

Industry Insiders Reveal How to Attract Productive Agents to Your Brokerage

Before getting into what you need to do to recruit good agents one must first look at the reasons for starting your own brokerage business. Most people fall into one of these three categories:

1. They want to control their own destiny
2. They got tired of paying their broker a lot of money and getting nothing in return; and/or
3. To build a large brokerage and profit from it

If your reasoning for starting your own brokerage falls under one or two, you are in the business for the wrong reasons. Let's take a deeper look at why this is this case, by examining each of the categories.

Number one is wrong is because there are many brokers that will allow you to run your business however you please with very few restrictions (exceptions being standard compliance and ethical issues) so it is just a matter of finding one that will allow you the flexibility you want.

Number two is another mistake because the truth of the matter is that in most cases it will cost you more money in the long run because you not only pay rent but all other costs associated with space, hiring a secretary, getting phone equipment, copiers, etc. The reality is that it is significantly cheaper to find a new broker. Most people that start their own brokerage also want to recruit some "good agents" to offset some of their operating costs. Unfortunately, most of the time new brokers are only able to recruit a few agents most of which end up being unproductive. The reason is simple. Your priorities are listing and selling real estate, recruiting is done on the side when you have time and you have no recruiting plans in place nor do you have the time to implement any. The results end up being very predictable, there is very little to no growth.

Number three makes the most sense in that you decide to start a brokerage as a true business. Regardless of what your motivation was for going into the brokerage business you now find yourself in it and should make the best of it.

First off, recruiting cannot be a hit-and-miss affair it has to be systematic, consistent and run for 12-month periods of time. So how do you get started? First, create a message that you want to send out to potential recruits. The message needs to have a compelling reason (or multiple) for someone to want more information. The best way to come up with this message is to think from the agent's perspective. What are they looking for? Money is always a big motivator, but it does not necessarily mean a higher commission split, it could mean more transactions.

Always keep this mantra in mind, **if you recruit on money, you will always lose on money**. In other words, someone will always be cheaper than you. After decades of recruiting and managing agents, I learned that unless you can convince an agent that they will close more transactions and get more listings with you they will not join you. Taking this into account you can create your message. Although the message must be consistent, make sure that you update it (by changing wording for example) otherwise it will become stale.

There are many ways to deliver your message. The least expensive method is via email blasts; however, you should be aware that email has a very low penetration rate (3% in many cases). Mail-outs to the agents' homes are probably the most effective method (preferably postcards as they will see the message immediately regardless of whether they throw it out or not). Social media is the new and upcoming way of recruiting, but you will need a lot of expertise on how to do it properly. Other options to consider are Craigslist ads and of course telephone prospecting. Unless you have the expertise, it is wise to hire a marketing company to create several email template designs reflecting your message, as well as some postcards. Simply emailing written messages is not enough of an attention-grabber; remember that people get inundated with spam email. Another tip in regards to email is to make sure that whatever you send is in the body of the email and not as an attachment.

Before starting your telephone recruiting, write yourself a script and rehearse it. You should also be ready to overcome objections such as: "I am happy where I am," or "I have never heard of you," and "Why are you calling me?" etc. From time to time you will get agents that bluntly ask you, "What's your commission split?" Remember that agents are like consumers, if you give them everything they want over the phone they would have no reason to meet with you.

If asked, your answer could be:

"I have a great commission structure (or several plans) that you are going to love, but more importantly I want to share with you how I am going to help you grow your business!"

This is obviously just an example, you should adapt to the situation and say what you think is appropriate, but your goal is to convince them to come in for a face-to-face meeting.

Follow-up is crucial to a successful recruiting campaign. Prepare several follow-up letters that you send to people you interviewed, met at a board function, or even did a transaction with. You must have systems in place to ensure these letters go out so that nothing falls through the cracks. These letters must be followed up with phone calls. Another good practice is to create 3 categories (or using a ranking system of your own) of the agents you have spoken to; "A's" the ones that are likely to make a move soon, these require a weekly follow-up, "B's" these are the ones that may make a move in the next couple of months, these can be done every two weeks and "C's" that can be done monthly. This may seem like a daunting task, but if you have the right systems in place it can be accomplished a lot easier than you think.

To summarize:

- Make sure your campaign is consistent.
- Use various methods to get your message out.
- Be different; hire an expert to create a visual impression of your message.
- Set up systems and make sure they are running.
- Write and rehearse your prospecting script.
- Expect NO'S and be prepared to overcome objections.
- Monitor your campaign and make adjustments to get maximum results.
- Follow up! Follow up! Follow up!
- Don't get discouraged and stick to your plan.
- Remember, building a business can be tough but with the right strategies and systems in place, it is possible.

Good Luck!

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