



Pedro Soares

Sherpa

In this Voices interview, Senior Housing News sits down with Sherpa CEO Pedro Soares to learn why the senior living CRM and sales enablement company wants its customers to focus on prospects who “aren’t ready yet” to buy. Soares explains how Sherpa’s technology and training helps operators gain an average 10% occupancy bump and describes techniques that can help improve the way they sell senior housing — a product that potential customers are hesitant to embrace despite the enormous benefits.

Editor’s note: This interview has been edited for length and clarity.

Sherpa is a sales enablement platform that elevates the senior living industry by transforming the sales process with a Prospect Centered Selling® methodology. Marrying leading CRM technology, hands-on training, robust analytical tools and deep customer engagement lets Sherpa revolutionize the way senior housing is sold. To learn how, visit sherpacrm.com.

The Voices Series is a sponsored content program featuring leading executives discussing trends, topics and more shaping their industry in a question-and-answer format. For more information on Voices, please contact sales@agingmedia.com.

Q: Senior Housing News:
You spent almost a decade working for Anheuser-Busch, followed by about a decade in real estate development with Turnberry. What brought you into senior living and Sherpa?

Pedro Soares: I had two careers before moving into senior living. Both of those careers were very challenging, and there was a strong sense of accomplishment. But I did feel a lack of being able to help people. I decided to seek an opportunity where I could make a difference. That's when I was introduced to Sherpa. I met a group of people highly dedicated to changing the way senior living sales occurred. They sought to help seniors make that really tough decision, which is, "Should I move into a retirement community or not?"

What also attracted me was the fact that we could scale that process using our technology, our coaching and training in terms of helping those seniors. That was exciting. As I help the company grow, we can touch more lives and help more seniors, which is really nice. We have these big TV screens in our office and we put up what we call a move-in counter, which shows move-ins as they happen throughout the communities that use Sherpa. It's a way for our team to see how they're making a difference on a real-time basis, which is really neat.

Q: Senior Housing News:
Sales obviously is so important. That's not news to the senior housing industry, but in what specific ways could the industry invest more in sales?

Pedro Soares: One of the unique aspects I found in joining Sherpa was that, other than our development team, most of our members have been in the trenches. They're leasing counselors, VPs, owner-operators. What we have found is that the companies that invest in widening the funnel, rather than adding more leads to the top of the funnel, have better results and higher conversion rates. How do you really open that funnel? It's by increasing your sales effectiveness by investing more time with leads you already have.

You work them deeper by focusing on planning, home visits, creative follow-ups, everything we call "spending Time in The Selling Zone." Some of the companies that have worked this way and have included their executive directors in the sales process have outshone some of the other companies. They all seem to be investing more in sales, hiring more salespeople as well as taking some of those non-sales-related tasks away from sales and into operations to give their sales reps, the leasing counselors, more time to focus on sales.

Our latest research at Sherpa shows that we have an average of 23 SQLs (sales qualified leads) per open unit, which means if you focus on those leads you have in the system, all you need is a very low conversion rate of about 4% and you'll fill in all the empty units in Sherpa. It makes sense to mine your own gold, really, than to go off and prospect new leads and new opportunities.

Q: Senior Housing News:
How specifically does Sherpa increase sales results? In some ways, sales is sales, and that's the connection to me between what you did with Anheuser-Busch and what you do now.

Pedro Soares: I was selling a product that everybody wanted, which was beer. Senior living sales is the actual opposite of that because most prospects don't really want the product. Unfortunately, the senior living industry continues to try to differentiate themselves by talking about their features. They're selling senior living like we used to sell beer, talking about features such as "tastes great, less filling."

The reality is, your competition isn't the community down the street. It's really the prospect's home or just status quo. What we need to focus on is helping prospects overcome their natural resistance to buying.

That requires a focus on learning their story, their motivations, and their objections, so that we can help them in the decision process. We have, in Sherpa, embedded Prospect Centered Selling® which is a methodology that our founders developed over 30 years. It helps guide our leasing counselors to gain the prospect's trust, to help them move along the stages of readiness rather than having to wait for some crisis. Then what happens is you end up bringing in people into your communities with less acuity.

Q: Senior Housing News:
What makes this Sherpa strategy different compared to other selling styles?

Pedro Soares: That's a good question. We focus on a relational sales strategy versus a transactional sales strategy. We focus on the prospect instead of the product. Transactional strategies focus on features and on the prospect having a crisis. What we do at Sherpa is focus on incremental advances to move-in where it's really the prospect's choice at the end of the day. When the prospect is ready, that's when you can talk about your features and you can mold and direct those features toward what you've learned about your prospects and what your prospects want.

If we look at overall prospects coming into our communities, 10% of those leads have some crisis. Yes, you should work those leads, but there's another 90% of prospects who don't have a crisis. What we look at doing is expanding the pool of prospects and increasing conversions by working those leads that don't have the crisis. If you work the leads deeper and really understand their resistance to buying, that's where

you make the breakthroughs. Companies that do that well really outperform the rest of the market.



As I help the company grow, we can touch more lives and help more seniors, which is really nice.”

Q: Senior Housing News:
When you say
“outperform,” how
do you measure results
at Sherpa?



As costs go up and occupancies go down, I think the smart operators will focus on increasing revenue by increasing their sales performance.”

Pedro Soares: It’s an important distinction because the industry tends to measure increased tours and move-ins. What we measure are sales activities that convert more sales. The main drivers there are proactive planning: You’re planning your next phone call, you’re planning how you make your next advance, interactions with prospects or the buying circle through face-to-face visits or voice-to-voice, and then following up with the prospects. We do that through creative follow-up, which is about showing the prospect that you’re listening to them and you understand them. This is a cycle that continues, and you have to do it sometimes several times in order for it to work, but you keep advancing down the buying journey.

It works. On average, companies experience a 10% gain in occupancy in the first 12 months coming into Sherpa. They also experience a 50% increase in visit-to-move-in ratios, and a 35% decrease in their lead base. Those are pretty impressive numbers, and it really shows that the methodology works.

Q: Senior Housing News:
That being said, of course, this is a year that had a great deal of change. How has COVID-19 changed Sherpa’s approach?

Pedro Soares: It really hasn’t. We’ve noticed that Prospect Centered Selling® resonates with sales teams. In the beginning of the crisis, the leasing counselor was not able to have tours, and their new leads declined substantially. We find that the leasing counselor has now started to work those existing leads and have deeper conversations which have led to great trust breakthroughs.

Nurturing prospects now is more relevant than ever. The communities that are doing that have become our best performers during the crisis. They’ve built this pool of prospects ready to move in as protocols allow. That’s on one front. On the other front is that the crisis has given us an opportunity to come closer to our customers, understand their new reality. We’ve been quick to incorporate new workflows such as tracking virtual tours and really understanding how this pandemic has changed the life of the leasing counselor.

We also have a coaching and training arm, and obviously we had to pivot due to not being able to go to communities or be in front of people. The team has done an excellent job in taking all of those training opportunities and creating a whole curriculum of virtual programs.

Q: Senior Housing News:
What future trends do you expect to see in senior living sales?

Pedro Soares: As costs go up and occupancies go down, I think the smart operators will focus on increasing revenue by increasing their sales performance. They've started to scrutinize and understand the difference between marketing and sales. Just because you bring more leads in doesn't mean your conversion ratios will go up and you'll move more people in.

The focus will really be on improving the effectiveness of your sales team and how you perform and increase the top line. That's why we have seen the demand for Sherpa at the highest it's ever been. Converting more people is really key to getting out of this crisis. We're excited to see how communities are adopting some of these best practices to move forward.

Q: Senior Housing News:
What's next for Sherpa?

Pedro Soares: We spend a lot of time analyzing our data to help our customers perform. We're very excited about the upcoming launch of our machine learning model for senior living sales. Basically, what our data scientists have done is analyzed all of the prospects in Sherpa who became residents, and we determined what factors influenced that move-in. That model helps the leasing counselors focus on prospects with similar factors to past move-ins. As the sales counselor's time has been affected, this is a great way for them to focus and save some of their time.



The reality is, your competition isn't the community down the street. It's really the prospect's home or just status quo. What we need to focus on is helping prospects overcome their natural resistance to buying."

Everything we do at Sherpa is focused on improving our customers' sales performance. We monitor what our best performers have been doing and identify those key factors to success so we can replicate that in our system. Selling senior living is hard. Teams need the coaching, training and the tools more than ever.