

REI NETWORK RK

Episode 103

Steps To Opening Up a Brand New Market

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Gavin: Hey guys, how're you doing? Welcome back to REI Network Podcast! In this episode, I'm gonna talk about the steps that I do to open up a brand new market. The reason that this episode came about is because I'm actually doing this right now in a live challenge I'm doing with Joe McCall. Where we are going in- I am going into a brand new virtual market, he's going into a brand new virtual market, he's doing land, I'm doing houses and that is what we're gonna be doing.

Let's talk about the things that I've been doing so far, or in a couple of days into the challenge on how I came about this. So, I'm actually gonna be partnering with someone else. Again, this is where I- this is where I do a lot, where I go and build the systems and the marketing and I partner with people in certain areas that I pick that they can actually lock up the deals and move the deals. It's kind of a partnership and that's what I'm gonna be doing.

Chris Arnold, I've had him on the podcast before, we're gonna be going into Baton Rouge, Louisiana for this. So, the first thing that we did is we went to the worldpopulationreview.com, which is a map of the United States, which gives us the population of each state and each county within them states to make sure that we have enough data. Now, I flew out about two weeks ago to Philadelphia with some clients and we were analyzing Philadelphia county versus Detroit county. Now, Even though the populations were very similar, what you'll find is, one is a rental area and one is more of a city where people are living in condos, apartments, and things like that. So, there's gonna be less absentee owners there compared to something like the Detroit market, which can give you then some indication of where you need to be on a virtual level. Why go somewhere where it's really competitive? In terms of the house prices, you know, they're very high. There's a lot of demand in terms of living. But do you wanna be, you know, investing in condos with HOA fees and different things like that, or do you wanna go where the rental market is? That's what I personally prefer, it's gonna give you more opportunities.

That's the first thing I look at when I'm picking a market. It's going in where I can have multiple exit strategies for that location, especially you know, in a virtual market. If you're in Tampa or Phoenix or San Diego and that's your backyard, you can do things a little different there even though it's gonna be more competitive. Not only from a competitive standpoint but your marketing dollars are not gonna go as far. So, what I can produce is something like a Louisiana market versus California market are gonna be two different things.

So, once I've looked at the data, in world population review, making sure there's enough people there. Because I don't wanna be going where- you'll see on there if you check it out, that the darker the spot, it's more populated, the lighter the spot, it's less populated. So, there's more people, potentially, more problems. And now, look at obviously, the pricing. So, we settled on, we were gonna do New Orleans, we actually settled on Baton Rouge.

So then, the next thing that I did is I went and looked at the zip codes. How much activity is in there? If I'm gonna go and test a new market, I only want a few thousand to kind of test this, and I went for the hot zips. So I used FreedomSoft, if you check out freedomsoftgavin.com or it might be freedomsoft.com/gavin, you can kind of check out if you want my affiliate link to get the way that I have my CRM setup, you can check that out and follow along. But there's a thing on there called zip finder. So, I can actually look at how much activity within them zip codes are there within the county. Now, Baton Rouge is actually a parish and not a county, but it's the same concept. And then I can look at, by zip code, where the most activity is gonna be. And that's kind of what I did. So, I identify the top 7 zip codes, which is gonna give me about 3000 records. So then, I head it over to ListSource, to actually pull my list. So, I went on to ListSource, I created an absentee owner, in-state and out-of-state list, making sure that I have equity. So I did, I think, 40-100%+ on known equity. I did my length of residence, over ten years of ownership, plus unknown. I put a cap rate of the current home value up to 200 thousand for this market. I did single-family homes, plus multi-family, which was including duplex, triplex, and quad. And I think that was it. After I moved duplicates, it gave me about 3100 records.

Then, what I did, was I then pulled that list, and then I was gonna start my marketing channels. Now, I'm moving three different marketing channels, and I'm probably gonna do another episode talking about exactly what marketing in-depth, so you can see what I was doing. But I'm gonna be doing some direct mail, I'm gonna do another episode on what piece that was, and I actually wanna get some results so I can share it with you before I talk on that.

I also skip-traced them. So then I took my list from ListSource, I went over to batchleads.io/gavin. You can get 5000 free records there as well. Batchleads.io/gavin, that's where the hub of all my records go. So if I pull from FreedomSoft, and PropStream, and Batch, and ListSource, I stack everything into BatchLeads and that's kind of the hub of all my records. Once I have list stacked there, I'm gonna send them over to their marketing channels. So, my direct mail company, they're gonna go. I'm gonna skip trace them in batch and then I'm gonna send them over to batch dialer to do my cold calling. So again, if you want that link to test that out, it's batchdialer.com/gavin. I'm only giving you things guys, I'm actually using. These are the things I'm using, we hired a couple of VAs, we're doing 5 hours of cold calling in this market. Day one was yesterday, and we produced four leads in 5 hours, which is phenomenal. That's actually really, really high, so we had a fantastic start there. And while we got them skip-traced, we're actually gonna text message people as well. So, I'm gonna be sending text messages, I'm gonna be cold calling using VAs, and I'm gonna be doing direct mail to all from the same list. Now once say, "Well, hold on. Why are you not doing different lists?", because I wanna utilize the marketing language. What do I mean by that? The way that marketing speaks to individual people.

Now for me, I obviously like to talk, I'm a salesperson in terms of interaction, I love being on the phone, I love talking to people. So for me, if you're gonna cold call me, I'm going to answer the phone. I don't care if it says 'likely spam' or 'potential spam', I'm answering the phone. If you send me a text, I'm not responding. If you send a direct mail piece, I'm not responding to that either. Now, you're gonna be different, as you say that. "Actually I would respond to a text." or "I would call on a direct mail piece.", "I wouldn't take a phone call."

So, we've all got these different languages, and what's gonna be unique is I'm actually utilizing that that 3000 records, the list I pulled from ListSource and I'm marketing in three different ways. And I'm gonna be able to show you in this, is how many duplicates we actually get. Now, we will have a few, but it will not be many. We're gonna generate leads from direct mail, cold calling, and text messaging, and they're gonna be a lot of different leads. So, that should tell you, all marketing works, and the marketing that you focus on is the marketing that will work for you. Now, I'm doing all three, I'm gonna be tracking them numbers over the next months throughout this challenge and it's gonna be exciting.

So, watch out for more results as it comes, but that was kind of the concept. And what happens is, from that I use FreedomSoft then to actually capture from each campaign, because you've got to track your numbers. I need to know, is cold call working, is text messaging working, is direct mail working? Because as I do my efforts over the next 30 days with this, I'm going to know them moving forward, where I need to double and triple down my efforts. If direct mail is working, I'll need to do more of it. If cold calling is working, I'll need to do more of it and maybe less sending text messages and be able to make them tweaks accordingly. So tracking it, making sure that you have individual campaigns where these late leads need dropping in. Making sure that we're tracking how many leads they're producing or what cost per lead. I'm gonna be tracking all of that, so I'm gonna be speaking to you.

So, stay tuned on this journey because it's gonna be pretty awesome. Our goal is to get a contract within 30 days. I'm very confident, not only we can get a contract, but we can get something in closing. That is my goal! So, we're gonna be working very hard to do so. And guys, don't overthink this. When you pick your market, it's just make decision and get going. Get on the WorldPopulationReview, make sure that it's a rental market on a virtual level. It could be Midwest, it could be the south market, Florida, but stay out of the high end- maybe a mid-price range from 150-250 thousand as a good indication. Make up the decision, look up the activity, get marketing, start the process, get leads coming in, and then the next phase is you, getting on the phone, having quality conversations, getting back, making verbal offers, followed by written offers. Either getting a contract signed or getting them on follow-up until we get a contract. We're gonna keep following up, following up, following up until we get the contract signed! That is gonna be the goal!

So, again, stay tuned, I just wanted to come on real quick, share what I've got going on, so make sure you like and subscribe, drop any comments on anything I'm saying. Watch out for future episodes on this and we'll go from there. Alright guys, appreciate you all! Have a great day! I'm gonna be heading now to West Palm Beach, I've got an in-person client meet-up where I'm gonna be setting up a business for a client, and him and his daughters. I'm excited about that. So, I'm about to get on the road heading to West Palm to do that. So, that's exciting. And I'll talk to you all soon, make sure, again, you like and subscribe, and I'll see you on the next one. Thanks, guys! Bye-bye!