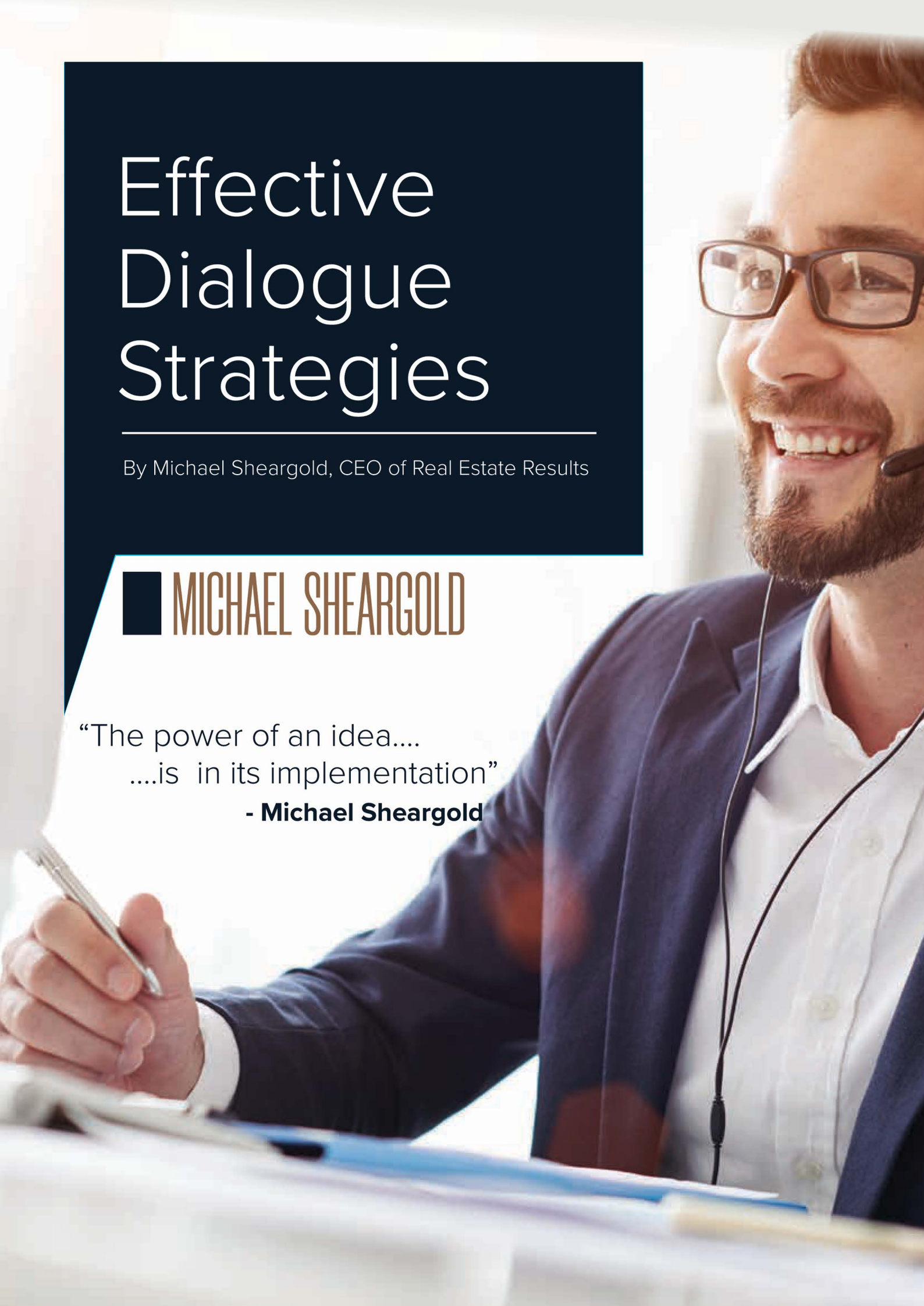


Effective Dialogue Strategies

By Michael Sheargold, CEO of Real Estate Results

■ MICHAEL SHEARGOLD

“The power of an idea...
...is in its implementation”
- **Michael Sheargold**



Welcome...

Welcome to the Effective Dialogue Strategies Handbook – designed specifically for real estate professionals who are committed to mastering the art of selling.

I'm proud to be an important part of the real estate profession and connected with Principals and Agents who want to deliver brilliant results for clients. On the following pages you'll find a series of suggestions on how you can maximise your effectiveness.

Feel free to personalise and adapt each of the scripts to make them your own. There are many ways you can approach these situations and importantly, there isn't one right answer.

The key is developing a specific and targeted way for you to handle the everyday issues, challenges or objections with buyers and sellers.

I'm clear, that the better your scripts and dialogues, the better you can communicate your message and ultimately, the better results you'll achieve.

A couple of key points before you start...

Warning! Don't practice on clients! The key is to role-play and rehearse with your colleagues. Remember, the key here is to learn these scripts and internalise them – so they become naturally accessible in your language.

The next important point here is Communication Congruency. It's not only what you say, but the way you say it. Your tone of voice, your pace and your body language communicate the REAL message you're delivering.

Having completed over 10,000 real estate coaching sessions, I know how important honing your skills and dialogue is in helping your clients achieve their goals.

Use this handbook well and the rewards will be huge. All the best with your success journey!

A handwritten signature in black ink, reading "Michael S." with a stylized flourish underneath.

Immediate Sale

Situation

What if the property is sold immediately, do I still pay for marketing?

Approach

You want the client to know you're fair, so freely offer back any unspent marketing money.

Response

There's usually a window of about 5 – 10 days from listing before marketing begins. If the property is sold in that time, we will certainly refund your unspent marketing money.

Why Advertising?

Situation

Why do I have to advertise when other agents say they have buyers?

Approach

Explain the impact on negotiations when there are multiple buyers.

Response

We have buyers just like other agents, however, that may be just scraping the surface of buyers in your price range. If we already have one great buyer, imagine the results we could achieve in a competitive market with three or four!

Advertising is like a supermarket. It doesn't matter how great your product is, at any given time you have plenty of competition from other great products ... yours must stand out. This is where a clever marketing campaign will help you achieve the best possible price.

Up-front Marketing

Situation

Why do we have to pay for marketing up front?

Approach

Explain the risks involved when the agent is financially committed to the sale.

Response

We don't make any money on the marketing of your property, so if you don't pay for marketing we'll still have to. Plus this means our office will carry your expenses until settlement. All of a sudden the business has a vested interest in your sale (to recover out of pocket expenses, as we don't get paid unless your property sells). If an agent will pay your marketing costs for you, their focus could change from aiming to negotiate the best price possible to simply closing the sale.



Up-front Expenses

Situation

I've been told I shouldn't pay anything up front.

Approach

Explain the risks involved when the agent is financially committed to the sale.

Response

OK. I understand ... you don't want to risk any money up front if you aren't sure the property will sell.

Well, keep in mind that's the same for the agent selling your property. If you choose an agent that will take the financial risk up front, you can guarantee they'll be anxious to secure a sale ... despite the sale price. If they didn't, they wouldn't recoup costs and eventually would go out of business.

You really want to encourage your agent to be working for a great price, not just the quickest sale..

Cost of Marketing

Situation

Your marketing plan is too expensive.

Approach

You want the client to understand the marketing plan is at cost and can be increased or reduced if desired. Your plan is simply a professional recommendation based on what you know works relative to their specific needs/ type of property etc.

Response

That's fine. We certainly don't need to advertise to sell your property. The marketing campaign won't necessarily determine whether the property sells. It can however have a huge impact on determining the price it sells for.

When you're looking for property to buy, what do you look for?

If you're looking in a certain price range, where would you look?

Exactly. If you were buying a waterfront property, you'd expect to find a full page or at least a half page ad. What would you think if it was just a small column ad ... perhaps it could be worth less?

Your marketing campaign not only helps attract new buyers to the property. It can help create a perception around price.

So it's entirely up to you how much you'd like to invest in this sale. Remember though, we are talking about possibly a 1/2% investment on the sale price. This investment could make thousands of extra dollars for you if we attract numerous purchasers to the property.

Boutique Agency

Situation

Your competitor is larger and seems to have a wider reach through their network than you do.

Approach

Ask why they've called you in then. Also determine what's really important to them

... it almost certainly won't be the size of your office.

Response

It's true we're not as large as some of our competitors, however I believe this is to your advantage.

If you look at a large organisation like say a multi-national phone company, do you think you'll gain the same personal attention from them as a locally-focused phone company in satisfying your needs? Where will you get the best service experience and inevitably, the best result?

It's like the old Avis tagline ... we try harder!

Competing against a Principal

Situation

A principal of another agency is going to handle my sale personally.

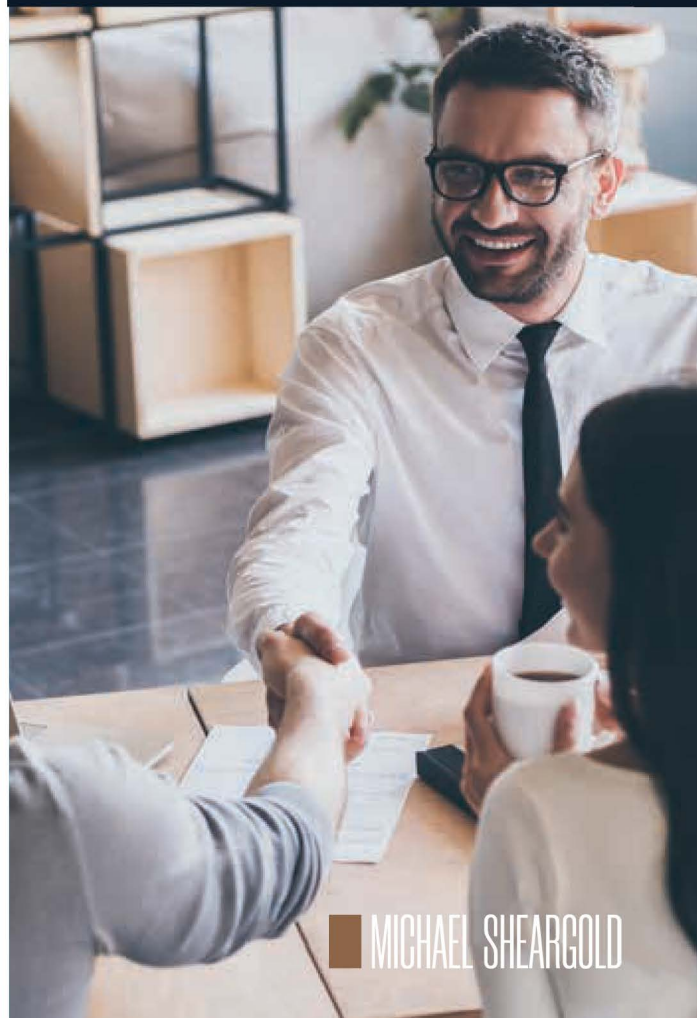
Approach

Highlight that a principal also has to deal with business and management issues and may not be able to totally dedicate themselves to selling.

Response

That's great, however, the benefit of working with me is I don't have to spend time worrying about building my business, recruiting and training employees and the many other worries business owners contend with each day. I'm totally focused on selling your property.

We try harder!



MICHAEL SHEARGOLD



Introducing Your Assistant

Situation

Will you be personally handling the sale?

Approach

Explain the benefits of having two agents rather than just one and highlight the advantages of split responsibilities - the opportunity to specialise.

Response

Yes I'll personally be handling all the negotiations and working closely with all interested purchasers.

My colleague (assistant) will be helping out with initial enquiries, open house inspections and all the associated marketing and administration. This means I'll be able to really spend time with all potential purchasers and focus on what I do best...negotiating you a great sale price.

On-site vs In-rooms

Situation

On-site auctions vs in-room.

Approach

If you prefer on-site, discuss the emotional impact on potential purchasers.

If you prefer in-room, discuss the energy impact on potential purchasers.

Response

On-site response

An in-room auction is certainly easier for the agent as they need only attend one venue and can get a greater number of results in less time.

On-site, although it takes a little more effort from both you and me, really sets the scene and can tug at the heartstrings of potential purchasers.

In-room response

There is a real energy with in-room auctions and purchasers are in a buying environment, so it makes it more comfortable for them to bid.

Plus it's a great qualifier. You won't get curious friends and neighbours dropping in.

Other Agent Says More \$

Situation

The other agent said \$x, you said \$y.

Approach

Highlight comparable sales that backup your price positioning. And ascertain how the other agent formed their opinion.

Response #1

Did they show you any market research to support their opinion? Well, what did they base their opinion on?

After considering the market research we've just discussed, do you agree with their opinion?

Some agents will offer you an unbelievable price simply because they have nothing else to offer you. My job is not to tell you what your property is worth but to find buyers and negotiate the best possible sale price and sale terms for you.

I'd be happy to offer this agent 100% of the fee if they bring a purchaser to the property that pays the price they have suggested. This means we can get on with actively marketing your property and if they really do believe the property is worth what they say, it will be an easy fee for them as I'll be negotiating all the paperwork.

Response #2

OK, let's have another look at the comparable sales. Did the other agents show you any comparable sales or did they explain how they determined their opinion.

My job is not to tell you what your property is worth but to find buyers and negotiate the best possible sale price and sale terms for you.

My opinion is almost irrelevant. You need to select an agent who is outstanding at buyer follow up and an effective negotiator. So rather than getting too fixed on the price, why don't I bring some buyers through who are looking in that higher price bracket and we can get their feedback. If it compares with other properties they're looking at, then we'll have an excellent indication of the market value. Would that be OK with you?



Why Select You?

Situation

Why should I select you?

Approach

Refer to your 7 reasons why a vendor should select you and discuss just the ones that are important to them.

Response

That's an excellent question. Can I tell you why other clients in the same situation have selected me and my organisation?

(refer to 7 reasons why)

But please don't just take my word for it. Here's a list of 20 of my past vendors. Please feel free to call any or all of them and ask for yourself.

I understand this is a really important decision for you as I'd be responsible for the sale of your most valuable asset. So this is really a job interview for me, and I'd expect you to check my references. All I ask is that when you do, you do the same with my competitors.

Open Listings

Situation

I'd like to open list so I have every agent working for me

Approach

Be understanding of why they may think this is the best option and then explain the potential pitfalls.

Response

Unfortunately open listings don't necessarily mean more agents will be working for you. Actually you may get less attention. Many agents won't put in any real effort as they may not get the rewards for doing so. If they do, they'll be looking to secure a quick sale to get the fee. And not necessarily focused on getting you the highest price.

Also, open listing your property means you could be employing the poorest negotiator. If you were a buyer and three agents were offering a property for sale, wouldn't you call all three to find out what they're saying. The one that gives away the most and perhaps even says ..."the owners are negotiable" would be the one you'd want to deal with as a buyer.

I'm prepared to give you 100% commitment and ... I'd expect the same from you. If at any time you decided you no longer wanted to work with me then I'd be happy for you to appoint an alternate agent. I'm certain this won't ever be the case, but rest assured I only want to work with people who also want to work with me.

FSBO'S

Situation

For Sale By Owners

Approach

Call as soon as the first ad appears.

Response

I noticed that you are selling your property privately. I'm curious. Is that because you couldn't find a great agent or did you just want to save on the fee?"

(This question is an open question to get them talking. It will also be less threatening than many approaches and a little unexpected).

Some will say they couldn't find a great agent or similar. This is your chance to set up an appointment.

Others will say they want to save on the fee. If so ...

"Would you be interested in working with us if we could bring you a buyer that would pay the price you are after, PLUS our fee?"

Most people will then say yes. Here's your chance to set up an appointment and then impress them with your perfect listing presentation (demonstrating your outstanding negotiating skills).





Past Client Follow-up Strategy

Situation

Keeping in touch with clients so you stay top of mind.

Approach

Touch base occasionally by phoning or visiting - remember to always be adding value, rather than asking for business.

At least every 60 days send a newsletter – market update (more value).

Response

I drove past the other day and really like what you've done with your garden (or whatever is applicable). You know it's interesting you've been in your home for just 2 years now. How's it all going? How's the family?

The market is really moving at the moment. We just can't get enough properties to keep up with buyer demand.

Who do you know that may need my help in either buying or selling property?

Expired Listings

Situation

Prospecting expired listings

Approach

Call on the day of the auction or after 30 days if private treaty.

Response

I noticed that your property was auctioned this morning, how was it? Did it sell?

If sold, record price and keep for future comparables. If not sold ...

I'm sorry to hear that, but don't be disheartened, demand is strong for property in your area at the moment. We have just sold ... properties in your price range/ like yours in the past months. How long are you committed to your current agent for?

Call back just prior to secure an appointment as soon as agency expires.

Or if expired ...

If we could get you the price you're wanting would you be interested in working with us?

Request for a Market Appraisal

Situation

Owner is busy and has requested a quick market appraisal.

Approach

Qualify and ascertain whether they are potential sellers or just curious. Remember just because they haven't planned to dedicate much time to meet with you, it doesn't mean they don't want to sell.

Response

Selecting the agent who will represent you for the sale of your property is a pretty important decision. We'll need to spend some time discussing your needs so I'm able to make useful recommendations about your proposed move.

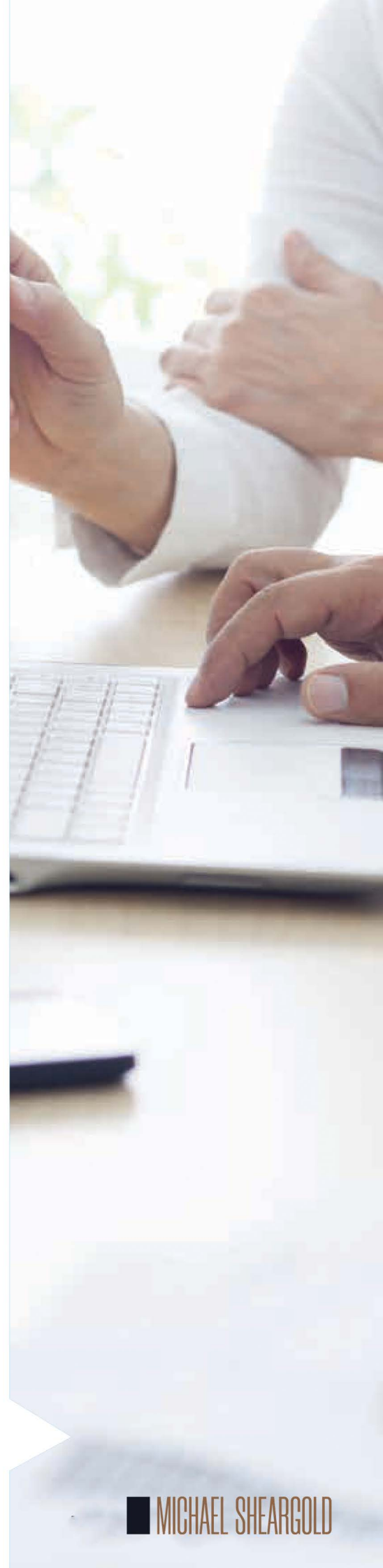
I certainly wouldn't want you to make a decision like selecting the agent who will represent you for the sale of your property without allocating sufficient time.

Are you ready to discuss the sale of your property now, or would you simply like an indication of what your property may sell for?

I'd just like an indication.

Well I'd be happy to send you a current market analysis, giving you recent sales figures and details of current market conditions. Then keep you up to date with the market by sending you our property newsletter each month. Would that be OK?

Then when you're ready to plan your move, I'd love to visit your property and spend some time discussing your marketing options with you.





Deferring Non-Buyers

Situation

Deferring a non-buyer enquiry.

Approach

Qualify purchaser and if they're not yet in a position to buy, be polite and helpful yet don't get caught up scheduling an appointment.

Response

I'm currently working with a number of buyers anxious to purchase right now, so I'm spending as much time with them as possible. I'd really like to be able to do the same with you when you're ready to purchase, so would it be OK if I sent you a list of all our weekly opens so you can see as much as possible in your own time and really get a feel for the market?

Then when you feel you're ready to buy and want to focus on a particular area, I'd love to hear from you. We can set up some time to discuss specifically what you're after and I can go to work finding your dream home for you?

How does that sound?

Deferring Non-Sellers

Situation

Saying no to a 'market appraisal'.

Approach

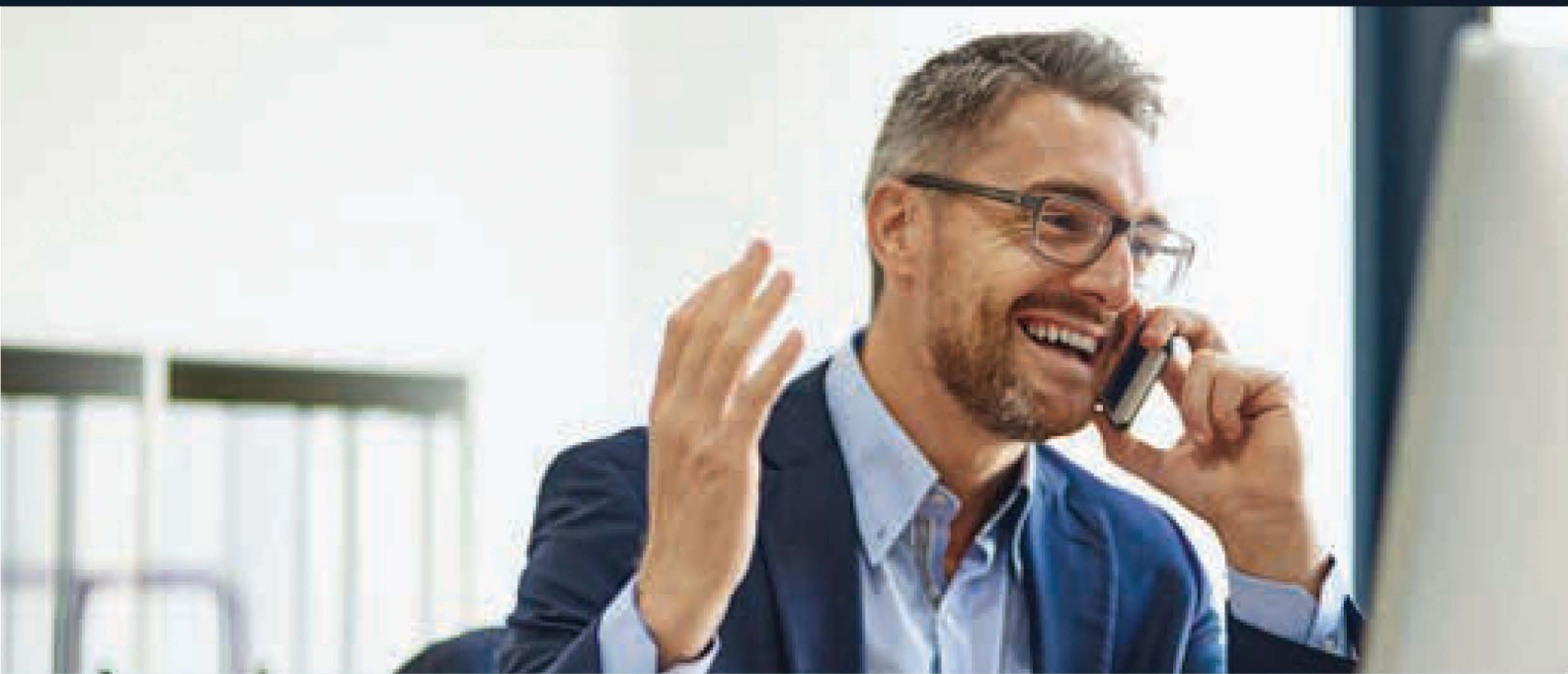
Qualify vendor and if they're not yet in a position to list, be polite and helpful yet don't get caught up scheduling an appointment.

Response

I'd love to come and look at your property, however I have property inspections scheduled all afternoon. Also you mentioned you're not planning on selling soon, so my opinion today will most likely vary from when you decide to sell the property. The market is always changing. It all depends on demand, current listings, interest rates etc.

It would be more useful if I sent you a current market analysis with comparable sales and details of current market conditions. Plus then I'll keep you updated with monthly property reports. So, when you decide to sell you'll be up to date with the market and we can then spend some time together discussing your marketing options and planning an ideal sales campaign for your property.

Would that be OK?



Buyer Enquiry

Situation

Buyer enquires about a property and they find out it's outside their price range. You currently cannot meet their buying needs with the properties you have available.

Approach

Never leave a buyer enquiry on the phone without asking them if they are going to be selling.

Firstly, listen to their needs. Secondly discover a little more about their situation.

Response

I've seen xyz property on the market. What sort of price will it go for?

It will be in the \$550 to \$600,000 range. Oh! I've only got \$350k to spend.

That's fine. Why don't I get some details from you and when something comes available that suits, I can let you know.

(Collect all contact details and qualify.)

Now if I wanted to send you a brochure or property information, where would I send that to? That's a great area, why are you planning on moving?

(This will help you uncover whether they're an owner or tenant. Plus it will help you identify their reason for moving.)

Are you planning on selling first or buying first?

I'm not sure. Probably sell first.

Either way, being prepared up front will make sure the move is more enjoyable for you and help eliminate any unpleasant surprises. So let's schedule some time to meet at your current property to discuss your marketing options and create a suitable plan for your move.

Co-Agency Arrangements

Situation

The client is interested in working with you and another agent.

Approach

This can be very messy and cause a unnecessary hassles for the vendor. The other agent will probably have a different work style and perhaps work ethic.

Response

I've had a couple of bad experiences with co-agencies where I was unable to control the process effectively.

It really can create a paper warfare and complicate the communication process.

The last thing I want is for things to fall through the cracks. I know I can effectively market this property and achieve an excellent result for you.

Why don't you allow me to look after the marketing and sales negotiation of your property and I'll then offer the other agent a 50% conjunction if they introduce the buyer.

How does that sound to you?



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