

# **The Keys to Success in Real Estate with SalesPartner.**

## Introduction:

SalesPartner is a software package that is very successful in helping real estate salespeople realise the goals of their database contacts, whether vendors or purchasers, clients or customers. For years we have worked on the premise that when salespeople see that it works for their colleagues they will believe it and take steps to incorporate SalesPartner into their own businesses.

Now we understand that people don't believe things when they see them so much as see things when they believe them. The evidence from history is all around us. For centuries people believed the world was flat and could not see the abundant evidence that it wasn't. Indeed even sailors who could see a ship climbing the horizon with its masts and sails showing first, which was a pretty good indication that the world was round, feared sailing off the edge in uncharted waters. For those who studied the stars elaborate schemes were constructed to confirm that the sun moved around the earth, despite eclipses and other evidence to the contrary. The idea that the earth moved around the sun was a hard sell. We discovered that the idea SalesPartner worked could also be a hard sell despite abundant evidence and endorsements from existing users.

So how do you get people to reconsider their beliefs? Again we find the evidence is all about us – you should write a book. So here we go.

We sold our first Real Estate software system in March 1985 (to Andrew Harcourt at Butlers) and have been designing systems for real estate firms and salespeople ever since. One of the fascinating aspects of this for us is that over the years we have been able to learn from many of the top professionals in the business. We have had extensive access to a variety of firms and marketing approaches. We have had more open access to different firms than most salespeople and business owners.

We have also taken advantage of the internet for research and cyber conferences and visited with many firms in New Zealand and overseas.

One of the first of these visits was with David Pilling in Adelaide who wrote “The Systems Revolution in Real Estate” among many other achievements and marketing innovations. He suggested I visit a number of local firms doing pioneering work in computer systems and I was able to take advantage of the introductions. Most of the work that was going on was directed at the accounting side and processing sales and advertising expenses for firms, not the marketing side which most interested me. This preoccupation with back office systems and features to suit both office administrators and system suppliers still characterises many of the systems available today.

However in those days David Pilling worked with another top thinker and trainer for real estate, Gregg Toyama and it was at a seminar Gregg gave in Palmerston North around 1990 that inspiration struck. Talking about databases Gregg said; “What salespeople want is a system or machine where you put names in one end and out of the machine would come invitations to appraisals”.

From its inception SalesPartner has been designed to be that machine. Some of our most successful clients have been running that machine since the 1990s.

It soon became clear to us however that getting the invitation to the appraisal was just the start. We needed a couple more machines in the production line; one to convert the appraisals to listings and another to achieve effective sales. So we added activity tracking and databasing properties to the mix. The fuel or power source that got the system turning was clearly provided by the salespeople and the work they did to discover and utilise the changing motivations of buyers and vendors.

From the very earliest times it was clear to us that systems or computer software alone can't sell real estate. Real estate sales are handmade. The salesperson with enough contacts and the stomach to share twelve cups of tea or coffee a day will still do well but it is also clear that those people who believe computer database systems have no place are being proven to be completely wrong in today's market.

A good software program will not replace salespeople but it will help salespeople become more effective, more efficient and earn a lot more commissions by helping more clients achieve their real estate goals.

How much more? Over the years we have had feedback like "In my first year it was worth over twenty five thousand dollars to me and in my second year it was embarrassing"- Ron. "After eight years in the industry, I started with SalesPartner and in the following year doubled my income and the year after that added another fifty percent"- Bev. "If I could choose between a free billboard right in the middle of town or my weekly email database - I'd choose the database every single time. It simply gets results." - Andrew

It quickly became clear to us that the processes we had identified that were being used by experienced salespeople and we had incorporated into SalesPartner were the key to the success our clients were having.

As systems designers and suppliers we have an on-going mission to overcome technical issues. But the primary effort we invest is to understand and capture the concepts and processes used by the best salespeople and make them easier and more readily achieved in a timely fashion by all our SalesPartner users.

For new subscribers you can take advantage of all the pioneering work sponsored by our earlier users and gain access, for a low monthly rental, to all the features and benefits built in to the package over the years. Our earlier subscribers have had the advantage of guiding the design of the system to meet their needs at very low cost and gaining the benefits from

applying these processes when few others had been equipped to compete with them.

SalesPartner is a form of knowledge-system with processes and techniques embedded into it which have stood the test of the market place. Not only does it give you and your salesteam access to the best processes that we can find for achieving successful listings and sales but it also provides for these processes to be done more quickly.

It is worth noting, and we will repeat this later, we don't expect any one salesperson or office to use all features of SalesPartner. We also recommend that you as a salesperson do not spend more than an hour a day with your SalesPartner systems. If you come across an issue or process that looks like it is going to take much longer than that give us a call for advice and support. However if ignorant salespeople tease you for spending too much time on your computer, check out how many successful salespeople use SalesPartner and persevere.

In the next chapters we will discuss how to find the primary keys to success in Real Estate with SalesPartner.

**Key 1 Pro-active marketing.** Our first goal is to enable you to use the processes in SalesPartner to increase your pro-active marketing. We believe pro-active marketing is the No 1 key to success for a real estate salesperson.

For many products being marketed today, eg vehicles or farm equipment, the salespeople need clients to visit, kick the tyres and discuss the finance. **They put up signs, advertise in the paper, in magazines and on websites and wait for the phone to ring.** Does that sound like real estate marketing to you?

It is re-active marketing in the sense that the activity of the salespeople responds to the reaction of clients to the products being sold.

In other industries (the classic example is life insurance) if the salespeople wait until the client rings to say they need it, it could well be too late. When someone rings a life insurance salesperson to say they need some, the natural question is “What did your doctor say?” Salespeople in that industry know they have to be building relationships and be marketing to their clients long before the clients need to use their product. This is a good example of an industry that relies on pro-active marketing.

Pro-active marketing can be defined as “The processes that keep you in touch with clients to establish credibility and rapport before they know they need your services.”

“I’m working signboards today.” It took me a while to plumb the depths of this expression. (It originates from a David Knox seminar). If a salesperson is working “The Property Press”, “The Blue Book”, the coffee machine or the local paper and spending time driving lots of people around in their car they are heavily into re-active marketing. That salesperson will spend a lot of time looking for keys to take contacts to properties but will be missing the keys that truly open the doors to success in Real Estate.

We know buyers almost always need to visit a property to get emotionally involved so as salespeople you are encouraged to take clients to properties. It’s worth noting that in New Zealand the first salesperson to take a client to a property can usually claim the selling commission share if that client subsequently buys it. You also know that to meet a vendor’s best expectations the buyer has to get emotionally keen on the property. But experienced and successful salespeople know that vendors (not buyers) are the long term key to their success. And it follows that vendors are the key to success for their office.

Achieving a long list of properties for sale is not any guarantee of success either. We will discuss later how to determine which vendors are *in* the market as distinct from only being *on* the market. An important

skill for experienced salespeople is to recognise the difference and have processes to ensure that their vendors are in the market.

**Key 1.1 Secure more invitations to appraisals with pro-active marketing.** Say out loud to yourself. “I want to be their real estate resource before they know they need one!” This is your goal for your pro-active marketing.

Becoming perceived as the local real estate resource by potential vendors is the key to a satisfying career as a real estate professional and is also the primary goal of the processes built in to the SalesPartner real estate software systems. We have discovered that even new salespeople can achieve a high level of profile as a respected real estate resource in just a few months of work with SalesPartner.

So you have a salesperson license and a licensed agency to work from. How do you get your own listings? Why does it seem so easy for some colleagues and such a challenge for others? - When I have a training group that includes salespeople who have been in the industry for 10 years or more I regularly ask; “Where do your listings come from?” The veteran salespeople report that most of their vendors are people they have helped with a real estate transaction in the past. **They have dealt with them before as a real estate professional.** All the participants in the course usually readily accept that as the natural order of things. The more experienced you are as a salesperson the more referral and repeat business you should be getting.

The question that follows to the whole group is: “How many of the intending vendors in your area have made a previous real estate decision?” And we ask “How many of those have dealt with a real estate salesperson or agency still active in the industry today?” (The answer is nearly all. Only a very few current owners among those who inherited or partnered with a property owner might be the exception.)

You can immediately see how vital it is for new salespeople that many veteran salespeople and existing real estate agencies have come to ignore their past clients soon after they have completed their property purchase. Salespeople are always busy and without good systems can quickly lose touch with past clients. We believe many purchasers never hear from their agent again after settlement is complete. A quote to remember: “Each phone call before settlement shows how much you care about getting paid, each phone call after settlement shows how much you care”. (Phone calls after settlement are also a good source of testimonials, referrals and relisting.)

If veteran salespeople and their agencies were better at keeping in touch it would be much harder for new salespeople to be successful when they enter the industry. The fact is that they often are not very good at it. This represents a huge opportunity for new salespeople to build quality relationships with these real estate “orphans” right now.

We know real estate transactions are hand made and to be successful you need excellent people skills. Databasing however, is about opportunity, being there early and often, and about building relationships and trust with potential clients, both buyers and vendors.

It also helps when the processes you use for keeping in touch achieve a couple of other key objectives. These are;

- illustrating the current market and
- demonstrating the systems you use to market the properties which you and your office currently have available for sale.

We will provide more details of these processes and systems in later chapters. But it’s important to note that the processes you have available for pro-active marketing from a SalesPartner database are designed to both illustrate the current market and have your potential vendors say to themselves. “I want this to happen when I list my property.”

Talking about marketing allows us to bring up this question. “What do real estate salespeople sell?” The answers we get during our seminars include – properties, themselves, their agency and their services. If we ask more clearly “What is the service that you the salespeople sell to vendors?” we can still get a wide variety of answers like marketing plans, support and expertise during an emotional period, negotiating skills, or the ability to get their property sold.

We agree with all these answers but believe they are not the primary service real estate salespeople are commissioned to provide.

Our answer to this question, “What do real estate salespeople sell?” is that the primary services real estate salespeople sell are the processes they will use to **find the best buyer for the vendor’s property and then secure the best net price.**

Other people have provided similar answers with different emphasis and here are a couple we like with apologies for any paraphrasing:

“My role is to find the people with the most emotional involvement in your property and make sure they compete with each other to buy it”  
Which is attributed to Ian Keightly and Michael Bulgaris.

“To introduce your property to as many people as possible who are currently in a position to proceed” – Robert Bevan

From The Millionaire Real Estate Agent by Gary Keller “For Sellers, their (the top real estate agent’s) goal is to net them the most amount of money, in the shortest amount of time, with the least amount of problems”. See the “Seller Value Proposition” P95

There are many skills involved and techniques which can be learned to determine a buyers’ walk away offer level for any property (in SalesPartner we emphasise CMAs for buyers) but **we believe the**

**primary processes which motivate the ultimate buyer to pay the best price (call upon their fighting funds) include competition with other real or potential buyers.** Think of Auctions, Tenders, multiple offer situations and buyers making offers before the first open home. Mastery of SalesPartner databasing helps attract multiple offers.

We believe most vendors will try and list their property with the salesperson they expect will ultimately achieve the best net result for them. (Net means after fees, marketing contribution and property presentation costs have been taken into account.) The goal of achieving the best possible net sale price is foremost in the mind of vendors when bringing their property to market. Put even more bluntly we believe **any salesperson could sell all the available property in your area tomorrow if price didn't matter.**

The emotional aspect of the listing decision cannot be ignored. Tom Hopkins “ There probably aren't two clients in a hundred who will admit it, but one of the main reasons some people pay real estate fees is to get attention and sympathy while a matter of great importance to them is being resolved”.

We agree but then the question is; “Why would they choose you rather than one of your colleagues in the industry?” “How can you be different, win more listings and protect your fees?”

**Key 1.2: Be there and be there early – they can't choose you if they have never heard of you.**

Many agency owners in the industry carefully ensure all participants follow specific rules about placement of signs and the time period they can be on view with sold stickers on them. Signs and the open home lists in your local papers are designed to sell the firm and the salesperson, together with the property. In many areas the salesperson with the most signs will be likely to get more calls from potential vendors just for being there.

With SalesPartner you are readily able to send more information to more people more often. Flyers, emails, letters, trump cards and web links can be generated quickly with your personal contact details and company branding, no matter who listed the property.

For new salespeople this process is a vital step in establishing your credibility as a real estate resource with people you have dealt with in the past. These people, who know you already, may be comfortable on the emotional level with having you involved, and even keen to share their moving experiences with you, but need assurance that you have real estate skills to support the relationship already in place between you.

**Key 1.3: Achieve more listings by using your SalesPartner processes.**

We believe you will achieve more listings if you can demonstrate simply to potential vendors, how your systems are being used to market and sell existing vendors' property. At the same time your processes should demonstrate your mastery of the systems which you would use to find the best buyer for their property.

Pro-Active marketing and databasing is all about opening doors to more listings with these pro-active marketing keys to successful databasing.

A small diversion: my wife Cecily and I were having an evening meal in a restaurant in Nelson in December 2003 near a large group of very diverse personalities having a pre Christmas get together. These were people from different ethnic groups, a wide spread of age groups, mostly extrovert in their behaviours, determined to enjoy themselves, with lots of experiences to share, who looked like they worked together well, with some on going tension but plenty of good humour. In other words they looked like "a real estate agency". I was surprised that I couldn't identify any of the people personally. So keen to be proactive and not having a full knowledge of the different agencies in the area I introduced myself and sought to determine their agency identity. I learnt this was a

Christmas party for Victim Support a local government agency tasked with helping victims of accidents and crime. If as a person you feel you could cope in a role with that agency then you will be well suited to cope with the emotional side of real estate.

So now you have joined a real estate firm you need to give everyone you know and everyone you meet an opportunity to contact you when faced with a real estate decision.

It follows that you should take every opportunity to send information on the properties for sale by your office to potential clients. Who is a potential client? Rick DeLuca's definition was "if they know I am in real estate and I know how to contact them then they should go in my data base as a potential client."

With SalesPartner the information you send will always include your contact details. That is in place of the person who listed the property. This improves the flow of enquiry back to you and re-assures people that you are working in their market place.

There is an important point you should not miss here. We believe you should send information on property to potential buyers or customers you have met but most importantly you should also send information on existing properties to potential vendors you want to become your clients.

In New Zealand it is the vendors who pay real estate commissions and they are also interested in the market. Every time you send them details of your offices' new listings, invitations to open homes, details of recent sales and news about the market you are demonstrating the systems you have to find the best buyers for their property. **Every potential vendor whose property you appraise should be treated like a potential buyer until they make a decision to list.** They are, after all, the people that you want to buy your services. This is pro-active marketing.

You should take every opportunity to make these communications personal by adding your own comments on the properties, the market, recent successful sales and even the weather.

Some firms have introduced elaborate web based systems to allow potential buyers to log in, record their price and other objectives and be sent a continuous stream of emails with matching properties as they come on the market. We call this the “wet and forget” approach. Its main drawback is that it doesn’t help build a relationship between the client and the salesperson, but there are other drawbacks which we will come back to.

The key process for you to master is building a database, recording your contacts and the activity you complete with them and matching these contacts up with properties. With SalesPartner these processes are easier than ever before. You can even hide street addresses from all reports with one click of the mouse, drawing contacts back to you when their motivation changes.

#### **Key 1.4 Send out emails/letters and trump flyers on new listings no matter who listed it.**

Sending out letters and flyers, when new listings come into the office, is basic pro-active marketing. As noted above some websites will automate this process for registered contacts but we believe it works best if it is part of the on going development of the relationship between you as a salesperson and your clients.

There are many forms this process can take. SalesPartner has extended training guides and worked examples for finding buyers for properties and then phoning, sending flyers, trump cards, emails or letters and letters by email to those potential clients.

These processes are available for both your own and other salespeople's listings from your office. The enquiry you generate is readily channelled back to you by the automated inclusion of your contact details.

The internet has allowed you to contact more people more quickly, more cheaply and efficiently if you can secure their email address. An interesting point here is that some of the best property that comes on the market is sold before it is advertised or before, or soon after, its first open home. Such early sales will often be to clients of the listing salesperson, who would have had first notice of the listing, or to contacts phoned by other salespeople as soon as the property is available for sale. When asking for an email address, point out you have invested in a system that lets you send your email contacts early notice of new listings together with price changes from motivated vendors.

Another diversion: In the first few years of SalesPartner one of our users checked his database for potential clients for a new listing. It was a property he had sold a year ago and the vendors were now being transferred away from Lower Hutt. As soon as he brought up the list of possible buyers he noted one couple who had been the under bidders last time it was on the market. This time they bought the property before it was advertised. The point Neil made to us was that though he had completely forgotten about them until prompted, his SalesPartner hadn't.

In another case a salesperson in Khandallah running SalesPartner found his colleagues discussing a desirable new listing that someone else had brought in to the office on Friday. The discussion was on Monday and the salesperson was able to say he thought he would have it sold by midday. How did he achieve this? He had emailed his potential buyers on Friday, had organised several visits over the weekend and had three offers to present by Monday lunchtime.

We accept that competition between buyers is a key to getting the best price for the vendor and if we also accept that some properties sell before being advertised or very soon after the first advertisement, the

more salespeople in your team who have systems to find buyers and contact them in a timely manner, the more competition you will achieve for those properties.

There is a side benefit which is that you can point out to potential buyers that some good properties sell very quickly and if they provide an email address and details of what they are looking for they are more likely to have an early opportunity to consider those properties and do the necessary due diligence in time to make a considered offer. i.e. If they provide you with their email they won't miss out.

I would like to insert another quick aside here. In my training seminars around the country I have encountered two kinds of resistance to these approaches from salespeople. The first is that their buyers object to being put into a competitive situation with other buyers, calling the situation a "Dutch auction" and it is reported such buyers may sometimes refuse to proceed with an offer. In response I suggest they advise their buyers that if they work hard enough they may be able to find the buyers a house that nobody else is interested in. And then suggest they ask the buyers what it would be like when they, as owners, subsequently want to sell it?

The second is where a listing salesperson objects to other salespeople exposing the listings, or properties for sale, that they have brought to the office to contacts and buyers using web links and websites as the vehicle. Their objection is that the salesperson with the weblink or website is taking advantage of the listing salesperson to appear as though they have a bigger presence in the market than they would if they could only show the properties they personally listed on their personal website. The outcome with this objection depends on the management approach of the agency. The broadest possible exposure to potential buyers in a position to act is clearly in the best interest of the vendors. And in New Zealand it is the vendors who pay the fees of the salespeople.

Where agencies invest in web sites and web exposure it makes sense to channel any enquiry back to the listing salesperson. Where the vendor, the listing salesperson, or the firm funds traditional media promotion and advertising it also makes sense to us for the listing salesperson's details to be included in the advert. In particular this provides an incentive for the salesperson to encourage vendors to contribute to raising the profile of their property through extra investment in the marketing. In re-active marketing the contact details should be those of the listings salesperson and the firm. With pro-active database marketing the contact details should be those of the salesperson who has the buyer in their database.

The internet is different from other media to the extent that salespeople can invest in an expanded web presence for themselves and provide extra exposure for the firm's listings directed to their own clients and personal web site visitors. In that case they should expect that enquiry on the property should come back directly to them rather than to the listing salesperson. Without the possibility of achieving a selling commission there is no incentive to give the properties all that extra exposure on personal web sites.

The difference is really the distinction between "we have listed" and "I have listed" but there is more to it than self-promotion. We believe it is in the best interest of the firm and its vendors that where the individual buyer has built up a relationship and a degree of trust with one member of the sales team, then that salesperson should be empowered to provide a full window on all the properties in the firm by whatever means they can use to keep in regular contact with their buyers.

The best agencies (from a vendors point of view) have embraced this approach and encourage their sales team to have fully populated personal web sites, which are also designed to work as pre-listing kits, and to use them to pro-actively market properties to their buyers and potential vendors. Sometimes these contacts are referred to as suspects and prospects. They are the people for whom the salesperson is developing detailed knowledge of their requirements and motivations.

The best way to achieve this knowledge is by discussing actual property opportunities. The key to developing such a good relationship with more clients is to send details of new listings and motivated vendors to as many potential clients as possible encouraging them to contact you for more details and when their own buying motivation changes.

Others are still struggling with discarding the concept that the “listing” somehow belongs not to the vendor or the agency but to the salesperson who signed it up.

An interesting aspect to this debate is that to get the best price for their property a vendor needs to have buyers competing for their property. In a multi-offer situation where other salespeople in the office have interest (are representing a buyer with an offer) the listing salesperson (who may also have buyer interest) should not know what the competing offers are until they are presented in the presence of an independent person (usually the office or sales manager). This is in the vendor’s best interest and may often achieve better outcomes for the vendor than where all the interest comes exclusively through the listing salesperson.

When potential vendors are selecting the best salesperson to work with, they should ask the salesperson that they have invited to do a listing presentation not only how many properties they have personally and recently sold, but also how many of the properties they listed in the past twelve months were sold by other members of their team. Any significant number is a good answer. Very few or none is a warning sign for the vendor. The vendor may be hiring a salesperson who will find a buyer, locate or select a property for them, and then negotiate with the vendor to make the property affordable for the buyer, without encouraging competition between buyers. They could be achieving their results by getting their vendors to meet their buyers’ expectations. A good agent to list with is one who encourages their colleagues to sell their vendors’ properties.

We also realise it is not always possible to get clear details of what a potential buyer is looking for and that many potential buyers have a range of possibilities in mind. E.g. A new location for themselves, a possible home and business combination, a holiday home, a first home for one of their family, an investment property, a possible new home for another family member and a possible business base in another city. This list has been compiled from our own situation and I am sure that we are not unique.

One salesperson in Wellington recently reported that a couple looking for a property for their daughter expressed interest in the details of a lifestyle block with a large section, promoted on his web link, quite out of their initial enquiry range. They explained that if they bought the property they intended to have their daughter's family live in the existing home and would sell their own house and build another for themselves in the grounds. The "wet and forget" website based approach will ignore these opportunities.

There is an ugly expression which also illustrates the problem. Some salespeople faced with yet another decision by a buyer to buy a property outside their originally specified requirements say "buyers are liars", but in reality the buyers motivation has changed or inspiration has struck and any automated systems based on last month's requirements will miss the mark.

David Knox once asked a group of salespeople who among them had bought a property in the past year. Then he asked those salespeople to list their original buying criteria and how well they matched with the property they purchased. Many, indeed most, of the purchases did not match the original criteria (like three bedrooms, two bathrooms and an ensuite) but were bought for the fabulous view, the desired location, or proximity to family or work.

David Knox was illustrating his four NOs theory. His theory holds that when a buyer says no the first time, pointing out some missing feature

that should not rule the property out for the salesperson. It also illustrates that there are some features which buyers will appreciate enough to purchase a property despite its other acknowledged drawbacks. These premium features that are a priority for your buyers are the ones to identify to obtain a premium price for your vendors.

SalesPartner has advanced “looking for” options which salespeople can use to record the special features for which their A buyers will pay a premium. Together with good records of their buyers’ comments from visits to other properties, they can track the buyers’ motivation as it changes and secure the best property available for them. With SalesPartner they can do this for more buyers than with manual systems.

Another scenario which often occurs is that the buyers who misses out on a Tender or Auction property or in a “shoot out” or multi-offer situation have revealed to the salesperson they are working with, both what sort of property they would like to buy, and what they can afford. This is the time when the relationship between the buyer and the salesperson is at its most effective. With the SalesPartner “properties for buyers” processes, it is more likely that if there is a suitable property available within the firm’s listings for the “hot” buyer it will be found and presented by the salesperson who knows their situation best.

These processes, together with the pro-active marketing and trust building techniques, are very important for selling rural and commercial property but applied well, work for all property types.

**Key 1.5 Learn to send weekly emails using web links.** We have developed a pro-active marketing system using web links to cater for your potential clients in large numbers. This process will rapidly build your credibility with potential buyers and sellers and keep them informed about your market. In addition you are able to add your own comments on particular properties and the market in these emails so your contacts feel they are getting to know you on a personal level.

Several offices have lately introduced competing approaches which reinforce our view that this is a very important and effective aspect of Pro-Active marketing. Watch out for schemes that are slow to operate and require a great deal of office support to maintain as the numbers for each salesperson climb. Also the more fancy the presentation (and the more standard) the longer it takes to download for contacts and the less it is about you as their salesperson resource rather than the brand.

In SalesPartner the process is that after your office caravan of new listings, you upload details of the properties you select to a web page or web site in your own name and send out the link to your contacts. Your clients get a simple short text email in which you can discuss the market, and include reminders of tenders closing, price changes or any other useful information together with the web link to your selection of the latest listings. (Include not just your own but any of the office listings). You do not have to wait for photos and adverts for all the listings as you can provide summary information on very new listings in the email without needing to have them in the web link.

These emails are quick for your contacts to download, (the primary email is usually less than 40kb in size) do not need to include attachments, nor do they need to be HTML (but they can be), and can be sent, in blocks of fifty or so, or individually, to hundreds of clients very quickly every week.

They provide an easy path back to you for contacts whose motivation has changed, who are interested in one of the properties you are marketing or who want to stay in touch with your market place. They can simply click reply and respond in their own time.

We do not automatically include excessive details in the information about the listings as we do not want potential buyers using these weekly emails to rule out properties without discussing their changing needs and motivation with you, their salesperson. You can however include URLs for links to detailed property information where you choose to.

It is important that you include as many people as are willing to receive the web link emails in the weekly mail out list, even if you haven't heard from them for some time. It is not a process designed to be the primary contact for your "A" buyers, although they can be included; - in addition you should telephone and send personal emails and invitations to previews to the buyers who you know with some confidence could be interested in a particular property.

You should also make every effort to include your appraised vendors, missed appraisals and "foreign listings" owners, (foreign listing is jargon for being marketed by another firm), in your weekly web link email, as it gives them excellent insight into the market place and will provide them continuous contact from you as they review their own situation.

You can also package these web links for the latest listings inside a personal web site. We design web sites for salespeople with pre-listing kits in mind so that clients, interested in the market, who explore your web site or advanced web link, learn all the benefits of listing with you at the earliest possible stage in your interaction with them.

A salesperson from Dunedin with more than 8 years experience when she started this web link based proactive marketing process found her income doubled in the following 12 months and increased another 50% in the second year. When she retired her database had over 700 email clients receiving weekly email updates on her market. She also included appraised property owners in the list. She had encouraged other members of her office's salesteam to get their own SalesPartner systems going and on retiring held an auction of her own among her colleagues to take over her database. We understand the selling price was \$20,000 which of course more than recovered her investment in the software. We have heard of other sales over \$4,000 but this is the highest we know about. Offices with members of the salesteam successfully running SalesPartner are also easier to market for a premium price.

A significant benefit of using SalesPartner for these web link emails is that the client database can be transferred to another salesperson if you leave the area or the profession. And your prospects and suspects database can go with you the salesperson if you move to another agency.

There are other not so obvious benefits for you from pro-active marketing. Services like the web links distinguish you from other salespeople so when listing a property you are not competing on the basis of your fees alone. It ensures your potential vendors and buyers are educated about your market. It demonstrates technical expertise and mastery of push marketing systems. It allows you to get on with interacting with interested clients without worrying if there might be someone you forgot to contact. It gives you enhanced negotiating power with both vendors and buyers.

Enhanced negotiating power for you as a salesperson is an interesting benefit from putting the effort into proactive marketing. In any situation where emotions are involved, as they often are in the negotiations to buy or sell a house, dispassionate credible advice from the salesperson is a huge advantage. The expression – “there is always another buyer – there is always another house” encompasses two sides of the coin for vendors and buyers. Your proactive marketing makes it evident to both vendors and buyers that you are dealing with lots of people currently in the market place. This gives extra credibility to your advice as to how readily a similar (or better) house or another (or better) buyer can be found in any given situation.

If your advice is credible it makes it easier for the negotiations to be successful. An added benefit is that the impression is also created that you are not dependant on any particular sale coming to a conclusion for your livelihood. This conveys extra weight to your opinions and advice. This negotiating power is one reason successful agents get more sales concluded with seemingly less effort than the salespeople who deal with fewer buyers and sellers.

Emailing details of properties reduces the need for telephone tag. With an “A” buyer who is not available when you call, you can leave a message and send an email of the property that has just been listed. If they are interested they know to call you back.

To sum up; weekly web links and preview invitations by email enable you to provide more people with information they are interested in, directed to their needs. It is remarkably less expensive than other forms of business building. It enables you to demonstrate your knowledge of property in your market place and enables your contacts to perceive you as a real estate resource before they know they need one. It provides potential buyers and vendors with simple paths, including phoning from flyers, letters or trump cards or clicking reply from an email, through which to contact you when their motivation changes and they next need to make a real estate decision.

### **Key 1.6 Pro-active marketing to strangers.**

With SalesPartner pro-active marketing to strangers is easier than ever and we have extensive group management processes in our database facilities to ensure appropriate materials go to the right people.

There is an important distinction in the databases our customers have built. The difference is between approaches to the met and the unmet (have not yet met) databases. For real estate an ‘unmet’ database of local property owners may also be called the Business Development Area and sometimes the salesperson’s listing farm or patch.

‘Met’ and ‘unmet’ is jargon and doesn’t mean exactly what it says. In particular, contacts who have only communicated by email or by phone should still be considered members of the met database. It has been proven repeatedly that it is possible to develop considerable interaction and business relationships with people you have only met by email or by phone.

The key to using a database to build relationships is the number and quality of the contacts you are able to make with your contacts. Gary Keller suggests a program of 33 elements or “touches” in 12 months should be planned for met contacts. You could invest in his book for a full analysis and lots of suggestions. We suggest that emailing or mailing out your selection of the latest listings is an important component for your met database and doing this weekly should provide at least 50 “touches” for your met contacts in any calendar year.

Unmet databases come from business developments areas (listing farm or prospecting areas) and target demographic groups. You should plan to have a large number of names in your unmet database and contact should be by direct mail or door knocking. Some offices will allocate a “geographic patch” of houses to each salesperson to look after. There might be 500 to 1000 homes in the patch or business development area.

SalesPartner users tend to have between 300 and 1000 names in their met databases and up to 10 times those numbers in their unmet databases. Some use QVRP export files with Word or SalesPartner letters for their unmet database. These direct mail letters or cards work best when kept simple and sent monthly. This fits in with Gary Keller’s recommendation of 12 points of contact in a year for unmet databases. NB it is against the law in New Zealand to harvest email addresses and use them in unmet database marketing of properties.

We like the concept of sending something to the unmet database once a month. This can be in the form of a newsletter or marketing card with envelopes or labels printed through SalesPartner. Some of our clients get pre-printed newsletters with a blank space for the mailing address and a greeting which is then filled in from SalesPartner by printing a special brief letter script in the blank space on the newsletter. For these letters it is possible to use window envelopes to save doing separate addressing.

SalesPartner databases (especially unmet ones) can now be maintained in a manner that complies with the requirements for lower cost direct

mailing as established by NZ Post. To qualify for the reduced mail charges you would need to have your data set certified as compliant and be sending sufficient mailings to make this step worthwhile. We can put you in touch with someone who will arrange this for you.

On a trip to Auckland I discovered a successful SalesPartner user with two copies of the program on different computers. The one with the “unmet” database had just over 20,000 contacts recorded. This system was fired up once a month for a mail out. The other computer was being used for the met database and was in continuous daily use. Both systems were being run under the same licence.

It is possible to achieve a similar affect by having a special Status – U for unmet contacts within a single copy of SalesPartner. Some salespeople use status O for unmet Owner Occupied properties and status V for unmet inVestment properties. These options are covered in our Z Listings “prospect property processes” training courses. (NB we now use status I for Initial or Incomplete new listings)

We believe your proactive marketing to the unmet target contacts should be by direct mail. You should not use email for people you haven’t met even if you could get their email addresses. The messages should be kept simple and should be monthly. You can prepare the messages in advance for the 12 months period, have a set day of the month for sending them out and set the process on autopilot. One of the offers you make should be to include them in the group that gets your weekly selection of the latest listings. ie move them to your met database if they send you an email address. Telemarketing is an alternative to mail outs and can also be managed with SalesPartner database groups.

A consistent program of proactive marketing is the key to establishing yourself as a real estate resource for potential vendors and for getting in touch with the “real estate orphans”, the opportunities other salespeople and agencies have let fall by the wayside.

**Key 1.7 Your web link emails can include your opinions on where offers need to be.** You can use emails with web links and preview invitations to encourage action by providing your contacts with your suggestions on pricing and market opportunities which reflect the changing motivation of your vendors.

A salesperson's pro-active emails give them an opportunity to include their own "price talk". A salesperson might invite offers around or above \$350,000 for a Tender, or "I think an offer around \$350,000 might buy it" for a By Negotiation strategy, or "I believe anyone looking around \$400,000 should come to this Auction". "Price talk" has become a critical aspect of marketing today and where possible should be agreed between the listing agent and the vendor. For offices using SalesPartner and our synchroserver to send listings to their salespeople, we recommend the agreed "price talk" should be entered into the office listing in the first line of Private Features.

**We believe pro-active marketing is the number one key to success in Real Estate.** Your SalesPartner processes build on the natural listing and selling cycle. This ensures that you have timely and frequent interaction with potential buyers and sellers and that you can send them information that they will read, because the information is about the properties in the market in which they are interested.

As you get more listings to work with, the pro-active marketing techniques you use could change to suit your timetable. Rather than separate preview invitations for all your listings, you might rely more on the weekly web link emails to provide preview invitations. You might choose to do preview invitations on your colleagues' listings for just one representative property in a price bracket in any one week.

Once you master the pro-active marketing techniques in SalesPartner you will be able to get on with the essential tasks that must be completed during the working day and concentrate on the people who are making

real estate decisions in the near future. If you allocate up to one hour a day to SalesPartner you will be able to let SalesPartner prompt your other contacts to get in touch with you when their motivation changes.

### **Key 1.8 Employing a personal assistant with SalesPartner.**

When you employ a Personal Assistant, SalesPartner will help them get more done for you. They will be able to apply the SalesPartner processes for more vendors, more prospects and more buyer contacts than ever before. They will have a path to follow to ensure you maintain your peak production. In addition should you ever need to replace a Personal Assistant, your new assistant will have an established path to follow, and ready access to others who know the paths and the keys to getting the maximum benefit from your investment in systems that support your business.

Some salespeople, faced with all the possibilities of SalesPartner, have told us that they should delay installing their copy until they have a Personal Assistant in place. Our experience contradicts that view. The time to get started is as soon as possible. There are many levels of use available with the package and the scope expands with your expanding business. Those salespeople who start in a small way and consistently build their activity and use of the processes without disrupting their existing market building activity do best in the long run.

The SalesPartner facilities are designed to allow you to focus on the people making a decision in the near future and have easy pathways for prospects and suspects in your database to contact you when their motivation changes.

Many people also use the software in different ways and some focus on reducing their time commitment to achieve a particular income from real estate and don't choose to maximise their earnings. This is a perfectly valid strategy and we strongly support those salespeople. SalesPartner works equally well for those who focus on providing the best possible

service to as many people as possible and these salespeople are more likely to invest in a personal assistant or buyer's agent as their database grows.

There are many ways to configure a multi-access version of SalesPartner and we would welcome your enquiry and will provide no obligation free advice on the arrangement that would best suit your business.

From your SalesPartner Learning Centre, skills needed include:

- Setting up your details,
- Synchronise listings,
- Entering listings,
- Contact entry,
- Properties for buyers,
- Buyers for properties,
- Printing flyers,
- Repeating tasks,
- Web link updates,
- Emailing web links for latest listings,

| <b>Key 1 Pro Active marketing skills – Can you?</b>  | Using Y/N | Comments: |
|--|-----------|-----------|
| Add contacts to database with basic details of requirements?   |           |           |
| Look up contact by surname, greeting, email or phone?  |           |           |
| Read in or synchronise listings, find the latest listings and check adverts?   |           |           |
| Send selected listings to your personal web link?  |           |           |
| Customise the weekly web link letter?  |           |           |
| Send weekly web link emails?   |           |           |
| Print flyers for any property with your own details?   |           |           |
| Hide street addresses on reports when required?  |           |           |
| Find and print a selection of properties for a buyer? Plus a catalogue and add activity notes, recording which properties? |           |           |
| Find buyers for a property and send letters introducing the new property?  |           |           |
| Adjust your own details and photo if needed?   |           |           |
| Do on line off site internet data backups?   |           |           |

## **KEY 2: Establishing value with CMAs**

Using SalesPartner to produce enhanced CMAs, using photos and flyers on sold properties for vendors and providing CMAs for buyers, will ensure your vendors are “In the Market” and your buyers have the confidence to enter the market.

For any property there are many prices;

There is the price that is the minimum price which the vendor will accept. Faced with offers below that “vendor reserve price”, they would prefer to withdraw the property from the market.

There is the investment price, the maximum price at which the property would be attractive to an experienced investor. This is not always dependant on the rental yield but may be a combination of yield and potential capital growth depending on location, condition and property type.

There is the Valuer’s valuation which would not be easily criticised if it was within 15% either side of the final selling price. But as there are no absolutes to the art of pricing a property, a valuer’s assessment can also reflect the bias of the person commissioning the valuation. Hence the use of arbitration in disputes where valuers advising opposing sides of a “sale at valuation” don’t agree with each other.

There is the ‘Home’ price, the price an emotionally involved purchaser is willing to pay to secure the property as a place to live, have holidays or bring up a family.

There is the Tender price, the price offered by a purchaser who is aware they may miss out on the property if it is less than other tenders. This is a well-considered offer reflecting the advice they have received from their advisors and often is less than the maximum they would be prepared to pay. This is repeatedly demonstrated by situations where two

or more Tenders are close in price and conditions and the salespeople are asked to go back to their buyers explaining that they are in a closely competitive situation and a higher bid could secure the property. This process frequently uncovers higher bids, and we know buyers who have provided a tender can be very aggrieved if they narrowly miss out after being denied the opportunity to improve their bid.

This demonstrates that there is a competitive price, which includes a premium to ensure the buyers do not have to accept the pain of loss which would be felt if they missed out on their opportunity to purchase the property. This is the price established from a successful competitive Auction or multi offer situation. This price can be a premium price because the fact that there is open and clear competition for the property can establish a new “market level”. This new market level can be very different from the current rateable valuation or a recent valuation and in itself may become the basis from which the next rateable valuation is established.

Then there is the selling price for which the property actually sells.

There are some key concepts here. Firstly, none of these prices are static. They are affected continuously by the state of the market together with expectations about the future of the market and by the motivation of the parties involved, all of which can change markedly during the selling process.

Secondly, a vendor who wants to release funds to pursue another opportunity, or is faced with high holding costs, will have a lower ‘reserve’ than one who is just testing the market. A buyer who has just missed out on another property and wants to finalise their family accommodation within a set time-frame will almost always be more motivated than an investor. A key role of the real estate professional is to encourage convergence between these different prices, to recognise when the best price has been achieved within the current market and to present that to the vendor in a manner which encourages acceptance.

Comparative market reports have been vital to real estate firms for decades. Twenty years ago a primary feature on which computer systems were judged was the ability to provide information from which to quickly prepare comparative market analysis reports. These early computer systems were tasked with speeding up and improving the manual approach which started with the Real Estate Institute sales books. These provided a three months window on sales in the market place sorted by suburb. The new systems allowed additional selections by bedrooms and by street. In addition CMAs were enhanced by adding details from current and withdrawn listings in the area.

Some of the current CMA building processes access sales recorded by real estate firms through the Real Estate Institute and others use sales recorded by Valuation New Zealand from returns by solicitors. The solicitors are obliged to return all sales but these can be up to 90 days after settlement and while usually including floor area, do not include useful details like the number of bedrooms.

Historically in New Zealand, valuers had full access to the sales figures compiled by Valuation New Zealand and real estate firms had access to the Institute returns and their own sales. As the solicitors' returns have a delay factor (much longer for subdivisions) there has been some continuing information flow from real estate firms to valuers. Real estate firms and salespeople consider themselves the most up to date and best able to assess price for property. **We believe a critical part of the second key to success is not to let that confidence show too early in the listing process.**

A significant recent change has been that the public now has easy access to comparative sales through various internet based subscription services. Potential vendors are likely to have looked up sales in the area, visited open homes and talked to neighbours or other salespeople about sales in the area. Uncovering the expectations this early work on price has built up is an important skill for successful listing and selling.

Most of the publicly available sales information is based on the Quotable Value information sourced from solicitors up to 90 days after settlement. We prefer the sale details from the Real Estate Institute members which are supplied soon after the sale is confirmed, often even before it is settled, not only because the QV sales can be many months behind the market but also because they will include private sales and inter family ownership transfers where the sale value recorded has not been tested in the market place. We would encourage members to keep providing that information even though institute membership is no longer compulsory. It is the source of a huge advantage for real estate salespeople and their agencies and efforts by others to capture this information confirms its value. It is now even more valuable now that the Real Estate Agents Authority is calling for specific price estimates backed up with written evidence when a property is listed.

It is worth pointing out to potential vendors that all the comparable sales in a CMA sourced from the institute sales data have been promoted and marketed by real estate salespeople and their firms. To achieve a similar price for their own property they logically need at least the average level of marketing and promotional support. To achieve a premium they would need well above average presentation, promotion and marketing processes.

With SalesPartner systems the current listings, withdrawn properties and sold property details can all be sourced together. You can access the Real Estate sales through the REINZ services to members on their web site and can save a file of sales in a format that can be uploaded into the SalesPartner sales Gallery. You can also add photos to illustrate comparative market reports.

When you or your office set your current listings to SOLD in SalesPartner, you will also be prompted to create a sales history record with links back to the original listing and the photos used in your

marketing. This original listing will also retain the activity records created during the marketing of the property.

Here are some key concepts for comparative marketing reports.

**Key 2.1 – Photos matter and the more photos in the CMA the better.**

SalesPartner CMAs can have multiple photos for a property and this is an advantage to anyone assessing value. Ultimately you should learn the simple process of accessing rolling picture shows on properties that have sold, through the SalesPartner gallery.

**Key 2.2 – Produce CMAs for buyers as well as vendors.**

If you can provide a vendor-approved CMA for buyers using selected similar properties you should do so, but a list of recent sales in the area of properties with a similar number of bedrooms should always be made available. The range of properties in a CMA for buyers should include recent sales of properties similar in size, age and location but the range of selling prices could be wider than you would use for a vendor CMA.

CMAs for buyers illustrated with recent sales give them the confidence to bid and equally importantly, enable them to defend their bid level among family and friends who have a different view of the market.

Experience will demonstrate that buyers buy properties on emotion and then justify with logic. The buyer CMA you provide should be designed to reinforce that logic. It will also be a point of difference for you as a salesperson and will allow you to more readily market properties without a price.

**Key 2.3 – Update your vendor CMAs frequently.**

One major benefit of this is that it keeps the issue of being “In the Market” to the forefront of your ongoing communications in terms of your vendors’ price expectation. We recommend meeting with your vendors at least after every three open homes to discuss promotion,

presentation and price. The revised CMA becomes the focus point of these marketing review meetings.

The sales recorded by the institute and your firm for the vendor's area are being updated continuously and we recommend that you provide updated CMAs for your vendors, not only when you are reviewing their marketing strategy with them, but also when you are presenting offers.

A feature of SalesPartner is that for properties where you have recorded the marketing activity, you can produce reports illustrating what you did to sell those properties. When you work for a SalesPartner Focused Office you will be able to provide similar reports on sold properties that your colleagues listed and sold.

You might consider providing full flyers for buyers and 'what we did to sell' reports from SalesPartner for your vendors on all comparable properties that have recently sold through your office as soon as the sales are made. These reports illustrate the current market and provide a focus for discussing buyer reaction to their own property with your vendors. It will help you reduce any tendency for their property to become overpriced or "*on* the market but not *in* the market" and ensure that any latent interest in their property is not lost by holding out too long for their "dream" price.

#### **Key 2.4 Do CMAs for Open Homes**

You should now regard CMAs for open home visitors as something which is as important as providing flyers with property details. You need to have enough for every visitor to each of your open homes.

#### **Key 2.5 Print flyers from original listings for properties in CMAs**

With SalesPartner you can readily print whole page for buyer flyers from the original listings of the properties your firm sold that are included in your CMAs. You can play the "Price is right" game with buyers and vendors where you ask them to estimate the sale price

achieved based on the whole page for buyer flyers. The more adept they get at this the clearer the value of the present property will be for them.

In the SalesPartner Learning Centre look for

Setting existing properties sold

Reading in Real Estate Institute Sales Statistics

CMA's with SalesPartner

Photo handling

CMA comments

Appraisal listings

| <b>Establishing value with CMA's<br/>Can you...</b>                           | Using<br>Y/N | Provided<br>By the<br>office<br>Y/N | Comments |
|---|--------------|-------------------------------------|----------|
| Create sales history records?   |              |                                     |          |
| Read in sales statistics?   |              |                                     |          |
| Add photos to sales records if available?                                     |              |                                     |          |
| Print CMA's with or without photos and<br>with or without current listings?   |              |                                     |          |
| Set up appraisal prospect listing?  |              |                                     |          |
| Go to the gallery from contact for CMA?                                       |              |                                     |          |
| Print whole page for buyers from original<br>listing for properties in a CMA? |              |                                     |          |

### **Key 3. Preview Marketing.**

SalesPartner preview marketing processes allow you to use your database to make it easier to list the property and, by generating competition among buyers, achieve the best net price for your vendors.

Some of the best properties to come on the market sell quickly to buyers introduced by the salesperson who listed the property. This is true in any market but at the height of the last property boom in Auckland, I was told by a firm in Ponsonby that most of the properties they listed during the week were being sold before or during their first weekend on the market, before they were able to advertise them and before open homes.

The clear problem for the vendor is how to establish that the person making the early offer is paying a fair “market price”. Vendors will often be prepared to sacrifice a few percent of “potential market price” for the convenience of a quick sale and avoiding possible months of uncertainty, holding costs, presentation costs and the wide public exposure of their property, especially if they are still living in it.

If they can be assured that the early offer is a good price there are many incentives for accepting it. We believe preview marketing is the key to ensuring early offers are credible. To achieve this you, and your colleagues, need good databases and to be able to document your proactive marketing processes.

One reason properties stay on the market for months is that they are overpriced. The vendors’ expectations are much higher than those of the buyers. These properties can become pinball listings which buyers visit and bounce off when they find there are other properties with similar features available at more competitive prices.

For us the interesting aspect of this has been uncovering how these properties come to be overpriced. Vendors now have access to many sources of information on the potential market value of their properties. These include Valuation NZ assessments, which reflect overall market

appreciation since the last sale; although these can be three or four months out of date and have not included an assessment of the current condition and any home improvements since the property was purchased. Nor does it take into account whether the property was well marketed when last sold or the purchasers achieved a bargain at the time they bought it. It is also worth noting that only registered improvements will be reflected in a rateable valuation unless it has been specifically revised at the owner's request, and any loss of condition or lack of maintenance will be ignored. Vendors can also go to local open homes, get details of the sales of comparable properties in their area from real estate agents and, most crucial of all, decide which local salespeople to invite to appraise their home.

This opens the door wide to the greatest source of overpricing - that is the varied opinions of real estate salespeople. We have done some research on how widely these opinions can vary. When a new property comes on the market the real estate firms call this a "new listing" and to ensure all the salespeople in the office are familiar with the new listings the office organises agents' viewings, often as a group on a particular day of the week. These agent viewings of the week's new listings are often called "caravans". During or after the caravan salespeople discuss what sort of buyers should be invited to the property and are often asked to record their estimate of what the property will sell for. Their opinions on what the "market price" for the property is can vary markedly.

You could show your vendors written evidence of how wide the range of estimates this reveals can be. In this situation there is nothing riding on the estimate for the salespeople, they will have all been seeing the same comparative properties in the office caravans. They will all be aware of the same recent sales in their market place. They will probably have in mind particular buyers that they feel the property would suit and have a rough idea of what those purchasers are willing to pay. They are people with the widest knowledge of their local market and still our research

indicates their estimates can vary by as much as \$50,000 and \$80,000 on any particular home.

So in the event that a vendor calls in one salesperson from each of several competing real estate firms, where the salesperson who lists the property can get a commission and everyone else misses out and the vendor insists on a price assessment, there is a huge upside bias. The salespeople have every incentive to maximise their price assessment in order to secure the listing in a competitive situation.

The profession even has an expression for exaggerated appraisals which they call “buying the listing”. Even if all salespeople who appraise the property act with superhuman integrity it is likely the price the vendor prefers is the one at the very top of the range. If they choose the salesperson to market their property based on that assessment then they are locked in to a situation which can rapidly lead to their property becoming a “pinball” listing.

Their salesperson has a great deal of difficulty fronting up to the vendors when they are the one responsible for overpricing the listing.

For most salespeople a pinball listing is better than no listing so one of the first things they ask a vendor is what work or opinions they have already developed on price and if a strong opinion is expressed the salesperson’s best option is to agree with it. You as a salesperson should be able to use CMAs to illustrate the market as you see it, and also show detailed flyers on recent sales, and SalesPartner reports illustrating what you or your team members did to sell similar properties.

SalesPartner makes it easy to print full detail flyers of sold properties that are included in your CMA. These flyers are ones that would have been given to interested buyers during the marketing of the property but when printed from your SalesPartner would now have your photo and contact details on them, no matter who listed or sold the property. We suggest that you note the sale price achieved on the back. With these

flyers you can refine your vendors' knowledge of current market prices by asking them to assess what they think the property sold for, before revealing the price achieved. We call this "the price is right game" and it is worth bringing it into play whenever you are reviewing price with your vendors.

With SalesPartner you can add summary reports of the marketing activity for your recent sales and with a notebook or computer in the interview room use rolling picture shows to illustrate sold properties from the Gallery. This is a very useful process in some circumstances.

Often, vendors have not visited the properties that have recently sold in your area while they were on the market, and now that they have sold your vendors are not able to visit. However the perceived price for which the property sold, may have reinforced their price expectations. If your firm sold the property, and you have kept the full set of photos taken for the marketing in that listing's media directory in SalesPartner, you can take your vendor or buyers through the property using the rolling picture show options. This is the best alternative to visiting the property.

Pricing is not an exact science and even your colleagues will be likely to have a wide range of estimates on a particular property despite having all these illustrations available to them. So we believe you should not contradict the vendor's opinion on price directly, as other salespeople could achieve the listing by simply confirming it.

If you are a master of SalesPartner systems for marketing the property to achieve the best net price, such an outcome would be letting your potential vendor down. Once you know SalesPartner systems you have an obligation to your potential vendor and your colleagues to achieve the listing.

**Key 3.1 You should sell the marketing process, not your opinion of the price.** Determining a vendor's price expectations is very important, and the next step is to get an opportunity to confirm the current buyers' price expectations for the vendor's property. We recommend you *sell* the following process to your vendors:

You provide initial advice on presentation, followed by uploading to all web sites available, with a marketing price set as "by negotiation" together with proactive marketing using your SalesPartner database in the first few days, inviting database buyers to preview the property.

You can illustrate that you have active buyers looking for similar properties in the area with the various buyer requirements (no names) reports from your SalesPartner database. You can illustrate the preview invitation process by sending one to the vendor before or during the listing presentation or by showing printed examples. You should point out to the vendor that other salespeople in your office will also be able to invite their buyers to preview the property and a wide range of feedback could be expected. You should also point out that although you will invite a large number of people you only expect the buyers who are strongly interested or attracted to the property to ask for a preview. This preview process should be followed by a critical meeting with your vendor where you determine together the initial phase of marketing and approve the promotion, 1<sup>st</sup> phase pricing and advertising plan.

The choices of strategy for the initial phase of marketing include:

An Auction campaign with 2 or 3 open homes followed by  
an Auction day.

OR

A Closed Tender or Deadline Sale with 2 or 3 open homes.

OR

A negotiating strategy centered around a price, sale range or POA  
– with 2 or 3 open homes.

Why would you recommend one strategy over another for the initial campaign?

The three keys to this decision are:

1. Your vendor's past experience and desire to contribute to the campaign.
2. The level of interest uncovered in the preview and from proactive marketing to your databases.
3. Your vendor's motivation and timeframe.

If the property is not sold after 3 weeks, 2<sup>nd</sup> Phase marketing is crucial. At the conclusion of the initial phase of marketing you have either sold, are negotiating, or need to reset the price. You should review the presentation and promotion: it's hard to change the position, so the key to getting the property "In the market" is to concentrate on price.

The primary objective is to discover the price at which you or your colleagues uncover sufficient interest among buyers to start negotiations and ideally spark multiple offers. It is important to note for the vendor that they don't have to accept any subsequent offers but that experience demonstrates that offers received relatively early in the marketing cycle from competitive situations are usually the best offers.

After two more open homes, you either have interest you can work with or the review process needs to be repeated. Advertising cash prices is another form of price marketing that has been shown to generate more visits to open homes in the second or third phase of marketing.

This process of regular scheduled marketing reviews illustrated with CMAs, detailed flyers on competing properties and recent sales will help your vendor stay IN the market and not waste an extensive holding time

without determining the price level that would attract interest in their property.

**Key 3.2 How to find the best buyer and their best offer – and then determine whether to accept it.**

The first step in this process is to organise the best available presentation and photos at the beginning of the listing process. As a salesperson you should have a list of good advice to new vendors on presentation and organise professional photography. Check on the little things – like ensuring the electricity stays on, valuables are secured – and arranging access.

Then you organise two sets of previews. The first previews are for other salespeople and the second for your database clients. SalesPartner has a number of sample preview invitations you can adapt and the primary principal of the preview is that you send out invitations without details of the time and address and ask your clients to contact you if they are interested. Your colleagues should be encouraged to do the same.

At this stage you may have an agreed “price talk” formula with your vendor, which you should let your colleagues know about and may optionally use in the invitations to the previews. The property is usually available “by negotiation” at this early stage. Any interested buyers should be provided with a CMA as well as flyers.

We have noted at least one successful franchise with a number of offices who have a set rule that salespeople cannot put a price on a new listing for at least a week after first listing it.

It is worth pointing out that you do not have to organise a set time or even a set day for the early buyer visits we call previews and your colleagues can organise their own times for their buyers. The invitation to a preview is a call to action similar to any other call to prospective buyers about a new listing. However using SalesPartner databasing and emails you can send the invitation to many more people than just your A

buyers (who you should also phone) and give your contacts an opportunity to contact you if they are interested. This preview marketing should give you strong feedback on the extent of interest for that property among known buyers in the market place.

NB In any market, most active buyers will be known to at least one of the salespeople in your office if the members of your team are keeping a good database and follow up all visitors to their open homes.

Another insight from David Knox is looking more deeply into the concept of “market price”. It is easy to talk about “market price” as though it is an achievable, knowable level for any property. Would you agree that all properties sold through the market have sold at “market price”? This seems instinctively to be a contradiction even though it must be true.

David Knox points out that “market price” is a concept like “room temperature”. All rooms are at “room temperature” but it is obvious to us that some rooms are warmer than others. Some market prices are also better than others.

How big a range to expect for “market prices” can be gathered from the 12 to 15% either side of the achieved selling price that a professional valuation may assesses as a property’s value in advance of the sale. Also remember the 20% either side of selling price often reported in many salespeople’s estimates after caravans. Even at a relatively conservative 10% either way, a sale at the top end of the range of “market prices” for the property can have a very large impact on the net equity recovered by the vendor.

So how do you achieve a top end sale for your vendor? We put together some thoughts on “room temperature” with the objective of illustrating ways to achieve a hotter “market price”.

How do you warm up a room?

- 1) *Fill it with people* – the key to getting a succession of people through the properties you want to warm up is pro-active databasing and your contact management. You must have systems to let as many people as possible (who might visit) know that you have a property to sell.
- 2) *Kitchens are warm rooms* - primarily because there is lots of activity centred around them and there is heat given off while preparing meals. Have a marketing plan, have a responsible person (the designated chef), have a controlled listing and have a series of activities building up to a decision time like preparing for a good meal.
- 3) *Plug the gaps and stop the drafts to warm up a room* – improve presentation of the property, do the small repairs and keep the gardens and surrounds tidy for a hotter price.
- 4) *A sure way to increase a room's temperature is to expose it to the sun or put in a heater* – this is a good parallel for profile marketing. Encourage your vendors to help put their property in the sun with good advertising and promotion. Combined with good timing ensuring adverts are noticed during negotiations with buyers, this spotlighting will contribute to a hotter market price.
- 5) *Continue activity in your kitchen with lots of courses and snack options*. During your marketing offer optional extra adverts and activities, like extra delivery of neighbourhood trump flyers when prices change to keep the communication processes going.
- 6) *Have your friends and relatives visit as often as possible* – you should ensure your vendors have flyers and information sheets they can give out to friends, relatives, work colleagues and other potentially interested people they may know about. Also make it

easy for them to send URLs (web links) highlighting their property to others in their circle of family and friends.

- 7) *Have a party* – set up a preview by invitation for your listing and get the buyers noticing each other as well as the property itself. The best path to achieving the best price is to ensure buyers are competing with each other. Schedule another party based around an Auction or Tender date coupled with marketing and promotion *to raise the temperature* before the party starts.

### **Key 3.3 Use preview marketing to help choose the best initial sales strategy to adopt.**

Some salespeople claim all properties are suited for Auction, others claim the best sales method in their area is Tender and still others insist all properties should be priced right from the start of the marketing process. All the different methods have potential drawbacks for your vendors. All of these drawbacks will be diminished with excellent systems for implementing the chosen marketing plan, proactive database marketing, good presentation and promotion, coupled with good use of CMAs for buyers.

However if you master preview marketing you should be able to assess and document the level of interest and the initial feedback from the active buyers in your market place. This should enable you to provide your vendors with a choice of approach and your preview marketing will make choosing the most effective approach for their property much easier.

If you have several buyers in a position to proceed and who are keen to have an opportunity to buy the property, an Auction campaign should secure the best result.

If you have competing buyers with a wide spectrum of potential uses for the property as an investment, or a family home, or wanting to purchase

with conditions, or your vendor wants to sell with conditions a Tender should be the best option.

If you have not uncovered competing buyers with strong interest and in a position to proceed during your preview marketing, then a By Negotiation campaign with or without a price would be called for. A marketing strategy with a price on the property attracts the attention of the widest pool of buyers and when well managed can also lead to a multiple offer situation and possibly a result above the advertised price.

It is important to recognise that your office may have recognised skills in a preferred approach to the market and your vendor may have chosen you as their salesperson expecting the popular marketing process in your area to be run. Your vendor may also have strong views on which forms of marketing they would want for their property and these need to be given full weight in order to ensure their support for the sales process.

### **Key 3.4 Finalise the preferred marketing process after your initial preview marketing is completed.**

One significant benefit of this approach is that you do not have to sell a “market price” assessment or a particular sales method to your potential vendor when you are doing a listing presentation. You do have to provide a documented price estimate and an assessment of costs which may include Auction or Tender marketing plans and it may be evident right away which approach your vendor would prefer. However with SalesPartner you have the option of deferring the choice of marketing plan until after the initial database previews uncover the current level of buyer interest for their property.

Your goal in the presentation is to determine your vendor’s views on price and marketing methods and sell them the processes you will use to find the best price the market will offer in the shortest possible time with the least inconvenience to them.

If for an Auction or Tender marketing campaign you would recommend three open homes then the structure of your initial marketing and vendor calendar presentation can be greatly simplified. Once the listing is signed, invitations will go out to your database of active buyers and those of your colleagues to organise previews during the first week while signs, photos and advertising are prepared. If the property is not sold early there will then be three open homes followed by an optional Auction or Tender date and if not sold then a full vendor review designed to reposition the property. This review after three open homes should also be scheduled if a By Negotiation strategy with or without a price is chosen.

You will find this approach makes it much easier to list a property and bring it to market without over pricing it or “buying the listing” and you will have a process with lots of activity and feedback coming to your vendor at the crucial early stage of the introduction to the market. However it will only work when you have made every effort to keep track of contacts interested in your market place and developed proactive marketing systems to give them early notice of your new listings.

We acknowledge that many successful salespeople would find this full process as outlined above difficult to implement for every listing. And we agree that doing it for one representative property in a particular area or price range each week can help gather the feed-back you need from your database to provide you with the evidence of market demand to adequately advise your potential vendors on their choice for the 1<sup>st</sup> phase of marketing.

For busy salespeople with a full slate of open homes each weekend the weekly weblink email to their whole database together with direct phone calls and emails highlighting any suitable new listing to their A buyers will be a time efficient and effective way of implementing preview marketing for their office’s new listings. Preview invitations for their own listings should be part of their standard marketing strategy.

We believe that where possible the listing presentation should follow the same formula however, with **the choice of marketing plan**, auction, tender, or by negotiation with or without a price, set down for the first Monday following the initial introduction to the market. This will enable you to advise your vendors on their choice of marketing plan armed with feedback from your colleagues giving them an opportunity to uncover interested buyers in their own preview marketing.

In SalesPartner learning centre look for:

Hot tips for SalesPartner users 09

Print the original flyers for a SOLD property

Finding Buyers and sending emails

Send preview invitations for new listings to your database

Buyers for a property

Finding Buyers for a property part1, 2 and 3.

| <b>Key 3 Preview marketing – can you...</b>                 | Using<br>Y/N | Comments |
|---|--------------|----------|
| Find buyers for a prospect property using the search price? |              |          |
| Print a follow up list of buyers with activity to phone?    |              |          |
| Send letters /emails inviting buyers to previews?           |              |          |
| Edit our standard letters and save your own versions?       |              |          |

#### **Key 4 Calling Time with Buyers:**

This process is the primary opportunity to demonstrate and document for your vendors what you have done to find the best offer for them, making that offer easier to accept. But it also is a vital opportunity for you to demonstrate to people in your database, especially those who have a property to sell, what you do to ensure the best outcomes for your vendors.

Most offices have policies in place to ensure that when a buyer makes an offer “on paper” meaning in the prescribed manner, everyone in the salesteam for the office is contacted to check whether they know of other buyers who might also be willing to make a written offer. Some offices are strict about their processes for “calling time” and in particular how soon after time is called the original offer can be presented, if no other interest is registered.

Vendors selling with a by negotiation strategy, or considering offers prior to an Auction date, should ensure that they know as much as they can about their agency’s “calling time” policy. It is in their best interest to ask whether all other salespeople have been contacted and provided with adequate time to check for interested buyers before considering the offer before them.

Similarly buyers should ensure there is a formal policy that will provide a maximum period within which their offer should be presented. If they have concerns about the lack of a formal approach they could add a clause in the further terms of sale that their offer will expire at a given time and date.

When you receive a text calling time on a property have you ever found yourself scrolling through your diary, searching for the possible buyer that came through some weeks ago? With your own listings do you fear

you might have missed a visitor who could have offered, if only you could find their phone number?

With SalesPartner you would have recorded your buyers' comments about a property and in particular whether each buyer has any interest, during the activity recording processes designed for following up contacts after visits and open homes.

The comments made are linked both to the property and to the buyers who visited. There are easy processes to follow to find all the buyers with any interest in the property or even any buyers who visited the property and then contact them. You can use phone calls, emails and text messages and document both the sending of these messages and any responses and quickly follow up continuing interest. We refer to this process as "calling time with buyers".

Then you can use SalesPartner reports to demonstrate to your vendor how you have been "calling time" with your buyers and colleagues and it becomes easier for your vendor to accept that the offer or offers you present would include the "best available" buyer. This makes the opportunity to accept one of the offers, negotiate with one or all of the buyers or try some new strategy a timely issue for your vendor. If you can illustrate why you believe all available interest is currently represented in the offers before them then simply ignoring the offer is not a considered approach.

Without a process for "calling time with buyers" and documentation of the visits and comments from all buyers introduced to the property or who responded to adverts or came to open homes, your vendors may continue on the market in the hope that their dream price is still out there with someone you have missed.

Of course if the best offer is at or near their dream price you will have achieved your goal and the property is likely to be sold. However if it is not quite so readily accepted at this critical point, your credibility is put

to the test. How do your vendors know this is the best offer not just your preferred offer? How do they know someone else is not considering their property and would buy it for more if they waited long enough? How do they know that the other salesperson who brought someone through last week, and seemed very enthusiastic, has not got a better offer waiting for them? Why should they make a decision they are reluctant to make, now?

This is when all the work you have done in SalesPartner and the record keeping processes you have followed will pay off for you. First by illustrating the “calling time” processes you can assure your vendors a critical decision point has arrived. Then by providing a detailed record of feedback from buyers and contacts you enable your vendors to make an informed decision.

Something to be aware of is that although vendors may well take the advice of their salesperson without the backup evidence of the marketing activity track from SalesPartner, this puts the salesperson in the forefront of the decision. If they subsequently develop a form of vendor’s remorse they have a clear target for their unease and dissatisfaction. It is far easier and less stressful for the salesperson to use documentation to help the clients make an informed decision without making it for them.

Providing documented evidence to assist your clients to make informed decisions makes the process more objective rather than subjective and is much less likely to result in any recriminations or negativity against the salesperson. A vital side benefit is that the process also illustrates what you have done to earn your fee and documenting your marketing activity helps your fees become more acceptable to your vendors.

The decision you are looking for is a decision to sell but if the best offer is not one that allows the vendor to move on then you want a decision to reposition the property with you. Their options are either to re-launch the marketing campaign with a new strategy, price or promotion

campaign or to withdraw from the current market and re-launch with you at a later date. By retaining the detailed contact records and comments from buyers in your SalesPartner database you have a significant resource and advantage when they do re-launch their property. Point out that when they make a decision to re-present the property, or reset the price strategy, everyone who has already visited will be contacted, advised of the new situation and encouraged to take another look.

I was attending an open home with my son Andrew in a street where a property he had marketed by Tender earlier in the year, and the vendor had subsequently withdrawn, had just been sold. The proud new owners were visiting the open home and were keen to point out that they had paid less for the property than they had offered through Andrew. Andrew later noted advised me that they were also not the top tender he presented.

In SalesPartner learning centre look for:

Filtering contacts in update contacts  
 Activity in update contacts  
 TXTing with SalesPartner

| <b>Key 4 Calling time with buyers. Can you...</b>                      | Using Y/N | Comments |
|--|-----------|----------|
| Quickly find all visitors to a particular property in update contacts? |           |          |
| Print a follow up list of buyers with activity to phone them?          |           |          |
| Send letters /emails or texts advising offers are to be presented?     |           |          |

## **Key 5. Successful Open Homes with SalesPartner.**

Open Homes are your best opportunity to meet new potential buyers and vendors. But they are often so busy that these valuable new contacts are lost while you follow up immediate opportunities. Let SalesPartner look after these contacts for you while you deal with the people wanting to make an immediate decision.

For many new migrants to New Zealand the key role open homes play in the marketing of a property is unexpected, but as buyers they soon catch on. We have effectively developed our own style or approach to the role of open homes. Open homes in New Zealand are more significant and more central to finding the best buyer than in other markets.

### **Key 5.1 Invite people to your open homes.**

This is the key to achieving well attended open homes and creating the impression for buyers that there is competing interest in the property.

In SalesPartner there are many aids to success at open homes. Be proactive. Firstly produce a series of trump cards or DLE cards which help you invite the neighbours. We suggest you put in a preview time 30 minutes before the start of your first open home, if you can fit it in, when you use these. Those neighbours who come to the preview will increase the impression of activity for the buyers who come half an hour later. The second step is check the Find Buyers process and be sure to phone, email or text buyers who you believe should be interested even if they have already been invited to a preview.

### **Key 5.2 Have multi-photo flyers and CMAs for buyers.**

You should prepare enough “whole page for buyers” information flyers together with CMAs for buyers and any other documentation needed. Have a dated register for the open home and fill it out when greeting your visitors. You can have your notebook, netbook, Pocket

SalesPartner, or at least a printed catalogue of similar homes available, to help illustrate other opportunities for buyers if required. Notebooks with SalesPartner can be set to provide rolling picture shows of CMAs for buyers.

### **Key 5.3 Note comments from attendees as visits.**

After the open home when you call the visitors you should note their comments on the second sheet supplied in SalesPartner to be entered through the open home contact process. You can use the standard text facilities to swiftly enter similar responses and add activity notes for detailed comments from visitors. We know of salespeople who have told us they are able to enter their visitor comments through the SalesPartner open home process even while on the phone doing their follow up calls. So this process need not take any extra time once you have mastered it.

This also means those salespeople are automatically compiling their written reports to their vendors without adding extra time to the follow up of their open homes.

### **Key 5.4 Send thank you for attending emails/letters to all visitors.**

Once the entry process is complete you are able to send letters and emails thanking the visitors for attending and offering any follow up visits that may be required. These follow up letters are a key to standing out from the crowd and also provide an easy path back to you should the buyer's motivation change. They are especially valuable for those visitors who do not indicate a high level of interest in the property.

Local studies conducted by following up visitors to open homes twelve months later indicate that most of the visitors have either bought or sold a property in that past year. Among the people not likely to buy the property will be potential vendors checking out properties on the market in their neighbourhood and the processes used by the salespeople they meet. Traditionally if they do not express interest in the home and have not stated they have a house to sell, they are quickly forgotten about as the salesperson concentrates their activity on the interested buyers.

These visitors are a great SalesPartner opportunity. Send them the follow up letters, include them in your active database and treat them as potential buyers noting the price level of the property they visited. Especially invite them to view new listings and similar properties. They may not buy any of these but they will want those processes to happen when they choose a salesperson to sell their property.

One of the interesting aspects of Open Homes in New Zealand is the way selling commissions work. The public are generally unaware that if they go to an open home conducted by another salesperson in the firm and then call their favourite agent to help them buy it, the salesperson they want to deal with is unable to claim a selling commission. So we recommend you include in your weekly emails to your database clients something similar to the following paragraph:

**“Please Note: If you go to the Open Home of one of our firm’s listings without letting me know I cannot represent you in respect of that property.** If you see a property that interests you, text me the address and I can provide you with extra information and register your potential interest with the salesperson conducting the open home before you visit. If it proves suitable, I can arrange any follow up visits required and help you prepare an offer.”

Another approach which you should encourage your office to support is to suggest your buyers put your own name and phone number in the other salesperson’s Open Home register together with their name, leaving out their contact details.

The incentive for the office to support this approach is the increased likelihood of you being able to secure a better offer from the buyers you have been dealing with for some time than someone who has just met them. And it will encourage you to more freely promote other

salespeople's open homes to your A buyers if you have a practical way of protecting your interest in achieving a selling commission.

All firms run a form of prior registration for open homes but it is impractical to send your colleagues a full list of all the people you have been proactive with each week so you need to develop an understanding with your buyers that allows them to attend open homes and still have you help them buy the property they want. The best way is for you to encourage them to let you know which properties they have put on their possibles list before they go to see them.

In any case the increased activity from your proactive marketing will give you more opportunity, so in some cases that will inevitably be positive for your colleagues as well.

One area that SalesPartner users also have to figure out is how they deal with more of their vendors wanting open homes than they can physically cope with. We recommend 30 minute open homes and, where you are working with a colleague or personal assistant, have them close the properties so you can open them on the half hour.

With new and any more complex listings you should try to be personally involved in the first three open homes. Once the property has been successfully launched on the market and then enters its second phase of marketing you may take the opportunity to introduce one of your colleagues to your vendors to help look after the open homes for you. If they are also a SalesPartner user they will be able to do the new neighbourhood trump cards and "whole page for buyers" flyers with their own photo and details. Their incentive is the opportunity to gain experience and possibly earn a selling commission. Your incentive is the opportunity to provide a full service to more vendors with saleable listings and achieve more listing commissions.

### **Key 5.5 Use pocket SalesPartner.**

SalesPartner can export listings to phones running pocket windows for ready access to details and photos when talking to buyers at open homes.

In SalesPartner learning centre look for:

Printing an open home register

Open homes poster

Processing open homes tips and techniques

Open home letters

Buyers for a property

Processing an open home

| <b>Key 5 Open Homes with SalesPartner Can you..</b>             | Using<br>Y/N | Comments |
|---|--------------|----------|
| Print a register, flyers and CMAs for the open home?            |              |          |
| Print trump flyers for the 20/20 marketing for open home?       |              |          |
| Send letters /emails or texts inviting buyers to the open home? |              |          |
| Enter comments from visitors after the open home?               |              |          |
| Send letters / emails to all visitors after the open home?      |              |          |
| Print an activity report for your vendors detailing visits?     |              |          |

## **Key 6. Activity-based databasing.**

This is the quick and easy way to convert “nosey neighbours” into your next vendors and to have them accept that you are worth the fees you charge.

One very significant benefit from recording all activity with contacts and linking their comments to the properties they visit is the ability to “call time” for buyers but it is not the only benefit.

### **Key 6.1 Send emails or letters to all visitors to your listing, including open home visitors, a few days before the Tender or Auction dates.**

Many years ago when SalesPartner was relatively new I visited a Lower Hutt office and spent time with one of our salesperson clients who had become the top lister and seller in her office. She concentrated on Woburn and surrounding areas in Lower Hutt and specialised in auctions.

One process we had introduced for her and her personal assistant was to find all visitors to a property that had been recorded in SalesPartner and the week before the Auction closed, send them all a letter inviting them to the Auction noting the time and date and offering any help they might need to be able to join in the bidding.

On the day I arrived our client was getting ready for a well earned overseas holiday but she took time out to tell me she had positive proof the process worked. She told me that at a recent Auction she had a lady attend who had earlier said she didn't like Auctions but came in response to the personal invitation. This lady, who would not otherwise have been there, bought the property after it was passed in. For our client that was clear evidence that the process was worthwhile and she was enthusiastic about continuing with it.

However while I was still at the office that afternoon her PA had three calls from people wanting to know when the salesperson would get back

from holiday as they would wait to list their properties with her then. This was the proof for me that the process works!

The key factor is that those future vendors knew and appreciated the processes she used to find the best buyers for her listings and they wanted it to happen for them.

This also means she did not have to worry about securing listing presentations when she returned from holiday, her pro-active marketing for the properties she had currently listed secured the next listings for her without requiring competitive presentations.

In addition she had already distinguished herself from other salespeople when it came to the vendors accepting her fees. She was not providing a commodity service where she would have been tempted to compete on price but she was providing a premium service her potential vendors appreciated and were willing to wait for. Therefore her fees were not something she had to justify or negotiate.

With your SalesPartner and activity based databasing you can readily find all the buyers who visited a particular property and send them invitations to the Auction or reminder letters for Tenders that are closing. The process is the same as the one used for calling time for your buyers when you have an offer to present and in all cases you are seeking to inspire a multi-offer situation.

### **Key 6.2 Find all the visitors to one property and invite them to another.**

This process works really well with particular forms of properties, especially farms, lifestyle blocks, investment and commercial properties, apartments in particular apartment buildings and residential properties in sought after areas. It is so easy to do with SalesPartner activity based databasing you should try it on any of your properties when time allows.

You find all the people who visited a particular property, check that they are still active buyers and enable the target property in your contact database. Then you have the full range of letters, emails and text messages to help you to invite those people to the new property.

### **Key 6.3 Record and follow up contacts for other salespeople.**

To ensure you note all activity for your vendor reports you should setup an active contact record for each of your colleagues. This contact record in your database will have something like “Jenny’s buyers” as your SalesPartner contact surname for each colleague. Then you can record brief details and notes of any interest or feedback they provide for you from their visits to your property.

You record these activities against their contact record in your SalesPartner and link the activity to the appropriate properties.

With activity based databasing you can create a regular report for your vendors that includes a summary of comments from buyers along with other marketing activity you have completed.

With a SalesPartner focused office summary details of all visits can be recorded by the office and transferred with new listings and activity updates.

You can add extended notes to any of the visit activities recorded in your copy of SalesPartner for your own listings and any other properties your A buyers visit.

When you reach a review point in the marketing of your listings, you can provide more detailed reports which include the extended notes attached to the activity, to help the vendors make a considered decision based on the evidence and detailed feedback from the market place you have collected and documented.

Another aside: while I was working with Harcourts Upper Hutt in the 1990’s when our programmes were new, I visited several open homes to

research what salespeople were doing. One salesperson, not surprisingly their most successful, was very diligent in following me up as a visitor to each property he held open. The surprise to me was that despite the fact that John knew I was not a buyer and not even looking at the house he insisted I give an opinion on the price. He would not let me off the phone without some guess about the price he could report to his vendors.

It is common among top salespeople to advise vendors that feedback from buyers is crucial in their marketing. They make the claim that buyers see many properties and have the best idea of the values in the market place. They are taught to market this way.

Given the wide range of price assessments that arise when experienced valuers and salespeople assess price, this faith in the accuracy of buyers' guesses might be thought to be naive or disingenuous. But there is a more calculating aspect to it. Buyer feedback can generally be relied upon to be at the bottom end of the range. An interested buyer has every incentive to undermine the vendor's expectations and an uninterested buyer will undervalue the property as they naturally consider it worth less than their preferred properties. Some salespeople even prompt low price feedback with dialogue like: "Mr Buyer; if I said you could buy this for \$370,000 would you buy it?" If yes, he can tell the vendor "Price feedback is all around \$370,000", if no he can say feedback is below the low mark he prompted. When the salesperson subsequently presents offers around \$395,000 the vendor whose objective might have been \$420,000 plus can be more readily persuaded to go ahead with the sale.

If you do rely on price feedback in your marketing, especially your preview marketing, we would recommend all visitors be advised there will be a small prize such as \$50 petrol vouchers or a couple of bottles of wine for the preview visitor who gives a price assessment closest to the final selling price. This will help encourage preview visitors and give you more honest feedback on which to base your marketing strategy.

In SalesPartner learning centre look for:

Look up visitors to a listing, invite them to a similar listing.

Use marketing templates and activity records

Vendor activity reports

| <b>Key 6 Activity based databasing Can you..</b>               | Using<br>Y/N | Comments |
|--|--------------|----------|
| Find all visitors who visited a property?                      |              |          |
| Send letters / email reminders for Tenders / Auctions closing? |              |          |
| Find all visitors to one open home and invite them to another? |              |          |

## **Key 7 Enhanced listing presentations with SalesPartner.**

Take advantage of the processes our top salespeople have asked us to build in to make their listing presentations quicker to produce and more effective.

One of the first enhancements is that you will have to do fewer competitive listing presentations. Not fewer appraisals (our first goal is to increase the number of appraisals you get invited to do) but fewer listing presentations where you will be competing with other agents.

We have offered listing presentation seminars around the country and have found it is not uncommon for salespeople using SalesPartner with a good grasp of Key 1 (proactive marketing) and Key 9 (Databasing real estate best friends) to report they haven't done any recent competitive listing presentations.

Within a couple of years of work with SalesPartner you will find most of your listings will come from prospect vendors who call you, and often only you, when they are ready to list. Why should this be so?

One important concept to understand is how most vendors in New Zealand choose the real estate firm they sell their property through. In most (but not all) cases they choose their real estate firm by choosing their salesperson.

When we do Listing Presentation seminars we advise salespeople they have three sales to make in a presentation.

The first is themselves: by being there, on time, well presented, sympathetic, a good listener and interested in their property. We recommend you do check the cupboards and touch the back fence, but while doing so your major goal is to determine the motivation and objectives of your prospect vendor.

The second sale is to sell your real estate firm: your firm will supply presentation materials to help you make this sale.

The third and most crucial sale is to sell the processes by which you will achieve an offer at the best available price for their property in the least amount of time with the least inconvenience to them. In other words you have to sell the systems you will use to find the best net buyer for them.

Many firms teach salespeople scripts for selling Auction marketing, Tender marketing or priced sale plans at this point.

### **Key 7.1 Sell the processes you use to find the best buyers before the appraisal.**

With SalesPartner this third and most difficult sale is often already accomplished by the time you get invited to the listing presentation. Because you have already been treating these potential vendors as though they were a buyer, sending them weekly emails, pro-actively inviting them to new listings and reminding them of tender or auction closing dates for any properties they visited, they already know what you do to find the best buyer for your vendors.

### **Key 7.2 Sell the marketing processes you use not your estimate of price.**

Discuss with the vendors why price estimates are not a sound basis for choosing a listing salesperson and provide documentation to back up your CMAs and any advice you give them about price. Use flyers for buyers and even rolling picture shows of past sales to enhance their ability to estimate sales prices in your current market.

### **Key 7.3 Use activity reports to discuss marketing outcomes.**

Explain with activity track reports how some properties achieved a premium price and offer them the opportunity to achieve the same by listing with you. And point out that you have invested in systems that will enable you to provide frequent and detailed feedback so that when

the decision points come they will be fully informed of the steps you have taken to find the best buyer for them.

**Key 7.4 Explain the preview marketing concept.**

Explain that with your database marketing they don't have to choose a particular marketing strategy without an informed idea of potential success based on the existing buyer interest which you can document before you finalise the marketing plan with them. Don't forget to get the listing signed up first.

Mostly we believe you won't need to do a lot of competitive listing presentations but you should enjoy the opportunity to do so, as when you have mastered these SalesPartner keys you can be confident anyone who lists with you will get a better result than if they list with a competitor.

We are aware there is a key difference between an appraisal where a potential vendor with little or no motivation to go into the market would like you to estimate a potential selling price and a listing presentation with a motivated vendor working to accomplish a known goal in a particular time frame.

We recommend you be careful not to do a full listing presentation if a vendor cannot answer an early closing question like "Is there any reason you won't be able to put your property on the market with me tonight?"

We would recommend that you have the documents like CMAs and company overviews needed to back up a sales estimate in a separate folder from the documents detailing your marketing options and what you did to sell other properties. We recommend that you do not to reveal the full presentation details unless your vendors are expecting to list their property and are willing to consider listing it with you.

In the SalesPartner learning centre look for:

Use marketing templates and activity reports

Print the original flyer for a sold property

Photo handling in SalesPartner

Also look at the Promo flyers for your property

| <b>Key 7 Enhanced presentations with SalesPartner<br/>Can you....</b> | Using<br>Y/N | Comments |
|---|--------------|----------|
| Print flyers on sold properties that are in your CMAs?                |              |          |
| Print promo reports showing what you did to sell other properties?    |              |          |
| Print prospect buyers + requirements + activity with no names?        |              |          |
| Print graphs of sales and buyers in price brackets?                   |              |          |
| Print promo reports and appraisal letters from z listing?             |              |          |
| Print a vendor calendar from a marketing template for z listing?      |              |          |
| Edit and save a new marketing template?                               |              |          |
| Use vendor logins for prospect listing and activity on past sales?    |              |          |

## **Key 8 Databasing properties not just people**

For experienced SalesPartner users this area is the primary key to a long and successful career. What we are doing here is moving the emphasis of your pro-active marketing from databasing people to databasing people and properties together.

Our objective is that you have a single property record in your SalesPartner system for each of the properties you know, have visited or have marketed. You should be able to link these records to their current owners and have a detailed plan based on preset activity templates and smart letters, to follow them up.

We call these Z listings. The first type of Z listing most SalesPartner users come across is created when they add a prospect listing to process an appraisal. Your SalesPartner system gives the property a Z listing reference code. You need to add a prospect listing, if you do not already have a Z listing for the property, so that you can record details of the property, possibly add photos and a map and print reports from the promo area to enhance your listing presentation.

You can learn to use activity templates to quickly generate a marketing calendar from preset activity tracks and you can use the multi-media area to store your CMAs.

When the property is listed with your firm this prospect property record or Z listing, should be set status L for Listed and the activity for the marketing calendar removed. You will get a new listing record with details based on the listing form the vendor signs through your firm's transfer or synchro server processes. In a SalesPartner focussed office the synchro process can also transfer activity recorded against the active listing by your office.

You can add a marketing tasks activity trail in your own SalesPartner record to ensure nothing is missed while processing the new listing but it

would not need to include common activities that would be part of the calendar presentation activity template.

The prospect listing or Z listing lies dormant with its L status while all the attention shifts to the listing that has come through the firm where the photos, advertising, visits and the marketing activities are recorded.

### **Key 8.1 What happens if the appraised potential listing is deferred?**

With SalesPartner you can replace the proposed marketing calendar with an activity trail designed to ensure your potential vendor gets a series of reminder letters (we call them smart letters) and phone calls from you to ensure you keep in touch and up to date with any changes in their motivation.

### **Key 8.2 You can use a similar process for any “foreign listing” you might want to keep in touch with.**

“Foreign listing” is jargon for a property that is on the market with another firm. Indeed on our support desk we have come across at least one salesperson whose primary use of SalesPartner is to follow up foreign listings. One salesperson reported that she often picks up frustrated vendors when their listings expire saying they have heard from her several times before they ever heard from the salesperson who previously held their listing.

Expired listings are often excellent clients to pick up as they are usually motivated vendors with well defined objectives. We have reports of many such listings selling quickly when taken up by a salesperson using SalesPartner. There is an illustration of this process in practice, from Mike Voyle, included in the learning centre case studies.

### **Key 8.3 Purchasers of properties in your area.**

When your listing sells there is a SalesPartner process that allows you to link the new owner with the Z listing created for the appraisal. Alternately if you do not already have a Z listing for the property you can quickly create one from the listing that sold. The process to link the

new owner is called moving in the current owner. It is not correct to change the name of the previous vendor as that changes their name in all linked contact areas of your database. You need to learn the simple “moving in” process and then how to delete previous complete and incomplete activity and initiate a new activity template to provide follow up for the purchaser and annual smart letters or anniversary letters.

We recommend you should learn how to do this with any property you have marketed or sold to a new owner and some salespeople even extend the service to properties that have sold as foreign listings to people they know from their pro-active marketing.

#### **Key 8.4 Business development areas or farm areas.**

This process also works well for properties in your unmet database but we do not regard it as a primary key to success in real estate because some salespeople have been distracted by the opportunity they believe this represents to the extent that they have spent long hours entering details of properties and owners without ever getting around to door knocking, visiting for sale by owners, or visiting other firms listings.

We believe it is far more important to record the properties as Z listings after you have visited them, but with that proviso some salespeople have been successful at developing comprehensive processes to manage their unmet database through Z listings. Unmet databases for investment properties, farms, motels and commercial properties where it is more challenging to organise door knocking to meet the owners, work well with Z listings and direct mail follow up. Further details on these processes and manuals for databasing properties are available from our SalesPartner support desk.

In SalesPartner learning centre look for:

Follow up appraisals and past sales with continuous activity

After a listing sells

Task templates

Prospecting

Creating an activity template

| <b>Key 8 Databasing properties with SalesPartner<br/>Can you...</b> | Using<br>Y/N | Comments |
|---|--------------|----------|
| Locate a z listing so as not to create duplicate z listings?        |              |          |
| Create a z listing by copying a current, sold or withdrawn listing? |              |          |
| Move in a new owner to replace NOT edit vendors?                    |              |          |
| Set Z Listings to the appropriate status?                           |              |          |
| Edit and maintain your own smart letters?                           |              |          |
| Create and use task templates for prospect listings?                |              |          |
| Complete smart letters from the SalesPartner To-Do List?            |              |          |

## **Key 9 Real Estate best friends.**

We have kept the second best and easiest for last. Start here and with pro-active marketing through Key1 and everything in the middle will just add to your success. We have designed this process to allow you to keep in regular personal contact with more of the people from your database than you otherwise would. It ensures you have a To-Do list each week of people to call, together with the details you need to make these calls effective.

With other SalesPartner processes you are collecting a great deal of information about your clients' activities in the market place so, when you set follow up calls for them in SalesPartner, this information can be made immediately available when the call is due.

The details you record can be family oriented, work details and activity reporting their comments from properties they visited. It will also include details from your last call and activity notes recorded for any newsletters, letters or preview invitations you have recently sent them. The goal of this key process is to ensure you are fully informed when you call and to enable you to make more calls more readily than you otherwise would. It is a great business building process.

The trigger for us to realise how important this area is, was a successful client who called up saying she had trouble getting into her contact database and she needed to do so to find her next group of "real estate best friends". She explained she had found properties for all her last set and wanted to create a new group of "best friends" to focus on. Her goal was to discover their true motivations and help them with their real estate decisions.

We have many other clients who have built up successful careers by noting key phone calls they have with their contacts in SalesPartner and then putting a follow up task to call back in the future, but Judy was the

first to define the process of managing real estate best friends in SalesPartner for us.

One of our clients in Tauranga reported that he had to develop new skills to cope with an unexpected outcome of this process. He had learnt to use it with good effect and was being very successful in his business because when he called people on the phone he had lots to talk about with names of family and pets together with their real estate activities at his finger tips. However when someone spoke to him in the supermarket he was less well equipped to cope and had to develop new scripts to ensure he did not offend people who were among his real estate “best friends” by phone, but not so easily recognised in person.

We have now added a process to record photos or scanned business cards for your contacts and we can add these photos to contact reports in SalesPartner.

Because we believe you should start using this process as soon as you start with SalesPartner we will outline it for your here.

### **Key 9.1 Determine who are your first 10 real estate best friends.**

For each of these 10 active contacts add a note/phone call activity to “Follow up buyer”, “Follow up appraisal”, “Follow up advocate” and set a date within the next seven days for your next phone call with them. Add any family or work comments about them in the comments section and add a note to the activity record detailing what you would like to talk to them about. Now you will always have something to call about.

This note should not include any comments generated by visits to property as they should already be recorded as visit activities, dated when they occurred and linked to the appropriate property. However it should include items like arranging finance, arranging builders’ reports or anticipating promotions, transfers or family needs.

At the beginning of the following week isolate the incomplete note/phone calls for the week in your To-Do list, select them all and print out the **contact follow up with activity** report. Set the activity date range for the report one month back and one week ahead. Then print it out and call the people during the week noting the date of the call and their responses together with a number of days to the next call – never less than 7 days. If you need to call them again during the week do so from the original list.

### **Key 9.2 Creating repeat tasks to remain in contact.**

When the calls are done set the contact dates for the activities to the date you called on, add the extra notes and set the repeat period, then set the activity completed. This will create the record that will generate the next follow up phone call.

At the beginning of the following week you repeat the process and add extra “best friends” retiring those who have made a final decision (complete the activity without a follow up cycle) or unlink and reset the attached notes as needed.

When you master this process you will be able to make a quick transition from your diary and notebook process for keeping in touch with clients to a more effective SalesPartner way.

This will enable you to explore more of the detailed contact follow up processes built in to SalesPartner. Any activity you record in the activity notes for your real estate “best friends” will allow for more focused and effective calls with your key contacts.

In SalesPartner learning centre look for:

Recurring tasks

Follow up phone calls

| <b>Key 9 Real Estate best friends.. Can you</b>                     | Using<br>Y/N | Comments |
|---|--------------|----------|
| Enter a follow up task (note/phone call) for a contact?             |              |          |
| Add a note with details for the call and repeat days?               |              |          |
| Use the To-Do list to print contact follow up with activity report? |              |          |
| Set the date of call, add to notes, set repeat and then complete?   |              |          |

Congratulations, it is now time to start to put these new processes into action. Have fun and remember that you now have an opportunity to enhance the real estate profession by using these tools to improve the outcomes for your vendors and buyers. To help achieve this you now have an obligation to win the listing when you are invited to future listing presentations.

We have introduced a wide range of concepts here but there are more processes built into SalesPartner especially around areas like managing groups of contacts in your database, and interacting with other systems.

We don't expect any one salesperson or office to use all of SalesPartner.

We also recommend that you as a salesperson do not spend more than an hour a day with your SalesPartner systems. If you come across an issue or process that looks like it is going to take much longer than that give us a call for advice and support.

Prepared for SalesPartner clients by John Duncan, MBA BCA.  
Revised March 2011

John is the principal and director of the firm that designs and supports SalesPartner software. This firm sold its first computer system to a real estate firm in 1985 and John has been primarily responsible for the design, and development of SalesPartner and its DOS based predecessors since that time. He was ably assisted in the early years by his then business partner John Foot LLB MBA who is currently principal and owner of a real estate firm in Tauranga.

The current chief architect and a shareholder in the firm is Alister Christie BSc who has been responsible for the success of the SalesPartner programme, together with the design and implementation of its built in processes for the past 6 years.

On the support desk the principal installation and technical support is provided by Wayne Xuan BSc and the training and primary support manager is Geoffrey (Geoff) Duncan.

Many other people contribute as both key users, part time employees, consultants and in direct support roles. However the team above are the full time support people for the SalesPartner systems and if you contact any of them we will do our best to ensure your system is optimised to the best of our ability.

We have prepared a list of other resources we recommend you should look at. These are located through the Learning Center in SalesPartner

The major contribution to the success of the systems built in to SalesPartner is the feedback and suggestions of our experienced users. You are able to take advantage of their expertise and use the systems they have designed for your own clients and customers.

Revision date: 4<sup>th</sup> March 2011