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Value Added Selling...How to Avoid the Commissionectomy

Introduction

Challenges

Most difficult objection

Likely to take it personally

Two extreme choices: cut and lose money, hold firm and lose the listing

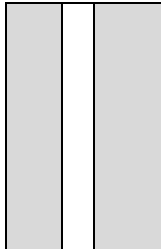
Always someone will undercut leading the race to the bottom

Anyone can cut, it takes a professional hold firm

Profit is good

Protect your profit

Make up in volume?



1. Value

Before you deliver value...know what they value

Motivation

Urgency

What is important to them

Establish Your Value

Be so good they'll want to give you money

Be on time

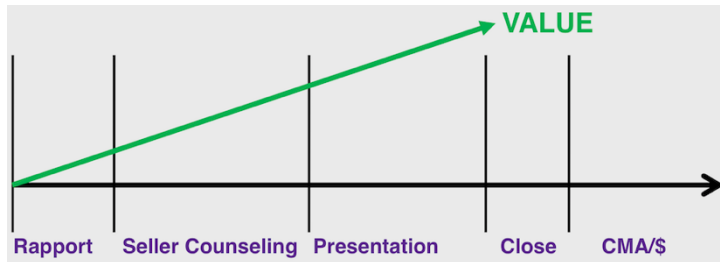
Dress professionally

LISTEN instead of talk

Know the market and their home

Personally have previewed property

Listing Sequence



When do you establish difference?

Pre Listing

Research the area

Property photos

Seller interview

Assemble past client video testimonials

Have previous client call your prospect...or vice versa

Pre-listing package

Personal letter

Resume

Raving fans; print, video

Production

Performance standards

Consumer videos

Homework

Pre listing package sent

Establish credibility and trust

Statistics and information

(Save benefits for presentation)

Send with flowers, popcorn, consumer DVD

Describe your process

Testimonials

Homework

Mobile Video

Ask for testimonials on your mobile device

Post on your YouTube channel

Play clips during your listing presentation

2. Difference

Will customers pay more for Difference?

- Recent major purchase
- Were lesser priced options available?
- How much more did you pay, and why?

What's your difference?

- Quantify your Difference
- Must have clear points of difference

Avoid being a commodity

- Lack differentiation
- Generic, interchangeable
- Price subject only to supply and demand
- Must have clear points of difference

Commodities

- 65" 4k flat screen TVs
- Value Added Selling

Sell Difference

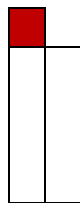
- Price is rarely the only purchasing criteria
- Don't let price be your only difference

Areas of Difference

1. Marketing Management
2. Exposure to Agents
3. Exposure to Public
4. Secure prospects
5. Demonstrating the Home
6. Securing an Agreement to Purchase
7. Closed Transaction
8. Final Equity Payment

Sell only difference

- You don't have to sell the whole thing



Contrast to value points of difference

When products are similar...Amplify the details

Concede the similarities

3. Dialog

P.A.I.D for Objections

Pause

Acknowledge

Isolate

Discover

Question their position

Question their position, don't defend your own

Ask how they arrived at that position

Did you ask the other agents?

Focus on client interests

What is their ultimate objective?

What happens if the home doesn't sell?

Exercise

Tell me about the last car you purchased.

Were there lesser priced options that you considered?

How much less could you have spent?

Why did you buy this vehicle?

Questions to have them see difference

If our fees were the same, who would you hire?

Why would you hire me over them?

Implication Questions

When you compare that to the commission difference, do you come out ahead or behind?

Having seen the major differences between them and us, how do you think their lack of the differenced you itemized would affect your selling experience?

What do you feel you would gain from a fee cut?

4. Net

Sell NET, not Fee

Performance Gain Exceeds Fee Savings

Expirations: "We're X times more likely to sell your home."

Days on market: "Your home will sell X mo. sooner."

Sale to List Price ratio: "You'll actually NET more."

Implication Questions

How much longer do you think they would take to sell your home?

With their average market time being 1-3 months longer than ours, would it be worth it?

How much would you actually save?

How much more in ownership costs would you incur if it takes longer to sell?

How much do you think you'd save by listing with the other agent?

Time vs. Results

We get paid for results

Now how long it takes to get them

A faster sale could actually warrant a higher fee, not a lower one

5. Strength

Ask for the listing

Are you ready to have your home on the market now?

I'll need a few days to take photos and get the information into our system. To begin I need your agreement here.

OK, let's get to the paperwork. I need your signatures on the agency disclosure, affiliated business disclosure and the listing agreement.

“No” power

Kindly, gently and with respect

Say “yes” to something else

Assertive vs. Aggressive

Don't just cave in

They're programmed to ask

Keep the discussion going

Keep asking questions

Make them work for it

They may have less stamina than you have

Strength Exercise

Must experience a stand on strength

Next cut request: decline and walk away

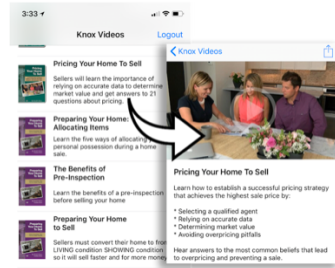
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