

**LESSON****13**

## I'll see you again: Increasing your referral business

As a REALTOR®, you will spend your career walking a delicate balance. Of course, you have to protect the interests of your clients but you also must find a way to work well with other agents. The simple truth is, your relationships with other agents will last far longer than your relationships with your clients.

Experienced agents will tell you that they often make a sale over multiple other offers simply because the selling agent preferred to do business with them. You develop that kind of business by the way you treat other people. If cooperating agents know they can trust you, know that you will look after your client while also making the process of closing a deal easy, they are far more likely to give you their business.

**TIPS**

- 1:** Understand that in every deal, you have two people you are trying to please: your client and the other agent. While it is mandatory to keep your client's interests at the forefront, remember that you may well depend on the other agent to close your next deal.
- 2:** Particularly after a stressful transaction, be sure to follow up with the cooperating agent and thank them for their part in closing the transaction.
- 3:** Remember that just as you are representing your client, the cooperating agent is representing his/hers. Don't let emotion or disagreements affect your relationship with that agent.
- 4:** Above all don't let it get personal. Remember the line from 'The Godfather,' "It's business, it's not personal." Don't take the transaction personally; you don't get paid for that.
- 5:** Don't give up other people's money. When you are the buyer's agent, don't have your buyer negotiate the commission the seller has agreed to pay the listing agent. In fact, the Code prohibits using an offer to buy as leverage to negotiate the compensation the selling agent will receive.

**Exercise**

The alligator is a ferocious predator. It routinely grows more than 15 feet long and can weigh more than 1,000 pounds. It's patient, merciless and frighteningly powerful. The grizzly bear has no peers in the American wilderness. Standing up to 9 feet tall and weighing in at 1/2 a ton, its massive size and towering strength, paired with its fearsome nature, set it alone atop the food chain. So who wins if these two awesome creatures were to fight one another?

The alligator? The grizzly? Explain your choice.

Closing a real estate transaction often feels like you are caught in just such a confrontation. The key to your long-term future in the industry is to change the context of the transaction. A sale should not be a win/lose proposition. It's always your job to first represent your client's interests, but also to find an agreement that leaves everyone happy.

And as for the age-old alligator/grizzly debate, the answer is, it depends. Are they fighting in the swamp or the mountains? In sales it's always best to operate in your own turf where you have all the advantages. In real estate, if a transaction turns confrontational no one wins. To paraphrase the line from the old movie *War Games*, "the only winning move is not to fight."



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### Instructor's Notes

- Try to create conversation; lectures are less interesting. Try to talk about personal experiences. Encourage newer agents to talk about situations that might be confusing. In the long run, dialogue is good for your business.
- Ask your agents who have closed multiple transactions with the same cooperating agent. How many transactions have they closed together?
- Ask why they work so often together. Discuss.
- For agents that miss your meetings, these lessons are also available online at [thecodeisgoodbusiness.com/va/lessons](http://thecodeisgoodbusiness.com/va/lessons).