

Finding New Clients in a Competitive Market Place

How To Cultivate A Solid Client Base

By Michele Lerner

Two of the most basic elements in the real estate business are finding buyers to work with and homes to sell. Without an ability to generate new leads on either end of a transaction, real estate sales agents could find it difficult to make a living. Top residential sales agents and brokers look to their own successes to identify what has worked for them when seeking new clients.

“Lead generation is the lifeline of this business,” says Ashley Leigh, principal broker of Linton Hall REALTORS® in Gainesville. “It always has been and always will be. You have to make sure that your lead flow is predictable so you can generate business not just month to month, but quarter to quarter and year to year.”

Working the Market

Successful REALTORS® and brokers recognize that while creativity has its place, generating leads is often the product of hard work. “You need to show up everywhere and meet people

in every possible location, including an open house or a community event,” says John Meyer, a REALTOR® with Re/Max Allegiance in Alexandria.

During the real estate boom earlier in the decade, many real estate agents were inundated with clients, sometimes

more than they could accommodate. However, in the current market, sales agents, especially new ones, might need to reconsider and initiate more traditional business models to generate new leads methodically.

“The old rules still apply, whereby real estate agents need to get involved in geographic ‘farming’ and get active in community groups,” says Carol Greco, an associate broker with Long & Foster Real Estate in Annandale. “When I started in this business, I wanted to work where I lived, which was a community of about 200 homes. Now people need to think bigger.”

Greco recommends that new agents start by preparing a traditional business plan, which will serve as a guideline to building their business. She says that part of that plan should be deciding on an area

to farm, whether it is a geographic area, a social club or even the PTA. “Once you’ve decided where to farm, you need to work on it by sending mailings, knocking on doors and sponsoring community events; anything, so that your name gets out there,” says Greco. “This market is very results-oriented, so probably the best thing is to let people know by mailing postcards when you’ve sold a home in their neighborhood. What’s most important to the public is that you are able to sell houses.”

Bob Graham, an associate broker with Long & Foster Real Estate in Fairfax, advises sales agents to develop their base of knowledge once they have chosen a neighborhood to farm. “You need to establish yourself as an expert in any given area and then put out an end-of-the-year synopsis for that community,” says Graham. “You can put out the synopsis over the Internet, but I send out a glossy six-page report with a breakdown of every bit of information I have for every listing in the community.”

Susan Goodhart, a REALTOR® with McEneaney Associates in Alexandria, agrees that developing



expertise is an important element to building a successful career, but she also reminds fellow agents that real estate is primarily a “people business.”

“It’s important to try to touch people in a personal way in your farm area by doing things that can bring [positive] attention to yourself such as sponsoring a special event or just becoming active in places where you can talk to people,” says Goodhart. “Being active in the community can be a good way to build your business. I got my first listing by walking around my neighborhood at Halloween with a wagon full of pumpkins and my daughter, greeting people and giving out the pumpkins with my card.”

Marketing Mavens

Greco recommends establishing a budget for marketing, including money to spend on sponsoring community events such as a neighborhood Halloween party. “You have to run your business like a business, so sometimes you have to spend money to make money,” says Greco.

George Greene, owner of Star Homes Realty in Manassas, has fond memories of community activities designed to generate good while promoting good business. “We used to have a bicycle rodeo every spring where the fire department would inspect the kids’ bikes and we would give out prizes with our names on them,” says Greene. “That gave us lots of free publicity.”

Greene also recalls that some agents would rent a movie theatre on a Saturday and give out free tickets to the movie in exchange for watching

a five-minute ad for their real estate companies prior to the movie. The real estate agents could stay after the movie to discuss real estate, handing out a business card or pens with their contact information.

Green advises agents that while special events can be a career booster, marketing is something they should be doing daily.

“If you want to get known, you should knock on a few doors, give out flyers and cards everywhere you go and always wear a name tag,” says Greene. “You should promote yourself every single day.”

Greco says that offering useful promotional materials can be a good way to foster name recognition within a farm area.

“I think it’s best to hand out something people will keep for awhile, so I like to hand deliver calendars every year,” says Greco. “I also build some goodwill by hiring neighborhood kids to hand them out. I’m on my fourth generation of neighborhood kids now.”

Advertising Attracts Attention

In addition to marketing at community events and providing promotional materials to potential customers, successful sales professionals budget advertising dollars for their listings and for

themselves. “The best advertising is to pick a house that’s a good deal and promote the house and yourself through ads,” says Greene. “Everyone should also place an institutional ad for themselves and their company.”

Leigh recommends placing ads in local papers, sending mail-outs to farm areas, putting up notices at community centers and on grocery store bulletin boards. “You have to be flashy to survive in this market, and let people know that you are there and that you want their business,” says Leigh. “I’m driving a car right now that is plastered with my name and phone number so that I can generate leads while I’m out driving. If you can afford to fly a streamer ad off an airplane, I’d recommend doing that, anything that lets people know you are out there. My best advice is to do what you are comfortable with, but realize that it may not be enough.”

Targeted Communications: Service & Follow-Up

Calendars, decorated cars and street signs do help build name recognition, but thriving sales agents also know they need to do more to boost their client base. “You’ve got to give great customer service all the time and provide follow-up service after the sale, too,” says Meyer. “You should constantly contact your best base and ask for referrals.”

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Graham also emphasizes the importance of professionalism and service when interacting with clients and other agents as another avenue for generating future leads. “Agents need to realize that the Golden Rule applies in the real estate business,” says Graham. “If you treat someone right, then you will be the one they will turn to.”

Graham insists that lead tracking has become more important than ever as the market slows. “I recently hired someone to go through all my files from my entire career to determine if everyone was still living, where they are, and to get email addresses and updated contact information [for] market updates,” says Graham. “Email is cheaper than snail mail, but I still do a lot of that, too.”

Organizing and updating client lists can go a long way to generate new business. “The longer you are in the real estate business, the more important your database becomes,” says Graham. “You need to have some way of capturing the attention of anyone [with whom] you can do business.”

Making New Contacts

While maintaining a database works well for established agents, it can be difficult for newer sales agents to develop a network of potential clients. Making connections through a sphere of influence, at open houses and among rental clients are some ways suggested by experienced agents.

“One technique I recommended to a new agent was to use what I call the ‘\$500 wedding plate’ plan,” says Graham. “She had just gotten married

considering that consumers start with the Internet when they begin the process of buying or selling a home.

“My first advice to any agent is to get a Web site,” says Meyer. “The key is to market the Web site and make it the ‘go-to’ Web site for a neighborhood of 1,000 homes or more. It won’t work to do this for a neighborhood of 20 or 30 homes; that won’t generate enough business. The Web site should be the place people use for information about anything and everything in the neighborhood.”

Leigh says that agents can find new leads by hosting a homebuyer seminar or renting a booth at a conference or fair. “An open house is always a good way to pick up both buyers and sellers,” says Goodhart. “You are always interviewing for a job when you are at an open house meeting potential clients. You should also follow up every open house with a contact to let them know something else about the property and to see if you can work with them in the future.”

Goodhart suggests using the Internet to promote listings and to maintain contacts. She says, “The younger the client, the better the Internet marketing will work. Technology doesn’t really do anything different; it’s just another way of getting in front of people. Agents really can’t rely on any one thing. They need to keep working hard at every opportunity to get in touch with people. This is a people business; to be successful, you have to know how to touch people and demonstrate that you are trustworthy.”

Graham also recommends that agents offer to make presentations to local groups where they can meet potential clients. “Every agent should have what I call a ‘Chamber of Commerce’ speech, with slides or a PowerPoint presentation that they can give to church groups or brown-bag situation about buying a house,” says Graham.

Working with renters can occasionally result in an immediate turnaround of a renter into a buyer, but more often, agents working with renters enlarge their sphere of influence and build a base of future potential home buyers.

Technology

In the ever-evolving digital age of communication, traditional methods of face-to-face communication and marketing techniques are enhanced through technology, especially

Networking While Learning

While lead generation efforts tend to focus primarily on buyers and sellers, networking with other professionals can also enhance and expand a real estate business. Meyer

recommends, “One way to build referrals is by networking with other agents. You can meet other agents through education classes and build your business that way.”

Greco, who belongs to a breakfast group of real estate agents and brokers who share information and advice, says, “Agents, especially new agents, should learn from other successful agents.” Whether learning from each other, marketing in person or on the Internet, or expanding a sphere of influence and making community connections, REALTORS® need to tap into their creativity and energy. It takes hard work to find new clients in a competitive marketplace, filled with successful self-starters, motivated to move houses.

