

Leveraging the Art & Science of Selling

Talk to most industry executives, or sit in on a building conference panel, and you will find that much of the conversation of late centers on the cooling of the housing market. Press headlines are filled with mixed messages about new home sales being up or down, the impact of rising interest rates on new and existing home sales, the homebuyer psychology, and much more. While these are complex issues, almost everyone seems to agree that these are changing times for selling new homes, as the market cools from a red-hot extreme to more reasonable market conditions. Going forward, there will be a need to go back to basics, which means the future for successful developers and builders will be all about marketing and sales.

This is nothing new. When the market is strong, spending heavily on sales and marketing may not seem necessary. Yet when the market starts to correct, those same departments are pivotal to continued sales and consumer awareness.

What should be new for developers and builders going into the inevitable real estate downturn are some of the tools and techniques available to invigorate sales and marketing teams. Integrating these tools is about striking the right balance between the art and science of selling. This means a focus on three key variables: technology, process, and people.

In today's forward-thinking sales environment, technology is central to the science side of the art/science equation. Technology can be implemented in a wide variety of ways, from targeted email blasts to prospects on an interest list to interactive displays in a cutting-edge sales center. Perhaps one of the savviest implementations of tech in the marketing/sales process is Customer Relationship Management (CRM) software.

Essentially, well-designed CRM software



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allows for complete tracking of the entire sales process electronically. This includes nearly every variable—prospect information, relationship history, inventory on each project, and media buys and their effectiveness are just a few of the details that CRM software can monitor.

A good CRM solution will deliver high value for everyone on the team. Sales agents can store a full range of information on each prospect, from vitals like phone number and email address to relationship details such as their floor plan preferences and even personal details. Project marketing teams can get a precise read of what buys are doing the job and which are wasted funds. Sales management can coach and monitor the progress of their sales team, including traffic, conversions, and sales to date, each sales agent's prospects, and earned commissions.

And executives can access a single at-a-glance update on every dimension of a project or summary financials across all projects.

The Internet has allowed for great leaps forward in CRM software; most leading CRM applications are now written to be accessed “on-demand” over the net. This means that CRM software has become economical to implement and can be deployed quickly, often in a matter of days or weeks. Much of today’s software also eliminates the need for extensive (and expensive) customization. Leading applications are easy to use and mirror the business processes and terminology of the real estate industry. The cost of software licensing and implementation is insignificant, usually less than the cost of two or three flat screen presentation TV’s used in a sales center.

The other key component on the science side is a close examination of process. In other words, should companies keep doing

things the way they did yesterday? Or is it time to reengineer or just streamline? Different geographic regions and markets deploy varying media to drive traffic and attract the prospective buyer; in some regions the Internet is employed to great success; in other regions more traditional advertising and brokers are the primary prospect source. Driving traffic has not been an issue.

What has been common is a lack of lead retention and prospect qualification, a lack of consistent follow up, and the use of disparate systems to collect data, to track, and to communicate with prospective homebuyers. This is another key area where CRM software can be essential. Imagine a constantly-updated common platform where any sales agent or manager can access the full range of information and communication history about prospects, or with the click of a button send a customized email to everyone on the interest list, or even

just a targeted group.

The “art” in the art and science of selling is people. They are the ones who create and develop sales strategies; people are also responsible for creating relationships with prospective buyers. As the market shifts, the value of those relationships will skyrocket, and getting to know prospective consumers will be a key differentiator in the marketplace.

Getting and retaining the right people and making sure they have the foundation of skills and knowledge to provide high value information is imperative; whether the sales team is employed in house or is contracted to an independent sales company. The superstars, or “the naturals,” will find a way to succeed in just about any market condition; it is what they do. Interestingly, it is those superstars that have the greatest upside to leveraging process and technology for sales success. In changing markets, the “steady contributors” on a sales team will

find success harder to achieve, but they will greatly benefit from good management coaching, from streamlined processes, and from supporting CRM technology.

Art and science—they service two different sides of the brain, but both are essential to effective sales and marketing in a correcting real estate market. Fortunately, the technology exists to support both process and people in weathering any correction and keeping the focus exactly where it should be—on servicing the customer, generating leads, and making sales. **smi**

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