

Are Buyers Really Liars?

by David Knox

It's Sunday evening and you've just received a call from one of your buyers. He has good news -he just found a home, had his offer accepted and wanted you to be the first to know! Don't you feel special?

You ask if it had the four bedrooms they wanted. “. . . nope, only three.” Colonial style? “. . . kind of contemporary.” Two story? “. . . no, a ranch style.” In West Bloomington?”. . . ah, no, Eden Prairie.” You calmly and quietly hang up, wait a few moments and then scream. “Buyers are liars!” This experience occurs frequently enough to have become cliché, yet it continues. Why?

Lack of buyer counseling

Buyer counseling is an important extension of buyer qualifying. Qualifying, if it is done at all, relates primarily to the financial issues. Counseling expands to include discussions of market information, housing needs, urgency, ownership experience, dominant motivations and buying objections.

The reasons for avoiding this critical step include fear of getting personal, impulsiveness, a belief that “maybe this time they'll just buy quickly,” under valuing their time or not realizing the importance of counseling.

Salespeople must spend that initial time getting to know their buyers and preparing them to buy. Secure the appointment by presenting the benefits: saving time, finding the home quickly, getting first chance at a new listing, saving money and seeing only homes that meet their criteria. Ask them for some time to “visit” and avoid using the word “qualify.”

By meeting at their home, you see their lifestyle and get a feel for their buying motivations. Having them to your office provides the technical resources and demonstrates credibility. Consider going to both places during the initial stages.

Specifications vs. motivations

All buying decisions are based on emotion. People buy products to satisfy emotional needs. Buying gas for your car satisfies emotion. You may not be aware of this emotion at the time of purchase, but you certainly will be at the time you run out!

Find out how your buyers feel about “running out” of house. This can be difficult since people have been conditioned at an early age to keep their emotions to themselves, so they tell you only the specifications. They describe features they think will satisfy emotion. Our own discomfort with emotional discussions prevents further probing.

Abraham Maslow broke human needs into five major groups: survival, security, social acceptance, self-esteem and self-actualization. Dominant buying motives would include pride, romance, comfort, convenience, security, privacy, love, family, independence, social approval, fear of loss, self- fulfillment and security.

The mistake salespeople make is to leave a buyer interview with a list of specifications and features instead of an understanding of the dominant motivations.

Closed vs. open questions

One of the largest mistakes made is asking closed, dead-end questions. These questions limit the response of the buyer. Here are some examples of closed-ended questions: "Have you been looking long?" "Is this the area you had in mind?" "Does this price range fit your situation?" In these cases they are limited to a yes or no response and are prevented from elaborating about other options.

We irritate this problem by asking for features or, worse yet, by suggesting features! Some examples of this are questions like these: "Do you want a family room?" "Will you need three bedrooms?" ". . . a formal dining room, oh do you entertain a lot?" We "teach" our customers to be feature oriented, technical and unemotional. When we're done with this type of questioning, we've basically counseled ourselves. We then proceed to call them liars!

The first skill we must master is to ask open, non-directive questions:

General:

"Describe your present home."

"Of all the things you're trying to accomplish in this move, what is the most important?"

Specifications:

"Describe what you want in your next home."

"Where would you like to live?"

"What are your school requirements?"

"What didn't you like in your last home?"

"What did you like that you want to have again?"

Urgency:

"Why did you decide to move now?"

"How soon did you need to be settled?"

"Why is that an important time to move?"

"How would your plans be affected if you moved earlier/later?"

Real estate experience:

"Tell me about your experience in buying and selling real estate."

"Have you used the services of a real estate agent before?" ". . . what was your experience with them?"

“How have your past experiences been?”

Listen non-judgmentally

Our open questions will generate deeper emotional responses. To continue an in-depth discussion, we must choose our response carefully. We have three options:

1. Agree, be positive and tell them we feel the same way.
2. Be neutral.
3. Disagree and/or challenge their response.

The best and only response is to be neutral and non-judgmental. This will build trust by creating a “safe” environment in which buyers can respond. Many people feel that the positive, agreeable response is acceptable. However, this is still a judgment. If you agree one way, then you must disagree if they were to respond differently.

The buyers will tend to edit their responses to avoid the negative judgment. If they rave about contemporary and you rave with them, they may later be cautious about showing their enthusiasm about a traditional.

Probe for motivation

This is the step that brings it all together and probes beneath the specifications to the motivations. By using this technique you will master the art of motivational counseling and increase your sales. Allow them to describe the features that are important to them as you would normally. Then find out why they want the features they verbalize.

For this technique to be effective you must have a climate of rapport and trust. You must demonstrate a sincere interest in their answers. Otherwise, your probes will be perceived as too personal, too soon and too challenging.

Here are some ways to find out why:

“How will you be using that feature?”

“Tell me more about that.”

“Why is that important to you?”

“How does that feature make you feel?”

“If a home doesn’t have that feature, how does it feel to you?”

Here is an example of this technique: During the specification part of the interview a buyer says he wants a triple garage. In most cases this seems logical, unemotional and not particularly astonishing. We might take note of this and appropriately check only homes with triple garages. If, however, we ask why that is an important feature, we may get valuable information:

“Tell me why a triple garage is important to you.”

“Well, I collect and restore antique cars. Right now I’m working on a ‘58 T-Bird.” Now you learn a motivation of self-fulfillment or individual expression. You can build deeper

rapport and understand their interest in a hobby. Determining motivations offers three benefits:

1. It expands your options in type of housing. In the above example you could consider a double-oversized garage, a separate building on the same premises or a workshop on another level.
2. If the specific feature is required, knowing the motivation makes it easier to demonstrate the benefits of it and overcome the objections to the other part of the home.
3. By knowing these people on an emotional level you know the “real person.” It is easier to build rapport, find common ground and choose a housing style and location that really fits them on a personal level.