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In sales, it's about survival

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Dear Mom,

It is a real war out here. I have never experienced conditions like this before in my life. The battles are fierce, the enemy is all over the place, but I can't even see who they are most of the time.

Half the time I am also afraid that my own fellow soldiers may turn and run to the other side. Morale is down, and our numbers are down, too. We need new strategies to deal with the toughest battle I have ever experienced.

Mom, what should I do?

As Always, Your Loving Son

Dear Son,

Yes, I know that this is a tough time for you and many people in the senior housing industry. With sub-prime fiascos, consumer confidence waning and an election up in the air, your customers are in need of some special love and care in the area of sales and marketing.

Add to that, you can no longer just look at what is going on with your direct competitor in senior housing. It is more likely that community-based services—home care and home healthcare—are your biggest competitors today. Getting people out of their homes and in to your retirement community requires far more selling skills and marketing strategy than ever before.

Let me suggest several things you and your friends should be doing and looking at right now in order to get back your edge. First, look at the productivity of the top referral sources you have been working with. Your careful review in this area should not only look at time and effort of the outreach work that is being done, but more importantly, the results.

Are you getting qualified leads that result in move-ins? Or are you spending time in the wrong areas and getting no results?

Being that this is a far more need-driven time for many prospects, look to referral sources that provide those more immediate results. Too many people stick with the same old contacts and are getting the same old results—nada! Time to change!

Next, are you using each member of the sales and marketing team effectively? What, if any time bandits are taking away from your ability to do the three key things that must be accomplished in any difficult sales environment: outreach, working the leads and results.

Many audits today find that the sales team is spending far more time on trivial matters—copy writing, resident relations, and staff relations—and oftentimes less than 50% in the sales zone. That sales zone means calls, connected calls, tours, retours and the strategizing to close the deals.

Are you, as general manager, looking randomly at dozens of the leads in the database to determine how effective the sales team is at getting the all-important tours and retours – and just as importantly, how effective they are in advancing the process along in each sale contact?

How about “holes in the net”? With every lead being so valuable today, are you making sure that all call-ins are effectively handled and placed in the hands of the sales team, as well as looking at any issues that affect the back door, such as customer relations, care evaluations or miscommunications that may lead to residents leaving for another housing choice?

Time and time again it has been proven that 10%, 15% or even 20% of all calls to a community are fumbled in some way or another. You can never train the gatekeepers too often or too much!

Next, keep a scorecard, as in setting the standards and then using those standards as an ongoing evaluation tool. I suggest that a five-part scorecard be used to set minimal benchmarks in the five key areas: mystery shops/calls monthly, inquiry-to-tour ratios, tour-to-close ratios, tour-to-retour ratios, and budgeted census to variance.

These are the key things that need to get accomplished, so let's affix points to each of the areas mentioned above, making the total possible points equal 100. Then, whether you have two sales people in one building or 25 across the company, they will all know that they are being judged based on the same criteria—the key criteria that make them successful long term.

Incentives. Today's marketplace is seeing unprecedented incentives by competitors. We must look at what incentives are being offered, how effective they are and how they are being used.

And finally, Son, you and your friends in this industry need to get back to the basics in selling.

Starting from the beginning, when will we finally learn that this savvy consumer needs a far more sophisticated sales approach?

Hire for sales and you will get sales people. They know how to get the key, basic information in order to advance the process and are less interested in vomiting information all over the consumer.

So when you really look in your sales director's database, see if he or she is capable of advancing the sale along with solid strategy—or just going through the routine that is littered with left messages, newsletters sent, newsletters sent ... You get the picture, and it is not a good one.

You will continue to notice that the better performers in senior housing sales will continue to do well. They understand that this is a war out there, and the strong, the consistent and the innovative will win. So go, my son, and be successful with these tips. And don't forget clean underwear.

Love, Mom

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