

# **Handling the tough objections**

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**You've probably heard them all, but even the difficult objections can be overcome with special, learned techniques.**

A young man approached me at a seminar recently and said, "I've figured the magic formula for handling all real estate objections. Would you like to know what it is?"

Obviously, my answer was "yes."

"Quit the business, and you'll leave all the tough objections behind," he said.

Well, that's one approach to handling objections, but I don't think it's the best one. I must agree, however, that objections are probably one of the main reasons why people become discouraged, consummate fewer sales and eventually leave the business.

Think for a moment. After six weeks of working with a customer, you're sure that you will list the property tonight, when midway through the presentation your customer says, "Mike, we think a lot of you, and we're sure you can do a great job, but we've promised a friend in the business . . ."

Or you're showing property, and a contract seems only moments away because the home, the neighborhood and the financial terms are pretty close to perfect. But just as you begin to write the contract, your buyer says, "Mike, this is probably the right home, and we may never find another like it, but we're going to wait a few months until interest rates fall."

If you've never encountered situations such as these, you're probably not really involved with the real estate business.

An objection is simply "a question in the mind of the customer that remains unanswered." If you can answer their questions effectively, you'll answer their objections, and you'll get a signed contract. The problem in the marketplace today is not the objections from the customers or their questions. No, the problem is more severe than that. *Most salespeople are defeated not by the customer's objections, but by the objections they create in their own minds as to why they can't get the listing or make the sale.*

When you think about it, most of us start out thinking the customer is not going to buy, or the seller is not going to list. Now, isn't that a great approach to working with a client?

The seminars I conduct on handling objections are built on two thoughts: (1) all objections are easy to handle, and (2) you do become what you think about. I try to prove that all objections are easy to handle, and if you think they are easy, you are right. Yet, if you think they are going to beat you, you are also right. Let's not confuse this with the positive thinking concepts so prevalent today, because you must not only believe that objections are easy to handle, but you must also learn the sales techniques necessary for handling the objections as they occur.

Here are four techniques you can learn and use today:

**Concept #1: All objections are easy to handle through a strong presentation.** Sounds easy, right? We've proved in working with thousands of sales people that the strength of your presentation determines the number of objections you will receive. For example, Salesman Bob bumbles through a poor listing presentation, and the customer responds with "I want to think it over," "I have a friend in the business," "We're considering going FSBO," or "We'd like you to cut your commission." Yet when Saleswoman Mary makes a listing presentation, the customer often signs the contract.

When he shows property, Bob points to the living-room, diningroom and kitchen, and the prospect responds with "The price is too high," "Interest rates are too high," or "We haven't seen enough homes yet." Again, Mary takes her buyer around and makes an emotional, exciting presentation and comes back to the office with a signed contract. So you see, there is a *direct correlation between the number of objections you receive and the strength of your presentation.*

I would like you to check the strength of your presentation by doing one of these things: (A) record the complete presentation with a cassette player and then critique it, (B) ask your manager to go along and critique your presentation, or (C) ask one of the salespersons in your office to accompany you and check your presentation.

I believe every salesperson should use a canned or planned presentation and say approximately the same thing each time. Many salespeople who disagree will argue for a presentation that is "off the cuff," and my response is "that's why your production is off the board." A strong presentation will eliminate most of your objections.

**Concept #2: All objections are easy to handle when you learn to close effectively.** Closing is defined as helping a customer make a decision. If we assume that most customers are afraid to make a decision, then our ability to close effectively on the objections will assist the customer greatly. Remember that closing is a natural ending to any good presentation and something that customers expect, so don't disappoint them. If we make a weak presentation or somehow lose the customer during a good presentation, we can always recover with strong closing techniques.

Closing techniques have been designed for nearly every objection that a customer will offer. For example, the *summary close* was designed to handle the objection, "I want to think it over." The *inflation close* responds to the objection, "The interest rates are too high." Do you know, understand and use these techniques? If not, and if you make a poor presentation, what are your chances of handling objections effectively?

Too many salespeople fail to learn closing techniques because they think that too much strength reflects a bad image or suggests high pressure tactics. First of all, you and your customer are much better off if you're strong, because everyone wins. The customer gets the house, and you get the commission. The sooner you learn and combine appropriate closing techniques with a strong presentation, the better chance you'll stand with objections.

**Concept #3: All objections are easy to handle when you increase your activity level.** It is my belief

that most salespeople do not understand that real estate is a pure numbers game: the more people you see, the better off you are. A direct correlation exists between the number of contacts made daily and the transactions you will have. How does the numbers' game concept make handling objections any easier? It really doesn't, but since you will probably get objections anyway because of a poor presentation and inability to close, you might as well play the numbers game in high volume and hope someone will buy in spite of it!

You see, if you ask enough buyers to buy and enough sellers to sell, someone will always sign a contract. To make Concept #3 work, you must determine your closing percentage as closely as possible. Simply stated, what is your ratio of prospects to sales? How many presentations do you make before you list a home? Once this is determined (let's say one prospect in four lists or sells with you), then it really doesn't matter how good your presentation or closing techniques are because a certain percentage will always sign on the dotted line.

**Concept #4: All objections are easy to handle because they never change.** Once understood, this is the most unique concept and the easiest to use. For example, you may receive the following objections on your listing presentation:

- I want to think it over
- I have a friend in the business
- We'd like to compare companies
- We're going to try FSBO
- Someone else said they could get more money

- Your office is too small or too big
- We need to buy first before we sell
- Your office is too far away
- I'd like you to cut your commission

When you look at objections, you'll discover that (1) the objections are very common, (2) they haven't changed much over the years, (3) if you knew all the answers, you'd probably list more property, and (4) if you didn't know all the answers, it would probably hinder your production. Our big advantage is that sellers generally don't think of any new objections. That's because the list of nine objections works so well against the real estate people that there's no sense in changing it.

Think for a minute; exactly how long would it take you to develop a short answer to each of the nine objections? How about brainstorming with your staff at a sales meeting on this? Just think what a strong salesperson you would become if you had immediate responses to each objection. It would have multiple benefits. First, you'd have more confidence which would lead you to prospect. Second, your presentation would be more effective, and third and most important, it would give the customers answers, and that's what they want.

I think you can see that objections are caused by the salesperson, and the effects are devastating. However, with a little bit of patience, understanding and hard work, you'll discover that all objections are easy to handle. **R**

About the author: Mike Ferry, salesman and motivator, is a popular speaker on the listing and selling of real estate.