

Using Joint Ventures and Business Partners in Your Marketing



Gary Wilson

Using Joint Ventures and Business Partners in Your Marketing

Just as with any marketing plan, when it comes to joint ventures and business partners, you always, always want to determine your goals for the project. Are you looking to get more clients? More transactions? You should want both, but you should determine how many. Not just “I want new clients” but “How many new clients?” Let’s say you anticipate your joint venture is going to attract 100 people. Perhaps you want to land 10 new clients out of that. That first night you might get lucky and somebody says, “I’m ready to go now,” and you actually get a transaction, maybe a listing out of it.

Determine your goals, then write them down!

Now, once you determine your goal(s), remember, some marketing campaigns are better at just building your database with qualified people, while others are better at directly getting transactions in your pocket right away.

Who do you want to attract?

Before we dig into specifically who to partner with, you should always do a profile to determine the “avatar” of who it is you want to work with. First, what types of clients do you want? Describe them. Define them. What’s their education? What industries are they in? What kinds of cars do they drive? Where do they live? Do they wear suits? Are they blue-collar or do they wear lab coats? Second, define what other businesses or service providers will likely have those same types of clients.

“Well, gee, I want to work with a lot of engineers, and I know there are local HVAC companies owned and run by engineers, where they hire engineers to work on their equipment and do big HVAC jobs at churches and schools and business buildings and office buildings.”

You’re going to define two groups of people. One group is the end user, the people you’re looking to serve directly in transactions, and the second group is other business providers who already have those types of clients.

Potential joint ventures

Some of the most obvious ones are at the top of the list.

1. Lenders

You absolutely should do a joint venture with a local lender. Don’t just pick any local lender though. You want to be specific. For example, over all the years of working with small, local community banks or portfolio lenders, we know some always make better sources of lending for

us and our clients. I'm not against the big banks, but they have silos they fit people in, whereas small, local banks generally look at you and your project. They don't worry about a silo. They just want to know that they like you and your project. The other part is that big banks almost all sell their mortgages to investors on Wall Street like J.P. Morgan. Then they turn around and offer them to you and me, as investors, that we can invest in as individual investors through mutual funds, IRAs, 401(k)s, 403(b)s, things like that.

When banks sell mortgages, they generally have to follow FHA guidelines, and FHA guidelines are very strict and incredibly restrictive. They only let you have so many loans with FHA at any one time. Well, investors don't like that. We don't want restrictions, so we generally use community banks who are portfolio lenders.

You want to team up your clients with those types of lenders because a portfolio lender keeps the loan portfolio in-house. They don't sell their mortgages. They don't package them up and sell them to Wall Street. They keep and service their own mortgages. This is important because they don't have to follow all those FHA guidelines. They can be more creative with their lending practices and they can be more flexible with their lending practices. Sometimes they'll have specific lending loan programs just for investors, like people buying malls or people flipping homes. You can get loan packages where they'll let you buy the home, then give you the money for the remodeling, and then of course you pay it all back when you sell the property.

In a joint venture, the banker or lender will usually set up the venue where you can do a workshop for investors. The lender likes it because they get prospects for borrowing clients. They'll bring in their clients and you get prospects for your own brokerage business.

2. Attorneys

Another great partner is attorneys because they are already working with people, particularly investors, setting up the LLCs from within which they buy properties, do settlements, closings, escrow, and title insurance on the properties the investors buy. Attorneys also deal with landlord/tenant issues, and they make great joint venture partners.

With an attorney, you could set up a business dinner where you bring everybody into a decent restaurant. Sit them around a long, conference-room-style table. The attorney talks about setting up LLCs, all the legalese of a sales agreement or listing agreement. Or how about the landlord/tenant cases? Or they can just open up Q&A. Lots of people would like to talk to an attorney for free over dinner! The attorney likes it, too, because all those people become new or repeat clients.

3. Insurance representatives

Over the years, I've done at least two joint venture events with insurance people selling homeowner's insurance to us and our clients. They're entrepreneurial: they're creative, they're

imaginative and they have some great ideas. I like them because they generally will take care of the venue. They'll get a local restaurant, a local meeting room or meeting hall and bring in all of their clients. They'll advertise their market to bring in cold traffic, and you bring in your guys, too.

4. Financial planners

Years ago, financial planners would not get involved with real estate, but in the last 10–15 years they absolutely have been getting more involved, even to the point where they promote investing in real estate to their clients. I've been a benefactor of that. In fact, I've had financial planners as my own personal clients who purchased real estate.

5. General contractors

This is a really good one because everybody who's flipping a home or buying a rental property at some point is going to need a general contractor. You can do a joint venture with them. You can also do joint ventures with individual contractors, like painters, electricians, plumbers, carpenters, framers, roofers, people installing windows and siding and doors, flooring contractors, and roofers. How about kitchen and bathroom contractors? That's a big deal. Do a joint venture with them at a kitchen and bathroom showroom.

Also consider landscapers. The next time you do an open house, ask the client if they would allow you to take advantage of a Sunday showing to bring in a landscaper to demonstrate how to do proper landscaping on houses today. You bring in your clients—giving more visibility to the listing—and the landscaper gets access to them.

This would work great as well with bathroom and kitchen remodelers, roofers, carpenters, flooring contractors, electricians, plumbers, painters, you name it. Have them come to your next open house. You can say, "Look. This guy did all the plumbing work for this property. How would you like to work with him?" Remember, you're going to bring in all your clients. Now you give your clients access to a contractor who can do a pretty darn good job.

6. Furniture showroom

Furniture sells people. You can actually do a joint venture right there in a furniture showroom. Pick a day midweek, Monday through Thursday, late morning or early afternoon where their business is slow, and offer a lunch-and-learn. You bring in your clients. They bring in their clients. Everybody wins.

7. Interior decorators

Consider interior decorators, because believe me, people who are flipping homes need staging at a minimum, not to mention potentially contacts who can do interior design. Let's say you have an open house on a property you're flipping. You bring all your investor clients over and say, "I

just want to show this flip I just did so you can see what you can do on your next flip. By the way, I'm going to have an interior decorator there to give you ideas on how to decorate your place for the greatest effect." Then the staging person will say, "Here's how you stage a house. I staged Gary's house. He's flipping it now, and look, he's already got 10 offers." You bring in your clients and they get access to your clients.

8. Dealerships

Here's a unique one. Have you ever thought about doing a joint venture with a car dealership? In most areas of the U.S. and Canada, car dealerships are closed on Sundays. The building is sitting there empty so do a joint venture Sunday afternoon workshop for investors. You bring in your clients, they bring in their clients, everybody wins.

Or how about a boat dealership if you're living on the coast? I'm in Florida now, and I can tell you there are a lot of boat dealerships in any coastal area. Would you agree boat dealerships have a pretty good clientele? People who are buying boats have expendable, disposable income, and are more likely to entertain investing to bring in more income for themselves. In a joint venture with a boat dealership, maybe just have them do a small, private boat show for select clients, and you come in and do a joint venture with them. Then you in turn bring your clients in, investors who might be interested in buying boats. The dealership gets access to your clients and you get access to their clients.

Business partnerships

Now, business partnerships are slightly different. You're going to be working with entities who are typically already established.

One of the most obvious is your local chamber of commerce. If you're going to really be a producer, you will want to seriously consider joining a local chamber of commerce or Lions Club. Or if you're in an area that has Business Network International, you can join a local BNI chapter. If there's not one that exists, my gosh, create your own. Just go to the international BNI site, and they'll show you how to start your own group. We've launched several over the years.

In any case, there are lots of professional associations for every industry you could possibly imagine.

Consider American Dental Association (ADA) for dentists. There are chiropractors associations, teachers associations, pilots associations, and military associations like Veterans of Foreign Wars (VFW) and the American Legion, but they have a lot of other organizations too.

For engineers, there are multiple categories. You've got electrical engineer associations, mechanical engineer associations, civil engineer associations, all these different associations for all the different types of engineers. I can't emphasize this enough. In production, my most loyal

and productive groups are engineers, flat-out, hands-down, and not just because there are so many of them, but because they happen to make really good investors and they're loyal.

For policemen there's the Fraternal Order of Police—great organizations, great associations.

How to work with these groups

The American Dental Association, for example is a national organization. They have state chapters as well as local chapters within the state. Guess what? They each have monthly meetings, often at a local restaurant. Did you know you could actually participate in those monthly events? You can call them up, or Google them to see what it takes to attend the next dinner. If you're not a member, you'll likely pay \$40 or something. It's worth it, believe me. I once paid for tickets to such an event with one of my students. We drove up to San Diego, and the student walked away with nine—*nine!*—prospects from one night at dinner. He's always been one of my favorite students because he's an action-taker, he participates, and teachers love students who actually take action. In any case, I paid for the tickets. He got nine deals.

Now, when it comes to big organizations, I suggest you start at the local level. If you're up in the Boston area, attend the local Boston chapter dinner for dentists, for example, or chiropractors. And when you do this, don't come in there loaded for bear, with a whole bunch of brochures and pamphlets. That's not the thing you do on a first visit. First you want to just attend, and you want to shake hands. Meet people. Sit down with a group of people at dinner. When the dinner is over, there's networking. Meet as many people as you can and absolutely have a business card with you, but don't just give your business card. You also want to get your new contacts' information.

For people who are reluctant to give you their contact information, you can say, "Here, take my card. On the back is an offer for you to go online and get a free report on buying rentals in your area, or a free search of rentals, or a free evaluation on a rental you may already own." List those kinds of things on the back of your business cards. The point is this: you want to walk away with names and numbers and email addresses.

Now, let's say it goes well and you actually do want to join the association. You can join as a vendor, and then every month there are different levels of service. At the entry level, you can attend all the dinners and maybe once a year they let you get up and speak. At the next higher level, you might get to speak once a quarter. Join at the highest level and you maybe get to speak every single month.

I would suggest that you work your way up to the higher levels over time. You'll be establishing credibility and authority, and they will know you are the go-to guy for investing in real estate.

It's the same thing with everything else from teachers associations to pilots associations. Every one of these groups has their own. But firemen and policemen are a little bit different. Generally, it might be a good idea to host an event for them. The next time they have a FOP, a Fraternal

Order of Police event, sign up to be a vendor. Set up a booth. Maybe you pay for desserts for everybody. Bringing in some free reports, free books, everything branded with your name and contact information and all that.

Or you might work directly with their precincts. We've had success with that. Generally, you've got to be able to go in at different times of day on different days of the week because they do shift work, so just keep that in mind. But if you make one fire chief happy, for example, they'll tell all the other chiefs in the area and then you're in.

That just happened to me in Tidewater, Virginia. One of my best friends who's a ladder truck driver did a presentation for his chief at the precinct. The next thing I know, I was promptly getting calls from others because they wanted to invest. Firemen make great investors.

Making it happen

Now we know who the potential partners are. We know what we should do. Let's first talk about the organization.

Visit all the social media pages of the association or business first. Check their website, Facebook, LinkedIn, Twitter, Instagram and so forth. "Like" them, connect with them, follow up with them, interact with them on social media.

As a result of doing that, you'll find out who the leaders are. You want to gather information on these movers and shaker. Make a list of their names, then go back into Facebook and LinkedIn and pull them up individually, garner their contact information, and network with them. For ease of use later, create a spreadsheet with all the contact information you're obtaining. Or you can go to your contact management system and load them directly in there.

When it comes to associations and organizations, if you do connect with them online, they're going to expect you to interact and engage and be part of the discussions. Be prepared for that. I can tell you this: I've done it myself and I've had great success, but I know other people who do it way better than me. They have told me they began locally then moved up to the national organization level. Just skip the state levels. I've never met anybody yet who got anything out of joining at the state level. The primary benefits are at the local and national levels.

You can attend annual conferences and events, perhaps landing a speaking position at the annual event with all those dentists from all over the U.S. and Canada, or the world, for that matter. One of my former students started doing this, and at the national level he kept going back over the years to their conferences, and the newer dentists just assumed he was a dentist because he learned how to speak the language. He learned their terminology and obstacles. "They have a fear of being stuck behind the chair, not being able to retire." They're thinking, "My gosh, if I keep doing this as an individual practitioner, I can never retire." When you understand their

mindset, you can use that in your marketing. Belonging to these organizations, will help you get used to the language they use and you can use.

In any case, create your spreadsheet and get your contacts lined up because now you're going to start marketing to them. Now, this next section is for joint ventures only. We'll talk about the business partnerships after that.

Joint ventures

Call up the lenders, the attorneys, the contractors and so forth. Pitch your idea to them. You will both want to agree to invite contacts from your respective lists. You should also agree to advertise to drive traffic from both your list and also cold traffic—people who are not on your list. Then after the call, follow up with an email to summarize your plan and get commitment.

Now you'll start the process of setting up a workshop. The technique is detailed in the “Silver Level Membership” page on our website. In the “Resource” section, go into “Marketing” and grab the marketing campaign for workshops. The purpose is to get new, quality contacts and of course some eventual sales.

Business partnerships

In many cases, the business or association's website will include everything you need to know to join the association as a vendor, attend a local dinner, or whatever you have to do to set up your profile so you can serve these dentists, chiropractors, or engineers.

There actually is an association called “Association of Associations.” They're a real-life, honest-to-goodness association in Washington, D.C. All the various association executives belong to this association. It's like their trade group to learn how to run a better association. Well, the cool thing is you can leverage this association to gain direct access to all their association lists. There are over 2,000 of them. Get all the primary contacts. They all have their own membership lists. Now you've got another source of a process, so it's amazing.

If the organization doesn't have a website, then you just have to call them. Inform them you'd like to participate in their next business networking or association meeting. There likely will be a fee for this, so be prepared. They will likely follow up with you in an email. They'll ask you, “Why do you want to join? What's your business?” Blah, blah, blah. Keep going to their meetings on a regular basis. I think you should attend monthly in the beginning and then later on, once you've established yourself, you can maybe go quarterly. Of course, the purpose is to find new, quality contacts.

For an added measure of rapport, you can create intrinsic value with high-end, high-net-worth prospects by hosting a high-end dinner evening at a local Ruth's Chris Steak House or whatever is the top-end restaurant in your town. Set up a dinner meeting just for your top 12 people—a great way to help them feel special—and you now connect yourself with the money people,

which is already going to make some money. You won't make money from people who don't have money. You only make money with people who have money. That's why, as rich people, we always want other people to be rich because then we have more ways to make more money.

For professional associations, you may also want to offer a free lunch-and-learn at their place of business. Get the list of members of the association, then call those business owners and say, "I'd like to do a joint venture with you. I'm a member of the local teachers association," for example. You will want to always track and measure. Make sure everybody you come in contact with gets logged on your contact management system. You want to have a regular, recurring marketing campaign to feed them information and content.

Ongoing connection

Let's say you decide to work with dentists. They are likely to want to buy rentals, so give them the book on buying rentals. Your course material will include links for the newly-revised books on flipping, wholesaling, and buying rentals. You can send these free links to your prospects. In fact, you should do that tomorrow. You should send that to all of your prospects in your database.

More importantly, always offer this free material at any event where you present, because it builds authority and reciprocity. But don't offer all three books. Instead, ask, "What are you most interested in?" and send only that relevant title to them. They're going to be reminded that you sent them the information, and then they get to actually learn how to flip a home, buy a rental, or do some wholesaling.

You can also direct them to the YouTube channel for "Real Estate With Gary Wilson" where there are 105 videos. Give them just the playlist for buying rentals or just on wholesaling, for example. There's a playlist for every subject. Share the playlist. There are links right here.

Now, after you've built rapport and established a relationship, you will want to make an offer. Ask them, "Would you like to look at some examples of rentals, some examples of flips in your area?" This is where you get closure to the buying process. Sometimes they'll say, "No," and sometimes they'll say, "Yes." Or sometimes they'll say, "What do you mean?" Either way, you can move them to a phone conversation, a phone consult.

Remember to qualify these prospects. You want to determine timing, motivation, readiness, willingness, ability. If you've got those five, you've got yourself a client. You can separate and screen the people you want to work with from those you don't. Only work with the people who you obviously want to work with.

If you want to brush up on your skills on this, visit Module Two of the Investor-Agent program. You'll see there are two sections that are 12-step processes for how to establish and manage a relationship with an investor.