

HARNESS THE  
POWER OF  
*Word-of-Mouth*  
*Marketing*  
FOR REAL ESTATE  
AGENTS

A REAL ESTATE EBOOK FROM



# WHAT IS

# Word-of-Mouth Marketing?

Word-of-Mouth Marketing (WOM) takes place when a brand or product generates consumer interest, and the consumer reflects this interest in their daily communications. For example, let's say you've just purchased new headphones, and they are the best thing since sliced bread. The sound is immaculate, the price inexpensive, and overall, you're head over heels for this product. A week later, your friend asks for a recommendation for new headphones, and you highly recommend your new favorite product. That's Word-of-Mouth Marketing in action.

In many ways, this strategy isn't a strategy at all; it happens because the company's product or service is good, and the consumer expresses a true emotional response as a result. This passion behind the product/service combined with the trustworthiness and value that comes when making a personal recommendation to another makes this type of marketing the most effective way to gain new clients and create awareness about your services.

After all, [over 92% of consumers trust their friends over traditional media](#). Why? Because knowing the person who's making the recommendation leads you to better trust that their positive experience will be the same for you.

Source: Nielsen







## HOW DOES *Word-of-Mouth* *Marketing* WORK?

Most traditional marketing consists of promotion, advertising, and/or social media content. For WOM, the strategy consists of “seeding,” a method that requires one person to share their positive experience, either in person or over social media. Then their friends, family, and followers will see their suggestion, purchase the product/service, and further recommend that product to their family members and friends. For example, your friend shares on Twitter that they love their new sneakers. Another friend sees this, purchases the same shoes, and agrees, so they also go on Twitter and reshare the post. If the product is that good, it will keep being shared and create a chain-like effect filled with follow-on interactions.

Source: [Investopedia](#)

## WHAT ARE THE BENEFITS OF

# Word-of-Mouth Marketing?

Utilizing WOM is the ultimate referral system that **costs your company almost nothing**. People do not need to trust your agent brand. Instead, they're trusting someone that they know. It's like having your very own spokesperson without having to pay a marketer's salary. [Only 34% of consumers trust brands they purchase or use but almost 100% trust their friends.](#) Mobilizing this trust structure makes this marketing strategy powerful. It backs up the quality of your services without you having to say a thing.

You might be wondering, "So if it's based on the consumer's voice, what can I actually do to promote Word-of-Mouth Marketing besides providing the best service possible?"



“THE **BEST MARKETING**  
DOESN'T FEEL  
LIKE MARKETING.”

—TOM FISHBURNE—





## HOW TO PROMOTE

# Word-of-Mouth Marketing

Word-of-Mouth directly relates back to the consumer's experience. However, there are many ways to promote this experience without spending thousands of dollars. The following ideas we discuss center on having others influence their friends and family to use your services based on the positive experiences you create.

# 1 INVEST IN CUSTOMER SERVICE

Real estate agents provide a start-to-finish service of guiding their clients through a real estate transaction. Naturally, the amount of support you provide directly correlates to your client's experience. When you establish a world-class customer service, your clients develop trust in what you do and are more willing to speak highly of you to others.

## WAYS TO INVEST IN

### *Customer Service*

- Research and invest in a **dependable CRM system**
- **Educate** your support staff with **correct customer service protocols**
- **Hold quarterly reviews** to assess what you're doing well and what you need to work on
- **Ask your clients to assess your services** during and after the transaction
- Emphasize **customer service as a core value** of your business



## 2 REWARD YOUR BEST CLIENTS

For the clients who utilize your services time and time again, make sure to reward their loyalty. They clearly value what you do for them, so give back with items like birthday cards or small gift baskets during the holidays. These clients are your bread and butter; they are the fuel that keeps your enterprise alive. Showing you care will increase the odds they'll share your name when a family member or friend needs a real estate agent.

### WAYS TO INVEST IN *Your Best Clients*

- **Know your clients** and provide gifts they will value
- Call them a few times a year to “**catch up**”
- **Take note of their hobbies and interests** to facilitate more personal conversations
- **Schedule coffee meetings** or other casual activities
- **Reach out** when a home near where they live becomes available



# 3 REFERRAL PROGRAMS ARE A MUST

Creating a referral program is a great way of promoting yourself while incentivizing your clients. This win-win situation taps into their loyalty and is considered to be the most effective way of finding new clients. You need to consider what exactly will incentivize your clients to share your name, but once you uncover what that is, you'll be able to quickly get the most out of the clients who enjoyed the work that you've done for them.

## WAYS TO INVEST IN A *Referral Program*

- **Incentivize your clients** with a benefit that does not break the NAR Code of Ethics
- **Inform your clients about the referral program** during and after their home transactions
- **Create marketing materials** to support and advertise your referral program
- **Think outside the box** and consider your client's wants when deciding on incentives
- **Promote your program** on social media and in newsletters to increase awareness

## 4 EVERYONE LOVES FREE ANALYSIS

Unsurprisingly, people love free stuff. Giving away items like free market reports or comparative analyses is a fantastic way to get your name out there. It shows you're selflessly investing your time to help a potential client buy or sell their home while demonstrating your knowledge breadth. People want a professional who knows what they're doing, after all. Some agents are wary of this practice; they worry that the client will take their report and become a For Sale By Owner listing. Or worse, go to a competing agent with the analysis. Don't worry about that. Even if they do one of those things, they'll still think highly of you and will not be afraid to tell others about how amazing of an agent you are. And if they fail to sell on their own (the vast majority do) or dislike their agent (what reputable agent would feel comfortable using someone else's work?), they could easily come back to you with an open mind.

### WAYS TO INVEST IN *Free Analysis*

- Create market reports or comparative analyses to **show off your expertise**
- Free items like branded pens, notebooks, etc. create awareness but do not develop WOM nearly as well as free analysis
- **Be strategic in who you target** with this giveaway
- Adding **more customization** into the report will increase their gratitude and trust in you
- **Don't go overboard**; this analysis should only be for premium leads to further increase trust

# 5 CREATE AN ENGAGED SOCIAL MEDIA FOLLOWING

Your social media channels are significant vehicles for your clients to promote your services. You need to engage your following, especially those who have used you as their real estate agent before. We explain in our blog [A Real Estate Agent's Guide to Creating Marketable Content](#) how to accomplish this goal as well as share strategies to effectively create social media content. However, you'll also want to push for your clients to share their own posts. This is the mecca of Word-of-Mouth Marketing. When they share the value you brought to them with their hundreds of followers, you're getting free press with the full backing of your client's opinion.

## WAYS TO INVEST IN YOUR *Social Media Following*

- **Ask satisfied clients to share** their “just sold home” posts while tagging your social media handle
- Constantly **comment and message back your followers**, especially those who have done business with you in the past
- Reverse engineer the concept of User Generated Content by **posting about your own home sales** while tagging the clients involved
- **Comment on and Like other posts** as much as possible
- **Be consistent** in how often you post and what content you share



# Word-of-Mouth Marketing

DEPENDS ON THE VALUE  
OF YOUR SERVICES

At the end of the day, you can implement all these ideas flawlessly and still come up short. That's because WOM depends on what you bring to the table. If the service is not good, people are not going to recommend you to their friends. WOM is "organic" marketing, so your service needs to do the talking for you. Once it does, the long-term benefits can be immeasurable in terms of growing your base and increasing your sphere of influence.



## About Us

Founded in 2005, The CE Shop has become the leading provider of online real estate education through an encyclopedic knowledge of the real estate industry.

Our ever-expanding course catalog of Pre-Licensing, Exam Prep, Post-Licensing, and Continuing Education products are trusted throughout the industry and offer agents across the country the education they rely on.

With courses available in all 50 states and D.C., we're driven by a desire to constantly improve, both for ourselves and our students.