

INSTITUTE *for*
LUXURY HOME
MARKETING®

GUIDE TO WINNING
LISTINGS IN THE
UPPER TIER REAL
ESTATE MARKET

GUIDE TO WINNING LISTINGS

IT'S NOT A LISTING PRESENTATION, IT'S A MARKETING CONSULTATION

Why does changing the terminology you use become an important part of winning a new listing?

Sometimes we do ourselves a disservice with the words we use. For example, many sellers believe that a real estate agent is a commodity product and that all we really do is list their homes on MLS, fall to our knees and pray that they sell.

This certainly isn't the case. Yet we reinforce this opinion by talking about a "Listing Presentation" as if all we are going to do is list the home.

What if you have an appointment for a "Marketing Consultation" rather than a "Listing Presentation?" After all, your presentation involves, or should:

- ✓ *A discussion of the market*
- ✓ *A consultation about pricing*
- ✓ *Presentation of a recommended marketing plan*

Use language that describes what it is you really do – you consult sellers about the marketing of their home.



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IMPORTANT KEY QUESTIONS TO ASK HOMEOWNERS

The Institute for Luxury Home Marketing has carefully researched and unravelled the biggest problems and issues that occur during the marketing of a home. We discovered that many of these could have been avoided if the right questions had been asked during the marketing consultation (aka listing presentation) with a homeowner.

Here are a few of these "must-ask questions" whose answers often make a big difference in how you win the listing as well as how the marketing of the property is managed:

- Will you be turning to anyone else for information or advice as you make your decision to buy (or sell)?
- Have you had a recent appraisal on your home?
- Is there anything else I should know about your home?
- As I begin my research on relevant properties, is there a particular sale you'd like me to pay special attention to?
- How would you like me to communicate with you, and how frequently?



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*WILL YOU BE TURNING TO ANYONE ELSE
FOR INFORMATION OR ADVICE AS YOU
MAKE YOUR DECISION TO BUY (OR SELL)?*

This question will help you determine if there are other players in the decision-making process, eg:

- Attorneys,
- Financial Advisors,
- Business Managers, etc

Determining this early in the process will help you avoid these other players showing up later on as “deal killers.”

When you know about them, you can include them in the process.



Pro Tip: Remember it is important to say, “as you make your decision...” Never imply that they are not making their own decisions.

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HAVE YOU HAD A RECENT APPRAISAL ON YOUR HOME?



If a seller has had an appraisal on his or her property in the recent past, it's usually important for you to be aware of it, especially if the appraisal was done for a purpose other than establishing a possible sale value.

For instance, the appraisal may have been done for refinancing, for an equity or a business loan. If so, it may not have been done with the same "margin of error" required for an appraisal of a home for sale.

However, this seller now most likely has the appraisal value firmly in mind.

You'll want to discuss how values have changed since the last appraisal and explain how the purpose of the appraisal can make a difference in the preciseness of the value.



Pro Tip: If you are not aware of a past appraisal the seller may have price resistance to your suggested list price, but you won't know why.

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IS THERE ANYTHING ELSE I SHOULD KNOW ABOUT YOUR HOME?

This question often turns up interesting information.

When you do a walk through the property with the client pay close attention to areas of the property they enthuse about. These areas might not be instantly recognizable to you, but they could be the reason a potential buyer takes interest.

You may get disclosure information (the house is haunted!) or discover something that will be useful in your marketing.

For example: A home recently sold because the agent recognized and leveraged the rarity and quality of the wood in the home. The homeowner had explained to the Realtor® that every single piece of wood was not only hand selected from various parts of the world, but there wasn't a single knot in any of the planks. To many of us this would not seem exceptional - but by capturing this information in the description it attracted and was sold to a very wealthy timber merchant!



Pro Tip: This is a question to ask after you've already asked what it is they've especially enjoyed about their home.

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AS I BEGIN MY RESEARCH ON RELEVANT PROPERTIES, IS THERE A PARTICULAR SALE YOU'D LIKE ME TO PAY SPECIAL ATTENTION TO?



This question may help you determine if the seller has a particular price in mind before you prepare your CMA. If the seller does have a particular sale he or she has heard about and wants you to consider when researching neighborhood prices, this is important information.

The seller may not really know the actual sales price of the property, most likely will have heard a price through the grapevine, and “knows” for certain that his or her home is worth more!

By reviewing the details of this property sale before you prepare your CMA, you can come back to the seller with the actual price, explain why it is or isn't a relevant property, and help the seller understand the reality of the marketplace.

Otherwise, the seller may be locked into a higher-than-reasonable price based on inaccurate information, but you won't know why your prospect is being “unreasonable.”



Pro Tip: Do not use words such as “competing” or “let's compare.” Remember, homeowners consider their home to be unique! Use terms such as “relevant” or “similar” in terms of amenities, property size or price point.

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HOW WOULD YOU LIKE ME TO COMMUNICATE WITH YOU, AND HOW FREQUENTLY?

It is often difficult for a client to evaluate your service based on all the tasks you perform (they really don't know all that you do). So, to some extent, clients evaluate you based on how they feel about working with you, which is partly a function of how effectively you communicated with each other.

They may ask for a weekly update phone call and an additional call when something important occurs. Or, they may prefer a weekly email with a phone call as necessary.

Whatever their preference, it is important for you to be aware of it.

If you have a specific communication schedule, share that with them. “I call my sellers every Monday night between 6:00 and 8:00. Will that work for you?” If they tell you that's when they play bridge at the club, you'll need to agree on another communication schedule.



Pro Tip: In short, agree as to when and how you'll stay in touch. The relationship will benefit and they'll “feel” more positive about you and your service.

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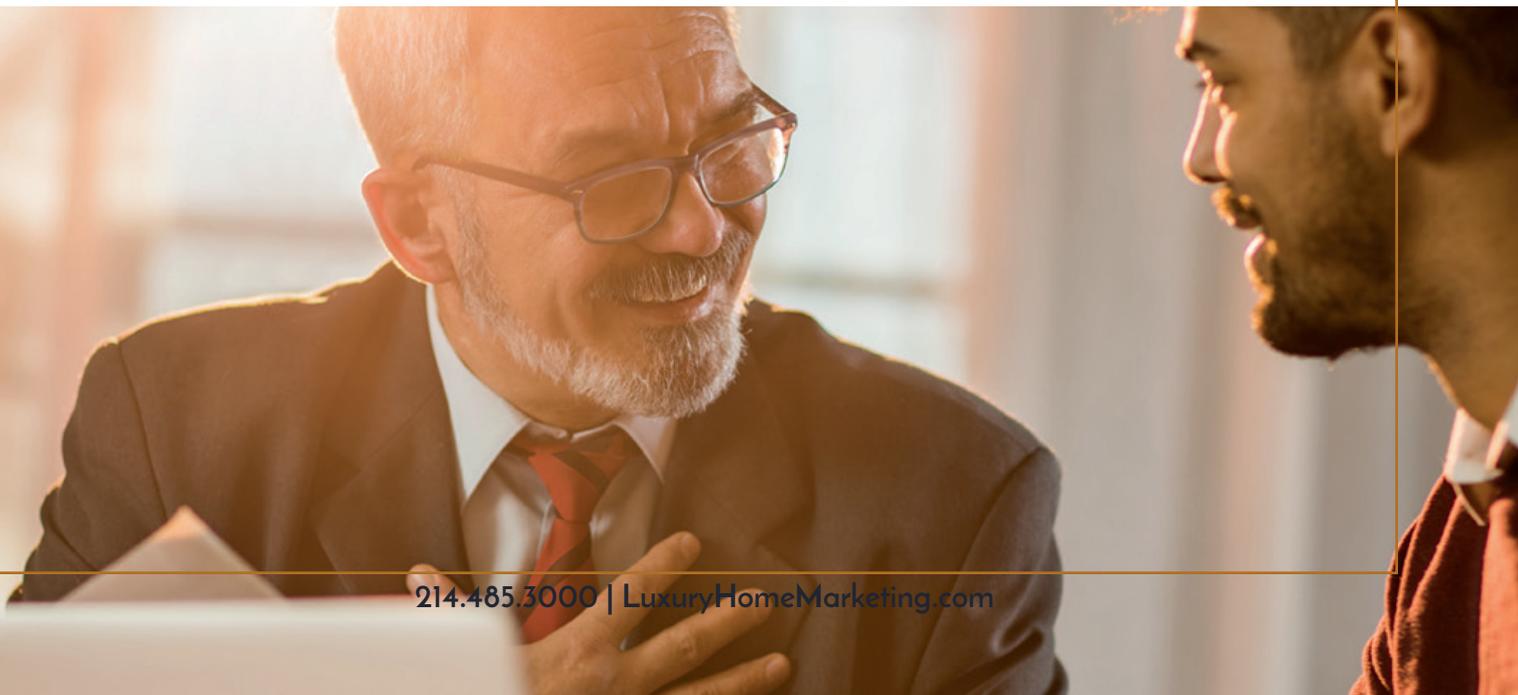
HOW TO ADDRESS DIFFICULT QUESTIONS FROM HOMEOWNERS

The Institute for Luxury Home Marketing has carefully researched and unravelled the most difficult questions that occur during the marketing consultation.

We have taken this opportunity to write some scripts that will help our members and prevent these questions becoming road blocks in the winning of a listing.

Here are a few of these "difficult questions":

- *What is my home worth?*
- *Why should I stage my home?*
- *Why should I give you a longer listing term than others are asking for?*
- *I have a family/friend member in real estate.*
- *Why is your Institute membership or CLHMS designation important?*



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WHAT IS MY HOME WORTH?

Here's a script that you might consider:

“I would never do you the disservice of taking price lightly. Correct pricing is too important. Your house is special and unique. I want to carefully review recent relevant property sales, evaluate other homes with which your house will be competing, analyze current market statistics, and then come back to you to discuss the recommended marketing price.”

Don't even provide a range. They will take the high end of the range, carve it in stone and if you come back at one cent less, they'll say, *“But you said....”*

Instead, reiterate that you'll be back with your suggested pricing and remind the seller that neither you nor they will “set” the price, the market will.



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WHY SHOULD I STAGE MY HOME?

Starting the conversation about staging can be uncomfortable.

Be prepared with a script like this:

“I can understand why you’ve enjoyed this lovely home. It’s warm, welcoming, and comfortable. It seems just perfect for your lifestyle. But, how you live in a house and how you sell it are very different. Our challenge is to maximize the number of buyer prospects by staging your home so that it has broad appeal and will attract prospects who live a variety of lifestyles.”



Pro Tip: Virtual Staging is a great way to show different uses of space on the internet. Learn more about Virtual Staging in one of our Membership Courses.

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WHY SHOULD I GIVE YOU A LONGER LISTING TERM THAN OTHERS ARE ASKING FOR?

It's common for sellers to push back on the length of the listing term, and it's also common that other agents are offering shorter terms.

It's important for you to know the market well enough to negotiate a term length that actually gives you enough time to get the home sold, based on the data.

Here's a response that you might find effective:

“Why would an agent be willing to take a listing, invest the time and dollars necessary to market it effectively if he or she has a listing term which – according to the market statistics – is most likely not long enough to sell the house? Doesn't it seem reasonable that a real estate professional who has a reasonable time to sell a home would be much more willing to invest the time and dollars to do so and as a result may even sell it faster?”



Pro Tip: Learn about how to determine “the demand” in your market through price branding in one of our Membership Courses.

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I HAVE A FRIEND/FAMILY MEMBER IN REAL ESTATE...

Research reveals that eight out of ten owners of multimillion-dollar homes are concerned about an agent's ability to be discreet. Use the fact that privacy is important as a way to make your responses more effective. A commonly heard objection is, *“I have a friend (or relative) who is a real estate agent.”*

Your reply might be based on a script like this:

“I can certainly understand that. Almost everyone seems to have friends or relatives who are real estate agents. Although not everyone is uncomfortable dealing with a friend, many affluent people prefer that their friends or extended family not be privy to their personal financial business.”

You might go on to add, *“Many of my clients have been concerned about making the best real estate decisions in the emotional environment of a friendship or family relationship. If you feel more comfortable selecting an agent and firm based on expertise, market knowledge and the ability to be discreet, I'd be pleased to explain how I can assist you in meeting your objectives.”*

But don't stop at having one or two stock scripts! Recognize that you need a counter script in case someone employs a script like the one above against you when you have prospects who are friends and family.

Consider trying this approach:

“Years ago, I started in this business with family and friends as my very first clients. Today, years later, they are my repeat clients and my largest source of referrals, because they recognize that I am knowledgeable, experienced and deliver the results they want. They also know I am discreet. As a result, my clients become my friends and my friends remain my repeat clients.”

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WHY IS YOUR INSTITUTE MEMBERSHIP OR CLHMS DESIGNATION IMPORTANT?

As a member of The Institute for Luxury Home Marketing, be sure to highlight what that means to your prospect.

“Would you agree that it’s important to work with an agent who not only understands the buying and selling process, but has specific knowledge and expertise in the luxury market? My membership in The Institute for Luxury Home Marketing indicates that I specialize in the upper tier market and have completed training to build the special skills necessary to help you accomplish your objectives.”

Or, if you’ve earned the Certified Luxury Home Marketing Specialist® designation, you might add,

“As a Certified Luxury Home Marketing Specialist®, I’ve consistently demonstrated my ability to help sellers like you accomplish their goals.”

If you’re a member of the Institute’s Million Dollar Guild®, just tweak the wording above to talk about million dollar or multi-million dollar homes and estates instead of simply luxury homes.



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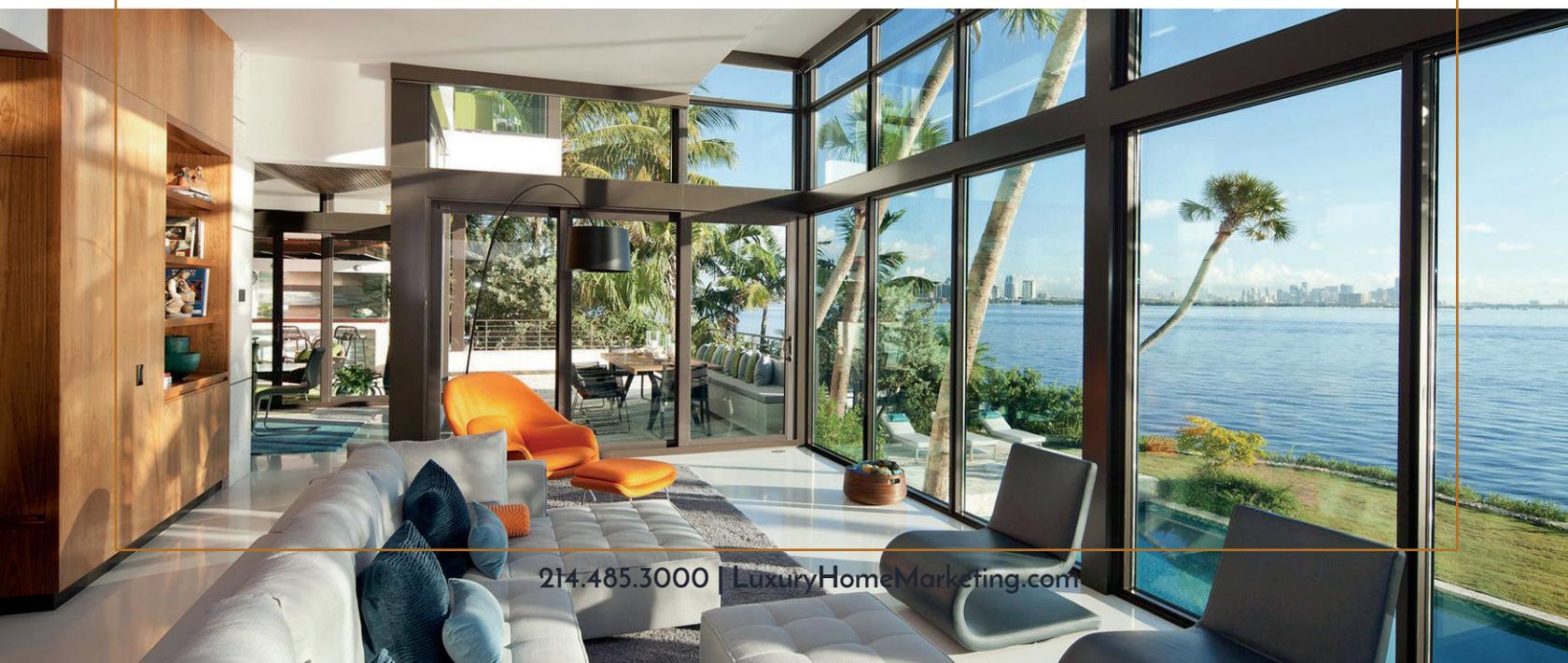
PRESENTING YOUR PRICING RECOMMENDATIONS TO CLOSE THE DEAL

A high percentage of the affluent are business executives. In their own businesses, they often receive reports with a synopsis of the information provided in an Executive Summary. This enables them to quickly pull the relevant information from the summary and then drill down to find details in the accompanying materials.

Why not prepare your market analysis in a similar format?

Simply add a one- or two- page summary to your completed analysis. Your summary can include a sentence or two for each of the relevant properties included in your analysis (most agents call relevant properties comparable – but in upper-tier remember that every homeowner considers their property to be unique – so we recommend using the word relevant). Follow this with your recommended market price or price range.

The advantage of this approach is that it parallels the way they are used to doing business. It also gives you a simple format for presenting the information you've researched and assembled.



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