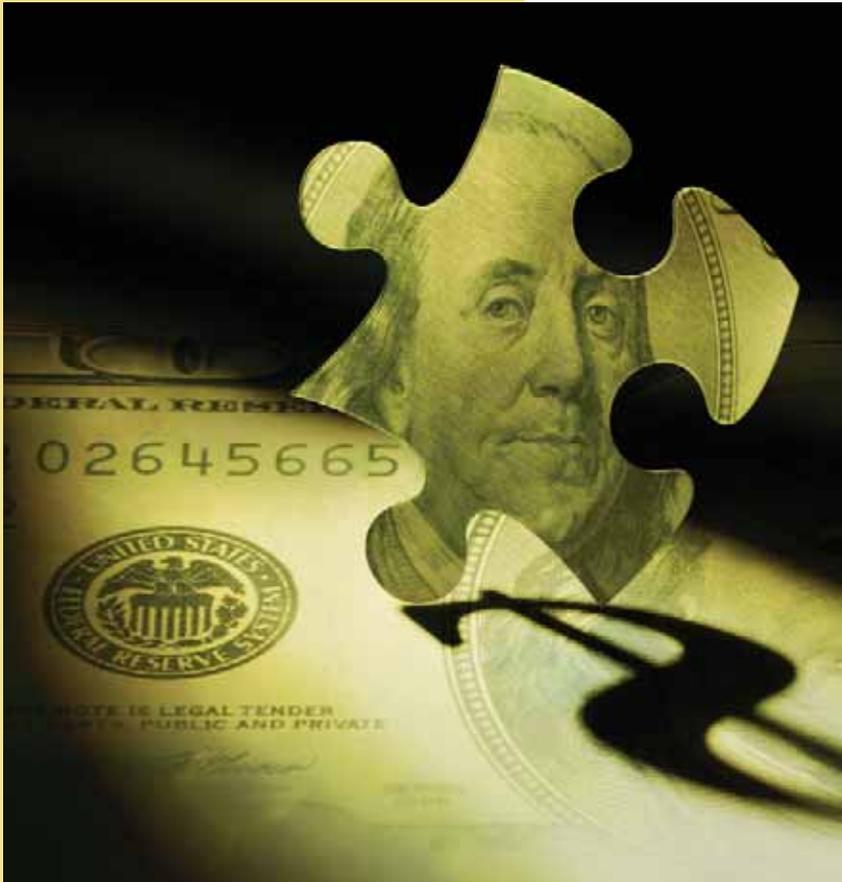


Today's Buyer's Rep

A Publication of the Real Estate BUYER'S AGENT Council, Inc.
A wholly-owned subsidiary of the National Association of REALTORS®



BOOSTING PROFITS WITH A MARKETING MAKEOVER

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Translation: the Sweet Sound of "Cha-Ching!"

When you think of the term "marketing," what words come to mind? Cost? Money? Advertising?

For most of us, it's true that the costs related to marketing can be challenging to manage, at best. Many of us feel inadequate in making decisions regarding where, when, and how to advertise. Or we may feel that limited time restricts our ability to attain the desired results. The approach, decisions and direction we take are almost like a coin-toss. Let's see...heads or tails? Which deadlines are due? What will I do today, this month, this year? Hmm...that sounds like a good idea. Wonder if it will work for me? Let's see...heads or tails?

Using this approach for marketing and advertising is a profit-drainer rather than a profit-maker. What's needed instead is a marketing makeover—a plan that maximizes return on investment, leads to profit and the sweet sound of "cha-ching."

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BOOSTING PROFITS WITH A MARKETING MAKEOVER

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MARKETING MAKEOVER

What's needed for a marketing makeover? The powerful potential for such a magnificent transformation lies in the knowledge that can be gained from gathering and analyzing a wealth of helpful information and implementing a strategic plan. There are many elements that can lead to smart marketing, but let's examine just a few.

1. Identify your personal strengths and weaknesses.

Begin by asking yourself a number of questions: *What are my areas of specialization? Why would a buyer want to work with me rather than my competitor? What specific value do I bring to the table? What makes me different?* If we don't know the answers to these questions, how can we communicate that value to buyers? How can we expect them to recognize our strengths and make us their agent of choice?

2. Increase your knowledge and understanding of today's buyers and what they want.

Outdated sales models don't necessarily work in today's consumer environment. Learn how to work with people the way they want to buy today, by delivering value-added, solution-based services. Make your marketing efforts support this approach by communicating the value-added services you provide to potential homebuyers.

3. Identify markets and marketing strategies. Let the research and statistics do the talking!

Traditionally, we tend to spend the most money in the areas that bring the least

return. How do buyers find their real estate professional? What sources do they use? According to the *2005 NAR Profile of Home Buyers and Sellers*, 44 percent of buyers were referred by a friend or relative to the agent of choice, 11 percent said they used the agent in a previous transaction, seven percent found the professional on the Internet, seven percent met their agent at an open house, and six percent from contact information on a "for sale" sign. There were six other categories, which had even smaller shares. The two lowest categories for agent selection were direct mail, which accounted for a meager one percent, and print advertisements such as newspaper and home magazine ads.

We should ask ourselves why we are spending the bulk of our marketing budgets in the two lowest categories. Granted, direct mail and advertising can play an important supporting role in building name recognition, which is not always very easy to track and measure. Still, careful consideration must be given to allocating the marketing budget, the areas of emphasis, and strategies that include other activities beyond just advertising.

4. Recognize the difference between marketing to achieve recognition vs. marketing to achieve recognition and credibility.

The majority of our time and focus is often spent on marketing and advertising designed only to build name recognition. Time after time, we send out catchy postcards, place business-card-sized ads in the newspaper alongside our

competitors' business-card-sized ads, and advertise a listing in an industry home magazine, all in hopes of increasing our name recognition.

While it is important to be recognized by consumers as a prominent real estate agent, it is equally important, if not more important to be recognized as a reputable, professional and credible real estate agent. According to the *2005 NAR Profile of Home Buyers and Sellers*, 41 percent of buyers cited reputation as the most important factor in agent selection. More than nine out of 10 buyers, when asked about the desired qualities in an agent, rated three categories as being very important.

These three most important qualities were 1) knowledge of the purchase process, 2) responsiveness, and 3) knowledge of the market. Buyers want a reputable, knowledgeable, and professional agent. Buyers want credibility! These statistics reinforce the idea that it is important to spend time and effort to develop and implement a marketing plan that focuses on building recognition and, most importantly, credibility in the minds of consumers.

MARKETING BY DESIGN

It is estimated that at least 85 percent of all real estate professionals do not have a business plan. Smart marketing includes a detailed marketing plan that supports an overall business plan—plans that include developing a workable system for executing all the activities in the plan. The

hardest part of any system is designing it. Once the system is in place, time is more easily managed, and efficiency and productivity increases.

The first step of a marketing plan is to establish a marketing budget. Next, goals are set and examined, and a preliminary strategic plan is developed which includes selected markets and proposed activities for generating leads and reaching each market. Then, costs are researched on all the proposed activities and the needed materials. Marketing activities are selected and the final strategic plan is developed and systemized within the budget.

The plan includes goals, timelines and an action plan detailing specific steps and procedures to reach each goal and objective. Strategies are put in place that address advertising, along with other forms of lead-generation. Each activity is scheduled well in advance. Time is blocked and appointments are made for specific lead-generating activities. (See *related sidebar*.)

An effective action plan also includes a tracking system and methods of measurement. Results reported through the tracking system are reviewed frequently and adjustments are made as needed. This is one of the most frequently overlooked steps in a marketing plan. Tracking your marketing activities will help you determine how successful your efforts have been and will pay dividends in your future planning.

A well-constructed and systemized marketing plan that is based on credible information with clearly-defined targets, goals, strategies, methods and tracking techniques far exceeds “coin-toss” marketing. Smart marketing is marketing with purpose, or marketing by design. It is a design that maximizes the return on your investment, which leads to greater profitability and that sweet sound of “cha-ching.” 



Rhonda Hamilton, ABR®, GRI, delivers keynote speeches, offers motivational seminars, and provides educational training, brokerage consulting, and professional development training through the consulting firm she founded, Rhonda Hamilton Learning Services. Rhonda was also a major contributor to the recently-revised REBAC course, Innovative Marketing Techniques for Buyer's Representatives. She will present “Conversations with Clients: Getting the Buyer's Rep Agreement Signed” on REBAC Day—Friday, November 11—at the 2006 REALTORS® Conference & Expo in New Orleans, November 10-13.

TIME-BLOCKING TIPS

Real estate agents often say that “finding the time” is their biggest barrier to implementing a marketing plan. Time blocking—or setting aside time for a specific purpose—is a proven technique that will help you carve time into your schedule for marketing efforts or other important activities.

Eliminating interruptions during the scheduled period of time is essential for success. Yet it's often difficult to accomplish this goal. Co-workers stop by to talk, clients call, problems arise that need to be solved—the list of interruptions goes on and on. Here are some tips that may help.

- **Make an appointment with yourself and mark it on your calendar.** Use this time to make calls and do other marketing activities.
- **Set aside the first part of the day**, before the unfolding events of the day take precedence.
- **Do not check your messages before your time block appointment.** Your messages, especially new problems, can derail your attempts to prospect and accomplish your goals. Nearly all the time, a problem can wait an hour or so before you tackle it. Don't worry, the problem usually won't go away on its own.
- **Instruct whoever is answering the phones to hold all calls** for that time period, unless it's a real emergency. (You will have to define what constitutes a real emergency.)
- **Put a “Work In Progress! Please Do Not Disturb” sign** on your door or desk. Let people know what you are determined to do.
- **Stick with your own rules.** If someone tries to disregard your instructions, politely let them know that you will regroup with them once your time block is over.
- **Change your venue.** Rather than making calls from your desk at your office, find an alternate site where there are fewer distractions. This may be your home office or an unused conference room.
- **Know your plan and work your plan.** Prepare in advance—know exactly what you want to accomplish during that period of time and have everything you need at your fingertips when your time block begins.
- **Make it a priority.** Commit to your plan. Don't let other things get in the way. Stick with it!