

# the ones that get away: follow-up is the critical precursor to the “close”

**Mike Lyon of “Do You Convert” presents a detailed analysis of why follow-up with leads is so crucial, and offers clear instructions on how to effectively make contact with leads to facilitate “the close.”**

Is your sales process truly centered on lead generation? Is your lead-to-conversion rate as high as it could be? According to research conducted by Marketing Experiments, up to 80 percent of sales leads are wasted on a regular basis. Lack of correct follow-up is one of the key culprits.

Follow-up is a critical component of the sales process, but it is often overlooked by the sales executive. Surveys, studies, and secret shopping tests have revealed that many new home sales executives are giving less than stellar performances when it comes to following up with leads. In one “secret shopper” study conducted last year, 64% of the sales executives failed to follow up with a prospect that walked into the model home. My own secret shops consistently show that less than 50% of sales executives will respond to an email inquiry, and the ones that do take entirely too long to get in touch. In any market, but particularly a highly competitive one, can you really afford to be so casual?

It is time for sales executives to stop blaming lack of sales on “traffic” and start maximizing every opportunity you have to follow up with a potential prospect.

You could be the absolute best “closer” on the planet – but if you don’t follow up with an email inquiry or phone call, you will never have your chance to work your magic. That’s the bad news – the good news is that there is a tremendous opportunity for you, right now, today, this month and this year in this economy! If you choose to implement and execute a follow-up process, you will crush your competition because they aren’t following up. The Marketing Experiments study estimates that you could boost your conversion rate by as much as 375% by working your leads more effectively.

After a seminar I presented at recently, a well meaning sales executive came up to me and said, “Mike, I have a 1,000 new leads in my CRM system in response to a marketing blitz, but I don’t know where to start.” My first reaction was, what a wonderful problem to have! I talked with her more and discovered that she didn’t have a process to follow up on the leads she was successfully generating. Instead of doing something productive, she did nothing at all. She had what is called “analysis paralysis”.

Now on the surface, it would seem that 1,000 leads is a treasure trove, but statistics show us that only 25-30% of internet leads will move forward in the buying process to set an appointment. That means, only 250 of this sales person's leads would be qualified to move forward in the buying process. With no system in place for ushering a prospect from initial inquiry to the close, you have left yourself with a formidable task: trying to drill down to the customers who are ready, willing and able to move forward. However, when you create an organized process to manage your leads and follow up, you can quickly find those shoppers that are motivated and ready to take the next step.

## create a follow-up system.

The follow-up process should automatically begin when you receive a lead, which is someone sending an email or calling to ask a specific question or take some form of action. Here is the ideal opportunity to engage with a prospect. The absolute best thing you can do to increase the conversion rate is to respond immediately. If you don't have the information required, at least establish contact by acknowledging the inquiry. In fact, a recent MIT study shows that you are 100 times more likely to connect with a prospect if you follow up to their request in five minutes or less. Worth the effort to check your messages continually, isn't it?

Once you have quickly responded to this request, your potential prospect will fall into one of two categories: Response or No Response. If your prospect does not respond, switch to a short-term, follow-up campaign. This effort combines phone calls and emails. Plan to initiate seven to nine contact opportunities in the first month. Your goal is to invoke a response from the prospect, either by email or by phone.

After completing the short-term campaign, move the lead into long-term follow-up, intended to maintain contact and keep your name in front of the prospective buyer. Once a month, email new and helpful updates to the lead. The long-term effort is where you can outshine your competitors: 95% of them won't continue to follow up after the first flurry of contacts. You never know when the customer's current situation will change from curious looker to aggressive buyer. You need to maintain a digital presence so that you are always visible when the customer shifts into full-blown buying mode.

## your goal is the appointment.

The follow-up process requires a systematic approach. You have short- and long-term goals in this process. The first goal is to extract a response. Once the prospect does respond, you've passed the first hurdle.



You're now ready to proceed with your process, but remember; the next goal of working with a lead via phone and email is not to sell a home, but rather to set the appointment. Let me reiterate, the goal is to set the appointment. Selling a home is a touch and feel process; the customer has to experience the home and community first hand. You can't accomplish those things by email or phone. However, you can still learn more about their needs. Ask qualifying questions; help them to select an area, community, or floorplan, all while conveying a sense of urgency and excitement.

When you sense heightened interest from the customer in these conversations, ask for the appointment. Half of the time, they will agree and set a time; the other half will provide a standard list of objections. Similar to the traditional sales process, you must be ready with your scripts in order to overcome the objections. Let them know that a brief visit will be the best use of their time in this process. Use your enthusiasm to excite them to react positively. Remember, if you can't express excitement, how can you expect them to do it?

Ultimately, the perfect end to great follow-up and quality conversations is the onsite appointment. If you manage this correctly, the process will be smooth and streamlined and you will be able to close more sales each month while your competition still fumbles around in the dark. Create your follow-up process. Set goals for yourself. And go where many others have failed to go!

**mike lyon** is the author of *Browsers to Buyers – Proven Strategies for Selling New Homes Online*. He has helped homebuilders across the nation achieve success in online sales, Internet marketing and prospect management. To learn more – visit [www.doyouconvert.com](http://www.doyouconvert.com)