

Pricing and Preparing the Seller

By Rich Levin,

Coach, Speaker, and Motivator

Pricing Winners and...

Pricing... get this right you are more confident, more at ease, and more successful. Get this wrong and you suffer every day. Agents who have no pricing strategy or no confidence in their pricing are reluctant to go on listing appointments and reluctant to generate and follow up on listing leads; which hurts their business, their income, their professional self esteem, and their peace of mind. Ouch.

Six Parts to Your Pricing Strategy

There are six parts to your pricing strategy. When an Agent is uneducated, unskilled, insecure, careless or lazy on any of these parts he or she is likely to recommend the wrong price, lose the confidence of the Seller, and lose control over the relationship (more ouch). Identify the weakness that is most costly to you. Get to work on improving it... today.

1. **Initial communication with the Seller:** Often overlooked or taken for granted, this conversation over the phone sets the stage for your pricing recommendation. Ask good questions and briefly describe the extent of your effort in preparation for pricing. ([Questions Over the Phone](#))
2. **Preparation:** Gathering multiple listing and tax data; drive bys, pre-inspections, and inspecting the subject property; reviewing, sorting and selecting the best comparables; putting it together in the easiest format for the Seller;
3. **Tools and Documentation:** Digital CMA's are excellent. Be sure to explain the format and have individual hard copy property printouts with notes to indicate the amount of effort and time you took and to substantiate your insight and expertise. Practice until you are comfortable, confident, and compelling.
4. **Pricing Presentation at the Seller (listing) presentation:** introduce by explaining your role and theirs. ([Pricing Message to the Seller](#)). Remember that effective presentations are full of questions and gaining agreement intertwined with description and explanation. ([Rich's 45 Second Rule](#)) Subtly, prepare the Seller for a later price reduction conversation. ([Why a Property Sells... or Not](#)).
5. **Service and Communication while the listing is on the market:** Consistent weekly communication, on schedule, and keeping your service promises engenders the confidence of the Seller so that they will listen to you and trust you on adjusting the price, if necessary.
6. **Price Reduction Presentation:** Set the appointment for a meeting at the Seller (listing) Presentation, then in preparation for that meeting, gather your documentation and make a face to face appointment to discuss all the factors that cause the property to sell... or not from, ([Why a Property Sells... or Not](#)).

Seller Motivation and Four Keys to Ensure Cooperation

There is only one insurmountable obstacle to pricing right, an unmotivated Seller. Through work on the six steps above an Agent can develop the skills to address all other obstacles. But a Seller that truly has no urgency also has no motivation to be flexible or cooperative on price.

So it is very important that an Agent determine the Seller's motivation early in the process. ([The Four Questions](#)) Then, at the marketing update meeting (number two below) the Agent revisits the four questions and reevaluates motivation and urgency.

For the Agent to earn the cooperation of motivated Sellers on price requires that the Agent create a sense of trust. Creating this sense of trust begins with the first conversation with the Seller when the Agent is sincere in asking probing questions. Often the sense of trust is created even before that; through the Agent's reputation and marketing message.

Following are four keys to ensure that you gain cooperation on price with every Seller.

1. **Be straight with the seller about the price at the listing presentation.** This means that you are clear as to your opinion on price. Using the language in "[Pricing Message to the Seller](#)" you are able to take the listing if you want it and still maintain integrity and cooperation on price.
2. **Schedule a marketing update meeting with the Seller, three, no more than four weeks** after you take the listing and every three or four weeks thereafter until the property is under contract. Establish as the context of this meeting to review your marketing efforts as described in "[Why a Property Sells... or Not](#)."
3. **Keep your service promises to the Seller.** At the Seller (listing) describe your service, your marketing plan and what the Seller can expect from you. Then deliver on what you described. Doing what you say you will do is very powerful to the conscious and subconscious mind of the Sellers.
4. **Have regular communication with the seller, weekly, on schedule.** At the listing presentation let the Seller know that you will be calling each of them at a given time (between ten and twelve) on a given day of the week (Thursday) to update them. When you call be sure to speak with all Sellers so that each has the opportunity to communicate with you.

Now it's Up to You

Pricing, preparing the Seller for and obtaining price reductions that generate a sale are skills. You may have a natural talent for it. Most do not. All can achieve an expert level that creates income, professional self esteem, and their peace of mind that seem impossible to less skilled Agents. Using the six parts and four keys above, the scripts at the links, along with some dedicated work applying this information, offer you the opportunity to add this critical skill to your career.

Rich Levin speaks to Real Estate audiences coast to coast on raising Agent production. He customizes a coaching plan and business strategy for each of his Clients. His planning tools are simple and extraordinarily effective. People immediately recognize his sincere desire and commitment to improve the business and the life of everyone he encounters.

Contact Rich at 585-244-2700 or rich@richlevin.com. Register for Rich's free Newsletter at www.YourSuccessCommunity.com.