

Three Successful Strategies for a Slowing Market

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ProspectsPLUS!

As the market tightens and competition grows fierce, you may find yourself like many agents asking, "What's my next move?" Savvy sales professionals are negotiating the turn by investing in smart systems and tools that will help them compete long-term in today's real estate arena. Who will take the lead in both listing and selling homes as this cooling trend settles in? Those who stay strategically focused on one-to-one marketing, negotiating effectively up front, and committing to consistent business development through monthly prospecting.

1. Set Your Standards High: In a tightening market, taking listings that just won't sell is far worse than having no listings at all. While you may be tempted to take at any price, terms or commission to secure the listing, this is a recipe for failure. Consider instead, raising your standards using a strong, effective tool which spotlights the homeowner's commitment to getting the home sold in the quickest possible time, with the best price and terms. We call it our **Merchandising Review** and there are three very successful ways to implement this valuable tool.

First: Make the right mutual decisions at the listing appointment. In all likelihood, throughout your presentation your sellers will have an objection or two regarding terms such as price, commission, lockbox, etc. Our suggestion is to agreeably shelve objection handling until AFTER you have obtained the signatures for the listing. Then close your appointment by going over the Merchandising Review to make certain everything is in order.

Sample dialogue: "I want to thank you for listing your home with me. Please know that I will do everything in my power to get it sold. To help me do just that, let me take a few minutes to go over our Merchandising Review. I use this the same way pilots use a pre-flight checklist. This list of 18 different seller-controlled factors actually will help generate a quicker sale for the best possible price and terms. What I need from you is a commitment to check off at least eight of these items. Let's review." Now simply walk them through the list and negotiate where necessary.

Merchandising Review Presented By:

Seller Controlled Merchandising Factors Seller Initial Item

_____	Priced at or Below Market Value	_____
_____	Owner Financing Available	_____
_____	Government Financing Available	_____
_____	Assumable Mortgage Available	_____
_____	For Sale Sign	_____
_____	Showing Flexibility	_____
_____	Good Exterior Appeal	_____
_____	Good Interior Appeal	_____
_____	Good Yard and Landscaping Appeal	_____
_____	Good Neighborhood or Location Appeal	_____
_____	Good School Appeal	_____
_____	Good Shopping Appeal	_____
_____	Major Improvements Made	_____
_____	Appliances & Drapes Included	_____
_____	Lock Box Installed	_____
_____	Available for Office Tour	_____
_____	Cooperative Sellers	_____
_____	Home Warranty Plan Offered	_____
_____	Attractive Commission	_____
_____	Water Filter System	_____
_____	Extras Included	_____

Seller(s) understand that completion of any eight or more of the items listed in the Merchandising Review Form will greatly enhance the probability of the property selling, as well as help the property to draw the best possible price in the shortest period of time.

SELLER SIGNATURE: _____ DATE: _____

Second: Get non-selling inventory back on track. Go through your inventory and red flag problem listings. Walk through the problems using the Merchandising Review. Contact your sellers by phone or visit in person to help them understand those review items that are hindering the sale of their home.

Sample Dialogue: "Mr. and Mrs. Seller, we've had your property on the market for ____ days now and we are not getting the results that either of us had hoped for. We have a new tool called the Merchandising Review that helps us identify problem areas, and I'd like to sit down with you to discuss those issues. I believe if we walk through these items we can get your listing back on track and help exact a faster sale for your home. Would tomorrow at 6:00pm be good or would 8:30pm be better?"

Third: Capturing the attention of EXPIREDS! While expired listings have been remote in recent years, they are back and can be difficult to maneuver. The Merchandising Review offers you a great foot in the door for these sometimes soured-on-salespeople sellers. We've found the following dialogue captures their attention and helps you better negotiate both appointment and listing.

Sample Dialogue: "Hello, Mr./Mrs./Miss _____. My name is _____ and I'm with _____. The reason for my call is to see if you are still interested in selling your home. I'm sure you must be disappointed that it didn't sell the first time, but I think I have something that will help keep that situation from happening to you again. It's called a Merchandising Review, have you heard of it before? It is a special tool I use to make a comprehensive analysis of why your home didn't sell and what needs to be done differently to guarantee it will sell should you decide to put it back on the market. What I'd like to do is to set a time when we could sit down to go over the Merchandising Review. It only takes about 20-25 minutes, and there will be absolutely no cost for this service. Would Wednesday at 6:15pm be good or Thursday at 8:30pm be better for you?"

Now, simply walk them through each item, correct the problem areas and review your marketing plan!

2. Price It Right Pyramid! Take advantage of this guerilla-style objection handling tool when explaining to sellers that the key to selling their property faster in a difficult market is to price it right from the beginning. Use this strategy in conjunction with the Merchandising Review and you have a great foundation for a successful sale.

The 5 most common mistakes sellers make when choosing a price:

1. Not choosing the right price when a property is first listed. In other words, thinking "we can always come down."
2. Putting the property on the market at an unrealistic price. A property must be priced on a comparative basis to the other properties which are similar.
3. Not relating marketing time to price. Generally, the quicker you want to sell, the less you should be willing to take.
4. Calculating brokerage fees on top of the sales price. A home is worth what it's worth, with or without a commission.
5. Thinking that buyers aren't comparing your home, on a dollar-for-dollar basis, with every other home on the market.



3. Data Mine for Marketing Gold! To compete in today's arena it helps to have a few high-tech tools in your arsenal. Data mining is a simple, highly effective tool which allows you to be very specific in your search for new prospects. Who buys a \$500,000 house? NAR statistics tell us that there is a 72% chance that they have lived within a ten mile radius for more than five years in a home which is 50-75% less expensive and they are looking to upgrade. In just a matter of minutes you can manipulate national databases by going to www.marketshareonline.net, plugging in those specific variables and searching your area. Purchase this list of homeowners and have it emailed to you for just .08¢ per record. Print it, and discover the power of sitting in a listing presentation, or meeting with a FSBO or Expired with an actual list of potential buyers. "Mr. and Mrs. Seller, I am so committed to the successful sale of your property, that I've already done my homework and created a prospect list of candidates in this area. We know that statistically the best prospects to purchase your home are within a ten mile radius, and have been in their homes for five years or more. List your home with me, and I will make marketing to this list my top priority."

This prospecting tool is unlimited in its potential as a consistent source of new prospects. Enter SIC codes to mine for local area businesses such as CPA's, Physicians and Builders to allow for more specific monthly target marketing. Use this system to market to renters paying too much, investors looking for their next purchase, or companies with 25 employees or more which might be interested in Corporate Marketing Services. Choose whichever direction interests you most, or diversify your marketing efforts by choosing a combination of all of the above. **Whatever you do, make sure your message is clear and marketing consistent. Call, see or send something to everyone in your base of business at least every 30 days and you will weather the market changes with both ease and profit!**

Julia Escobar, Director of Corporate and Convention Marketing for ProspectsPLUS! has over 20 years experience in real estate sales and marketing. **To register for a monthly newsletter filled with prospecting strategies, schedule a Master Marketing Meeting to help your associates play at the next level, or get your free copy of our 24 Month Strategic Marketing Calendar, the Master Marketing Schedule, call 1.800.287.5710 today or visit us online at: www.prospectsplus.com.**