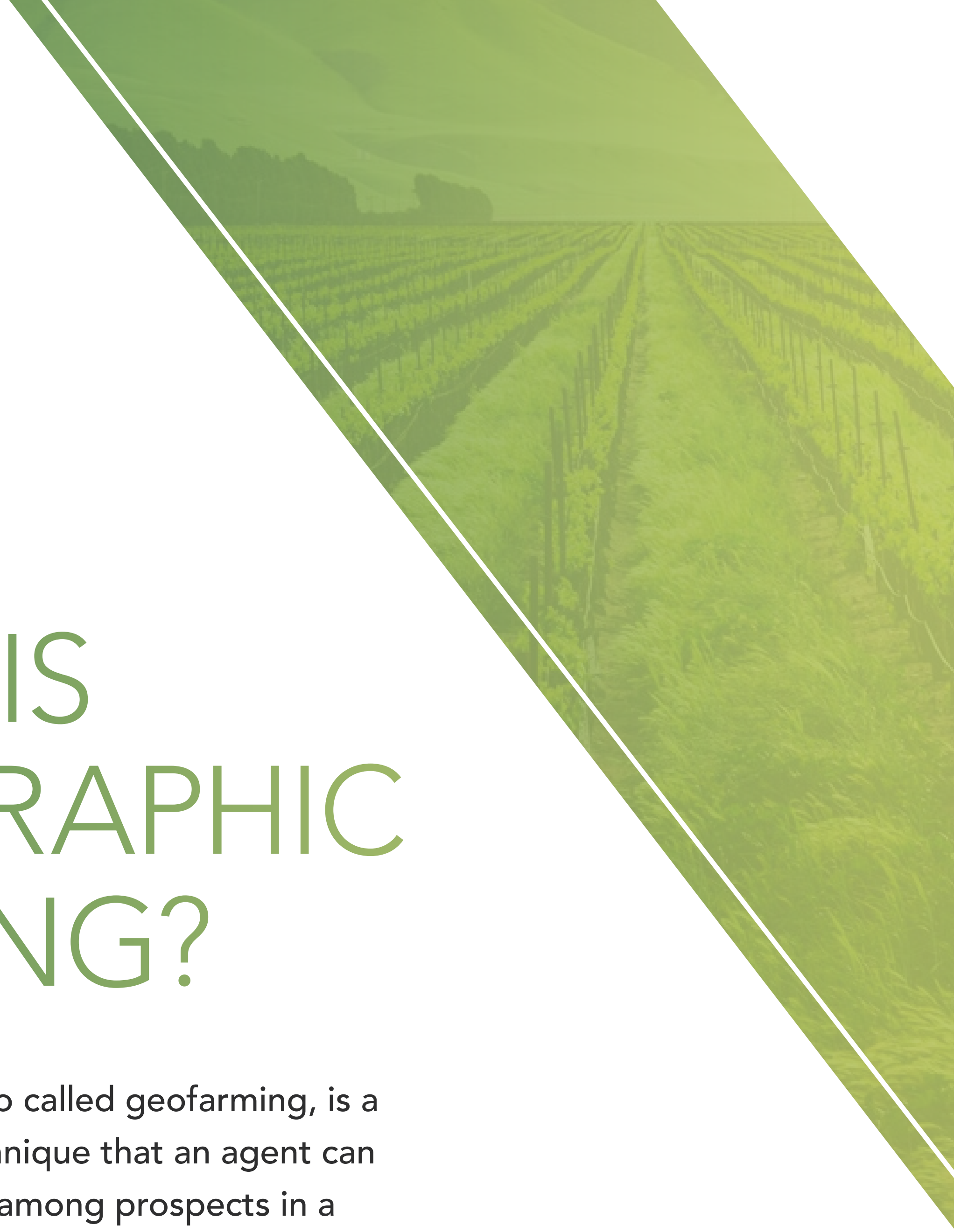
remindermedia

GEOGRAPHIC FARMING

A Clear Path to Exponential Growth

It's every real estate agent's dream to dominate their local market. Agents want to be the name homeowners in their communities think of when they or a potential referral considers buying or selling a home.

You can make that dream a reality with geographic farming.



WHAT IS GEOGRAPHIC FARMING?

Geographic farming, also called geofarming, is a powerful marketing technique that an agent can use to build their brand among prospects in a specific geographic area.

With geofarming, an agent nurtures the residents in a defined area using a variety of marketing strategies to offer value and build trust until there is an opportunity to capture a lead.

We wrote this e-book to help you develop and implement a successful geofarming strategy. It explains how to choose a farm, set up a successful marketing campaign, and easily implement a winning plan.

HOW DOES GEOFARMING GENERATE LEADS AND ENCOURAGE GROWTH?

Just like a traditional farmer who patiently waits for their harvest to grow, an agent who uses geofarming understands that it is a long-term game.

Farmers first claim some fertile ground and then plant their seeds. During the season, they consistently nurture and protect their seeds as they grow, supplying needed fertilizers and keeping an eye out for threats like weeds and frost. And they patiently wait for the harvest.

Similarly, an agent who uses geofarming finds a promising area and then takes step to introduce themselves to their area's residents. Over months, an agent nurtures their farm of prospects by supplying a consistent stream of value using marketing strategies such as email campaigns, door knocking, social media, direct mail, newsletters, and events. With persistence and diligence, they increase their brand's recognition and build trust with the community. Eventually, when the time comes that someone needs to buy or sell a home, they are top of mind and receive the lead.

Once an agent's farm starts to produce results and they begin to harvest leads, the farm reseeds itself, producing exponential growth:

- Recognition of their brand becomes more commonplace, and their reputation begins to spread.
- Coming Soon, For Sale, and Sold signs begin to pop up with the agent having control of the leads that come in.
- And with consistent effort, an agent keeps their name top of mind for referrals, which is hugely important since the National Association of REALTORS® (NAR) reports . . .

82% of sellers choose the first agent they interview!

3 TYPES OF REAL ESTATE FARMING

When it comes to the type of real estate farming that may work best for you, you have three choices:

Predictive

Targets prospects based on known historical data that successfully predicts future outcomes. For example, data is available that can help predict who in your farm is likely to move in the next six to 12 months.

Demographic or Niche

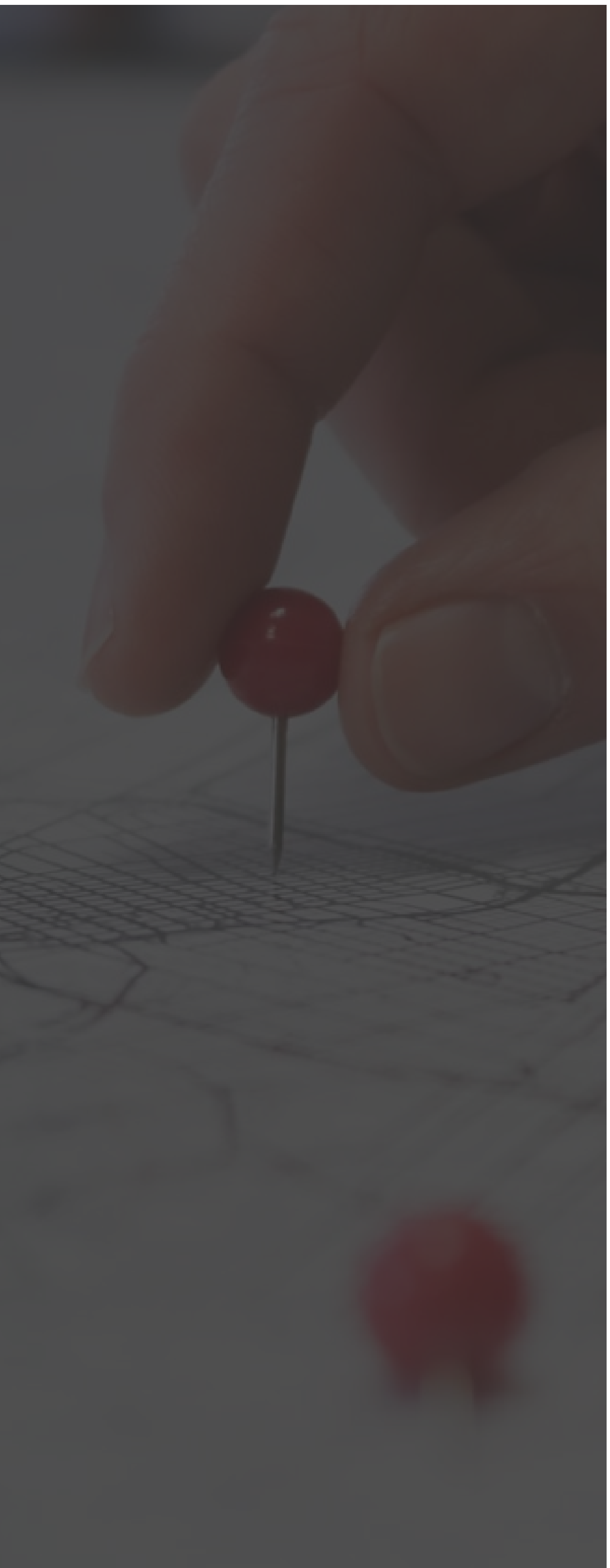
Targets groups of people that represent a set of demographics, interests, or characteristics. Seniors looking to downsize, first-time homebuyers, and divorced parents are all workable demographics or niche farms.

Geofarming

Targets a defined geographic area such as a zip code, subdivision, or apartment complex.

While this e-book focuses on geofarming, you may find it useful to experiment with the other types as well—you could even combine them! Our marketing coaches are available to answer any questions you may have about the type of farming that is best for you. You can click here to **book a call** at a time convenient for you.

HOW TO CHOOSE A GEOGRAPHIC FARM



While it might be easy to throw a dart at a map and choose where it lands as your farm, we suggest a more strategic approach.

Obviously, the more you know about an area, the more you'll be able to decide if it's the one for you. When making your choice, you'll want to consider factual criteria as well as your personal preferences:

- **types of homes**
- **average income**
- **average age**
- **ratings/quality of schools**
- **commuting distances**
- **options for public transportation**
- **nearby employers**
- **local features**

Much of this data will be available in public records. You can perform a few Google searches, check census data, look to NAR research and statistical reports, and consult market reports from online real estate marketplaces like Redfin and Trulia.

There are four main questions that you'll want answers to before settling on a final choice for your farm:

1. **How many households are in the area?**
2. **What is the absorption rate (demand)?**
3. **What is the turnover rate?**
4. **How much competition is in the area?**

The answers to the first three questions will give you a solid estimate of the gross commission income (GCI) you can expect to earn from a farm. With that information, you can figure out how much you can reasonably spend marketing to it. The answer to the fourth question will help you gauge how much sweat equity may be needed and whether you're willing to do what it will take to succeed.

1 How many households are in the area?

The more homes you can farm, the better—and that may be restricted by your budget—but if you are just starting out, then try to **farm at least 250 homes.**

It's a manageable size that allows for a narrower audience, giving you a chance to personalize your messaging while supplying enough prospects to make it worth investing your money, time, and effort.

As you gain a foothold and start to see results, you can always increase the size of your farm by selecting additional areas.

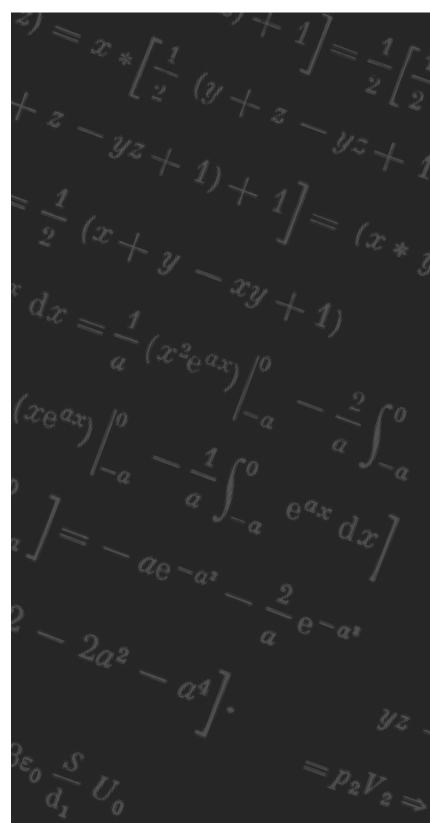
2 What is the absorption rate (demand)?

An area with 500 homes may be a tempting size, but if no one is buying or selling those homes, then it won't benefit you to farm that area.

Figuring out the absorption rate or demand for homes in an area is a matter of going again to your MLS, doing a little research, and applying some easy math:

NUMBER OF ACTIVE LISTINGS LAST MONTH ÷ NUMBER OF LISTINGS SOLD LAST MONTH = ABSORPTION RATE *(Months of Inventory)*

An area with between four and six months of inventory suggests a balanced number of buyers and sellers. Higher numbers suggest a buyer's market. If you get lower numbers, you're in a seller's market.



3 What is the turnover rate?

How fast homes are bought and sold is a critical indicator of a farm's potential to produce commissions.

To calculate the turnover rate, you'll need to consult your MLS. You'll need to know how many homes were sold in a particular time period compared to how many homes are in the same area.

NUMBER OF HOMES SOLD LAST YEAR ÷ TOTAL NUMBER OF HOMES X 100 = TURNOVER RATE

A high number says there are leads to win and transactions to close—that's great for agents!

And while a low number may cause you to look elsewhere for your farm, don't be too hasty. A low turnover rate in an area that has a high absorption rate may simply be an underserved area. That might be a huge opportunity for the right agent. Even so, a turnover rate of between 6% and 10% is considered a reasonable average.

Example: Let's imagine you found a geographic area that includes 350 homes.

You've done your research and found that there were 17 listings last month, and five of those listings sold. That gives you 3.4 months of inventory.

Additionally, during the previous 12 months, there were 45 closings. That means the turnover rate is 12.9%.

So while the months of inventory may be a little low, the turnover rate is above average, arguably making for a good opportunity for an agent who is prepared for the realities of a market that is favoring sellers.

4 How much competition is in the area?

If the answers to the first three questions indicate a healthy farm likely to produce a good harvest, then there is still the matter of how many agents are competing for the same leads.

You don't want to farm an area that is already saturated with one or more successful, well-established agents. If you see the same two or three names routinely popping up in the MLS, that's a flag. To be more precise, if 40 homes in a targeted area sold in the last two years, and a dozen or more of them were sold by the same agent (30% or more), then realize you're going to need to invest more sweat equity than you might otherwise to win some of that business. It may be to your advantage to farm another area.

MARKETING WITH THE F.I.T. MODEL

As a part of your overall marketing plan, the marketing you use for farming needs to share the same three critically important elements common to all types of effective outreach:

It needs to connect
FREQUENTLY.

It needs to deliver
IMPACT.

It needs to build
TRUST.

We call this the F.I.T. Model.

F.I.T. MARKETING CONNECTS FREQUENTLY

One of the most often asked questions we receive at ReminderMedia is “How often should I be reaching out?”

The simple answer is “More often than you probably think.”

But the precise number isn’t as important as the goal you need to achieve . . .

When starting a new farm, you need to get in front of your farm with enough frequency to be recognized and to start forming relationships with the people in the community.

To start that process, we recommend an 8 x 8 campaign: eight touchpoints over eight weeks.

Then you must continue to nurture those relationships with consistent contact.

You can use a combination of direct mail, phone calls, text messages, and emails, but each touchpoint needs to deliver value.

Our recommendation is to plan for a minimum of 12 touches over the course of 12 consecutive months.

If you have the resources to invest, our clients tend to see better results with 26 touches in 12 months, or one touchpoint every two weeks.

Gary Keller of Keller Real Estate wrote the highly influential book *The Millionaire Real Estate Agent*. **He reports that agents can expect one transaction for every 50 direct mailers sent.**

You might consider using his number as a benchmark when deciding how often you will reach out to your farm.

F.I.T. MARKETING DELIVERS IMPACT

You could send a variety of mailers and not receive a single lead *if* what you're mailing doesn't deliver value.

That means the content of your emails, print, social media, etc., needs to be useful to your recipients.

Useful content tends to be at least one of these three things: **educational, entertaining, and endearing.**

EDUCATIONAL CONTENT provides your farm with timely and relevant information about real estate.

A great example would be a mailer that informs your farm of three recently sold homes and what each home sold for, and asks, "Want to know what your home is worth?" Your mailer could include a QR code with a call to action to scan and request a comparative market analysis (CMS).

Another example (see below) would be about exterior areas on your home that you can freshen up for spring with some tips for improving them. The call to action might be "Contact me for more tips to prepare your home to sell!".

CLICK HERE to see more impactful postcards!

F.I.T. MARKETING DELIVERS

IMPACT

ENTERTAINING AND ENDEARING CONTENT keeps you in front of your farm with options that don't solely push real estate; they also allow your prospects to get to know, like, and trust you.

A popular example would be a postcard with a delicious seasonal recipe. A second might be an invitation to a client event. Another would give notice of a community event in which you and your team are sponsors or participants or are simply excited about and want to share.

It's important to think about the sequence for sending your marketing because it's imperative that you be consistent.

We've found that rotating between educational content and entertaining/endearing content, so that you're sending educational information twice as often as entertaining and endearing content, does two things:

- It keeps you top of mind as the dominant agent in your area.
- It builds credibility as the subject matter expert about real estate and the community.

[***CLICK HERE***
to see more impactful postcards!]

F.I.T. MARKETING BUILDS TRUST

If you are regularly in front of people with impactful information but aren't branding yourself as the agent of trust, then they will think of you, but they won't call you.

You need to do some humble bragging by including trust signals.

Showcase your accolades. Among your entertaining and endearing content, sprinkle in mentions of your accomplishments. Accolades can include:

- specialized certifications
- years you've been in business
- how many people you've helped
- the sales volume you transacted last year

If you're a new agent working toward your first few accomplishments, then lean on your brokerage. Leverage its name and accolades.

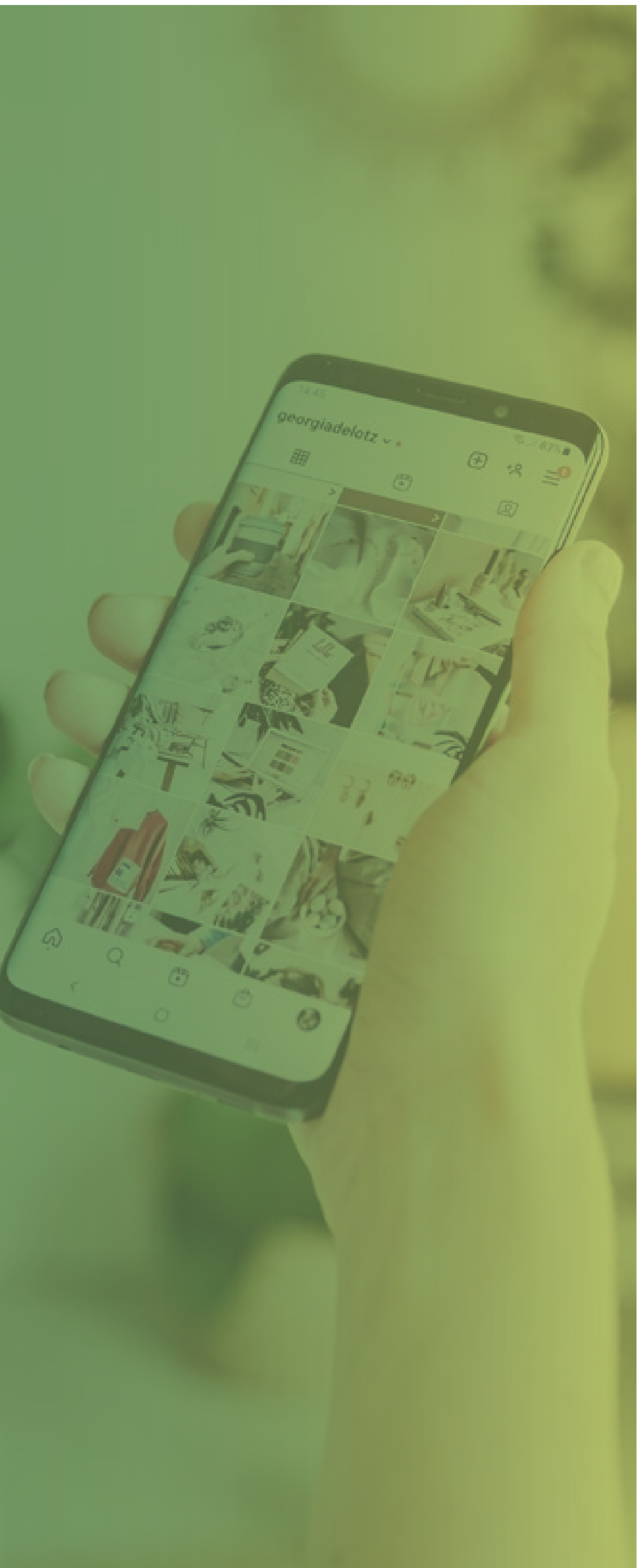
Feature your clients' experiences. Bragging about yourself can be helpful, but getting others to brag about you is powerful.

Feature testimonials from your clients talking about their experiences with you. You can include written testimonials in your direct mail, email signature, and footers. And don't forget about videos! Record testimonials, and publish them on your website and social media platforms.

Educate your farm. We talked about this earlier, but offering your farm FREE content that keeps homeowners well-informed, helps them by explaining what they need to know, and answers their questions, will encourage them to see you as the authority in your industry.

CLICK HERE to see more trust postcards!

EXPAND YOUR FARMING TO SOCIAL MEDIA



According to the Pew Research Center, seven out of 10 Americans are using social media to connect with one another, engage with news content, share information, and entertain themselves.

Clearly, you need to incorporate social media in your marketing plan, including your farming strategy.

Below are several ways to have your brand show up on social media:

- Claim your Nextdoor business page.

- Set up your Google business page.

- Set up your Facebook business page.

You can also do the following to use social media to effectively advertise your real estate business:

- Upload your farm list and run Facebook Ads.

- Use Google display ads.

- Publish video ads on YouTube.

And here's an extra tip: use the local area's name in your hashtags. #PiermontRealEstate will attract the attention of more targeted prospects than #realestate.

WHAT'S THE ROI?

It's possible that targeting a geographic area for marketing is called geofarming not only because the metaphor works so well but also because, like farmers who work long, hard hours to plant and tend their fields, real estate agents work long and hard to successfully farm their neighborhoods.

When it comes to farming, the real question for agents is whether all the effort involved is worth it. More specifically, what's the return on investment (ROI)?

Each agent has to answer that question for themselves, but consider these numbers as you make your decision:

250 Postcards x 12 Months = $2,850*

250 Clients Targeted x 2%** = 5 Clients

$350,000 Avg. Sale Price x 3% Commission = $52,500 GCI

$52,500 – $2,850 = $49,650 Net ROI

*$0.95 per postcard sent, based on rate for minimum 250 postcards.

**Per *The Millionaire Real Estate Agent.* Convert 1/50 customers targeted, for a rate of 2%

WHY DO AGENTS WHO TRY FARMING FAIL?

Generally, agents fail for one or more of these reasons:

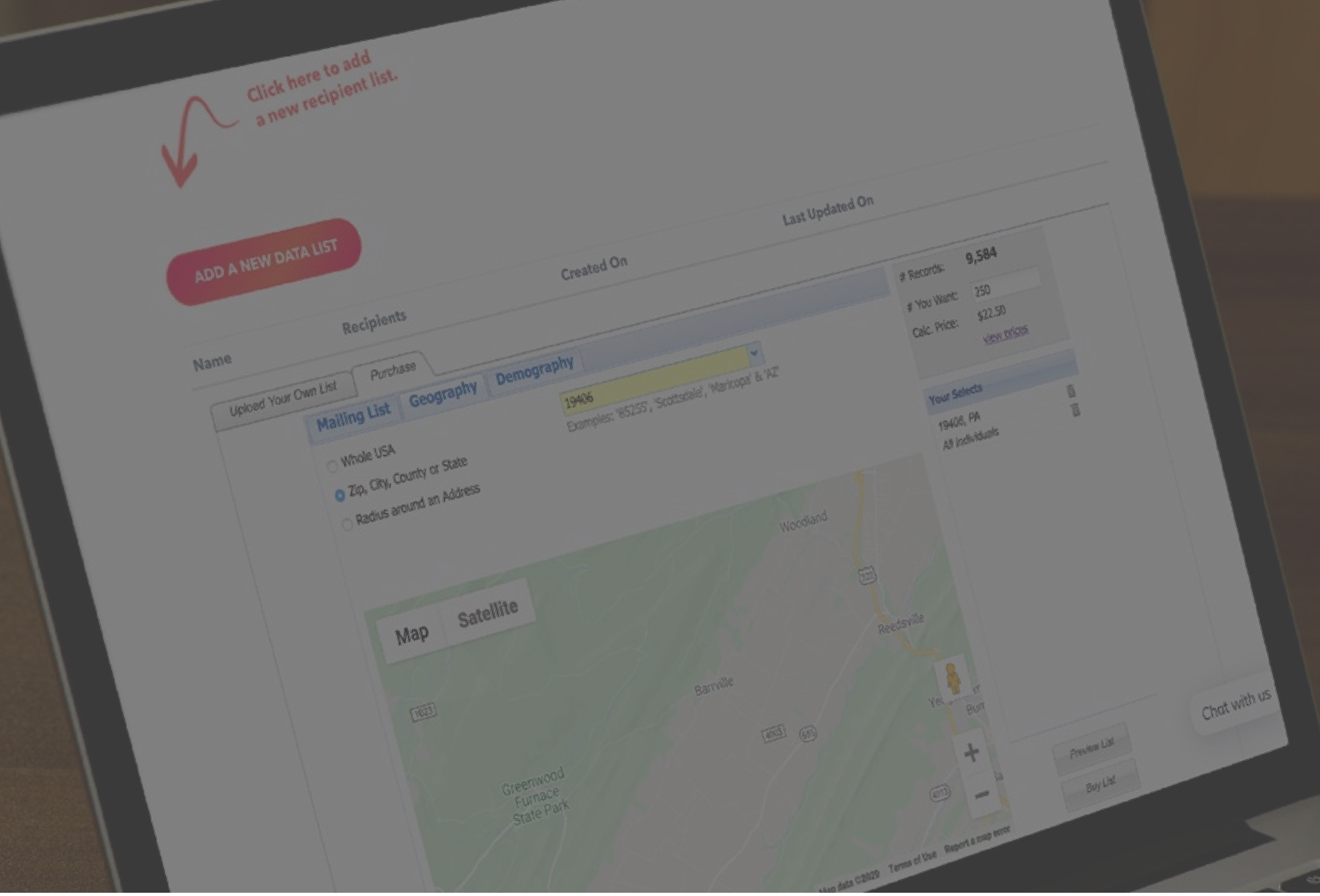
- **They're sending marketing to the wrong audience.**
- **They aren't connecting consistently.**
- **Their content doesn't make an impact.**
- **They don't have the time to do what needs to be done.**

If the numbers we showed you above look good to you but you have no idea how you're going to add yet another task to your already overwhelming workload, or where you're going to squeeze the time into your stacked schedule, or you don't have access to high-quality information, then you deserve to take a look at our postcard campaigns for agents.

WE MAKE FARMING EASY AND RELIABLE

When you join our program, we'll automatically send one impactful postcard to your list of recipients every month for 12 months.

You can select our templated postcards with educational, entertaining, and endearing content that offers seasonally relevant value, or you can customize your cards to include exactly what you want as your unique messages.



WE HELP YOU BUILD YOUR LIST

We've got geographic and demographic tools that allow you to select and target areas and the characteristics that represent your niche.

We also supply predictive analytics that examine consumer, property, and behavioral data to predict who is likely to move within the next six to 12 months. For example, if you have a farm of 1,000 homes, we can save you money by narrowing your list to the 200 homeowners who are most likely to need your services in the upcoming year.

WE SAVE YOU TIME

It takes **only a few minutes** to set up your monthly postcard campaign, and your postcards are ready within 24 hours after ordering.

Our postcard marketing specialists will happily hand-select your postcard designs and set up your campaign for you. We'll send postcards that are sequenced to maximize your exposure and seasonally appropriate to be relevant when they arrive.

Or, if you decide you want a custom card, we'll work with you until you are absolutely satisfied.

PRICING

250-499	**500-999**	**1,000-1,999**
$0.95	$0.79	$0.77
2,000-2,999	**3,000-4,999**	**5,000+**
$0.71	$0.63	$0.59

When compared to other forms of direct mail, postcards are exceptionally **efficient and cost effective.**

For example, several years ago, New York University Law School published a report claiming that 44% of all direct mail was discarded before it was opened. Postcards don't suffer the same fate because your message is literally staring them in the face.

Postcards are also relatively **inexpensive** compared to most other types of direct mail advertising. But inexpensive doesn't preclude high quality.

Our postcards are printed on high-quality 110# cover stock with a UV-protected gloss finish. They're available in a large 5.5" x 8.5" size *(see pricing above)* to help you stand out in the mail.

WHAT HAPPENS NEXT?

Once you select your postcard campaign:

- You'll enjoy worry-free marketing with automated mailings.
- You're assured 12 touchpoints with one postcard sent every month for a full year.
- You can use custom options or have our postcard experts strategically select and manage your campaign for you.
- You can use our geographic, demographic, and predictive analytics tools to ensure the right people are targeted.

OPPORTUNITY AWAITS! This is your chance to join the thousands of agents who dominate their markets because they've experienced the benefits of strategic farming.

Schedule an appointment with our team of postcard marketing specialists today, and let us help you become the go-to agent in your area.

CLICK HERE
TO SCHEDULE A CALL WITH OUR TEAM!

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