



The Best Reasons To Put Cold Calling On Ice For Good

As the dust settles behind the hordes of irritated consumers stampeding to list their phone numbers on the national Do-Not-Call Registry, real estate agents and trade groups are considering how the landmark Federal Communications Commission decision will affect the economic future of our industry.

Let's start with the facts:

You probably didn't like cold calling anyway. Most agents I know would rather schedule a full body wax than make time to sit down and cold call a list of people who would also rather be having a full body wax than fielding another cold call from another real estate agent.

Although the June 2003 decision by the Federal Communications Commission to pre-empt earlier state restrictions on telemarketing and cold calling with a full blown national Do-Not-Call program caught many people by surprise, why the decision was made is no surprise at all.

THE POWER OF THE PEOPLE

Simply put, national Do-Not-Call Registry legislation was enacted because it's what the people of this country desperately wanted. Weary from years of being hounded by telemarketers at all hours of the day and night, their frantic cries for some kind of protection from unwelcome sales calls finally reached the ears of those with the power to do something about it.

"Now wait a darn minute!" you might say. *You* never call prospects at dinner-time. *You* don't argue when someone says they're not interested. *You* are a professional, not a telemarketing bottom feeder. So, undoubtedly, these Do-Not-Call restrictions won't apply to you, right?

Wrong. Although the National Association of Realtors is mounting an aggressive challenge to the national ruling, you need to understand that unless something changes between now and October 1, 2003, the new regulations *do* apply to you. More importantly, it's very clear that most consumers simply Do-Not-Want

to be called at home. Period.

If you ignore the rules and make a cold call to someone listed on the registry, you risk incurring fines up to \$11,000 for each violation. Unless you're made of money, that should be reason enough to think twice before deciding that the Do-Not-Call restrictions Do-Not-Apply to you.

WHY DO-NOT-CALL IS OK-BY-ME

As October 1 approaches, the debate about whether Do-Not-Call spells the end of traditional methods of prospecting for home buyers and sellers rages on. In the meantime, you have leads to find and a business to run.

What can you do? I see three options:

- **Subscribe to the quarterly Do-Not-Call list** and check it very carefully every time you pick up the phone.

- **Ignore the whole thing**, keep cold calling and cross your fingers that you don't call the wrong person and get tagged for an \$11,000 fine or two.

- **Replace cold calling with a more efficient system** to identify prospects and obtain their tacit *permission* to initiate a mutually-beneficial business relationship.

From my perspective, the most practical answer would be #3. In fact, I was a cold call prospecting agent when I started HouseValues as a better way to generate listing leads. And believe me, the results of automating and streamlining this process are nothing short of amazing.

Of course, you're free to make your own choice about continuing to cold call or pursue other more traditional ways of locating prospects. But increasingly, agents are learning to embrace the more efficient lead generation methods made possible by the Internet and e-mail.

For example, when a prospective seller requests information from a site like HouseValues and that request is automatically routed to a designated agent for response, the home owner has essentially given *permission* to the agent to respond by delivering the requested information.

Once permission is given and the connection made, the smart agent will continue to nurture each of these new relationships — quickly delivering the requested information and then periodically contacting each prospect by e-mail with home owner tips, market updates, industry news and other useful information.

Statistics confirm the average Internet-savvy consumer begins to consider buying or selling anywhere from 12 to 24 months before initiating a transaction. This certainly flies in the face of the traditional presumption in our industry that the most valuable prospects are those who are within 30-60 days of taking action.

With statistics also suggesting almost 75% of sellers list their property with the first agent they contact, it's easy to see the value in harnessing the power of the Internet to develop permission-based relationships, patiently cultivate them over time and remain the first person they think of when it's finally time to buy or sell.

Spending your valuable time nurturing your prospect relationships with periodic e-mail messages, informative newsletters and even an occasional phone call will produce a higher volume of better quality prospects over time than you'll ever find by cold calling.

And from my point of view, that's a better reason to put cold calling on ice than anything the government could legislate. ■

Mark Powell is a second-generation real estate agent, and is founder of HouseValues, Inc. HouseValues provides proven lead generation and prospect management services to real estate agents nationwide. The company's products include listing lead generation from exclusive territories, proven prospect management tools, and a series of training and coaching services to help agents be more successful.

Powell has more than 20 years of experience in sales, sales management, marketing and advertising. He has spent eight years in the direct response advertising industry, and is a frequent speaker at marketing, sales and real estate conferences. He was named "Entrepreneur of the Year" by Ernst & Young in 2002.

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