

# **SOCIAL MEDIA**

*by Mike Ferry*

**MIKE**  
*Ferry*

The first thing I would like to make clear is that I'm certainly not against technology. My Company has spent millions of dollars, and I mean literally MILLIONS of dollars, on technology over the course of the last 20 years. I only wish ... and I'm sure many of you feel the same ... that I could get a substantial return on that investment ... which most of us have not.

Yes, it is incredibly convenient, and yes it can speed things up, but unfortunately technology still requires people, and people like you and I still do make errors when it comes to running technology. I was a partner in my first computer purchase some 30 years ago, where another fellow and I bought an IBM Computer that was approximately 10 feet long, 5 feet high, and probably 4 feet wide. We actually had to hire a full-time data entry person to feed the data cards into the computer; this was after we had already hired a full-time person to type the information on these cards, so they could be input. Thank goodness things have advanced since then.

The report that you are going to read is not about technology, but about one aspect of technology, which is Social Media and how it can/cannot affect an Agent's productivity in Real Estate. You and I both know any comments I make about social media can virtually ... "wage a war that can never end." For those of you that are social media advocates, you can start, after reading this report, posting more and more blogs about how incompetent Mike Ferry is, or to quote one of you, "how stupid" I am, because I choose not to agree with some of your points of view. It's interesting that people that seem to be heavily involved and/or believe heavily in social media as a business getting venture in Real Estate don't

seem to be interested in anybody else's opinion but their own, and as importantly, feel that anybody that does not agree with them has to be wrong.

If you take the time to study personality styles and their affect on personal and business relationships, you'll discover that versatility is one of the key factors in building business/personal relationships and in building a business. When you study how to develop versatility, you'll discover that the experts say ... (not Mike Ferry ... the experts who study and research these thoughts) that the first way to develop versatility is to ... "quit having to be right all the time, on everything" or at least be open to listening to other people's ideas. This is an important facet that all of us should work with.

It's interesting that since a simple YouTube video was posted on the internet, there have been a wild variety of comments made about yours truly, and social media. It seems that people who don't even know me at all are willing to write whatever they choose to write and say whatever they choose to say about not only my mental state, but my business abilities as well. Here's a thought for all of us ... since my only concern regarding social media has to do with Real Estate Salespeople (Brokers and Companies included) wouldn't it be interesting if some of the Sellers out there started posting things on the internet about the quality of service they receive from some of the "self-righteous" Real Estate Agents that are so willing to give their beliefs to the world about a topic like ... social media? I'll bet if we surveyed several thousand Sellers ... we could find several thousand who may not be real happy with the service they're receiving from the Agents that they're listed with, and I'm sure if they had the time to

spend all day, like so many Agents do, looking for postings regarding topics of interest, versus working at their jobs, running their lives, raising their families, etc, they too could post some very interesting things on the internet regarding the services that are being offered and that they are receiving. This would probably make a few Real Estate Agents pretty upset because, my belief is, if we spent that time used on the internet trying to get a listing sold or trying to get a sale-able listing, we might get *more* of our listings sold, and we'd probably take a few more listings.

Yes ... there's no doubt that technology is here to stay. We've probably only seen the beginning of its long-term value to what we can do in our business. However, technology changes so quickly that most of us cannot even seem to keep up, and I will state to you that if you're a Real Estate Agent who's able to keep up, then you're probably not as productive an Agent as you could become.

One of the most interesting parts of my business for the last 35+ years has been the fact that I've always been labeled "too controversial" for our industry. It's always been interesting to me because the only message that I've been conveying for all these years is what I would call a very "common sense" message for Real Estate Salespeople to follow. My message has never been complicated ... it's never been hard to understand ... it's relatively simple for those of you that are Real Estate Salespeople, and more importantly ... it WORKS!

In the late 70's and early 80's, I was criticized, condemned, and complained about because I spoke openly about the traditions of our business ... and how these traditions were keeping Real Estate

Salespeople from being productive. The traditions I referred to were classified advertising ... open houses ... and geographic farming. I stated repetitively during these years that if the goal of the Salesperson was to become a high producer ... meaning 50+ transactions a year ... and they wanted to do it in a relatively short period of time, then they had to be more aggressive in their approach to lead generation and prospecting. Boy, did the industry ever turn on me on this one ... yet, there was a growing number of Real Estate “Salespeople” that believed what I had to say ... followed it ... and succeeded at a high level.

In the mid-1980's I came out against “personal promotion” as being the answer to all of our problems in the Real Estate industry. It should be noted here that the large number of Companies that were doing seminars and pushing personal promotion don't seem to exist today because, as I stated time and time again between mid-1980 and the early 1990's, this was way too expensive for most Agents and was not going to bring you the results that you wanted. For those of you that were around during that time, we saw all the tri-fold personal brochures that Agents were using, along with the billboards and advertising campaigns promoting that every agent was “#1.” Yet at the same time, the people that were following the advice that I was giving were out-producing not only in terms of transactions, but also in terms of profit, those that had captured the market with personal promotion. Excuse me if I'm wrong here ... but I still believe that *profit* is a key part of every Salesperson's vocabulary and something we should maximize whenever possible.

In the mid-to-late 1990's, the campaign that we heard the most about was “doing business through referrals only.” Again ... controversial Mike Ferry

came out and stated that this made sense if you wanted to maintain a small business. It made no sense whatsoever for an Agent who was brand new in the business because it would be nearly impossible to develop a long list of referrals when they don't have any Past Clients, and have a limited Center of Influence list to work from. For the Agents that have been in the business for a prolonged period of time and had done 10 deals a year for many years, they were delighted that they could avoid the Sales Process by working Past Clients only, but they also knew they were never going to reach the status of Superstar, or in most cases, doing 50 or more transactions a year.

Then in early 2005, I produced a short video clip called *The Perfect Storm*. In *The Perfect Storm*, I showed, with what I thought was very clear logic, how the Real Estate market that we knew from 1996-2005 was headed for a huge disaster. I spelled out quite clearly what was going to be the cause of this disaster (in my opinion) and told everybody that within 18-24 months we would see this taking place.

Boy was I wrong ... in some markets it only took 6 months, and in other markets it took 2 and a half years for the collapse to take place ... and boy, did it take place. What's really interesting are all the people that came after me again claiming that I was predicting doom and gloom, and was being outlandishly controversial when, again, I was just presenting what seemed to be common sense.

Around 2008, the whole social media revolution began in the Real Estate industry. It's interesting that, like all of the things we've discussed in the paragraphs above, social media was going to take over the Real Estate

business and completely put anybody who was not involved in it virtually out of business ... it was only a matter of time. If you remember, back 10-12 years ago, we were all told that if you weren't an expert in technology, you were going to be out of business very soon. It is interesting, and should be noted, that a very large portion of the most successful Agents in our industry tell me time and time again that they have no clue regarding technology; however they have staff that obviously understand it. I've been speaking out against this whole concept for several years and believe me when I tell you ... I've been "blasted" on this one a lot, for a long time.

Now ... without being egotistical on what I've written so far ... it seems that I haven't been too far off in most of what I've said about most of the magic pills ... magic formulas ... and magic wands that have been presented within our industry over at least my 35+ years as a speaker/coach/trainer.

I'm sure many of you don't know, and I'm sure a lot of you probably don't care, but I've been involved in Real Estate since the age of 18. Although one of you proudly pointed out on a website recently that you had checked with the state of California and I had received my license in early 1973 and let it expire in 1977. I've never denied for a minute that that wasn't the case. What I have said very pointedly, day-after-day for years, is that I've been involved in the Real Estate industry for virtually all of my adult life ... in one manner or another. I don't claim to be, nor would I expect anybody to believe, I am an expert at all phases of the Real Estate industry, but I'm very confident in stating in this report or to any of you individually, that I'm pretty darn good at teaching people how to become great Salespeople in Real Estate ... if they choose to become a great Salesperson in Real Estate.

I've been very fortunate to get to know the majority of the people that have been training Real Estate people over the last 35+ years and, outside of my friend Floyd Whitman, I've never met anybody who's been able to assist as many to become Superstars in this industry as I have. Not only do we have 90,000+ clients today as I write this report, but we have thousands who have produced at levels most people can never imagine, and a very large and very excited group who've been able to retire from the Real Estate industry because of the advice we've given them. **COMMON SENSE WORKS.** I know it's considered "controversial" by many, but it is still common sense.

At age 18 I went to work for a Title Insurance Company as a delivery boy ... and my job was to contact 25-30 Real Estate offices per day. At age 22, I was a Sales Manager for an Escrow Company out of Newport Beach, CA. For the next several years I sold Sales Training and Motivational Programs to the Real Estate industry through Nightingale-Conant Corporation. I then had the good fortune of spending a couple of years as a Real Estate Salesperson in Huntington Beach, CA and had the good opportunity of spending every day prospecting and doing deals ... something I'd recommend for all of you. Following that, I then had the good fortune of being the Vice President of Sales for a National Title Insurance Company and doing 500 seminars on behalf of the Title Company teaching people what I had learned as a Real Estate Salesperson during my short career in selling Real Estate, and through my never-ending quest on how to become a good Salesperson myself.

While all this was going on in my career, I virtually spent every waking minute studying human behavior ... psychology ... how people respond



and react to various sales situations ... sales skills and techniques ... and I went to every seminar I could find, listened to every speaker that I could find, and read all the books I could find on our wonderful job as Salespeople. Although I've told every audience that my career in Real Estate was very short ... it was a very productive one. Finally, at age 30 when I started my own company as a Professional Speaker/Trainer ... I realized that what I had learned and was teaching could help people immensely.

The National Association of Realtors has twice named me one of the Five Most Influential People in the Real Estate Industry. That's an honor I'm proud of, in spite of the fact that I'm forever kidding the National Association of Realtors on what they teach and what the expectations are for those people that they have in their Association.

My latest controversy (I'm sure there will be more to come as I continue my career... I'm 65 and will soon be 66 and feel like I'm just really beginning) .... seems to have really gelled over the last several weeks when I was invited to speak at a National Franchise convention and the Company that I was speaking before put together a great marketing strategy for their Convention by having myself and a social media guru stand up before their audience and do a mock boxing match on what was the best technique to follow ... MFO or social media.

The man I had the boxing match with and I had numerous conversations before we did our "show" before the audience. In our conversations prior to the boxing match, he made one interesting comment very adamantly to me that was witnessed by the Executives who were on the phone listening. He

said quite pointedly and with a lot of zest, “Mike, you need to understand, not everybody wants to be a Top Producer like the people you’re talking about.” I couldn’t agree more ... not everybody wants to be a Top Producer, however, if you want to be a Top Producer, and you actually believe that spending your days with the social media phenomenon is going to get you there ... then I would question your ability to use common sense.

What’s interesting about this little debate we had on stage was that someone in the audience videotaped it and immediately put it on YouTube, and boy ... then the fun began. The social media people of the world went on full attack ... in most cases, without actually listening to what the other fellow and I were actually saying ... nor did they realize of course that this was all a set up to boost attendance at the convention, and at the meetings we were going to be holding during the convention in the city of Las Vegas.

There are many things that I appreciate about social media and there are many things I don’t appreciate or understand about social media, but I am clear that it’s very easy, through blogging, twittering, tweeting, texting, Facebook, etc., for anybody to say almost anything they want to say about anybody with almost no consequences. I guess it does give people that don’t have the courage to talk to people a way to express their thoughts and opinions in any way they see fit.

What I’d like to do in the balance of this report is give you my “controversial thoughts” regarding the Mike Ferry Sales System vs. social media, and then, AS ALWAYS, you can decide what’s best for you and what you want to do. However, I want to state very clearly that I am in the business of

assisting people who want to be highly productive, make a lot of money, and want to be very profitable in the Real Estate Sales Industry. If you're one of those people, then what I'm going to say in the next few paragraphs may make sense to you. If you're not in the Real Estate Sales field ... I really don't care what your thoughts are regarding my beliefs, so responding to me is going to result in me pressing the delete button to what you have to say. If you are a Real Estate person who's heavily involved in social media, maybe I can offer a couple words of advice that would assist you in taking what you're currently doing and adding other things to it to become more productive ... if your goal is to become more productive. If your goal is to do 5, 8, 10, 12 transactions a year, and your goal is not to make a lot of money, and your goal is to defend your position if you're using social media ... defend it and enjoy it. However, again I want to say, if your goal is to increase your production, we might have something to talk about. Read on and let's see.

The first thing we need to understand is that it's not Mike Ferry or The Mike Ferry Organization vs. Social Media. If you took a minute and studied the Mike Ferry Sales System, you would discover that we believe there are 32 different methods of lead generation (and many more we may not know about) that an Agent can use to generate Buyer and Seller leads. Social media is one of those methods of lead generation. In fact, for most Agents who are working heavily with the top two methods we recommend, which are Past Clients and Centers of Influence, social media may be a way of staying in touch with them in a more broad fashion than I think is necessary. It certainly is a method of communicating that you're still in Real Estate to these two parties. The Mike Ferry Sales System consists of

a wide variety of sales skills, techniques, and sales dialogues that I believe are required to build a large 50+ deal a year business that is not only productive, but profitable. As you will see, the Mike Ferry Sales System is very comprehensive and social media is probably 1/100<sup>th</sup> of that entire system.

The Mike Ferry Sales System consists of, among other things ... scheduling and time management ... lead generation, prospecting for Buyers and Sellers ... effective lead follow-up ... prequalifying prospective leads effectively ... the professional listing presentation ... showing property ... handling objections ... closing for a signature ... negotiating the contract between Buyers and Sellers ... the administration of the transaction ... and starting over again each day at the beginning. FOR ANY OF US TO THINK that social media is a replacement for this entire Real Estate Sales System would mean that we're not thinking very clearly about the process that I just described. Let's look at it from another perspective. "It's not who's right on the issue, or who's wrong. It's what works for the person as to what they're trying to accomplish. The question becomes ... how big a producer would you like to be?" So as you can see, there really is no great debate as I believe that using Facebook or blogging, etc. is one of 32 methods of generating business. According to all the Superstars that have built and are building great businesses, there may be 31 techniques that do it better for them.

The Mike Ferry Sales System is a proactive Sales System. We teach people how to sell Real Estate by being proactive and by talking to decision makers each and every day, which gets results faster for the Seller, the Buyer, and the Agent who's involved. Social marketing is very passive in

comparison. It exposes you to a lot of people, but can't guarantee that you are talking to a decision maker.

The Mike Ferry Sales System builds confidence in Agents by teaching them what to say, how to sell, and assists the Agent in building a predictable and duplicatable business, which allows an Agent to get business now and can project their future income for them by staying within the system. Social media is not a duplicatable or predictable business model. It's a shot in the dark and creates a false sense of security where an Agent feels they can earn immediate income when it's certainly unlikely that they can. I recognize fully that this statement will bother anyone who's reading this report who says they're doing business directly through the social media medium, but if you look carefully at where your business is generated from, and how many transactions you're doing, it's going to be a very rare Agent who can generate the volume of business that a Mike Ferry trained Agent can generate.

One of the central points of the Mike Ferry Sales System is that the Agent must actively participate with the prospects and the clients. We talk to **individuals** regarding business today ... whereas the social media forum talks to **masses** in a very general way in hopes of generating future business ... you might as well run an ad and hope that they call you.

Another facet of what we teach is the ability to be held accountable for the activities you're involved in and the results that you get. It doesn't appear that social media has a way of tracking or predicting results, as it's really just a passive advertising activity.

At MFO, we teach Salespeople to become an inventory based Agent. Learning the System teaches you to control your business by growing your listing inventory, which will bring you the most motivated Buyers. Individuals who control the inventory ... control the market and always attract the highest number of potential quality Buyers. Social media doesn't teach a Salesperson the skills to build an inventory, maintain a great selection of properties for sale, or teach the Salesperson to sell homes in any type of predictable manner.

One of the key aspects of The Mike Ferry Sales System is managing your time, which gives you control of your day. Part of managing your time is mastering your morning schedule. By mastering your morning schedule, you're proactively looking for new business and servicing the business you have at a low cost, allowing you to earn a greater income and keep more of what you earn. Social media, from what I've seen of the people who are active in it, virtually makes you a slave to your computer because it encourages the agent to be constantly posting and monitoring comments, inquiries, and tweets, etc, day and night. Social media is a very time consuming, and all-consuming, system that requires you be wired in all the time without any guarantee or time away from technology.

When using the Mike Ferry Sales System you're actually talking to prospects and clients throughout the course of the day ... it's actually talking to people on a personal level and in real time. By participating in social marketing activities, you're actually not talking to anyone ... it's simply a series of electronic messages that are not personable or in real time.

Here's another way to look at it ... Are you relying on a website, or a computer to do your job for you? Yes ... production can be done using social media, but the question then becomes, which produces more for your business ... talking to people or posting a blog?

Now here's the part that can be fun, or depressing, depending on your point of view. Since selling revolves around communication and conversation with people ... what if you're the type of personality that doesn't like talking to people? That makes social media a perfect fit for you ... but it limits your overall productivity and your chances for becoming a top producer ... *if* your goal is to become a top producer and earn a lot of money.

I can already hear the social media people saying loudly, as I've heard it before, "I don't want to earn a lot of money ... I don't want to do a lot of deals ... I don't want to have to be in a lot of personal conversations ... and I don't want to be rejected all the time ... so I don't need the Mike Ferry Sales System." To which I say ... I agree with you. But let's go back to the fact that because we choose not to agree doesn't make me right and you wrong ... or you right and me wrong. However, you choosing to decide that I'm wrong and the fact that you can then post your comments on Facebook ... through your blog ... etc. does give you a chance to express your opinion without any consequences ... as I've said above. You see, I'm not going to spend my time searching for your comments, your criticisms, or the blogs you post about what I teach and what I believe, because I'm interested in working with people who want to work with me and work within a defined system of making them more productive. If you're one of those types of people then you're not part of the large, great group of people we

work with now. We'd welcome you to consider taking a careful look at what we do, and someday joining us in helping you become more productive and profitable.

Here's a fun thought for you ... in September of 2010, a company with approximately 600 Agents had a meeting of their Top Ten Agents. The Owner of the Company brought the Top Ten together and starting with Number TEN asked them how many deals they'd done year-to-date, and how they were doing it. Number Ten stood up proudly and said he'd done nine deals year-to-date and that he did 100% of his business through social media. When they got up to Number One, he stood up and said, "I follow the Mike Ferry Sales System 100% and I've done 91 deals year-to-date." Number Ten jumped up and exclaimed to the entire group, "You're so out of touch with what's going on today!" and sat back down. Number One smiled and said, "I may be out of touch, but by using the Mike Ferry's Sales System, I do as much business in a month as you've done for the entire year." It is something to think about isn't it?

I'd like to give you one other person's perspective besides my own on this particular thought of social media vs. Mike Ferry. This is from a 26 year-old Real Estate Sales Professional. He says that he is part of the Facebook generation and that he has been using the internet and Facebook for social networking since its inception, but then he goes on to say there are several reasons why he doesn't think the internet presence is the end all, be all.

His list was way too long to include in this report, but a few of these thoughts may help you understand our position:



1. Relationships cultivated on the internet are not real. They have no actual value to anybody involved ... try asking a girl out on Facebook. Any relationship worth anything is maintained outside of the internet.
2. There's a realization in my generation of an information overload ... you can look at your Facebook and see what every jerk you ever knew is doing ... he stated. He then went on to say that this is reaping havoc on the minds of its users, because at any point in the day, your mind can jump to your past, in-turn distracting you from the present moment.
3. He states none of his clients use Facebook. People are actually living life, being productive, buying houses, earning income, spending their time with friends and family, and not living on social media ... only Real Estate Agents do that. He states that although most of his clients know Agents, and in most cases have them as friends on Facebook, they choose him for Real Estate transactions because he works a system that is best for the client.
4. He then said, "You cannot develop the skills of a great Salesperson unless you're constantly communicating with people. E-personas are very different from how people act and behave in real life. Unless you are extremely versatile, you will not be able to present to a client based on what you know from the internet."
5. He asks "Would you choose a divorce attorney, a doctor, or any other profession because they are a friend on Facebook, or would you look to the person that is most professional and most qualified to do the job and work for you?"

Some interesting thoughts aren't they?

I've read numerous books on many aspects of the social media phenomenon. I've read some of the best-sellers written on the topics of Facebook and Google, and we even went and saw the great movie *The Social Network*. The thing that jumps out the most in watching and reading these many very interesting books/movies is to look at what the purpose of all this was. "Social" ... none of them starts with the word "Sales" or "Business." In many cases, these interesting programs that so many people buy into were started by young geniuses who, in most cases, were computer wizards that were looking for a way to become somewhat socially involved in real life ... that's not the job of a Real Estate Salesperson.

For those of you heavily involved with social media ... I challenge you to take that energy spent on the computer and put it towards actually speaking to people that want to buy or sell Real Estate. Put your mouse down for 2 weeks and try implementing the skills I mentioned above and see what a difference it will make in your business.

As always, The Mike Ferry Organization is here to help you succeed and meet your goals. Call us anytime at 800-448-0647 and let us help you!

Mike



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