

THE WEICHERT WAY

Weichert, Realtors Lead Network—The Kings of Conversion
August 2007 Trulia Case Study



The Common Broker Dilemma:

The lack of a central, consistent customer service center results in thousands of lost sales and millions of dollars in lost commissions to brokers and their agents.

Key Considerations:

- Are your agents overwhelmed by the number of (unqualified) Internet leads they receive?
- Are consumers going to your competition because you can't respond to them quickly enough?
- Are you unable to track how many clicks it takes to get to a closing?

Conclusion:

$E=MC^2$: ¹ Unanswered Leads = Waste of Time, Money, Opportunity and Resources

The Truth:

Most agents do not have the resources, processes or systems to properly qualify, nurture and manage large volumes of Internet leads. That means the needs of the consumer are NOT being met!

In fact, *Business Week* reports that 80 percent of Internet leads are lost, discarded or never responded to². REALTOR.com reports that 71 percent of their leads to agents go unanswered³, and the National Association of REALTORS® cites lead response as a "critical industry issue"⁴.

Case in Point:

The Weichert Challenge - *Failure to follow up*

Prior to 2002, Weichert, Realtors staffed a small team of associates to process inbound customer contacts via email. From here, they would distribute these leads to sales agents as best they could. As Weichert pushed its business aspirations and drove more leads into the system, this lead processing model became insufficient to handle the volume, nor was it capable of scaling with the increase in volume. *Sound familiar?*

The Solution:

Lead Conversion - *The Weichert Way*

Weichert, Realtors successfully solved the problem of how brokers should accommodate the influx of online leads by turning their call center into an army of virtual assistants for its agents.

The Weichert Goal: *Quickly and efficiently get prospective clients into the hands of the most qualified, competent Weichert agent*

Today, the Weichert Lead Network (WLN) is responsible for generating and distributing leads to more than 19,000 Weichert company and affiliate agents.

Key Benefits of the Weichert Lead Network (WLN) – *Call center & profit center for lead conversion*

- **Quick Response:** The fastest, most complete way to satisfy the needs of the online consumer and agent.
- **Focus:** Agents can spend more time on qualified leads, rather than picking through a heap of 'potential' clients.
- **ROI:** With the ability to track conversion, Weichert can determine the value of an Internet lead, recoup the cost or justify allocating more marketing dollars to obtain additional leads.
- **Brand Building:** By offering a consistent brand/customer service experience to the consumer, Weichert is able to expand their reach, develop their reputation, and close more deals over time.

¹ You don't need to be Einstein to figure this one out! ² Business Week, May 2005

³ *Homestore's Mike Long Talks to Realty Times*, May 2004 ⁴ 2006 NAR Profile of Home Buyers & Sellers

THE WEICHERT WAY IN PRACTICE - THE FIVE MAJOR COMPONENTS OF LEAD CONVERSION

WLN provides an extraordinary, turnkey solution that has resulted in some of the best lead conversion rates in the industry, from Internet marketing, Web site optimization and lead distribution to contact management systems and lead incubation. Through WLN, Weichert has identified five major components of lead conversion:

1) The Cornerstone: Search Engine Optimization (SEO) & Search Engine Marketing (SEM) -

Getting Customers through the door and keeping them coming back.

WLN's most fruitful marketing tools include:

- Search Engine Optimization (SEO)
- Pay Per Click (PPC)
- Listing Syndication Partners i.e., Trulia and *The New York Times*
- Lead Purchasing
- Banner Advertising
- Link Purchasing
- Real Estate Directories
- Strategic Partnerships

WLN judges its online marketing success on two metrics:

1. Click-to-contact percentage (visitors who submit forms requesting follow-up)
2. Contact-to-lead percentage (measures the contacts deemed valid and sent to agents)

Net benefit of SEO & SEM

- Leverage advertising campaigns to target specific geographic locations
- Boost "Return On Internet Marketing Investment" (ROIMI)
- Examine and improve various components for profitability and effectiveness

2) Lead Response Time: Qualifying the Deluge of Inbound Leads

The Goal: Leave less than 1 percent of abandoned calls (industry standard = 5%-10%)

With over 35 dedicated associates, the state-of-the-art Weichert Call Center handles all incoming emails, voicemails, Web forms, inbound/outbound telemarketing initiatives, online forms, and Web chats from prospects interested in Weichert's listings for sale.

The Process: Automated rules engine

WLN has incorporated an algorithm that pulls in all of Weichert's Call Center Associates covering the area in which a particular customer is interested. The algorithm then ranks the Associates to ensure that the ones at the top of the list - including the Associate who is actually assigned to a customer - are most likely to convert that customer into a closing.

Several variables go into the Associate's score as part of the WLN ranking process:

- Geography - each agent can have individual coverage areas
- Volume of leads an associate receives, and when they last received a lead
- Past performance on several key metrics, e.g., conversion percentage, contact percentage and how often an agent updates their leads in the Weichert Lead Portal (discussed later)

Essentially, the Associates gather as much contact information as possible to prepare and outfit the Weichert Sales Agents with the most relevant information for a successful transaction.

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The Numbers: During 2007, WLN will handle in excess of 100,000 calls and 200,000 Internet inquiries, and send out over 100,000 scrubbed leads to Sales Agents.

Key Performance Indicators:

- 2,700+ Associates in the WLN program
- Several offices convert as a whole at over 10 percent (convert = assigned lead to close)
- 700+ Associates convert at over 7.5 percent
- 100+ Associates convert at over 20 percent

In a recent audit of Weichert leads by Real IQ, an industry marketing analytics and consulting firm, it was determined that **one out of three WLN leads closed within one year.**

3) The Weichert Lead Portal

Weichert has established a system – Lead Portal - that allows Sales Agents to look at their leads and see what information was extracted during the conversation with the Call Center Associates.

In addition, it allows the Sales Agent instant access and easy tracking of his/her clients, enabling him/her to define the best time to respond - an absolute requirement for the busy sales agent!

4) Lead Incubation

Weichert has established several different lead incubation campaigns, in which potential customers can be placed into different buckets depending on how ready they are to buy or sell a home. Each campaign is then made up of different events:

- Email
- Outbound Call
- Direct Mail

The Call Center team keeps tabs on 'warm' leads and stays in touch with targeted and specific action plans – email campaigns, new listing alerts and call backs—to incubate the leads (prospects) until they ready to purchase.

5) The Reporting Machine

WLN has built its own proprietary tracking system, allowing management to track results from all paid sources including pay-per-click (Google, Yahoo!, Trulia), banner ads and listing syndication partners. WLN can even track down to the individual keyword. The key metrics that give the most complete landscape of their success include Return on Investment (ROI), Return on Advertising Spend (ROAS), Cost per Acquisition (CPA) and Cost per Lead (CPL).



The Weichert Way

1. SEO & SEM

SEO and SEM

- Listing Syndication
- Banner Advertising
- Trulia
- Marketing Campaigns

Lead Capture

- Contact Us
- Web Forms
- Email
- Voicemail

Leads

Qualified Opportunity

2. Contact Center

Inside Sales Team

- Rep 1
- Rep 2
- Working Leads
- Developing Leads

Capitalize on Lead Incubation

- Utilize email drip campaigns.
- Outbound calls
- Build targeted prospect lists: Quality, Opportunity Size, Last Activity, Geography

3. Lead Portal

CRM

4. Lead Incubation

Field Agents

- Agent 1
- Agent 2
- Sales Cycle

5. ROI

\$

4. Lead Incubation

Archived

- A
- B
- C
- D

Non-Responsive
No Current Interest

Lost Opportunity
No Opportunity



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The Complete Benefits of The Weichert Way

Aside from offering Weichert Agents riper, more qualified prospects, the Call Center team can fairly distribute a Sales Agent's most important asset—the lead! Other benefits include:

- **One-Stop Shopping:** Internet Marketing, Web Site Optimization, Lead Distribution, Contact Management Systems and Lead Incubation – all under one roof.
- **Instant Response** for consumers, with the consistent, top-notch customer service they expect.
- **More Time for Agents**, who are freed from chasing hundreds of leads that may or may not close. Instead, they can focus on turning serious buyers and sellers into closed transactions.
- **Brand Building** through fast, quality responses to consumer inquiries.
- **Increased Commissions** as Weichert Agents close more deals.
- **Recruiting and Retention Tool** for Weichert's most important asset – its agents!
- **Improved Tracking**, with the ability to fully track leads to closings.

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