

Leveraging the Technology Advantage



Mindy Saffer

Like everyone else who started her career in the mid-80's, I've seen how advancements in technology have significantly changed the way business is being conducted. I remember my first "real" job in commercial real estate—the electric typewriter ("white-out" for changes), the company brochure (no websites to surf), the messenger service (in case it HAD to be there within the next four hours) and hand-written messages that allowed execs to blame their secretaries for their inefficiencies. Well, things have really changed, and whether it is for the best is still up for debate.

Commercial real estate is a relationship business. Identifying and executing space options and plans is the core business model. The more challenging aspect of any such service business is identifying prospects and getting hired. Technology has impacted the way sales people from all industries now accomplish this goal and commercial real estate is no exception.

Canvassing for Prospects versus on-line Research

Years ago, a broker would get hired by tenants through cold-calling. The broker would first "canvass" a building by starting at the top floor, working their way down to the lobby, noting all of the tenants and any important information that would qualify them as a prospect. This method allowed the broker to take a peek at the office space to get a feel for its condition, how effectively it was used and how conducive the location was for their type of business. This process was extremely time consuming, however effective.

The broker would then proceed back to the office and consult a huge yellow pages-style directory with company names and phone numbers, cross-referencing the list of tenants with the directory to compile a prospect list. During the cold call, the broker would probe to find out when their lease expires and if they have other real estate needs—growing, contracting, opening new offices, etc. If the broker was extremely organized, they would write the names, phone numbers and notes from the canvassing tour and cold call onto an index card, and this would become her database of prospects. The broker would often be asked to send a package of information, noting that information was sent on the index card and hoping that when they called back, the tenant had received it. After 9/11, however, it was virtually impossible for a broker to canvas a building without having building security or a concierge interrupt the process.

The Impact of Automation

Today, there is a company called CoStar that provides brokers with a comprehensive online prospect list of every tenant, contact name, phone number, lease expiration date, size of office space and length of tenancy in the building. With one click of the computer, a process that once took weeks now takes just a few hours. Once a list is generated, brokers can cross-reference that list with the prospect website to verify information, so the initial cold call becomes a more informed, better-prepared, "warm call."

In addition, there is a so-called contact management software application called ACT! which can be used by brokers and salespeople in other industries to track prospects. Instead of often confusing handwritten notes, this database provides a broker with a method of pulling information that is clear and concise. ACT! also automatically reminds the broker when another sales call should be placed. While such technology innovations have saved brokers quite a bit of time, the ease of securing such real-time information has caused many tenants to become inundated with telemarketing-style cold calls from less reputable firms, leaving them frustrated and disinterested in more legitimate inquiries from credible organizations.

E-mail versus Snail Mail

In addition to the Web, e-mail has also had a major impact on prospecting for new clients. As recently as ten years ago, the only means of communication available to contact prospects was regular "snail mail" (could take up to a week) and phone or messenger services (very costly). The advent of e-mail has enabled real-time communication at little to no cost, per message. When you hang up with a prospect who wants information—again they are but one click away. Video messages can also be sent via e-mail, minimizing the alternative risk of mailing a VHS or DVD. However, as

previously stated, most people are already overwhelmed by the amount of information they receive electronically so the information may be ignored or heavily discounted, however legitimate.

Websites versus Company Brochures

The Web is an ideal prospecting tool for anyone in sales. Corporate websites provide all of the necessary information—addresses, names of contacts and positions, phone numbers, number of years in business, size of organization, mission statement, names of the Board of Directors, etc. Unlike printed brochures that are cumbersome and costly to update, produce and distribute, websites provide a wealth of information that can anonymously be accessed and easily recreated.

For example, when brochures are mailed, there is record of who received it for personal follow-up. With the Web, in contrast, if a broker wants to learn about an organization prior to making a call, that information is

publicly available. This is obviously a great technological contribution to the saleswomen of the world, but a bit intrusive to those recipients of the sales call.

Overall, technology has dramatically increased the productivity of the sales workforce. It is easier to identify and provide information to prospects. It is easier to present your company and your capabilities to prospects. And it is easier to connect your existing clients with prospects, so referrals increase.

Technology, however, has also unwittingly created some artificial sales barriers. Prospects are inundated with information. Voicemail allows for more screening and less ability to reach prospects, and thereby the ability to efficiently identify qualified leads. The ease of retaining industry information also makes differentiation from your competitors more difficult. Use technology to your advantage, but understand the new challenges it creates. In short, be more creative than your competitor; this will ensure success. ●

Mindy Saffer is a vice president with West, Lane & Schlager · Oncor International. Since 1986, she has worked in various aspects of the Washington, DC, commercial real estate industry. Her primary focus is in the representation of office tenants and investors in the Washington, DC, Metropolitan Area.

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