



Overcoming Commission Cutting Requests

There are a few things you must keep in mind before you tackle any “commission-cutting” questions.

1. **Know your limits.** Do not go on the appointment planning on playing the seller’s version of, “Deal or No Deal.” That shifts the control away from you. Do your market research and have a solid plan in place before the appointment.
2. **Be prepared to handle it should the question come up.** If you blink, you are in trouble. As a matter of fact, work on having the confidence to say, “Oh, I am so glad you asked me that. It gives me the chance to prove to you that you are already talking to the best agent for the job.” Then wow them!
3. **Know your company’s policy on commission cutting.** If you are not sure, find out. It could cost you dearly if the company will not share in the reduction.
4. **Believe you are worth it, or the seller never will.** If you lack confidence, role play with a buddy, one who will give you kind but real feedback, and keep at it until you sound and feel self-assured. Two questions to ponder: “Why are my company and I worth a full commission? Why is it in the best interest of the seller to pay a full commission?”

Let us consider how you present the message, as well as the message itself. Remember you are on “stage” at a listing appointment. Use the skills a great presenter uses all the time. Be sure to smile for all you have got. Call them by name and sound sincere and empathetic. Tell them what is in it for them (it is not about you). Communicate a willingness to go the extra mile to help them achieve their dream and look like a million dollars, even if the power company is about to turn off your electricity.

Here are some examples of how to overcome the commission cutting requests:

1. “If I were to say yes to X now, that would be lying to you when I said 7 percent was what we charged and I do not lie about anything. Quite frankly, that would be the worst way to start a business relationship, and I have a hunch you agree with that, too, right?” (*Wait, listen and acknowledge their response.*) “Great! You know what I would rather see us do?” (*Wait, listen and acknowledge their response.*) “Well, rather than start this relationship out on the wrong foot, I would rather see us raise the sale price Y percent, and make me work that much harder. Okay?” (*Wait, listen and acknowledge their response.*) “Great!”



2. “If you think about it, maybe you do not really want me to cut my commission. You see, if I am going to be so weak as to not be able to protect my salary, think how weak I would be at protecting your sales price, right?” (*Wait, listen and acknowledge their response.*) Alternatively, “Of course I will not cut my commission, because I am worth every penny of it. Besides, if I cannot protect my commission, how would I protect your sales price, right?” (*Wait, listen and acknowledge their response.*)
3. “If this were any business other than real estate, I would consider it. But in this business, the only person at this table taking a risk now is me. I have to spend money in advance to market your home and to help you achieve your goals. Only if we make it to closing, do I get any of it back. Maybe I would be willing to cut my commission if you would be willing to write me out a check to cover my expenses now. Would you prefer to do that?” (*Wait, listen and acknowledge their response.*)
4. Ask the seller if they ever buy name-brand products such as Hellmann’s Mayo or Heinz Ketchup. When they say “yes,” say, “See, in things as unimportant as ketchup, you are willing to pay more because it is worth it, is it not?” (*Wait, listen and acknowledge their response.*) “Well, it is the same with my commission. Should you not be willing to pay for quality on something as major as your home?” (*Wait, listen and acknowledge their response.*)
5. Have a list of your marketing services handy. “Here is a list of the marketing services I provide. Put an X by each service you would be willing to eliminate in exchange for a lower commission.” (*Wait, listen and acknowledge their response.*)
6. “I have done my research and find that our listings sell on average for 98 percent of their asking price. You do want to get the most money from your property, right?” (*Wait, listen and acknowledge their response.*) “Great! The MLS stats show that the other company’s listings sell for 95 percent of their list price. So, by paying me only one percent more than you want to, you actually make 3 percent more on the sale. That is like me paying you a 2 percent bonus, correct?” (*Wait, listen and acknowledge their response.*)
7. “A 1 percent commission cut represents 20 percent of my income which I earn getting you top dollar. If you will come down 20 percent in the sale price of your home, I would be willing to come down 20 percent in my salary. Are you willing to reduce your asking price by 20 percent?” (*Wait, listen and acknowledge their response.*) “I did not think so.”

We recommend you role play overcoming commission cutting requests for at least 30 minutes a day. By role playing consistently you will become more confident with

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handling the objections and you will walk away with your commissions intact.

Make A Commitment: I will role play for 30 minutes each day!

Deadline: _____