



Featured in
inmanNEWS™
Where Real Estate & Technology Connect



[Teke Wiggin](#)

June 15, 2015

Don't like 'nurturing' leads? Maybe you should outsource

Lead Connect 365 says it delivers an online lead conversion rate that blows industry average out of the water.

Since registering on Nick Baldwin's website in 2010, a New Jersey homebuyer had logged in 245 times and viewed 1,339 properties. But never once during the last five years did she respond to any of Baldwin's emails or phone calls, according to Baldwin, a real estate agent at Montclair, New Jersey-based Keller Williams New Jersey Metro Group.

Until last week.

"Thanks for continuing to send the list to me daily," she wrote in an email to Baldwin, later asking: "Is there a way we can buy a home with less than 5 percent down?"

Baldwin's experience illustrates how it pays to nurture online leads over long periods of time.

Agents, teams and brokerages who appreciate the long-term potential of online leads often hire assistants to handle the job. But why do that if you can outsource the work to a company that will do it better and for less?

That's [Lead Connect 365's pitch](#).

Founded by a number of real estate bigwigs, the firm says it's developed a "lead incubation" service (see infographic below) that delivers lead conversion rates that blow the industry average out of the water — and for less than the cost of an assistant.

Here's how it works:



Our Lead Development Process

SALES FLOW

INCUBATION FLOW

Collect

Lead email lands in our client CRM.
Phone calls are routed to our Customer Care Center.

Contact

Our operator engages the lead within 5 minutes.

Capture

Operator captures an appointment when possible.
If the lead isn't ready, lead Incubation begins.

Strategize

Real Estate Agent meets lead face-to-face,
and develops customer satisfaction strategy.

Calibrate

Lead Connect 365 calibrates
a buyer plan and timeline.

Coach

We also coach on
optimal lead engagement.

5. Contract

Agent captures lead and enters contract process.

Incubate

Lead Connect 365 incubates lead
for Agent, using proprietary systems.

Identify

Identify the
optimum incubation
strategy for
each lead.

Update

Update Agent
regarding
communication
with lead.

Notify

Notify the
Agent of lead's
readiness in
buying cycle.

Mature and Active Return

Lead transitions into Active Phase and is ready
to meet with the original Agent face-to-face.
Lead Connect 365 makes appointment with lead prospect
and Agent. Return to Capture step in Sales Flow.

Lead not ready for active engagement?
Returned for incubation.



[Six out of 10 agent respondents to a recent Inman survey](#) said that less than 4 percent of online leads convert into deals. (Four out of 10 said the conversion rate was less than 2 percent.)

Lead Connect 365 CEO Doug Yeaman says the company will deliver at least an 8 percent conversion rate for brokerages or teams of agents.

The reason that Lead Connect 365 can pull that off, he says, is that the firm maximizes the chances that any future buyers or sellers that connect with a real estate team won't eventually take their business elsewhere.

Though Yeaman said Lead Connect 365 has begun to generate revenue by piloting its service with some brokerages, it won't officially launch until enough time has passed for it to be able to point to measurable results.

Yeaman predicts that the startup will produce an 8 percent lead conversion rate because its service is modeled after a system that has yielded those results for clients of his real estate consultancy, Quantum Management Systems.

Other Lead Connect 365 co-founders include UV Mathoda, former director of product management at realtor.com operator Move Inc., and Mike Lopez, former chief operating officer of Buffini & Company, a popular real estate coaching firm.

More than 8 out of 10 consumers who contact an agent online end up selling or buying a home approximately nine to 14 months after making contact with a real estate agent online, according to Yeaman, citing a study conducted by his consultancy for a major real estate company. (He declined to name the company.)

But many real estate agents who connect with prospective buyers and sellers online pass up the opportunity to be top of mind when they're ready to pull the trigger, he said.

Research has shown that about half of real estate agents who receive online leads don't respond to them, he said. And those who do respond typically don't contact leads within five minutes, which studies suggest is crucial to forming a lasting relationship.

Of those who establish contact with leads, many don't stay in touch if they discover the leads aren't ready to buy or sell in the near future, or they put them on cookie-cutter email marketing campaigns.

What they hardly ever do, Yeaman said, is try to set up appointments right out of the gate.

That's Lead Connect 365's bread and butter.

The firm calls online leads on behalf of clients with the aim of converting them into appointments for real estate agents.

Depending on whether an appointment converts a lead into a client, Lead Connect 365 either passes the lead off to an agent or engages the lead over a long period of time with the goal of handing them off to an agent once the lead is ready to buy or sell.

Lead Connect 365 charges a monthly fee of \$2,000 to manage up to 200 leads, plus \$100 for every lead the firm converts into an appointment.

By integrating with customer relationship management systems, Lead Connect senses when an online lead arrives in a real estate database and then reaches out to the lead through an operator within five minutes.

Lead Connect 365 says its operators receive 90 days of hands-on training, where they learn how to secure appointments for agents, how to maintain rapport with leads through monthly calls, and how to discern when leads are ready to buy or sell.

Mathoda said Lead Connect 365 is converting at least half of leads from listing portals into appointments, which Yeaman claims is at least 25 times higher than the industry average.

If an appointment reveals that a buyer or seller isn't ready to transact in the near future, then Lead Connect 365's "lead incubation" system kicks in.

Lead Connect 365 was reluctant to provide details on how it keeps leads engaged over extended periods of time, but mentioned some techniques:

- Checking in by phone once a month.
- Offering deals at restaurants in a lead's neighborhoods of interest.
- Sending listings that match a lead's search preferences.

"It's staying in touch with the consumer, knowing what the consumer is thinking and doing," Yeaman said.

By conducting disciplined outreach, the operator stands a good shot at eventually learning when a lead is ready to buy or sell.

If that happens, the operator hands the lead back to the agent who met them at an appointment however long ago.

"We're never overstepping or stepping on the agent; we're acting on their behalf," Yeaman said.

[Email Teke Wiggins.](#)