

# Better Homes and Gardens® Real Estate

## SEEDS OF SUCCESS WORKBOOK

### Session Four

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## **Session Four**

# **Holding a Productive Open House**

### **Goals of This Session**

At the end of this session, you'll have learned useful tools to:

- Organize a successful Open House
- Ask questions to qualify buyers in an Open House
- Get an appointment from an Open House
- Handle common objections in Open Houses
- Apply a new pro-active lead generating method
- Convert for-sale-by-owners to listings

## Resource List for Session Four

- All materials and videos can be found at <http://bit.ly/seedsofsuccess>

### **Materials**

- Three Steps to List the For Sale By Owner
- Open House Checklist
- Qualifying Questions for Open Houses
- Script for Converting the FSBO – Weekly Visit Approach
- The Day of the Open House

### **Webinar Recordings**

All can be found in the Greenhouse, Learning Tab, Be Better University, Course Catalog, DIY0-Self-Paced Learning, Building Your Business Category

- Prepping for an Open House Event
- Rock Your Open House!
- Strategic Open House Follow Up
- Target Market and Work With FSBOs

### **Software**

- Open Home Pro on the iPad
- Facebook
- Instagram
- Pinterest
- Zillow, Trulia, Realtor.com

## Holding an Effective Open House

Working alone, write all the business activities you could do in a business day. Take 5 minutes to write. Try to list at least 15 activities.

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_
8. \_\_\_\_\_
9. \_\_\_\_\_
10. \_\_\_\_\_
11. \_\_\_\_\_
12. \_\_\_\_\_
13. \_\_\_\_\_
14. \_\_\_\_\_
15. \_\_\_\_\_

Working alone, using the Open House evaluations you completed at the end of Session Five, summarize your findings.

### **Home Exterior**

- Overall, how was the home exterior condition?
- How would you improve it with you as the agent?
- What dialogue would you use with the seller?
- What materials?

### **Presentation of Materials**

- Overall, how well did agents present the property—and themselves?
- How would you improve on this presentation?
- What materials would you use?
- Did the agent have a pre-qualifying package?
- A pre-qualifying questioning procedure?

### **Agent's Qualification Procedure**

- Overall, how prepared did the agent seem to be?
- How would you improve the preparation?
- Overall, how would you rate the agent?
- How would you improve his/her presentation?

## Conclusions

As a result of this discussion, you'll develop the following strategies for your Open House. This can become your *Open House System*.

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

**Tech Tip:** Download the *Open Home Pro* app for your iPad to allow Open House guests to sign-in on your iPad. For more, go here: <http://www.openhomepro.com>.

- *Open Home Pro* allows you to have prospects sign in on your iPad. You can ask for Name, email address and phone number.
- You also have the ability to have questions show up for them to answer. Think about adding three questions. What would they be?

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

To be in compliance with the CanSpam Act and NARs Code of Ethics (applicable to REALTORS®), let the prospect know that you will not sell or share their email address. Take a copy of the office's website privacy policy and print it on a fold over card and display prominently when they walk into the Open House.

**For more information on privacy policies:**

<http://voicesofrealestate.blogs.realtor.org/2012/10/22/things-that-go-bump/>

## Checklists for Systematizing Your Open House Procedure

You have two checklists to assist you in systematizing your Open House procedures in [bit.ly/seedsofsuccess](http://bit.ly/seedsofsuccess). You can customize them and use them when you are holding an Open House.

How could you use them to show sellers how you work?

### Ideas to optimize your Open House:

- Circle prospect at least 50 homes before this Open House.
- Have a private viewing at the Open House for the neighborhood only. Print out MLS statistics like Days on Market, List to Sell price to share with the neighbors.
- Create a flyer about the Open House, with a small biography of you in the lower portion of the flyer.
- Sign rider
- Make sure your Open Houses are added to real estate syndication sites like Realtor.com; Trulia.com and Zillow.com if applicable.

### Other methods to promote your Open House:

- Publicize in social media
- Email to your clients
- Other: \_\_\_\_\_

## **Principles for an Effective Open House**

Working alone, answer these questions in writing:

1. Are Open Houses a proactive (you go out and find the customer), or a reactive prospecting method? Why?
2. What's a danger in relying on reactive lead generating methods for a successful career?
3. What's the reason to hold an Open House?
4. What kind of a property is a good candidate for an Open House? Why?
5. What, from your observations of public Open Houses, are the public's behaviors during Open Houses? Do they seek out agents? What do they want from the Open House?
6. What does the real estate professional want from the Open House?

## **Skill Practice**

Divide into task forces. Each task force answers one of the following questions:  
(Take 7 minutes to work)

### **Task Force #1**

Sellers want an Open House because they think someone will buy that home. In reality, very few lookers actually purchase the home they visited at an Open House. How will you explain the reality of Open Houses to sellers? What can you provide as visual proof of buyer habits?

### **Task Force #2**

You are in a listing presentation with the seller. He says he wants an Open House every weekend. You know, however, that his home is on a lonely road that will draw little traffic. The outside is dark and forbidding. How will you explain to him that his home is not a good candidate for an Open House?

### **Conclusions**

Thoughts you want to capture from the discussion on the task force issues:

## Open House Process Flow Chart



What does this qualification procedure resemble?

## Four Sales Skills for Open House Success

### Sales Skill #1 and #2

Getting their attention in an Open House

Ask intro questions to get to know them

Working alone, decide on good first questions to get a prospect’s attention and interest—the first steps in the sales process. A list of 20 questions is available to you in [bit.ly/seedsofsuccess](http://bit.ly/seedsofsuccess).

Your two best attention getters:

- 1.
- 2.

Then, decide on five first follow-up questions that start to qualify the prospect.

**Caution:** Do not give away a lot of property information during this initial phase. Your job is to get to know the prospect by asking good questions.

- 1.
- 2.
- 3.
- 4.
- 5.

## Skill Practice

Now, each person chooses an attention-getting question, and three follow-up questions to use in a practice session. Your three questions are:

- 1.
- 2.
- 3.

Working in pairs, play these roles. One is the Open House host and one is the prospect just walking into the Open House. Host, your job is to get the attention of the prospect and engage the person in conversation, to start the qualification process. Ask at least three questions. Prospect, do not offer any objections, just go with the flow. Host, before starting this process, read the evaluators below, to be sure your dialogue includes these evaluators. Each practice: total of 6 minutes, with 2 additional minutes for evaluation of the attention/interest sales step using the criteria on the next page.

**Evaluator: Performing Steps One and Two in the Sales Process During Open House**

Rating (1-4) with 4 being excellent	Agent 1	Agent 2
1. The agent used a question to get the attention of the prospect.	_____	_____
2. The question served as a good lead-in to other qualifying questions.	_____	_____
3. The agent listened carefully to the prospect’s answers, and asked probing questions	_____	_____
4. The qualifying questions were well-thought out and led the agent to what he needed to know to help the client.	_____	_____
5. The agent asked open-ended questions (questions to elicit more than a yes or a no)	_____	_____
6. The agent listened three-fourths of the time; the agent talked only one quarter of the time	_____	_____
7. The agent avoided giving away all the information about the property before qualifying the prospect.	_____	_____
8. The agent stayed on a particular question with the prospect, probing until the agent really knew what the prospect had in mind.	_____	_____

**Discussion:**

What are the most common mistakes that could be made during this first part of the qualifying process?

What are some of the questions that you found were good openers?

## **Sales Skill #3**

Asking probing questions to get qualifying information

### **Qualifying Questions to Use in Open Houses**

There is a list of qualifying questions available for your use in **Qualifying Questions for Open Houses** in [bit.ly/seedsofsuccess](https://bit.ly/seedsofsuccess). You can customize these questions and use them in your next Open House.

## **Skill #4:**

Closing for the Appointment in the Open House

Working alone, answer these questions:

1. Did you hear some opportunities to close for the appointment in your prior role play (or during your Skill Practice)? What were they?
  
  
  
  
  
  
  
  
  
  
2. What are some opportunities you would have to close for an appointment during the initial qualifying conversation?
  
  
  
  
  
  
  
  
  
  
3. What are some closing questions?

## **Closing for an Appointment after the Open House**

If you don't have an opportunity to close for an appointment in an Open House, what are some methods you can use to get an appointment from the prospect at a later date? Within what time frame should a call-back be made?

What you'll do:

**Resource:** Better Homes and Gardens® Real Estate postcards are available for your use in the Greenhouse; we suggest Emailing or mailing within one day of the Open House.

### **Skill Practice**

#### **Handling Objections in the Open House**

Some common objections in an Open House are:

- I'm just looking
- I have an agent
- I'm in no hurry
- I want to look on my own
- I have a friend who just got her real estate license, and she's part-time
- I don't need an agent; I can find the information on the Internet

Write more objections you have thought of:

## Skill Practice

### The whole Open House procedure: Qualifying and closing for the appointment

On the next three pages are three case studies. Don't look at the case studies until you are assigned a role for a particular case study (because there are prospect secrets in each case study). Working in groups of three, decide who will be the agent for Case Study #1, Case Study #2, and Case Study #3.

Each person in the group will play a different role in each case study. Now, the first prospect reads the case study (not the secret) to the agent. Agent: it's your job to get the attention of the prospect, qualify the prospect, handle objections, and close for the appointment. Each agent will have 8 minutes to accomplish these tasks.

Stand up with the prospect while you do this exercise, just like you would in an Open House. Observer: in each case evaluate the role play in the area below:

<b>Evaluator: Open House Skills During Open House</b>			
Rating (1-4) with 4 being excellent	Case #1	Case #2	Case #3
1. The first question was attention-getting	_____	_____	_____
2. The other qualifying questions got the agent the information needed.	_____	_____	_____
3. The agent used good follow-up and probing skills	_____	_____	_____
4. The agent handled the objection using the AAA method	_____	_____	_____
5. The agent asked a closing question	_____	_____	_____
6. The agent used attracting non-verbal cues (stance, voice, eye contact)	_____	_____	_____

### **Case Study #1**

**The Situation:** You are a buyer. You are in an Open House, chatting with the agent. You have two small children, and need a larger home. You want to live in this general area, and schools are very important to you. You tell the agent that you're finding all the homes you need to see on web sites, and you'll look on your own, because you're not ready to work with an agent.

**Your Secret:** You have been told that you should find the home on your own, since agents are only after a quick commission. You are reluctant to share that with the agent, but, if asked why you're not ready to work with an agent, you let the agent probe and you finally share the advice you got. You let the agent show you why you should work with that agent, and agree with the agent.

### **Case Study #2**

**The Situation:** You're a buyer. You're in an Open House, chatting with the agent. You are thinking about purchasing a large home in the area, where you now live. Your present home is too small, because you're moving your business to your home.

**Your Secret:** You have a friend at church who you feel obligated to list your home with. You are reluctant to tell the agent this, but, if asked, you disclose this, and let the agent become your exclusive agent.

### **Case Study #3**

**The Situation:** Out for a Sunday drive, John and Susan have decided to drop in on a few Sunday Open Houses. They are presently living in an area two miles from your Open House. They have two children, ages 7 and 9. Their present home, a rambler (one level) is becoming too small for their growing family. They love their present location, and want very much to continue their children's education and lifestyle in their present school district. John is with Data IO Inc. as a manager. Susan manages their home and feels she won't go back to work outside the home until the children are in high school.

**Their Secret:** They are wary of real estate salespeople because they had a bad experience with one when they bought their present home. Also, they just want to look around. They're not ready to buy yet.

## **Skill Practice**

### **Generalizations and Summary**

Working alone, write your conclusions to the case study demonstrations:

- What were some effective opening questions?
  
- What were some effective qualifying questions—and what order were they in?
  
- What are some challenges in getting appointments in Open Houses?
  
- How did the probing sequences work?
  
- What creative AAA objection-busting methods did you hear? Did any of the agents refer to visuals?
  
- What were some effective closing questions?

Take a few moments and jot down thoughts you have about increasing your effectiveness in Open Houses.

## **Assignment**

With a partner, practice your Open House skills until you feel you can handle any objections and get an appointment at an Open House.

## **A New Lead Generating Method**

### **Calling on For-Sale-By-Owners to Get Marketable**

Working alone, answer these questions in writing:

- Why do sellers want to sell their own homes?
  
- What services can you provide?
  
- What Better Homes and Gardens® Real Estate, affiliated office, and personalized programs would be useful to the seller?
  
- What objections do sellers have to listing their home?
  
- Taking these objections one at a time, create a dialogue and visuals to handle the objections.
  
- How many times, and in what time period, do you think you'd need to contact a For-Sale-By-Owner (FSBO) to list the property?

## The Three-Step System to List the For-Sale-By-Owner

On the next page is a flow chart of an effective process to list the For-Sale-By- Owner. There are several recommended sales skills involved in this process, as noted below:

### Exchange Value

- When you call the seller, explain that you don't want to list the property; you want to inspect it for potential buyers. (You don't know if the property meets good standards.)
- Give the seller valuable information in exchange for his letting you inspect the home. See the suggest dialogue on the right side of the flow chart.

### Find Motivation/Need/Fear

- Ask the seller questions to find out his motivation. As you listen to the answers, find a need or a fear of the seller.

### Solve Problem

- Using that need or fear, ask the seller, *"If I could (solve the need), would you (list the property, sell the property, etc.)?"*
- Set an appointment to do your marketing presentation.

**List the property.**

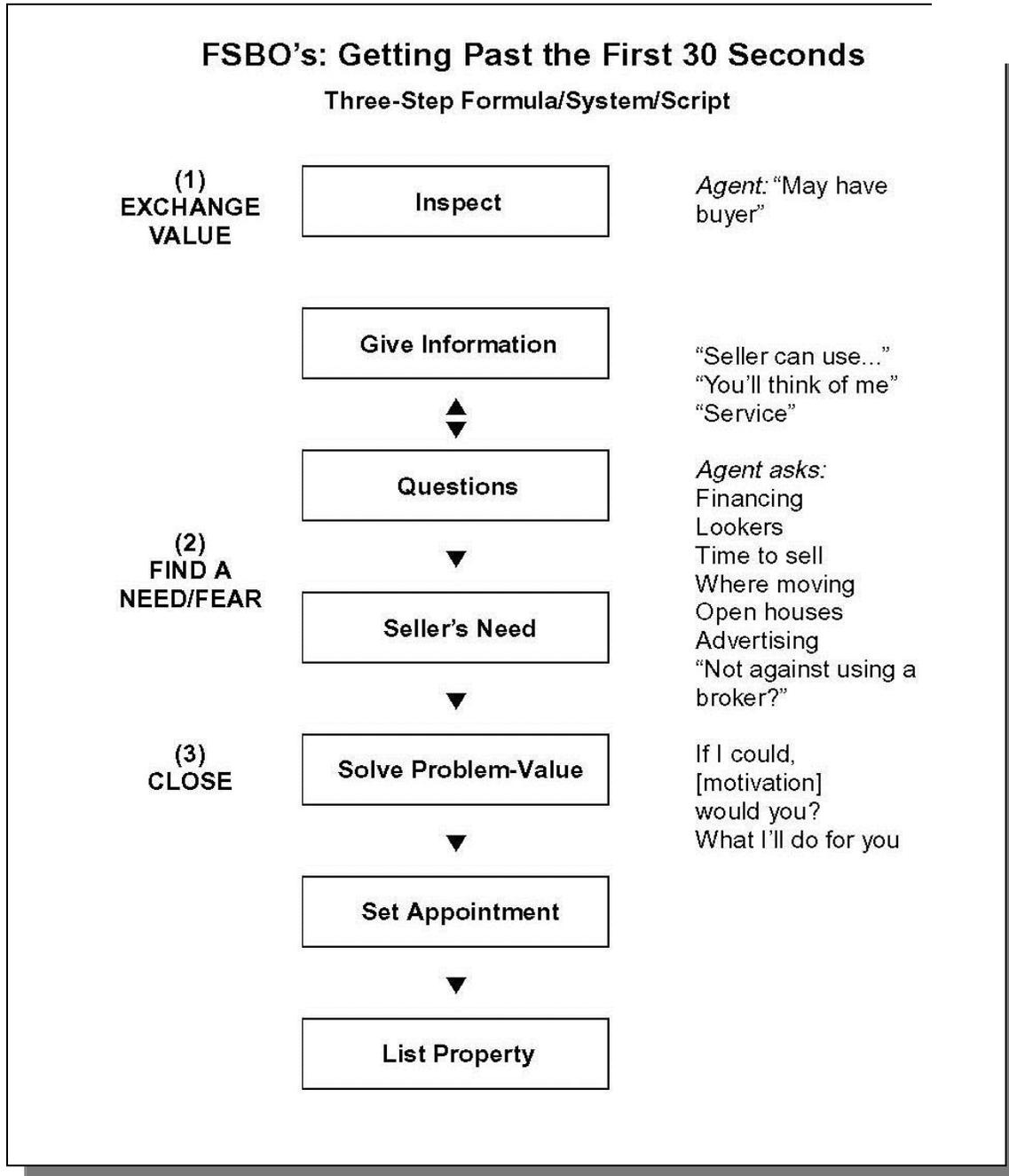
## Skill Practice

Find a partner. The partner is the for-sale-by-owner. Using the flow chart, get an appointment with the seller. Partner: throw only one objection at the agent. Evaluate the exercise with the 5 points above. Then, switch roles.

Evaluator: Open House Skills During Open House		
Rating (1-4) with 4 being excellent	Agent #1	Agent #2
1. Explain you don't want to list the property; you want to inspect it for potential buyers.	_____	_____
2. Give the seller valuable information	_____	_____
3. Ask the seller questions to find out his motivation.	_____	_____
4. Using that need or fear, ask the seller, <i>"If I could solve the need, would you..."</i>	_____	_____
5. Set an appointment to do your marketing presentation.	_____	_____

# FSBOs: Getting Past the First 30 Seconds

## Three-Step Formula/System/Script



## **Second Method of Contacting FSBOs**

Each week, try to simply take one piece of useful information to a FSBO. Studies show that it takes about 6 weeks for a FSBO to become frustrated, to sell, or to take the home off the market.

This approach is great for:

- ✓ New agents
- ✓ Agents who hate confrontation and don't like to handle lots of objections.

Go to the home as soon as the FSBO sign goes up. Why?

What type of information would you take?

How many times and how often are you going to visit?

At about 6 weeks, the seller will likely be very frustrated. When you can, try to make an appointment with all parties to a listing present and provide your listing presentation.

There is a sample script for this approach in [bit.ly/seedsofsuccess](http://bit.ly/seedsofsuccess) available for your use.

## What You've Accomplished So Far

### In lead generation:

- Called on people you know
- Circle prospecting
- Follow up on Internet leads
- Call on expired listings
- Open Houses
- Call on FSBOs

### In business support activities:

- Implemented business start-up plan
- Implemented six lead generating methods

### In sales skills:

- All lead generating methods suggested scripts
- Features/benefits substantiated with visuals
- AAA objection-busting method
- Probing
- DBM (dominant buying motive)

### Packaging and Systems

- Buyers' Presentation
- Follow-up and social media strategies

### Other:

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## **Summary of Session Four**

### **Topics introduced today**

- Learned how to optimize the opportunity of an Open House
- Learned the 4 skills to get an appointment from an Open House
- Gained the skills to answer common objections in an Open House
- Learned 2 methods of calling on and converting FSBOs

### **Recommended Actions to Take Right Now**

- Practice the role plays with someone so you can master the Open House skills
- Schedule an Open House to hold open this weekend (or more than one!)
- Prepare your 3 recommended reports for Session Seven. Do the Action Plan Checklist
- Have a wonderful week and thank you for your continuing work in *Seeds of Success*