

A **REDX** PUBLICATION



13 WAYS TO GENERATE LISTINGS IN A LOW **INVENTORY MARKET**

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Introduction

With housing inventory at a record-breaking low, real estate agents have been forced to adapt and change the way they do business in order to produce listings. Focusing only on buyers is no longer a sustainable path to commissions and requires agents to focus on new listings. Keep reading to discover 13 creative ways to find listings in today's market and pack your pipeline no matter the market conditions!

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Utilize Your Sphere to Create Inventory

1. Contact Your Sphere of Influence to Generate Business

Your sphere of influence (SOI) and past clients are the best source for repeat and referral business. Your sphere already trusts you, which means they're much warmer than the leads you cold call. To effectively utilize your sphere, you need to consistently contact them to stay top of mind.

A simple 5-minute call every 4-6 months could mean thousands in commissions down the road. While your SOI might not give you "now business" like FSBOs or Expireds do, it does create a consistent source of income over time (as long as you nurture it!)

Here are a few scripts to use when you talk to your SOI about the low inventory housing market:

Sphere of Influence Scripts

Agent: *"Hi [Their Name]! How has your family been holding up during the pandemic? I am sure you have heard about how CRAZY the market has been lately! I wanted to reach out and see if you were planning on moving in the next 6 months? The equity that you could pull out of your current house is at an all time high."*

Agent: *"Hi [Their Name]! How has the new job been? Did you see that this house down the road from you at [Address] just sold for [Price]? Have you considered selling and taking advantage of this market?"*

Agent: *"Hi [Their Name]! How are you and your family doing? I'm just calling to see if you wanted an estimated home value to see how much equity you have in your home."*

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Utilize Your Sphere to Create Inventory

2. Create an Incentivized Referral Program

Once you've called everyone in your sphere of influence, it's time to take it a step further. Remember, everyone in *yoursphere* has a sphere of their own. By creating an **incentivized referral program**, you can motivate your database to look through their own SOI and send you referrals for new business. Whether you offer a cash incentive, a nice dinner, or a personalized gift – this "sphere within a sphere" incentive program will help you find more people looking to buy or sell!

As word continues to spread about the hot market, more and more homeowners will give in to the temptation of selling. You just have to reach the right people in the right places. Here are some of the most common qualifiers you should detail when talking to your sphere about a referral program:

- a. *Empty nesters / soon to be empty nesters*
- b. *Individuals with lots of equity in their homes (homeowners who have lived in the home for more than 10 years)*
- c. *Work-from-home transitioners*
- d. *Individuals who own more than one home*
- e. *Growing families*

3. Use Social Media to Keep Leads Coming to You

According to Business Insider, **between 46% and 51% of adults in the US are using social media more since the pandemic began**. Having a social media presence is becoming a *must* in the real estate industry because so many eyes are glued to screens.



% of US Adults Using Social Media More Since Pandemic Began

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Utilize Your Sphere to Create Inventory

If you're not showing up on their feed, other agents will be. So whether you're already on social media or not, optimizing your online presence could give your business the boost it needs during this low-inventory market. The three platforms that NAR recommends for all agents are Facebook, LinkedIn, and Instagram.

4. Network at Non-Real Estate Events

As restrictions start to lift, there will be a lot of opportunities to engage with your community. Non-real estate events are one of the best ways to get off the phones and get in front of new people who may be ready to list their home. Not only will you expose yourself to potential clients, but you'll discover new ways to find business that can spark rejuvenated excitement to an otherwise monotonous daily schedule.

Take time to introduce yourself to new faces while you attend or host events. Casually bring up real estate throughout your conversations and don't hesitate to hand out your business card (or try an eBusiness card like dot). Discussing the housing market is far more interesting to the general population right now because of skyrocketing home values. Use this to your advantage when chatting about the area, weather, local growth, etc.

Find Potential Clients Through...



Neighborhood Groups



New Hobbies



Spiritual Groups



Client Appreciation Parties



Sports Groups



Local Facebook Groups



Religious Services



Volunteer Opportunities



Dog Parks



Fundraising Events



Startup Events



Trade Shows



Chamber of Commerce New Business Fairs

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Become the Neighborhood Expert

5. Circle Prospect with GeoLeads™ to Create Inventory

Circle prospecting is one of the best ways to pack your pipeline when inventory is low. Now more than ever, homeowners want to know the value of their home and what's happening in the market. You can be the agent who answers these questions for them.

Use GeoLeads™ to inform homeowners about market trends in their neighborhood and offer to do a CMA so they know how much equity they have. This allows you to become the known real estate expert in the area while packing your pipeline for future listings. You can also inform them of open houses, just listed/just solds, neighborhood resources, and more.

Circle Prospecting Script

Agent: "Hello! Is this **[Their Name]**?"

Homeowner: "Yes."

Agent: "Hi **[Their Name]**! This is **[Your Name]** with **[Your Brokerage]** and I'm just calling around your neighborhood to help people find out what their home is worth. Would you be interested in that?"

Homeowner: "No thank you!"

Agent: "No worries. Before you go, I do want to tell you that the market is extremely hot and homeowners are cashing out on thousands of dollars of equity to upgrade their home. Would you like to see how much equity you potentially have?"

6. Circle Prospecting For Your Buyers

In today's market, inventory is so low due to low interest rates, people wanting a change of scenery, and a rapidly growing pool of qualified buyers. With a new generation in search of their

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Become the Neighborhood Expert

first home, buyers agents are forced into bidding wars which often means demanding sellers and inflated prices.

Power prospector Trudy Padilla found a way to utilize REDX GeoLeads™ on behalf of her *buyers*. Trudy identifies a handful of features her buyers are looking for in a house and begins to hunt. She then uses GeoLeads to circle prospect for sellers that fit her buyer's criteria, and notifies them that she has someone who might want to buy their home.

7. Generate Leads by Door Knocking

While door knocking takes more time and effort than dialing on the phone, the benefits can often outweigh the inconvenience. Homeowners let their guard down when you meet them face-to-face versus assuming you're a telemarketer over the phone. This presents a better opportunity for quicker connections and allows you to detail the benefits of selling their home in today's market.

As you walk through a neighborhood, be prepared with relevant information about each home or area. A well-prepared door-knocking strategy could mean the difference between a potential listing and a door slammed in your face. The combined power of REDX *GeoLeads™* and *Data Insight* add-ons will produce powerful door-knocking results.

GeoLeads™ will help you identify addresses, names, and other property information to find and target the exact doors you want to knock. Data Insights provides specific property and home- owner information such as market and lifestyle trends, financial information, and construction data that will add professional value and a personal touch to every conversation. Being informed and prepared before each door-knocking session will help you build rapport and establish trust with every homeowner.

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Become the Neighborhood Expert

Door Knocking Script

Knock on Door – Homeowner Opens Door

Agent: “Hey how’s it going today?”

Homeowner: “Fine, how can I help you?”

Agent: “My name is **[Your Name]**, I am a local real estate agent. But don’t worry, I am not trying to get you to sell your house. Look, I am not trying to waste your time here. I came by to drop off this market information for your local area and I wanted to see if there was anything I could do for you now or in the future?”

Homeowner: “No, I am good thank you.”

Homeowner Turns to Close Door

Agent: “Ok let me ask you this and then I’ll leave you be: “If you did want to do a real estate transaction in the next 6 months to a year, do you have an agent you would use?””

Homeowner: “No, I don’t.”

Agent: “Well I would genuinely love to help you in the future if you would like. Would it be okay if I stayed in touch with you?”

Collect Contact Information

8. Use Market Insights to Stand Out

In such a crowded market, you should always be looking for ways to set yourself apart from other agents in your area. If you aren’t knowledgeable about the market, buyers and sellers aren’t going to trust you. With REDX Market Insights, you’ll have quick access to vital market information while you prospect. Use market insights to discover specific data such as median list price, price per square foot, and average price increases.

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Become the Neighborhood Expert

Imagine the confidence you can build by sharing relevant market information specific to each and every home. The low inventory market has created fear and concern for homeowners everywhere. Be the source of comfort and knowledge for your potential clients by positioning yourself as the market expert.

Market Insights Script

Agent: "Hello! Is this **[Their Name]**?"

Homeowner: "Yes."

Agent: "Hi **[Their Name]**! This is **[Your Name]** with **[Your Brokerage]** and I'm just calling around your neighborhood to help people find out what their home is worth. Do you have a few minutes?"

Homeowner: "No thank you!"

Agent: "No worries. Before you go, I ran some numbers on your home and it turns out your price per square foot is **[\$]** which is really high for your area. It also looks like your home has increased in value **[%]** since this time last year! Have you considered selling within the next 6 months while the market is so hot?"

The market is extremely hot and homeowners are cashing out on thousands of dollars of equity to upgrade their home. Would you like to see how much equity you potentially have?"

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Prospect Real Estate Leads

9. Call For-Rent-By-Owners (FRBOs)

One of the most underutilized lead types in today's market are For-Rent-By-Owner (FRBO) Leads. FRBOs are different from other *common* lead types because they put you in contact with rental property owners and active investors who own multiple properties. Investors and landlords are much more willing to have a conversation about how much their property is worth and whether it would make sense to cash out and sell. One of the hardest objections to overcome in a low inventory market is, "Well... if I sell, where do I go?" With FRBOs, this objection isn't a problem.

Getting creative with new lead types and ways to diversify your client base is a must in today's market. Just because inventory is low doesn't mean hundreds of transactions *aren't* happening every day. That being said, a lot of agents have struggled to create a consistent business through the changing market. Prospecting FRBOs allows you to bypass the competition and create consistent income despite the market conditions.

Top FRBO Probing Questions:

- *Why are you renting the property?*
- *Are you planning on holding on to it for a while?*
- *Did you have an exit strategy when you bought the home?*
- *Did you see that the house just down the street from you sold for [\$] over asking price?*
- *What is your exit strategy?*
- *Have you thought past holding onto the property forever?*
- *Did you know that you can get more out of your investment by selling than ever before?*

10. Call Old Expireds to List More Homes

Expired listings are real estate's lowest-hanging fruit. However, low inventory and high demand means fewer and fewer listings are expiring each month. That's why calling *Old Expireds* (from 6-24 months ago) is a great way to find more business. With REDX's Expired Lead product, you can filter old expired listings by date to find information for homeowners who failed to sell but might be ready to relist in today's market.

Informing Old Expireds of their potential equity and how hot the market is could help them move somewhere they wanted to be months or years ago. Plus, these homeowners aren't as combative

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Prospect Real Estate Leads

as a traditional Expireds since not a lot of agents are calling them. This allows you to cash in on an untapped opportunity.

Old Expired Opening Script

Agent: "Hello! Is this **[Their Name]**?"

Homeowner: "Yes this is."

Agent: "Hi **[Their Name]**! This is **[Your Name]** over at **[Your Brokerage]**. How are you?"

Homeowner: "I'm doing well. Can I ask the reason for your call?"

Agent: "I believe you had your home listed for sale about 3 or 4 years ago, is that correct?"

Homeowner: "Yes, that's correct."

Agent: "What ended up happening? Did you ever put it back on the market or did you decide to stay?"

Homeowner: "We gave up and decided to stay."

Agent: "I see. Well **[Their Name]**, the reason for my quick call is because I wanted to let you know how hot the market is right now! Homes are selling within 30 days of being on the market and getting way above asking price offers. I was just calling you and a few of your neighbors to see if maybe you've thought about selling your home again."

11. Prospect FSBOs to Pack Your Pipeline

Many homeowners are recognizing that **now** is an amazing time to sell a home and cash out on equity. In a strong seller's market, many homeowners feel empowered to list their home on their

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Prospect Real Estate Leads

own and skip paying an agent's commission. What they *don't* know is that your expertise could actually net them more money, even with a commission.

It's all about helping them understand the benefits of your real estate knowledge and expertise. REDX's industry-leading FSBO data, coupled with a powerful script and the right strategies, will show these homeowners that hiring you is their best option.

For Sale By Owner Script

Agent: *"Hello! I am calling about the house for sale. Is it still available?"*

Homeowner: *"Yes."*

Agent: *"Great! I'm calling because I work with a lot of buyers and sellers in your area and wanted to find out what I could do to help you."*

Homeowner: *"I don't want to pay your commission."*

Agent: *"I completely understand, but if I could net you the same amount of money you need while taking all of the work off your plate, would that be worth meeting with me?"*

12. Upgrade Your Email Marketing

99% of email users check their email every day, with some checking it as much as 20 times a day! Email marketing can help keep you top of mind with your sphere of influence, share information about your local area, and quickly reach your contact list with minimal effort and low cost. Here are two tips for maximizing your email marketing:

1. Build an Email List:

- *Always ask the people you meet if you can stay in touch with them and add them to your database.*

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Prospect Real Estate Leads

- *Create valuable pieces of content that require users to input their email address for access.*
- *Refrain from buying bulk email lists. You want to be emailing people who will know your name and want to open mail from you.*
- *Create a pop up or opt-in slide on your website that offers access to additional content.*
- *Talk about your weekly newsletter on your different social media platforms.*

2. What should I include in my emails?

When writing emails, consumer engagement behavior is the most important thing to consider. Creating gimmicky, flat pieces of content won't make it past the EPS (email service providers) algorithms. Provide valuable content and include questions, surveys, or other things your SOI can interact with to put you at the top of their inbox every week.

Always ask yourself, "How does this benefit my target audience?" If you can't immediately identify the benefit of the content you're sending, it may be time to step back and reevaluate. Images, tips and tricks, market updates are all simple ways to add value quickly to your email blast.

13. Establish a Foolproof Business Plan

The first step to consistent success in an unpredictable market is a business plan that will weather any market storm. Your business plan should be data-driven, built off your most successful lead gen methods, yet flexible enough to allow for future growth and development. Know your why, set trackable goals, and focus on consistency, lead gen tools, and your weekly schedule.

Incorporate activities into your plan that yield the highest results for your business. Focusing on the fundamentals like prospecting, sphere of influence, and lead generation will solidify your business foundation to withstand a changing market. Introduce new and innovative activities such as social media and community building to stay on top of successful real estate trends.

REDX Real Estate Agent Business Plan

My "Why"

Main Goal

3 Priorities To Reach Main Goal

1 _____

2 _____

3 _____

5 Strategies To Support Priorities

1 _____

1 _____

1 _____

2 _____

2 _____

2 _____

3 _____

3 _____

3 _____

4 _____

4 _____

4 _____

5 _____

5 _____

5 _____

The Opportunity in Front of You

The low inventory market isn't going away any time soon. Thousands of homes are being sold each week, which means opportunity is everywhere. So instead of waiting around for the market to change, use these methods to create inventory in your area. You'll be able to ensure a consistent and sustainable future in real estate.