

The Seduction of **YOUR SOI**

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**Generating Business and Referrals from the
People Who Know You**



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"Welcome Aboard. Here's Your Desk, Here's Your Phone. Good Luck to You."

Are you ready to...cold call, to knock on doors, to pursue For Sale by Owners and expired listings? Are you excited to hear “no” about 99 times...on your way to one golden “yes”?

No?

(Don't worry, I won't tell your broker. Your secret is safe with me.)

If you shudder at the thought of chasing down your prey, I have great news for you. You don't have to! There is a whole community of people out there, ready and willing to help you jump-start your business. They're known as your Sphere of Influence (“SOI”) and they include your friends, your family, your acquaintances, your friends' friends, your friends' families, your family's friends and your family's families. Every living, breathing person you know (or will know) has the potential to become your biggest cheerleader and to bring business your way without you even asking for it.

Sound good? It gets better.

SOI business is fun, even for introverts. Depending on your personal preferences, a good SOI business model includes lunch dates, housewarming parties, afternoon BBQ's, friendly e-mail exchanges, cocktails and football games. Conversely, mass-marketing to strangers involves stuffing envelopes, paying for postcards, licking stamps, disturbing day-sleepers, shaking off rejection and designing newspaper ads.

SOI business is relatively cheap. Getting your SOI campaign up and running will cost you a few dollars, but nothing compared to what you'll spend promoting yourself to strangers. You'll likely spend some money on greeting cards, stationery and postage, and you might consider subscribing to a program to create custom emails or eNewsletters. You'll probably need to purchase a real estate-specific contact management system like Top Producer, REST or MoreSolds.

But otherwise, all the money you spend “prospecting” to your SOI will be used getting to know your friends better! Hot wings and beer on Sunday afternoon! All-you-can-eat jumbo shrimp at your house on Friday night! Sushi and sake after work with your best friend on Wednesday!

An SOI business model encourages good habits that stay with you throughout your real estate career. When you commit to developing and maintaining a contact database, you're always aware of the new people you meet. You remember to ask for and write down their contact information and then input it into your management system. Because the success of your business depends on keeping your SOI current, you are vigilant with updates (even if you aren't perfect).

You won't forget about the nice lady you met last week at your friend's pool party who said she'd like to talk to you about buying an investment property. You can even find her phone number!

An SOI business model minimizes rejection. I don't think anyone, even the most outgoing, charismatic sales dynamo, enjoys rejection. Sure, maybe you can develop a knack for shaking it off, but rejection hurts, even if only for a moment. When you market yourself to strangers, you encounter rejection all the time. Even if it's nothing more than a lack-luster response to your expensive advertising, it's disappointing and discouraging.

When your clients are mostly people who know you, or who were referred to you, you are rarely rejected. You may not get every piece of business that crosses your path, but when you don't, it's probably not from a lack of salesmanship.

An SOI business model increases your accountability. When you are working with friends or referrals, you want to do a GREAT job! Contrary to what some might believe, you won't let things slide just because you have a personal relationship with a client. You want to impress them and even show off a little. This is good. When you do an exceptional job for one client, you raise your own bar a little and feel the need to do as good a job for the next...and even better for the next. Before you know it, you're an extraordinary real estate agent!

Business generated from your SOI is easy business to get. If your friends and your friends' friends think you're a competent real estate agent (or even just a generally competent person) "interviews" will be a slam-dunk. You'll rarely have to compete for listings and buyers; they're already predisposed to hire you.

Business generated by your SOI tends to be better business. Assuming the people you know are people you respect and would like to do business with, the business generated by them will also be business you'll enjoy. On the other hand, people who wander into a real estate office or visit an open house or answer a newspaper ad may not be as qualified, motivated or loyal as you would like. Agents who depend on such marketing venues often find themselves working with buyers and sellers who either aren't ready to move or are working with several different agents around town.

You can depend on your Sphere of Influence for nearly 100% of your wildly successful real estate business if you like – without making one cold call. I promise. I'll show you how.



CHAPTER ONE REDEFINING SOI

Many real estate agents have heard the term “Sphere of Influence” or “SOI,” but don’t have a clear understanding of exactly WHO their Sphere of Influence is. A common definition is “My friends, family and past clients.” Another is “Everyone I know.”

However, neither of these definitions is correct and can lead you astray in your SOI efforts.

When we real estate agents talk about our Spheres of Influence, we’re talking about people we hope will generate real estate business for us, either directly when they buy or sell a home, or indirectly with their referrals. Which implies, of course, that our SOI actually knows or remembers that we sell real estate.

But they probably don’t. Most of the people in our lives aren’t keeping track of us on a daily basis and if you haven’t recently reminded the people you know that you sell real estate, they’ve almost certainly forgotten.

So even if YOU know 250 people, but only 15 of them know (or remember) that you sell real estate, your sphere of influence, from a business perspective at least, is limited to those 15.

And it’s this misunderstanding of WHO your Sphere of Influence is that can lead you to a false sense of rejection. If you’ve been disappointed in the past with the lackluster support you’ve received from your SOI, you might be pleased to realize that the majority of the people you know have no idea you’re in real estate at all!

On the flip side, to say that your SOI is only your “Friends and Family” is way TOO narrow of a definition. Most of us have a handful of good friends and another handful of acquaintances, and maybe a family member or two in town - so if we were to rely on those 10 or 20 or even 30 people to send us business, we’d be out of business pretty quickly.

But the reality is that we all know a whole lot more people than just our friends and family and every one of those people has the potential to generate business for us. Not all will, of course, but you never know who your biggest fan will end up being. It might be your best friend, it might be your hair stylist or it might be your mail man.

Therefore, a better definition of your Sphere of Influence is:

EVERYONE WHO KNOWS YOU AND KNOWS THAT YOU SELL REAL ESTATE.

Pretty simple, isn't it? But it literally opens up a whole world of potential prospects for you.

Did you notice that there's nothing in that definition about whether or not these people have agreed to send business to you ... or whether they've sent business to you in the past ... or whether or not you think they'll send business to you in the future?

Never categorize your SOI based on their history of referring to you, or your assumption of their future referrals. Referral patterns change and it's possible someone who has never referred to you before will become your biggest source of business. But not if you assume they won't and treat them accordingly!

That's because none of that matters. Your Sphere of Influence is "Everyone Who Knows You and Knows That You Sell Real Estate." If you know someone and they don't know you...they certainly don't know you sell real estate and are not in your Sphere of Influence. And believe me, if you haven't done anything recently to remind the people you know that you sell real estate, they've probably forgotten.

WHO IS YOUR SOI?

So, who belongs in your Sphere of Influence database?* Let's start with the obvious suspects. Your friends, your family, your current prospects, your current clients, your past clients and your past prospects who never bought or sold all qualify.

Don't forget about your spouse's family, your spouse's work associates, your dog-groomer, your house-cleaner, the nurse at your chiropractor's office, your Spanish tutor, your pest-control guy, your renters and your landlord. The receptionist at your real estate office (yes, her business is up for grabs too. I sold 6 houses to/for the receptionist at my very first office; she said I was the only agent there who treated her with respect).

Go through the business cards scattered around your house and in your desk for more names. Go through your e-mail address book. If you've sold some listings, look up the names of the people who purchased your listing, even if they had their own buyer agent. You might as well add them too, it can't hurt.

There will be two general categories of contacts in your SOI. The first is your social network (your friends, family and other people you socialize with) and the second is...well, everyone else who knows you and knows that you sell real estate. Your social network consists of people you'd probably invite to your wedding. "Everyone else" includes clients, prospects, work associates, service providers; people who aren't really "friends," but who would recognize your name if you called them. In some instances, members of your family might fall into this category.

I call my two categories of contacts Group One and Group Two (pretty clever, eh?). Group One is, again, those in my social network, and Group Two is everyone else.

**Database? Don't worry – we'll talk about that soon!*

YOUR FRIENDS AND...YOUR FAMILY

Your friends and family¹ truly do care about you and will usually want you to succeed. Especially if you offer them the opportunity to help you succeed. Setting any sibling rivalry or latent high school jealousy aside, if you give friends and family a good reason to sing your praises, they normally will. Everyone likes to be a resource; it makes us feel important when we can confidently refer a friend (or even a stranger) to someone we know will take good care of them.

One word of caution, if your circle of friends includes people who have seen you under the influence or in other compromising circumstances you may have some repair work to do before they are comfortable sending business your way. If you are still participating in such activities with them, these friends may never be good sources of referrals for you.

The same goes for women and our girlfriends. Some of our friends have seen us at our most pathetic, haven't they? It may be difficult for your sob-sister to see you as a competent professional. I've had a few girlfriends in my life whose personal lives were such a mess I truly couldn't imagine they could perform professionally in a work environment. As much as I loved them, their never-ending personal dramas made me doubt their professional competence.

Speaking of your friends and family, please don't try to hijack referrals from your friends' and family's pre-existing relationships with other real estate agents. If you refer a family member to an agent, by all means collect your referral. But don't make the same tacky rookie mistake I did when I assumed my sister's agent in California would be delighted to pay me a referral fee on my sister's business.

¹ In my experience, friends and family are two totally different animals. Surprisingly, your friends may be much stronger supporters of your real estate career than your family is, at least in the beginning. Just keep in mind that when we talk about "friends and family," the principles I discuss may not apply to all family members.

YOUR PAST CLIENTS & PROSPECTS

Your past clients are obviously great candidates to be included in your SOI; in fact, your past clients should be your biggest sources of future referrals. Stay in touch with all past clients, even if they have moved out of state. You never know when they might move back. They might have other properties locally you don't know about and they almost certainly still have friends in the area to refer to you.

Past prospects are people who had a real estate need, but never (to your knowledge) bought or sold anything. You may have spent months with them, or only hours. You should definitely keep in touch with these people. There are people in my SOI I met my first year in real estate who have NEVER bought or sold a thing, but they still know who I am and that I sell real estate. Many have sent me referrals even though they never consummated a real estate transaction with me.

But what if a past prospect did buy or sell property with another agent? Should you take them off your list? Well, that's up to you, but I'd encourage you to consider keeping them in your SOI. With the high number of marginal real estate agents running around out there, chances are good they were less than thrilled with the service they received from the agent who won their business. They might be delighted to work with, or refer to you next time.

YOUR CURRENT PROSPECTS

It sounds obvious, but you need to stay in touch with your current prospects! Your prospects can disappear - sometimes without notice, as you probably know. The more often they hear from you, even if it's not directly related to their current real estate need, the more likely they are to stay loyal. So include them in any general SOI activities you do (we'll talk about this soon).

Besides (and you may find this hard to believe if you're new), when you get super busy you can actually completely forget about your less-critical prospects. Ensuring they are included in your SOI promotion efforts gives you a better chance of retaining their business, even when you inadvertently ignore them.

And of course, your current prospects will hopefully soon become your past clients – who are most certainly in your SOI.

EVERYONE ELSE

The “everyone else” category in your SOI includes all the people who know your name and know you sell real estate, but aren't in your social network. These people may not be as loyal to you as your friends, family, past clients and current prospects, but they are certainly worth staying in touch with. Sure, many of them may know another real estate agent or two, but that doesn't mean they wouldn't consider you for their future real estate needs or to refer you to their friends.

HOW MANY IN YOUR SOI?

As many as possible, while staying true to the definition of a Sphere of Influence being Everyone Who Knows You and Knows that You Sell Real Estate. While I firmly stand by the principal that Real Estate is NOT a Numbers Game (See Chapter 9), the fact is that the more people who know you and know that you sell real estate, the more real estate you will sell.

Strive for an SOI database of at least 200 people – all of whom know you and know what you do. I wish I had some fancy formula to share with you as to how I came up with that figure, but I don't. It's based on my experience as well as a gut feeling that if there are at least 200 people in the world who know you, like you and know what you do for a living, then that should be enough to both generate business and referrals for you directly, and provide you social opportunities to meet more people who might have a need for your service today or next year.

Don't fret if most of those 200 never send you any business. In fact, just get used to the idea that they won't. Some will, but most people simply aren't natural referrers. And that's okay! **Because an SOI business model is not based on your friends and acquaintances buying or selling enough houses to keep you in business.**

What??

Yep. Believe it or not, when you run an SOI business model, you are NOT really after your friends' business, although of course, you'll get a lot of it when friends need a real estate agent. **No, your friends and acquaintances are the gatekeepers to thousands of potential clients for you.**

Through your personal relationships with the people you already know, you have the potential to meet their friends and acquaintances, and then to meet THEIR friends and acquaintances and so on. If you only know 50 people in the world, but all 50 of those people know 50 other people, that's a pool of around 2500 potential clients for you. And of course, every one of those 2500 potential clients knows even more people.

No, I'm not saying your SOI is comprised of those 2500 potential clients – of course not - you'll never meet the vast majority of them. But the more people you know, who know you and like you, and know that you sell real estate, the more opportunities you'll have to reach the vast social network of those people who know you, like you and know that you sell real estate.

Think about it - what if everyone you know, knows just one person who will make a move this year? That's probably a reasonable expectation, so again, the more people who know you, and like you and know that you sell real estate, the more chances that your name will come up in conversations about real estate.

The people you know and meet have tremendous potential to generate business for you, as long as you approach them, and their social networks, correctly.

And we're getting to that.



CHAPTER TWO ABOUT ME



I entered the wonderful world of real estate in 1996. I never intended to actually sell real estate to others; my goal was to gain access to the MLS so I could buy and sell properties for myself and collect the commission. I figured I might sell a few homes for my friends if the opportunity arose, but I had no interest in becoming one of those hyped-up, smiley-faced real estate agents who holds open houses and makes 100 cold calls a day.

But one day, while sitting in class at real estate school, I changed my mind. I decided to give this real estate business a try. I figured I better learn how to get some business so I read books on how to succeed in real estate sales and talked to several brokers during the interview process. I quickly found myself discouraged. Me, call strangers at home and ask them for leads? Uh, no. Me, knock on my neighbors' doors and introduce myself? Not a chance. It's just not in me to bother people I don't know and beg for their business.

Luckily, on my very first day at my first company, my broker invited me to a seminar about building a business based on your personal relationships. Being fresh off the turnip truck, I hadn't decided on any particular strategy or technique for building my business, but did recognize I would probably fail miserably if forced to cold call or knock on doors. However, the speaker's message that day resonated with me and now, 14 years later, I can repeat it almost word for word.

According to the speaker (Larry Kendall of The Group, Inc.), when business is a little slow and real estate agents get hungry, they automatically want to ratchet up their advertising. They run newspaper ads, consider advertising on bus benches and do mass mailings. They go "Fishing in the Unfriendly Pond" (i.e., fishing for strangers). Maybe the additional advertising will work, but more likely it will just be an expense to claim at tax time.

What agents should do (all the time, not just when it's slow) is "Fish from the Friendly Pond." Your friends, your family and your past clients all live in the Friendly Pond. They care about you (at least more than strangers do) and are much more likely to try to help. Do you know 50 people? No? 25? Sure you do. If 25 people tell 5 friends about you, that's 150 people (your 25 friends + their 125 friends) who know you're in real estate. If those 125 friends of friends mention your name just once, you have 125 more potential clients. So, we're up to 275 people working on your behalf.

That's the Friendly Pond theory. Direct your prospecting efforts toward people who care about you, not people who have never heard of you.

That sounded good to me. Better than cold calling anyway.

Over the next year, I committed to making some new friends, while making a concerted effort to stay in touch with the friends I already had. I implemented what I later called my "Take a Friend to Lunch" campaign and it was wildly successful.

My first full year in business, I was the second highest producing rookie agent in the Coldwell Banker system. It certainly wasn't anything I'd been shooting for, In fact, when my name was called as the Rookie-of-the-Year Runner Up at the annual awards ceremony, I was sure it was a mistake. I hadn't done anything special, as far as I knew. Actually, I had worried all year I was a disappointment to my managing broker because I'd never aggressively prospected as he'd instructed me to!

But apparently I was doing something right and continued to do so. I doubled my income every year until I was consistently making over \$200,000, selling between 50 and 70 properties a year. One year I made \$332,000. The vast majority of my business came directly from my SOI – the vast majority.

Let me tell you something else about me. I'm an introvert. I'm not particularly friendly although my close friends will beg to differ (God bless 'em). I dread networking events. Small talk is a foreign language to me. Putting a stranger in my car and driving them around town emotionally exhausts me. After an open house, I come home and take a two-hour nap. I am not a people-person by any stretch of the imagination.

So lest you think the success I experienced with my SOI was due to my sparkling personality, think again. It's quite likely you are far more charismatic than I am and have many more close friends. I have been called abrasive, arrogant and even weird. So, if I can do it, so can you.

Working from a Sphere of Influence wasn't a strategy I intentionally selected; it's just how I operated. In fact, it wasn't until much later in my career that I realized most agents don't have a strong SOI. They spend their time and money marketing to strangers...which takes a LOT of time and money.

And there's nothing wrong with that! If you have a lot of time and money, and relish the notion of prospecting for a living, please be assured that a Sphere of Influence business model is NOT the only path to success. But it worked beautifully for me... and I suspect it will work beautifully for you, too.



CHAPTER THREE

MARKETING TO YOUR SOI? DON'T YOU DARE!

The original inspiration for this book came from my first ever teleseminar, held in early 2007, called coincidentally, “The Seduction of Your SOI.”

Notice I didn’t call the seminar “Successfully Marketing to Your SOI” or “Mastering the Art of SOI-Marketing.” In fact, that’s the last time I will use the term “marketing” in conjunction with the concept of pursuing business from people who know you and know that you sell real estate.

Why? Because no one wants to be marketed to. I mean, c’mon, when was the last time you heard someone say “boy, I sure do like my accountant, he markets to me all the time.” When you “market” to someone you know, does he feel special? Does she feel loved? Does she have warm fuzzy feelings about you? No, in fact, he might feel irritated or even used. Best case, he feels nothing toward you and tosses your “marketing” into the trash.

I think most agents know this, deep inside. That’s why they have a hard time committing to and implementing their own SOI business plans. They DON’T want to market to their friends. They DON’T want to pester people they know and risk their friendships. Besides, when they’ve reluctantly put these tactics into practice in the past, they haven’t worked very well anyway.

That’s because they’ve been taught that pursuing business from their SOI is essentially the same thing as pursuing business from strangers. They think they are supposed to cold call their friends to remind them that they sell real estate. That they’re supposed to send out newsletters screaming their own praises. That they’re supposed to mail postcards bragging about their listings and closings. And then, when these activities don’t produce the results they’re hoping for, they abandon the whole notion of SOI business and return to their cold calling and open-housing.

But notice, the subtitle of this book is not *“Asking your friends for business and referrals,”* it’s *“Generating business and referrals from people who know you.”* There is a big difference between **ASKING** PEOPLE YOU KNOW for business and **GETTING** BUSINESS FROM PEOPLE YOU KNOW.

So, how do you GET business from people you know? The answer is, Seduction.

Why did I choose the term “Seduction” as the title of this book? Well, first, I liked it because it’s sexy, it’s provocative and it grabs your attention. But on a deeper level, it’s quite appropriate. While the term “seduction” may have negative connotations for some, overall, I think it’s quite a positive word. Personally, I LOVE to be seduced, don’t you?

Even when I’m aware I’m being seduced, I certainly enjoy the ride. I mean, if my husband were to come home tonight and outright announce he was expecting some action, I might be put off by his approach. I might feel a little used. However, if he came home with roses, gave me a big hug and kiss, helped me clear the table and then took out the trash, his chances of getting lucky would dramatically increase, wouldn’t they? So what if I know what he’s up to?

Or imagine a young man takes a young woman out on a date. If he were to ask her up front if he’s going to get lucky that night, she would probably be offended, even though it’s likely she realizes it’s in the back of his mind. Yeah, we women are aware of such things. So, the smart young man takes a different approach. He is charming. He is friendly. He is appreciative. He is attentive. He is complimentary. He is respectful. In short, he’s good company and makes her feel special. He’s fun to be around.

Will his seduction efforts pay off? Who knows? But he’s sure a whole lot closer than if he had just announced his intentions up front. Again, the young woman probably knows she’s being “seduced” but she’s enjoying it.

So, let’s compare a romantic seduction to the process of seducing your Sphere of Influence. Fact is you want something from your SOI. You want their business and referrals. You want to be invited to their parties. You want to be their favorite real estate agent, don’t you?

Well, you could always call up everyone you know and tell them, couldn’t you? Remind them on the first Monday of each month that You ❤️ Referrals! Ask them if they know of anyone buying or selling real estate? Maybe even ask them for an invitation to their next social gathering so you can distribute your business card to the other guests?

But do you think they’d look forward to hearing from you? Do you think they’d appreciate your approach? Probably not; in fact, they might start avoiding your calls.

Conversely, what if you were to call up your friends every month or two and ask how they’re doing and really listen? Maybe even offer to help or send out periodic informative e-mails or newsletters of interest to **them** instead of **all about you**. What if you invited your friends to your Super Bowl party or sent them a postcard from your vacation in Cancun?

Would your friends realize you want their business and referrals? Maybe, but they won’t care - you are making them feel special and cared about.

Seduction works in a romantic arena; it also works in a prospecting one. If we are charming, friendly, appreciative, attentive, complimentary, respectful and fun to be around (and also reliable and competent), we'll get our friends' business and referrals. We don't have to beg for it; we really don't even need to ask for it.

In fact, we shouldn't ask for it.

WHAT??!!

Wait a minute! Isn't the whole POINT of an SOI business model that our friends DO care about our businesses and DO WANT to support us? And if so, **isn't it okay to ask for that support?**

No, it's not. First of all, while our closest friends may care about our businesses, the majority of people we know really don't - at least not with any passion. And that's okay! We don't need people to passionately care about our businesses - not at all. Shoot, I can only think of a handful of people on the planet that I might passionately care about their business - one would be my husband, if I were married. Or my sister, if I'd loaned her money. But otherwise, eh - no. I have my own life to deal with and, like it or not, generating business for my self-employed friends is going to appear very low on my priority list most days.

And you know what else? While no one really enjoys being prospected to by anyone, it's even more annoying when it's our friends doing the prospecting.

Why? Because, we can hang up on telemarketers, we can throw away junk mail from strangers; we can be rude to the salesman who rings our doorbell.

But we can't be rude to our friends. We have to endure their "warm-calls" that always end with a reminder to send referrals. We have to be polite if they drop by our office to chat about how they can earn our business. We might even feel bad if we throw away the monthly doo-dad they send us.

So, do you see how we might actually be driving away our friendships, and potential business - when we put the people we know on the spot like that?

Furthermore, asking for business is a really lousy way to get business. When you ask your friends and acquaintances for business, you're sending a message that is going to be counterproductive to your actually getting business from them. Not only will your repeated requests and reminders irritate your friends and therefore damage those relationships, but they will also put doubt in your friends' and acquaintances' minds that you're a successful real estate agent, capable of handling their business and referrals.

I know that this goes against everything you've ever heard about pursuing business. We're trained to ask for business on a regular basis. We're trained to remind everyone we know how much we love referrals. We're trained to hand out our business cards at parties and be ready at all times with an elevator speech.

But unfortunately, these activities can backfire on you when you use them on the people you know, and on the people you meet through the people you know. In fact, this behavior might just get you avoided at parties or taken off the invitation lists all together.

Think about it. How do you respond when someone you know starts marketing to you?

What if your massage therapist ended each session with a reminder of how much she appreciates referrals? She might get away with it once, but if she does it again, it's likely I'll dread my massage appointments and will probably start looking for a new massage therapist.

We don't need to be reminded to send referrals to someone we know and trust. If I think a service provider will take great care of my referred business, I'm a referring madwoman. It's not necessary for that provider to ask me to send business her way. Conversely, if I don't think someone will make me look good with my referred business, no amount of begging or bribing or reminding is going to change my mind.

Consistently asking for referrals makes you look a little too hungry, even desperate. I'd much rather take the chance that the people I know think I'm too busy and successful to be able to handle their referrals, rather than suspect that I'm not busy and successful enough. People want to work with successful people - that's why successful people are busy! If I regularly send out the message to my audience that I'm looking for business, many among my audience are going to wonder why I'm not as busy as I'd like to be. That's just human nature.

Think before you ask. Do YOU refer to someone because you feel sorry for them? **Or because you know they're great at what they do?**

BRIBERY - DON'T DO IT!

Okay, so you now understand why you shouldn't ask for business. But how about bribing for it? Is that okay?

Nope. Oh, we don't call it bribing, but that's what it is. We offer gift certificates or cases of wine for referrals. We advertise donations to charities for closed deals. If it were legal, we'd offer cash for referrals.

Bribery – Offering incentives for business and referrals in hopes of inspiring people to send you business and referrals they might otherwise have not.

And our heart's in the right place - it really is! We want to inspire the people we know to support our businesses by rewarding them when they do. **And what's more rewarding than a bottle of good wine or a Home Depot gift certificate?**

You know what's more rewarding?

A sincere thank you ... and making the person who referred to you proud. That's it. When our friends refer to us, they don't do it because they're hoping for a gift. They do it because they know we'll take great care of their referral and make them look good to their friend.

So, no bribery. It's not necessary and, like referral-begging, it makes you look desperate.

So what's a soulful SOI'er to do? How can you inspire your Sphere of Influence to care about you and your real estate business without asking, begging or bribing?



CHAPTER FOUR

GENERATING BUSINESS AND REFERRALS WITHOUT ASKING, BEGGING OR BRIBING

Okay, so I've told you all the things you shouldn't do to generate business and referrals from your Sphere of Influence, but what exactly are you supposed to do instead? If you can't ask, beg or even bribe for business, what's left?

Well, you may be disappointed in my answer, but I hope not!

My answer isn't earth-shattering or particularly revolutionary, but here it is: In order to inspire the people you know and the people you meet to care about you and your real estate business, you first need to STOP doing anything that makes them feel like a number and start doing things that show them:

- 1) you care about them, on some level, and
- 2) you're good at what you do.

THE NUMBERS GAME

In order to run an effective Sphere of Influence business model, it's best if you try to break the habit of thinking of real estate as a Numbers Game. Why? Because if you're going to run a business based on the relationships you already have and those you'll develop in your day-to-day wanderings, you can't treat the people on the other side of those relationships like a number. And you don't have to. In fact, the less you treat your referral sources like numbers, the more productive they'll be for you.

Here's the thing. We self-employed real estate agents who have to generate a steady stream of business for ourselves tend to look at prospecting as a volume proposition. We try to touch as many people as we can with our sales pitch, in the most efficient manner possible. Even when we're "touching" our Spheres of Influence, our efforts tend to be directed to our SOI in total – not to the individuals who make up our SOI. And that philosophy has its place, to be sure.

But in a real estate business, each closed sale has the potential to pay our mortgage, our car payment and maybe even our food bill for the month. In other words, we get big paychecks when we perform.

Selling real estate is not a volume business – we don't have to sell 40,000 houses in a year to make a decent living; for many agents, simply selling ten or twenty would pay the bills quite nicely. Or maybe 40 or 50. In either case, that's only a few dozen people in the whole town who have to hire us.

If you're like me, each new client I get gives me a little thrill. When I lose a client for whatever reason, I go into a funk, at least for 15 minutes or so. Our business comes and goes one warm body at a time. Therefore, doesn't it make sense to treat our potential new clients accordingly - as if they're important to us - instead of just a number in our game?

My point is that you can approach your business-building efforts with a Quality over Quantity mindset. Good leads come in one at a time, not ten at a time. So maybe it's worth taking that extra time with each potential lead or lead-giver to ensure that the person you're spending time with thinks highly of you and doesn't feel as if he's just a number in your game.

How do you do this? From a practical perspective - how do you implement a Quality over Quantity prospecting strategy? I call it the difference between Touching and Impressing.

TOUCHING VERSUS IMPRESSING

Most prospecting programs encourage you to "touch" your target audience as often as you can, as efficiently as you can. These programs offer systems and tools to make your touches easy to implement and manage, so that you can commit to making these touches every month or every other week or however many times the program advises you to do so.

The premise of all this touching is that unless you're in someone's face (or mailbox) on a relatively consistent basis, they'll forget about you when it comes time to make a real estate hiring or referral decision.

And yes, I agree that it should be a part of your business plan to stay in front of the people you know and the people you meet.

But I propose that instead of depending on an impersonal and sales-pitchy mass-touching campaign, we also incorporate a philosophy of "impressing" people when the opportunity arises. Remember, our business typically comes in one warm body at a time, so if we take the time to impress people, one at a time, every impressed person has the potential to be make a real difference in your year.

Imagine if you impressed one person a day - in a month, that's 30 people on the planet who think you're pretty cool - as opposed to 30 people on the planet *who simply sort of recognize your name*.

What do I mean by impress? Well, I don't mean that everyone you know and everyone you meet knows how many listings you have or how many awards you won last year. What I mean is that you take the time, over and above what you technically have to do to make someone else's day. Sounds simple, doesn't it?

But remember, the people we know socially have tremendous social networks of their own that they'd be delighted to share with us if, they're, yes, impressed with us.

So what are some examples of impressing?

In your personal life, how about helping a friend host or clean up after her baby shower? How about remembering to follow up with the friend you had lunch with last week to find out how her job interview went? Offering to check in on your neighbor's cat while he's out of town?

From a business perspective – how about spending a few hours with a not-yet-qualified buyer who can't buy for six months or a year? Driving across town to show your listing to a buyer who says he already has agent who happens to be busy that day? Doing a quality market analysis for a seller who is probably just looking for refinance data?

Of course, you can't physically "impress" nearly as many people as you can touch, but when you impress someone, they notice - and remember.



CHAPTER FIVE

THE MOST IMPORTANT CHAPTER IN THIS BOOK

While every chapter in this book is important to your success in a Sphere of Influence business model, THIS chapter is the most important of all. If you do everything else I recommend, yet ignore what I'm going to tell you next, your SOI efforts will crash and burn. I promise.

You probably know what I'm going to say. Or, at least, you think you know what I'm going to say.

If I were to ask you: *"What's the most important thing you need to do to ensure business and referrals from the people you know?"* how would you answer me? Think about it for a minute (or two).

What did you come up with?

Was your answer something along the lines of making sure you stay in touch with your Sphere of Influence?

If so, great answer!

But no, that's not it.

Don't get me wrong, making sure that your SOI remembers you and can find you is important - after all - the reality is that if someone wants to hire you or refer to you, they won't go out of their way to figure out how to get a hold of you, unless they really really love you. And that's probably not a chance you want to take.

But, as important as staying in touch is, it's not the most important thing. This is the Million Dollar Question... **What is the most important factor in running a successful long-term SOI business? If you do nothing else to ensure that your Sphere of Influence send you business thru the years, what would that one thing be?**

Here's the Million Dollar Answer: **Being Worthy of Their Referrals.**

BE someone your SOI feels comfortable hiring or referring to. Remember, when people make a hiring or referring decision, they rarely do it based on how much they think the person they're referring to needs that business.

No, when we hire or refer, we're looking for the person we think will do the best job for us or our friend. Especially when we refer others, we take great pride in a referral that goes well ... but we're mortified when a referral goes poorly.

No matter how much I like someone, or how many marketing postcards I've received from them, there's no way I'm going to risk my reputation referring someone to them if I'm at all concerned that they'll make me look bad with my referral. In fact, I'm probably even more careful about who I refer to than I am about who I hire myself.

So, how do you demonstrate to your SOI that you are refer-worthy?

Well, within your SOI there are two groups of people - those who have used your services and those who haven't. If you're new to the business, there's only one group - and none of them have had the pleasure of knowing whether or not you are good at what you do yet. But that doesn't mean you can't demonstrate your worthiness to them, and I'll get back to that in a minute.

But for those who have been in the business awhile, you probably know what a valuable resource satisfied past clients are. Once I was a few years into my real estate career, the vast majority of my business came from that segment of my SOI who HAD used my services in the past; in other words, my past clients. I think it's a fair assumption that they were satisfied with my work and thought I was a pretty decent real estate agent. That's why they hired me again or referred me to others, not because they were impressed with my stay-in-touch campaign.

Therefore, I give agents the permission to knock themselves out serving their current clients - to go above and beyond at every opportunity, instead of worrying that they should be back in the office prospecting. When you get up in the morning and look at your to-do list, tackle the client-related items first before you worry about the prospecting-related items. If you have to spend your whole day taking care of your current clients and completely screw up your prospecting schedule - DO IT. Seriously, if you take great care of your current clients, they will take great care of you for years to come.

Conversely, if you abandon your current clients in favor of pursuing new ones, they'll notice, and it's likely they'll forget your name, no matter how nice a closing gift you give them or how many follow-up postcards you mail them after the closing!

But what if you're new? If you don't have enough satisfied past clients, how can you demonstrate your refer-worthiness?

By being what I call an RCHB - a Reasonably Competent Human Being - every time you have contact with the people you know and meet. Fortunately or unfortunately, the general public doesn't think our job is all that hard, so if the people you know think you're a generally intelligent, reliable and ethical guy or gal, they'll assume you're a great real estate agent, too.

This means that you show up on time for appointments, whether business or personal. That you return phone calls promptly. That your written communications, even emails, are mostly error-free. That you do what you say you're going to do, when you say you're going to do it. You pay back the money you owe and return the book you borrowed. You don't whine and complain about the market, your husband or your hangover.

In short, and this applies to all of us, not just newer agents, you realize that when you're self-employed and dependent on the good will and trust of your friends, you're always on display. If you strive to be an RCHB most of the time, most of the people you know and meet will assume that you're capable of handling their real estate business.

If you're great at what you do, if you love what you do and you get out there in the world with your antenna up and smile on your face, you will be rewarded with plenty of business. It really is that simple.

Watch Your Language! Don't risk your credibility with friends (or strangers, for that matter) by throwing four-letter words around indiscriminately! It's an easy habit to get into and a tough one to break. While not everyone is offended by a potty-mouth, isn't it a safer bet to risk offending no one by restraining yourself?



CHAPTER SIX EXPANDING YOUR SOI

Whew, heavy stuff, huh? Let's lighten things up a bit.

Another key activity in your SOI business plan is expanding your SOI on a daily basis by meeting new people. I, to my great surprise, was a master at this. No, not because I was a charismatic social butterfly, fluttering from party to party (HA!) but because I was confident and competent...and I knew it. I was a good real estate agent and I loved my job.

Shy little Jennifer Allan, the same woman who hides in corners at networking events, came to life when the topic of discussion was real estate. I was told that my confidence and self-assurance were mesmerizing (seriously!).

Now, I never gave much thought to my ability to convert strangers to prospects in social settings; I just did it. But recently I discovered the secret behind my successful technique, quite by accident.

In April 2006, I was the happy co-owner of a successful real estate company in Denver. Unfortunately, I was blissfully unaware that my partner in the business was, well, decidedly NOT blissful, and was taken by surprise (that's putting it mildly) when one day she quit the company without warning.

THUD.

Not being in a position to continue running the company on my own, I took the opportunity to finish up a little book I had started a few years earlier.

But at first, I was terribly uncomfortable with my new identity. When people politely asked me what I did for a living, I was at a loss. I was no longer a real estate agent, but I didn't consider myself a writer, after all, I wasn't published and I didn't know if I ever would be. So, I'd weasel out of the conversation by practically whispering something like "I'm writing a book about real estate." That usually stopped the conversation which was fine with me.

Well, I finished the book and while it was going through the publishing process, I started selling it as an e-Book in October 2006. To my delight, I immediately got some good reviews from my readers. I mean, really good reviews! A few people even said the book changed their lives, which, as you can imagine, increased my confidence tremendously!

Fast forward to January 2007 – I was in a meeting with some nurses and administrators at my mom’s nursing home. At the end of the meeting, one of the nurses politely asked me what I did for a living. I found myself sitting up a little straighter and announcing, with a big smile on my face,

“I’m a writer!”

You wouldn’t believe the reaction in the room. Everybody stopped what they were doing, focused on me and waited to hear more. I told them about my book, what it’s about, why I wrote it and what I was doing to market it and I tell you, I had a captive audience.

Believe me, not one of these women had any interest in learning how to sell houses, but two of them asked for my card so they could tell their own real estate agents about me. As we were leaving, the chief administrator told me I should take my show on the road – I was so personable and confident that every real estate agent I met would surely buy my book once they heard me talk about it.

Now, this was a major eye-opening experience for me. First, as I mentioned earlier, no one had ever accused me of being personable. But the realization that my own enthusiasm and confidence about what I do could make such a difference helped me to put a finger on why I had been so successful with my Sphere of Influence during my real estate days.

Because, when people asked me what I did for a living, I proudly announced:

“I’m a real estate agent!”

I said it with my shoulders back, head held high, like I had the coolest job in the whole world.

I loved selling real estate. I really did. I knew I was good at it. I never had to sell myself to anyone; my attitude did it for me.

And therein lays the secret. You can’t tell people how great you are, at least not with any credibility anyway. When was the last time someone bragged about themselves and you believed them?

You can, however tell people how much you love your job. How excited you are about being a real estate agent, how much fun it is, yes, even in a challenging market. That kind of enthusiasm, when sincere, is magnetic. People will be drawn to you and want to share in your excitement. It’s....seductive.

Unfortunately, you can’t convincingly fake confidence or enthusiasm. If you don’t think you’re a dynamite real estate agent or you don’t believe you have the coolest job in the world, no one else will either. And you’ll never experience the success you dream of.

That is a topic for a different day, however. For now, let's move on to some soulful ways to meet new people so you can work your own magic!

MEETING NEW PEOPLE

Here are some ideas that might get you some valuable face-to-face time with new people who could easily become (or refer you to) your next client.

HOUSEWARMING PARTIES FOR CLIENTS

If you're a social type, throwing a housewarming party for a good client is a fabulous way to make new friends. For me, no way, I'm too shy to be a hostess at this sort of party, but most agents are much more party-animalistic ☺ than I am. My business partner threw a housewarming party for a client and was still getting business from it, three years later. It's important to choose the right client for your party – someone who has a lot of friends, and who you have a lot in common with so it's likely you'll hit it off with their friends as well. Ideally the house you sold her is in a part of town you're familiar with so you can speak intelligently about the market in that area.

You want to be the host for the party, not just pay for it. YOU do the inviting, YOU show up early to help set-up, YOU arrange for clean-up at the end of the party, and yes, YOU pay for the food and any decorations. Don't go overboard, but do make it a memorable party for the guests. This is not an opportunity for you to overtly market yourself, but believe me you'll have plenty of chances to hand out business cards.

DINNER PARTIES

Dinner parties (or afternoon BBQs) are great ways to network with your friends and hopefully some of their friends. Even for shy folks like me, an intimate gathering of friends is something to look forward to, not to be stressed over. Why not have four or five during the next year? If you invite eight different friends or couples to each, that's 32 to 40 people you reconnected with while having a good time.

Let's think of some occasions to celebrate...how about your birthday, your spouse's birthday, the Super Bowl, New Year's Eve, your own housewarming party (even if you moved over a year ago!), even Valentine's Day? Go through your SOI and make a list of friends who would probably show up. Put a date or two on your calendar and start planning. Trust me, the money you spend on your dinner parties will be well worth it. These parties will pay for themselves, many times over.

PARTY ON! AT YOUR FRIENDS' PARTIES

If your friend invites you to a party, show up! If you're a social-type, feel free to be the life of the party (while staying reasonably sober), which will ensure more invitations in the future. If you're an introvert (like me), it's perfectly fine to find a little corner and chat intimately with a few like-minded souls.

If the topic turns to real estate, tactfully and respectfully demonstrate your knowledge and enthusiasm, but in general, it's best not to offer your business card unless it's clear the other person wants it. Do try, however, to remember the names of the guests you connect with so you can ask the host for their contact information later.

BABY & WEDDING SHOWERS

I have my friend Loreena to thank for this one. When she is invited to a baby or wedding shower, she always offers to show up early and/or stay late to help set up or clean up. This shows her host (and the other guests) that she is a good person, a helpful person, someone they could rely on if they ever needed her, for real estate services or otherwise. It also puts her in a position of being a co-hostess if she chooses to be; a service truly appreciated by an overwhelmed hostess!

FLOOR TIME

Floor time is the opportunity to respond to inquiries that come into your office from advertising and For Sale signs. When you are on your floor time shift, you must be available to answer phone calls and talk with walk-in prospects to hopefully convert them into clients.

To be effective on floor duty, you'll need to be familiar with the listings in your office. Of course, the more familiar you are with the market in general, the more productive your floor time will be. Some offices have tremendous floor activity; some have very little. If your office requires you to take floor time, well, then, I guess you'll do it! If it's voluntary, I recommend you give it a fair shot to see if it works for you. Many floor calls are time-wasters, but certainly not all. If you take floor time a few times a month, you'll probably have three or four closings a year as a result. If your average commission is \$5,000, that's not a bad use of your time!

THREE "OUTINGS" A WEEK

Get out of the house or office at least three times a week! Visit a new home community and chat with the on-site salespeople. Drop in on your buddy who bartends downtown, at a quiet time, so you can talk with him and say hello to the other workers there. Take your dog to the dog park. Attend Wednesday night bible study. Volunteer at your local Humane Society or

homeless shelter. Stop by your favorite mortgage broker's office to say hi. Go see your spouse or significant other at work and take a minute to say hello to everyone you see there. Go get a massage, a facial, a brow-wax or a pedicure with a smile on your face.



CHAPTER SEVEN PUTTING IT ALL TOGETHER

Succeeding in an SOI-based business model is easier than you may think. Being friendly, attentive, interesting and fun to be around are probably traits that come naturally to you. If you are already a successful real estate agent, you are probably reliable, responsive and competent.

However, what may come less naturally is the upfront organizational work it will take to get your SOI database in order, and to make that first connection or reconnection.

There are four steps to getting an SOI business model (back) up and running. They are:

- Step One: Make a list of everyone you know and enter their contact information into a database
- Step Two: (Re)connect with your SOI with a personal, interesting, non-salesy letter or newsletter
- Step Three: Create an SOI business plan to keep you on track
- Step Four: Implement your plan

One of the first things you might want to do is to get help. Steps One and Two can be rather labor-intensive and bringing in some professional help can be the key to getting them done. By “professional,” I mean someone who will show up and get the job done. Unless you are super-organized, don’t try to do it alone. I once allowed myself to be talked into helping an agent put her SOI database and reconnection letter together and it took 33 hours from start to finish. It’s a significant undertaking.

You’ll also need to commit to a contact management system to organize your contacts. I used Top Producer, but other programs are available. To truly maximize your SOI database, you need more than a simple spreadsheet. Once your contacts are organized, you’ll want to take advantage of all the features a true contact management system offers. It can change your professional life.

Gary Hall has an [excellent website](#) describing the different systems available.

STEP ONE: CREATE A LIST OF EVERYONE YOU KNOW

For some, this means cleaning up your old database that may or may not be in good shape. But even if you’ve been good at keeping up on your database, every contact database on the planet can use some improvement, mine included. A contact database is a living, breathing creature that needs fairly consistent care and feeding.

But let's start from scratch, for those who don't have a contact database at all. Creating the list of everyone you know is pretty intuitive, and if you are new, your broker has probably already given you this assignment. Simply sit down with a pad of paper and start making a list of every single person you know. Don't pre-edit the list, don't agonize over whether or not to include someone; just write down names. We'll clean it up later. Don't worry about contact information – all we want right now are names names names.

When you've exhausted your mental list of people you know, go through all those business cards you have scattered around your house – in your drawers, on your desk, stuck to your refrigerator. If you have a daily planner, read thru every single day's to-do lists looking for more names. Go through your email address book and your personal address book, if you have one. This process will take awhile – maybe several days. But you'll find yourself obsessed with this list and will constantly be thinking of new names to add. Carry your list with you everywhere during this process. When you're in SOI-building mode, it'll feel so good every time you add a name to your list.

Once you have your list somewhat completed to your satisfaction, go back thru it name by name. Close your eyes and think about this person. Do any additional names or faces come to mind to add to your list?

If you already have a database created, even if it's not in good shape, you're way ahead of the game! Print out the database in all its glory. Do a quick run-thru of the names to refresh your memory of who's there. Go name by name and focus on each name for a minute or two. Do any other names come to mind? If so, write them down.

Are there any names you want to delete? Go ahead and do that, although be careful. Just because someone hasn't contacted you for a few years or hasn't responded to any of your past marketing doesn't mean they don't like you, I promise. I've come very close to deleting many names in my database and then suddenly they'll contact me with business or a referral.

In most cases, it's best just to leave the name in there. Later you can decide on a case-by-case basis if you want to include them in your SOI activities.

So, you have your list of names. The next step is to do some research to dig up or update contact information. This may be a huge job, so eat a good breakfast. What sort of contact information do you need? Well, for our purposes here, home address and email address are the most important. Phone numbers really aren't that important; at the point where you need a phone number, you can look it up. Birthdays are nice to have, too, but don't kill yourself trying to track them down. If you have someone's birthday, include it; if not, don't worry about it.

There are a lot of resources for finding contact information; probably as many different resources as there are names on your list. But here are a few ideas:

1. Whitepages.com or other online telephone directories
2. Facebook, Linked-in or other social networking sites
3. Company websites
4. Your local tax assessor's database, if it's online
5. Mutual friends
6. Business cards
7. Phone book

You may be wondering if you should pick up the phone and call people asking for their contact information. My answer? If you're comfortable making that call, then make the call. But if you feel awkward calling up someone and basically asking how to market to them, then don't. Whatever you do, if you do decide to make phone calls, DO NOT prospect in any way, shape or form!

So, what if all you have for someone is their name? Should you leave them on your list? Sure, why not? Just keep your antenna up for opportunities to fill in the blanks in your database, and be more diligent in the future about getting contact information as you meet people.

Gathering contact information will take some time, so be patient with yourself. Don't put it off, but don't feel you have to do it all in one sitting. If you find yourself losing your enthusiasm for the project, take a break. I don't want you deleting names from your list because you're sick of research! Trust me, it happens!

It's now time to enter all your information into your contact manager. Again, if you need help, get it. Obviously, please be careful with the spelling of names and address numbers – if you aren't a good speller or are a bad typist – you might just want to hire the whole mess out. I tell ya – when someone spells my name wrong, which happens a lot, my enthusiasm for that person goes way down... so don't take that chance if it's simply not one of your gifts to be careful about such things.

STEP TWO: (RE)CONNECTING WITH YOUR SPHERE OF INFLUENCE

This is another labor-intensive project, but once it's done, it's all downhill from here! You're going to prepare a re-introduction letter to send out to your entire SOI via snail-mail, so you can include your business card. This letter can either be a blatant reconnection with an apology - as in - "Hey, I'm sorry I've lost touch, it won't happen again," or you can simply begin corresponding with your sphere as if you never stopped. Whatever is more comfortable and natural for you.

Speaking of your business card, if you've wanted to update your card, this is a good time to do it. Make sure the contact information on your business card is 100% accurate and your photo (if you use one) is one you're proud of. Sending out cards with obviously outdated photos or crossed out phone numbers might put doubt in your friends' minds that you are a reasonably competent human being. Feel free to create a jazzy, snazzy business card. Bright colors or elegant designs will catch the eye and won't be thrown away quite so quickly.

What's important about your reconnection letter is that YOU write it. If you just take one of those corporate, boilerplate letters that you find online or in your training manual, copy and paste it onto your franchise letterhead and send it out, you're wasting your time and money. These letters go something like this: "I'm pleased to announce...blah, blah, blah...my company is great...blah, blah, blah...I promise to provide the highest level of service...blah, blah, blah...please send me referrals."

I call these form letters "Dorky." What I mean by the term Dorky is that they're boring and bland and dry as dirt - and they don't give the reader anything to smile about. These letters are more than likely going to end up in the trash, and the real estate agent will wonder why no one responded to his reconnection effort.

If you're funny, be funny. If you're sappy, be sappy. If you have a dry sense of humor, let that come out in your letter. You don't have to be a professional writer to put something on paper that will make the recipient of the letter smile when they read it. And that's the goal - not to brag about yourself or your company, or to beg for referrals or to otherwise sales-pitch anyone - no - the goal is to RECONNECT with the people you know and help them to remember you fondly. And you do that by being YOU.

If you are new in the business, I strongly urge you not to announce this fact to the world. Sending out a dorky announcement that you JUST got your real estate license and are looking for business won't give anyone much motivation to call you.

Instead, consider simply beginning to communicate with your SOI as a professional real estate agent. Perhaps send out a Happy New Year family newsletter casually mentioning how much fun you are having selling real estate. Mail your business card to everyone you know because "you've recently changed your contact information and want to let everyone know." Be creative, think of fun ways to casually communicate with people who know you and need to know you're in real estate.

Tell your SOI why you lost touch, and apologize, if appropriate. Share an insight or two from your real estate career. Discuss the local real estate market, if it's interesting. Tell your SOI you intend to earn their business and a little bit about how you're planning to do that. One page, no typos.

Get the letter out. Don't forget to include your business card.

WHAT TO EXPECT FROM YOUR LETTER

You may get a tremendous response to your letter or you may not. Some agents experience an overwhelming outpouring of support from their friends, while others only get one or two phone calls. The more letters you send out, the more likely it is that you'll see an immediate return. Even if you don't get much response at this point, don't be discouraged. In this busy world, people don't often take the time to respond to written communication, but that doesn't mean your letter didn't make an impression. It probably did. Probably a much stronger impression than you imagine.

STEP THREE: CREATE YOUR SOI BUSINESS PLAN

The next step is to create a business plan for yourself. Don't worry - it's not complicated or complex or tedious – and will probably take you less than an hour to do. An SOI business plan is simply a list of prospecting and personal activities you enjoy doing that put you in front of other people. These people include your friends and acquaintances, as well as people who aren't yet friends and acquaintances, but could be (i.e. people you'll meet).

Make your list of things you like to do - and then set goals for yourself as to how often you're going to do them. These activities can be anything - anything that involves other people, basically. Not just floor time or open houses or attending formal networking events - no, your plan can include just about anything you enjoy doing that gives you the opportunity to talk to people without sales-pitching them.

Lunch or coffee or happy hour dates - Girl's or Boy's night out - Personal phone calls - Personal emails - Dinner parties - Local festivals or events - PTA meetings – Kid's sporting events – Going to the dog park...

All of these activities are perfectly acceptable to include in your SOI business plan.

Of course, you can also add things like blogging and floor time and open houses and other more traditional prospecting methods, but, when creating your plan, don't feel guilty if you include a lot of activities that are just plain fun.

STEP FOUR: IMPLEMENT YOUR PLAN

This final step – implementing your plan - is pretty easy, just follow the plan! Schedule lunch dates, look for bona-fide opportunities to pick up the phone and call people you know, spend half an hour every morning sending out personal emails. Keep your antenna up for opportunities to thank people. Think of creative ways to hand out your business card without being a pest about it. Accept invitations to parties and have a few of your own. Go inside the bank instead of thru the drive-thru. When you're at Wal-Mart, smile at people instead of avoiding eye-contact.

The good news is that after a month or two of consciously following your plan, you won't really need the plan anymore. You'll be following it naturally AND you'll be seeing results which will inspire you to keep it up.

ONGOING SOI DEVELOPMENT & MAINTENANCE

Keeping on top of your growing SOI may be a challenge for you. However, it's a challenge you must overcome. As contact information changes, you must update your database. As you meet new people, you must update your database. This may come naturally to you, or it may not, and give yourself a break if you aren't perfect. One easy way to keep up on your updates is to put an in-box on your desk labeled "SOI Updates." Anytime you find out about a change, print it out or scribble it down and throw it into the box. Spend an hour or so once a week updating your database.

If you know you can't commit to keeping your database clean and tidy, admit it today and get help. It's so important.

So, to summarize... first, create a list of everyone you know and enter their contact information into a contact management system. Next, write and send out an interesting, relevant, non-salesy letter or newsletter to everyone on the list. Then create your SOI business plan... and implement that plan... and watch your life and business change forever!



CHAPTER EIGHT

BUT, BUT, BUT....

Okay, let's hear it...

Objection #1

“If your business depends on your SOI, then you don't have a sound business model. If you only depend on your SOI for business, what about after you have exhausted your SOI?”

One of the misperceptions of a business based on SOI-generated referrals is that it is dependent on consistently bothering your friends and family and once they're sick of you, you're toast. Besides, if you only have 50 people on your SOI, that's not enough to provide a steady stream of good business.

This makes a lot of sense on the surface. But as described earlier, your SOI covers far more territory than just your friends and family. It also includes everyone you meet in your day-to-day wanderings, whether you meet them as a result of your real estate activities or your social calendar.

If you have other promotion techniques you enjoy and that work for you, use them! There's nothing wrong with calling up FSBOs or Expireds, or with holding open houses and sitting on floor time. Web leads and relocation buyers can be great too. Just don't forget to add all these prospects to your SOI database and treat them as if they are special to you. If you treat them respectfully (and not like a number), they WILL be special to you soon enough. If you simply “market” to them and then forget about 'em, you've probably wasted your time, money and energy.

Objection #2

“My buddy's sister-in-law just started selling real estate. She now approaches all her relatives repeatedly for business. Everyone in her family is now avoiding her.”

This is the most common objection to pursuing one's SOI for business and referrals. However, contrary to popular belief, an effective SOI strategy is not about bothering your friends for their business. Sure, that's a common tactic, and many real estate agents give up on SOI marketing because they suspect their friends are sick of hearing from them – and they're probably right.

But, seducing your SOI is much different from marketing to your SOI. When you market to your SOI, you are promoting YOU. You are bragging about YOU. You are asking them to help YOU. You aren't doing anything to show them you care about THEM.

When you seduce your SOI, you are letting them know you think they're special and their friendship and support are important to you. Besides that, you're a whole lot of fun to be around and an all-around good friend...who happens to be a real estate agent.

Objection #3

“Family and friends always ask for a little kickback or commission rebate, just because they know you.”

Yeah, so what is wrong with that?

It's the way of the world and we, as real estate agents are not immune from it. If your father is a CPA, do you really expect to pay his full hourly fee if he prepares your taxes for you? If your best friend is a bartender, do you get a few drinks on the house? For your family and best friends, I don't see anything wrong with cutting your sacred commission to honor the relationship.

Should you do that for everyone? No of course not. But, contrary to urban myth, your friends won't “always” ask for a break. In fact, my friends rarely do; I'm much more likely to get commission objections from strangers.

Objection #4

“If you screw up, you lose a friend.”

So, don't screw up. Seriously, when you work with your friends, make sure you check everything twice, return calls quickly and stay on top of the details. Your friends will be your biggest cheerleaders if you do a good job overall. If you do make a mistake, step up to the plate and take responsibility for it – right away. Then, solve the problem. Sometimes these “mistakes” are wonderful opportunities to demonstrate your integrity and creativity.

Objection #5

“Family doesn't take you seriously...they see your new job as some kind of hobby.”

Well, then, if this is the case, don't worry about promoting to your family for awhile. If your family doesn't see you as a reasonably competent human being, be patient. Once they see you've hung in there and made a respectful career for yourself, they'll come around!

Objection #6

“I don't want my family and friends to feel obligated to use me if they don't want to.”

If you don't believe you are a good real estate agent; if you believe your friends and family can do better elsewhere, by all means, leave them alone. You should never obligate anyone to work with you simply because of a personal relationship.

I mean, c'mon, isn't it annoying when a friend of a friend pursues your business just because you have a mutual acquaintance? I was guilted into signing up for Prepaid Legal by such a friend of a friend – who never even bothered to sell me on the Prepaid Legal service concept; she just took advantage of our one-step-removed friendship to obligate me to purchase it. A few years later she sold me an AFLAC (“quack quack”) policy that I didn't need; she just sat me down and showed me where to sign the application. I felt used and certainly never referred her to anyone else.

This is how a lot of real estate agents approach their SOI. They assume because a personal relationship exists between them, their friends and family are obligated to use the agent for real estate services. When their friends and family appear to balk at supporting the agent's business, the agent makes the assumption that SOI marketing doesn't work and moves to other less personal marketing strategies. In other words, marketing to strangers – FSBOs, Expireds, their geographic farm, newspaper readers, web leads.

But if you are competent...and responsive...and creative...and you desire to serve your clients to the absolute best of your ability, your friends and family will be delighted to work with you. No obligation required.

Objection #7

“Every experienced agent I talk to says I need to market to a geographic farm – that if I throw enough doo-doo against the wall, something will stick.”

Somehow we get the idea we need a shot at every piece of real estate business out there in order to succeed. But we don't. If this is your first year you really only need to sell 20 properties to have a banner year. That's only 20 people in your whole town who have to hire you! It's tough to get 20 clients by throwing doo-doo against a wall, especially for new agents on limited budgets. It's not likely there are 20 strangers out there sitting by their mailbox, waiting for your fancy farming postcard, but there certainly ARE 20 people in your SOI who would love to help you, if you approach them correctly.



CHAPTER NINE

SELLING REAL ESTATE IS NOT A NUMBERS GAME

You've heard the cold caller's philosophy...for every 100 phone calls you make, you'll get five appointments; for every five appointments you go on, you'll get one listing. Therefore, if you make 500 phone calls, you can count on five listings as a result. If your average listing commission is \$5,000, then every phone call is worth \$50 since it takes 100 phone calls to get a listing. Supposedly, you will actually start to enjoy hearing "no", because you realize that after 99, you'll hear a "yes" which leads to a paycheck. Every "no" means you are one step closer to a "yes" – sound fun?

Not to me. In fact, it sounds like an awful way to make a living – pestering people for three hours a day. Asking the poor sap who answers the phone if he "knows anyone who's thinking of buying or selling real estate. Being rejected 99 times out of a hundred, voluntarily? Icky. Phooey. Blech.

So tell us how you really feel, Jennifer!

Okay, thanks, I will.

The State of Colorado's Division of Real Estate did not grant me a real estate license so I could be a professional prospector. I have to assume that they intended for me to spend a significant amount of my time serving the clients I am honored to have today instead of tracking down the ones I hope to have tomorrow. Taking good care of my listings and my buyers is my first priority, not an afterthought when I can squeeze them in around my prospecting and networking efforts.

But, but, but....!

Yeah, I know. As self-employed types, we have to ensure ourselves a steady stream of business to keep the home fires burning in the style to which we intend to become accustomed. Hey, believe me, I never took a vow of poverty and I don't sell real estate out of the goodness of my heart. I've had \$50,000 months before, more than once, and I could happily get used to that!

But you know what? I never cold called; I never knocked on a stranger's door. In fact, I've never asked a stranger for business – ever. Not even FSBOs or expireds.

Throughout my entire career, I depended on my SOI for 100% of my business and they generously delivered. Sure, I picked up the odd client here and there from floor time or open houses; maybe two or three a year, which is nothing to sneeze at, but the vast majority of my business came directly or indirectly from the people I knew or met.

Every client was special to me – even precious. Okay, admittedly some were a pain in the butt, but I still appreciated their business and the juicy commission checks I got as a reward for putting up with them. But most of my clients were pleasant people with real estate needs who simply wanted to be treated as if their business was valuable to me. Not like a number.

When you depend on your SOI for business, you bow out of the numbers game and it's wonderful. No more dragging yourself to the phone for your daily cold calling session. No more searching the real estate ads for your next FSBO target. No more beating yourself up because you'd rather take a nap than finish up your 10 HouseValues CMAs that are due today.

When your pipeline is running low, have a little Super Bowl party or send out some friendly personal e-mails or ratchet up your "take-a-friend-to-lunch" campaign. You don't need 20 more clients today; just two or three good ones will restore your mood and pad your bank account.

SOI business is good business. It's loyal business. It's fun business. The success ratios are more like 50%-75%, compared to 5-10% from traditional lead generation (and that's being optimistic!). So, 100 leads from your SOI will result in 50-75 closings from you.

So how does it work exactly? Glad you asked.

SOI business comes in one lead at a time. But the leads are good leads, leads that will likely result in a closing. Depending on your market and your broker split, each lead-that-will-probably-result-in-a-closing is worth thousands of dollars to you.

So let's say that you have an SOI of around 200. If you have implemented a respectful, consistent SOI campaign, you will be the agent of choice for many of them if any happen to need a real estate agent this year. Maybe that will only get you one or two sales; maybe your friends are a restless bunch and you'll get five or six. Or ten or twelve.

You should also get the family business of the members of your SOI you're closest to. Katie's grandma moves to town to be closer to her grandchildren. Fred's brother-in-law needs a referral to a Las Vegas agent. Maria's sister gets engaged and needs to sell her condo. Her fiancé wants to sell his too. There's a good chance you'll get first dibs on this sort of business. So let's say you pick up three family members.

Let's not forget everyone else your 200 friends and acquaintances know. If just 5% of them refer you to one person, that's 10 more clients for you. What if this 5% referred you twice? Or 10% referred you twice... or more?

And we haven't even talked about the NEW friends you're going to make over the next 12 months! If you're out there in the world, with your antenna up, you will run into people who happen to be in need of real estate services. If you approach them correctly, that business is yours. That may result in another five sales for you.

So add it all up and you're selling some real estate! All without treating anyone like a number.

Unless you're striving to be a mega-producer with 10 buyer agents scurrying around underfoot, you really don't need to go after every buyer and seller in town. This is what I mean when I say real estate is not a numbers game. The business you can generate from your SOI and from your own social encounters really ought to be enough.



IN CONCLUSION...

So what do you think? Is an SOI business model something you think would work for you? I hope so, because it's what made my real estate career extraordinary... for me. Do you know what the best part is? If you spend a few years building a strong cheering section (i.e. your SOI), you can coast through the rest of your real estate career. NO prospecting, NO marketing budget, and NO sleepless nights worrying about where your next closing is coming from.

Now, that's a lifestyle I could get used to (and I have).



ADDITIONAL RESOURCES

[The Sell with Soul SOI Blog](#)

[The Sell with Soul Forum](#)

[Sell with Soul: Creating an Extraordinary Career in Real Estate Without Losing Your Friends, Your Principles or Your Self-Respect](#)

[If You're Not Having Fun Selling Real Estate, You're Not Doing it Right](#)

[The Savvy Prospector: Eight Weeks to a Full Pipeline for Life](#)

[Selling Soulfully at Active Rain](#)

[Using Reverse Psychology with Your Family SOI](#) - A blog series

[Let's do away with the Dorky Announcement Letter!](#) - A blog series

[What's the best way to ask for referrals? Don't.](#) - A blog series

[Jake's New Real Estate Career](#) - A blog series

[Dorky Announcement Letters – DEDorked!](#)