



Database Assessment Playbook

kw Where Entrepreneurs Thrive

Welcome to the Database Assessment Playbook

Your database is your business! Gary Keller and Jay Papasan have been telling us that for as long as we can remember. As we have been digging into more top agents databases we have noticed an alarming trend: the number of contacts has increased dramatically while the quality and consistency of touch programs is declining. This has resulted in very low overall conversion rates, artificially high lead acquisition expenses, and millions in lost revenue.

This playbook is designed to help you assess your current database's value, conversion rates, and opportunity to get you started on the path to greater profitability rates.

DATABASE ASSESSMENT



STEP 1: Do the Math

Determine the value, conversion, and financial opportunity of your database



STEP 2: Slow the Spend

Nurture the leads you have and potentially slowing your lead generation expense



STEP 3: Increase the Quality of Your SOI Touches

Improve conversion rates through the quality and frequency of your touches



STEP 4: Inspect What You Expect

Review what you're doing and how you're doing it in order to improve results



1. Do the Math

In order to understand your investment, current conversion rates, and future opportunities, there are 3 exercises you need to do:

- 1. Determine the value of your database from a cost perspective if you had to rebuild today.**
- 2. Determine your current total database conversion rate.**
- 3. Determine your total database financial opportunity.**

In the following example we analyzed a database that had 15,000 total contacts that were composed of leads and contacts from an agent's SOI, past clients, aggregator leads, CRM ad spend leads, mets from open houses and prospecting efforts that had been compiled over a 9 year period. Their CRM ad spend had been running for 6 years, and they closed 221 units last year for \$120,000,000 in volume.

**This is simply an example. Attempted calls or texts should be TCPA-compliant and all contacts and leads re-run against the DNC list and/or have documented prior express written consent.*

1.

Determine the value of your database from a cost perspective if you had to rebuild it today

- _____ 1. Total contacts in the database excluding farms and data dumps (only count real people).
- _____ 2. Lead Cost Multiplier (how much it would cost if you had to purchase leads/contacts).
- _____ 3. Annual Multiplier (this is a guess on how long your database will yield opportunities at the current rate for as long as you operate it).

Contacts x Lead Cost Multiplier = Database Value (cost method) x Annual Multiplier = Asset Value

EXAMPLE

15,000 1. Total contacts in the database excluding farms and data dumps (only count real people).

\$26.00/lead 2. Lead Cost Multiplier (how much it would cost if you had to purchase leads/contacts).
(some Zillow, some Realtor.com, lots of CRM ad spend)

3 3. Annual Multiplier (this is how long your database will yield opportunities at the current rate for as long as you operate it).

Contacts x Lead Cost Multiplier = Database Value (cost method) x Annual Multiplier = Asset Value

$$15,000 \times \$26.00 = \$390,000 \times 3 = \$1,170,000$$

FOCUSING QUESTION

Are you treating your database like a cash asset that is worth _____?
In this case it's \$1,170,000. Would your calendar support your answer?

2.

Determine your current Total Database Conversion Rate

- _____ 1. Total contacts in the database excluding farms and data dumps (only count real people).
- _____ 2. Number of transactions closed last year.

$$\text{Transactions} / \text{Contacts} = \text{Database Conversion Rate}$$

EXAMPLE

- 15,000 1. Total contacts in the database excluding farms and data dumps (only count real people).

- 227 2. Number of transactions closed last year.

$$\text{Transactions} / \text{Contacts} = \text{Database Conversion Rate}$$

$$227 / 15,000 = 1.5\%$$


FOCUSING QUESTION

Is 1.5% an acceptable conversion rate to you? If your database includes SOI, past clients, contacts you have entered randomly, and leads you have purchased, the answer may be no.

3.

Determine the Total Database Financial Opportunity

- _____ 1. Total contacts in the database excluding farms and data dumps (only count real people).
- _____ 2. Database Conversion Rate that you find acceptable.

Contacts x Acceptable Database Conversion Rate = # of Transactions your database *should* yield

EXAMPLE

15,000 1. Total contacts in the database excluding farms and data dumps (only count real people).

4% 2. Database Conversion Rate that you find acceptable.

Contacts x Acceptable Database Conversion Rate = # of Transactions your database *should* yield

$$15,000 \times .04 = 600$$

Last year this team closed 221 units for \$121,000,000 in volume making their average sales price \$550,000.

They could be closing 600 units from this database. If getting more closings from their database was their sole focus, it would add another 379 closed units for an additional \$208,450,000 in volume.

This team owner decided that this was the missing money needed to live their best life. They slowed the spend, increased the quality of their SOI touches, and inspected what they expected to get the results they knew they could.



2. Slow The Spend

Once you do your math you may decide that it is time to slow, investing in NEW LEADS until you have maximized your return from the leads you have already have. If you have a “set it and forget” CRM ad spend, you may want to stop or greatly reduce the ad spend first. If your lender is paying for it, you can re-purpose those funds into lead conversation, or use them to hire an ISA. You can always turn this back on when you have a better handle on your leads and follow-up. Your third-party CRM may not love this idea because they make money by selling you leads. This should be when you assess the real value of their CRM and take a first look at Command and the updates it has had.

Whether you decide to slow the incoming lead flow or not, the next step is to get a higher conversion rate from your current contacts.



The easiest way to start is to filter your database by “last contacted” and sort in descending order. This will reorder your contacts and show you those who have not been recently contacted. What most agents find is that their list begins with a ton of people that have never been contacted.

Once you’ve done this, your first question should be:

Do I have good contact information for them that is TCPA-compliant?

YES



Then it is just a matter of contacting them.

NO



Then either tag these people as “bad contact information” or simply move them into a spreadsheet.

You’ll discover who does or doesn’t have good contact information once you start trying to contact the people on the list. When you know who doesn’t, you may choose to send the list to a third-party data company like Likley.AI for a “contact refresh”. Companies like this will wash the data that you do have against their giant databases and try to help you fill in the blanks. This often costs a small fraction of what you may have spent on the initial lead so you may spend an additional 50 cents to revive a \$10-\$15 dollar sunk cost in a lead that you are currently unable to contact.

The next group of people you will find is those who have not been contacted in a human way (emails do not count). It goes without saying that if you are not contacting the people in your database the odds of doing business with them goes down. This group needs to be contacted and represents the increased opportunity available in your database. They should be treated as NEW LEADS in your system. Treat them as you would any NEW LEAD that enters your system! If you do not have a NEW LEAD system, try using a simple “12 days of gain” plan. This means that you contact them each day for 12 consecutive days in a TCPA-friendly way or until contact is made. When contact is made you are trying to assess WHEN they will be moving so that you can set them up on the right follow-up plan.

This conversation opens an easy discussion:

“Hey, this is _____, I am a real estate agent! We had spoken back in _____ and lost touch. SO, what is your real estate plan for the rest of 2023 and 2024?”

The key here is that once you make contact, they get set up on the right follow up plan so they do not fall through the cracks again.

This should include a Monthly Neighborhood Nurture/property alert and a quarterly phone call smart plan/some sort of reminder.

PRO TIP: If you are running a team telling them to contact “old leads” that you have been ignoring may feel less exciting than simply sending them in as NEW LEADS. Try removing all of the leads that have not been contacted from the CRM and send them through to agents on your team or give them to an ISA as totally NEW LEADS from a new lead source. Afterall, they are NEW to them.



3. Increase the Quality of Your SOI Touches

We would all love to increase the number of repeat and referral business that we receive. In order to do so we have to focus on two levers:

1. The quality of the touches we are making.
2. The frequency by which we make them.

When we nail both levers, we are running amazingly powerful touch programs. When we miss on either, we diminish our results. The number of repeat and referral customers that we get to work with make up a large part of our compensation. In the book “The Wealthy Gardner” by John Soforic , he defines compensation as, “something we get for something we give; repayment for a contribution that is needed and useful.” The question you need to ask yourself is “Of all of the touches that I am currently making, which are NEEDED and USEFUL and which are not?” By removing touches that do not fit into either category and replacing them with touches that do, our touch programs improve and so do our conversation rates.

EXAMPLE

It is common for real estate agents to send postcards that have messages around “It’s Time For Your Spring Clean-Up” or “5 Ways To Get Ready For Spring”. Anna Kilisnki decided that instead of sending a static card that provides little to no value, she would instead hand deliver 10,000 leaf bags with her team name on them. That touch is both NEEDED and USEFUL!



At the end of the playbook you will find a list of touches that we found that you may want to add into your touch programs to increase the number of NEEDED and USEFUL touches.



4. Inspect What You Expect

Far too often people assign work to others and then assume that the work was completed at a standard that they would find acceptable. This leads to poor results and very little consistency, especially when it comes to consistency in your database touches. Inspecting what you expect is more than reviewing what you are tracking. It is about reviewing the DATA, being willing to change WHAT you're doing, and HOW you're doing it in order to improve the results.

If you truly want to get a higher conversion rate from your current contacts, you must purposefully inspect a few things each week. This can be done in as little as 30 minutes and may turn out to be the most profitable 30 minutes of your week.

1. Every lead that you want to reactivate is on a 12 days of gain plan.
2. Every active buyer in the system is on an automated email property search or Monthly Neighborhood Nurture focused on the areas they would buy.
3. Every person in the database that is not an active buyer is on an automated email property search or Monthly Neighborhood Nurture focused on the neighborhood/area that they reside.
4. Sort your database each day by Recently Active and contact those people who are most recently on your site looking at properties or interacting with your Monthly Neighborhood Nurtures/Saved Searches. The only reason you are sending them the drips is to get them to click on the links so that you know they are active and can contact them!
5. Every contact is on a quarterly phone call SmartPlan, or a task is set to call every contact at least once a quarter.
6. All tasks/SmartPlan activities are done WHEN THEY ARE DUE and are never late. Late actions kill revenue and is how we fall behind.

Remember, your database is your business!

YOU need to make time to take care of it and if you do it will always take care of you!

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Unique Touches

Sourced from
agents in Gary's
Masterminds
2022-2023

Spring Home Pictures

"We know that you are probably not selling your home this spring, but it is always a great idea to have a set of spring photos when your home looks its best both inside and outside in case you should ever need to sell at a time of the year when it might not look its best. Our photographer does this for so many of our clients whose homes we will be listing one day, should we set up your spring photo shoot to take place over the next few months?" YES!!!! This one is brilliant as it provides you the assumptive listing close!

Golf tournament

Are you a golf lover? Reach out to your local golf course and inquire about setting up a golf tournament for your sphere of influence. Set up teams to make it competitive! An easy way to market your business would be to get custom golf shirts or hats as giveaways.

Shredding party

At the end of the year or tax season, throw a "shredding party". You can offer to go to them. Make a deal with a mobile shredding service to drive to your SOI's houses. Another way to do this is to pick a day where your SOI can drop off their shredding materials at your office where the mobile truck is waiting!

Junk removal

Take advantage of spring cleaning and offer junk removal to your SOI. Hire a mobile junk removal service to drive around town and pick up junk!

Window cleaning

You help clients find a beautiful home to live in, you can help them make sure it stays beautiful. Offer free window cleaning!

Gutter cleaning

Partner with a gutter cleaning company to go to your SOI's homes during a leafy season.

Yard waste bags

Brand yard waste bags with your logo and information. Drop them off at your SOI's houses for clean up. Your business will be represented on curbs all over town!

Ice Cream truck

I scream, you scream, we scream for ice cream! Do you farm a certain neighborhood? Hire an ice cream truck to drive around and hand out flyers with every ice cream.

Community block party

Host a block party in your neighborhood or a friend's. Get food and beverages sponsored and have face painting or a caricature artist to add some fun!

Charity drives

Partner with a local charity to host a drive or event. Examples could be a food or coat drive around the holiday seasons.

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Unique Touches

Pie giveaway

You know it and you love it. Host a pie giveaway around the holidays. This is the perfect opportunity to invite Santa and have attendees get their holiday photos out of the way!

Santa pictures

Hire a Santa to do holiday photos with your SOI and their kiddos. You can do this in your office, at the park, or a unique venue with a good backdrop.

Grinch Pictures

Hire a Grinch to do holiday photos with your SOI and their kiddos. This is a fun opportunity to do something different around the holidays!

Easter bunny pictures

Hire an Easter Bunny to do holiday photos with your SOI and their kiddos. You can do this in your office, at the park, or a unique venue with a good backdrop.

Easter egg hunt

Host an Easter egg hunt in the park or your office! Brand baskets with your business information as a good marketing takeaway. Couple this with Easter bunny photos and you've got yourself a great event.

Movie night in the park

Use your local drive-in or rent a projector to host a movie night!

Seminars

Host online or in-person seminars. Seminars could be First Time Home Buyer, Pre-Listing, Investment, etc.

Wine tours

Do you live near wineries? Rent a bus and host a Wine tour with your closest SOI.

Zoom events

People have gotten creative with virtual events. Host an ugly sweater party, murder mystery party, or wine and cheese tasting. You can send any necessary items to attendees homes ahead of time.

Cameo touches

There are a lot of ways to use this one! Google "speakers bureaus list" to find speakers for anything. You can use this for a zoom event, send one-off videos to clients, or use a recording at an in-person event.

Concert

Invite your VIP SOI to an intimate concert. You can host it at a restaurant or a cool venue. Use your connections to hire a local artist or maybe someone you know!

Raffles for literally anything

Literally anything! You can raffle off experiences, bottles of wine, parents night out, or swag.

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Unique Touches

Branded treats giveaway

Contact your local bakery to get branded cookies or buy pre-packaged treats and put a sticker on it with your business information. Drop them off to your SOI or get them delivered as a nice pop-by treat!

Hand deliver coffee to 10 SOI per month

Choose 10 SOI every month that you will deliver coffee to. Send them a quick text asking what they like and bring it by!

Pictures with pets

Pets are kids, too! Hire a photographer and offer Pictures with Pets in the Park to your SOI.

Onesie deliver for expectant families

Order branded onesies and deliver them to expectant families. Everyone loves a onesie and it's a great opportunity to do a pop-by.

Send Starbucks gift cards

Birthdays, anniversaries, or just a random selection of people, send a Starbucks gift card via email. It might be the easiest touch to do!

Sports Brackets

Host a Fantasy Football league or March Madness with a prize for the winner.

Fundraisers for Charity

Rent an event space to host a fundraiser for a charity of your choice.

Family portraits at client's home

Hire a photographer to visit your client's homes to take family portraits for any occasion.

Pumpkin patch

Giveaway tickets or host your own pumpkin patch for your SOI.

Swag Giveaway

Brand cool swag like coolers, backpacks, or insulated cups with your business information. You can do this on its own or at any one of your client events.

Parents Night Out

You could do this 1 of 2 ways. Host a fun night out for parents or send them a gift card to a nice restaurant for their own night out.

City Tours

Partner with your local city tour company and be tourists in your own city.

Night out at the Museum

Rent your local museum for an early afternoon or evening for a private experience.

DIY Classes

Buy or giveaway tickets to Painting, Cooking, Floral Arrangements, Pottery classes, etc.

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Unique Touches

Goat Yoga

Invite your SOI for private Goat Yoga!

Christmas Lights Tour

Rent a limo, or two!, or a bus to take families on a Christmas lights tour.

Mixology Class

Mix it up with some drinks! Find a local bar or host at your home for a fun night with your SOI.

Game Night

Host a game or trivia night. Set up teams for a competitive edge. Winners get a fun branded prize!

Apple Picking

Invite your SOI to a local farm to pick apples or pumpkins.

Pet Adoption

Who doesn't love puppies?! Help a local pet adoption center by partnering to host an event with puppies.

Blood Drive

Bring a mobile blood drive truck to your office and invite people to donate blood.

Stadium Tours

Organize a stadium tour before an event.

Sporting Events

Buy box seats or VIP tickets for your SOI to a local game or event.

Hire a professional organizer

Giveaway a session with a professional organizer!

Casino Night

Host a casino night and invite your SOI to dress up for the occasion.

Occupation Appreciation

First Responders, Teachers, Nurses, Doctors, etc.

Bingo Night

Invite your SOI to Bingo Night!

Personal Shopper Giveaway

Host a raffle or giveaway for a session with a personal shopper.

Lawn Care for a Quarter

Hire a lawn service to do lawn care for 3 months.

Movie Night

Rent a movie theater for a private showing. Offer tickets for free concessions.

Smoke Detector Change

Offer to change your SOI's smoke detectors!

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Unique Touches

Christmas Lights Tour

Rent a limo, or two!, or a bus to take families on a Christmas lights tour.

Mixology Class

Mix it up with some drinks! Find a local bar or host at your home for a fun night with your SOI.

Amusement Park Day

Rent an amusement park or buy a pack of tickets for your SOI.

Swap Party

Host a community garage sale or swap party!

Chili Cook-Off

Host any cook-off as a competition.

Karaoke Bar Party

Rent out a karaoke bar to sing with friends!

Air Filter Replacement

Offer to replace air filters 6 months after move-in.

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