

# HOME STAGING: A Modern Tool For Sales



by David Kopec

How many times have you walked onto a property that a client has just enlisted you to sell only to find the yard riddled with children's toys, old bicycles, and/or a hibachi sitting on the front stoop? Then, when you walked into the home you are greeted with sights of chaos, grime, and decorating styles reminiscent of early yard sale specials. While this example may seem extreme, the reality is that properties that look rough command 10-15 percent lower sales value than comparable properties that have had some cosmetic work to make them more appealing.

The problem for the real estate agent who is listing the disheveled property is how to tell the client that they need to put some work into the property if they hope to attain the highest value possible. After all, the clients probably do not see the chaos of their property and in fact probably see what others may deem as a dump as being a gold mine.

Because a Realtor relies so heavily on referrals, and could quite conceivably have these clients for much longer than the average client, offending the owner at such an early stage might not be the best approach. However, there is a profession that deals specifically with this part of a real estate - they are professionals who stage homes. In the past, these professionals tended to be limited to wealthy individuals who could afford these services as well as reside some place else while their property was listed. However, today's average citizen is savvy to the real estate market and has higher aspirations to make money from the transaction. The unfortunate truth with many average citizens is that while they understand the concept of making a profit, most individuals lack the "decorating gene." These people know what appeals to them, but do not know how to go about achieving that look. This is where a professional in home staging becomes appealing.

Home staging is a psychological art. A good stager will be savvy to the psychological desires of humans, will understand the cultural preferences of the likely buyer, and can transform an undesirable piece of real-estate into one that is more desirable. What I mean by psychological desires for example, is that most humans have innate desires for open spaces, lots of light, and not too much stimulus in a home. But, some of these psychological norms are influenced by culture.

For example, many Asian cultures prize concrete with very little greenery in the form of trees or grass. To many Asians with strong cultural beliefs, concrete is considered cleaner. Thus, a good home stager will not only look to the interior of a home, but will also analyze the neighborhood to identify any cultural norms, review the exterior since this is what a prospective buyer will see first, and will assess the interior for modifications. As an active participant in the transformation, a good stager will work with the owners and may be even sub contractors to ensure the best outcome.

It is more than likely that a client will not want to enlist the services of one who stages homes. The most likely reason will be because of the initial sticker shock of the service.

With costs ranging from a few hundred dollars up to several thousand, the thought of a stranger coming in and transforming a home that one may have prided oneself on assembling can be belittling and possibly offensive.

This is why the listing agent must use caution and preface the recommendation with a statement like, "It's amazing how much of you I see in your home, you have truly been successful in incorporating your personality in the overall feel of your home. However, I must be honest and tell you that most people do not like to buy homes that appear to be someone else's. Houses that sell the quickest and for the highest price are those homes that do not look as though they are someone else, instead they almost look like a store display."

This is when you can tell the client that you work with someone who will help make their home more appealing to prospective buyers. The key is not to insult the client!

For some sellers, the concept of paying a professional for these services seems incomprehensible. After all, they have never enlisted the services of home staging before, and they have been able to sell their homes without any trouble. While this maybe true, unless it was a seller's market they probably accepted much less than would have been able to command had the home been staged. There is an old adage which goes, "money begets money." This means that if you spend \$100 you can anticipate getting \$150-\$200 in return. Property that sells for a higher price is quite appealing because the salesperson's commission is higher, the seller leaves thinking that they got the best deal, and the property values in the area all increase which makes the buyer feel confident in their purchase.

Home staging has been traditionally a privilege of the wealthy, but today more and more of the average population is enlisting the services of home staging because they can see the intrinsic value of not only increasing the value of property, but also reducing the time a property stays on the market.

However, while I recommend that Realtors work with a good home stager, when working with the average population the Realtor must be careful to ensure that the professional that they choose to work with has much more knowledge than simply decorating a home. They should screen any home staging professional that they refer business to for interpersonal decorum so that the seller is not insulted, cultural norms so that the property appeals to the desired buying population, and psychological knowledge to know what has mass appeal versus secular appeal. If a real estate agent is successful in their screening of professionals and successful in convincing their client to enlist the services of these professionals then one can be pretty much assured of getting a higher price for the property and having the property on the market for a shorter period of time.

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