

Maximizing Your Sales Funnel: Winning More Deals from Lead to Close by Karen A. Condi, Principle and Executive Director of Alliance Office Strategies

Understanding your sales funnel and its key components is critical before you can begin to evaluate and improve results starting from leads through to closing sales opportunities. If we start at the top of the funnel and explore leads for the business center industry you must understand the main sources of leads. For over a decade, there have been 3 primary sources of leads for the industry that have remained constant: signage, web, and referral. Certainly, there are many other lead sources but we'll just address these three for purposes of this article.

While there are often limitations on what a center can do with regards to signage depending on the location, the leads that result are often extremely high value and well qualified therefore vital to handle appropriately. These prospects generally walk in or call in, therefore, you must be ready to tour and have the ability to create instant rapport while executing a flawless tour. Statistics tell us that in real estate, 90% of the deals are closed because of the presentation of the product. What this means is that centers must be "rent ready" and extra care should be given to ensure the center delivers on the professional value proposition that we provide.

The web sends numerous leads to our centers through various channels including the centers own website (via phone call or contact form), Craig's List postings, LoopNet postings, Google Adwords, web broker listings, various real estate postings and others. There are many best practices when it comes to marketing via the web to drive and if your center is not capitalizing on the power of the web it's time to evaluate what you are doing wrong. We are often surprised at the number of centers which have outdated websites or not paying attention to this important source of business in today's digital world.

Referrals from traditional commercial real estate brokers provide another easy source of leads to help fill the funnel. With brokers, staying top of mind and assisting them when they have a need which they are unable to fill is key. We are told over and over again that these brokers toss the "small," less than 2000 sq. ft in most cases, deals aside because they make little money and many times require as much work as large deals. With very little effort they will send these leads over to a business center to make a small commission. Most centers pay the standard 10% referral fee so, these guys aren't going to do cartwheels for the small fee, but just as important is moving these clients off their plate so they can focus on bigger deals. However, you've got to stay in front of them, stay top of mind and 'be there' when they have the need. Overall, referral sources normally send over very qualified leads that are already engaged and somewhat sold on our product; centers must move the process along and get them closed.

Once we have dealt with building the top of our funnel with leads, it's time to focus on moving them down to closed business. Through our research and working with many different centers we've found that approximately 40% of leads are not followed up on appropriately. While certainly not unique to our industry, how can a center be successful if they do not do everything they can to win the most deals? With the clients we consult with, the goal is for the center managers is to convert 60% of all leads to the tour stage, sometimes this average is higher depending on the market but 60% is a good

average across all US markets. A common issue we see is the handling of telephone leads, the goal for any phone call should be to “sell the tour” not to “sell the office.” As referenced above, 90% of deals are won because of the presentation of the product and if you are trying to “sell the office” over the phone you may never get a chance to win the deal.

Looking at the other stages of the sales funnel that works most effectively in the office business center industry is a 5 stage sales process. The first stage is establishing interest and creating rapport to ultimately sell the tour. Stage two is conducting a thorough needs assessment and further qualifying the prospect. In the third stage you must match the prospects needs and wants to the center tour while taking a consultative selling approach and presenting the best solution for them. Overcoming objections is the fourth stage and you must consider these as a positive rather than negative in that the prospect has enough interest to share objections. Finally, if you have done a good and thorough job with the previous four stages, “the close” or final stage should be a piece of cake. We are often asked to conduct training on closing skills but what we find most often is that staff members need to be trained on steps 1-4 rather than on the actual closing portion of the sale.

A key negotiating stance when closing businesses, and a major weakness we see among centers, is selling from a position of strength and understanding “price value.” Price value is defined as: price is what you pay while value is what you get. We cannot simply give in to prospects every request and must understand we provide substantial value with our product. We’ve endured some tough financial times over the past few years and discounting has become the ‘norm’ for many. This process has caused many of us to lose sight of the value of our spaces and fall into the price death spiral of selling on price, not value.

In closing, simply take the time to understand your funnel from leads, to your sales stages on through to closing. Pay attention to all the important details to effectively execute at each stage and you will maximize all of your opportunities and drive more revenues for the business. Feel free to contact Karen Condi at kcondi@allianceofficestrategies.com to learn more.