

## Task B1: Worksheet – specific outcome 1 - 4

### 1.1.1 Design a survey, and explain your method and purpose of the survey.

**The purpose of the survey** was primarily to complete the compulsory practical component of the RPL, but secondary and more important, to gain information from existing clients and potential clients to measure our exposure, the market potential and adjustments to be made in the following areas:

1. Demographics, namely: Age; Source of income; Monthly income
2. Brand Awareness, namely: Knowledge of InCommercial Property Services brand amongst other competing brands and what we are specializing in.
3. Advertising Trends, namely: How will prospects find me or how can I get in contact with them?
4. The need for my product, namely: Does prospects view property as an investment option and is there a need for what we do?

**The method used for the survey** was by communicating with 84 random contacts in my e-mail database. These contacts included previous clients, people with whom I had previous business communication and friends.

Firstly a unique webpage was created where the survey questionnaire was hosted.

(<http://www.wealthkey8.com/survey-rpl.html>) A copy of the questionnaire is attached hereto.

A link was added to the submit button to take respondents to another webpage where a huge *Thank You message* was hosted. (<http://www.wealthkey8.com/wow.html>)

Then a list of the contacts' names and e-mail addresses were compiled in an Excel database. An explanatory letter was drafted in Word, and a mail merge was done to send all 84 e-mails in one go to the recipients. Each recipient received the request directed to his / her personal name, which resulted in personal communication rather than an open "to whom it may concern" effect. In an attempt to include a response wider than my contact list, each contact was asked to forward the request to only two persons that they are acquainted with .

### 1.1.2 Conduct the survey. The sample must be at least 50 respondents.

The survey was conducted. The response was excellent and the required 50 respondents were received within 4 days. At the time of compiling this report, there were 59 respondents.

### 1.1.3. Collate the results of the survey onto a spreadsheet.

See spreadsheet attached.

#### 1.1.4 Compile a report on the results of the survey.

The purpose as well as the method of the survey was discussed in par 1.1.1 of this worksheet. As it should form part of the complete report, it must be viewed as included in this section of the worksheet, without repeating it.

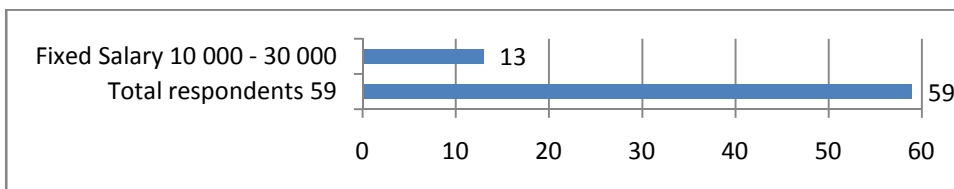
From previous successful transactions we learnt that the clients with whom it was the easiest to conclude business with, were fixed salary earners earning between R10 000 and R30 000 p.m., or self employed / commission earners, earning more than R30 000 p.m. and all of them to be less than 55 years of age.

Fixed salary earners earning more than R30 000 p.m. are generally employed at the higher end of the management sector. They tend to rather rely on company pension funds for retirement, or they will look at passive types of investments like investment funds, property funds or even risky property syndication schemes, rather than investing in their own property units. On the other hand, self employed and commission earners whose earnings exceed R30 000 p.m. does have more of a somewhat entrepreneurial spirit, making them more receptive for the idea of owning their own investment property and most of them does not belong to a pension fund. They are more established in their businesses and earnings than earners from these sources whose income is less than R30 000, making them easier to qualify for multiple bonds on various property units.

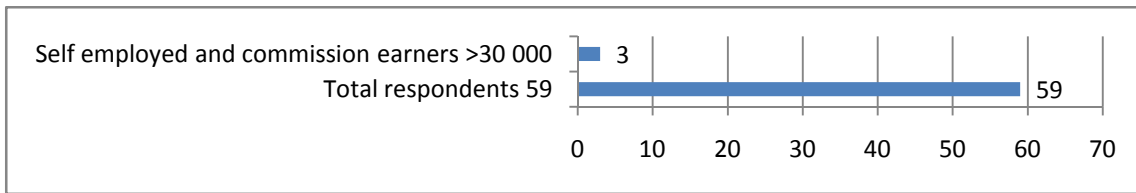
This does not mean that other groups are excluded from our prospects. The first mentioned groups were however less complex to qualify for credit and we experienced that they had the need to invest for retirement. We have to succeed in converting that *need* into a *want*, to invest in property assets.

With this background, the **demographics tested** in the survey were: income source, income and age group.

Salary earners in the ideal age and earnings group were 13 of the 59 respondents.



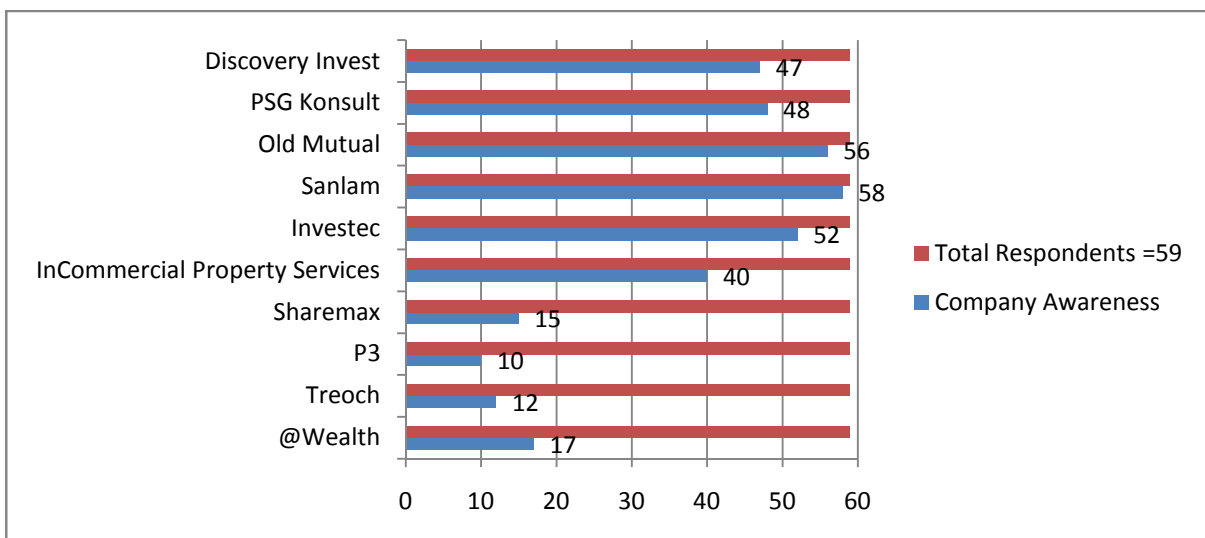
Self employed people and commission earners in the ideal age group; earning more than R30 000 were only 3 of the 59 respondents.



In total, 27% of the respondents fall in this ideal category. They would be the ideal prospects when demographics are used as the only criteria, but we have to delve deeper into the pool of respondents to qualify more prospects.

To test **brand and product awareness**, ten investment companies were listed in the questionnaire. Our company, InCommercial Property Services was obviously one of the ten, including two other companies who might be viewed as offering some services on par with us. The other seven were merely included in the list to mask the three which we wanted to measure. Another question included options of specific property services and or functions to determine if the respondents were known with our field of services.

As reflected in the graph below, 40 of the 59 respondents knew about InCommercial Property services before entering into the survey.

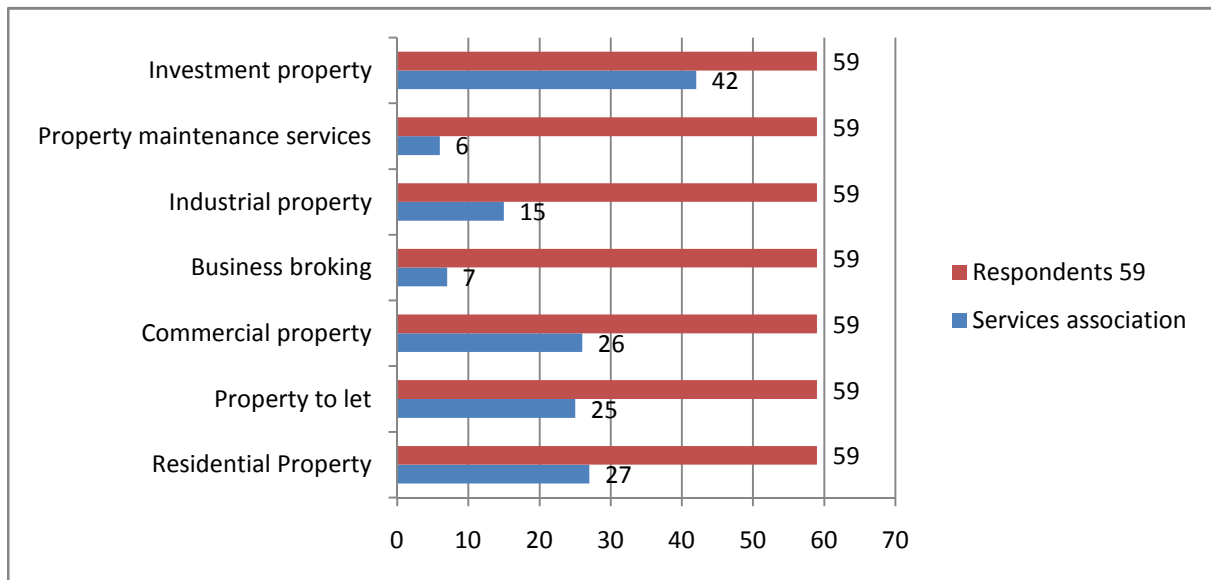


Bearing in mind that 39 of the respondents were from my initial contact list and 20 respondents were “foreign”, it is interesting to notice that 12 (60%) of the so called “foreign” respondents indicated that they knew about our company before entering into the survey. Another conclusion is that from the 39 respondents from my initial contact list, 27 or 69% were aware of our brand. In comparison with the

other two companies offering similar services, respectively only 17% and 20% of the respondents knew about them.

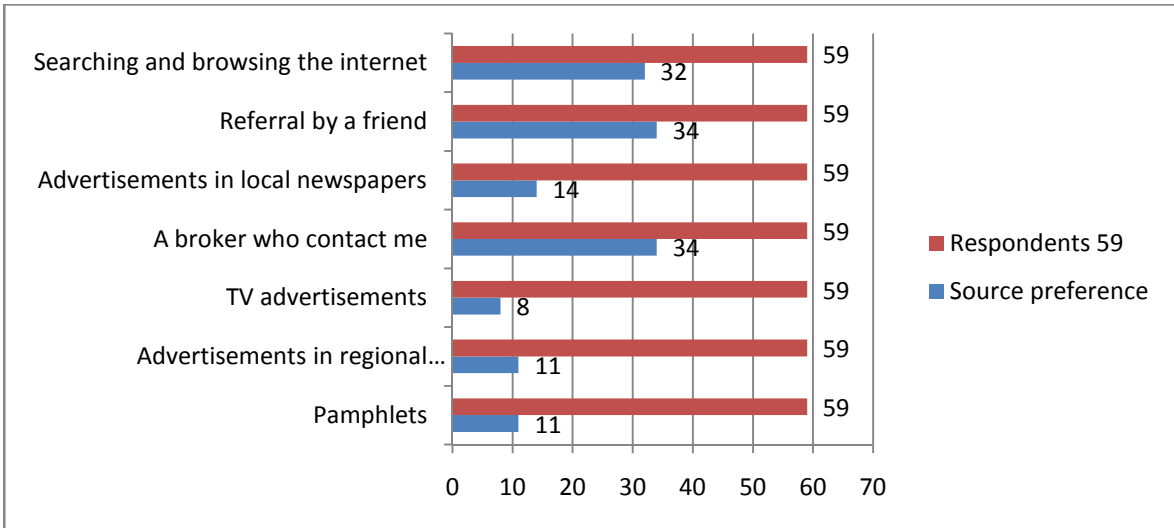
Though we know we are not a National brand, we are more than pleased to conclude from the above that, within our sphere of influence, people notice our brand.

Response to the question that tested our **product awareness** reflected a fairly accurate result of what we actually offer.



Our main focus is on the marketing of investment property, which showed the highest (71%) response. We have a slogan “Own Your Own Investment Property” which our contacts have definitely taken notice of. More than 90% of our sales are of residential units, while more than 90% of our rent administration is of industrial and commercial units. Most of our residential sales are in Gauteng, where we outsource the rent administration to associates. As we do not really have an appetite for residential rentals, we focus locally (in Paarl / Wellington only) on commercial rentals. We do no property maintenance, but will facilitate it for a landlord. Though business broking is a field of our expertise that we exploited in the past, we do not canvass for business in this sector. We do however list and market selected business opportunities when it does arise.

In our business, **advertising trends** as applied by conventional estate agencies does not have the desired effect. We mainly call direct on prospects referred to us by business contacts. As shown in the graph below, this method is clearly the expectation and preference of the respondents.



We are aware of the constantly increasing role of internet marketing. We do our own website setup and maintenance, which we constantly combine with newsletters to our client base. During the past 12 months, we concluded three transactions from coincidental website visits.

The response in this section confirmed to us that we are making use of the right marketing trends. We would however like to further optimize our internet exposure.

Three questions were used to determine **the need for our product**.

The first was to test the various opinions of the respondents about different aspects of property investments. The second was to find out if the respondent is confident about provision for retirement and the last question was an outright confrontation of; “are you interested or not”.

The opinion test resulted in very interesting information.



Though 89% of the respondents agreed that property is an excellent long term investment, only 40% were keen to invest in property. 33% of the respondents are of the opinion that they do not have the financial resources, while 37% were concerned about the tenant risk. I am of the opinion that the question about being sure as how to apply property as an investment instrument was not properly formulated and therefore interpreted wrongly, resulting in the wrong answer.

The conclusion that I make from the above is that we do have the right product. By sharing the correct educational information, more than 40% respondents might become keen investors.

It is rather alarming that 23 of the 59 respondents (39%) indicated that they will not have sufficient financial provision for retirement. This is one of the key aspects addressed by our business model. It shows the need for what we do.

With our last question, we had the intention of getting an outright **“are you interested or not”** response. Of the 59 respondents:

- 7/59 = (11.8%) Shut the door by indicating **“Not at all”**
- 17/59 = (28.8%) Left the door open with a **“In a way, yes”**
- 35/59 = (59.4%) Invited us in with a **“Yes definitely”**

In conclusion, I found this exercise very informative. It is the first time that I conducted such a survey. I applied the specifics of the unit standard to gather information relevant to our business. The results were useful in planning future marketing projects. We learned the following from the information:

- In the area of demographics, information was gathered about our ideal client prospect. The information clearly indicated that we have to look wider than such ideal client as the area tested in only 27% positive respondents.
- We are quite on the mark with brand and product awareness within our sphere of influence.
- The results of our advertising trends confirmed to us that we are making use of the right marketing methods. We would however like to further optimize our internet exposure.
- The need for our product excites us, as it confirms to us that we have the right product and that only 11.8% of the respondents closed the door on us, leaving 88.2% as prospects.

I would like to take this opportunity to thank each respondent for taking the time to complete and submit the questionnaire. Your input has made this report possible.

Annexure A: A copy of the questionnaire used

Annexure B: Spreadsheet.