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## A River of Referrals

How do you get a constant stream of referrals? The first question I would ask you is, "How many referrals do you want?" Or even a better question would be, "How many referrals can you handle?" Notice that keyword "handle." You might say to me, "I want a thousand referrals a year!" But then the question I'll ask is, "Can you handle a thousand referrals a year?"

What do I mean by "handle?" Simply put, you must be able to follow-up properly on every referral you get. If you do not have the time to follow-up on a thousand referrals in a year, make your number 200 or 300. It must be a number that you know you can properly follow-up on and generate into customers because of your good follow-up. Once you've decided on your objective, the objective being the number of referrals you want per year, what you need to do is plan how you're going to get these referrals.

Benjamin Franklin wrote "By failing to prepare you are preparing to fail," so in order to get consistent referrals you must plan for a constant flow of referrals. The kind of plan you must prepare is a marketing plan.

There are two types of plans in business -- a business plan and the marketing plan. A business plan maps out financial company growth. A marketing plan is a map of strategy for contacting and motivating potential customers. Even though both are important of the two plans, the one that you must have is a marketing plan. It's a fact; a real estate business without customers is no business at all.

Don't confuse marketing and selling. Selling is the present -- marketing is your future. Selling is a direct action taken to get a customer. Marketing creates your future selling opportunities by generating demand for your real estate services. Marketing generates your prospects and referrals.

No one has to tell you that reaching potential customers costs money, so a marketing plan must be carefully thought out and written down. A well conceived marketing plan serves several important purposes:

- ✓ It guides you into writing a brief non-technical description of your business. From this description you can extract your company's mission statement, which is a short, to the point statement about your company. Once written, it becomes the focal point of your marketing.
- ✓ It unifies you and any of your marketing effort by giving you a common goal with the objectives you establish.
- ✓ It narrows all your marketing efforts by defining your perfect target client.
- ✓ It makes you look at your competition and allows you to discover how you are better and how you need to improve.
- ✓ It allows you to discover both your strengths and weaknesses and turn them into marketing advantages.
- ✓ It stimulates your ability to make wise decisions when it comes to deciding on your communication strategies.

- ✓ It forces you to look at a specific marketing timetable. Having a plan is the number one factor in minimizing the cost of your marketing.

We use 5C's to construct a successful marketing plan. Before we talk about the 5C's there are 2C's that are necessary not only to your marketing, but everything in life.

The 2C's are commitment and consistency. To do anything in life you must have a commitment to do it. When you start any project, you have that initial excitement that makes it really easy to start and there is this really great sense of satisfaction when you finish a project. It's that middle area that seems to drag where you wonder if you'll ever get through the project. That is where you need the commitment and consistency to stick with it because it's worth it in the end. The lack of the 2C's is probably the number one reason why life's plans don't get done.

With commitment and consistency in mind let's look at the 5C's of constructing a marketing plan.

**1. Company.** You have to be able to describe your company just like you would describe it to a prospective customer. From this company description you will create a mission statement. A mission statement is a clear definition of your company's purpose stated in one or two sentences. It answers the question, "What do you do?" You must also describe your product or service; your geographical marketing area, your pricing strategy, customer service, your business location and any environmental factors that might affect your business.

**2. Customer.** You have to be able to describe your perfect customer. You have to know who you're looking for before you can find them.

**3. Competition.** If you were the only Real Estate Agent in your area a plan would not be necessary. But, because you have competition, you must know them as well as you know your own service. You have to identify what you have in common with them and how you differ from them. You have to know the similarities and dissimilarities between your service and theirs. You have to be able to identify target segments where you definitely have a competitive advantage.

**4. Cost.** You have to know what percentage of profits you can allow for marketing campaigns. You also have to know what previous methods of communication that you used to find customers -- which ones have been effective and which ones have not.

**5. Communication.** You have to know the communication strategies that will be used to achieve your objectives. You must have clearly defined marketing objectives for your company and you must list the way that you're going to test your marketing ideas. Then, you have to make decisions on which strategies that you will use to communicate your message to your prospect or clients. When it comes to communication strategies, any Real Estate Agent that is starting a business can do it spending less than \$1000 per year for marketing.

When you consider communication strategies don't forget both on and offline strategies. There are certain offline and online strategies that are a must for Real Estate Agents, such as:

- ✓ A 24-hour recorded message is an inexpensive under used powerhouse that every Real Estate Agent can use. This is a separate phone line where you have recorded a message for anyone that wants to call in 24-hours a day. You advertise with inexpensive classified ads telling everybody to call your number to get the answer to something like, "5 questions to ask any Real Estate Agent before you hire them". At the end of the call you give the option to the caller of leaving their name and phone number. This strategy becomes a true offline "optin." Many callers will leave their name because they feel no pressure. You will be really surprised how many qualified leads you can generate with this strategy.

- ✓ You must have a "Wow!" business card. A wow business card is one that when you hand it to a prospect they take a look at it and say. "Wow, I like your card!" Remember in many cases a bunch of business cards is the only thing a prospect is left with. Make sure yours leaves an impression. When you do your business cards make sure your picture is on it and you use both sides. The second side of the business card can be used for quotes from portions of testimonials that previous clients have given you.
- ✓ You need a brochure about you. As a Real Estate Agent you are selling you. You are the product.
- ✓ Another strategy you want to learn about is how to effectively use classified ads.
- ✓ You want to learn all you can about the effective use of postcards. These little billboards by mail are a powerhouse in your advertising arsenal.
- ✓ Make sure you have a really sharp looking logo prepared in a digital format that you can put it into a program like Word so it will print out when you produce any letters or presentations to clients.
- ✓ A sales presentation is a must have communication strategy for any real estate agent. This can be built in a program like PowerPoint. What you want to produce is a two to three minute presentation about who you are and what you can do for the client. Make sure that it is loaded with testimonials from people that can vouch for you doing a good job.
- ✓ Articles, associations, Chambers, fact sheets, joint ventures, note cards, novelties or premiums, Yellow Pages, radio and TV are a few more offline strategies that you might consider.
- ✓ Another very little used strategy that could put you in the top of your market are teleseminars. Make sure you request information about Teleseminars from Stay In Touch.
- ✓ Another strategy that is a must-have for every agent and is a specific spelled-out plan is customer service. Customer service will be the single most important activity that you can do in your business that will create referrals from past clients.
- ✓ You must also take into consideration online strategies such as autoresponders, email, website, optin's, articles, and a tell/ask site. Online strategies do not take a lot of money to create, but they do take a lot of time to set-up. Once set-up they become very robotic and a lot less time will be invested in this strategy.

Make sure you budget not only an amount of money you're going to spend, but also the amount of time that you will be spending on each of the strategies

Whenever we do a marketing plan for a business we always use levels in the program. We use levels because we want them to "Walk before they run." Instead of listing all the communication strategies that we want them to use, we break them up into levels so they start with a few strategies and make sure they are successful and producing income before they step up to the next level.

Robert Schuller said, "Every long-term plan should have short-term steps. Yard by a yard, life is hard; but inch-by-inch, it's a cinch."

By following the 5C's and producing a marketing plan for yourself it will be your first step to success. The person who plans knows where they're going, knows what progress they are making and has a pretty good idea of when they will arrive. Planning is an open road to your final destination. If you don't know where you're going, how can you get there?

Remember, plan ahead -- it wasn't raining when Noah built the ark.