



Connect!

REAL RELATIONSHIP MARKETING IDEAS



Risk Reversal and the Power of “FREE”

by CHAD RUEFFERT



At our company, we're big believers in the power of "Free." We give away a free trial month to most of our new subscribers. We attract top restaurants and attractions to participate in our program by providing free marketing. We help you stay top of mind with your sphere of influence by sending out free offers at those restaurants and attractions. Finally, a high percentage of the people you send postcards to actually use them because the free offer lowers the cost of their entertainment and the risk of trying someplace new. It's a winning proposition all the way around.

Offering something free to attract a customer is one way sales and marketing professionals practice "risk reversal." No matter what you sell, there are a variety of hurdles between you and the successful close of a prospect into a customer. If you remove money from the equation, you've often removed the largest blockade between you and your potential customer. In his book "Getting Everything You Can Out Of All You've Got," marketing guru Jay Abraham puts it this way: "One of the biggest 'competitive edge' advantages you'll ever gain is to always make it easier for the client to say yes than it is for them to say no. You do it by taking away the financial, psychological, or emotional risk factors that are always attached to virtually any decision making proposition..."

Real estate agents can't provide their services for free to attract future business the way companies with lesser-priced products or services can. With nearly 9 years between transactions, you'd never recoup your initial investment.

But that doesn't mean you can't still practice risk reversal and tap into the power of free.

Your goal with a free offer isn't to hook them into repeat purchases. Instead, it's to begin a relationship, build goodwill, showcase your abilities and experience, stand out from the competition, and ensure you are the first and last agent a prospect calls. Almost 70% of buyers and sellers interview only ONE real estate agent. By practicing risk reversal you can get that interview.

Here are a few ideas of free services real estate professionals can offer:

Free Market Analysis

A free market analysis is the simplest way to start a sales conversation with a prospective customer. In fact, I encourage you to create a free market analysis for everyone in your sphere of influence (or at least past customers) every year. It's also a "call-to-action" for your marketing that is much easier to act on than a phone call or meeting. Be sure to explain in detail what you will send them and impress people with the amount of information and effort you provide. Free Home Staging & Curb Appeal Consultation What better way to set foot into a prospective seller's door than by offering a free home staging session? You can spin it as a way for people considering selling "in the future" to begin the process of sprucing up their home now.

Free Mortgage Pre-Qualification, Down Payment & Purchase Price Analysis

Partnering with a lender who provides quick and thorough loan prequalification can assist you in closing buyers into actual customers. Pair the information the lender provides with a more detailed analysis of what down payment and closing costs the buyer can expect, their current and future financial situation, and what

type of house and neighborhood they can afford. Include some listing fliers for homes in their price range so they can get a real feel.

Free Neighborhood Tour

Want to turn a prospect into a customer? Spend two hours driving around in a car with them! Especially for newcomers to town who may be renting, offering a short tour of the various neighborhoods in your city is a great way to start a buying discussion.

Free Events, Parties or Items of Value

Staying in contact with your sphere of influence and generating referrals is key to long term success. But if all you ever talk about is business, they'll soon grow tired of your relationship. By offering your network the opportunity to attend a free cocktail party, ballgame or picnic, you create a friendly relationship that goes beyond just being a "vendor." If an event is too pricey for your budget, consider an occasional small gift or item of value to build goodwill (insert pitch for *From Your Friends* postcards here!)

Many of these ideas are things you and other real estate professionals already offer for free. But the odds are, the general public doesn't know. By including these free offers in your marketing and communication you stand out from the competition, remove some risk, and give your customers a way to connect with you without the feeling of obligation.

Chad Rueffert is the president of Braintree Marketing, Inc., a full-service marketing consultancy specializing in the real estate industry, and the creator of the From Your Friends Relationship Marketing Program.

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