or don't know how to implement their plan. As a result, their business, relationships, quality of life, and even health may suffer. To ensure you implement and follow through on your business plan, follow these 5 critical steps:

- I. **Complete a simple plan** that answers questions like:
 - ✚ What do you want your real estate career to do for your life?
 - ✚ Why is that important to you?
 - ✚ What conservative, one-year, measurable goal would indicate that you are well on your way?
 - ✚ How will you measure it: weekly? Monthly?
 - ✚ What is the simplest action plan to accomplish your measurable goals? List 3 key projects (for example: attending weekly networking events, calling your sphere, visiting your farm); then figure out how you can either start doing them or do them more consistently.
 - ✚ What regular time and date each week can you set aside to assess your progress toward your overall goal and your key projects? At the end of this lesson you will find a "Forecast Your Future" list of questions that will assist you with assessing your progress. You are encouraged to make copies and complete it each week.
2. **Identify Benchmarks**. Make sure you've identified benchmarks each week and month to ensure you're making progress against your key projects. Benchmarks are simply the evidence of success. Key benchmarks may include action items like attending Chamber meetings for networking, calling your sphere XX hours a week, learning and implementing social networking (to name a few).
3. **Create a schedule**. This ensures you will complete the action steps. There are two parts to this schedule: The first is the schedule of benchmarks in the step above. The second is to choose one day of the week, the same day each week, at the same time, in the same place to work on each particular project. This step is the reason you choose no more than 3 priority projects.

4. **Schedule a time to review progress.** Each week, choose a day to evaluate the progress of each project (making decisions to keep going, complete, stop, or alter your plan) and look at the progress of your measurable goals. Evaluating both your projects and your performance at this point is extremely important because you are then weighing the value and progress of your projects against the real measures of sales and income.

5. **Instill a “numbers consciousness”.** – What gets measured gets done! For you this means having sales and listing targets each month that add up to your annual goal. More importantly, it involves looking at them every week so that you always know where you stand for the month and the year. And you can make continual adjustments based on those numbers

As you complete each step and as you review your progress each week, you gain tremendous insight into your business.



If you're setting off into unfamiliar territory, it is much more difficult and time consuming to get where you want to go without a map or compass! You'll spend a lot of time making wrong turns, getting lost, and just generally having a frustrating time trying to reach your destination. As you put your business plan together, you should not only answer the previous questions but also answer more specific real estate related questions such as:


- ✚ How much do I want to earn in gross commissions? You alone have absolute and complete control over your income – not the market, other agents or other outside factors. You alone must decide how much you are worth.
- ✚ Where does my business come from? What percentage will come from referrals, sign calls, open houses, expireds, FSBOs, sphere of influence etc. What is the ratio percentage of buyers to sellers with which I want to work?
- ✚ What is the average cost per transactions? What expenses can I attribute to each transactions for automobile, insurance, marketing...?)
- ✚ How many days do I plan to work during the year and how will I allocate my time? How many hours per day?
- ✚ What are the things I need to implement to take my business to the next level? Education, systems to overcome weaknesses, new technologies etc. Be sure to prioritize your list.
- ✚ Did I make my goals last year? If not, analysis why you didn't.


Spend your time doing those things that equate to your worth – somebody else can do those things that don't keep you out in front of people!


After you've completed your review and written down your goals, you need to analyze your current operations. How do you accomplish your goals? Are you being efficient with your time, money and other resources? How do you currently handle leads? Do you respond immediately? How can you improve upon that?

Take time to evaluate your business strategy. Understand your strengths and weaknesses, and be cognizant of the opportunities and threats (SWOT). Then tailor your business around your strengths. Educate yourself and practice improving your weaknesses. Learn to spot threats to your business model before the threat is on your front porch and take actions to modify your business model before the threat has negative effects on your business? Keep your eyes and ears open for new opportunities, especially if the market is about to shift.

The market is changing all the time, but a well-written, concise business plan can provide an exceptional road map to guide you through these changes. A business plan alone no matter how well written if left to set on a shelf gathering dust, will not guarantee success. You must review it often and you must be able to analyze and recognize market trends so that you know when to change your business strategies. Following are some actual examples of businesses that failed to analyze and recognize market trends:

 In the late 60s, the Swiss dominated the watch industry. In fact, they invented the electronic watch. But Swiss watch manufacturers rejected the electronic watch. It was, after all, battery operated; it didn't have bearings or a mainspring. Seiko took one look and took over the worldwide watch market.

 The Federal Express concept of overnight delivery was rejected by the US Postal System and look where they are today.

 IBM maintained that there was virtually no market for the personal computer and they continue to lag way behind the leaders!

Examine your sales and marketing efforts. Identify what worked and what failed. Make the necessary adjustments that will cause those failed efforts to become more successful and continually improve upon the successful ones. Be prepared to evaluate how your ideal customer views your services and make adjustments if necessary.

Get a handle on your finances! Accounting software or a system than can produce a Profit and Loss Statement, balance sheet and/or budget projections can assist you in attaching costs to your efforts. It will help you understand whether you are getting the best return on your investment of both time and money and it can help you track your results so that you know whether you need to make adjustments in your business plan.

According to the NAR, 70% of people who quit real estate are agents who have been in the business less than 2 years!



As a real estate professional, you have joined the ranks of business owners. You have become the CEO of your business and you need to work and run your business as any other business CEO. You'll find that as the CEO you wear many hats. You must be able to attract clients through pro-active prospecting, build a reputation and remain profitable. You need to take classes that will help you improve in areas of weakness. You need to market yourself, provide excellent customer service and keep up on technology. To be successful, you must know or work with people who can assist you with budgeting, accounting, tax planning, scheduling time off, purchasing new equipment, and managing time. Although real estate requires that you have **EXCELLENT PEOPLE SKILLS**, how you define your job dramatically affects your long-term success.

Smart broker CEOs understand the importance of keeping their names and faces in front of customers. They know how to plan for long-term profitability. They set realistic goals. And they stay flexible so that if necessary, they can tweak their business plans so that they remain successful.



What do great goals do for you?

- ✚ They challenge you to do your personal best!
- ✚ They help you identify "your specialty".
- ✚ They point you where you want to go.
- ✚ They challenge you!
- ✚ They make you feel totally alive!
- ✚ They alter the way you think or act.
- ✚ They give you energy.
- ✚ They bring true meaning to your life!

**“The #1 reason most people don’t know what they want is ...
They don’t know what they want!”**

Oftentimes, people don’t know the *WHY* behind *WHAT* they want. And so without clear direction, they are either paralyzed or too busy running around in circles to become successful. It is critical that you **understand what dominates your thoughts because you will find yourself moving in the direction of your thoughts.** Are you constantly listening and thinking about the doom and gloom of the marketplace or are you looking at the golden opportunities that your customers have for buying?

A business plan is a business guide, an economic tool that lets you know how well you are doing. It can help you get your thoughts organized and insure you cover all the major issues in a systematic way. When you commit your thoughts and ideas to paper, you can examine your plan in a critical way.

**“An unwritten want is a wish, a dream, a never-happen. The day you put your goal in writing is the day it becomes a commitment that will change your life.”
Tom Hopkins, Author/Speaker**

Following is a list of activities that can help forecast your future. Challenge yourself to review this every week both at the beginning as a reminder and at the end as an evaluation. You may not be able to do a lot about the chaos in the world, but you can certainly do these simple things to prevent chaos in your world! A single-page copy of this list appears at the end of this lesson.

1. How many total contacts did you make this week?
2. How many appointments did you make this week?
3. How many new listings did you get this week?
4. How many sales did you have this week?
5. How many referrals did you get this week?
6. **How many total hours of prospecting did you do this week?**
7. How many FSBOs did you call this week?
8. How many Just Listed/Just Solds post cards did you send out this week?
9. How many open houses did you hold this week? Broker’s Opens?
10. How many “thank you” notes did you send out?
11. **How many “just-keeping-in-touch” phone calls/emails did you send to your Sphere of Influence this week?**
12. Did you listen to a skill or motivational CD this week?
13. Did you review sales skill-building techniques this week?
14. Did you attend your office sales meeting this week?
15. Did you tour the new listings this week?
16. Have you set your goals and plans for next week?



“A well-written, concise business plan can provide an exceptional road map to guide you.”

Focus on what makes you money. Don't get sidetracked and end up doing things that simply don't make sense. Focus on the four tasks that actually make you money -

Listing, prospecting, selling and negotiating

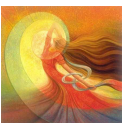
SESSION 2

“Understanding the Success Cycle – Mastering Skills & Developing Contacts”



The “Success Cycle” is like a three-legged stool. Each leg is dependent on the other and without one leg, the others fail to provide the necessary support. The three legs include “Contacts, Evaluation and Closing.”

The first leg of the Real Estate Success Cycle is “**Contacts**”. Contacts happen whenever you discuss real estate with someone either in person, by phone, mail, e-mail, Twitter, Facebook, Blog, web page or whatever. These contacts can be in the form of a “prospect – a person who needs to buy or sell real estate now or in the foreseeable future” or a “lead – when someone generates a prospect for you”. It doesn't take someone with a “golden touch” to turn a lead into a Goldmine but you do need to have skills such as good conversational or people skills. When making contact, it is important to avoid making a mini-presentation about yourself, your company, and what you have to offer. As David Knox puts it “**You need to stop the sales pitch and start a conversation**”. You have to get to know them, connect with them and you need to let them get to know you. One of the best ways to do this is to ask questions.



A true story: Once upon a time there was a Realtor® who upon getting out of her Volvo at a local grocery store, bumped into an elderly gentleman who was also

getting out of his Volvo. They started discussing how wonderful they each enjoyed their Volvo's – the features they liked best and why they chose to own one. She also noticed he was wearing a Seattle Mariners baseball cap and being a big fan herself, they talked a bit about how the Mariners were doing that particular season and what they thought of some of the players. As oftentimes happens, one conversational topic lead to another until he asked her "what do you do?" When she explained how she helps people buy and sell real estate, he said "Oh really, it just so happens I've been thinking about selling the house I'm currently living in. Could you tell me what I might get for it?" This story has a happy ending in that she not only secured the listing for his home and sold it but a couple of months later he recommended her to a neighbor who was also thinking of selling. From the beginnings of a simple conversation grew two commissions. By connecting with people first, oftentimes they'll close on you. It will feel natural to both of you. And even if they're not looking for your services at that time, they may be able to give you the name of a potential prospect.



You've no doubt learned (or soon will) that there are various types of customers – the great ones, who not only love you and what you've done for them, but who are willing to recommend you to everyone they know (without you constantly reminding them). There are the sometimes great ones – they love you too but don't always think of you when a friend or acquaintance is thinking "real estate". There are "the fun but hopeless ones". You enjoy being around them, but for whatever reason, they more than likely will never be in a position to purchase. There are those who will use you for the information they can glean from you. You know the ones. And then there are those who don't trust anyone. No matter what type of customer they are, you will soon learn in this business that you have to give the "lead" its value and **treat it like GOLD**. For even if they are not ready today, they may know someone who is or circumstances can change and they may need your services soon. When you follow up on leads immediately, you are demonstrating that you value that lead. And as you develop your communication skills, you'll begin turning these leads into appointments and then closings.

**Have you identified who you want to serve?
What type of customer do you want to work with?**

To develop great communicating skills, you must demonstrate extreme confidence and the ability to make the person you are communicating with feel like a million dollars. Think about people you've worked with in the past whose style of communication made you feel like they could read your mind; they know exactly what to say, when to say it, and in a tone that makes you feel like you've known them for a long time. "Just

like how this person made you feel,” says Stephen Pierce who wrote ‘Make Real Money on the Internet’, “ you need to create a message with value that is **BIG Enough, STRONG Enough, AND COMPELLING Enough** to entice them to want to work with you despite who they may have done business with in the past.”

CONFIDENCE SELLS!

Even more than experience, confidence shapes your ability to succeed. It propels rookies to 6-figure incomes and star performers to mogul-dom. When your self assurances wanes and you feel out of sync with clients and customers. They sense your tentativeness, they may be reluctant to give you their listing or repeat business.

What are some strategies you can follow to keep your confidence level high even in uncertain situations and after setbacks?

- ✚ **Be prepared for the unexpected!** Set aside time each day to prepare for tough questions that inevitably will come. Review your listing presentation. Know your market. Learn trends. Network. Read real estate professional magazines.
- ✚ **Even if you don't feel it, show it!** Be prepared. Dress well. Practice good posture. Arrive early. Walk with confidence. Look clients in the eye. Give a firm handshake.
- ✚ **Increase your knowledge of personality types!** People need to be treated differently depending on their personality makeup. Learn what makes them tick and you'll be able to negotiate with them to a successful close. Learn about different personality types.
- ✚ **Take action!** When your confidence is flagging, just accomplishing something is a great remedy to getting you back on track.
- ✚ **Restore control!** When things seem out of control, pause, think things over before reacting. Take a deep breath, count to 10 – whatever it takes before you respond.
- ✚ **Be independently happy!** Don't tie your happiness to clients. It gives them incredible power over you. Find your confidence from who you are and what you can do. Too many potentially good, budding agents quit or become discouraged because they've allowed their clients to control their happiness and their sense of self-worth.

Acquiring and capitalizing on evaluating and closing skills is also crucial to your success. The ability to evaluate (the second leg of the Success Cycle) requires that you know how to ask questions to determine whether your contact is a prospect or knows of a prospect. Learning to ask open-ended questions – those questions that begin with who, what, where, why, when and how – will allow you to glean more information than closed-ended questions which can be answered with a simple “yes”

or “no”. Practice asking open-ended questions with family, friends, and acquaintances and soon it will become second nature. The better you are at asking open-ended, probing questions and truly listening to the responses, the better you can evaluate and analyze a person’s needs. Some examples of open-ended questions:

- ✚ How soon might you be buying or selling?
- ✚ Who do you think is interested in buying or selling?
- ✚ Why do you want to move?

The third part of the Success Cycle is the ability to close. Closing for an appointment or someone’s signature on a listing or purchase and sales agreement is critical to your success. But too often we try to close too early. An effective tool that is under utilized in the real estate industry is the “trial close”. It can be used to check the buyer or seller’s temperature without jeopardizing the relationship or transaction . A trial close helps you to determine if you are still on the right track with your customer. For example, it allows the buyers to verbalize their concerns and to visualize themselves in a home. How many times have you lost an appointment or a signature because you tried to close too early? Closing is nothing more than taking the next logical step in the sequence of activities. Closing is a skill that you must master if you are to enjoy a 6 digit income!

PROSPECTING – The key to success



As mentioned earlier, **prospecting is the key to your success**. If you are new to the business, you must spend at least **three hours a day prospecting**. If you’ve been in the business awhile and are already somewhat successful, you should plan on spending **at least one hour a day**. Prospecting allows you to gain new contacts. It is also instrumental in making you a better negotiator because you’re not sitting around worrying about where your next deal is coming from. Prospecting doesn’t need to be difficult or expensive but you do need to be aware of opportunities for prospecting, just as in the earlier example when the Realtor® befriended the elderly gentleman at the grocery store. Some prospecting, like working your Sphere of Influence and Networking may present earlier success than Farming or working FSBOs and Expireds.

Fear is the number one reason many agents don’t call their past clients, and why they don’t get more business and referrals. In fact, many agents have less fear about calling strangers than calling the people they know. Some common FEAR reasons agents don’t call or meet with their Sphere include - fear of failure, success, rejection, having nothing important to say or offending someone.

Disorganization is another reason. They don't know who is in their sphere let alone how to contact them. Having a good contact management program and using it is critical to success.

Lack of good time management skills is another reason. Oftentimes, agents will complain they don't have time to contact their sphere. Instead they fill their precious prospecting time with administrative activities. It's important to make time to call your sphere – give it the high priority it needs because this is how you'll make more contacts and hence more money.

Another common reasons agents don't stay connected to their Sphere is that they simply do not know what to say. Stuart Kaufman, personal and business coach who writes for the Washington Realtor Magazine has a number of ideas on his web site at www.GetYourSphereInGear.com that can help you.

So let's discuss your sphere in more detail:

SPHERE OF INFLUENCE (SOI):

What makes up your sphere of influence? You most likely already have a number of lists with people's names, addresses, emails, phone numbers etc. Your personal phone directory, club membership rosters, your church, school and holiday card lists, school alumni, neighbors, Facebook and other social networking sites are all examples of lists that you've accumulated over the years. And for each person on your list, remember that they too have a network which can exponentially expand the potential contacts you receive. Your list, however, must be realistic; you need to have the ability to keep in contact with them on a regular basis. For this reason it's a good idea to categorize your sphere making it easier to keep in contact with them on an on-going basis.

The most successful real estate practitioners have great influencing skills. They are approachable because they show they care. They use people's names. They are problem solvers who know how to create loyalty and build value. They know how to make it easy for people to say "YES" by first asking for small "yeses". They remember off-handed remarks made by the people with which they come in contact and then translate it into a gift or service that's meaningful to that person later. And they show a genuine passion for what they do.



There are **four branches of your Sphere of Influence.**

1. **Your DIRECT SOI.** These are people you know and can be divided into two groups. Group 1 includes people you socialize with while Group 2 includes people you know but don't socialize with.

2. **Your INDIRECT SOI.** These are people your Direct Sphere of Influence knows. They are your future referral business.
3. **THIRD GENERATION SOI.** This group is made up of people you meet via your Sphere of Influence.
4. **EVERYONE ELSE** – This group includes every single person you encounter in your day-to-day wonderings. For example: the elderly gentleman at the grocery store.

Following is a list of people you should consider to be part of your SOI because they are all very important to your future success: Obviously, this is not an all-inclusive list but it will offer you a starting point or a reminder point.

Family	Children's Contacts	Church Members	Merchants
Friends	Recreational Partners	Former Co-workers	Neighbors
Professionals	School Classmates	Fellow Hobbyists	Civic Activists
PTA Members	Letter Carriers	Corporate Execs	Insurance Agent
Bank Personnel	Other Sales Reps	Barber/Beautician	Public Figures
Realtors (Other cities)	Auto Mechanics	Plumber/Electrician & Other Tradespersons	Your Spouse's Contacts
Garage Sales	Empty Houses	Assisted Living	Naval Bases
Workshops/Conferences	1031 Exchanges	Manufactured Home Dealers	Birth Announcements
Single Women	Soropotimists	Rotary	Chambers of Commerce
Lions Club	Eagles	Kiwanis	????????????????

Networking is a critical way of connecting with people! Earlier, you read that before you can make a sale, you have to make a connection. For example - When you attend conferences where you will be meeting other professionals from other parts of the country or state, you shouldn't considered it just 3 days away from your spouse/partner or whatever. This is prime time for networking. It is:



- ✚ price selling time
- ✚ relationship-building time,
- ✚ prospecting time and
- ✚ connecting time.

Be sure to prepare in advance to make the most of these opportunities – take plenty of business cards, brochures and be sure to collect email addresses while you are engaging with other participants.

Bob Corcoran, founder and president of Corcoran Consulting Inc, says “nothing is more powerful in business than personal contact. It’s the human touch that makes the world of real estate go around.” In his newsletter he identifies 7 ways that you can personally visit with the important people in your Sphere of Influence (at least twice a year).



1. Schedule Sphere of Influence Events – It’s a perfect way to meet several folks in your SOI all at once. Send out personal invitations and invite them to a barbeque, a year-end party, a holiday party, a Halloween party or rent a theater and show a popular movie. **And although not everyone will show up, the point is that you invited them and they had the opportunity to come.** You can even work with your local mortgage broker or other vendors to help defray the cost.



2. Conduct a seminar – invite a speaker or celebrity to do a seminar (Tax seminar, living trust workshop, county officials to discuss zoning changes or tax reform are just a few examples).



3. Hold an Open House – not for a listing but for your office. Make it a “thank you to the community and your customers”. Something as simple as an ice cream social in the summer speaks volumes about your appreciation to your customers.



4. Create Special Dinners – Reserve this for those top SOI people who give you multiple referrals or who have used your services several times. Choose a nice restaurant or have something catered.



5. Annual Equity Updates – This is a great way to stay in touch with those who’ve actually bought a home from you. When you sell a home, keep detailed

records such as the sales price, the loan amount, interest rate, down payment and terms of the loan. Use this information to update your clients on how their home investment is doing.



6. Charity Events – Help people in need and make contact with your SOI with one event. Spearhead a Habitat for Humanity program. It's as easy as ABC: (A) Do a mailing announcing your involvement; (B) Do a follow up call inviting your SOI; (C) Have photos of yourself and your SOI taken at the event and mail or email a success sheet to all of your SOI after the event. Don't forget to submit a press release to the local media.



7. Do a Special Delivery – Whip up some baked goods and hand deliver them to your SOI.

It's your responsibility to motivate your sphere of influence to refer to you easily and effortlessly. Know what you want to say or ask them before you make that call or visit and think of yourself as a "giver". Before you get on the phone, ask yourself "what can I give them?" Offering to be a cross-referral partner is one approach, especially if they own their own business. Ask them how you can help them and what kind of referrals are they looking for. Then at the end of the conversation, ask them if when they hear of anyone interested in buying or selling a home, would they have them call you. Another approach may be to send your sphere something of value each month – possibly a post card that lists the events that are taking place in your community in the upcoming month(s). Be sure to include your photo, name, contact information, and tag line. They will soon come to associate you with happy events and bright, colorful post cards they place on their refrigerator each month. Assume that your sphere will be happy to hear from you. If you are sending them something of value each month, why wouldn't they want to hear from you? Finally, be excited about your business. Excitement sells! It attracts and it's contagious!

SESSION 3 "The Success Cycle – Farming, Networking, & Referrals"



FARMING:

Farming is one of the fastest and surest ways to build your referral business. But if you're going to develop a farm that produces a steady crop of fine listings, you have to constantly work it. Too often, however, we fail to identify a farm area that can genuinely support our efforts or business or we make contact once, but because we get no instant results, we blow it off as a waste of time, money and other resources. Following are tips for choosing a farm area.



1. Expand your horizons. Initially you may look at setting up a farm area around what is comfortable for you – your own neighborhood. But if the turn-over rate won't support you, you must "expand your horizons" to other markets. According to a recent AARP article, the fastest growing segment of the current population is age 75+ and four of five are women. This same article stated that 83% of seniors are property owners with 63% of them owning their homes free and clear. Less than 25% will move to a "senior specific" community. This is a prime example of a type of farm that you could tap into. Later in this section, you will find a list of additional farm markets that you might want to consider checking out.



2. Look for a match. Your ability to tune into the values and lifestyle of the people who will make up your farm is especially important. Here's a little story to help illustrate this thought: *There once was a Realtor® who was very successful assisting other town dwellers in finding appropriate housing but he wanted to expand his market into the surrounding farming community. The town he worked in was surrounded by fertile farmland that was owned by second and third generation family farmers. He would drive out to farm after farm in his fancy car and three-piece suit to talk with the farmers hoping to get to know them. Unfortunately, things just weren't clicking. He knew he was an excellent salesman who was passionate about his work. He decided to visit with a company that helped market real estate professionals and explained his dilemma. They suggested that he drive a less ostentatious car and exchange his 3-piece suits for nice slacks and a sweater. The combination of the image change and his genuine interest in the farmers and the farming industry eventually won him much future business.*

As you can see from the previous story it's critical to fit your genuine personality to your farm area. Before deciding on a particular farm area, be it a property farm or people farm, you must feel 100% comfortable with the people who make up your farm area. Do you understand them? Can you act just like one of them **comfortably**? You

must be able to interact on the same level as them. Your image must be consistent with your personality. And your marketing materials must reflect this image.

Find a theme – ask yourself “Who am I?” What’s my passion? What possible niches does that open up for me? For example, are you a soccer parent, an avid golfer, an opera fan, a supporter of the arts, a woodworking enthusiast, ...? Finding your theme will help you create a strong personal brand that separates you from the competition and will assist you in creating a presence within your farm. Use your passion to support your business and it will feel like fun all the time!



3. Narrow down a very specific, identifiable geographic area or customer base. Oftentimes real estate professionals make the mistake of letting logic get in the way of developing a niche based on a personality trait or a specific interest to themselves. Instead, they decide to niche themselves based on real-estate related topics such as a “Home Staging Specialist” or a “Financing Expert”. Agents who market themselves this way are forgetting the cardinal rule of marketing:

“People don’t buy based on logic; they respond on emotion!”

To illustrate this point, consider this: Nike doesn’t market itself by saying how well their shoes are made or the support they offer. They amaze you with emotionally-charged marketing that speaks to certain, targeted demographics that makes their shoes a “must have.”

The lesson for you is – base your marketing on a niche that you are truly passionate about. Then stick to it. Don’t stray from the message you want to convey to your niche. Don’t delude it! This doesn’t mean you can’t build multiple niche markets. But you can’t expect a message in one niche to translate and be applied to another niche. When you identify the niche you wish to market to, first consider the overall market, then the niche, then the micro-niche as shown in the examples below:

Market – RE Buyer	Niche – 1 st Time Buyers	Micro-Niche- Military
Market – RE Buyer	Niche – Move-up Buyers	Micro-Niche-\$400-600K
Market – RE Seller	Niche – Professionals	Micro-Niche-Health Care



4. Evaluate your Competition – If another agent has more than 30% of a given market share in your proposed farm area (if you’re considering a geographical farm), you may want to reconsider marketing in this farm area. To illustrate the difficulty of breaking into a market that is already **controlled** by another

professional, consider the fact that many times a “third cola” has attempted to take on Coke or Pepsi, only to fail. What would be more beneficial for you is to look for an area that is **fragmented** between many agents. Build your market share rapidly and other agents may choose to abandon that farm area altogether because you now dominate it.



5. Make sure there is sufficient turnover rate – If you are to be successful in any market, the farm area you choose must be large enough to support you. Having a business plan and knowing your monetary goals is critical in order for you to evaluate what is sufficient to support you. If homes aren’t selling in a particular market, don’t enter that market. You have to do the math. Consider the formula shown below in evaluating whether the turnover rate will support your endeavors.

Take the number of homes sold and divide that number by the total number of homes in the market. If five homes sell in a farm area of 200 homes, divide $5/200$ and you find that the turnover rate for that market is 2.5%. If 15 homes sell in a farm area of 250 homes, divide $15/250$. You can see that the turnover rate for this farm area is 6%. Ideally, you want to find a farm area(s) that has/have at least a 5% turnover rate.

6. Trade in Direct Mail for Mass Media or Social Internet Networking. Determine when it becomes more cost-effective to reallocate your advertising budget into mass media. Using a mix of media options (newspapers, TV, cable, Magazines etc) is still important but the way you allocate your limited funds may determine your success, even your survival. Social networking for all it’s positives and negatives is a way of the future generation and if you wish to reach them, you must learn to embrace the means by which they want to communicate. Some of the hottest trends on the internet these days include:

- ✚ Blogging (like being a columnist for a local paper, you can put your personality right on the page. But be careful not to get involved with negative blogs!)
- ✚ RSS Feeds (brings sites that you want to visit to you when you sign onto your computer. This is a fast way to quickly get up-to-date on current information that’s important to you. Some say this is the Future of the Internet!
- ✚ Social Networking (A powerful way that many, especially young, connect with the world.)

Listed below are just a few of the thousands of social networking websites available (according to Wikipedia.) When you visit Wikipedia you’ll see not only the names, but a description or focus for the networking sites, the number of registered users; and descriptions of how you can register.

FACEBOOK	BlackPlanet	GamerDNA
Boomj.comj	MySpace	CafeMom
MyYearbook	Classmates.com	Twitter
Elftown	WebBiographies	Flixster
Windows Live Spaces	Horseland	LiveJournal

To maximize technology, you need to choose tools that will **Increase your Production and Your Connection** with prospecting clients. Then once you've connected with them, you need to get a good handle on your data base. Many agents do not have a good data base and even some that do, don't keep it current or use it on a regular basis. Hire someone to help you build and maintain this important tool and you'll discover that it is worth its weight in gold.

A good data base is like having



GOLD IN THE BANK.

There is nothing more valuable.



7. Networking – As discussed previously your attendance at real estate conferences should be a primary source for networking business. Unfortunately, many liken their attendance as time off from prospecting when, in fact, it should be considered prime time. Conferences are not only a great place to connect with others who share your passion for real estate, but it's a wonderful opportunity to learn what people in other parts of the state/country/world do to promote themselves and increase their business.

Business or organizational networking groups also offer excellent opportunities for you to share your real estate knowledge and gain credibility. Becoming involved with local groups like Rotary, Soroptimist, VFW, Eagles, Chambers of Commerce, Habitat for Humanity etc., is an opportunity for you to both support local community efforts and to network for future business.

Social networking allows you to participate in personal rewarding fun events and activities and incorporate your real estate marketing efforts. Quilting, church activities, your children's Little League, ballet, or school bands are just a few social networking opportunities that allow you the chance to grow your business and have fun. If you're not already active in different organizations, consider joining local

organizations that have special meaning or interest for you. Places where you already do volunteer work, or where others with like-minded interests or hobbies meet are a great place to start. This social networking not only meets “your interest needs”, but also can meet “your business needs.” Remember - whenever you are “involved” with a group, no matter how formal or informal it may be, consider it prime time for networking.



8. Common Sense Business Planning – When determining the type and location of your farm area, it’s important to apply common sense to your plan. Sometimes, one farm will not be enough to support the income you wish to receive and it’s necessary for you to consider two or more geographical farm areas. But, it’s also important to consider the effects your new farm area may have on your existing market area ... factors such as travel time and your ability to successfully support both areas. Your farm areas require nurturing and if you spread yourself too thin, you’ll find you are overextending yourself and loosing on all fronts.



9. GET STARTED!!! Don’t let yourself become mired in the details. The “paralysis of analysis syndrome” has negatively affected many a good plan. We can all create excuses about why we can’t start today but these excuses only lead to continued procrastination and unrealized dreams and goals.

Two Types of Farms

There are basically two types of farms – People and Property. However, each of these types of farms include as many sub-farms as your imagination can conceive. Some examples include:

People farms: Absentee Owners, Out-Of-State Owners, First Time Home Buyers, Investors, Sellers of Expired Listings, FSBOs, Builders, Single Women, Hispanics, Seniors to name a few.

Property Farms: A specific group of dwellings concentrated in one or a few areas. Condos, Vacant Land, small multi-unit (duplex, triplex...), homes built in a specific era, Equity homes, fixer-uppers, new construction, Historic homes etc. are just a few examples.

Oftentimes you may not experience any immediate return from your farming efforts. In addition, it can be costly, labor intensive and requires a strategic commitment.

However, if you are patient and nurture your farm not only with marketing materials, but even more importantly with follow up visits and phone calls, you can cultivate and reap a harvest of leads. For many, though, they hit it when they have to, or maybe really work it once. Unfortunately, the analogy to farming is not accidental. A good crop year after year requires a steady output of mails, emails, phone calls, and visits in order to gain a steady input of listings and potential buyer customers.



An alternative to the above mentioned farming is **Internet Farming**. It has many advantages that regular farming does not. First of all, it is not limited to one subdivision, street or apartment complex. Its global presence provides you greater latitude with a lot less effort. You can reach out and touch as many people as you want and you have the luxury of 24/7 delivery. The monetary savings is significant too. Although you may need to purchase computer software to keep track of your farm area(s), you do not need to expend your precious funds on printed materials or postage.

To implement an internet farming program, you must first decide what target audience you want to attract. What is your focus? Remember buyers, sellers, FSBOs are all looking at web sites. You want to entice them to your website by dangling a carrot in the form of FREE reports or information they may not get easily from other sites or sources. By branding your website to a smaller, more focused group, (for example: retirement homes in a gated community, golf homes, lake homes, luxury homes, land, first time buyers, tennis, acreage, estates, new homes, town homes, condos etc), you stand a much better chance of attracting the types of buyers and sellers with which you want to work.

Your web site exists to get you leads!

Many practitioners, however, mishandle the inquiry by forgetting basic sales techniques and loose business. Sharpen your touch by

- ✚ Getting back to the prospect right away. Time is of the essence. Use auto responders.
- ✚ Qualify the prospect right from their initial inquiry. Instead of just answering their questions, ask qualifying (who, what, where, when, why and how type) questions.
- ✚ Follow up – You must be able to discern where to place them. Are they a “full boil” ready-to-purchase or sell now prospect or a “slow cooker” buyer or seller that you will need to place into a drip campaign? And what type of campaign do you have that will keep them interested and you in touch? It’s important to take the time to set these campaigns and lead programs in place so you don’t loose business.

No matter which type of farm you choose to work, remember to offer them something of value and keep in touch with them. If you don't, you are leaving to chance that they will remember you and what uniqueness you have to offer them.

I ♥ Referrals

Referrals are another great source of business for now and for in the future. According to the National Association of Realtors®, 43% of all buyers and 41% of all sellers said they were referred to their agent by a friend, neighbor, or relative. Only 11% of all buyers and 22% of all sellers used their previous agent, which was the second most-popular response. It's important to begin planting referral seeds during your initial consultation with all your contacts. You can do this by continually asking for referrals as you work with your customer. Referral moments occur when your customer receives something of "great value" from you. But remember, **value is received only when value is recognized**. The best time to create a referral moment is when you call, text, or email to give them "good news". Take the time to tell them what you did to get them the "good news". Then ask for a referral in a powerful, but natural way.

A common mistake many professionals make when they provide something of value and their customers thank them, is to simply **respond "no problem"**. **When you do this, it automatically lowers your value to them**. To effectively demonstrate your worth, you must eliminate the words "no problem" from your vocabulary.

Following is an example of how you can ask for a referral from your current customer(s).

The Situation: After you've had several positive business interactions with a customer or client, it's a great time to ask them to tell their friends and family about you.

You: "I have a favor to ask you, but only if you're comfortable with it"

Seller: "Sure, I guess so."

You: "It's been my experience that while we're working together on selling (or buying) a house, most of my clients discuss the experience with their friends, relatives, and people at work."

Seller: "Oh, I talk to people about it all the time."

You: "That's great. During those conversations, has anyone you're talking to mentioned that they are also thinking of buying or selling a property?"

Seller: "Yes, a couple of people have."

You: "When that happens, I would really appreciate it if you would tell the person about me and why you chose me to be your broker. Also tell them to expect a call from me within the next 48 hours. Then, with their permission, I need you to call me with their name and number so I can make that call. Ok? Are you comfortable doing that?" Source: Ed Hatch, CRB, CRS, trainer & Coach

Be willing to plant referral seeds with family, friends and colleagues. You will soon learn that prospecting is hard work, but it is also the lifeblood of your business, whether it is a good market or bad. For this reason, you need to know whom you'll prospect, what you'll say to them, and when and where you'll make your calls or visits. **It takes time, patience and discipline but the rewards are worth your effort.** Putting together a prospecting plan "that you work" is critical to your success. And when you become successful, remember not to become distracted by that success. It's easy to find excuses for not prospecting if you have several active clients on tap. But if you don't keep the prospect pipeline filled with new leads, you'll end up with no work when the current deals close.

Effective promotion and effective performance are critical and work hand-in-hand in creating great referrals for you. Effective promotion shouldn't just take place before you begin working with a customer. In fact, keeping in touch and spending more of your marketing \$\$\$ on past customers with whom you've successfully closed on a sale is much more powerful and rewarding. According to Bane & Co, A Boston-based strategic consulting firm, "it's five times more profitable to spend advertising dollars retaining current customers than acquiring new ones."

The customer already knows and likes (maybe loves) you. And the great service you provided them demonstrates your effective performance, a key ingredient to gaining on-going referrals. Again, a simple but good contact management program that you use continuously is vital to saving you time, money and energy and helping you to keep in contact long after the sale. Keep in mind that everyone in your Sphere of Influence and on your farm is a possible client and source of vital information and referrals. Keeping in contact with them helps you to continually water, fertilize and reseed your referral base.

Of course, your efficiency and natural friendliness and warmth are also important factors to your success. When you meet or talk with them, share with them how they contributed to your success. Let them know "**you couldn't have done it without them!**"

How do you get your satisfied clients to talk you up to friends and acquaintances?

Following are a few ideas:

- ✚ Begin by developing a memorable, 60-second oral description of what you do (not who you are!) It's not your job title, but what you do that you want to instill in all your contacts. For example: "I help people find the home they've always dreamed of."
- ✚ When you send your Sphere a newsletter or article you think they might be interesting in reading, attach a Post-It Note reading "FYI" and your initials. This not only helps attract people's attention but it makes them feel you've personalize the article for them. Another idea for keeping in touch is to send your Sphere two vouchers for a free consultation of some sort (buyer or seller related). Ask them to pass one on to a friend.
- ✚ To get satisfied clients to talk you up, you need to make it easy for them. Instead of telling them you're a full-service real estate professional (which by the way usually doesn't mean anything to them), play up your unique attributes. A long list of services is not likely to catch anyone's attention. Find out what's most important to them and then tell them how you can assist them. Continue to educate them about other services you provide only as the need arises – one at a time.

Other ideas to build your referral business:

- ✚ Offer real estate advice via your local paper or radio station. Establish your presence in the community as a knowledgeable expert.
- ✚ When considering thanking past clients and referral sources each year, choose unique gifts that have personal meaning to them.
- ✚ Donate an annual amount to a local charity in the name of all your past clients.
- ✚ It seems it takes more today to impress today's consumer but one action that never loses its power is the personal phone call. Pick up the phone after the customer has bought and personally thank them for their purchase. Customers oftentimes don't expect to get a personal call. We seem to underestimate the power of the tiniest personal touch. And if you really want to increase sales, make it a point to pick up the phone on a regularly scheduled basis.
- ✚ Become active in your community by volunteering your services.
- ✚ Send out a regular newsletter encouraging past clients to share it with their friends.
- ✚ Send "thank you" notes or gifts to anyone who makes a referral.
- ✚ Host a BBQ or holiday party for your customers.
- ✚ Create an email signature that encourages referrals.
- ✚ Offer to work with a local insurance agent to help homeowners re-evaluate the adequacy of their property insurance.
- ✚ Talk about real estate trends at local college job fairs or local community business breakfasts.

- ✚ Take up a new interest. It will help expose you to a whole new and different group of people that you might not otherwise encounter.

It's important not to take referrals for granted. To assist you, consider making this your service policy:

- ✚ From the other person's perspective, have I treated him/her with the utmost respect?
- ✚ From the other person's perspective, have I exceeded his/her expectations?
- ✚ From the company's perspective, is it in the best long-term financial interest of the company?



Using the above service policy will help you create a client evangelist and a much more pleasant, cost-effective referral program. When customers send you endorsements or testimonials, use them in all of your marketing materials. Third party endorsements of this sort are a tremendously powerful marketing tool. In addition, client evangelists who refer business to you are an appreciating asset – treat them like one!



Seven Deadly Sins of Real Estate Prospecting

Prospecting is the most vital component in developing your real estate business. Yet many professionals make simple mistakes that take them away from doing the prospecting that will have them earn and get paid the amounts of money they want to make each year.

- ✚ **Not Doing Enough** – You must be willing to do what will have you find buyers/sellers before your competitors begin forming solid relationships with them.
- ✚ **Poor Attitude** – People respond to you based upon what you are putting out to them. A poor attitude provides negative results. Negative results reinforces fear and anxiety about prospecting. If you have a great, positive, fun-loving attitude, people will like talking to you more. Always leave people with your best impression.
- ✚ **Not Following-UP** – Doing the necessary prospecting is only part of the formula to success. By falling up, you give people the impression you care!

- ✚ **Prospecting the Wrong People** – Limit your prospecting to people you actually want to work with or prospect in the geographical area that has properties you really want to work on
- ✚ **Not Asking for Referrals** – Even if your prospect isn't ready yet, they may know someone who is. Your goal should still be to get them to trust you enough that when they're ready, they will contact you. In the meantime, that same trust can produce names and contact information for friends and acquaintances that are ready and that they're ready to pass onto you.
- ✚ **Not continually contacting new prospects.**
- ✚ **Discontinuing Prospecting Once You Generate Activity** – We all know that there is a time lag between prospecting and closing. But if you reduce prospecting activities, you will experience a gap in your incoming commissions.

Some additional ideas to help you galvanize your business:



(1) Use active rather than passive or reactive marketing techniques. For example – make those personal phone calls or in-person contacts vs. open houses, floor time, farming by mail without any follow-up personal contacts.

(2) Focus on “right now” business and turn “warm” business into “hot” business leads. Identify who will do business in the next seven days, next 30 days, next 30-90 days and those who MAY do business in 90 days or more.

(3) Connect with “Centers of Influence”. These people are sometimes referred to as “Gate Keepers” – the people who are in charge and who can open doors to others in their organization.

(4) Call at least 10 of your past clients or Sphere of Influence **EACH DAY!** Even if you are among the nearly 90% of sales people who experience some level of call reluctance where you'd rather walk through a raging fire or eat rusty nails than attempt to up-sell a customer, you absolutely must make these contacts to be successful. The #1 reason people fail as sales professional is they just don't initiate enough calls or visits due to their call reluctance. Most prefer to wait until the customer initiates a sales discussion rather than bringing the topic up on their own. The primary reason for this is Discomfort at possible rejection. When you make these contacts, follow-up with handwritten notes. It is recommended that you contact your sphere at least 4 times yearly – send them some sort of written material (a newsletter, post card, thank you note ...) and follow up with a phone call or visit.

(5) Don't attach yourself to the outcome; rather get "attached" to giving the best possible customer service and the outcome will take care of itself!

(6) Know your market area COLD. Know where to find "deals", know the benefits and drawbacks of different locations; become the 'EXPERT' in at least one segment of your market.

(7) Build your business around your PASSION. People who are passionate about what they do are naturally "attractive" to others. Orient your business around your strengths (your passions) rather than your weaknesses. They will naturally cause people to want to do business with you.



(8) Get out of the office and talk to people about real estate. Have lunch by yourself and sit at a counter. Wear something that identifies who you are. Strike up a conversation with the person sitting next to you. Or ... walk your dog and make sure you're wearing something indicating you're in real estate. If you walk slowly or sit down, people will walk up to you and start a conversation just to pet your dog. Conversations have a way of coming around to that question, "so what do you do for a living".

(9) Learn to trade information. Whether you are on floor, at an open house, or just having a chat with someone, you must ask questions. Your questions should be geared around qualifying them as a viable prospect or learning whether they know someone who might be a viable prospect. Too often we are so eager to give out information that we forget to ask good, qualifying, open-ended questions in a natural way. Maybe you fear rejection or you're afraid the person you're talking with might be a "real" prospect. Maybe you lack a prepared approach of what to say or you are just plain nervous. Understanding that your objectives are to (a) Develop rapport, (b) Get the prospect to discuss what they want or need and (c) Get the prospect to work with you will help prepare you for trading information.








(10) The ability to initiate and maintain a conversation is just as important as "closing the deal" because if you don't earn their trust, you'll often never get the chance to close. Small talk is the gateway to building and maintaining relationships. It's a way to connect with people you know and create new bonds with people you don't. This ability comes naturally to some folks but for many it's an agonizing shortfall. Have interesting topics to discuss (something other than the weather or local sports). Talk a bit about yourself or your family, but don't ramble on.

Learn to use the names they give you. Mirror their behavior. Ask open-ended questions. Use FREE information to get the conversation rolling. For example: If you notice military memorabilia around their home, ask questions about their military service. Or if you notice little league trophies (and your children are also in little league) what a perfect conversation opener. Smile, make eye contact and nod to communicate that you're listening are all excellent ways to put both yourself and the potential prospect at ease.



(II) Practice the

- | | |
|---|-------------------------------------|
|  Be prepared | Be conscious of your purpose |
|  Be motivated | Be self-disciplined |
|  Be enthusiastic | Be persistent |
|  Be aware of your tone | Be aware of your speed of speaking |
|  Be "stingy" with info | Know when to ask for an appointment |

After you've developed rapport with the prospect, there are KEY QUESTIONS you can ask that are designed to get you started and to tell you the degree of a prospect's motivation and area of interest. Notice many of these questions are open-ended to solicit more than a "yes" or "no" response.

1. Are you working with another "Broker" as your exclusive Buyer's agent?
2. What kind of home are you looking for? What do you like about that type of home?
3. How soon do you need to find a home? What is your timeframe for finding a home?
4. How long have you been looking for a home?
5. Why are you moving right now?
6. How soon can we get together to look at homes?
7. What price range do you have in mind? How did you determine that amount?
Would you consider a home costing more if that home best meets your needs?
8. What (city/town/etc) do you like best? What do you like about that area? What other areas would you consider?
9. How many will be in your household? What school, day care or transportation concerns do you have?
10. What features do you most want in your new home?
11. Is your present home on the market? Will it be necessary to sell your current home before purchasing a new one?
12. How soon can we get together? Would this afternoon or tomorrow be better for you?

SESSION 4 "Characteristics And Barriers to Success"



Veterans and novices alike – to be successful in real estate sales – must possess or develop certain basic characteristics. If you are unable to, the odds against a successful career are increased. There is no field more individualized than real estate sales. There are as many approaches to the business as there are people in the business. The following nine characteristics, however, have been found in all successful agents.

1. **High Personal Initiative** – In a salaried job, someone gives you a schedule, expectations and time frames for accomplishing tasks. In real estate, however, **you** have to schedule your activities, check and evaluate your work and practice good time management skills.
2. **Tenacity** – In real estate, you're going to hear "no" more than "yes". You must be able to bounce back and keep on going until you reach your desired outcome. You don't get paid for your time, only for your RESULTS so you must be tenacious enough to overcome disappointments!



3. **Risk Taker** – Agents who jump right in and start finding prospects, even if they don't think they have enough real estate knowledge, have a much better chance of making money before their savings runs out. They'll tackle the biggest challenges fast, because they're willing to take a risk, fail and learn from their experiences.
4. **Accountability to Yourself** – You'll learn quickly that you don't have someone to tell you what to do, when or how. Some agents spend the first weeks trying to figure out what to do, then get scared. Don't procrastinate, seeking comfort in organizational activities. These will not make you money.
5. **Reliability to Others** – Trust and reliability go hand in hand in this business. To build your business, you must build trust and confidence with the public. Always, keep your promises!
6. **Willingness to Learn** – Do you resist new ideas? This is a performance business. You must be willing to accept an idea (while reserving judgment) and to try it out.

Successful salespeople grasp an idea, try it out and then form a judgment. An unsuccessful agent decides why the idea won't work and feels no need to do anything.










7. Enthusiasm – Get excited about what you're doing – it's catchy! The public relates to it. Being excited is one of the most important qualities in choosing an agent.



8. Handling Rejection – Your ability to accept "NO" and keep going is key. Don't give up too easily.

9. Creativity – We are in an era of constant change, turbulent markets, increased competition. To stay ahead you must continue to change and create new marketing strategies. Have fun with new ideas. Get you and your business noticed. Get out of the box! Make your marketing material different and get into your targeted audience's environment if you wish to be successful.

The flip side of the 9 characteristics to success is the deadly sins agents must avoid:

-  Treating real estate like a job
-  Token prospecting
-  Lack of follow-up
-  Minimal market preparation
-  Poor presentations
-  Poor communication
-  Failure to invest in themselves



Strive for Balance in Your Life –

Bryan Dyson, CEO of Coca Cola Enterprises said "Imagine life as a game in which you are juggling some 5 balls in the air. You name them – work, family, health, friends and spirit, and you're keeping all of these in the air. You will soon understand that work is a rubber ball. If you drop it, it will bounce back. But the other four balls – family, health, friends and spirit are made of glass. If you drop one of these, they will be irrevocably scuffed, marked, nicked, damaged, or even shattered. They will never be the same. You must understand that and strive for balance in your life."

This career is full of stressors. How you adapt to these stressors will determine your longevity in the profession as well as in life. To illustrate this point, let's look at a couple of examples of how stress affects you.

I am holding a glass of water in my outstretched hand and I ask you "how heavy is this glass of water"? The answer is that the absolute weight doesn't really matter. It depends on how long I try to hold it. If I hold it for a minute, there's usually no problem. If I hold it for an hour, I'll have an ache in my arm most likely. If I hold it all day, you'll have to call in an ambulance. The weight is the same but the longer I hold it, the heavier it becomes – the same is true with stress. You must take time to relax, even if it's just a day off. Pick up the work burden later, after you've rested. You'll be surprised at how much more you accomplish with minimal difficulty.

Stephen Covey tells a story about "sharpening your saw". Remember how that saw worked like a charm when it was new. It cut through logs in no time. But as time goes by, the sharp edges become dull. It takes more effort to saw through those same logs. The same is true of your career. It's easy to let it dominate your life. But devoting time for yourself is critical to your physical and emotional health as well as the health of your business. Allowing burnout is counterproductive to success.



Success means envisioning your future. With a clear vision of what you want for your business - a vision that is compelling and something that you are passionate about – you will create a clear road map. Then when you hit a roadblock (as you no doubt will), you won't get lost and run out of gas before you get to your destination. Ask yourself what am I worth per hour? Could my time be more effectively spent doing those things that actually bring in the money? Build a team and delegate those tasks that are non-sales related and don't keep you out in front of prospects and customers. As you are developing your plan, be clear about your niche(s). Don't try to be all things to all people. The days of being a generalist are past. Identify 3 or 4 areas that fit your skills, experiences and loves. Niches come in many variations but always focus your niches around your passions! You will discover that magnetic attractions happen when you are relaxed and happy to share information and expertise. And don't forget to align your priorities of family and personal enrichment with your schedule. Nurture yourself!

Serenity prayer: "God, grant me the ability to prioritize what I can't delegate, the courage to say 'No!' when I need to, and the wisdom to know when I should go home."

BATTLING THE BIG 4 INTERNAL BARRIERS

According to Don Hobbs, of Hobbs & Herder Marketing, "The things most detrimental to our careers are often those which we have the most control. In life, business, relationships, when we fail, we fail primarily not for what we don't know but what we do know but don't act on. Inside of us, there are elements pulling in many different directions. Some of these things hold us back from reaching our true potential, and sometimes, we find that the biggest battle isn't the competition, but it's winning the war inside our own bodies and minds. You can't win the war outside until you've won the war on the inside."



FEAR is the first internal barrier to success. Fear can sabotage a deal or end your career. It affects more than 19 million Americans, according to the National Institute of Mental Health. But fear is a part of everyday life. If there is no risk, there can be no reward. You must be willing to navigate through fear if you are to know success. Stress and panic are common triggers to fear. But irrational fears can weigh you down and prevent you from achieving what you're truly capable of achieving. The likelihood of these fears being realized is slim and therefore, unfounded. We'd be much better off to ignore them and forge boldly ahead.

Most people think of fear as it relates to failure. It causes us to be over-cautions and causes to be afraid to commit to new ways of doing business or to make an investment necessary to improve our business. But many people fear success due to their perceptions of others. They feel "I don't want to be like that" or "I wouldn't know how to handle that much money."

To combat fear you must prepare, practice and be organized. Focusing on your passion, acting fearlessly, visualizing positive outcomes; not dwelling on rejection or taking things personally, learning to let go, moving on to the next opportunity and keeping things in perspective are all ways of navigating through fear.

Sometimes, you've got to get out of your comfort zone to be successful!



COMPLACENCY – many agents who do \$1-2 million dollars in production annually tend to consider themselves successful. "I'm doing fine" they say to themselves. But ... fine compared to what? Compared to others who aren't succeeding? Or compared to what's actually possible for you? Getting trapped into

the thought of comparing yourself to others, instead of comparing yourself with what's possible for you is limiting. Ask yourself if your personal marketing materials and efforts are doing everything they should be doing? Are making your business as good as it can be? If you could do better, should you? And how? Make the most of your talents and the opportunities provided by generations before you.



INDECISION is said to “the thief of opportunity and enterprise.” If success was convenient, everyone would be successful. But it's not. It requires planning and action. Are you ready to make the decisions and take the necessary step to make yourself successful. Procrastination can easily become the crutch for those who get caught up in the “getting ready to get ready” syndrome. You'll remain mediocre throughout your entire career if don't quit making excuses for your indecision. Learn to make decisions, not excuses!



DOUBT – The polar opposite of positive thinking. You might question something now and then – that's healthy, especially if you need clarification on things. The key is not to let those negative thoughts overtake other areas of your life that thrive in a positive environment. Don't become a chronic skeptic! Doubt is nothing more than a mental barrier. It's not real, yet it has the ability to prevent you from reaching your full potential. Never doubt yourself and what you're capable of doing.

There is an old Cherokee philosophy that best sums up the affects that these 4 internal barriers can have on you if you let them. “One evening an old Cherokee told his grandson about a battle that goes on inside people. He said “My son, the battle is between 2 ‘wolves’ inside us all. One is evil. It is anger, envy, jealousy, sorrow, regret, greed, arrogance, self-pity, guilt, resentment, inferiority, lies, false pride, superiority, and ego. The other is good. It is joy, peace, love, hope, serenity, humility, kindness, benevolence, empathy, generosity, truth, compassion and faith. The grandson thought about it for a minute and then asked his grandfather: “Which wolf wins?” The old Cherokee simply replied, “The one you feed.” And so it is with the Big 4 Internal Barriers. If you feed them, they will win and success will continue to elude you.

There is no magical purple pill. You can't just dream or pray for more prospects. It takes action – continual prospecting. You've got to give your prospects and customers a reason to call you. You have to separate yourself from the competition. And you

must have marketing systems in place that will help you generate leads. Implementing the activities shown below, you, too, can forecast your future

FORECAST YOUR FUTURE
(No excuses)



1. How many total contacts did you make this week? _____
2. How many appointments did you make this week? _____
3. How many new listings did you get this week? _____
4. How many sales did you have this week? _____
5. How many referrals did you get this week? _____
6. How many total hours of prospecting did you do this week? _____
7. How many FSBOs did you call on this week? _____
8. How many Just Listed/Just Solds did you send out this week? _____
9. How many open houses did you hold this week? _____
10. How many "thank you" notes did you send out? _____
11. Did you listen to skill or motivational CD's this week? _____
12. Did you review sales skill-building techniques this week? _____
13. Did you attend your office sales meeting this week? _____
14. Did you tour the new listings this week? _____
15. Have you set your goals and plans for next week? _____

You may not be able to do a lot about the chaos in the world but you can certainly do these simple things to prevent chaos in your world!

NAME: _____ DATE: _____

QUIZ

Complete the following True or False and Fill-in-the Blank Questions. Then submit them with your payment to CBPS, ATTN: B&B RE Institute, 4235 SE Mile Hill Drive, Port Orchard, WA 98366. You must receive 70% or better on the exam in order to receive a Certificate of Completion.

T or F

- ___1. Holding open houses and sitting floor are excellent examples of proactive prospecting.
- ___2. You should begin conversations with the idea of determining whether you and your prospect are a good fit.
- ___3. By providing good consultation for your present business clients, you help ensure future referral business.
- ___4. Goals may be vague statements of what you wish to accomplish.
- ___5. Your action plan should consist of a clear understanding of why you are in real estate.
- ___6. Creating and adhering to a schedule for completing your action steps is a critical step of your business plan.
- ___7. By scheduling time each week to evaluate your progress, you are able to measure your sale and income and determine what course of action to take next.
- ___8. The market and other outside factors determine your income.
- ___9. Great goals help you to identify "your specialty".
- ___10. Listing, prospecting, selling and monitoring your web page are four tasks that actually make you money.
- ___11. Setting time aside each day to prepare for tough questions from prospects will help you prepare for the unexpected.
- ___12. A "trial" close is not used very often because it is not effective.
- ___13. New brokers should prospect at least 3 hours a day; seasoned and successful Brokers should prospect at least 1 hour a day.

___14. A realistic sphere of influence list allows you to contact them on a regular basis.

___15. Attending conferences is a great time to relax from prospecting.

___16. A third generation sphere of influence is made up of people your direct Sphere knows.

___17. Dressing well, practicing good posture, arriving early for appointments are excellent ways to demonstrate your confidence.

___18. The fastest growing segment of the current population is age 75+ and 83% are property owners.

___19. The best way to decide on a farming niche is by real estate related topics such as a "Home Staging Specialist".

___20. People buy based on logic not on emotion.

___21. If another agent has more than 30% of a given market share, you should consider looking for a fragmented area to farm.

___22. A successful farm area has at least a 6% turnover rate.

___23. Internet farming has many advantages that regular farming does not but you may need to purchase computer software for tracking purposes.

___24. A 'referral moment' occurs when you provide something of "great value" to your customer but it must be recognized as something of value.

___25. Spending more of your marketing \$\$\$ on future customers is more rewarding in terms of new business.

___26. To build your referral business, establish your presence in the community you serve as a knowledgeable expert.

___27. The #1 reason people fail as sales professionals is they just don't initiate enough calls or visits.

___28. Taking time each week to evaluate your prospecting plan allows you to weigh the value and progress against real measures of sales and income.

29-35. Name the seven deadly sins of real estate prospecting.

a. _____

b. _____

c. _____

d. _____

e. _____

f. _____

g. _____

Instructor: Loraine Du Paul Delivery Method: Distance Education

MANDATORY COURSE EVALUATION

Name: _____ Date: _____

Please check your answer to each questions	YES	NO
Did you receive a copy of the course curriculum/objectives?		
Did the course content conform with the published description?		
Did you read the material in the booklet on the date above?		
Did you complete the quiz for the course & use the enclosed answer sheet?		
Did you complete this course evaluation and sign the form below?		

Why did you choose to take this course? Circle all that apply: Topic Time Cost
Ease or Other _____

Course Evaluation (5 being excellent, 1 being poor)	Exc				Poor
How useful was the information acquired from this course?	5	4	3	2	1
How current was the information presented?	5	4	3	2	1
How would you rate the organization of the information?	5	4	3	2	1
How would you rate the quality of the material used?	5	4	3	2	1
What is your overall evaluation of this course?	5	4	3	2	1

DELIVERY METHOD (Distance Education)	Answers
How many hours did it take you to finish the course?	
Was your assessment of your clock hours inclusive of homework assignments? If yes, then break down the seat time?	
Did the course have periodic measures of time spent and progression towards completion?	
Did the delivery method allow interactivity with an instructor? Was the instructor available?	
Additional comments about the course, instructor or delivery method.	

Would you take another correspondence course from Basics & Beyond Real Estate Institute? Yes No Why? _____

Thank you for taking this course: _____

Your Signature

To file a complaint regarding any education issues, you can download the Education Complaint Form from www.dol.wa.gov/forms/6200r3.htm

Disclaimer: No denial of full continuing education credit for the subject course may occur as a result of completing this evaluation form