Brokerage CRM

Best Practices for Sales Driven Organizations

Including Case Studies from Windermere and Long and Foster

WAV GROUP

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Executive Summary

One of the most significant trends over the past three years has been broker and franchise adoption of CRM solutions for use by agents. CRM or Customer Relationship management has long been the providence of the real estate agent. Agents typically purchase CRM themselves. What started as a franchise trend to offer CRM has now become a large broker practice. More and more, CRM is a core offering of enterprise because it connects the customer, the agent, and the business together on one platform for information sharing.

In the large franchise world, Homes Connect and Market Leader are popular. In the large brokerage firms, CoreLogic's AgentAchieve and Real Estate Digital's rDesk are popular. Some new entries like Moxi Works are also entering the enterprise marketplace with new approaches to an old product category. **A major initiative of any enterprise is to drive agent adoption of CRM to deliver on the promise of its benefits and investment returns.**

Despite the hubris of technology vendors, WAV Group has never been a believer that technology solutions will "make business." People make business and technology supports business at being better and more effective. The spirit of CRM is about helping professionals stay organized and stay connected to their customers. **The new genre of CRM is focused on principles of sales driven organizations.** The cornerstone of this new genre is business planning, goal setting, and tracking methods to achieve goals. There is a significant trend among leading firms to shift the emphasis from production outcomes to coaching best practices and activities. By tracking progress, celebrating victories, and coaching through the rough spots of laggard behavior, the partnership between agents and brokers reinforces the success of both.

Technology firms don't play that role in an organization, but they support great firms who do. **As businesses, firms that support agents with the knowhow, the tools, and accountability for getting the job done are realizing significant growth beyond competitors who don't.** In an environment where an office manager is responsible for the success of 25 to 50 agents, there is a need for technology to support the manager at staying connected to each agent.

The goal of this paper is to deliver an understanding around what CRM solutions do, best practices, and outline how CRMs may provide a strategic advantage to firms making them available to their sales associates. Many companies are seeing great success as they boost agent productivity by tying the customer, the brokerage, and the MLS together into a productivity suite that delivers the key tools for success in real estate.

Real Estate Broker CRM

What is Real Estate Broker CRM?

CRM is an acronym for customer relationship management. CRM refers to software solutions that provide sales professionals with an organized way of managing all of their communications with their clients. In enterprise organizations, the leading CRM solution providers are companies that you have probably heard of before – Salesforce.com, NetSuite, Microsoft Dynamics, and many others. The challenge with many of these enterprise solutions is that they are expensive, and they are frameworks that must be customized for each organization.

By expensive, I am referring to the seat license. Although many of these solutions come with a standard functionality set that will meet the needs of a brokerage providing a CRM solution to a real estate sales associate, the price tag is usually too high. Most solutions charge fees of $45-$60 per month per person. A price that is typically beyond the licensing fees that fit into the independent contractor relationship within a brokerage. Simply stated, business economics prevent firms from adopting solutions like Salesforce and others.

Beyond the fees, CRM solutions work best when they are tied into workflows of the users in an industry. In real estate, the workflow is unique and very few enterprise applications in real estate have developed plugins – or ways to interact with other enterprise solutions. As a result, the few brokerages that have chosen applications like Salesforce have also invested significant resources into customizing those solutions. As they have run their course, most of those firms abandon the solution because the maintenance, training, and support overwhelm them, and drive the costs of the solution per agent beyond the $100 per month per user range. This price point is not sustainable for any brokerage firm.

Source: RETechnology.com

As a result, real estate brokerages favor CRM solutions that have already been adapted to the workflow of real estate brokerages. In terms of enterprise solutions that are currently serving brokerages with more than 2,000 agents, the offerings are few. These include Homes Connect, Market Leader, CoreLogic's AgentAchieve, Real Estate Digital's rDesk, Moxi Works, Adigida, Lone Wolf, Real Estate Webmasters, and others.

The key to these solutions is that they are affordable, and that they include the core pieces of functionality that make agents successful at planning and managing their

work. Moreover, it provides a platform that combines the customer, the brokerage, and the MLS into one seamless package. CRM is the core to all productivity tool sets delivered though the enterprise.


Source: Gary David Hall

What is new about these solutions is the fresh approach that allows brokerage firms to deploy their sales philosophy and customer service philosophy across all of their agents. **More than maintaining brand and message, uniform CRM solutions tie office managers and coaches to activities that agents need to perform for success in real estate.** This level of accountability provides firms with the ability to generate success one activity at a time as agents and consumers interact.

Why is it important to the brokerage?

Technology offerings in a firm are always a question of strategy. For many, the core importance of these technology offerings is related as much to competition as it is to functionality. Beyond the goals of improved workflow, communications, and sales results, CRM may help you recruit and retain agents.

From a competitive perspective, the first level of importance to a brokerage choosing a CRM solution is related to business model. Firms need to establish a program that recognizes the broker provided services and their relationship to the commission split to the sales associates. On one extreme, you may have brokerages that charge no technology fee, no desk fee, and offer 100% commission to sales associates. For the life of me, I do not know how this extreme business plan is realistic. One way or another, the brokerage firm needs to have revenue to cover overhead and make a profit.

More commonly, traditional brokerage firms charge some sort of business fee. The price of that business fee is related to a commission split with the sales associate on transactions. Some firms go to the extreme on these business fees, only charging the agent a business fee and little or no commission split. This is a functional model that firms like Realty Executives and RE/MAX have promoted.
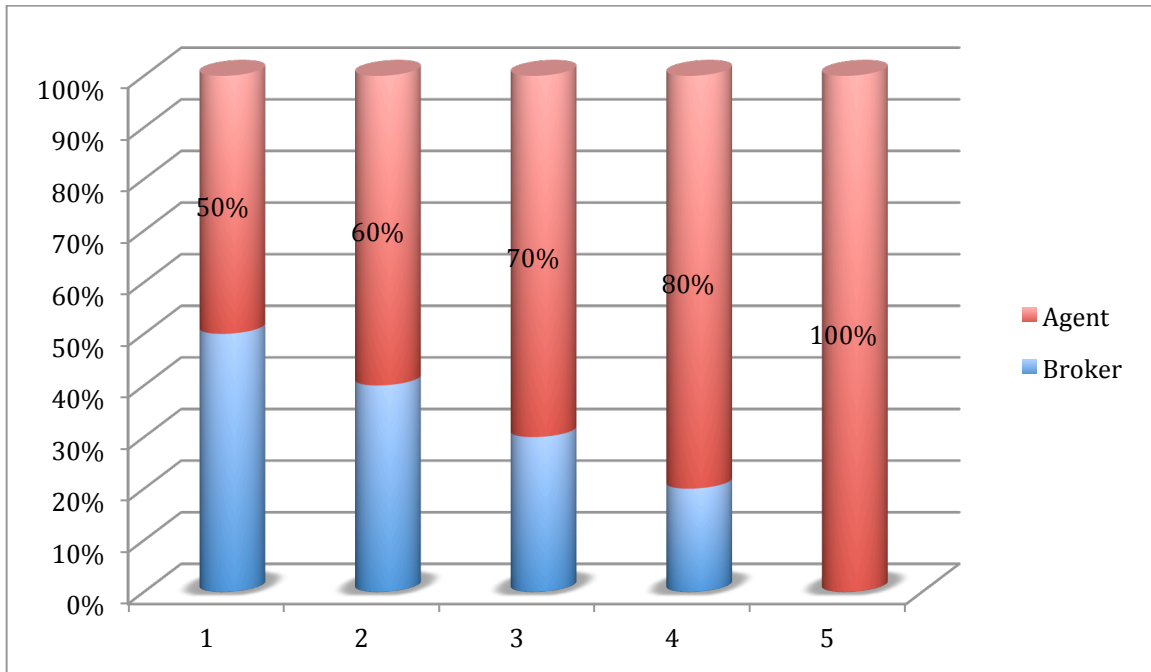
Broker Can Retain More Commission By Providing Services Like CRM

Regardless of the brokerage business model, the tools and solutions provided to an agent become an integral part of a firms fiduciary responsibilities. Firms are 100% responsible for all communications between the sales associate and the consumer. In technology speak – that is customer relationship management, and many firms have failed to evolve enough to make this part of their DNA.

At its very core, good CRM requires integration with a firm's provided email solution – albeit Microsoft Exchange or Google Apps for Work. If all client communications do not pass through the CRM solution, the firm has a solution that will not satisfy the threshold of compliance, security, or oversight that the firm is legally compelled to offer.

Beyond compliance, firms need to allow their mindset to think beyond lead generation and conversion. The way to win lead generation and conversion is to have a customer for life mentality. Once you have a relationship with a consumer, you want to represent them in every property transaction and you want to be the trusted friend that helps their children and other extended family members with their real estate transactions. It is impossible to stay connected for life in a deep and meaningful way without customer relationship management software

Think for a moment about your financial broker or insurance broker as they represent many common attributes to real estate brokers. They sell other people's stuff and they compete on price and quality of service. In reality, it is trust and quality of service that keeps you coming back to the same broker for every stock trade and every insurance need. The exact same thing is true for real estate.

Unfortunately, **most firms and real estate agents perform a transaction and abandon the customer. Fixing this problem is the keynote of effective organizations that are deploying CRM. Firms that accomplish this are seeing rapid growth against competitors.**

Data As An Asset
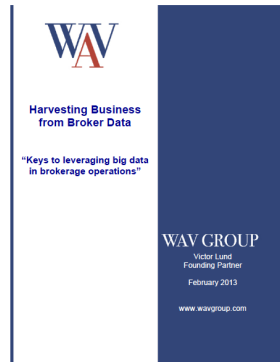
Harvesting Business From Broker Data

Real estate data is an asset of the brokerage. The broker-agent relationship includes sharing contact records. However, the broker needs to establish a policy with agents that assures agents that they have a copy of the customer record if they leave the firm. WAV Group has been expressing this perspective in regards to real estate listing data in research papers like Harvesting Business from Brokerage Data. **Beyond listing, the most valuable asset of the brokerage is the customer record**. The customer record has been ignored by enterprise brokerage until recently.

If a brokerage wants to maintain a relationship with a customer for life, they need to offer a well-defined way to understand who that customer is, and support the agent at maintaining that relationship before, during, and after the sale.

Most importantly, the firm must provide a CRM solution that bridges the relationship from one transaction to the next – a period of time that lasts 5-12 years. Over this time, the brokerage can support agents at building and maintaining that relationship as the trusted advisor. These solutions also provide brokers with an opportunity to stay connected with that consumer through agent attrition.

CRM allows brokerages to keep affiliated services engaged in the customer for life program. In partnership with agents, mortgage, and insurance affiliates can stay connected to the changing needs of the consumer between transactions. The mortgage company can provide credit monitoring services and debt to equity home value calculations. The insurance company can manage the bundled package of homeowner's insurance, life insurance, and the changes related to car insurance.

500 Client Records is Where the Magic Happens

Source Knowem

For a real estate agent to be successful today, they need at least 500 *potential contact records.* A *potential contact record* would be a person or family that is likely to buy or sell a home. For example, a married couple may have two or more contact records but would only be counted as one potential contact record. The activities related to

marketing to that sphere of people have a relationship to the success of that agent. Lets play with some math.

88% of real estate transactions used an agent in 2013 according to data from the National Association of REALTORS® Profile of Home Buyers and Sellers.

According to the US census bureau, 11% of people relocate every year (http://www.census.gov/hhes/migration/data/cps/cps2013.html). This varies quite a bit by region, by race, married vs. single, etc. Be sure to take a look at the data on the Census.gov website to understand this in your market. Using a national number could skew your results. Also, be aware that this number includes relocation and, more importantly, rentals.

Here is the data for the western United States.

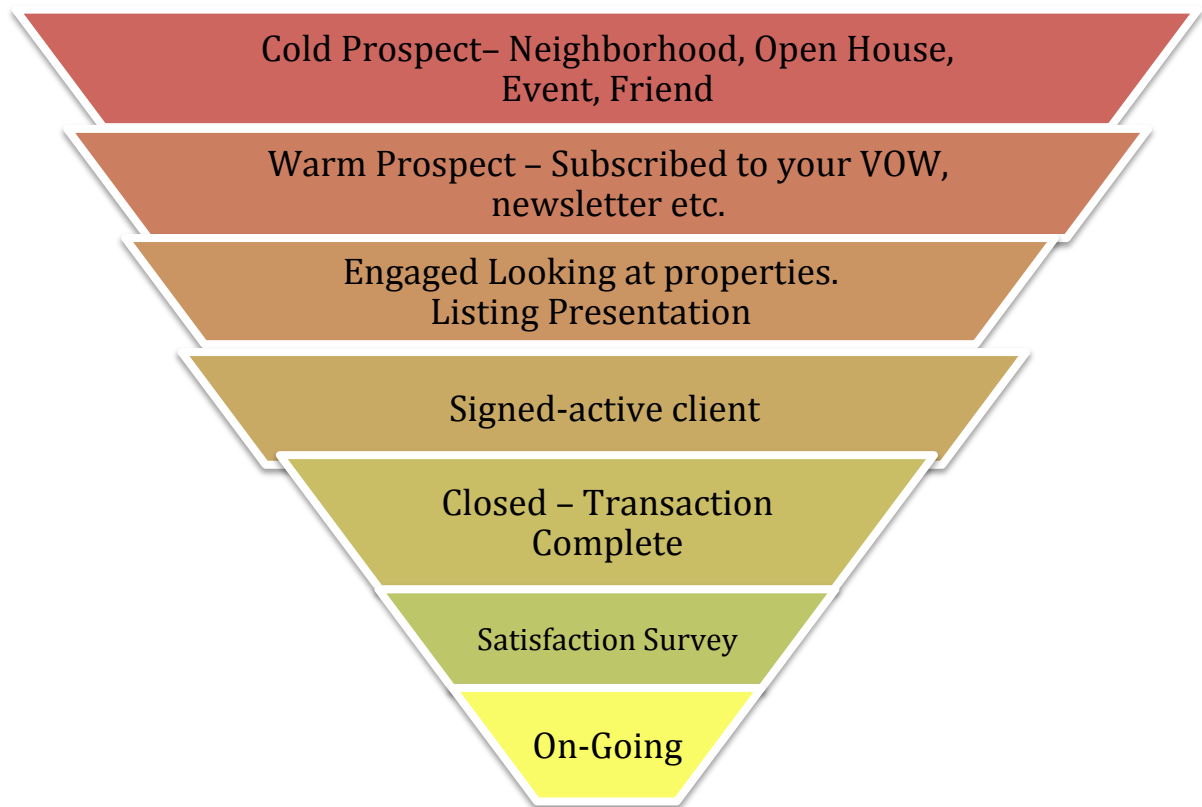| West	Total	Nonmover	Same county	Different county, same state	Different state, same division	Different division, same region	Different region	Abroad
30 to 34 years	5,153	4,117	710	163	38	30	63	33
35 to 39 years	4,794	4,101	437	131	31	31	44	18
40 to 44 years	4,816	4,231	410	96	14	18	24	23
45 to 49 years	4,803	4,282	373	68	13	34	20	12
50 to 54 years	5,245	4,782	320	68	18	20	22	16
55 to 59 years	4,761	4,405	237	65	23	8	22	-
60 to 61 years	1,599	1,476	73	30	4	4	11	-
62 to 64 years	2,402	2,260	91	34	3	1	8	5
65 to 69 years	3,143	2,966	107	23	9	16	16	6
70 to 74 years	2,226	2,148	53	15	-	4	6	-
75 to 79 years	1,542	1,475	43	15	2	-	6	-
80 to 84 years	1,186	1,121	41	8	1	4	11	-
85+ years	1,148	1,079	49	8	2	1	4	5

The implication is that each year among your 500 contacts 11%, or 55, will move. And 88% of these, or 48, will use an agent.

Reality is, for many reasons, no agent is going to get all 48 possible transactions. This is where the math and forecasting gets fun, because the answer is – it depends on YOU – the agent, and the support that the firm provides to create the opportunity for success.

Some sales associates have many more contacts, but they do not really know them and have not done a great job of building those relationships. Other real estate agents simply come from big families where they get all of the family business. The quality of everyone's repeat and referral business is only as strong and sincere as the relationships that you have with the people you are farming. Hence – with 500 real potential contacts, you have a chance at about 48 deals and you may only get around 10% depending on the agent. Great agents get more. Agents that ignore their sphere of influence get less.

Firms that do not deploy a customer for life strategy must work with the agent to win back their customer each time they enter the market for realty services. Firms that deploy CRM solutions don't. This reduces marketing expense. This builds brand trust. This retains agents. This is a powerful recruiting tool. **CRM is fundamental to repeat and referral business – the heart of successful real estate firms.**

A Focus on Activities Yields Sales Results

Cold Prospect– Neighborhood, Open House,
Event, Friend

Warm Prospect – Subscribed to your VOW,
newsletter etc.

Engaged Looking at properties.
Listing Presentation

Signed-active client

Closed – Transaction
Complete

Satisfaction Survey

On-Going

In CRM parlance, this view of activities is called the sales funnel. It starts with the number of contact in an agents' database, then allows the brokerage to see what activities an agent is performing to move the customer through the sales funnel.

Today, brokerage firms have placed too much emphasis on results and not enough emphasis on activities. By only looking at production, firms are looking in the rear view mirror of their organization without looking at the activities that lead to success in real estate. The good news is that this is changing, and leading CRM solutions are driving that change. Remember, CRMs are about workflow. You can provide all of the sales training in the world, but if your agents do not have a solution that follows the sales process, they will be fired up for about a month then go back to their old habits.

When you begin to look at activities of sales driven brokerage firms, you begin to see clearly how the firms drive accountability around what it takes to be successful. Every firm has their own secret sauce that they coach sales associates on. Great firms program those activities into their CRM solution.

We all know what agents need to do to be successful:
1. Prospect
2. Build a sphere of influence
3. Be a great advisor
4. Perform excellent transactions
5. Stay connected to the customer for life

The Role that CRM Plays in Coaching Real Estate Champions

As I mentioned a few times in the case study above, the agents' sales manager or office manager needs to be able to coach the agent. I read somewhere that "You Train a Dog, You Coach a Champion." There is an important distinction here that should be noted.

The challenge that most coaches face is that they are not able to see what the agent is doing in many CRM solutions. Be sure that whatever CRM solution you choose for your firm has the ability for managers to coach agents by being able to monitor the activities that will support the agent in being a successful real estate professional.

WAV Group research indicates that only 10% of agents have a business plan. 90% of agents simply show up every day or most days and hope that success will come their way. Hope is not a strategy. Success comes from planning your work and working your plan. On top of the plan, brokerages need coaches to keep agents on plan. This is typically the role of the office manager in combination with trainers.

All too often, brokerages provide tools like CRM to agents but do not tie the tools to accountability or coaching. It is like buying agents a gym membership. The membership delivers the opportunity, but unless the agents go to the gym, it is useless. Moreover, when they get to the gym, they need a trainer to help them learn how to use the machines and a coach to drive them to put effort into each exercise.

One of the things I really like about what we found in Windermere's CRM solution is a scoreboard. The coach and the trainer have access to the scoreboard to understand where agents are strong and where they need support. This is a new genre of real estate CRM that may represent a profound impact on GCI.

The Integral Role CRM Plays in Making Presentations

Having 500 contact records means an agent who stays in contact with them has a chance to complete for the 48 transactions those people will do each year. The way

agents then compete for that business is to make presentations to those 48 buyers and sellers. This is the next logical step in the sales process. But it requires a CRM system that gets those people engaged with the agent so they know who to present to and when. The best systems surface people when they are ready to transact and receptive to a presentation which in turn increases close rates and wins more business. The CRM is the bridge between the contacts and making presentations and is one more reason why agents using CRM systems are more successful.

Presentation Software

When most real estate agents think about a listing presentation today, they call it a CMA or comparative market analysis. The majority of real estate agents pull comps from the MLS or use the MLS CMA tools to gather the information for buyers and sellers. In many cases, the MLS CMA is printed out and that is the basis for the listing presentation. Agents who leverage the MLS CMA without incorporating the value proposition of the firm and themselves fall well short in competitive listing presentations.

Listing and buyer presentations are sales presentations. The CMA is a piece of sales presentation, but not the core. A sales presentation provides the buyer or seller with reasons to pick the agent and the firm. Firms that fail to provide a template sales presentation for agents are undermining the opportunity of both the agent and the firm. Great sales presentations become the DNA of a firm's success.

The role of presentations is a key phase of the sales funnel where the agent communicates their value, the company's value, and asks for the business. Here is a case study on how Long and Foster is processing this stage of the funnel.

Case Study – Long & Foster Companies
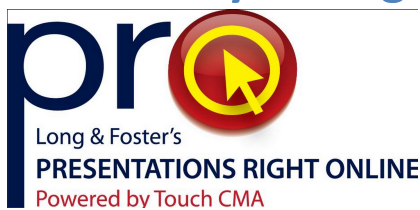
Long & Foster is among the largest real estate firms in America today that operate primarily under a single brand. They also have the complexity of any large organization.

Providing a solution for listing, selling and marketing presentations (with emphasis on buyers and sellers) was a very well thought out process that required deep levels of research. WAV Group interviewed Barry Redler, Chief Marketing Officer of The Long & Foster Companies, to learn about their method for creating and delivering their presentation solution, Presentation PRO.

According to Redler, the development of any tool, including presentation software, begins and ends with listening to the agents. The agents guide you on what works in their business and what does not work. Moreover, by

enlisting them in the process of defining the scope for such a project helps ensure the likelihood of more team members adopting the solution. One of the key ways that Long & Foster listens to its agents is with surveys that monitor the satisfaction levels of company-provided services.

A keynote of the presentations developed by Long & Foster for use in Presentation PRO is storytelling. First and foremost, the story is about the agent, while weaving in elements of the company value proposition from that agent in their own unique way. And, of course, the property itself is front and center with compelling interactive statistics to help validate recommended market positioning. Using these elements plus facts from the CMAs available through Presentation PRO (Broker Windermere calls it TouchCMA, and broker Howard Hanna calls it Hanna Presentations) allows an agent to develop a captivating story that differentiates themselves in the market. While people rarely remember or are sold simply by facts beyond the most important ones, everyone remembers a compelling story.

One success that Long & Foster has realized with their Presentation PRO solution is the ability to incorporate their affiliated business offerings. As an organization, they are committed to working with their in-house partners to handle every detail of a transaction that you would expect from a full-service firm. Real estate agents appreciate the opportunity to make their clients aware of service offerings to support all aspects of the transaction, but you need to make it easy. As such, Long & Foster built elements into its presentations that seamlessly highlight the benefits of working with both their agents and affiliated businesses.

Long & Foster is constantly changing their presentation content with feedback from their agents; always making sure it meets their needs in helping build their business. Another important feature of Presentation PRO is that it is a living document in the digital space. Property information is delivered nearly in real time, so the agent always provides current information to their client. In addition, if Long & Foster wants to change any claim, replace an image, or modify information in the presentation, they make a change at the administrator level and it updates every electronic version that has ever been generated!

With Presentation PRO, Long & Foster has increased agent satisfaction, improved utilization by more agents, and taken control of the quality of information they continue to deliver to their agents and consumers.

## Case Study – Windermere Real Estate

Windermere does particularly well in the marketplace against 6 very strong competitors who offer similar tools. Windermere is by far the #1 brokerage

based on share of transactions. To understand the impact of combining CRM with presentations, WAV Group looked at 6 months of presentation activity and outcomes prior to when Windermere launched TouchCMA and 6 months after launch. After accounting for seasonality, agent growth and any other tool changes, Windermere saw substantial gains in the market, mostly at the expense of hundreds of smaller, less-resourced brokerages.

Units Sold	Total Market	Windermere	Market Share
December '12 - May '13	56,531	12,663	22.4
June '13 - November '13	66,951	16,403	24.5
Change	**10,420**	**3,740**	**2.1**
Percentage Change	**18.4%**	**29.5%**	**9.4%**

Gain in market share accounted for 1,406 more transactions in the 6 months ending November 2013, or $628,929,000 in sales and over $18 million in GCI.

The Role That CRM Plays in Forecasting Brokerage Revenue
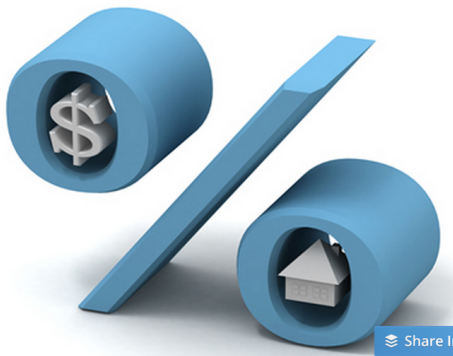
Source Credit Nexus

Very few brokerages today can look up their sales funnel beyond the pending status of a transaction. Enterprise level reporting in CRM solutions provides brokers with a much higher degree of predictability in revenue forecasting.

Although goal setting is a bit of a wild guess with real estate professionals, it becomes a great data point. Especially as you are able to see the percentage of goal attained. As the year moves along, brokers can see the total goal by office and how that breaks down to each agent. Moreover, you begin to see numbers that cause the firm to celebrate or to focus in on agents that need help.

Some agents are going to represent challenges, but the majority of agents will embrace setting a goal to success. It also provides context around the conversation when agents complain, threaten to leave, or when you are recruiting new agents to join the firm.

If brokerages can track the number of customers in an agent's CRM solution and the number of presentations made by each sales professional, they can forecast future revenue. The laws of large numbers apply. The market share opportunity available to a brokerage is directly related to the size of the pool of potential customers that reside in agent CRM solutions. The conversion rate from that customer pool is different across every firm, but it will be consistent with the ratio of presentations to contracts.

CRM for Recruiting and Retention

In sales driven organizations, CRM does more than coach an agent and keep them on the track to success. Once you have agents on track, they want to stay on track. **Success is a formula, success is not an accident. You need to plan to succeed and do the things that successful people do to succeed.**

In terms of retention, if you have a robust CRM solution that is producing effective results for a sales professional, they will not want to let it go. Moreover, if agents enjoy having a coach on their side to keep them on track, they will not want to leave. If you operate multiple offices today, you understand the vital connection between the manager and the agent. The third leg of that relationship is accountability.

There are plenty of real estate agents who have had sales experience before becoming a REALTOR®. But there are plenty of other real estate agents that don't. Planning your work and working your plan is a basic formula for sales success in any industry. The WAV Group Broker Technology Adoption Study indicated that only about 12% of real estate companies today have any kind of CRM solution at all. The majority of firms leave it up to the sales associate. This exposes a great opportunity for firms that jump into CRM early.

The Realty Times published an editorial piece that listed the top reasons why an agent chooses a brokerage:

1. Close to Home
2. Friend working there
3. Highest Commission

Great companies replace that top three with the following:

1. Great Coaching on how to sell
2. A Brand and Brand Marketing that attracts consumers
3. Great Tools to manage your business

How CRM Impacts the Consumer Engagement With Your Brand
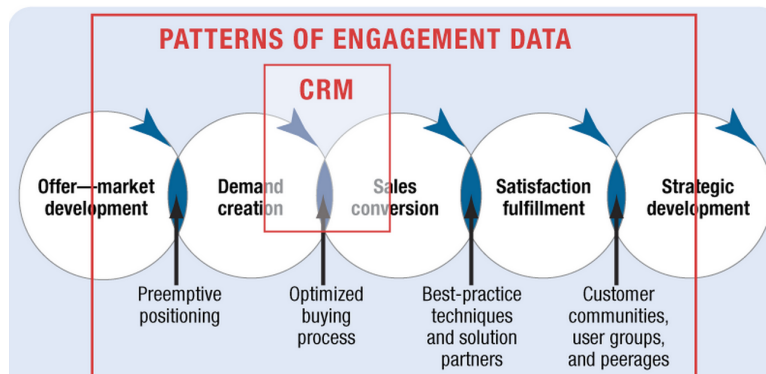
Source ConusmerEngagementAgencies.com

Some real estate agents are excellent at marketing, but most are not. The DNA of a marketing professional is very different than that of a sales champion. Left to their own doing, agents can easily bungle up the relationship that the brand has in the marketplace with missing or old broker logos, poor composition and messaging, or worse yet, no engagement at all. Not controlling your brand and brand delivery through agent communications with the consumer is a huge liability for your firm.

Many brokerages make bad choices when it comes to the branding strategy within a CRM solution. Partnering with a freemium CRM provider is a bad choice that we see most often. It rarely works out as sales associates spend more time taking calls to be upsold into the premium version than they do using the system. The second most common failure of brokers is the lack of effort put into modifying the vendor's template solution to make it their own. Although some CRM solutions have very well developed templates, you absolutely must make them your own. This does not simply mean inserting your logo. It means inserting your value proposition as a brokerage into every communication that goes out to the consumer.

One key objective of CRM is brand services being delivered to every agent and every consumer every time.

eMail, Calendar, and Contact and Lead Integration is Key to Successful Broker CRM


Source Tab Times

Duplicate management of customer information will kill any CRM solution offered to agents. **If agents need to manage the customer record in multiple places, they will not do it and your solution will fail to be adopted**. For enterprise CRM solutions to be successful, they need to have integration with eMail, Calendar, Contacts, and lead manager.

Agents should only have one customer record. That customer record should have add/edit functionality across all devices and all applications. In simple terms, if an agent adds a customer on their phone, it should

be recognized in the broker's Microsoft Exchange or Google implementation. The new customer record is then synchronized across all enterprise applications. If they edit the customer record in the CRM, that should be reflected across all devices and applications.

Focus on the Middle 60
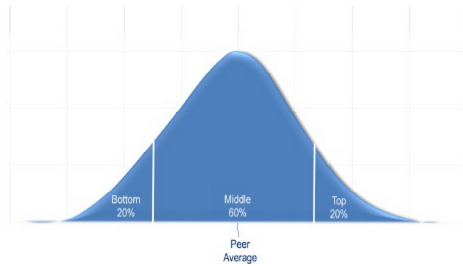
The rule that 80% of your business comes from 20% of your agents is alive and well in real estate. That is not such a bad thing. In fact, perhaps one of the greatest mistakes that firms can make is to try to change the behavior of a top-producing agent. For one, top producing agents typically want the firm to stay out of their way. Secondly, in modifying what is already working, you may break success. **Top-producing agents generate over 85% of their sales from working their repeat and referral network.** They have it figured out. If they adopt the firm's solution, that is great. If not, no worries either.

By focusing on coaching the middle 60% of agents that represent the belly of the firm, firms manage the biggest lever in generating higher production numbers for the office. Many top producers are operating at 100% or above. The middle 60 is typically operating at 20% to 60% of their productivity. Moreover, the middle 60 has a burning desire to improve and are most anxious to develop the skills that will help them have breakthrough success.

The greatest evidence for sphere marketing is looking at those top agents and communicating to the middle 60 that the only way they will ever get there is by adopting the brokerage CRM solution and building their sphere. Then, encourage agents to stick with it. It takes three years before housing churn starts delivering repeat and referral business. The question for the middle 60 is "When are you going to start the clock on building a business?" Starting the clock on building a repeat and referral business stream begins with CRM adoption and reaching the magic number of 500 legitimate prospects.

As for the lower 20% of agents, they are probably stuck in a rut where CRM may be their only lifeline to future success.

New Agent Coaching

Many of the new agents in real estate today are in their 30s. Surprisingly, many of them do not even use a computer. They show up to the brokerage with nothing more than a cell phone, and they have no sales training.

I was sitting next to a broker at a conference once, and he delivered the most profound

quote that I have heard in my many years of consulting. I knew his business well and had spent some time working with them on satisfaction standards with top producing agents. I noted that it was conspicuous that none of his top-producing agents were at the conference. His quote was "They are my past, these new agents are my future."

I guess that given the opportunity, he may have rephrased the statement a bit to indicate that the top producers are his present and his past, but that is not point. **The point is that new agents are the future. New agents create opportunities to turn your biggest obstacles into your biggest opportunities.** This is especially true with CRM adoption. By law, the broker owns the customer but in reality the sales associate believes that they do. This makes it really hard to change the behavior of sales associates that have been at the firm for a long time.

New agents represent a brand new slate. When you onboard them, you are able to set a pattern for the relationship with your firm and with customers. You train them the way that you expect them to run their book of business. You deliver the tools that you expect them to use. You provide training on how to leverage these tools in their daily efforts. You provide a coach that keeps them on track. CRM lets you create the brokerage sales team of your future, and every day – one at a time – your future becomes your present.

Change takes a long time in a brokerage. You cannot change the terms with agents that have been with you a long time. They need to be grandfathered in. But your new recruits and new agents should all come in under the new rules that require that they build a business plan, adopt the brokerage CRM tools, and agree to be coached.

How to Launch CRM

WAV Group has worked with many MLSs and brokerages to launch technology solutions to tens of thousands of agents at a time. A bad product launch will lead to poor adoption and horrible dissatisfaction among sales associates. In the case of MLSs, poor product launches are the top reason for firing the CEO. That does not happen very often in brokerage launches. With brokerage firms, it more often leads to set backs in agent retention and recruiting. Done right, a product launch can strengthen the firm's relationship with existing agents and attract new ones. If your agents trust and rely on your CRM solution, they will not move to another company. If agents from other companies learn that your CRM solution is the secret sauce to sell more real estate, they will walk straight to your doorstep.

There are several key milestones successful brokerages use when they launch a CRM:

1. **Find Early Adopters**
2. **Branding and Content Curating**
3. **Announcement**
4. **Training**
5. **Kick Off Day**
6. **Build Momentum**

Early Adopters

In every office across every enterprise, there are early adopters that love technology. They are tech savvy or at least they believe they are. They have a following of agents who ask them questions in the office about technology solutions. They probably have an existing CRM solution or plan to get one. Before you ever announce a CRM solution to your broad agent population, you must corral these early adopters and engage them early on in the process of deploying the new solution. Make them ambassadors and make it worth their time to get on board. Pay them if necessary. Failure to engage this vocal group early in the process will undoubtedly lead to a disaster. If the sully the reputation of the new CRM solution, other agents in the office will not use it.

Your goal with the early adopters is to express high value, ease of use, and ease of getting started.

Branding and Content Curating

WAV Group has rarely seen CRM deployments that do not have good broker branding throughout the system. The two areas where we see the biggest mistakes are failure to curate the content in the CRM for drip marketing and negligence in setting up the agent account. The firm should add in the agent photo and agent contact record. The firm needs to do the integration with email, calendar, contacts, and leads. The goal of this process it that when the agent logs into the CRM solution for the very first time, everything is there. Under no circumstances should the agent be required to configure their own account.

Announcement

Once you have everything ready to launch, you need an announcement campaign. The best activity is to have an event, like your annual convention. Alternatively, have regional events and go office to office. It is critical that you build up energy and pending demand for the application. Undoubtedly your early adopter ambassadors in each office have already generated a whisper. The announcement has a goal of launching powerfully with a scream! Energy is vital to this announcement. You want to create a burning desire to get access to the system. This enthusiasm is the driver to training.

Training AND Coaching

The process of training on CRM must be ongoing and a steady component of the culture in your company. The best firms have experts that go office to office to deliver training each week at a regularly schedule time. The best firms have

regularly scheduled weekly online training for advanced, intermediate, and expert users. The best firms will record a series of How-To videos and publish them on their company intranet. The best firms will have a ticketing system for help requests that tracks the topic of help, the frequency of help requests, and the time it takes to get back to the sales associate with the training or help required. Great firms will even offer training that agents can pay for.

Many firms have not experienced training that agents will pay for. In brief, if agents schedule time with a trainer and they are not paying for that time, they will blow off the meeting or reschedule the meeting. If they are paying, they will commit and show up – especially if they lose their payment if they miss the meeting. $50 per hour is a reasonable fee for personal training.

Kickoff Day
Kickoff day should probably not be a day. Rather, firms should consider office-by-office or regional kick off days. There are two key benefits to this roll out strategy. First, you learn from each kick off so that your response team can improve though iteration. Secondly, you to do not tax your support organization by overloading your ability to provide world class services to your agents. Too frequently we find that firms are operating at 100% of support capacity and they overload that system with a huge payload of new support requirements. Consider adding temp staffing or finding a way to get your tech savvy ambassadors to lend a hand.

Build Momentum
Although ongoing training is key to sustaining momentum, find cleaver ways to constantly build momentum for adoption. This can be done in many ways, and you will need to find the best path for your business. Some ideas to explore will include issuing regular videos or blog posts about best practices. Interview top users of the system and share testimonials about their success with the rest of the agents. Provide spiffs or incentives around milestones like most presentations per month or other adoption benchmarks. Be sure to take photos that celebrate agents reaching the milestone and share that with other agents as encouragement.

Case Study Windermere

WAV Group audited Windermere Services across 10 offices in the Northwest. They were chosen at random. We looked at production before they launched their CRM and after they launched their CRM. The top producers (top 20%) did not see a change. Most of them were already engaged in a disciplined sales process that included some type of CRM solution.

The bottom producers (lower 20%) did not change either. They need to embrace the need for consistency and focus on sales execution. With out a change in their commitment level no technology is going to change their outcomes. Where we saw the change was in the middle belly of the sales force. That middle 60% of their business experienced a year over year market adjusted increase of 20%. Our findings were that increasing productivity of the middle 60% of their sales associates was the primary leader in growing broker dollar and that CRM was the primary mitigating factor.

In the case of Windermere, they use a CRM solution provided by Moxi Works. When agents log in, they see a very good snapshot that has 4 quadrants: Calendar; GCI Goal and % achieved; Activities, and People.

People

This shows the number of people an agent has in Moxi Works. In CRM language, we call that the size of your pipeline, which I illustrate above to mean that an agent needs to have about 500 to make a living selling real estate (All People). Managers can see an agent's pipeline and use that or coaching.
If an agent does not have enough people in the pipeline – that is where they need to focus their energy to be successful. In this illustration, New equates to new leads or new contacts.

For CRM solutions to drive increased revenues for brokerages, every office manager need also needs to be coached on the vital role that CRM solutions play for the success of their team.

The integration with Microsoft Exchange or Google Apps for Work is key here because it allows the agent to sort all their people into the sales funnel.

It is not enough to have a list of contacts. It is vital that agents have a simple tool that moves contacts into the sales funnel and through the sales funnel. The sales funnel has maintenance stages, incubation stages, and contact stages.

Calendar

The calendar feature is tied into the firm's Microsoft Exchange – they integrate with Google Apps for Work calendar too. The importance is that an agents' daily goals and activities are clearly represented on the dashboard home page so they can plan their work and work their plan.

WAV Group has found that the failure to incorporate email, contacts, and calendar integration is the fastest way to failure with CRM solutions in real estate. Integration is the key and the agent needs to be able to manage email, contacts, and calendar on their desktop, iPad or other tablet, iPhone or Android device, or in the CRM solution. If those productivity tools are not seamlessly integrated, agents will not use it. A change made to a customer record on any device needs to be recognized across all devices and all applications including CRM.

GCI

Most real estate agents do not have a business plan, but they can typically answer the question – how much do you expect to make this year. The challenge is giving them access to a real time environment that allows the agent to stay connected to the goal. Moreover, the manager is able to stay connected to the agent's goal for coaching.

Activities

There are four key activities that are related to moving customers down through the sales funnel – marketing, prospects, activities, and pending.

CRM solutions like Moxi Works and others support the agent by keeping track of the things they need to be successful each and every day. Again, this dashboard also allows the agent's manager to quickly understand the coaching that they need to reach their goals.

About WAV Group

WAV Group is a leader in providing consulting services to the real estate industry. The company is comprised of corporate executives with a depth of expertise in helping large brokers with strategic planning, research, and technology selection.

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