

MEADOW LAKE RETIREMENT COMMUNITY CASE STUDY



## *New Sales Approaches Regain Covenant Compliance*

**The Situation** Meadow Lake is a start-up continuing care retirement community in Tyler, Texas. Developed and managed by Sears Methodist Retirement System (SMRS), Meadow Lake will have 41 executive homes and 80 garden apartments on its 92-acre campus. Executive home move-ins began in July 2010, with garden apartment, assisted living, nursing care and memory support residences scheduled to open in January 2011.

Meadow Lake's development began in 2006, and groundbreaking was scheduled for the fall of 2008—during the peak of the economic downturn. Due to the difficulties getting financing during this time, the project was stopped and started three times, so that the public grew skeptical of the project ever reaching completion. Solid financing was finally put in place in mid-2009, and while construction began in earnest, sales were slow, with a gradual decline in net sales.

*continued*

*Meadow Lake  
Retirement  
Community  
Tyler, Texas*

**LOVE**  
& COMPANY  
*Experience. Passion. Results.*

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By March of 2010, Meadow Lake had begun missing presales covenants. In June, SMRS made the decision to replace the previous sales consulting firm with Love & Company. Our task was to work with the VP of corporate marketing to design and implement a turnaround strategy that would enable the community to reach its level one banking covenant by September 30—a task that required increasing net presales from 82 to 96 in three months. Love & Company began work in mid-June.

### **The Approach:**

#### ***An ideal partnership between client and consultant***

SMRS and Love & Company agreed the first critical step to success was to realign the sales team into positions that better suited each team member's skill sets. Meadow Lake had a capable team, but one that was in need of both a structured sales system and the training to implement that system.

#### **It was at this point that Love & Company took the lead in:**

- Establishing a systematic approach to interacting with prospects on the phone and during appointments
- Engaging the team in more vigorous follow up with leads
- Enhancing the prospect's experience when visiting the sales office
- Establishing a new sales approach that strategically targeted the existing lead base of 3,000 people

Love & Company created buy-in from the entire sales team on this new approach—an approach that would be key to the sales team reaching its goal—and we provided ongoing reinforcement and oversight throughout the ensuing three months.



#### **New Sales from Old Leads**

One of the team's top priorities was to re-initiate contact with existing prospects, as that is historically the best source of quick sales. We reinforced and enhanced the sales team's training on effective follow-up techniques, including coaching the team on the best ways to revive contact with older leads.

Love & Company divided the existing 3,000 leads among the sales team and devised a plan for re-engaging prospects in a three-month blitz of activity. We mailed letters to all 3,000 leads, updating them on incentive opportunities and community progress. The message was designed to reinforce confidence in those who may have grown skeptical about progress at Meadow Lake.

We then divided the database into three groups: old leads (six months and older), new leads (less than six months) and lost leads. Each sales counselor contacted more than 100 of these leads each week, equipped with talking point strategies for each group. In support of this phone blitz, we also planned and promoted a series of monthly open houses and weekly lunch-n-learns. The results were positive, and the sales team's energy increased each week as they experienced the success of the program.

### **Orchestrating the Visitor's Experience**

Prior to Love & Company coming on board, the sales team took prospects directly to the model apartment and held the initial conversation in that setting, adjourning later to the sales office. We believed this encouraged prospects to react prematurely to the living space without first being introduced to the benefits of the community and its lifestyle. It also ended the conversation in a setting that was too businesslike.

Love & Company and SMRS worked together to re-design the sales office space to create a more welcoming and practical "discovery room." The sales staff now meets prospects in a homelike, non-threatening environment, and then escorts them through the model. Changing the setting and the order of the appointment put prospects more at ease with the sales counselor and established the overall value of the community firmly in their minds. Prospects now experience the model as a living space that also includes the value of the entire community and the strength of the sponsoring organization.

### **Asking the Right Questions, Giving the Right Answers**

Love & Company trained the eager-to-learn sales team to ask specific, strategic questions ("discovery") in a manner that uncovers each prospect's motivations and needs ("hot buttons"). We taught the team how to present information about the community in a systematic way that allows prospects to easily see how Meadow Lake fulfills their particular needs and wants. This included instruction in uncovering and handling objections early in the relationship.

The key to effective sales training is re-enforcement and real-time feedback, so the Love & Company sales specialist sat with the sales counselors during their calls and provided real-time mentoring as the team gained confidence with the new system. This organized, systematic approach with clear, solid leadership also helped energize the sales counselors.

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## Whatever It Takes to Meet the Covenants

With both a new sales system and a fresh injection of enthusiasm in place, the sales team was ready to do “whatever it takes” to generate 14 net sales in three months. A new sales system itself would not have been sufficient; the team needed to believe it could achieve a whole new level of success and be motivated to make it happen.

### The level of sales activities was increased by:

- Calling prospects back the same day as their visit
- Calling un-reached prospects again and again until they were reached
- Working evenings and weekends to reach those who could not be reached during business hours
- Varying the times of day that prospects would be called, to find the right time to reach them
- Sending handwritten thank you notes to each and every visitor
- Scheduling follow-up appointments while the prospect was still in the sales office
- Tailoring incentives and strategies as needed

Throughout this process, Love & Company helped mentor the sales team, tracked their progress, and celebrated step-by-step successes at every opportunity.

## The Results

The sales team made its 19th gross sale (15th net) on September 30, exceeding the covenant goal of 96 by one. In the words of SMRS president and CEO Keith Perry, “I believe that LOVE works.”

The improvement from one sale per month to 19 in three months shows what can happen when a community fully embraces the systems, training and oversight that the Love & Company sales and marketing team brings. It also demonstrates the value of a concerted team approach: the corporate vice president of marketing diagnosed the problem areas and took the steps needed to bring in a revitalized team, and Love & Company provided the day-to-day direction and coaching of the sales team that was needed to achieve the community’s goals.

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**“I believe that LOVE works.”**

— CEO Keith Perry,  
Sears Methodist  
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Email us at

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*Additional case studies  
can be found on the  
Love & Company website.*

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