New!

Commercial Brokerage Course

TOTAL SALES MAKEOVER

http://commercial-realestate-training.com
OVERVIEW

In commercial real estate brokerage, prospecting is the 'engine room' of opportunity when it comes to creating new listings and finding new clients. In saying that it directly follows that marketing is the 'lube, service, and oil change' of the engine room to keep commissions coming in.

Marketing continually happens to attract deals, negotiations, and inspections, but the prospecting process is the 'front end' of the industry. It's where careers are made or destroyed.

When someone says to me that things are slow, I will usually ask them questions about their prospecting activities. The answers I get are generally a mixture of the following:

- The market is slow with no enquiries
- The competition agents are taking more clients
- Other agents are offering lower commissions
- I'm doing plenty of marketing, but little enquiry is coming in
- I made some calls yesterday but couldn't find any business
- Cold calling doesn't work
- I'm too busy to make prospecting calls and find new clients

I am sure you have heard variations of these statements. In our industry it is far too convenient to find excuses and blame other people or market factors for a slowing of listings, enquiry, or deals.

If you think that your market share can and should be better, then now is a great time to look at your prospecting activities. Find out what's happening, improve on your strengths in connecting with new clients, and resolve your weaknesses.

To keep things simple and help you move ahead as an agent, here is a list of facts that are just so important to our property specialty of commercial real estate:

1. Connecting with new people every day is an essential rule for agents that cannot be avoided, especially if you aspire to reach the top of your local
property market as an agent or broker. Every agent should have a system of prospecting and networking that puts them in front of new people regularly.

2. There will always be some form of competition to contend with; you will want to have some points of difference and benefit that integrate into your marketing packages and listing efforts. Strive to be the best in what you do and say to everyone in your market. Don't be generic in any way (except perhaps with open listings). Show every client that you really do command a solid market share in targeted tenants or buyers.

3. Don't be afraid to assert yourself with clients that are unrealistic on their property expectations. Commercial real estate is not an experiment in marketing; it is a very specific process that requires a balance of all elements including promotional methods, price, and direct database contact.

4. Be innovative in marketing your exclusive listings directly to the buyer and tenant segments. Lift the telephone and make calls to the investors and business proprietors in the local area. Use success letters as part of communicating results on current listings.

5. Use your database every day to talk to ever more people. Also use the database to stay in contact with others that know you and you have spoken to before.

6. Use local informational updates regards property market trends, developments, and sales or leases to keep your prospects up to date on issues in the area.

This is not 'rocket science' but it is very specific. There are some real things to get under control if you want to rise to the top of your industry as a top agent or broker. Are you up to the challenge?

Review your prospecting model with the following approach.
Prospecting Model

The following "model" represents an approach to prospecting that high performing salespeople find useful. The components of this model provide a road map to follow.

- Generating Suspects
- Planning Your Approach
- Making Initial Contact
- Converting Suspects to Prospects
- Record Keeping
- Managing Your Data Base
Generating Suspects

Generating *suspects* is the first step in the prospecting process. It involves research, developing contacts, perseverance and patience. Outlined below are some potential sources of suspects.

- Your current and past client base represents a prime source of *suspects*. Networking with your clients is a good place to start. Businesspeople have a wide range of associates that can represent a potential source of leads. Satisfied clients are often willing to recommend their vendors to others. Third party references are an excellent source of *suspects*, particularly if they will allow you to use their names.

- Friends and business associates are also a source of leads. People who know and trust you are often willing to offer suggestions or information that can be invaluable.

- Business related associations and civic organizations provide an environment for you to meet and talk to businesspeople can also be an excellent source of *suspects*.

- Data bases and corporate directories that break down businesses by geographic area and business type can be used to construct *suspect* lists. These directories and data bases usually list businesses by name, address, type of business, number of employees and annual sales or revenue. They also list the names, titles and telephone numbers of key executives.

In order to end up with a few qualified *prospects*, you need many *suspects*. You must consistently build your *suspect* list to ensure that your pipeline remains full.
Planning Your Approach

Once a potential list of suspects has been generated, the next step is to prioritize your list and initiate contact.  o Which situations on your suspect list represent the best opportunity?  How will you determine this?  o What is the best reason they should see you?  What value can you add to their situation?  o What do you want to accomplish on your initial call?  Perhaps a realistic goal is to obtain an appointment or to find out who you should be dealing with.

  o  What will be the most efficient and effective way to approach your suspects; by letter, telephone or in person?  o Do you have a contact in the organisation, or do you know someone who does?
  o  Can you provide some valuable information up-front to gain interest?  o If they will not see you initially, what will your alternate strategy be to gain access to the account?

Many salespeople wonder if “cold calling” is worthwhile.  In the traditional sense it is probably not.  Working from appointments is more professional and efficient.

The underlying fact however is that you must make calls to get the appointments.
Making Initial Contact

Gaining access to decision makers and influencers inside suspect organisations is critical. If you have determined that your initial contact will be over the phone, your first point of contact will likely be a receptionist or possibly an administrative assistant of some kind. Treat these people with kindness and respect. Remember, they can help or hinder your efforts now and in the future. You might want to begin by:

In order to minimise the resistance, you could encounter at this stage, proceed by:
Briefly connecting, and then stating the purpose of your call. Check with them to determine if they are willing to proceed with your request. An example of this is:

“*My name is Brian Smith, I’m with Tempo Property Services. Recently I sent some information to Mr/Mrs.___________.* The purpose of my call today is to follow up and to see if Mr/Mrs.___________ might be interested in discussing it further. *Could you help by connecting me with him/her? Or (“Would this be a good time to speak with him/her).*

*Another alternative is to tell them that you will be in their area at a specific time and date and wondered if it would be more convenient to spend a few minutes with Mr/Mrs.___________ at that time.*

If you are not successful initially, thank them for their time and try another approach later. Don’t push at this time because it can easily turn into a battle of wills which will make it harder for you to get in later. If you graciously pass by now, the chances are the person currently blocking your attempt will forget that you ever called. If you persist unduly, they may remember you for the wrong reasons.

**Keep in mind, all you are attempting to do at this stage is gain access to someone in the suspect organization that will allow to you talk to them about their needs.**

Obviously, if you have a contact in the organisation, or know someone who does, it will facilitate getting an appointment. You will encounter resistance and rejection. You will have to be persistent and resourceful in order to get appointments…..but you don’t have to be pushy. As you make more and more calls, you will develop approaches that work for you.
Converting Suspects into Prospects

Turning suspects into prospects it is critical. The key is gathering quality information to determine whether you want to invest additional time on a given situation. It will be necessary to conduct some initial research using “discovery questions” to gather this information. Here are some examples:

- “How do you feel about the current level of service you are receiving for your property and investment needs?”
- “If the level or range of property services could be better, what would you like to see?”
- “Why is that important to you?”
- “What would make your job easier?”
- “How would having regular access to comprehensive and current market information benefit you?”
- “What would the most compelling reason be for you to consider using Tempo Property Services?”
- “What is the most difficult part of your job as it relates to property use or ownership?”

The answers to these questions or any others appropriate to the situation should help you determine whether you want to discontinue further contact with the suspect or summarise and suggest a logical next step.
Record Keeping

Over time, you will contact many suspects. It is essential that you maintain a record keeping system that will help you determine what the potential next steps are with these various situations. Contact management software is high recommended. It is the only way you can keep the necessary number of calls under control and active.

Following are some typical examples of the kind of information you might want to keep track of:

1. Client name, address, telephone, fax etc.
2. Type of business, number of employees, annual sales or revenue, number of branches/locations.
3. Property ownership records
4. Property investment requirements
5. Key decision makers and influencers.
6. Personal information about decision makers and influencers.
7. Buying criteria and budget
8. Leasing criteria and lease expiry
9. Decision making process.
10. Competitive position.
11. Call activity information
12. Your reason why this client is a qualified prospect.
Managing Your Data Base

There are several issues that you need to ensure that you are “adding value”. Many of the factors you worked with earlier in post-call planning apply at this stage. A few additional ideas relevant to prospecting are listed below.

- Develop a follow up system that specifies next steps, roles and responsibilities, timelines etc.

- Stay in touch with decision makers on a regular basis. On each call provide them with something of value.

- Actively seek feedback from your clients. What can you do to improve service and continually add value?

- Periodically review your follow up records. Identify potential problems before they occur and determine what can be done to avoid them.

- Keep track of what various clients are interested in. What type of opportunities do they typically like to look at. When are business cycles changed or planned?

- Continually review your data base, weeding out low priority prospects and adding new ones.

Use a follow up system to keep track of active and inactive clients. This information is invaluable.
Prospecting Workshop - Personal

Work with a small group of your real estate colleagues. Your task will be to design a document or instrument to help you improve the quality of your prospecting.

First on your own, then as a group, list any additional factors you feel should be included in the final instrument design. Select a spokesperson to share your ideas and rationale with the large sales team or group.

Your collective ideas will be compiled, and a custom designed prospecting instrument will be supplied for you to use back on the job.

My additional factors are:

____________________________________________________________________

____________________________________________________________________

____________________________________________________________________

____________________________________________________________________

____________________________________________________________________
Prospecting Model - Group

Commercial Real Estate Group – Additional Factors

Select a scribe/spokesperson for your group. This person’s job will be to record the additional factors that your task force group felt should be included in the final design of your prospecting instrument. **Upon conclusion of your presentation this worksheet must be returned to the team leader.**

Your ideas along with those of your colleagues will be compiled and a prospecting instrument will be custom designed for you to use back on the job.
Personal Learning Points

Identify three important prospecting things that you learned as a result of participating in this unit.

__________________________________________________________________________

__________________________________________________________________________

__________________________________________________________________________

Why are these learning points important to you?

__________________________________________________________________________

__________________________________________________________________________

__________________________________________________________________________

How will you implement these ideas back on the job?

__________________________________________________________________________

__________________________________________________________________________

__________________________________________________________________________
“Destiny is not a matter of chance; it is a matter of choice. It is not a thing to be waited for; it is a thing to be achieved”.

William Jennings Bryan