

Avoid Tomorrow's Headaches Today

Reviewing this past year can help you set goals and adapt marketing for next year

By **Ron Appel**, national sales director, A+ Letter Service

WHEN MORTGAGE BROKERS begin to develop a marketing plan, they can lose sight of the fact that it is actually supposed to be a plan.

Instead, many brokers wait for their lead sources and pipelines to dry up before they decide to implement a marketing strategy. They assume that lead generation is like a faucet: Turn it on when you need leads, turn it off when your pipeline fills up.

It would be great if that was really the way that marketing worked. But effective marketing and business plans must actually involve planning ahead. That's why you should start to consider what you are going to do to generate business for 2008.

Make a plan

When business is plentiful, brokers may not see the need to advertise or to create a name-branding campaign. When the market falls on hard times, however, this shortsighted approach comes back to haunt them.

You can benefit from planning well in advance for your marketing budget. Although appropriating funds and deciding how those funds will be used is something that takes careful planning, there is no need to reinvent the wheel.

The easiest way to begin planning for your marketing budget for 2008 is to review your

previous year's expenditures and to analyze what form of advertising or marketing produced the highest return on investment. If you have failed to track your results from this year, you should make a concerted effort to track your returns for next year.

Another way to determine how to proportion your spending for next year is by breaking down which lead sources produced the best conversion ratios.

Also consider the quality of the lead that was produced by each form of marketing. If one form of lead generation produces prospects that you find yourself chasing around with little success, then your money and time can be better spent elsewhere.

Set goals for past contacts

When setting up your marketing plan, you also must define the ultimate goals of your plan. Not all marketing is necessarily geared toward generating new business or sales leads. Perhaps you have a broader goal tied into your marketing efforts.

Consider making reaching out to past clients one of your goals. With homeowners refinancing every two or three years, you can always do more to ensure that you maintain contact with your previous clients.

You have already established credibility and a level of trust with these clients, and keeping in touch with them will likely mean they'll choose you when they're ready for a refinance. By staying in contact, you can also alert them to new loan products that might better suit their financial situations.

Something as simple as sending a birthday card to past clients or acknowledging an anniversary date will help you to stand out from competitors. The cost to you is minimal, but the potential for repeat and referral business is extraordinary.

Time for change

Part of your marketing plan is determining the methods and materials you will use to spread

your message. If your marketing efforts in 2007 failed to meet your expectations, it's clear that you must do some things differently in 2008.

Continuing to employ the same old tired marketing strategy from year to year just because it's what you've always done in the past will spell certain doom for the future. The mortgage market is changing, your clients' needs are changing and maybe it's time for you to change your old way of thinking. What worked five years ago may not yield any results in this financial environment.

If you're ready for a change, start gathering ideas for your new plan. Think about what marketing materials you have seen recently that caught your eye or to which you responded. Maybe you received something recently in the mail that made you stop and say, "Wow, this is really a clever idea."

Because your expertise revolves around closing loans, completing this part of your marketing plan is best left to the professionals. You can take the guesswork out of marketing by seeking a lead-generation resource that specializes in the mortgage industry. This company often will know exactly what is working in today's market and more importantly, what is not working.

Using a company that markets nationally can be especially helpful for brokers because they will be familiar with market trends and niche products that are producing the best results in different regions. This is especially important if you are licensed in multiple states.

■ ■ ■

Make 2008 the year for which you plan ahead. Decide now how much you will spend on marketing, what your goals are and what methods and campaigns you will use. After all, the greatest investments you can make are in yourself, your company and in the end, your marketing plan. **■**



Ron Appel is national sales director for A+ Letter Service's retail-mortgage division. A+ Letter Service specializes in lead-generation services for mortgage professionals. It also attends many regional trade shows and all shows on the National Association of Mortgage Brokers circuit. To contact Appel, e-mail rona@aplusletter.com or call him at (877) 905-6245, ext. 265. Visit A+ Letter Service's Web site at www.aplusletter.com/mortgage or write the company at A+ Letter Service, 200 Syracuse Ct., Lakewood, NJ 08701.

REPRINTED FROM *SCOTSMAN GUIDE* RESIDENTIAL EDITION AND SCOTSMANGUIDE.COM, DECEMBER 2007

All rights reserved. Third-party reproduction for redistribution is prohibited without contractual consent from Scotsman Publishing Inc.