

# Chapter 9

## *Working By Referral*

Referrals are the mainstay of our business. They are a coveted prize. But how do you grow a referral business. There are many ways and we will discuss some now.

First, people always ask: What is the best closing gift? My answer?

So while I do not give my clients a material gift, I do give a gift in a different way. I offer the buyers a housewarming BBQ. Now this needs to be the right kind of buyer, meaning he or she fits the profile that I want to work with.

For me I was looking for the young family who just moved to

Perfect Town and all their friends are going to be moving there too because it is the best schools and so easy to get to the highway... yadda yadda yadda... you get the drift. Or someone that may have many older children, brothers or sisters. Possibly downsizing. The more connected they are, the better. The deeper their sphere, the better.

**I am looking for referrals. So, this is how I do it.**

1. I prep them while we are walking through houses by talking to them about it.
2. I present them with a certificate when we go under contract for the BBQ.
3. I ask them to start collecting names, addresses, emails, and phone numbers. Now I am armed with all their “1st levels” contact info. Which is my “2nd level.”

*Stay with me on this....*

4. I then have them create a Facebook event and have them invite friends and me.
5. I send out an evite and regular invitations.
6. Then I create a little list for my pocket so when I meet their sphere I can make notes.

Once the RSVPs are in and the BBQ is being conducted I meet everyone there. This puts a name to a face and now you know the person right... I make notes on my little list so I can reference back to it later. I

try to get as many people in front of the house as possible for a photo.

After all the fun in the sun is over, I go back and incorporate all the data that I collected into my systems, I create a custom card with Send Out Cards or Hallmark Online and send it to each of them, add them to drip newsletters, add them to social media, and schedule a follow-up call.

When I call them, they already know who I am and it becomes a warm conversation. I always have tickets to events like minor league baseball, hockey, concerts, theatre. I always offer them tickets. I also invite them to my appreciation parties and charity events as well.

*That is how you build an award-winning database.*

Now, when you are able to get a referral from that person or they buy a house as well and you do the same party, you are in the 3rd level... There is pretty much infinite business on the 3rd level. And the 4th level is off the hook and takes time. Now, let's do some fun math.

If you know 50 people

1st level = 50

If they know 50 each

2nd level = 2,500

If they know 50 each

3rd level = 125,000

*You get the drift....*

Now, if you would rather get them a fruit basket or a bottle of wine, then by all means go ahead. I personally think it is a waste of money.

One of my very first users and one of my best friends follows my advice. As a result, his first year alone he received 12 referrals of which 9 closed that year. Do the math for your area. Can your cheap bottle of wine pull in those results? Everyone say Nooooo.

Ok what about the sellers???

Well, for my sellers, once I know we are pretty solid, I invite them out for dinner at whatever is happening that time of year. Or sometimes I invite them to a play with my family. This builds a bond that is tight, and it is the best time to be asking for referrals. I also offer them tickets to games when in season.

Depending on the client, I may invite them to a golf tournament, deep sea fishing or sailing. You have to remember that it is all about building relationships.

Problem is that most people are too scared to ask for referrals or put themselves out there.

*Listen to me carefully.*

If you are afraid to ask for referrals and put yourself out there, save yourself time and stop selling real estate right now!

I started More GCI while selling a ton of real estate with my bare hands and a team that believed. I worked 18 hours a day, 7

days a week for 3 years to get us here and I am not done yet... Do you think I was scared? I was scared SH!TLESS. I scraped and I crawled and I sold the hell out of it. Slowly but surely we grew and grew and continue to grow.

Same thing with real estate, you must sell your a\$\$ off if you want to achieve great things. You need to eliminate fear and self-doubt because they will cripple you.

PS, for the BBQ I make hamburgers, hot dogs, and chicken skewers, 2 salads – noodle and garden. I have 2 chaffing pans, a table, a tent, and a grill. You can start off and grow from there. Total expense \$300 each BBQ.

## **Pop By Ideas**

When I am working with someone I am getting to know them. I am asking questions about their work environment, charities they belong to, likes and dislikes. It is all systematic.

The reason? When I identify that they work in a good environment that has exposure and people working there, I drop off goodies.

Brownies, cookies, bagels, and muffins. It allows me to be seen and talked about by my client. I will do this 2-4 times per year and everyone is always happy to see me.

I bring the box of goodies and on the inside of the box I tape a print out. Brought to you by \_\_\_\_\_ Insert your name and brokerage.

*Pretty simple right.*

At Thanksgiving time, I will buy 2-3 cases of wine. I make a little tag and attach it with a ribbon which reads. I am thankful for you. I then drop by their home and drop off the bottle and chat for a moment. If they are not home, I place it next to their door and send them a text.

## **IDEA**

Here is a cool little hack. In Google Maps, you can create a custom map. Put all your clients in the map. This way you can connect to the map and see their address. You can color code them by year, by likeliness to get referrals, dollar amount really whatever scheme you desire.

This is also good in case you are in an area and have a little time to waste. Pull up your map, grab a Starbucks gift card and pop by.

These activities are being forgotten about because people are becoming lazy with the internet. But these activities will build a huge business on steroids. Connecting to people is the best activity you can master, so master it.

Make a plan to go like gang busters for 4-6 weeks at the beginning of each year. It will set the year off right.

## **Customer Appreciation Events**

Conducting a customer appreciation event seems like a ton

of work but it does not need to be. There are two ideas that I have conducted with great success. When you conduct these events, the goal is to mingle and reconnect with the customers you have worked with, further connect with current clients, and network partners. By doing this you create a deep bond.

My first is a summer event. I buy a section of a AA baseball game. This keeps all my people in one section. I purchase 100 tickets at \$6 each so it is \$600 in tickets. I then contact all the people I want to connect with and invite them to the game. I send out evites, emails, and call. Once I find out how many tickets they need, I send them or leave at will call.

A week before the event, I send a reminder and instructions for the tickets. This event is always well received and is a great time for all.

The second is closer to the holidays. I rent a restaurant for the evening midweek (Why? Midweek is cheaper). And I have an amazing buffet. I do not pay for beverage just the food. This costs about \$1,000. I also will have a nice band or musician playing, which is another \$500. I also have them bring a gift for the local children's charity event and we then deliver those gifts. This event is very popular and the rewards have been huge.

For my A+ clients I worked with that year, I invite them to the Christmas Carol at the local theatre. These tickets are about 35 each so it is reserved for A+ clients only. Typically, I send out about 25 tickets and I bring my children. This is more intimate and my favorite

event. It does not feel like the holidays until I do this event.

I budget 5,000 per year for events. This 5,000 has returned so much more in ROI than anything I have ever tried or done. It really has become the most critical piece of my business. I understand that in the beginning you may not be able to do this, but put it in the plan and work towards it. Start with one event. Then add another. Maybe even start with smaller events quarterly. But when you are able to connect with people, you are able to thrive.