

Simple Formulas to Follow with Prospecting Letters in Commercial Real Estate Brokerage



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In commercial real estate brokerage, you should be sending out plenty of prospecting letters in a regular ongoing way if you are running a new business program. In saying that, every letter should be followed up with a direct telephone call to the person concerned.

(N.B. these ideas are also sent out to regularly to our friends in [Commercial Real Estate Online Snapshot](#) to help amplify brokerage results.... [Get your access here](#))

Without that telephone call activity, you will be losing out on opportunities and wasting a lot of money on mail that should have been followed up. The conversion of enquiry from letters sent that are not followed up is very low; perhaps as low as 0.5%. That number escalates greatly when you make the follow-up telephone calls; perhaps 5 times or more based on your skills used in the telephone conversation.

Simple Letter Logic

The idea here is that the prospecting letter will prepare the ground work for the upcoming telephone call and conversation. It is a simple formula, and it works very well. Use the direct mail process to connect with new people locally; it is a proven process of prospecting, and perhaps even more important than email marketing systems.

Understand the segments of people that you should be reaching out to and connecting with using the letter process. Undertake a good degree of research to identify the right people, their names, and their addresses. Research goes hand in hand with direct mail prospecting. With improved research, you will be connecting with higher value prospects, and most importantly the people that could need your services over time.

Mail Campaign Strategies

Here are some simple ideas to help you establish a direct mail campaign in your commercial real estate brokerage. It is also a very successful new business model that you should consider for yourself at a personal level:

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1. **BE SPECIFIC:** Every letter should be crafted for a specific target audience. Avoid generic letters without any real meaning or targeted concept. If you focus on a particular segment of the property market, you can drill down with the message of the letter into current market situations and opportunities. You can talk about trends and challenges in ways that will interest the reader of the letter.
2. **SINGLE MESSAGE:** The letter should consist of a core message, some facts about the local property market, and a call to action. You are inviting the person to call you if they have an interest or concern about the commercial real estate topic raised. Be prepared to take the calls at any time of day, and thereby [create a meaningful conversation on local property market issues](#). Conversations created in this way are professional in every respect. Get to know the people that call you, and identify how they may need your services at a particular point of time in the future.
3. **SMALL NUMBERS BUT QUALITY FORMED:** Given the degree of research required in a direct mail campaign, you should [focus on sending a small number of letters](#) in a consistent way over time. Focus on quality people in a direct way; that then says you should review the best buildings and best locations. A small number of letters also makes it easier for you to follow up with the necessary calls at the right time.
4. **TELEPHONE CALLS:** Far too many brokers and agents fail to follow up the letters that they send out. That is a big mistake from a practical and a financial perspective (a waste of money in postage). Be prepared to [connect with the people in the local property market](#) and create conversations. Every letter is a reason for a telephone call. Encourage conversations on local property matters. Simple conversations lead to some valuable relationships and listings over time.
5. **ONE PAGE:** The text of the letter should be completely contained on one single page of A4 paper. That includes three or four paragraphs of text, your signature, and a call to action. You can use a specific title for the letter which will have some local focus and attraction.
6. **BUSINESS CARD:** Enclose your business card with every letter that you send out. The business card should be sent with every piece of correspondence. It is reasonably likely that they will retain the business card for later reference; that is well after the letter is discarded.
7. **AVOID LETTER FILLER:** Avoid enclosing bulky brochures and other marketing material as it will likely get 'binned'. The purpose of [the prospecting letter is to create an opportunity](#) for a telephone call. Bulky marketing messages and brochures will only confuse the contact approach and cloud your message. Keep your correspondence simple in every respect.
8. **USE A HOOK & MESSAGE:** Given the central message or concept that you are writing about, you can use three or four dot points as part of your letter layout. The dot points creating engagement and simplicity. Choose the dot points that relate to the topic and the local property market today.

It is worth noting that these strategies cannot and do not work with email marketing; that is an entirely different part of the strategic marketing process in real estate brokerage. Different tools and concepts apply in email marketing.

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Clear and Simple Correspondence

So the message here is quite clear with the letters that you send in prospecting. Use the direct mail process as part of attracting new clients to your real estate business. Create a core message and focus with each letter sent; consider the different letters that should apply to landlords, business owners, property buyers, investors, and tenants.

Finally, and in every case possible, make sure that you personally follow-up every letter where you can. Create conversations with property people in your location. Repeat the process over and over again. Be polite and be relevant in what you say. [Get to know the people in your local area](#) through simple and professional conversations.