

KellerCenter Research Report



» March 2013, Volume 6, Issue 1

Keller Center Research Report: Intentionally Searchable and Global

Andrea Dixon, PhD - Editor, Keller Center Research Report

Communicating the Value of the Real Estate Professional

Daria Dzyabura, PhD

Innovative Mobile Marketing via Smartphones: Are Consumers Ready?

Ajax Persaud, PhD and Irfan Azhar, MEBT

Legislation as a Tool for Reform: The Case of New Zealand

Robert Davis, PhD

Housing & Health Care: Why Should You Care?

Dennis Thé, MBA Candidate

INSIDER: How Technology is Changing the Sales Environment

*Jacob Christie, MBA Candidate; Andrea Dixon, PhD; Curtis Schroeder, MBA Candidate;
Mark Tarro, MBA Candidate; and Dennis Thé, MBA Candidate*

INSIDER: Using “Power Questions” to Improve Your Business

Mark Tarro, MBA Candidate

INSIDER:

Using “Power Questions” to Improve Your Business

Mark Tarro, MBA Candidate

Questions are a part of our everyday life and we can often overlook the importance and power of questions we ask. This is often because the person being asked the question determines its importance. In *Power Questions: Build Relationships, Win New Business and Influence Others*, authors Jerold Panas and Andrew Sobel present some of the most powerful questions and provide examples of how posing them in the right (or wrong) setting can strengthen your business relationships.

THINK POINT #1: Build the Relationship

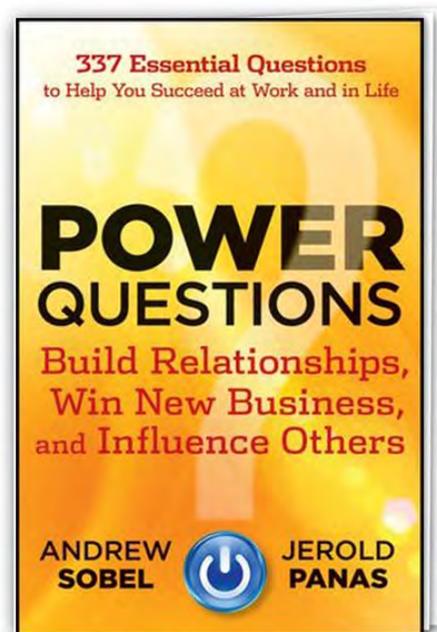
In order to build a strong buyer-seller relationship, it is important to gain an understanding of one another. Equally as important is the fact that the focus should always remain on the client – talking in-depth about yourself should be a last priority and should only take place at the buyer’s request. During the relationship-building phase, ask thought-provoking questions that allow the buyer to share information about his/her background.

“How did you get started?”

This question is often useful for business-to-business sales or networking contexts but has clear application for real estate professionals. Typically, asking a client how she got started invites her to share about her beginnings, which also presents an opportunity to unearth other relevant information. Asking slightly modified questions such as: *“How did you first come to the area?”* or *“What were your favorite aspects of your first home?”* can provide additional insight about the buyer’s past and uncover what might be the most important drivers of her new home purchase.

“Tell me about your plans.”

When this question is employed, the buyer is encouraged to share his vision for the future – before the salesperson begins to offer input or suggestions about the purchase. As a college student, I remember looking for an apartment near my beachside university in California. Because most students lived near the beach, my realtor assumed I would want the same and only showed me locations near the beach. I was without a car at the time, though, and my proximity to the grocery store far outweighed my desire to be near the beach. My plans – or my vision for the location of my home – were key to my



purchase decision, and my agent missed an opportunity to strengthen our relationship by making an incorrect assumption.

THINK POINT #2: Win New Business

Often, digging deeper into a client’s responses will set you apart from your competitors. Not only will your client remember the extra time and attention that you spent on a seemingly minimal issue, but you will also unearth more information than other realtors. Digging deeper through questioning has a direct correlation to positive relationship building.

“Can you tell me more?”

Although it seems simplistic, asking a client to share more during a conversation can command immense power. First and foremost, it conveys your interest in her story and demonstrates that you have been listening and truly care. Secondly, it allows the buyer to talk about what is important to her and provides insights that would be difficult to uncover through secondary research. It is very important to use this question sparingly, though – you do not want to fake sincerity or interest.

“Why?”

Asking “why” can be one of the most valuable questions a real estate professional can ask. “Why” keeps the buyer talking and encourages him to share his true reasons for acting or thinking a certain way. You will not only gain a more thorough response by asking “why,” but you give your client an opportunity to provide the answers himself (which ultimately keeps you from speculating). When we make a statement in our own words, we are much more inclined to believe it and buy into it versus hearing it second-hand – allow your clients to speak for themselves, which will translate into more effective communication throughout the sales process.

Consider a scenario where your client is adamant about finding a home that has a basement. He could be seeking a home with a basement for a variety of reasons. Asking “why” can help the buyer explain his reasoning – perhaps he will tell you he sees the basement as a dedicated space for his children to play. Having this insight will help you explain that dedicated play space can be designated in other areas of a home, as well, which can open up the number and variety of homes that you will show your client (even if they do not have a basement). When you understand your client’s true reason for wanting a specific feature or location, you can help find a home solution that fits his needs.

THINK POINT #3: Have a Positive Influence

As the real estate professional, you have a specific expertise you bring to the home-buying process. Using this expertise to positively influence your clients ensures your relationships remain strong and healthy.

“What are the most important factors in purchasing a home for you?”

While the authors pose a different question, they approach the same point. In the text, a sophomore in college is posed with the question: *“If you had to write your obituary today, what would you make it say about you and your life?”* This question caused him to reevaluate his current major, a decision he made only to please his father and grandfather. Upon realizing this, he changed his plans and chose a major that would ultimately bring him happiness. When doing so, he found out his happiness was all that his family really cared about.

Make a point of probing for what your clients feel is most important. By focusing on their “happiness,” your buyers can achieve the same contentedness that the young man in the text experienced. The authors also reference Robert Frost’s poem “The Road Not Taken” to emphasize that the right choices make all the difference – this is especially applicable to major decisions like a home purchase. Using your expertise to influence buyers to make the right decision for them is an experience that no buyer will forget to pass along to other potential clients.

“What is your question?”

The other side of influencing buyers focuses on guiding the conversation so that no time is wasted dancing around the real issues. It is important to have a strong relationship built so that you know how to appropriately ask this question. This question should never be used to demean the buyer, but instead should cut through the fluff and guide the buyer to the direct question he has. Not only will this make meetings more efficient, but it will also allow your answers to be more direct and concise for easier understanding.

Conclusion

There are words we use and questions we ask every day that have untapped power waiting to be unleashed. It is vital to be intentional in the questions we ask, the way we ask them, and to realize the influence that they can have. Used the right way and in the right context, any question can be a power question. How will you use power questions to maximize your business?

Recommended Reading

Panas, Jerold and Andrea Sobel (2012), *Power Questions: Build Relationships, Win New Business and Influence Others*, Hoboken, NJ: John Wiley & Sons Inc.

About the Author

Mark Tarro, MBA Candidate, May 2013, Baylor University

Graduate Assistant, Keller Center for Research

Mark Tarro is a graduate student from Pawtucket, RI. He earned a BA in Public Relations with a concentration in Marketing from Pepperdine University in 2009. After college, Mark worked for two years as the Alumni Relations and Communications Officer at Bishop Hendricken High School in Warwick, RI. While enrolled in Baylor's MBA program, Mark held an internship in Austin, TX in a marketing and operations role for Schlotzsky's. Mark is currently pursuing an MBA with plans of transitioning into a marketing/consulting role.

Keller Center Research Report

Baylor University » Keller Center for Research » Hankamer School of Business
One Bear Place #98007 » Waco, TX 76798
www.baylor.edu/kellercenter » Keller_Center@baylor.edu

*Keller Center Research Report is a trademark owned by Baylor University.
© Baylor University. All rights reserved.*