

# FastTrack™

Session 5

E-Consumer Strategies#



To your Achievement of Excellence in Life

**TABLE OF CONTENTS**

**OBJECTIVES..... 2**

**STATS..... 3**

**HARVARD BUSINESS REVIEW ..... 3**

**NAR GRAPHS ..... 4**

**E-BUYER EXPECTATIONS ..... 6**

**MIT LEAD STUDY ..... 6**

**THE DIFFERENCE BETWEEN E-CONSUMERS AND TRADITIONAL ..... 7**

**STRATEGIES ..... 8**

    INITIAL EMAIL RESPONSE WITHOUT PHONE NUMBER..... 9

    INITIAL EMAIL RESPONSE WITH PHONE NUMBER..... 9

**BENEFITS TO THE BUYER TO MEET FACE-TO-FACE ..... 10**

    ALL REAL ESTATE AGENTS ARE NOT THE SAME ..... 10

    IT REALLY MATTERS WHO THEY SELECT ..... 11

**HOW IT MATTERS ..... 12**

**BREAKOUT SESSION ..... 15**

    BREAKOUT SESSION ..... 15

    BREAKOUT DEBRIEF ..... 15

**ACTION PLANS – WEEK 5..... 15**

OBJECTIVES

**During this session you will:**

- Gain a fuller understanding of the e-real estate consumer
- Develop a successful strategy to convert e-leads

STATS:

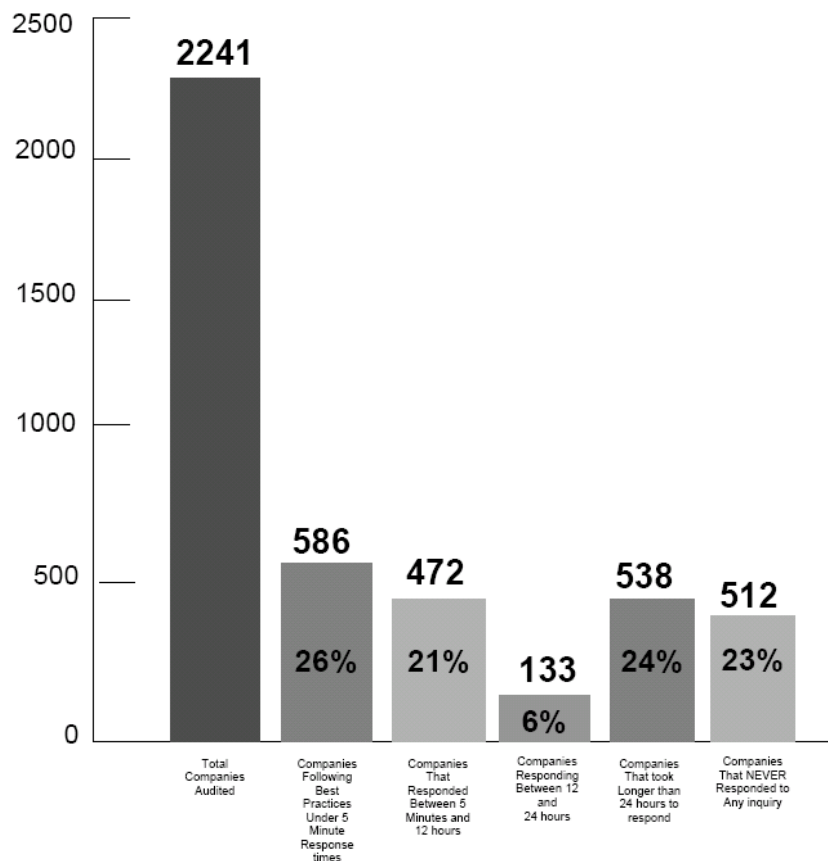
Stats: NAR Profile of Home Buyers and Sellers Report 2012

- 90% of the home buyers used the internet in their search
- 42% of the buyers found their home online
- 34% of the buyers found their home through a real estate agent

The Law of Difficulty: The more difficult the task the fewer the people who will attempt it.

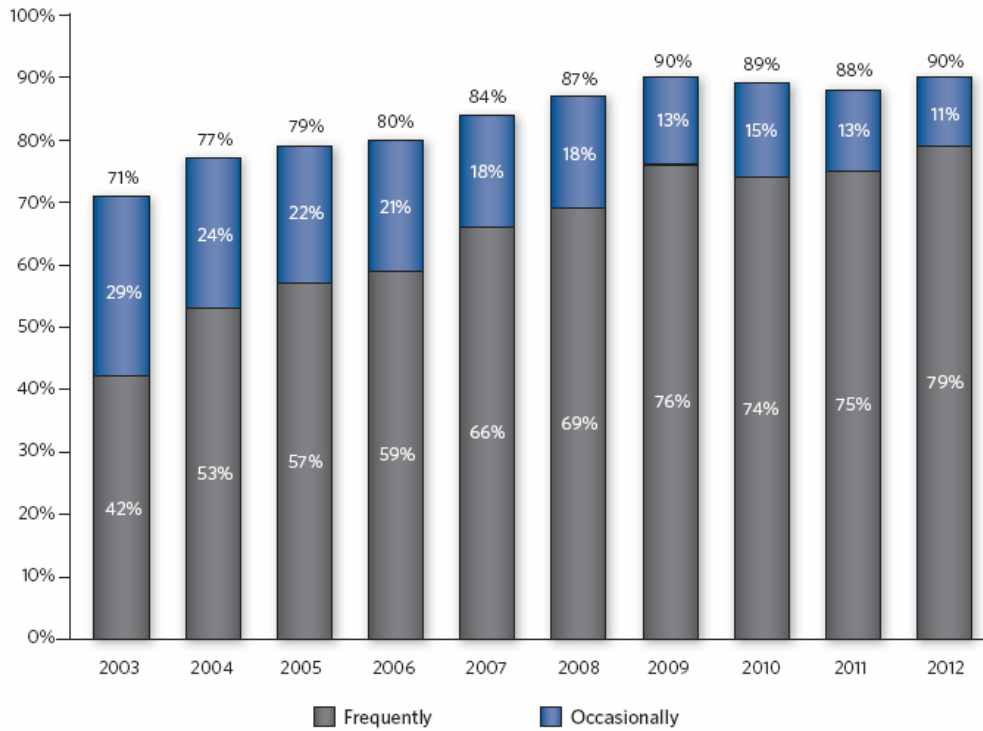
HARVARD BUSINESS REVIEW

Web Lead Response Practices



Response rates for internet leads...5 minutes or less.

**Exhibit 3-12** USE OF INTERNET TO SEARCH FOR HOMES, 2003-2012




---



---



---



---

## FASTTRACK SESSION 5 – E-CONSUMER STRATEGIES

### Exhibit 3-9

### WHERE BUYER FOUND THE HOME THEY PURCHASED, 2001-2012

(Percentage Distribution)

	2001	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Internet	8%	11%	15%	24%	24%	29%	32%	36%	37%	40%	42%
Real estate agent	48	41	38	36	36	34	34	36	38	35	34
Yard sign/open house sign	15	16	16	15	15	14	15	12	11	11	10
Friend, relative or neighbor	8	7	7	7	8	8	7	6	6	6	6
Home builder or their agent	3	7	7	7	8	8	7	5	4	5	5
Directly from sellers/ Knew the sellers	4	4	5	3	3	3	2	2	2	2	2
Print newspaper advertisement	7	7	5	5	5	3	3	2	2	2	1
Home book or magazine	2	1	2	1	1	1	1	*	*	*	*
Other	3	6	4	--	--	--	--	--	--	--	--

\* Less than 1 percent

### Exhibit 3-2

### FIRST STEP TAKEN DURING THE HOME BUYING PROCESS, BY AGE

(Percentage Distribution)

	All Buyers	AGE OF HOME BUYER			
		18 to 24	25 to 44	45 to 64	65 or older
Looked online for properties for sale	41%	38%	44%	44%	29%
Contacted a real estate agent	18	10	14	20	29
Looked online for information about the home buying process	11	17	14	9	5
Drove-by homes/neighborhoods	8	6	6	8	14
Talked with a friend or relative about home buying process	6	16	7	3	5
Contacted a bank or mortgage lender	6	9	7	5	3
Visited open houses	3	*	2	4	5
Looked in newspapers, magazines, or home buying guides	1		1	2	3
Contacted builder/visited builder models	1	1	1	1	2
Contacted a home seller directly	1	*	1	1	3
Attended a home buying seminar	1	*	1	1	
Looked up information about different neighborhoods or areas (schools, local lifestyle/nightlife, parks, public transpo	1	*	1	1	1
Read books or guides about the home buying process	*	*	1	*	*
Other	1	1	*	1	1

\* Less than 1 percent

**E-BUYER EXPECTATIONS**

**The E-Buyer is programmed from previous internet service experiences to expect:**

1. Ease of service
2. Faster service
3. Less expensive service

The E-Buyer will find another provider if they don't get what they want, when they want it, and how they want it. They will do it with one click of the mouse!

We don't control the information anymore.

**MIT STUDY**

**MIT Lead Study 2009 – Sloan School of Management:**

---

---

---

---

**8am to 9am – best time to contact and qualify leads**

**4pm to 6pm – best time to contact and qualify leads**

**164% better than the worst daytime call time which was 12pm – 2pm**

---

---

---

---

**The highest conversion rates on internet leads still go through a fundamental sales funnel of call, send, call for appointment and face-to-face.**

**THE DIFFERENCE BETWEEN CONSUMERS**

**The difference between E-Consumers and Traditional Consumers:**

- Requires good service
- Informal
- Seeks anonymity
- Enjoys online media
- Values privacy
- Want information NOW
- Builds rapport electronically
- Impatient
- Looking for value
- Wants to be in control
- Multi-tasker

**The highest conversion rates on internet leads still go through a fundamental sales funnel of call, send, call for appointment and face-to-face.**



E-CONSUMER STRATEGIES

**Decide on the strategy:**

---

---

---

---

**More assertive approach:**

---

---

---

---

**Softer approach:**

---

---

---

---

**Initial Email Response without phone number obtained:**

Hi \_\_\_\_\_. Thanks for visiting my site at <http://www.thechampionagent.com>. You will find the requested information attached.

*Frequently people like yourself are just gathering information and may not be ready to reveal who they are to a Realtor. I want to assure you that myself and my staff completely respect your online privacy.*

*Please be aware that our service quality hinges upon understanding your needs, wants and desires in finding a home. When you are ready to explore your real estate needs and wants further, I will be here and happy to assist you.*

*Have a great day and I look forward to hearing from you.*

*Champion Agent*

*P.S. As a way of saying “Thanks!” I’ve given you a complementary subscription to my monthly newsletter. It’s packed with valuable information on home buying and market trends data. You can stop receiving it by simply clicking on the link at the bottom of any issue.*

**Initial Email Response with phone number obtained:**

Hi \_\_\_\_\_. Thanks for visiting my site at <http://www.thechampionagent.com>. You will find the requested information attached.

*Frequently people like yourself are just gathering information and may not be ready to reveal who they are to a Realtor. I want to assure you that myself and my staff completely respect your online privacy.*

*By the way, because you shared with me your phone number I am assuming you want me to reach out to you to understand your goals and needs. If this is not the case I certainly won’t take offense and will respect your wishes. Please be aware that our service quality hinges upon understanding your needs, wants and desires in finding a home. When you are ready to explore your real estate needs and wants further, I will be here and happy to assist you.*

*Have a great day and I look forward to hearing from you.*

*Champion Agent*

*P.S. As a way of saying “Thanks!” I’ve given you a complementary subscription to my monthly newsletter. It’s packed with valuable information on home buying and market trends data. You can stop receiving it by simply clicking on the link at the bottom of any issue.*

BENEFITS TO THE BUYER TO MEET FACE-TO-FACE

What is the benefit to the buyer, even an E-Buyer meeting you face-to-face?

- All real estate agents are not the same.

ALL REAL ESTATE AGENTS ARE NOT THE SAME

**1. Associate:** *There is a tremendous difference in agents you can work with. Each agent operates independently and approaches their business in a different way. There are differences in knowledge, skills, attitude, experience, communication, negotiating style and ultimately, results.*

*I spend time with you up front to clearly understand your goals, objectives and needs to insure a successful relationship and outcome for you. I take all the variables and uncertainty of this marketplace and move them in your favor.*

CLOSE OPTION

YOU SAY:

Alternate of Choice



*We should meet. I am booked with appointments today but I am open at \_\_\_\_\_ or \_\_\_\_\_ tomorrow. Does either of those times work?*

Direct Option



*I know I can help. Let's meet at \_\_\_\_\_.*

Permission Close



*Shall we meet later this week? When is best for you?*

- **It really matters who they select to represent their interests!**
- A. The home you select
- B. The long-term appreciation you generate through your home
- C. Your financial position years down the road
- D. Help you avoid legal pitfalls
- E. How your offer is presented
- F. The financing that you receive
- G. The stress you experience through the transaction
- H. The timeliness of the closing
- I. The communication during and after the transaction
- J. The price you pay for a home

## IT REALLY MATTERS WHO REPRESENTS THEIR INTERESTS

**1. Associate:** \_\_\_\_\_, many people randomly select or by default select an agent to represent them. *It really matters who you select to represent your interest in a real estate transaction. The agent you select to represent your interest to help you secure your next home can affect, the home you select, the long-term appreciation you generate from the home, your financial well being both short and long-term, the price you pay for the home, the financing you receive, how your offer is presented, the stress you experience through the transaction.*

\_\_\_\_\_, I truly could continue on. I am sure you are realizing the importance of this decision. *That's why I meet with people like you...to give you the care and diligence you deserve.*

### CLOSE OPTION

### YOU SAY:

Alternate of Choice



*I have availability at \_\_\_\_\_ or \_\_\_\_\_. Which one works better in your schedule?*

Direct Option



*Let's book it for \_\_\_\_\_ at \_\_\_\_\_.*

Permission Close



*When is a good time for you?*

**It matters in:**

- Market knowledge

**Associate:** *Few agents understand the effects of supply and demand on the marketplace. This age old law dictates a lot of what happens in the marketplace. To know the market, you need to track active listings in predetermined price ranges as well as the amount of homes sold monthly, percentage of list price to sales price. Also, if an agent is really doing their job, they will show you absorption rate or month's worth of inventory currently for sale. This gives you a tremendous snapshot of how competitive the marketplace is and how competitive you need to be. I provide this type of advantage for my buyer in the marketplace. Do you see how this creates an advantage for my clients?*

- Process knowledge

**Associate:** *Our clients experience a well timed and structured process that leads to our end objective of a smooth closing. Having helped \_\_\_\_\_ in my career and over \_\_\_\_\_ in the last year, you can rest easy that with each step of the process we will complete it timely with excellence and communicate the activities all throughout the transaction.*

- Selection knowledge

**Associate:** *One of my primary jobs is helping you to select the home that best suits your needs and budgetary considerations. I will counsel you on different options and features with each home. We will also discuss school districts, resale value, potential features that are functionally obsolete that could effect the future value of the home, area and neighborhood value trends and anything else that would effect your short term or long term enjoyment and equity in the home you are considering.*

- Writing contractually

**Associate:** *How an agreement is constructed determines the outcome of a transaction. For most people this home purchase represents their largest investment, their biggest purchase in their life, their longest obligation of debt, so how all these issues mesh in a purchase and sale agreement can affect you for years into the future.*

*You have my guarantee that I will balance all these issues and craft a purchase and sale agreement that reflect your true intentions as well as protect you from the pitfalls of a real estate transaction.*

- Presenting favorably

**Associate:** *The skill of presenting you favorably to the seller and other agents can mean the difference between you owning the home or another buyer owning the home. We need to be the seller's best buyer to be selected.*

*Presenting you favorable also can set the tone as we negotiate the final terms and conditions of the purchase and sale agreement. The stronger we position you through financial capacity, human connection, buyer commitment, the more the negotiating process can swing into our favor.*

- Negotiation presentation

**Associate:** *Negotiating can take many hours. The marketplace, quality of the property, price of the property, demand of the property and motivation of the seller all are factors in negotiation. They all influence the negotiating process in each transaction. I will evaluate each of these factors and we will discuss them at the time we decide to make an offer. These are fixed when based on the marketplace and the quality and price of the property that just securing the property as the buyer selected take primary position. Other times, negotiating the terms, meaning price, possession, and seller repairs is more important than other parts of the agreement.*

*You can be assured that when we work together through negotiation, we will evaluate and execute on all these areas. Do you see how there more factors than just the price?*

- Financing assistance

**Associate:** *There are more options today than every before for your financing of your home. Certainly there are numerous sources where you can acquire your financing from. There are also hundreds of possible loans from 30, 15, 10 year fixed to ARM mortgages with differing terms, lengths and calculations of payments. There are interest-only products as well as prepaid interest rate products, like the 2 to 1 buy downs. There are loans with no fees and high up front fees, some of those fees can be paid by the seller.*

*Thirty years ago, there were not even 1/10<sup>th</sup> of the options we have today. Because of my knowledge and experience, serving people just like you, I will be another person, if you need, to help you evaluate the options that are best for you. I view your real estate investment as more than a place to live. It is also a building block to your financial present and financial future. That can help you to your goals and dreams in life for you and your family. Isn't that what you are looking for in an agent?*

- Closing coordination

**Associate:** *There are many steps to closing a transaction. We have to deal with many people in the transaction. The other agents, their broker, the seller, the lender, the underwriter, the inspector, the appraiser, construction repairmen, the title insurance administrator, the escrow agent, or attorney. There are many people who need orchestration and communication. There are also the pounds of paper that follow every transaction that we manage.*

*We provide a comprehensive approach to managing and directing all these people and activities on your behalf. All the while communicating our efforts and the stage we are currently working on and what is coming next. That way, you will know at all times how the transaction is progressing. We communicate with our clients at least weekly about the progress. Is that frequent enough or do you want to be contacted more frequently than that?*

- Follow-up satisfaction

**Associate:** *Even though I receive my compensation with the completion of the sale, my job has just begun. My desire is to create clients for life. Where you can be assured that you won't have to go through this process again to find an agent to represent your interests.*

*After the closing, we will provide you keys and access to your new home. We will also check back with you right after your move to make sure any problems that present themselves are resolved quickly. We typically call our clients a few times in that 30 days to make sure the condition of the property is as we expected. That there are not surprises. We will then continue to be a resource. For you on your growing equity position, marketplace trends, tax assessment, equitability against your home's value. And if you have friends and relatives that need the same type of help you are in need of now, we would be delighted with your referral to help them as well.*

*The real benefit is there is no risk in working with me. I am willing to do as much work after the sale as we do before it to ensure your satisfaction.*

## FASTTRACK SESSION 5 – E-CONSUMER STRATEGIES

### BREAKOUT SESSION

#### BREAKOUT SESSION 5

**Agent:** Role-play an initial call back to an E-Buyer to get face-to-face

#### BREAKOUT DEBRIEF

---

---

### ACTION PLANS – WEEK 5

1. 5/5/5 daily. Report your prospecting numbers to your accountability partner.
2. Meet with your accountability partner weekly to practice these scripts.
3. Decide on and implement a strategy for your E-Leads.