

Giving priority to lead generation...or prospecting



Too many real estate salespeople and even some sales trainers lump in lead follow-up with prospecting or what I am calling lead generation. Big mistake! These two actions are very different. ***Prospecting is the act of generating leads. Lead follow-up is keeping in contact with the leads in order to convert the leads into appointments or customers.*** During lead follow-up, you can dump some leads because their desire, need, ability, or authority isn't high enough or definable enough for you to serve them.

Combining prospecting and lead follow-up in one category is a mistake because most real estate salespeople then take action only on the lead follow-up portion. The reason is it's easier, more comfortable, for us. When you're not creating new leads, your production and sales are only as good as the leads you have already. What happens if the leads are really low quality? What happens to your listing volume and buyer volume earnings? Everything in terms of production, sales, and personal income is negatively affected.

I recommend investing at least 25 percent of your day—or about two hours—to lead generation. That is if you are trying to grow your business. If you are in a maintain mode you can do less. You should also work to make that time consistent each day, meaning no bingeing on lead generation. Schedule the two hours each day and sew them in the schedule. Don't get to the end of the week, find out you're behind, and try to do marathon session to catch up.

Part of your lead generation investment is on *qualifying* prospects—determining their motivation, time frame, expectations, and experience; and which other real estate companies may be competing for their business. You also want to know how they're going to make the decision to purchase or list. The questions you ask, whether on the phone or in person, help you use your time in the most efficient manner by eliminating prospects who don't exhibit the characteristics of a motivated buyer or seller. The process also helps you craft the most on-target message to those prospects who qualify as customers. Here are three core elements to qualifying a prospect:

- ✓ **How much?** What's the size of the potential listing or sale? What can you expect in future business or referrals? In the scope of your current clients, where does this prospect fit?
- ✓ **How soon?** What's the time frame to buy or list? If the prospect is six months away from the final decision, a lot can happen to derail the sale. You also have to invest six months of calls, e-mail, question answering, and presentations. However, if the prospect views you as a last-minute entry to serving them, the prospect may perceive you as too risky because you haven't built a service and value connection. Some of selling is being there at the right time.
- ✓ **At what cost?** What's the cost in terms of your time, effort, energy, and emotion to create a listing or a sale? Some customers take large volumes of time for little return. You need to determine the costs and ask whether the listing or sale is really worth it.

Leaving time for following up on leads

Lead follow-up is the process of converting your leads into clients—or at least into appointments. During lead follow-up, you can dump some leads when you determine they don't really meet the client profile or it's clear that they are not in a position to buy or list at this time.

You should be spending less time on lead follow-up than on prospecting. Shoot for a 2:1 ratio at a minimum, or an estimated one hour per day. If you invert this ratio, you may run out of leads sooner than you anticipate—and find yourself playing lead generation catch-up.

If you have an overabundance of leads, then swing the percentages to lead follow-up for a few days, a week at the most. Just don't remain there too long, or you'll find your new leads dwindling.

Blocking out time for listing presentations and buyer consultations

Most listings are completed in the listing presentation, where you're pressing flesh. This is the most obvious component of the DIPA time you invest. It's also the segment of the sales process where you're closest to converting the listing, getting contracts signed, and setting up solid inventory so you can leverage your business.

Pre-schedule listing presentation in your time-blocked schedule. As a real estate salesperson, I knew how long a listing presentation took to conduct, so I typically had preplanned slots to do them. When I was prospecting, I'd use alternate-choice closes to garner appointments, such as "Would Wednesday at 1:15 p.m. or Thursday at 3:15 p.m. work better for you?" It kept me focused on booking appointments, and it increased my effective use of time through better organization of my schedule. It also helped me avoid the poor techniques that most real estate salespeople employ, which is asking, "When do you want to get together?" That phrase exclaims you aren't busy, you need the deal and it turns over total control of your time management strategy to someone else.

Planning for personal development time

The books you read, seminars you attend, CDs you listen to, and videos you watch can all have a dramatic and positive influence your level of real estate sales success. When you invest your time into these learning activities, you can count on a healthy return. Although formal classes and classroom study are good ways to continue your quest for knowledge, you can squeeze in lots of learning opportunities without giving up vast amounts of time. Here's how:

- ✓ **Sign up for seminars.** Check with your Board or Broker to see what is coming to your area.

- ✓ **Turn your car into an audio university.** Make the most of your commute. Turn off your favorite top 40 station or talk radio show and stick in a training CD or a download to your MP3 or iPod instead. Use the time to expand your knowledge about your industry, your career, or human psychology. With the amount of time you spend in your car over the course of a year, you could theoretically put in enough hours to earn a college degree. If you want quality education and training for your auto university check out our website at www.realestatechampions.com. I have a number of best selling series that will impact your bottom line.

- ✓ **Sign up for online events.** The new world of training is online. We do a tremendous amount of training, coaching and education in our Live Virtual Classroom, for example. These intimate programs really help agents increase their income and reduce their investment of time. They are highly cost effective because you don't have to travel to an onsite event. You can do them from your home or office. They are extremely interactive personal coaching and training experiences.

Role-playing: Getting ready for prime time

I put a great deal of emphasis on the importance of role-play in preparing for appointments and listing presentations and buyer consultations. These dress-rehearsals are much more than a fun and frivolous exercise; they're a critical step in increasing a positive outcome from a direct income-producing experience. If you invest your time into role-playing and perfect your scripts and delivery skills, you're bound to grow your sales results.

The time to practice isn't when your commission check is on the line! Here are some tips for working in some practice through role-playing:

- ✓ **Set a time and place to role-play and put it in your schedule.** Don't book appointments in your role-playing time – protect role-playing as if it were an appointment itself. Role-playing is usually the first thing real estate salespeople cut when they get busy.
- ✓ **Start with your appointment-setting techniques.** These are the most important because if you can't get in front of the prospect to make a presentation, it doesn't matter how good your presentation is to that buyer or seller.
- ✓ **Enlist a partner.** To really role-play well, you need a partner. Why not practice on someone other than a live buyer or seller? You can find another real estate salesperson in the office or you can ask someone who has a vested interest in your career.

Early in my sales career, my wife, Joan, listened to literally thousands of my listing presentations, objection-handling scripts and dialogues, and trial and final closes. In fact, to this day she could probably outsell most of the real estate salespeople because she knows the scripts and can deliver them!

- ✓ **Have your partner offer various responses (without setting out to antagonize you).** The objective of role-playing is to develop good skills and gain confidence. You want to practice making the sale. You want stalls, objections, and problems brought forth from your role-playing partner. The other person just doesn't have permission to be a jerk.

Evaluating your sales presentation performance

The time you invest in evaluating your personal performance absolutely earns an IIPA rating. What you do with your time, how you invest it, how you make decisions, how you use your skills, how you work to improve - all

these actions influence your personal productivity, I really believe most salespeople don't invest enough time in evaluation, limiting their improvement.

If you have aspirations to improve and increase your income, you have to be willing to critique your performance. Ask yourself the following questions:

- ✓ How is your opening statement? Does it create a high level of connection and interest?
- ✓ Did you harvest viable leads?
- ✓ How effective is your lead follow-up sequence?
- ✓ How well do you deliver your listing presentation or buyer consultation?
- ✓ Do you give yourself high marks in confidence, conviction, enthusiasm, and assertiveness?
- ✓ Do you listen or speak more than your prospect?
- ✓ How well do you present benefits aligned with the needs of prospects?
- ✓ What's the conversion rate of leads to listing presentations or buyer consultations? What's the conversion rate from leads to closed sales? What the choke point to improvement in this area?

Also do sub-level evaluations for a listing presentation and buyer consultation in the area of objection handling and closing. These two areas really separate the top-level real estate salespeople from the middle of the pack.

- ✓ How well do you know the objection scripts furnished by your company? Do you practice them weekly?
- ✓ Can you deliver them under pressure in a listing presentation or buyer consultation with eloquence?
- ✓ At the end of an objection that a prospect raises, can you shift to closing?
- ✓ In closing, do you ask for the order in closing more than four times?

Honest personal evaluation takes guts. Focusing on your problems, mistakes, and faults isn't fun. Although many real estate salespeople may rank prospecting as their least-favorite activity, I suspect that personal evaluation is

really the most difficult task. But if you never look in the mirror, you may never glimpse those ugly truths and correct them so you can achieve the success you deserve.

I know I have hit you with a lot in this quick e-book. I wanted to give you specific tools and strategies to really impact your income in the next 12-months. In the end your time management skills and strategies are life management systems and strategies. How you apply what I have shared will determine the quality of your life. ***Time management is really life management.***

One important final piece of advice...don't get discouraged if it doesn't go perfectly for you in your time management. Don't wallow in a lack of instantaneous results. My professional view is the skill of time management is like a muscle; a muscle that needs to be trained and worked. You won't go out tomorrow and run a marathon or bench press 300 pounds. You have to work up to that level of fitness and strength. You will have to spend months of running longer distances to prepare well for a marathon. This is also true with your time management skills. We over estimate what we can accomplish in a day or a week but underestimate what we can do in 6 months or a year or more. Don't be caught by the trap of frustration. You are there to make measurable progress in reasonable time!

Finally, if I or my team at Real Estate Champions can be of service to you, please don't hesitate to call on us...we are here to serve. You can reach us via phone at 541-383-8833. Our website is www.realestatechampions.com. You can also follow me through facebook at <http://www.facebook.com/dirk.zeller1> or through my blog at www.dirkzeller.com. Real Estate Champions has a facebook page as well at <http://www.facebook.com/RealEstateChampions> or connect with me via Twitter at <http://twitter.com/REChampions>.

To your success,



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