You capture your clients by **Blind Luck** and I'll prove it…

These days, ***where*** you get your customers is hugely important to the success of your business. In my experience your relationships with most clients evolve through two stages. Getting them to move from the first stage to the final is the key to running a profitable business. Let's spend some time defining each stage of this process so that we can put everything in perspective.

CONTACTS: Anyone who responds to an advertisement requesting information. This person does not need to and usually will show no interest in working with you.

As a salesman you put forth a great deal of effort generating phone calls and emails from people you would like to sell something to. The first stage is where you can measure how well your marketing efforts are being received and which methods are producing results. Many of the Sales Gurus today get stuck on "contact generation" as a plan for success in sales. "It's a numbers game" they say. Well sure, the more people you know the better your chance to earn their business. The issue with this stage of client development is that most come to you with a closed mind and you have very little chance of converting them unless **THEY** are ready. We will talk more about this phenomenon in a minute.

LEADS: Anyone who has shown an interest in working with you specifically.
Leads tend to come from 2 places. First, and most common, is referrals from friends, family or past clients. Second, they can come from any of the systems you put in place to generate Contacts. However, Leads are the Contacts that for some reason have decided to communicate with you and show an interest in working with you… (Good lead indicator for Loan Officers – They completed a 1003).

Education Phase

I purchased a new computer about 6 months ago but the *action of buying* was just a sliver of the process. I actually started my research 3 months prior to that. By the end of my "Education Phase" I must have spent 30 hours researching computer technology and matching it with my needs. This is an insanely large about of time considering the laptop ended up costing me $749.00. Imagine the education that goes into purchasing a larger ticket item? (Car or Home)
An independent research study was conducted a few years ago that followed a pool of 1,100 home buyers. By the end of their buying process the average person spent 11.5 months looking for information. What was even more interesting was that 75% of them did not commit to a Real Estate Agent until the final 3 months when the buyers had already determined what they wanted and how much they could afford. This is of course the timeline for the standard person. There are always circumstances that cause emergency purchases. (Car breaks down, you drop your computer or you need to move)

Years ago I remember reflecting on my business plan and I went through all of the "Self Directed" contacts I had generated and tried to figure out what was different about the ones that converted and the ones who fell through. The only thing I could tell for sure was that 85% of the people who closed with me were either ready to get information, were ready to move, or I was able to offer them something compelling enough that they stopped talking to other loan officers. (trust was my weapon of choice)

About a week after this analysis, I had a meeting with a Real Estate Agent to discuss his business and how he was building relationships. During our meeting I learned that 3 of his last 4 clients came from someone who either called on a listing he had posted online or walked into an open house. (Sounds fairly normal right?) He also confessed that ALL of these buyers had been in the market for around 8 months before they even contacted him. Together we decided to take this one step further by calling his buyers and ask them how many Agents they had talked to before committing. The answer just about floored us ….. Each of them verified that they talked to at least 10 Agents on the phone or in person and emailed another dozen Agents asking specific questions linked to one of their advertised listings. WOW!!!

So why was this specific agent successful at converting these contacts into clients when 20+ others failed?

Simple. The contacts he converted understood what they wanted. They had completed the majority of their Education Phase and were ready to move to the Action phase of the buying process. They had compiled enough info by themselves to be comfortable and had subconsciously committed to getting more serious. Usually, once we are emotionally ready to move forward, the next salesperson we meet will be the one we choose to work with.

You don’t even need to be at your very best to convert the willing!

We have all had situations like this: Running out the door late for a meeting and the phone rings. Contact on the other end is calling me for information about a loan product and was directed to me by my website or a referral. I ask them to fill out an application on my website and tell them that I will call back with more info once this is done. Basically blowing them off because I can’t legally drive and talk at the same time and I must get on the road. But for some reason 30 minutes later I am emailed the application.   I was certainly not “on my game” with this particular client and I still got the business. Why? Because they was ready to move forward, I did not need to “sell” anything. This buyer knew that he wanted to get pre-approved and for some reason, after months of looking at houses he decided I was someone worth applying with.

This raises the question: from a salesperson’s perspective, what would you call the process where you happen to be in the right place, had the right product, you had the answer a contact was looking for and it happened to complete their education phase? I call it a good day … but more accurately this process would be called **BLIND LUCK**.

You Lucky Dog!

Now take a step back and think about your business for a minute. Do you find yourself relying on a business plan with **luck** at its core? Is it a good idea for your income to be tied to whether or not a raw contact happens to be in the action phase of their buying process?

OF COURSE NOT!

So why are there so many successful sales people that operate like this? Well, because they generate enough contacts to live on the top 20% that have moved to the action phase. They play the numbers game and they make it work. But is there a better way?

Fortunately, there is.

You have to give your prospective clients the education they are looking for, and make sure they know it's coming from you. Control the process, but do it in a way that makes it valuable for them and allows them to consume it at their own pace and in their own timing. Then, when they are ready, they will already be connected to you and doing business with you will simply be the logical next step.

This is exactly what Pre-Approve Me does. Bring your prospects the value they need and give your business the best chance to convert them into Clients.

Michael