

Business Development Strategic Forum
Capital Hilton ♦ Washington, D.C.
Friday, May 14, 2010
8:45am – 10:00am

Best Practices for Member Referrals Panel

Moderator: Terry Watson, PMN

Panelists:

Gail Hartnett, PMN

Emily Link, PMN

Mary Christenson, PMN

Did you use a template Web site or did you go custom?

Gail Hartnett: Started her Web site in 2000, it was a customized template from #1 Experts. She does not do her own updates but has an assistant making those changes for her.

Mary Christenson: Used a template Web site. She stresses that it is key to have different categories of listings, an IDX link and virtual tours. She also said that each of her listings has approximately 50 photos of the property.

Emily Link: Custom and it has worked very well. We have IDX on our home page. We have our Preferred Service Providers who are tradespeople that we personally use. We don't charge them to be there and we come up in a google search when someone googles them. The people who are on the site are happy that we refer them and our clients like having good tradepeople to call. We have our photos on our website. Our website is very much who we are; it is not cookie-cutter.

Terry Watson: A big mistake that individuals creating a custom Web site tend to make is, not knowing what they want. If you are thinking about having someone create a custom Web site for you, make sure you know in advance all the necessary features for your site. Make a list, do your homework and ask colleges and friends for advice. By knowing exactly what you want, you can lower your overall cost.

What percent of your referrals come from repeat sources?

Gail Hartnett: 85% is repeat business

Mary Christenson: 75-80%

Emily Link: 40% are Realtor referrals (WCR, CRS, CAR). Listings and Buyers are almost all from clients; maybe we have two a year from a call from a listing.

If an agent could only spend under \$500 on their referral business, where would you recommend they put it?

Gail Hartnett: In some type of a "touch system" such as using mass emails, postcards or Facebook. That way you can reach out and touch the folks who can help you.

Mary Christenson: Post cards

Emily Link: I would join as many local WCR chapters around my area as possible and go to their meetings. Invest in your travel budget. Go to as many WCR events as possible!

How has social media affected your referral business, if at all?

Gail Hartnett: Facebook is great because your face is everywhere and there's the opportunity to make connections by using the "oh, you're my Facebook friend. Gail rarely uses Facebook for real estate, that way it makes it easier for her to meet people on line without the appearance of trying to sell something. Learned to make groups on Facebook, start groups based on neighborhoods or from areas. Occasionally she will send messages to neighborhood groups including neighborhood chats, event invites and information from REALTOR®.com.

Mary Christenson: Talks about real estate all the time on Facebook and makes time to personally post content to her Facebook page at least two times a day. She uses LinkedIn regularly and says both networks have provided a great number of connections for her business.

Emily Link: It is a big advantage. It gives us an opportunity to really show who we are. A CAR director whom I have known for a long time recently told me, "I would love to send business to you because now I REALLY know you". It's an easy, free way to connect with lots of people at once. Do it regularly and read others' posts and respond to them. Let them know that you care about them and their lives. Actively blog on Active Rain. They are wonderful Realtors who want to help!

How do you pre-qualify your referrals?

Gail Hartnett: Go through a process with every referral; identify needs, find what they are looking for, follow up with the lead source and don't wait to refer. There is a small window of time that you have before the client will start building a relationship with another REALTOR®.

Emily Link: We have them talk to our lender to get the correct price range. We then meet with them to determine their wants vs. needs. We do our homework so that we are ready when we actually take them out. We want to be prepared!

Do you have standard questions that you ask?

Emily Link: Yes, it's called Opening Ceremonies. Jessica (my daughter/partner) put it together to find out what's most important to them. Also, we get personal information (birthdays, anniversary, etc.). We want to relate to them.

What percent of your referral business is word-of-mouth vs. advertising?

Emily Link: We don't do any print advertising. We tell our sellers that price trumps everything and that their exposure is internet-based because that is where the buyers look. We don't do open houses either and that's for THEIR good. We say, "Why do you want unqualified people walking through your home? How do you know who they are?" It's for our safety too. A sale is not worth risking our life for. I did them every Sunday for the first 9 years that I was in the business but now I'm really concerned about my seller's (and my) safety.

What do you think are the three biggest referral mistakes agents make?

Gail Hartnett: Not purposefully networking, you should always be looking for referrals and strategically networking.

Mary Christenson: Not asking immediately "Are you working with a REALTOR®?" and wasting too much time with clients who have already been in contact with an agent. Also, you should always make sure to get a referral agreement.

Emily Link: Not being involved enough. Give buyers who have been referred to you even greater attention than your own clients. Your reputation is on the line for other business. A referral is a gift.

Make sure you can help them. If you can't help them the most, refer them to someone else who can. If it's out of my market (Valley for buyers), I will refer to someone who works it. It's a disservice to work something you're not familiar enough with.

Know who you're referring to. You may meet someone at meetings but maybe they are not active enough in their market to be the best to refer to. Check them out. Call them and make sure they don't have anything that would prevent them from working their hardest on your behalf. A good agent will be honest with you. The other agent will respect you and remember you for future referrals.

What systems do you have in place for referrals?

Emily Link: Showing up! You must be present to win. Get involved but don't over commit. It's not just eh people who are there but other people know that you're involved and will pass on your name.

For our clients, I send Birthday, anniversary, and house anniversary cards. I get the information from the Title Company's Statement of Information when escrow opens. I

hand-deliver the escrow instructions to our clients and pick it up from them to deliver it back to escrow. I note the dates before I deliver the signed escrow instructions back to the Title/escrow company.

What contact do you have with the referring agent after the referral is made?

Emily Link: Call them, email, stay in touch!

What is the biggest referral mistake that you have made and you will never repeat?

Emily Link: We worked with a dentist and her husband who was going to dental school at USC. We worked for 6 months with them and come to find out, they couldn't buy after all because of their school loans. We did not have them prequalify with our lender because they had a lender who assured them that they were good to go! We won't do that again!

Once attendees leave this session, what should they do immediately to boost referral business?

Emily Link: Call everyone in their database to update information (birthdays, anniversaries, and look up their home anniversary, even if you didn't sell them the home. Make contact! Let them know that you're still around and ready to help anyone who needs help with real estate. Stress that you now great Realtors in almost every city of the U.S. You do, don't you? You're here!

Find out if there are any companies transferring in from another city. Farm the agents in that city. You have to be proactive and think of what other Realtors are not doing and then DO IT!

What is your main form of advertising for referrals?

Emily Link: You must be present to win. Go to surrounding WCR meetings. Join their chapters. Once I helped Sally Grammer who was a member of my own chapter. She needed another agent to help her sell her son's home – Kelsey Grammer. We were co-agents. She didn't drive so I showed the home. Our offices were about 25 minutes apart.

How much do you spend a year on your referral business?

Emily Link: About \$10,000 for Realtor and personal referrals. This would include trips (WCR and CRS); cards to clients, including postage (I send to several per day); lunches with friends and other Realtors; and my Kiwanis membership and activities. I strive for quality, not quantity. I want a fun, (as much as possible) controlled life. I want to work with people I enjoy. I forego high maintenance clients. They suck too many energy from me and keep me from being productive and happy. The cost is too high for the

return. I tell them, "I can't meet your goals and expectations" and wish them well. Let them go and say, "next"!

Do you send thank you gifts? If so, what and how much?

Emily Link: To referring agent, no. I send a card but I'm not into collecting "stuff" but I love to get a Job-Well-Done card. To the client, yes and it depends on the client. I may give a few hours with my contractor or Home Depot gift certificate if they have projects.

What is it that the referring agents like about you most and is the reason that keeps them referring clients to you?

Emily Link: I handle all of the details. I want the transaction to be as pleasant as possible. I am very tenacious and can find solutions when others give up. The bottom line is that I get the job done! We do everything ourselves as far as the process goes. We write the contract, we hand-deliver documents, we handle all calls ourselves, we're the transaction coordinator, we show up at inspections, etc. We tell our clients that if they have a concern, they are to call us; they are not to worry and be afraid of bothering us. We can usually handle "opportunities". That's where we earn our money. Getting to the close of escrow is the goal for all of us!

Outcome from Roundtable activity: Discovering Best Practices for Referrals

- Attend Meetings
- Take contacts home and follow up with notes and/or emails
- Inner-chapter networking, join other chapters as secondary members
- Follow up with information on where you do business
- Connect on Facebook and LinkedIn

Notes from Terry Watson's Session

Attendees list of the biggest networking mistakes:

- Don't listen
- Not sincere
- Not bringing up business
- Not following up
- Not asking for what you want
- Mass emailing
- Networking not direct sales

Terry's list of top referral mistakes

1. Not keeping referral agents in the loop.
2. Not sending a thank you gift.
3. Not sending a birthday card.

4. Not being memorable.
5. Not selling contacts, it's a big part of your network. (how many bad experiences did you have to have to finally get to those good contacts).
6. Not having video on your Web site
 - YouTube
 - Flip Video
7. Get yourself help. Need individuals/resources around you who can help you get the job done right. Do personality test for yourself and your new hires.
8. Don't sit with folks you already know.
9. It doesn't matter what they are doing but what they are thinking.
10. Web site should have link to Facebook and other online networks.
11. Have a humor section on your Web site. You can get good content from:
 - metacafe.com
 - youtube.com
12. Get video testimonials from folks who loved working with you and post them to your Web site
13. Become more efficient.
14. Don't be afraid to be different.

Terry Watson's Book Recommendations:

Crush It! Why NOW Is the Time to Cash In on Your Passion
Gary Vaynerchuk

Nuts! Southwest Airlines' Crazy Recipe for Business and Personal Success
Kevin Freiberg and Jackie Freiberg

Don't Make Me Think: A Common Sense Approach to Web Usability
Steve Krug

The Goal: A Process of Ongoing Improvement
Eliyahu M. Goldratt and Jeff Cox

How to Work a Room, Revised Edition: Your Essential Guide to Savvy Socializing
Susan Roane

Purple Cow, New Edition: Transform Your Business by Being Remarkable
Seth Godin

The Fine Art of Small Talk: How To Start a Conversation, Keep It Going, Build Networking Skills - and Leave a Positive Impression!
Debra Fine