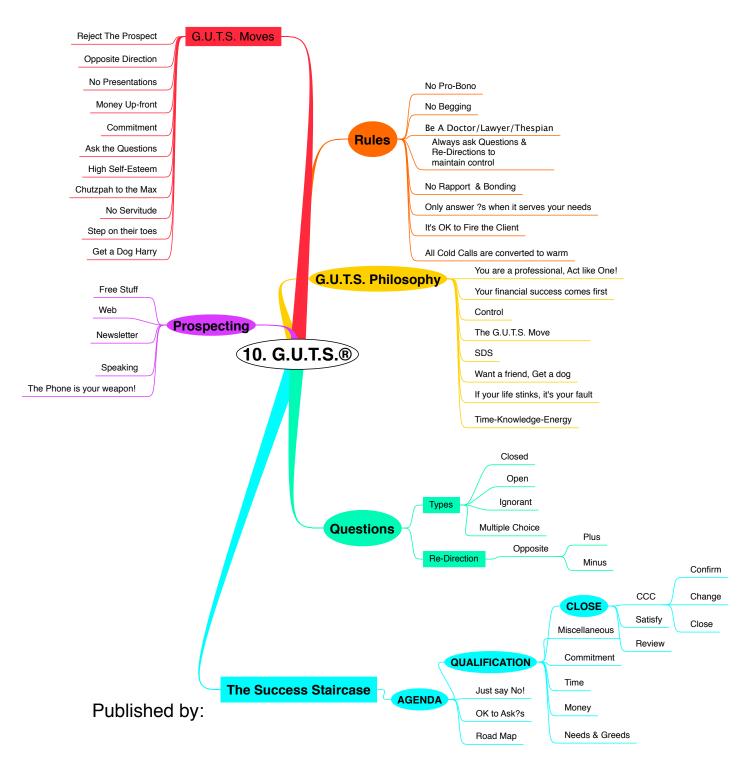


Sales is now fun, profitable and within your control!

# (G.U.T.S.™) Great Unconventional & Unorthodox Techniques of Selling A Manual of Success

By: Claude "The Mentor" Diamond J.D.

Warning: This is not hug a tree, you and me, let's make friends type Sales Training!



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Great Unconventional-Unorthodox Techniques of Selling.

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# **Dedication**

This book is dedicated to all of you who are really sick and tired of sales training programs that are nothing more than pie in the sky silly motivation sessions. Heck, how many times can you walk on hot coals until you figure out that all you're getting is a hot foot?

You work hard, I mean really hard, go to all the biz op seminars, watch all the infomercials with the folks by the pool holding the drinks with the little umbrellas telling you how they got rich, but when you try, it doesn't work! It's because Mr. Guru forgot the most important part of the program, Sales!

This book is also dedicated to everyone who wants all that life has to offer and who do not want to accept a life of mediocrity.

Thanks to Karen and John Klassen for participating in and providing the Role-Plays.

"We're not gonna take it, never did and never will." The Who

Oh and before I forget, it's inspired by a couple of kids from N.J. (Claude, Andy and Phil) who sold tools off of the back of a pickup truck. Man, now there were a couple of characters with real GUTS. And, of course, Lovely CJ who pulls my butt out of the fire by her excellent editing of the writing mess I give her, every time I do one of these projects.

# THE G.U.T.S.™ WARNING!

**Warning!** This is not a touchy feely, hug a tree, you and me, let's make friends, type sales manual. My Methods are not for everyone. They are honest and direct, **but** designed to get you results. You may be uncomfortable in the beginning while learning. That is the price you will have to pay for financial freedom!

One student once asked whether learning my methods will be hard. I told him that if he could stand with his pants falling down around his ankles in the middle of a shopping mall, during the holiday season, then he would do great with G.U.T.S.<sup>TM</sup>!

Let's face it, modern sales is basically the same old repetitious 'show and tell', just like we did in kindergarten. Get in front of as many prospects as possible and tell them how wonderful your widget is, show them a slide show, leave them with your glossy brochures and business card. Nothing is new here, including the results!

There is a difference for a few enlightened students who have studied the art and science of persuasion. We have control, we decide how our time is spent, we work smart, not hard and we have the income we deserve without the constant frustration and rejection. We become free when we discover and embrace a better way of doing business.

It's a whole new way of question style selling that allows you to be in control, feel great and make the big bucks without making yourself into a clown.

# Introduction

Please forgive, in advance, what I am going to say, but I think modern day **Sales Training is Bull Crap!** Sales Training is literally stuck in the Stone Age! It hasn't changed since Levi Strauss peddled Blue Jeans. If you don't believe me, go to any weekend sales training seminar or read the slew of book titles on Amazon.com. The contents are all the same, but said in different ways.

- Ask for the order 5 times or more
- Pretentious bonding and rapport
- Be subservient to the needs of the prospect
- · Stupid and obvious sales tricks·
- Silly and useless sales tools
- Modeling
- Consultive selling

The list is endless!

Sales training is a billion dollar information industry which is scared or unwilling to innovate, evolve, reinvent itself, take chances and it sure doesn't want to be politically incorrect.

Sales may be the highest paid profession in the world, but truth be told, that is only for the top 1% of salespeople. Those folks have adapted, evolved and learned a process that understands the science and art of the power of persuasion. For the remainder of the people, they change sales jobs like you change your underwear.

Most people in sales find it intimidating and frustrating and they never make enough money for all of their efforts.

## Here is my promise to you.

If you take my principles of the G.U.T.S.™ Selling Method⊚ and apply them to your business or employment, you will see spectacular results. Your self-

esteem will increase. You'll be working smarter. You will make a helluva lot more money and have fun in the process.

The G.U.T.S.™ Method is different from what you have probably heard elsewhere. You're not going to go out and give useless presentations. You're not going to ask for the order twenty times in a conversation with a prospect who has no intention of buying. You won't even go to meetings or lunch dates unless you have a high likelihood of picking up a check or a contract.

You will learn to **work smart** in a specific step-by-step process entitled the Staircase of Success. You will learn Agenda, Qualify and Close. You will memorize all the baby steps. You will be a master of opposite re-direction and stealth techniques. Finally, you will discover that Sales <u>is</u> a Million Dollar skill that can make your life a dream come true. Who deserves it more than You?

# **Foreword**

There I was, my hand shaking as I had to face another prospect with another presentation. If it would only rain or there weren't any parking spaces available, I would have the excuse I needed to return home and forget the sales call. Maybe I could just use the phone instead. Who was I kidding? I knew I wouldn't make the calls. Who needs the pain and rejection. While sales may be easy for others, to me it evoked emotions like frustration, fear, anger and anxiety.

I had tried all the sales seminars, all the business opportunities, worked for Fortune 500 Companies, nothing seemed to bring me the prosperity and enjoyment of life that I thought I could achieve. What was the answer? Why could a few, a very few have it all and the rest of us end up on the couch of life eating a bag of chips while watching the Brady Bunch film festival?

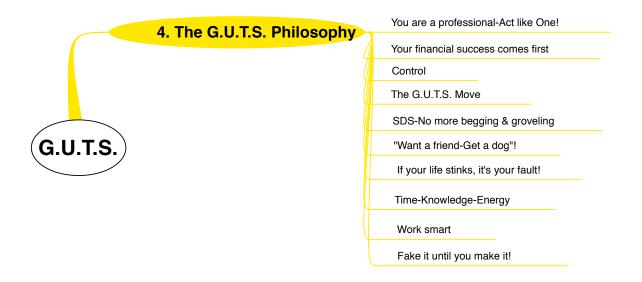
If you have ever read anything about me, you know the three letter answer and it was an old character who changed my life by the name of Max. He was my Mentor and he taught me things about success, sales, real estate and just about enjoying this short life to the "Max-imum". Max always said that life was too short to drink cheap wine, fly coach or drive a Yugo™. The most important thing that I learned from Max was the art and science of persuasion. He showed me how to actually control the sale, instead of leaving everything to chance.

I don't know about you, but all of my life, I have heard that sales is the highest paying profession in the world. If you do research, you begin to realize that Bill Gates or Donald Trump are really salesmen; million dollar salesmen. If they can do it, why can't you?

# The G.U.T.S.<sup>TM</sup> Philosophy

AKA: Chutzpah Selling to the Max

I don't know about you, but I have heard all my life that sales is the highest paying profession in the world. Yet for many, it's a struggle with tremendous frustrations. Claude



The G.U.T.S.™ Philosophy is designed to create the true professional; no less than a doctor or lawyer. You must be perceived as someone whose time, knowledge and energy is valuable. You are the expert, the problem solver. You do the diagnosis and decide whether you have a likelihood of doing business or to just call it a day.

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G.U.T.S.™ is more than a technique for increasing sales, it's also a philosophy, an attitude, a way of life. High performance persuasion selling is not for everyone. It's only for the few who are disciplined and hungry enough to combine science and art to a higher understanding of human behavior. When combined, the results are astounding. You are no longer just a salesman, you are a highly skilled professional, an in demand spe-

cialist whose time, knowledge and energy is sought by many because it is considered to be of high value.

The initial premise of the G.U.T.S.™ philosophy is to be the best by acting as though you already are. Now you may ask, how can I pretend I am a heavy hitter, when I don't have two nickels to rub together? You are going to the esteemed <u>University of Fake it, 'Til you Make it!</u> You are going to take on the attitude of a winner; you will become one of the best salespeople in the world. You will become one of the top wage earners in your sales profession by acting that way. People love to work with a winner and don't really tolerate or respect a loser.

Sales is a combination of specific scientific skills and art. Now this may not be in your nature right now, but that will change if you want to see different results. I am going to ask you to change many things about the way you feel about yourself and the way you sell which may not be easy. My methods will probably make you very uncomfortable at first. Are you all right with that? Successful sales is about having the G.U.T.S.™, the sheer unmitigated gaul or chutzpah to ask the questions that others are too timid to even consider.

Chutzpah defined: There was once a young man who was being sentenced by the court for the heinous murder of his parents. Upon rendering sentencing by the judge he was asked if he could state anything on his own behalf. He replied, *Yes, your honor, please have mercy on me because now I am an orphan.* 

The meek may inherit the earth, but they will never become a master G.U.T.S. salesman. In order to accomplish the things you want, you have to lose the typical subservient salesman attitude. You have to seize control, use modern tools, fire the prospect and spend your time with the more likely or probable prospects.

Let's face it, haven't we all been in situations when you should have spoken up because you were treated with less than reasonable courtesy? How about when the prospect lies or manipulates us with 'I'll think about it' or 'I

have to speak to my spouse'? How many times are you going to invest time with someone who doesn't even have the money to pay you? Why do they treat salespeople like this? Do you have any rights in the sales process?

You have to embrace a new philosophy. You have to stop acting as though you are a little boy asking Mommy if it's OK to take a cookie from the jar. You must realize that all your problems in sales are with you, not your prospects, not the economy, not politics, not the weather! If the customer perceives you as someone who doesn't respect himself, why should they treat you any differently? Ask yourself this: Would potential customers treat their doctor or attorney with the same regard as a widget salesman?

Ask yourself honestly if there was ever an occasion or time where a prospect missed an appointment, kept you waiting too long or treated you in a way that was less than respectful? Here comes the tough part, it was your fault. Why? Because you failed to ask the tough questions up-front. You tolerate it because you are desperate and the prospect knows it. The prospect will treat you with the same regard that you have for yourself. If they sense that you are weak, complacent or a beggar, then they will take full advantage of you.

A G.U.T.S.™ salesman is special and has no time for a prospect unless he has been properly qualified and there is mutual respect. Think of it this way, if you won the lottery and were now a millionaire, would you let any prospect dump on you?

What about all this rapport, bonding, relational and consultive selling that you keep hearing about? Harry Truman said it best, *If you need a friend*, then get a dog. Sales is about you, your success and prosperity. It's about you feeling so good about yourself and your product or service that everything else falls into place. I know all the books and seminars espouse the win-win thinking and that the customer is always right. I want you to win first. This may sound a little self-centered, but when you are on the phone or have a face-to-face meeting, I want the prospect to feel like they have an audience with the Pope, someone of importance and substance.

You have to become a specialist, a professional. You are a problem solver and as a professional you have to understand your place in the sales process. You will undertake the attitude of a skilled doctor or attorney. You are dealing with patients or clients who need what you can provide. You will determine this by your examination, diagnosis, discovery or whatever you want to call your line of questioning. G.U.T.S. is about making money and feeling great about yourself all of the time. This results in truly being free, it's having a blank check for the rest of your life.

Most salespeople do not realize that the only thing they have working for them is what they know. So what do they do with their hard earned knowledge and experience? They give it away without any consideration or compensation and immediately diminish its value and even worse, lose all respect in the eyes of the prospect. Don't give away anything until you find out if he or she really need the service, are able to pay and will!

The old fashioned way of sales, which is still practiced by the majority of salespeople is to view the prospect as an adversary, someone to conquer, to be tricked, someone who needs to be convinced, overwhelmed with facts and information. The salesman has been taught to give presentations and hopes to make such an impression with his knowledge base, that he will make a sale.

The salesman will dispense information, talk in an obvious sales type language in an attempt to overcome objections, stalls and repeatedly ask for the order. In some cases, he will use closing and manipulative techniques that are obvious, which the prospect has heard before and may even be using himself and possibly resents. Techniques like 'we only have a few left, better act quickly' or 'I've been authorized to make you this half price offer if you act now' are all designed to be obvious and result in a sale. In reality, these techniques are an insult to the intelligence of the prospect.

These are transparent, old fashioned and cheesy sales moves. By acting this way, the salesman becomes subservient to the prospect rather than an equal or superior. He is a beggar rather than the professional that he wants to be. He has no control in the sales process and is relegated to be-

ing a professional gambler, a crapshooter who has no idea whether or not he will prosper. He has diminished himself as less than an equal. He is blindfolded and swinging away at the pinata.

The prospects, realizing that most salespeople operate under this preprogrammed old fashioned sales method, takes advantage of this known behavior to their benefit. They get free information, prices, proposals, literature, even hands on assistance in their business without any commitment given. I remember one prospect who asked me if he could borrow a \$50,000.00 piece of automotive equipment because his had broken. Man was he in a jam! I pulled some strings and got him the equipment from my company and he was able to continue to keep his business open and service his customers. Guess what he did? He returned our equipment when he was done and bought a new setup from my competition.

Whose fault was it? Mine. Why? I didn't have the G.U.T.S.™ to get a commitment! I chickened out. It would have been so simple to lock him in, but I didn't have the chutzpah. Have you ever contemplated what you would do differently if you had a second chance?

Here's mine. This is what it should have sounded like.

## **Role-Play Example**

**Prospect:** Thanks for lending my business the equipment Claude, you really helped us out. We are going to give you the highest consideration when we go to buy a replacement.

Claude: Thank you, Mr. Prospect. Does that mean we can do business in the next 30 days if my equipment meets the needs of your office?

Prospect: Maybe.

Claude: Is there any reason why we couldn't do business if my equipment does the job?

**Prospect:** Well, we are looking at other companies and they may be willing to do better on price.

Claude: Are they also willing to lend you a \$50,000.00 piece of equipment for 30 days without cost and in less than 24 hours notice?

Prospect: Good Point. You guys came through in a pinch.

**Claude:** And we will come through after you buy the equipment, too. Where should we go from here?

Prospect: Let's do it.

Claude: Do what?

Prospect: The deal, the deal. What are ya, deaf?

Claude: No, I just like to hear good news twice. Thank you.

The salesman usually gives everything that is asked for without receiving anything in return. Salespeople need to be trained to have high self-esteem, the G.U.T.S.™ to ask the key questions first, before they give any answers.

The prospect lies, manipulates and evades any commitment. In many cases, they treat the salesperson with disdain and very little, if any, respect and the salesman accepts that as the price of his so called 'profession'. This is just the way things are, but not the way they have to be. Eventually, the salesman becomes a real life Willy Loman from Arthur Miller's <u>Death of a Salesman</u>. He blames everyone; the prospect, his company, the economy, the government. Yes, he blames everyone except himself, the real culprit for his lack of success and humiliation. He becomes despondent from the continual rejection and lack of prosperity. Is it any wonder, that the turnover rate for salespeople is the highest of any profession? Who wants to go out into the world and be rejected all the time, day after day? Sales

has to be more than a simple numbers game, it has to be developed to embrace skills and a specific G.U.T.S. philosophy.

There has to be a behavior change if the modern salesperson is going to work smart and profit. Questions are the answer, not the jabbering, senseless presentations or infinite unproductive door knocking. This is the G.U.T.S.™ Philosophy. It's not about the prospect, but about you. If you think this is self-centered, then you are correct. Salesmen have rights in the sales process!

Life is just too short to drink cheap wine and drive a Yugo! Claude

# The Rules of G.U.T.S.



Let me say up-front, that there will be a lot of **rules** in this G.U.T.S. Sales Method©. When I hear the word 'rules', I feel a rebellious teenage instinct arise in me!

Many of these rules will be contradictory to what you know or opposite of what you have learned from other sales training courses, seminars, books, and CDs. My rules may even upset you; they will definitely upset some of your prospects because you are not acting like a typical salesman. This

G.U.T.S.™ Method is based on getting to the bottom line quickly, working smart, gaining trust and feeling great about yourself by eliminating time wasting, indecisive, lying and broke prospects. It's all for a purpose, too. It's to allow you to have a blank check in front of you for the rest of your life. If that's important to you, then read on, learn, memorize, practice and implement these rules. If you are in business for any other reason, then read no further, give me a call and I will set you straight :-)

Do you suffer from the agony of Premature Presentation? Old fash-ioned salesmen can't wait to give their Power Point slideshow, hand out brochures, give away business cards and answer countless, never ending questions. If they would only exercise some restraint and not give away their most prized asset, their specialized knowledge. Salespeople only have one advantage in the world of competitive sales and that is what they know and what the prospect does not know. Wouldn't it be wiser to feign ignorance while learning the needs and greeds of the prospective client? How do you get them involved and passionately wanting to buy when you are boring them to death by talking too much? Professionals don't sell when they can make the prospect buy. Hold back the goodies until you are ready to kill.

No more Pro-Bono Work for free? No, not me! Bad poetry aside, you had better decide whether you are in business to make a profit or to start The Lonely Salesman Society. No more Free Lunches. Stop giving free information to unqualified prospects who just want to pick your brain for free. They want you to solve their problems without any consideration of compensation. Your time, knowledge and energy have value, but only if you show others that you respect yourself.

## Hey! The library is now closed!

**Claude Tip:** The best way to get off the phone with a time waster is to ask for money:-)

## All Prospects Fabricate, Confabulate and Prevaricate all the time.

Note: This is Claude fancy talk for the word 'lie'.

The 11th Commandment - Moses dropped one on the way down the mountain. Prospects can lie all they want to a salesman and still get into heaven. They lie because this is their fire escape mechanism against salesmen from whom they wish to escape without stress, arguments or embarrassment. The solution to having an honest dialogue is to **never act like a salesman**, **be a professional**. Think about it for a moment. When you go to your trusted doctor, attorney, or accountant with a problem, you tell the truth and give all of the facts to obtain a quick cure or resolution for a need, problem, ailment, etc.

**No More "Show and Tell".** Giving away your hard earned information is against the law in the G.U.T.S. Method. You only have one advantage over the prospect in sales and it's what <u>you</u> know. The typical salesperson is trained to demonstrate, share information and then ask for the order with miniscule discovery. The G.U.T.S. expert guards his knowledge and declines to give unprofitable presentations. Give no features and benefits until you have completely qualified the prospect. You need to know that:

- · they want to buy something
- they have some needs or greeds
- they have the money/finances to buy your services/products
- · they are ready to make a commitment

Begging: Never beg for the sale (when you can make them give it to you). Yup, begging, that's what traditional salespeople do! They beg, plead, ask countless times for the order and sometimes whine (very annoying), for the order. I don't even want you to ask for the sale unlike other sales training programs. I want the prospect to come to their own natural and logical conclusion to give you the order. Remember, everyone loves to buy, but no one wants to be sold.

People are really sick and tired of the traditional, old fashioned salesperson who does a lot of tricky maneuvering, duplicitous closes, high pressure and so forth. They are literally dying to meet an honest and straight forward salesman. If the prospect doesn't buy from you because they don't have the need, the money, the timeliness or because it's not within their com-

mitment process, that's OK because it's now over in the first couple of minutes - with the G.U.T.S. Sales Method©. Wouldn't you rather find all this out in the first couple of minutes of conversation?

You are earning what you feel you are worth! Remember author and motivational speaker Napoleon Hill's famous quote from his bestselling book, Think and Grow Rich, 'thoughts are things'. The theory basically was that a guy who works at the local burger joint flipping burgers is earning \$9.00 per hour and then gets fired. What happens next? He is probably going to seek similar employment at another fast food establishment at the same hourly pay scale. This is not because he is incapable of earning more, it's just because he believes that he is only worth this amount of money. Our burger flipper thereby remains within the same economic pay scale. If you want to become a millionaire salesman, then you had better emulate one.

Claude Note: Oh boy, I could write another book on this topic alone and believe me I am not a psychobabbler!

Be a Doctor, a Lawyer and a Thespian - The true professional salesman has to wear many hats and takes on multiple roles to become successful. In terms of the G.U.T.S. Method we use the science and understanding of basic human behavior, AKA: psychology. We know that by asking questions correctly, we can not only gain important insights and information, but also create motivation that leads to profitable sales. Think about it, what do professionals like doctors and lawyers do in order to diagnose or ascertain the needs or problems of their clients? They ask questions like 'where does it hurt?', 'what is the problem?', 'why are you here?', 'what would you like me to do today?' and 'what actions are you prepared to take?'

They also do a bit of academy award winning acting, ergo the thespian/actor role is also necessary. They take on this role while asking these questions. This behavior allows the G.U.T.S. professional to embrace the 'Work Smart' concepts that make this method unique. Congratulations, you are now enrolled in the esteemed **University of Fake it, 'til You Make It!** 

Claude Note: Much more on this subject during Mentoring sessions.

<u>Questions and redirections with stealth</u>. You need to ask the tough questions that the amateurs and cowards are afraid to ask. This is Chutzpah to the Max.

**Claude Note:** Sometimes I refer to G.U.T.S. Selling as 'Chutzpah Selling'. Always return a question with a question, but with finesse and stealth in order to qualify and get commitments quickly. This is tricky and will take practice because you do not want the prospect to know what you are really trying to accomplish. Compare this to the therapist who asks questions to gain insight into the needs of his or her patient.

#### **Example:**

Prospect (with an attitude): Tell me about your widgets!

Salesman: I don't know!

Prospect (now excited, raising voice and getting passionate, intense): What do you mean you don't know; you're the salesman!

**Claude Note:** The G.U.T.S. salesman realizes that people only take an action and commit to business because of an urgent need or greed. They have to leave their safe and secure academic, logical or analytical state of mind and become somewhat hysterical.

Salesman (recovery): What I meant Mr. Prospect, is that I don't know which products you mean. We have a very extensive line and different price ranges. Can you help me out and tell me why you think you even need a widget?

Prospect: I know all about widgets. In fact, we have been using the ABC line for years now.

Salesman: That's great, they are a well respected manufacturer of widgets. I am a little confused and maybe you can advise me. If you are already using the ABC line, why are we talking today?

Prospect: I just want to check out what your company can offer us.

Salesman: I am still having trouble here, Mr. Prospect. ABC is probably selling you an excellent product at a fair price, right?

Prospect: Yea, they're OK.

Salesman: If there was something they could improve, what would that be?

**Claude Note:** The old fashioned salesman, when invited to speak, begins a rambling presentation that goes on about the entire line, rather than asking stealth questions.

Prospect: We've had some problems with quality control and delivery times.

Salesman: That's a common problem in our industry. I am sure it couldn't be that big a problem with ABC, is it?

Prospect: It's big enough to get my butt hauled into the district manager's office. He is not a happy guy!

Salesman: I appreciate your sharing your insights and situation. I know that you are very busy, so let me get to the bottom line. Suppose I could resolve your problems with widgets in the next 30 days and could guarantee delivery and quality. Could we get a one year commitment from you for monthly orders?

Prospect: Would you be able to do that for the same price as ABC? I know you charge more than they do.

Salesman: Let's pretend that I could, what would your response be?

Prospect: We probably could give you an order.

Salesman: Probably YES or probably NO? I need a definitive answer if I am going to call my boss and ask for a one year waiver on price.

Prospect: OK-OK, I see where you are going with this. If you can assure me delivery, quality and hold the price, I will have a purchase order in your hands today.

**Claude Note:** The beauty of this dialogue is that in just a few moves our G.U.T.S. salesman has identified the buyer's needs, fanned the flames a bit and capitalized on the present problem with a profitable one year contract. The adept salesperson uses questions with finesse, redirection, stealth and a firm commitment. He didn't give an extensive presentation and was fully prepared to leave quickly (fire the prospect).

No more phony and pretentious bonding and rapport! Many sales seminars and courses today are still teaching the phony baloney approach to sales. If the buyer likes me, then I will sell more. I have always felt that giving a good product or service with excellent value will do more for your relationship than commenting on the lovely family photos on the desk. What's so wrong with getting to the bottom line as fast as possible with intelligent questions and redirections?

Mr. Prospect, why am I here? What would you like to see my (company, product or service) do for you? What are the problems you are experiencing? What do I need to do to get your business commitment today? Do you have money set aside to purchase my product/service if it meets with your needs? Could you share that amount with me? What is the decision making process for your company?

## Always create an Agenda up-front before you start selling.

Tell them what is going to happen so there are no surprises and you stay in control. It's like going to AAA (American Automobile Association) and getting a roadmap before you take a long journey.

Example: Mr. Prospect, I will be asking you a few key questions to determine if my product/service meet with your needs and the amount of funds you are comfortable spending. While I hope we do business today, I want you to be comfortable enough to also tell me you don't need my product or service, if it is not what you are looking for. Is that OK with you?

Qualify in the first 3 minutes or get out: I will make this rule really simple, YOU CANNOT SELL EVERYONE! Any so called 'sales educator' who tells you differently is blowing smoke up your chimney. I learned from my mentor that the reason most salespeople fail is because they waste so much of their natural resource, (time) on unproductive prospects. This eventually leads to frustration and resignation. Your ego, self-esteem and self-worth can only take so much. You must learn to be straightforward, seize control and determine whether there is any potential for a profitable situation in a few minutes. You may not close your prospect in 3 minutes, but you may get a tentative commitment or at the least, an inkling of whether there is something there for your efforts. At the least, you are able to dismiss or fire the prospect with finesse and move on to another opportunity which may have a more profitable ending.

I even use my famous 3 minute timer to keep me on track. Yes, in many a case, it might take longer than 3 minutes, but the point is to eliminate unproductive and unlikely prospects as politely and as quickly as possible. The benefits are enormous because it allows you to feel great about yourself. You are in charge.

Fire the Prospect! - In my rule book, it's OK to fire the prospect! If in your qualification of a prospect you discover that there is a need, but not the funds to purchase your solution or if the prospect is incapable or not in authority to make a commitment, then it is your RIGHT and your DUTY to fire them. I can't tell you how often I have spent time with potential clients who were just wasting my time, using me while trying to get free information out of me or they were having a bad day so they wanted to make mine worse. The worst part of it all was that I knew what was going on and I tolerated it. As Max would say, if you want to find the source of your problem, just go look in the bathroom mirror. It's OK to fire a Prospect.

**Claude Tip:** If you really want to be a stinker and have some fun at the same time, then refer the (time wasting) prospects to your competition and let them waste <u>their</u> time and resources;-)

**Claude Tip:** Keep an up-to-date database with your notes on non-performing prospects. If, in your discovery process, you find that there is no money to purchase your goods, make a note of it. If they contact you in the future, you are armed and prepared.

Salesman: Mr. Prospect, it's so great to hear from you again and I hope we can find a way to do business today. If you don't mind, I would like to ask you a question. Last time we spoke, you mentioned that money was an issue. How has that situation changed so we can make a commitment to do business today?

#### Make your Prospects Miserable!

Prospects do not buy because of sales talk and fancy brochures. They buy because they have a passionate need or greed that hopefully your product or service can repair. Make sure that you always ask the question that leads to a higher state of misery. Review their motivations. Try to get 3-6 of them, repeat them often and get a commitment or get out!

Salesman: Mr. Prospect you have a real problem here and it's probably costing you a great deal of anxiety and expense. I can appreciate your situation, as I know from other clients how this type of situation can render a great toll. Let me ask you something before I get off the phone. Suppose for a moment that there was a solution for your situation that could be implemented quickly and could work within your financial constraints; what would you do? You wouldn't take an action today would you? It's OK to tell me, 'No'.

#### Life is too short to make cold calls.

I always hated cold calls because I felt like I was intruding on someone. Prospects feel like they have the right to be curt with you because of your uninvited invasion. By the way, they may be right!

One of my mentor Secrets of Success was to learn how to convert all sales calls to warm or hot calls. You will first need to set up a G.U.T.S. prospecting system so you have all of the leads you will ever need. (More on this later in the book.) You need to practice the law of attraction marketing by creating an incentive for the prospect to either come to you or volunteer their contact information.

Claude Tip: I always offer free ebooks, audio CDs, newsletters and more on my multiple web pages and blogs. In return, I receive their contact information. Now here is where we see the genius of my Mentor Max. He used to say to me: Always act like you are getting back to them or returning a call!

Personally, I know that I hated calling potential prospects and getting all that rejection, but on the occasion where the prospect called me for more information, I flew to the phone to return the call because they invited the call. Max said that all you had to do was create an incentive where they gave you the contact information and then proceed to act as though you are getting back to them.

A salesman making a warm phone call:

Hello, Mr. Smith. I have a message here that you contacted my office and I am getting back to you. How can I help you?

A salesman encountering the guardian at the gate! Receptionist: *Hello ABC*, *how can I help you?* 

Salesman: Hi, my name is Claude Diamond. I have a note here that Ms. Smith contacted my company, so I thought I better get back to her.

Receptionist: What company are you with?

Salesman: The Diamond Consulting Group. Do you know what this is about? Why did Ms. Smith contact us? Is she a salesperson?

Receptionist: I will put you through.

Rule: If you act like a typical salesman, you won't be treated like the professional you are.

Note: Sales is like chess, you had better be several moves ahead of the prospect!

You Can't Sell Everyone! Most salespeople expend too much time and energy with time wasters. Qualify in 3 minutes or less, make the sale or get out! Learn the work smart principle of success. People love to buy, but hate to be sold. A professional never has to beg or use tricky trial closing questions to get the order. She qualifies the prospect with finesse and leads him to make his own logical decision.

Change and Evolve constantly! In the course of doing business, you must constantly re-engineer, adapt, create and be innovative. You must be in a constant state of flux while the copycats are static. Why, because if you're doing it well, your competition will always attempt to emulate you. Keep everyone guessing about you all of the time. Be a leader and you will never have to worry about the competition; you can just let them worry about you. Always innovate; never emulate!

Always look for the boss, not his horse. When seeking new business go to the top and work your way down, instead of from the bottom, up. How many times have you wasted your resources on people who were incapable of rendering a decision or were without the proper authority? It takes Chutzpah, but I always find out who the boss is.

Work Smart! Sales is a million dollar skill if you are using a method that gives you control, is profitable, makes you feel great about yourself and is fun. You should feel like life has given you a blank check with an unlimited balance! You want to do business with people, but wouldn't you rather hear the word "no" up-front in the first three to five minutes, or would you rather hear it after investing hours, days, weeks or months? The bottom line is that I'd rather get the "no prospects" up-front so I can get on with my life, talk with other people and do more deals. This is part of the 'work smart' concept in the G.U.T.S. Sales Method©. In working smart, we have to think

about why people buy our products and services. What's the motivating factor?

I like to use the painful analogy of the dentist. Nobody really wants to go to the dentist, but in many cases we have to go. Imagine if you had a tooth-ache on Christmas morning. There was no dentist office open and this toothache was really killing you. You went through the phone book and you called dentist after dentist after dentist. You finally got a dentist on the phone who said to you, *Sure, I'll open up my office and I'll take care of that tooth, but I'll have to charge you up-front. I won't take your Blue Cross or an HMO card.* Are you really going to argue with that dentist at that point, if you're truly in agony? Of course not! Are you going to negotiate? Are you going to ask for literature, for references? Are you going to say you'll think about it? Talk to your spouse? **Of course not.** You're going to run to that dentist's office. You're going to write him a check or hand over cash for whatever amount he asks because you are ready to buy, there is a great sense of urgency and you are in no position to negotiate. There is no decision making process here, your tooth hurts! You are in great need.

The high achieving salesman is able to recognize these ardent situations and capitalize on them. He truly understands why people buy things. They may rationalize a purchase academically to themselves and third parties, but in all honesty, they purchased it for a personal reason.

**Claude note:** The above rule was one of the hardest for me to learn because I was taught that people buy for external reasons (bells and whistles, sizzle not the steak, etc.). Max explained it to me one day in a simple anecdote that made it all crystal clear:

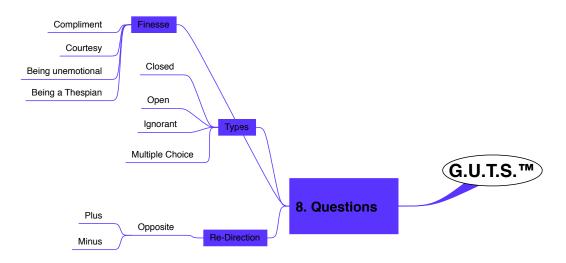
A man pulls into his driveway with a brand new and very expensive German luxury vehicle. His nosy neighbor, upon spying the new addition, crosses the street and asks why he bought the costly car. Taking great pride in his response, the car owner begins to regurgitate everything he heard from the car salesman and what he gleaned from the brochures about the engineering marvel, the safety features and lower depreciation of cars in this class. The neighbor was in awe of the vehicle and said he

hoped that someday he too, could afford a car like this. He wished him well and returned to his own home.

The **actual truth** of the matter is that the owner bought the car, not because of all the features and accessories, but because of the reaction of his neighbor. It bolstered his ego and made a statement of his prosperity and supposed superiority. He felt that a car like this told the world that he is better than his peers. So in reality, he bought the car because of ego or lack of it (internal), but justified the purchase by talking about other things (external). If you were an expensive German car salesman and understood this principle how would you approach your prospects?

The Millionaire Mindset - The Greatest Rule: If you want to become a millionaire you had better emulate one. That they work hard is a given, but they also work smart. They guard their natural resources. They know that they only have so many hours in a day, the same as anyone else. The only difference is that they have greater productivity than the average person who squanders his time. If you want to be a millionaire then hang around with one.

# HOW TO SELL WITH G.U.T.S.TM G.U.T.S.TM Questions



Questions are the means of gaining enough information to ascend the staircase. Remember no pro bono. You have the objective to gain the information you need first from the prospect. You work smart! There are many types of questions you can ask to gain information, but you always have to use finesse in order to keep the prospect from feeling like they are being interrogated. Re-Direction is essentially where you use your understanding of common sense human behavior. In many cases, you go in the opposite direction that is expected to get the answer you want. This is to get the prospect thinking about their own motivation.

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Now that you know some of the rules and philosophies of the G.U.T.S.™ Sales Method⊚, you need to learn the heart and soul of my Sales Method; you have to learn how to ask **Questions**. Yes, questions are asked in special ways, in much the same way that other professionals such as doctors, lawyers and investigators are taught.

In sales, we need a method for obtaining urgent information to make crucial, timely and profitable decisions. How do we qualify people quickly? How do we determine if we have a prospect or a tire kicker time waster?

We use a process that I like to call **The G.U.T.S. Discovery Method**. This is the strategy that really makes the whole thing work. It is learning how to

ask questions in a special way, The G.U.T.S. Way, with our secret ingredient called an understanding of <u>human behavior and response</u> or finesse. Most sales training methods are based on dispensing free information without regard to whether or not your time is being well spent. *It's just what you are supposed to do,* said one trainer at a seminar I attended. What so many of us do is talk and give it all away, but ask for nothing in return. Some would consider that asking aggressive, intrusive and pushy questions. I strongly disagree. As I said earlier, we have rights in the process. We have the right to get information. After a while, questions by their very nature, become aggravating and annoying. Nobody wants to be pummeled with questions from a salesperson who is seemingly trying to pry to make a sale.

**Claude Note**: Ever sit in a room of kindergarten kids and listen to all of the why questions?

Questions are the means to propel ourselves up the Staircase of Success, step-by-step. (More on this in forthcoming chapters). Unlike our sales counterparts, we are not just going to give a verbal or Power Point presentation. We are going to ask strategic questions, but in a style I call "**Finesse**". I define Finesse questioning as follows:

A sales situation which requires an artful and tactful handling of a difficult or normally uncomfortable situation.

Finesse can be accomplished in many ways using:

- A. Permissions
- B. Compliments
- C. Remaining Unemotional
- D. Becoming a Thespian
- E. Using Stealth

We will talk to people and formulate our questions so they do not sound so harsh or adversarial and allow us to gain control and have an advantage.

Claude Note: For those of you who are uncomfortable with all this planning in advance and tactics that we will be using in G.U.T.S., consider it like a

chess game. In professional chess, which is an historical game of war, you plan your moves and anticipate your opponent's countermoves. Champion chess players are capable of great depth and foresight in planning several moves in advance. Becoming financially successful in sales should require no less. Hey Ma, it's a jungle our there!

#### Here are a few role-play examples:

#### **Permissions:**

G.U.T.S. Salesman: *Ms. Prospect, would you mind if I ask you a few questions to save us both some time and allow me to see if I can help you?* Notice how you are asking permission first. Never underestimate the power of old fashioned good manners. There will be more on the topic of asking permissions in the Agenda section of the manual.

#### **Compliments:**

Prospect: Do your widgets come in other colors?

G.U.T.S. Salesman: That's an excellent question, Mr. Prospect. Why did you bring that up?

## Remaining Unemotional (Act like Mr. Spock of Star Trek™.):

Prospect: I am very upset about your company's new shipping policy. G.U.T.S. Salesman: I can understand your concerns, would you like to discuss our new policy?

#### **Becoming a Thespian:**

G.U.T.S. Salesman: Glad we could do business today, Mr. Chardonnay. Let's celebrate by going out to lunch. My treat, anywhere you like. In 'N Out Burger, Ruth's Chris Steakhouse, Magiannos Italian, you decide.

Prospect: I love the little place on Houston Avenue that serves the best anchovy burgers you've had. I am feeling like celebrating, so maybe I will be extravagant and have some limburger cheese melted on top. Let's wash it all down with a bottle of their best freshly squeezed Hungarian onion and beet juice. Isn't that the best meal you could imagine?

G.U.T.S. Salesman: It's like no meal I could ever imagine ;-(

**Claude Note**: Sometimes in business, you just have to pretend that you won the Academy Award. It's the price we pay for financial freedom. Please pass the fresh squeezed onion-beet juice.

#### Stealth:

Receptionist: Hello, Save the Tofu Fund, how may I help you?

G.U.T.S. Salesman: Hello, I'm getting back to your CEO, Mr. Pinot Noir.

Receptionist: Is he expecting your call?

G.U.T.S. Salesman: I am not sure. I'm just getting back to him. Do you know what this is about? Is he trying to sell me something?

Receptionist: I don't know, but I will put you through.

Pinot Noir: Hello, Noir here.

G.U.T.S. Salesman: *Hi, Mr. Noir. My name is Claude Diamond. Do you know why I am calling you, I have your number here.* 

Pinot Noir: Never heard of you.

G.U.T.S. Salesman: Your company doesn't have any interest in expanding its marketing presence and increasing donations for Tofu aid an additional 25% in the next 30 days?

Pinot Noir: Perhaps, tell me what you have in mind.

G.U.T.S. Salesman: Tell you what, get out your iPhone and let's schedule a short meeting. How is Tuesday for you? You don't like anchovy burgers do you?

OK, you get the picture on how using a little finesse can make your life easier, open some doors and generate greater sales. Now let's discuss how you can use questions to retain control throughout the entire process.

#### Redirection:

The average salesperson, when asked a simple question by a prospect, will usually try to show off their knowledge base by replying with an immediate answer.

Claude Note: In the G.U.T.S. Method, unless it serves your needs, it is not in your best interest to answer any question(s) posed by the prospect unless it serves an immediate and profitable need. In answering questions posed without redirection, you are rendering control and becoming subservient to the prospect.

In the G.U.T.S. Method, we use a technique used by other professionals called redirection. That is answering a question with another question. We employ the methods of finesse which were discussed earlier in this chapter so as not to annoy or aggravate the prospect. We use redirection in order to Work Smart during the discovery phase. Working smart means retaining control, spending time, knowledge and energy profitably and feeling great about ourselves during the sales process.

Claude Note: I can't tell you how wonderful it feels as the salesman, to have choices as to whether to continue with a potential client or just dismiss or as I say, fire the prospect with finesse. No more pretentious lying and manipulation by the prospect. We have the control.

Let's do a comparative role-play to demonstrate a redirection.

Prospect: How long can I rent this property?

Typical Salesman: One year, with a right to renew for another year.

G.U.T.S. Salesman: Great question, Mr. Prospect. Help me out here. What exactly were you looking for? You must have asked about the length of the lease for an important reason; would you mind sharing that with me?

Now you see, the way I did it - with finesse - it is hardly noticeable that I turned the prospect's question into my question, thereby getting out of having to answer questions while getting more information from the prospect.

#### Let's continue the Redirection role-play.

Prospect: I need a property for at least two years because that's how long my company requires me to stay in the area.

<u>Typical</u> Salesman: That's great, I have several two year home properties available, but they may not last long.

G.U.T.S. Salesman: So if I understand you correctly, if we can locate a property that meets with your particular needs, within your financial plan and is a minimum of a two year lease, what would you want to do?

Notice the difference in the techniques? The typical old fashioned salesman went for the obvious kill/close and applied the standard pressure. No stealth whatsoever. On the other hand, our G.U.T.S. Salesman was tactful, and reiterated the previous wants and needs of the prospect. Using a little finesse he will either get a tentative commitment, an objection or obfuscation.

Here's another example. Suppose someone asks you for the price. The prospect might say, *How much is this house? How much are you selling it for?* You might say something like, *It really depends, Mr. Prospect. Could you give me an idea of what your budget is? What you're looking to spend? How much money do you have set aside for this? Maybe I could work with you. Could you give me an idea please?* 

Now you see, I never answered the question. I redirected it with finesse. I'm trying to get the prospect to give us more information. Mr. Herb Cohen, who wrote the wonderful book <u>How to Negotiate Everything</u>, said that *the first to mention price, always loses*. If you are asked a money question,

you want to redirect it or turn it around just like I did in the previous example, with finesse, so that the prospect gives you more information.

**Exception:** If you have a prospect who is becoming irritated, make sure that you offer them a multiple choice.

Prospect: What is the price?

G.U.T.S. Salesman: Thank you for asking, Mr. Prospect. We have several purchase options depending on what you want to do. If you can close in 30 days with cash, 60 days with outside financing or if you require us to carry some or all of the financing. Which of these is most comfortable for your financial situation?

So remember, whenever you're asked a question or whenever you are asking or answering a question, turn it into another question and use finesse. Tie in a compliment before you ask another question. Turn your questions around and smooth them over with finesse and redirection and you will have an entirely different feel for sales. OK, let's keep moving forward.

# There are several different kinds of questions we can ask.

When I was in law school they taught us by using a method called 'Socratic Teaching'. Socrates, the ancient philosopher, believed that the best way he could teach his students was by turning their questions into his questions. He wanted to make them think. He wanted them to find their own answers and get emotionally and academically involved. We do the same thing here in the G.U.T.S. Sales Method, with redirection. We have to ask questions in different ways.

**Positive/Negative Redirection** - Sometimes asking a question in the negative or positive can get you the answer or help you lead the prospect to his own conclusions.

## **Positive Redirection Role-Play**

Prospect: I went to a sales seminar by Johnny T. gReed and it was a waste of time and money. What do you think of him?

<u>Typica</u>l Salesman: *Yea, I heard the same thing. He really stinks.* 

<u>G.U.T.S.</u> Salesman: I am surprised to hear that. I have heard some good things about him. What do you think was wrong with his seminar? What would you like to see from my company if we decide to do business?

By going in the opposite direction and being positive in a negative situation we retain control, get more information from the prospect and take our conversation to a higher plane than our competitor. The typical salesman, by jumping onto the bandwagon and bad mouthing his competitor with the prospect, seems to take advantage and lose credibility in order to gain a sale, at the expense of his own credibility.

## **Negative Redirection Role-Play**

Prospect: I heard you have the best quality in the industry for widgets.

Typical Salesman: That's right, nobody makes a better widget than we do.

G.U.T.S. Salesman: Thank you, we probably make a very good widget, but I don't know if it is the best. Why did you think that we are the best, Mr. Prospect?

Prospect: Now wait a minute son, don't argue with me. I have bought from the other widget providers and their quality, price and customer service isn't even close to your company. So when I say you make the best, I know what I am talking about.

<u>G.U.T.S</u>. Salesman: Well sir, I was raised never to argue with higher intelligence. Tell me, how we can do business?

Now I'm getting more information just by redirecting the question in a positive or negative tone. Hello, Reverse Psychology 101! I'm getting more information, so I can determine how I can do business. Remember, redirection can be positive or negative; go in the opposite direction of what your

prospect is expecting. Essentially, do the opposite of what the traditional salesperson would do and watch the benefits.

**Open/Closed Questions and Redirections** - Ask questions that either give you more information or a quick 'yes' or 'no' answer when it serves your purposes.

### **Open Question**

G.U.T.S. Salesman: *Mr. Prospect what are your thoughts on our new line of color widgets?* 

Prospect: Well, we seem to sell more of the yellow than the blue.

G.U.T.S. Salesman: How many would you need if we could ......

#### **Closed Question**

G.U.T.S. Salesman: So we have the color and the price to fit your finances, Mr. Prospect. Would you like us to deliver them in shrink wrap to protect them from chipping?

Prospect: Yes, as soon as possible.

**Ignorant Redirection** - Sometimes the best answer is to feign ignorance and gather more information.

Prospect: Do your widgets come with rotary oscillators?

G.U.T.S. Salesman: I don't know, Mr. Prospect, that's a good question. Why did you bring that up?

Prospect: We can only use widgets with the oscillators.

G.U.T.S. Salesman: I could check if we have them in stock, but you wouldn't want them now, correct?

Prospect: We need them ASAP and we can pay over invoice.

**Note** - In this ignorant redirection I said, "I don't know". "I don't know" is one of the best redirections you can possibly use because instead of being the answer man, you are now putting the pressure where it belongs, back on the prospect.

People call me up about my mentoring program. They'll say, *Claude, tell me about your mentoring program.* Guess what my answer is?

I don't know, Mr. Prospect. Which mentoring program are you talking about? Which facet of my mentoring program - lease purchasing, Creative Real Estate, sales training, coach training? I'm not sure if I understand your question. Could you help me out a little, please?

Now you will notice, I redirected the question with the "I don't know," and then I used a little bit of finesse. I said, "Could you help me please?" There are so many ways that you can redirect and turn your prospect's questions into your questions. Redirecting in this manner allows you to take control without the prospect ever seeing what you are doing, if you use the correct finesse. You end up getting, rather than giving away information and qualifying this prospect.

## Magic Lamp Technique

This is the make-a-wish question:

Prospect: We are just shopping around right now, but we have some questions about your widgets before we buy anything.

G.U.T.S. Salesman: Mr. and Mrs. Prospect, let's pretend for a moment, you found a lamp and you had three wishes. What would you want to accomplish if you bought my product or service? What would be the things you would like to do?

Once again, you notice their question was turned into a different question. They are going to give me more information. No matter which method you use, always answer questions with questions.

The 'Multiple Choice Technique' is another variation on this idea.

G.U.T.S. Salesman: *Mind if we discuss finances folks? What have you set aside for a down payment in case we want to move ahead?* 

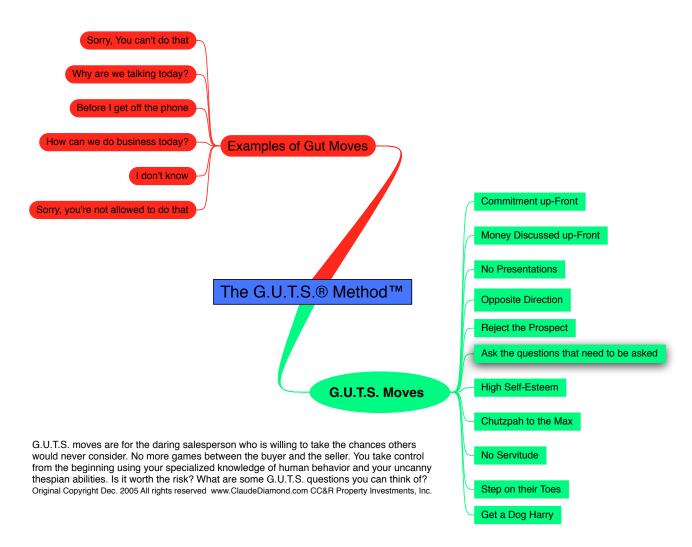
Prospect: I don't really know. I have to check our account, my wife, etc.

G.U.T.S. Salesman: You could say, Mr. and Mrs. Prospect, would you be more comfortable spending \$1000, \$5000 or \$10,000?

There are as many techniques in redirecting questions as the mind can conceive. Can you think of some on your own right now? Why not make a list of all the different ways you can ask questions - positive, negative, open-close, multiple choice, "Magic Lamp" - think about all of the techniques I have mentioned and invent a few of your own. Remember, questions are the way to determine whether you will be closing a sale or getting out of a sale and getting it over quickly.

Questions are the Answers to your success.

# HOW TO SELL WITH G.U.T.S.™ G.U.T.S.™/Chutzpah Moves



Part of the innovation of the G.U.T.S.™ Method is it's **G.U.T.S. MOVES**. These are the actions which you take that make meeker salespeople cringe and shake in their \*Birkenstocks™ or those goofy colorful plastic shoes with the holes in them.

**Claude Note**: \*Really goofy looking German shoes that look as silly as the recent colorful plastic sandals with the swiss cheese holes. Who wears these things? No letters please, just my irreverent opinion.

**G.U.T.S. Moves** allow you to be creative, stay in control, have fun, have high self-esteem and of course, become very profitable. It's Chutzpah to the Max (not Max, the Mentor), but that is the price you are willing to pay for success, right? Let's discuss these special <u>and</u> strategic moves.

### **Commitment Up-Front:**

The traditional sales dude talks and talks with no idea if he is going to make enough for a cheese steak sandwich and a cold Rolling Rock Beer (it's dinner time and I am hungry). Who said that we can't get the most basic of commitments from a prospect up-front, rather than squander so much time buying lattes for someone who has no intention of doing any sort of business with us? Let's check out a role play to demonstrate.

Prospect: So can you deliver 12 gross of the green widgets?

<u>Typical</u> Salesman: Sure we can, but the price goes up on Friday.

G.U.T.S. Salesman: I can call my office right now and check, but before I do, let's assume that we have them in stock and can deliver them right away, what would you like me to do?

Prospect: I guess we would give you the order.

G.U.T.S. Salesman: Do you Guess or Know?

Prospect: I know, let's go ahead.

## **Money discussed Up-Front:**

For some reason, salesmen are reluctant to discuss financing, terms, payment, available funds or anything having to do with money in the initial conversation. Why, you ask? They are scared to death to discover that the prospect cannot afford or is unwilling to spend the required amount to buy their product or service. They hate losing a supposed prospect up-front when they can delay the agony until a later time. It's like putting off a visit to the dentist rather than facing the music, (sorry dentists). The G.U.T.S. Method salesmen, however, always want to discuss money ASAP because

it makes sense. Why spend time with someone who is incapable of affording your goods or unwilling to finance? Part of the millionaire concept is to work smart and work fast. If it's going to be over, does it make sense to do it now or later after expending time and resources? It's OK to fire an unproductive prospect. Heck, if the guy is broke, unwilling to finance, lies and/or manipulates, then sack his butt. Life is too short to spend with unproductive prospects. Send them to your competition;-).

<u>G.U.T.S</u>. Salesman: *Mr. Prospect, would you mind if we discussed price and terms for a minute before we get to all of your specific questions?* 

Prospect: I don't mind, but I need information before I make a decision.

G.U.T.S. Salesman: That's no problem and I will be glad to answer all of your questions. Let's imagine for a minute, that my widgets are exactly what you will need. Have you set aside funds to pay for them up-front or will we need to discuss financing them?

Prospect: Well, I will need to review my finances, discuss them with my spouse, sleep on it, light a candle in church, check my Magic 8 Ball and then get back to you.

<u>Typical</u> Salesman: No need to talk about money, let me show you our brochures and answer all of your questions, buy you lunch, let you marry my daughter and have my first born grandchild. I will do just about anything to kid myself that I can do business with you.

Editor Note: Yes, I know it's sarcasm!

<u>G.U.T.S.</u> Salesman: Well, why don't you do all of that first and when you have resolved the money issues we can go ahead. Here is my card. Call me when you are ready.

#### No Show and Tell:

I remember in early grade school, once a week, we would do show and tell. Someone would bring in their Grandfather's Civil War musket, tell about old

Gramps and how he fought off the Yankees and won the war (N.Y.C. Public School Educational System). Today, we do the same thing in sales except it is called a presentation or a Power Point display. In essence, it is the same thing; a gratuitous dissemination of information except now we need to pay bills and buy the kids shoes!

**Editor note:** If your kid is like mine, he outgrows his Nikes™ every full moon!

Typical salespeople love to give out free information, brochures, do research, consult, coach, even mentor with no thought of asking for a commitment in return. Heck, why rock the boat? It was enough trouble just to get an appointment. Why take a chance of ticking the dude off by asking for something in return.

Claude Note: Later on in the manual, we will discuss why you absolutely need a G.U.T.S. Marketing and Prospecting program to make your Sales Method work. If you don't have more prospects than you need, then you are doomed to mitigate what you have learned and be subservient to the prospect. Hi Mr. Prospect! Why yes, sure I will be glad to clean your company's urinals before I give my presentation.

**Rule**: You need to set up a plan where you have more potential prospects than you need; more on this later.

Prospect: Hi Leo, old buddy. We seem to have a problem with our widget (from a competitor) dispenser. Do you have any idea how to get the thing working? It's costing us a fortune and my boss is all over me.

<u>Typical</u> Salesman: No problem, Mr. Prospect. I can put our people right on it and I will fly down to the factory today.

Prospect: You're a real pal, Leo. I can assure you that **one of these days**, you are going to get the highest priority and consideration for an order.

Claude Note: Notice the ambiguity from the prospect. He hasn't really promised anything by the choice of words he has used. The typical sales-

man lives in a fairy tale if he thinks this token commitment will result in business. He will go back to his car thinking he has a potential future order, but all he really has is *bubkis!* (A lot of nothing.)

<u>G.U.T.S</u>. Salesman: Well Mr. Prospect, I sure am glad you thought of my company. Let me ask you something first. What happened when you called the technical support people from the (competitor's) widget company?

Prospect: Well, they are busy right now running their annual golf tournament and all of the tech people and salesmen are busy until next week.

<u>G.U.T.S</u>. Salesman: They are known to be good people and I am sure this isn't something that will ever happen again.

Prospect: Actually this has happened more than once. We have also had quality control issues and once it took the salesman 10 days to get back to me with an answer to a production question that I had. Come to think of it, they have hung me out to dry more than once. Can you help me? My boss is all over me about production costs with this problem.

G.U.T.S. Salesman: I could probably have someone out to fix the dispenser by this evening, but the service charge would be \$5000.00. How would your boss feel about that?

Prospect: That's Crazy! The other company does it for free.

G.U.T.S. Salesman: You're right, but they don't seem to have any urgency because of their golf outing. You know Mr. Prospect, that is a large sum, but since you have never bought our product line, we need to be reimbursed for our expenses. Can you suggest a way I can sell my superiors the idea of waiving the 5K?

Prospect: Suppose I promised to do business with you sometime in the future, could you get them to drop the service charge?

G.U.T.S. Salesman: How about this, Mr. Prospect? Suppose I told my company that you were willing to give me an order in writing today on the

next delivery of widgets and in return for giving us a chance to earn your business, we would waive the service charge?

Prospect: I could live with that, but are your prices competitive?

G.U.T.S. Salesman: Yes, we are, but we do charge slightly more for a superior widget and we have the best service department in the business to enable you to avoid these service issues in the future. What would you like to do today, Mr. Prospect?

Prospect: If you can do the repair, I will give you a contract for my next order of widgets.

<u>G.U.T.S.</u> Salesman: What about future monthly orders if we come through as promised?

Prospect: If you can save my butt and deliver the widgets as promised, we can give you consistent business.

<u>G.U.T.S</u>. Salesman: What about your existing supplier? Won't they be upset and pressure you to keep ordering from them?

Prospect: Like I said, if you can repair my system and deliver me a good product you will be our supplier. Heck with those guys; let them play golf; I got a business to run here.

G.U.T.S. Salesman: Mr. Prospect, I know you are a man of your word and I appreciate your commitment and thank you for your business. Now, let's put this in writing.

Claude Note: Phew, I know this was a long role-play, but I presented you with some ideas as to how you need to get commitments up-front and refrain from giving any free information until you have gotten enough facts. Is it any wonder why I call this a G.U.T.S. Method? Did you notice that our G.U.T.S. salesman did not do any **show and tell** until the very end?

## **Reject or fire the Prospect:**

You've heard me say this before, but it bears repeating. The guy who said 'the customer is always right' either is an idiot or was never in sales. You have rights in the sales process and one of those rights is to be treated as respectfully as you treat the prospect. Unfortunately, that is not always the case. Believe me when I first started out in sales, I ate a lot of Crow!

In the beginning, while you learn your trade, gain insights and have both positive and negative experiences, you may have to eat crow. Yes, I was willing to pay my dues, but that doesn't mean that I forget the less than respectful treatment I received from certain prospects. They wouldn't treat their own family, friends or neighbors the way they treat a salesperson and maybe we are partially to blame. Today, now that I have G.U.T.S., it's a different story. Darn, if I only knew then what I know today; <u>Cie La Vie Mon Ami</u>.

Mr. Prospect: Hi Joe, sorry to keep you waiting so long past our meeting time (90 minutes). You know how busy we get. Just give me your best prices and your latest brochure and I will get back to you. In fact, just give me a call in a week or so.

<u>Typical</u> Salesman: No problem sir, I understand how busy you are. Here is the information you need and I will get back to you next week. Thank you so much, sir.

Claude note: This is the typical situation where a prospect has so little regard for the salesman because he has so little for himself. He would never treat his doctor, lawyer or clergyman with the same disrespect. I remember an old southern expression that goes like this, *Don't pee on my back and tell me it's raining*. Just remember, it's OK to fire or reject the prospect. Unlike other sales methods, systems, books and seminars, I believe that sales should be about you feeling great about yourself. As Max (my Mentor) used to always say, *Win Win is OK, as long as you win first*.

Now see how the G.U.T.S. salesman handles the same situation.

Prospect: Sorry about the long wait Claude, you know how it is..... Yada-yada-yada.

G.U.T.S. Salesman: *Is there something wrong?* 

Prospect: What do you mean?

G.U.T.S. Salesman: Frankly Mr. Prospect, I am a little surprised. I am not usually treated this way. If you didn't want me to come to your office you could have just said 'no'. I am also very busy and I am surprised you treated me this way. Is there something that we need to discuss or should I just leave now because it is unlikely we will ever do business?

Prospect: I am sorry, it's been a crazy day and normally this would not have occurred. It won't happen again, I promise.

<u>G.U.T.S.</u> Salesman: I understand. OK, let's move forward then. You asked me here because you have a problem and perhaps my company can resolve it. Mind if I ask you a few questions?

Claude Note: If the prospect treats you less than professionally, it is usually your own fault. Remember, if you don't feel great about your product, service or yourself, than you had better make some fast changes. Yes, it's about you.

Sales is about you first. It is my intent to give unbelievable service and products with total accountability! (Yes, I do answer my own phone.) How can I do that if I am coming from poverty, low self-esteem and subservience? (There, I said it.) Some may disagree with my philosophy, but if you want to change the world, join the Peace Corps. If you want to protect and provide for your family and live life as a decent human being, then be great at sales.

I remember one lady at a speaking engagement where I was invited to speak. She said: *Mr. Diamond, all you talk about is profit and lifestyle. I got into sales to help my clients*.

There was a long dramatic silence and then I spoke.

Ma'am, that's the sickest thing I have ever heard! The audience laughed and then I continued. Mother Theresa was a wonderful women who made a difference for a few and inspired many, but it was Bill Gates of Microsoft who enabled hundreds of thousands to provide for their family. Let's be honest and never confuse our priorities!

As Stan Lee of Marvel Comics® used to say, Nuff Said!

#### Ask the questions that need to be asked:

OK, it's Chutzpah time. Sometimes you must ask the questions that need to be asked even if it loses the sale or worse, it embarrasses you.

Prospect: Tell me about your Program.

<u>Typical</u> Salesman: *Yada-yada-yada* (30 minute **BORING** presentation!)

G.U.T.S. Presentation: Which program, Mr. Prospect?

Prospect: The one that deals with the Solar Powered Widgets.

<u>G.U.T.S.</u> Presentation: Excellent, but why would your company be interested in Solar Powered Widgets? You have been using the standard Coal Powered Widgets for over 20 years and I hear that they work great. Help me out here so I can better understand.

Prospect: The word came down from corporate that we need a more environmentally sound widget. In addition, we will get substantial tax credits if we can make the change.

G.U.T.S. Presentation: Well, that makes a great deal of sense. So why not use your existing company ABC, for your widget needs?

Prospect: Because they will not have a Solar Powered Widget ready for at least 2 more years.

G.U.T.S. Salesman: So why not wait 2 years and then make the change? You have been using ABC for a long time. What harm can be done by waiting a little longer?

Prospect: We need it now!

**Claude Note:** Just keep asking questions with as much finesse as you can muster and let the prospect do all of the work. Bottom line, you get the sale and go out for a steak dinner and a good bottle of wine tonight!

### **High Self-Esteem:**

If you don't work at making yourself feel great about sales, then don't expect anybody else to do it for you. You absolutely have to be your own cheerleader. I love sales. One of the ten best feelings in the world is making a sale. (I think it's number 3 or 4; don't ask me about 1 and 2.)

The only way to have self-esteem is to succeed and the only way to measure success is to have financial success. Forget about pats on the back, titles and silly award dinners! Give me a nice big fat payday and I will feel great! When lecturers discuss sales, they love to exclaim that sales is the highest paid profession in the world.

**Fact:** Sales is the highest paid profession for those who succeed, but for many, sales is a way to barely make a living until you change to the next job. What they don't tell you is that professional sales also has the highest turnover of any profession.

Prospect: Why should I do business with you?

<u>Typical</u> Salesman: We are the best, the biggest, the cheapest..... Yada-yada-yada!

G.U.T.S. Salesman: That's a great question, Mr. Prospect. Maybe you shouldn't do business with me, but I am here for a reason; what is it? Obviously, if everything was working out all right, you wouldn't have agreed to this meeting. Tell me, how we can do business today?

Prospect: What's the difference between you and your competitor?

<u>G.U.T.S.</u> Salesman: When you asked my competitor that question, what did she reply?

Prospect: We already have a supplier of widgets. I don't need another supplier.

<u>G.U.T.S.</u> Salesman: That's fine, Mr. Prospect and I appreciate your being up-front, but let me ask you one question before I leave. If there was one thing your widget manufacturer could do better, what would it be?

**Remember:** It's not about the prospect, it's about you!

**Claude Note:** This is probably a blasphemy in the annals of typical sales training, but it's still true. I know my competitors will get upset reading this, but who cares!

## Chutzpah to the Max:

The Nike commercial has always said it best: "Just do it!" Sometimes, you just have to go for it. Let your instincts be your guide.

Prospect: I didn't come here to be insulted!

<u>Typical</u> Salesman: I am sorry, Mr. Prospect. I didn't mean to offend you, but you did ask me for my honest opinion.

G.U.T.S. Salesman: Where do you usually go, Mr. Prospect?;-)

Prospect: I am sick and tired of you peddlers!

Typical Salesman: I'm so sorry, Mr. Prospect. How can I make it up to you?

G.U.T.S. Salesman: You seem to be angry at me Mr. Prospect, for reasons that I can't comprehend. Tell me, did I make a pass at your wife at the last holiday party or are you just having a bad day and maybe I should come back another time?

#### No Servitude:

My attitude in sales is, of course, to make a sale and profit, but I also want to help the prospect solve a problem. We often hear that sales is a profession, yet few salespeople act professionally. We allow the prospect to treat us as less than other professionals. Consider this, does your prospect speak to you as they would their doctor, lawyer, Congressman?

Prospect: Get me your prices and I'll get back to you later about the order.

Typical Salesman: Sure, I can fax them to you by 6:00 this evening.

G.U.T.S. Salesman: OK, but that will be \$1000.00.

Prospect: What! Your competition always gets me that information for free.

G.U.T.S. Salesman: Sure, but if I am going to give you my prices to beat up my competition, shouldn't I get a commission?

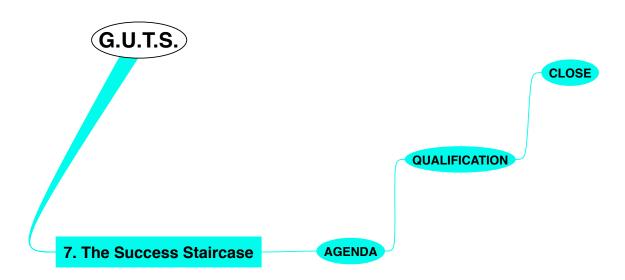
**Get a dog, Harry:** Sales is not about friendship, phony rapport and bonding. It is a professional business relationship. If delivering excellent products and services with accountability results in good business, so be it. If it also creates respect and friendship, then you have a bonus. Never confuse the reason as to why you are in business.

If you want a friend, then get a dog! Harry Truman, U.S. President

If you want to prosper, then sell with G.U.T.S.!

## The G.U.T.S.™ Success Staircase

3 Steps to Success



The Heart of G.U.T.S. is its staircase. We use a staircase to rise to greater heights step-by-step. The staircase is comprised of 3 basic steps-Agenda, Qualification and Close. Each step contains several substeps called Baby Steps. Original Copyright Dec. 2005 All rights reserved www.ClaudeDiamond.com CC&R Property Investments, Inc.

Now we're really going to get to the heart of the G.U.T.S.™ Sales Method⊚: the **Staircase of Success**. I want you to take a plain sheet of paper and draw a staircase. A vertical line, a horizontal line and three little steps. That's all you have to do. Leave yourself enough room because we are going to name each one of these steps. Within each of these three steps are what we call the baby steps. We'll go over the Staircase of Success and then we'll break it down into individual steps.

Label the first step **Agenda**. The second step should be called **Qualification**, and the third step, **Close**. Now this may seem very simplistic at first,

but you'll understand my methodology, the method of my madness, in a few moments. Each step is going to be broken down into sub-steps or what I call baby steps. The beauty of this method is that you are no longer having to guess, you will have a plan. You always want to have a plan.

We will go step-by-step-by-step. That is how I got to the Staircase of Success. We're not going to skip any steps. We're always going to begin with the Agenda, move to the Qualification and end with the Close. We're not going to jump from one step to another step because when we skip steps, we tend to trip and fall, don't we? This is a method that puts you in control.

I came to this idea because I thought long and hard as to why people use methods. I thought about Henry Ford and the invention of the assembly line. It used to take a team of men working together days, to build a car. Then Henry Ford had the idea to have people work on an assembly line, essentially a railroad track, where each group would have a different responsibility. He discovered that by working on an assembly line, the length of time required for these same people to build a car went from days to literally hours. Ford had found a better way to build a car.

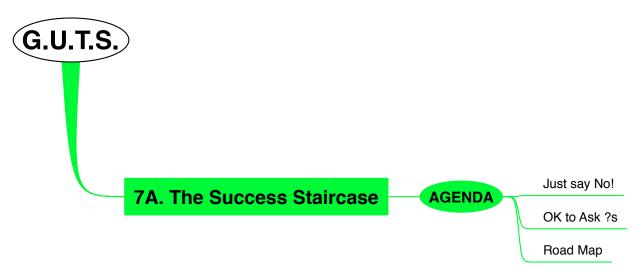
In terms of sales, instead of using tricky maneuvers, going from presentation to close to qualification and jumping all over the place, we have a method. We're going to have a lot of self-esteem in the process because we're in control. I can't tell you how many times I went to sales presentations where I felt subservient, like a second or third class citizen. I was swinging at baseballs with a blindfold on. I had no idea whether or not I was going to make a sale. The prospect was the one in total control. With the G.U.T.S. Sales Method©, we are now in control. We are going to have a lot of fun with it. We are going to make a heck of a lot more money and we're going to feel good about ourselves.

Now, let's hop onto the first step to sales success.

The G.U.T.S.™ Success Staircase

## HOW TO SELL WITH GU.T.S.<sup>TM</sup> 3 Steps to Success-The first Step

## **Agenda**



The first step is the Agenda and it is broken down into 3 Baby Steps. The Road Map is for telling the prospect what is going to happen, to remove all anxiety. Next make sure that it's OK to ask ?'s. Finally, remove all pressure by telling the prospect that they can just say NO as long as it's early in the sales process.

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The first step in our ascending **Staircase of Success** is the **Agenda Step**. The Agenda step is broken down into three baby steps. The first baby step is **Permission to ask Questions**. The second baby step is **Draw a Road Map**. The third baby step is **It's OK to Say 'No'**. Now let's go through these three Agenda baby steps.

Much has been written by other people in sales training about the necessity for rapport and bonding between participants in a sales conversation. I disagree with this idea. I don't think any prospect or any salesman should be meeting with the intent to make friends. The purpose of doing business is to complete the sale and to have a blank check in front of you for the rest of your life. If a result of doing business honestly, being direct, forthright and accountable results in respect and eventual friendship, consider that a

benefit of doing business correctly. Prospects know exactly what you're trying to do when you act like a typical salesman, so why waste your time and theirs? Why not be up-front, straight-forward and honest with the prospect, instead of trying to make a new best friend? Try to get some trust going here. Let's change the way the buyer and the seller react or behave toward each other.

Buyers have many preconceived notions about how the salesperson should be acting. When you say the word "salesman" to most people, they're going to think: tricky, polyester suit, high pressure. People have negative impressions about what a salesperson really is. The result is that buyers feel they have to be defensive. They're going to lie. They may say that they're 'going to think about it'. They think you might be acting very friendly towards them because you want to get some money from them. Of course, you want to make the sale, but don't you want to get it in a way that allows you to gain the respect and the trust of the client? Wouldn't you love to have a relationship similar to that between a doctor and a patient, with your prospect? That's why I developed this Agenda Step and it begins with a common courtesy; asking permission.

The first baby step in the Agenda is **Permission to Ask Questions**. Have you ever met a salesperson who said, *Mr. Prospect, would you mind if I asked you a few questions? Then I can see which way I can help you or that maybe I can't help you. Would that be a problem for you?* Have you ever met a salesperson who asked permission to ask questions? I've never heard of anyone making that move unless I taught them. Typical salesmen simply jump into their presentation. I think when you ask for permission, you gain respect for being up-front and frank with the prospect. I've never had anyone say "no" to me when I ask permission to ask questions.

In setting the Agenda, I'm setting up the way we are going to be doing business. It's like champion chess and I am now several moves ahead.

The next baby step within the Agenda is **Draw a Road Map**. Many times, as I said earlier, the buyer has preconceived notions. They're wondering what's going on. They're doing a lot of Kreskin style mind reading, trying to

figure out what the salesperson is up to. Why don't we just eliminate that and tell them what's going to happen before it happens? We're going to draw a road map. Let me role-play and demonstrate what this will sound like:

G.U.T.S. Salesman: Mr. Prospect, if you don't mind, I'd like your permission to ask you a few questions. Basically, why are we talking today? What's the purpose of this conversation? Why am I here? What would you like to see happen? I'd like to find out what your needs are. I'd like to ask you some questions about what you're comfortable spending and how you make commitments and decisions. Would that be all right?

Now that's the **Road Map**. I basically told the prospect what's going to be happening before it happens. There's no second guessing. They don't have to worry about pressure or anything. I let him know that I am a professional and I will behave in a certain way. If he takes issue, then we need to work it out or I have the choice to fire him up-front.

Going back to dentist stories, I got this idea from my dentist. I went to a really good dentist whom I've been seeing for years in San Diego. I had a tooth that had to be drilled and the dentist told me, Claude, I've got a swab with some Ambesol that I'm going to use to swab the inside of your mouth. Then I'm going to use this needle to inject some Novacaine into your mouth. You won't feel much pain or discomfort. Then I'm going to take a drill to the tooth. He told me (without getting too morbid) about the whole procedure and what he was going to do, before he did it. So there were no surprises, no shocks. He instilled in me, a high level of trust. The same thing should occur in sales. Draw a Road Map. Tell the prospect what's going to happen before it happens.

The third baby step of the Agenda is <u>It's OK to Say "No"</u>. I don't know about you, but I have never met a salesperson who said, "Mr. Diamond, I'm going to show you my product, I'm going to answer all of your questions. If it's not right for you and if you're not comfortable with the product or service, if you don't like the style, if it is not within the limits of what you wanted to spend, it's OK to say 'no' to me. Can you do that, Mr. Diamond? Can we just be honest with each other?

I remove all the stress, all the pressure, from the sales process by giving my prospects permission to say "no" to me, to be honest. Let me demonstrate what this might sound like, using the whole process of the Agenda.

GU.T.S. Salesman: Miss Prospect, if it's all right with you, I'd like to ask you a few questions. What I basically want to find out is why we are talking to-day, what your needs are within your budget, what you are comfortable spending and how you make decisions. At the end of our conversation, you can ask me some questions and what I'd like us to do is to come to a conclusion about whether we should go ahead and do business or not. If you don't feel my product or service is right for you or my house (if this is relating to real estate) is not right for you and you don't want to move in, I want you to feel comfortable enough to tell me that this is not the home (product, etc.) for you. Can you do that, Miss Prospect? The answer is usually, Sure. I can say 'no'.

Then I continue with, I hope you also can say 'yes' to me. I'd like to do business with you. But I want you to know it's OK to say 'no' to me and there will be no issues. I don't believe in pressuring people, but what I'd like to know is that at the end of this conversation, you'll either say 'yes' or 'no', and you won't say you'll 'think about it' or 'you'll get back to me'. Normally people say that because they don't want to hurt my feelings. I want you to know up-front that you don't have to worry about that. I'm here to help you come to your own decision and your own conclusion. If you don't think this is right for you and you are not comfortable, you can say 'no' to me. Is that all right with you?

I challenge you, the reader of this book, have you ever heard any salesperson, in any situation - buying a car, life insurance, real estate or anything - where the salesman told you that all of the usual games were unnecessary?

This brings me back to my original premise: we have to stop the adversarial relationships. We're not out looking to make our new best friend with the prospect, but we do want their respect and their trust.

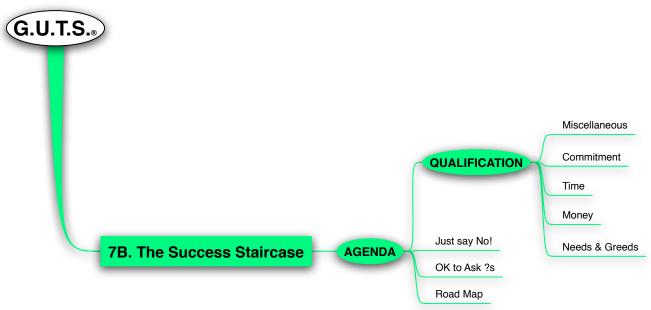
I know that when we go to a prospect and we tell them what's going to happen before it happens, when we ask permission to ask questions, when we tell them ahead of time what kind of questions we're going to ask and we tell them it's OK to do what is right for them by saying 'yes' or 'no' upfront, our conversation is generally a pleasant one.

We are in control, we are acting like a professional and we gain trust. Isn't this a better way to do business? Isn't this the way you want to do business?

## HOW TO SELL WITH G.U.T.S.™ G.U.T.S.™ Success Staircase

3 Steps to Success-The Second Step

## Qualification



Qualification allows you to determine whether you are working smart or just wasting your time. The Baby Steps that we have outlined allow you to get the information you really need to move up the staircase. Needs and greeds determine motivation. The next baby step is money. Why proceed if there is little likelihood of payment or finance? Time allows you to understand if the deal can happen today or next year. Commitment is where you obtain a promise in order to proceed to the close. What qualifying baby steps can you add to this staircase? Original Copyright Dec. 2005 All rights reserved www.ClaudeDiamond.com CC&R Property Investments, Inc.

Now we're ready to move up the **Staircase of Success**. We've moved from the Agenda step to the next step which is **Qualification**. This is where we get the necessary information to determine whether we have someone we can do business with or whether we're wasting our time.

Qualification is broken down into four baby steps:

- Needs & Greeds
- · Money/Finance
- Time
- Commitment

<u>Needs and Greeds</u> - This goes back to what we talked about earlier, discovery. That is to say, why people buy things, what is their desire and motivation to take an action, what is their interest level? Why <u>are</u> they talking to us?

People buy things because they have to satisfy their needs and/or greeds. If you are not asking yourself these questions then you really don't understand my unique G.U.T.S. Sales Method. We are attempting not only to get information, but an understanding, a psychological profile of our prospect. We have to determine quickly, whether we can do business today or move on until a better day. G.U.T.S. is about doing something you love, making unbelievable profits, staying in control and feeling great about yourself. If this is not what you believe in, then study the other guy's old fashioned dog and pony show system.

Claude Note: Yes, I am passionate about sales and truly believe that sales is the million dollar skill. Max used to say that everyone wants to be rich, but few are willing to pay the price.

Are their needs strong and passionate or are they very weak and intellectual? We need to rate the information we have retrieved. Imagine a scale from one to ten. This is our **G.U.T.S. Barometer**.

- 1 thru 3 indicates low needs
- 4 thru 7 some needs and interest
- 8 thru 10 high needs, desire to profit, passionate, a sense of urgency

People buy things because they become emotional about them. Let's take an example of someone we talk to who says, *I'm just looking. I just want to* 

gather some information and kind of mull it over. That's someone who has really weak needs, a 1 to 3 on the scale. We might refer to that prospect as having the <u>paralysis of analysis</u>. Some people might refer to them as tire kickers or time-wasters. Their needs are not very strong right now.

A 4 thru 7 on our G.U.T.S. barometer might be someone who has a higher level of needs and many questions. They are close, but no cigar for you yet. I'm very interested and have some needs. I want more information to feel comfortable.

A prospect who is an 8, 9 or 10 is ready to make a move because of urgent desires, needs or greeds. I am ready to make a decision. I have to do something as soon as possible. Can you help me now? What do I need to do? Money is no object for the immediate results I need. A good example would be someone whose car breaks down in a bad neighborhood and it's getting to be dark. Are their needs strong? Do they need a tow truck now?

The second baby step is an important one. It is **Money/Finance**. As I said earlier, money is the subject we have to talk about very early on in the process. Most sales people are afraid to talk about money in the beginning; they want to talk about it at the end. They are too scared; they're worried about getting some kind of rejection. We have to talk about the money up-front and we have to stick to our redirection, our questions.

G.U.T.S. Salesman: Mr. Prospect, do you mind if we discuss money and finances and if I ask you a few questions?

Prospect: Sure, go ahead.

G.U.T.S. Salesman: If I have a home for you in my inventory, how much money do you have in terms of cash and credit that you can commit to your future home?

Prospect: I think I can commit \$15,000.00.

G.U.T.S. Salesman: Think or know?

Prospect: I know.

G.U.T.S. Salesman: Thank you and what kind of money per month are you comfortable spending on rent?

Prospect: \$1800.00.

G.U.T.S. Salesman: If I can find a home that you like which conforms with these numbers, what would you like to do?

Prospect: Let's do it!

Some people play their cards, like in the game of poker, very close to their chests. They might not want to give away that information readily. You have to keep redirecting. You have to keep asking questions, with finesse. Remember, questions can seem aggressive, abrasive and very arrogant. So be careful how you ask your questions.

<u>Time</u> is our next subset in the qualification step and we have to determine if the prospect is ready to take an action now because of some motivation.

G.U.T.S. Salesman: *Ms. Prospect, you're not looking to buy a car today are you?* 

Prospect: Correct, I will not be able to buy a car until I pay off my current loan and that might take another six months.

G.U.T.S. Salesman: Thank you for sharing that information. Last question before I go; suppose I was able to pay off your existing loan and get you into a new car today. You wouldn't be comfortable with that would you?

Prospect: That would be great! How would we do that?

G.U.T.S. Salesman: Let me explain and then show you. If you are comfortable and we can agree on terms what would you like to do?

Prospect: I'd say, let's do it!

<u>Commitment</u> is our final step in qualification where you get an idea if the prospect is serious and capable of moving forward (to the Close Step), un-

der the right circumstances or you should end the conversation or fire the prospect at this point and move on to the next prospect.

G.U.T.S. Salesman: Mr. Prospect, if I understand you correctly, you need a widget in blue and red for a new project that you are working on. If we can provide those widgets that meet with your needs and within your financial constraints what would be our next move?

Prospect: Well, I still have many questions and want to see a sample of your widgets.

G.U.T.S. Salesman: That's fair. I just want to make sure that we are on the same train here and that there is a likelihood that you and I can do some business today.

Prospect: Looks good at this point. I'm not there yet, but I am close to making a purchasing decision.

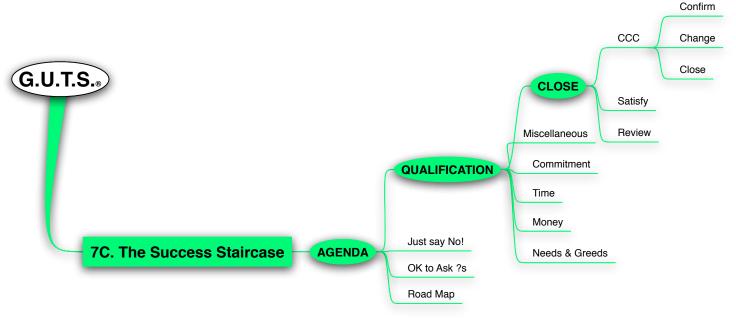
G.U.T.S. Salesman: That's fine, Mr. Prospect. I want your business, but if my product is not in your best interest, it is still OK for you to be up-front with me, OK?

Prospect: I like your up-front approach. OK.

## #OW TO SELL WITH G.U.T.S.™ The G.U.T.S.™ Success Staircase

3 Steps to Success-The Third Step

## The Close



The last step in our staircase is the close which is comprised of 3 baby steps. First the Review. This is where you apply all you know about your product or service to the information you have gleaned from the redirection in the qualification step. You move on to how your product/service will satisfy the needs/greeds of your prospect. Your final baby step in the close is the CCC. At this point, the prospect should either give you the order or you simply ask them how they would like to proceed or what would they like to do next. You either confirm the order, modify it or reject the prospect.

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The third and final step of the G.U.T.S. Sales Method© is the **Close**. This is where we get to finally make our presentation and get paid. The close is broken down into four baby steps. These Steps are:

- The Review
- Satisfy or Satisfaction
- · Ask the Question
- · Triple C

The **Review** is basically where we review the discovery information accomplished through the **Agenda** and **Qualification** steps. It's where we go over and summarize what we've agreed upon and what we've learned from our question-based method. This will sound something like:

G.U.T.S. Salesman: Ms. Prospect, thank you for allowing me to ask you these questions. As I said, if my product can help you, that's wonderful. If it can't, you are free to say 'no'. From our discussion, I have learned you have been renting for ten years and you've spent thousands of dollars making your landlord rich. You want to move as soon as possible because you want to get into a home of your own. You want security, you want tax benefits and you'd like a nice quiet place in a good school district for your children. You also told me that you want to do this as soon as possible, that you have a \$10,000 budget for a deposit, you can afford \$1500/month rent and that you are the sole decision maker in this entire process. Is that basically a good summarization of what we've discussed, Ms. Prospect?

So you see we're going over, we're reviewing everything they've said. We're using the information they gave us, based on our questions, our redirection, and we're keeping everything in the forefront. We're trying to keep the needs of the prospect strong, to maintain a sense of urgency. We want to keep the prospect emotional, because we know that people buy things because of that urgency, that need.

The next baby step in our Close Step is what we call the Satisfaction.

The <u>Satisfaction</u> is essentially where we finally, (believe it or not), we finally get to tell our story aka: **The Presentation**. Unlike the traditional salesperson, we do not give away our information until the very end.

The logical reason is, how can we give a presentation if we don't know what to present and to whom to present it to? If we don't know what the needs of the prospect are, we have multiple products and services, specifically in Creative Real Estate, we don't want to talk to someone about a million dollar home when they have a small condo budget. Right?

So we don't give an overly broad presentation, we wait until we know what we should be talking about. Then we can **satisfy** the prospect's needs.

We use all of the information they gave us to relate our product, service, or our real estate to their needs, whether they are a buyer or a seller. We wait and show patience until we are ready to make our move under our terms.

It might sound something like this:

G.U.T.S. Salesman: Miss Prospect, you told me why you are looking for a home and what your budget is. We have a property in the neighborhood you are looking at. It is \$10,000 down and \$1,200/month. It is a rent-to-own and you can move into it in the next 30 days. I think this will solve your problem. It will give you the opportunity to plan so you can save to correct your credit. Then you can buy the house anytime within the next two years. That's why I've been asking you all these questions about the rent-to-own.

What I basically did in this second baby step is to try to satisfy all of the information; the needs of the prospect. That's why we call it the **Satisfaction**. You can call it a presentation or whatever you like, but we now know how to direct our product, service or real estate towards the qualification of the prospect. You can see how this is a much stronger method than faking it and giving overly broad presentations or free consultations. After we've asked the right questions, we can direct our real estate towards this prospect in exactly the way they've explained it to us.

At this point we are going to move to the third baby step within the **Close Step**. This is the only traditional close strategy you'll get from me. It's called **Ask the Question**. The last question sounds something like this:

G.U.T.S. Salesman: Miss Prospect, we've talked about what you're looking for. We talked about a property I have that I think will fulfill your need. What would you like to do next?

Hopefully, at this point, you have a high assurance or confidence level that the prospect is going to say "yes" because you've taken them step-by-step. You are going to use their own words from the information that they gave you to move them to a close or to a stronger commitment. Only then are you going to ask one simple question. You're not going to sound like the typical salesperson who keeps asking for the order in different ob-

vious tacky and cheesy ways. You are just going to go to the prospect and say, This is what you said you're looking for. This is what I have. What would you like to do next?

So you see, we only ask one question and if we do this the right way, we have a very high likelihood that we're going to get the order right now. A big psychological difference here is that we're not asking for the order. We are asking the prospect to make the decision to give us the order. Done in this manner, they don't feel pressured or manipulated because the prospect made the decision. We led them down the path by taking an interest in them. If they say 'no' or they are not ready, you can either review their needs and provide some discomfort, otherwise you have my permission to **Fire Them** and move on to the next prospect. Believe me, this method is much better than driving yourself crazy with an unproductive prospect.

Claude Note: I remember one prospect who was playing games with me during the Qualification Step. I was starting to feel annoyed with his games so I fired the fool.

G.U.T.S. Salesman: Mr. Prospect, I feel that you and I are not a good fit and it wouldn't make sense for us to work together. I have decided that I will not be working with you, but I wish you well.

Prospect: Hold on, I still have questions.

G.U.T.S. Salesman: I understand and I will be glad to email you my competition's phone number and perhaps they will be willing to answer your questions. At this time, however, I have many other clients and prospects who I need to speak with. Have a great day. Bye.

Claude Note: The next day this same prospect called me back, apologized and paid me in full. It seems that he had never met a G.U.T.S. Method Salesman. Remember, we don't have to prostrate ourselves like the traditional old fashioned salesman. Why do you think he called me back?

Once again, we're back to the doctor/patient relationship. When you go to see a doctor, they don't sound like a salesperson. They ask questions.

They do a diagnosis. They want to find out where you're hurting, why you're hurting, when you began hurting. The patient would not go to the doctor and say, *I want to read your literature* and then proceed to ask a lot of silly questions. Why? There is a certain respect understood in that type of relationship. I want you to create that same respect by asking questions just like your doctor would. The prospect then sees you as someone who is professional and truly has an interest. That's why we ask questions.

Hopefully, we've received the order after we've asked the last question and then we can move to the final step,

The <u>Triple C</u> – Confirm, Change and Final Close. To Confirm an order, we go to the prospects and say,

Mr. and Mrs. Prospect, are you comfortable with this decision? Are you all right with it? You're not going to call me tomorrow and tell me that you've changed your mind or anything? Most salespeople, once they get an order, get very excited. They jump up and down, take the check and run out of the place, only to find that the next day the prospect had some kind of remorse. This has happened to me many times in Creative Real Estate because I ran too fast and I didn't tie up the loose ends. I want you, in the **Triple C** process, to first **Confirm** the sale. For example:

G.U.T.S. Salesman: Mr. and Mrs. Prospect, I am glad that we will be doing business together and that you're comfortable with this decision. I know that you are people who take commitments seriously. You're not going to call me tomorrow and tell me that you changed your mind, are you?

Prospect: No, once we make up our minds, that's it. You have my word!

If you can do this one little Step, you will never get a prospect calling you the next day with any kind of remorse. You've taken care of potential problems up-front.

The second step of the <u>Triple C</u> is **Change**. Sometimes you have to modify, change or re-negotiate steps. The prospect may say something like, *I'm* not comfortable putting \$10,000 down. Is there any way we can finance it? This is where you would ask the prospect another question such as, *If we* 

could finance it, what would you say to us next? Or If we could finance it, what would you be comfortable putting down? You're going to change, you're going to modify, you're going to re-negotiate in this part of the **Triple C**. That's why we call it the **Change**. You've got the sale. You've got to fine tune it a little bit here. You've got to fix some things. This can happen in any sales situation, especially a great deal in Creative Real Estate.

Prospect: Oh, I have one last question, Claude. Could we change our delivery date from Monday to Friday at 10 AM? It would be a better time for me.

G.U.T.S. Salesman: I will have to move a few things around and change some other appointments, but I will make a great effort to accommodate you, Mr. Prospect.

Prospect: Thank you, Claude. Sorry if I inconvenienced you.

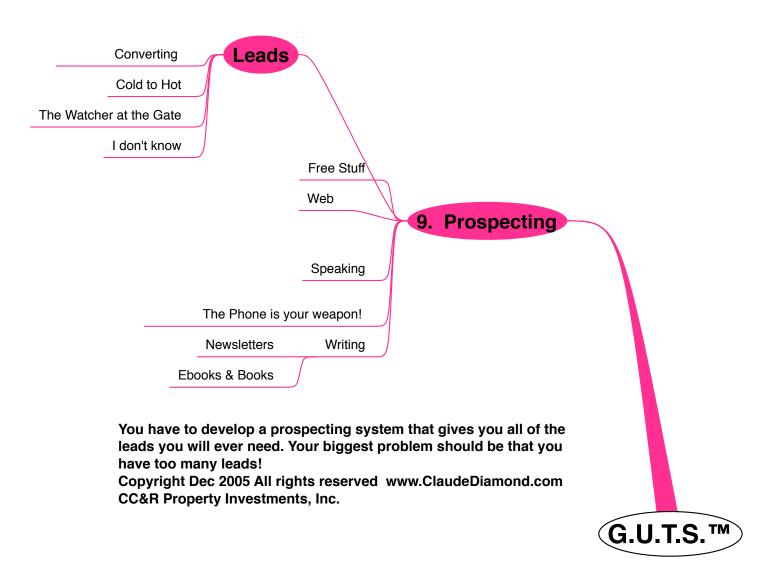
Claude Note: Always make them pay and keep the control. Never give away an item of negotiation without getting something in return. (G.U.T.S. Negotiation.)

The last step of the baby Steps is the **Final Close**. That's where you just go to the prospect, thank them for the order, reconfirm the order, get the order or agreement signed and get the credit/debit card or check payment, deposit, etc., if required. Then you're done for the day. Go home or hang up the phone and celebrate.

Claude Note: I always like to celebrate when a big sale or target goal has been met. It's a way to reward myself for accepting and conquering challenges. It can be as simple as a nice dinner out or as elaborate as a new car.

Excuse me, Mr. Salesman, does that 2 door Cadillac come in baby blue?

# HOW TO SELL WITH GULLS.TM G.U.T.S.TM Prospecting



You have to develop a G.U.T.S. **Prospecting System™** which gives you more leads on a daily basis than you will ever need. Your biggest problem should be that you cannot make all of the return calls that you have.

Claude Note: You will never feel subservient to a prospect if you know that there are plenty more waiting for you. How many salespeople treat the prospect with kid gloves just because they have no one else to speak with?

The G.U.T.S. Prospecting Philosophy is simply to use The Laws of Attraction combined with consistent Virile Marketing to keep:

- 1. The Phone Ringing.
- 2. Emails coming in everyday in large quantities with complete contact information (name, postal address, telephone numbers and a comment/question section).
- 3. Prospects in large numbers going to your web pages, blogs and numerous links, reading your information and wanting more.

I espouse a very practical sales technique that has been practiced by the wealthiest salespeople in the world and it's called **talking to people**.

Talking to people essentially means what it says; it's about answering you own business phone and getting back to people who have contacted you.

If you can create multiple modern marketing methods, you will have more people than necessary to speak with everyday.

## My business, for example, is about several niche areas:

- Lease Purchase Creative Real Estate
- G.U.T.S. Sales Training
- One-on-One Success Mentoring (The Millionaire Mindset)

We normally receive 100 and more communications from prospects every day. How do we do it? We put the G.U.T.S. Prospecting System to work. We begin with the most powerful word in the English language and it called "FREE"! In order to break the barriers of the prospect and create trust and curiosity from nothing, you have to create interest.

In the old days, I would run very expensive ads in national newspapers and magazines with my 800 number. The ad would read "Discover the Lease

Purchase Advantage" Free Newsletter, call (800) 324-4652. The phone would ring, we would answer it, capture the mailing address and phone number and then send a newsletter. Every couple of months we produced a new newsletter. We also did public speaking at seminars and real estate clubs.

The Internet came along and everything changed very quickly with the advent of email, web pages, newsgroups, blogs, instant messenger and FTP (file transfer protocol). Emails are much faster than the postal service and the web could be searched instantly for information. The big advantage was that there was access to a much larger group of people. We were no longer limited and marketing became international. OK, you didn't come here for a history lesson on the World Wide Web, but it's important to know how everything changed after the web became practical for the masses!

We now have several dedicated web pages and blogs with tons of free information. Anyone who uses a search engine and types in my name or keywords that relate to what I mentor in, like Success Training, Lease Purchasing, G.U.T.S. Sales Training are led to a short description of what we offer on Google or Yahoo. When these links are clicked on, the reader goes straight to my web page, where they see that wonderful word I spoke about earlier "FREE"! We Offer

Free Newsletters: with tons of contemporary and entertaining stories and information.

Free Audio CDs: describing our concepts, ideas and programs

Free E-Books: excerpts from several of my books

Free Podcasts: audio files which can be played on the Apple iPods

Free links to Blogs: informational Web pages

We are basically laying out a lure, just as a good fisherman would do. What does the interested party have to do to get all of this? Just register their name, address, phone number and email. This is where the G.U.T.S. machine goes into hyper-drive. After the prospect fills out the information, the

auto-responder sends them an immediate link to free ebooks and other links connecting to our websites. When the email arrives into our browser, it also responds immediately and sends an email with more information. The data we receive is then placed into our computer database for future correspondence and notes.

Subsequently, a copy of our newsletter is then mailed first class with a cover letter, business card and a free audio CD set valued at \$199.00. It's also **Hand Addressed**. Why? Because the response rate exponentially increases. The prospect is personally called within 24 hours after the email is received. The G.U.T.S. Marketing Method has now been implemented.

**Claude Note**: Sooner <u>is</u> better in G.U.T.S. Marketing.

Here's an example:

G.U.T.S. Salesman (on the phone): Hello Mr. Prospect, this is Claude Diamond. I received a message today that you contacted our company for information and I am getting back to you. How can I help you today?

Prospect: I would like to know more about your Lease Purchase Program.

G.U.T.S. Salesman: Some of our information has been sent to you in the mail and you should have also received an email with some free ebooks, too. Maybe you could tell me why you are interested in Lease Purchasing. Also, do you mind if I ask you a few questions?

This is a simple role play, but it demonstrates how you can use G.U.T.S. to create prospects who want your information and then you have the opportunity for speaking directly with potential clients.

The G.U.T.S. Prospecting Plan employs other methods like public speaking, sponsored ads on Google, links, blogs, referrals, as well as tons of freebies like CDs, DVDs, ebooks, Podcasts and anything that brings the prospects to you and adds to your contact database.

It is essential that you have plenty of calls to make or receive everyday, if you are going to make G.U.T.S. work.

# **Transcript**

This is a transcript of the G.U.T.S. CD

Claude Note: Hello, this is Claude "The Mentor" Diamond and I'd like to talk to you about my G.U.T.S.™ Selling Method and particularly how it applies to Creative Real Estate and my personal favorite, lease purchasing.

The G.U.T.S.™ Sales Method could apply to any business with a sales or service or for someone who wants to work smart and go to the bank. I'm in Creative Real Estate and I mentor people in business. I also do sales training, coaching and consulting. I had a big problem. I was a good student and went to a lot of seminars and yes, I bought a lot of books and tapes. The problem I encountered was that I was working hard, but I wasn't making a lot of money. I knew my stuff and I studied hard, but I found that many people were frankly, just wasting my time. Particularly, in Creative Real Estate, people would often call me and try to pick my brains. I would end up being a free consultant, giving away a lot of gratis information in areas that I had studied for years and years. I paid the price, but I wouldn't make any money from it. Often, I'd go to properties, meet the owner of the property or I'd meet some prospective tenants there and we would look at the house. I'd show them around and at the end, I'd ask for the order and they'd say things like "I'll think about it" or "I'll get back to you." I was just doing a lot of busy work, but I found that it just wasn't being as productive and profitable as I'd like it to be.

I really wanted to make a lot of money, heck who doesn't? My business now generates a very high, 7-figure lifestyle for my family and I attribute this to using this G.U.T.S.™ Selling Method. We all have 24 hours in a day. We're all in the same intelligence quotient range. Why do some people make as much money as they want and others just keep struggling and struggling and go further and further into debt? We're probably all using good products and services, generally. It's that we're not working as smart

as we could. We're not working in a methodic way, particularly in sales, marketing and prospecting.

I want to give you an idea of how to work smarter and how you can apply this to anyone else's method. There are a lot of good people with great information concerning:

Nothing down on ugly properties
Subject to transactions
Lease purchasing (my favorite)
Fixers
Foreclosures
Notes and more

There are so many different ways to do Creative Real Estate. The problem is we get all this information and we do all this running around, but we don't make as much money as we want. We end up just giving away free information. What happens to many of us is that we become frustrated. We all know that feeling, right? We work really hard and before we know it, it's Friday. We're emotionally drained and guess what? We didn't go to the bank. We didn't make money even though we were highly motivated and had the best intentions.

It finally dawned on me, that I was working as hard as anyone in Creative Real Estate when I first started, but I wasn't **working smart**. I wasn't qualifying properly. I believe that we have rights in the sales process. One of the key rules I want to teach you is that you have **the right to qualify your prospects**; whether they're the buyer, the seller, an investor or another professional you are working with. You have to <u>get</u> the information rather than <u>give</u> the information.

If you take my principles of the G.U.T.S.™ Selling Method and apply them to your Creative Real Estate business or any business that you are working with, you will see spectacular results. You will be having fun. Your self-esteem will go up. You'll be working smarter. You'll be happier. Of course, you will be much more profitable. There is only one problem with my

method. It's kind of different than what you've heard or learned before. You're not going to give presentations. You're not going to ask for the order 20 times in a conversation with a prospect. You're not even going to a property or meet with a tenant-buyer until you know for sure you're going to pick up a check or a contract. You're going to learn to work smart in this specific step-by-step method. In fact, I use the word "step" on purpose because this is the Staircase of Success.

The question a lot of people ask me is, *Claude, why a method*? I've studied all the greats out there - Dale Carnegie, Brian Tracy, Zig Ziegler - all great people with great ideas about sales. The problem is that a lot of this information has been around for so long that your prospects know what you are going to do before you do it. They know that you're going to try to corner them and pressure them. They know that you're going to ask for the order several times. So we can't just go out there in a disorganized fashion and give away a lot of information. We've got to stop the presentation mentality that we have. We have to stop the adversarial relationship between the buyer and the seller.

What we want to do is create an air of trust and of understanding with an up-front commitment between both parties. Imagine, if you had a salesman come up to you and say, *Mr. Prospect, I'd like to help you make a decision.* I'm going to give you as much information as you need, but before I do that I'd like to ask you a few questions and see how we can work together. At the end of this conversation, you ask me a few questions, too. I don't believe in pressuring you. I'd like you to be comfortable enough to be able to say 'no' to me. If you don't like my product, my service, the cost of it, anything including me, it's OK to say 'no' to me.

Now, have you ever met a salesperson who says something like that? Well, if you are like me, you probably haven't heard anything like this. We want to change, we want to stop the adversarial relationship between the buyer and seller and create an air of trust. We also want to have control of the entire process. So I developed a question-based selling method based on the results I had when I started to change the way I operated. I found that a method is much better than just going out and giving away a lot of

free information. I work in a 3-step fashion with the G.U.T.S. Selling Method. I call it G.U.T.S. because it does take a little bit of spine to ask some of the questions we are going to ask. Most people in sales, for instance, never want to talk about money in the beginning of the sales process. They are too worried about getting rejected and blowing the whole prospective sale. So when do most sales people talk about money? They talk about it at the end.

I've been involved in real estate and lease purchasing for quite awhile. I love Creative Real Estate and work very hard at it, but I also wasted an awful lot of time. I'd get in my car and drive to the property with the buyer or seller. We'd look at the home. We've have endless phone conversations. I'd send literature and at the end of all this time invested, guess what a lot of people said to me? Claude, looks like a great deal, but we don't have the money right now. We'll have to do it some other time.

My heart just broke, but thanks to Max, my mentor, I learned that it was my responsibility to qualify for money at the very beginning of any sales process. Once again, we have to learn to work smart. We have to ask the touchy, sensitive and uncomfortable questions. We want to talk about the money up-front. We never want to ask for the order. We want the prospect to make their own decision and basically give us the order because it makes sense for them.

There are lots of rules in this G.U.T.S. Selling Method. Some of them will be contradictory or just plain opposite what you have learned from other sales training courses, books and CDs. This G.U.T.S. Sales Method is based on getting to the bottom line, working smart, gaining trust and being OK with the word 'no'. If fact, we learn to love the word 'no'. The word 'no' means it's over and we stop wasting time. I would rather hear the word 'no' up-front in the first 3-5 minutes instead of investing hours, days, weeks or months with a transaction! The bottom line is to get the 'no' up-front and talk to the people who want to do deals. This is part of the 'work smart concept' in the G.U.T.S. Selling Method.

I'm getting a little ahead of myself. First, I want to talk about why people buy our products and services. What's the motivating factor? Why do people do the things that they do? They do things because of needs. Their needs can be very strong and they can even be emotional.

I like to talk about the analogy of the dentist. Nobody really wants to go to the dentist, but in many cases we have to go. Imagine if you had a toothache on Christmas morning. There was nobody open and this toothache was really killing you. You went through the phonebook and you called dentist after dentist. You finally got one on the phone and that dentist said to you, Sure, I'll open my office and I'll take care of that tooth, but I'll have to charge you cash up-front. I won't take your Blue Cross or HMO card. Are you really going to argue with that dentist if you're truly in agony? Of course not. Are you going to negotiate? Are you going to ask for literature, for references? Are you going to say you'll think about it? Of course not. You're going to go to that dentist's office. You're going to write him a check for whatever he asks because you are ready to buy. It's not a decision making process here. You're in great need. People buy things because of needs. People do not buy things because of fancy advertising and high pressure salespeople. People buy things because they become emotional about them. Once we understand why people truly buy things, then we can direct the conversation with our G.U.T.S. Selling Method so that we have an understanding of why they are buying. If we can't understand why they are buying, we can't create some needs for these people.

Prospects are not going to do Creative Real Estate deals with us because we have fancy literature or because we have this very expensive advertising campaign. The typical tenant-buyer is going to buy a home because:

- they're tired of paying rent or
- their neighbors are noisy or
- · they want appreciation or
- they want greater security or
- · they want equity or
- they want tax benefits.
- The reasons are countless.

They are not going to do real estate with you because they woke up one day and said, *Gee whiz, I want to go out and do a lease purchase or a subject to or a wrap-around type deal.* They are going to do it because they have some kind of motivation which usually is financial. Now, is that need academic or is that need emotional? It's your job to find out. If someone is not ready to buy, let's qualify them very quickly and get off the phone with them as fast as possible. If their needs are great, they are emotional about these needs, they are going to take an action and do business with us. That's why people buy things. They want to avoid the problems they've been having; either existing or future problems and needs.

Now I'm going to go over a few of the rules of the G.U.T.S. Selling Method. One of our most basic rules is: **Never give away free information.** That's right. Never give a Power Point presentation or consultation until you have completely qualified the prospect. You want to know:

- · if they want to buy something
- if they have some needs
- if they have the money to buy those needs on a timely basis
- · that they are ready to make a commitment
- that they can make a decision or they're part of the decision making process

Never give away your hard earned knowledge and experiences until you've properly qualified the individual!

Another rule: **No more begging!** That's what your traditional salespeople do. They ask for the order. I don't want you asking for the order. I want the prospect to come to their own logical conclusion, their own decision. They'll give you the order. They'll give you the sale because they came to the decision. Remember everyone loves to buy, but no one wants to be sold. People are really tired of the traditional old fashioned salesperson who does a lot of tricky maneuvering, all the obvious closes and things like that. They want to buy if their needs are great enough and if you've qualified them properly.

Let the prospect give you the order. You are going to help lead them down the road so that they come to their own natural conclusion. If they don't buy from you because they don't have the need, the money, the timeliness or it's not within their commitment process, it's OK, because it's over. And it's over quickly – in the first couple of minutes with the G.U.T.S. Selling Method.

Now that we know some of the rules and ideology of the G.U.T.S. Selling Method we want to move up the Staircase of Success. How do we get the information? How do we qualify people? How do we determine if we have a prospect or a time-wasting tire kicker?

The strategy that really makes the whole thing work is learning how to ask questions. **This is a question-based selling method.** We have rights in the process, as I said earlier. We have the right to get information. Questions, however, by their very nature after a while, become aggravating and annoying. Nobody wants to be constantly pummeled with a lot of questions from a salesperson who is trying to pry. We have to ask questions in a certain way.

Questions are the means for us to propel ourselves up the Staircase of Success, step-by-step-by-step. They allow us to get the information we need. We have rights in this sales process. Unlike our sales counterparts, we are not just going to go ahead and give a presentation. We are going to ask questions, but there is a certain way we ask questions. I like to call this "with finesse".

We ask questions in a certain way. We're going to talk to people and formulate our questions so they are not harsh or adversarial. An example of this would be when our prospect asks us a question like, *How long can we rent this property?* The average salesperson in Creative Real Estate would say, *One or two years* or whatever the term would be. The G.U.T.S. Salesman would turn the question around. We call this **redirecting**. We direct questions that are asked of us into our own questions so that we get information. If the tenant-buyer asks us, *how long can I rent this property?* You might say something like, *that's an excellent question, Mr. Prospect.* 

Now could you just help me out? You must have asked that for a reason. You see the way I did it - with finesse - it hardly seems that I turned the prospect's question into my question thereby getting out of having to answer questions and getting more information from the prospect. The prospect might reply, I need a property for at least 2 years because that's how long my company requires me to stay in the area. So now you've gotten some more information just because you redirected the question with finesse. You turned it around.

Here's another example: Suppose someone asks you for the price. The prospect might ask, *How much is this house? How much are you selling it for?* You might say something like, *It really depends, Mr. Prospect. Could you give me an idea of what your budget is? What you're looking to spend? How much money do you have set aside for this? Maybe I could work with you. Could you give me an idea please?* I never answered the question. I redirected it with finesse. I'm trying to get the prospect to give us more information. Mr. Herb Cohen, who wrote the wonderful book, <u>How to Negotiate Everything</u> said, "the first to mention price always loses". If you are asked a money question, you want to redirect it or turn it around. Just like I did in the previous example, with finesse, so that the prospect gives me more information.

Remember, whenever you're asked a question or whenever you are asking a question or answering one, turn it into another question and use finesse. Tie in a compliment before you ask another question. If someone asks you, *How much is the rent?* You don't want to just say, *That's a good question, why did you ask that?* That's too abrasive. Turn your questions around and smooth them over with the finesse concept.

As you can see, in this method (this is a question-based Socratic method), questions are very important to make the method work. There are different kinds of questions we can ask. I went to law school and I came to this conclusion because in law school they teach with a method called Socratic teaching. Socrates, the ancient philosopher, believed that the best way he could teach his students was by turning their questions into his questions. He wanted to make them think. He wanted them to arrive at their own an-

swers. We do the same thing in the G.U.T.S. Selling Method. We have to ask questions in different ways. One of the best ways to answer a question is to redirect the question in a positive or negative tone. Someone might say to you, What is a lease purchase? How does that work? You might respond with, Why are you interested in that, Mr. Prospect? I thought you were looking to buy a home. That isn't anything you'd want to do, is it? You notice how I put a negative tone to my redirection. This is the way we want to answer questions to make the prospect go in the direction we want to lead them. Sometimes, going negative or positive, can get you the answer or help the prospect come to their own conclusions.

I have a lot of people who call me and ask, What's the difference between you and some other guru or trainer out there? I might respond, That's a good question, Mr. Prospect. He is a very good trainer and if you've already researched him, why not just go with him? Now you noticed, I went My competition, in many cases, go negative when very very positive. asked about the competition. I always go positive. You know why? The prospect's answer will usually explain to me why they didn't do business. So when I tell a potential client, He's a good trainer and if you've investigated him, why don't you just do business with him? They might say, He was too expensive. I didn't like the program. It didn't address my goals. Now I'm getting more information just by redirecting the question in a positive or negative way. I'm getting more information in order to determine how I can do business with this prospect. So remember, redirection can be positive or negative. Go in the opposite direction that your prospect expects you to go in. Essentially, do the opposite of the traditional sales person.

Another question technique is what I call the "ignorant redirection". That's where someone might ask us a question like, How much money will I need to put down in order to do this deal with you? I might answer, I don't know, Mr. Prospect, that's a good question could you help me out? What were you looking to spend? Do you have a budget set aside? Is there something you are comfortable spending right now? Did you notice in that ignorant redirection I said "I don't know." "I don't know" is one of the best redirections you can possibly use because instead of making you the

swer man, you are now putting the pressure where it belongs, back on the prospect.

I get people who call me about my mentoring program. They'll say, *Claude, tell me about your mentoring program*. Guess what my answer is? *I don't know, Mr. Prospect. Which mentoring program are you talking about? Which facet of my mentoring program - lease purchasing, creative real estate, sales training, coach training? I'm not sure if I understand your question. Could you help me out a little please? Now if you notice, I redirected the question with the "I don't know" and then I used a little bit of finesse. I said, Could you help me please?* 

There are so many ways that you can redirect and turn your prospects' questions into your questions. It alleviates you from giving away free information and it allows you to take control without the prospect ever seeing what you are doing, if you use the correct finesse. You end up getting information and qualifying this prospect.

One of the other question-based techniques I like to use is the "Magic Lamp Technique". It's where I'll go to a prospect and say, Mr. and Mrs. Prospect, let's pretend for a moment that you found a lamp and you had 3 wishes. What would you want to accomplish if you bought my product or service. What would be the things you would like to do?

Now you notice their question was turned into a question. They are going to give me more information. No matter what method you use, you always want to answer questions with questions.

Another strategic question is what I call the "Multiple Choice Technique". This is where you might go to a prospect and say, What is your budget? and they respond, I don't really know or I don't want to talk about it. You come back to them with a multiple choice answer. You could say, Mr. and Mrs. Prospect, would you be more comfortable spending \$1000, \$5000 or \$10,000.

There are as many techniques in redirecting questions as the mind can conceive. Can you think of some on your own right now? Why not make a list of all the different ways you can ask questions - positive, negative, multiple choice, "Magic Lamp". Think about all the different ways and invent a few of your own. Remember, questions are the way to get to closing sales or getting out of sales, getting it over quickly.

We only have so many hours in a day. We can go out and knock on a hundred doors a day and get rejected, rejected. As the old traditional sale's gurus used to say, *Knock on a hundred doors and if 99 people say 'no', the 100th person will say 'yes'*. That's great to have that kind of motivation, but do you really want to spend 3 minutes with a prospect or do you want to spend 3 hours with them? If you can learn very quickly that there's no need, no money, no basis for making a commitment, then you're working smarter. We all have 24 hours in a day. We can use 8 hours for sales, we need 8 hours for sleep and we need the rest of the time for eating and doing the things that we're busy doing in our life.

The difference between someone being successful and someone who is a failure is that the successful person uses his time smarter. I don't mind if someone says 'no' to me as long as I find out quickly. Questions are the way this method works. This is a question-based method, once again. We don't give presentations until we are ready to close. We are going to get the information we need in order to determine whether we can move forward or whether it's over. And sometimes it's a good thing when it's over.

Now, let's move on to the real nitty gritty. Let's move on to the Staircase of Success of the G.U.T.S. Selling Method; the heart of the G.U.T.S. Selling Method is the **Staircase of Success**. I want you to take a plain sheet of paper. I'd like you to draw on that sheet of paper a staircase. A vertical line, a horizontal line and three little steps. That's all you have to do. Leave yourself enough room because we are going to name each one of these steps. Within each one of these 3 steps is what we call the baby steps. We'll go over the Staircase of Success and then we'll break it down into each individual step.

The 1st step should be headed as **The Agenda** Step. The 2nd Step should be called **The Qualification** and the 3rd Step should be **The Close**. Now this may seem very simplistic at first, but you'll see my methodology, my method of madness, in a few moments. Each step is going to be broken down into sub-steps or what I call baby steps. And the beauty of the method is you are no longer having to guess or go in blind. You have a plan. We always want to have a plan. Here we have a method and we go step-by-step-by-step. That is how I got to the Staircase of Success. We're not going to skip any steps. We're always going from The Agenda to The Qualification to The Close. We're not going to jump from one step to another step because when we skip steps; we tend to trip and fall, don't we? We are in control and we work it as a method.

I came to this idea because I thought a lot about why people use methods. I thought about Henry Ford and the invention of the assembly line. When people used to build cars, they would literally take days and days with a team of men working together to build a car. Then Henry Ford came to the idea of letting people work on an assembly line, essentially like a railroad track. He'd set apart different groups. Each group would have a different responsibility. He discovered that by working in a methodical assembly line, the process of building a car went from days to literally hours. He found that it was a better way to build a car.

In terms of sales, instead of jumping around and using tricky maneuvers, going from presentation to close to qualification, which is crazy and unproductive, we now have a method. Instead of being subservient and being a second class citizen to the prospect, we are now in control. We are going to have a lot of fun with our method. We are going to make a heck of a lot more money and feel great about ourselves. We're going to have a lot of self-esteem in the process because we're in control. I can't tell you how many times I went to sales presentations and I felt subservient. I felt like a 2nd or 3rd class citizen. I was swinging at a pinata with a blindfold on. I had no idea whether or not I was going to make a sale. The prospect was the one in total control; in my world that's wrong, unproductive and not working smart.

Now, let's get back to the basics. The 1st step in our ascending Staircase of Success is The Agenda step. The Agenda step is broken down into 3 baby steps. The 1st baby step is **Permission to ask Questions**. The 2nd baby step is to **Draw a road map**. The 3rd baby step within the Agenda is **It's OK to Say 'No**'. Now let's go over these 3 steps in the Agenda.

When we start a sales conversation, we are supposed to have all of this rapport, silly chitchat and pretentious bonding. I entirely disagree with that. I don't think any prospect or any salesman is going out to make friends. Yes, of course, it's wonderful if we can like each other and have a good and fruitful relationship. The purpose of doing business is doing business and to get paid. We are not going to be so transparent and so pretentious that we talk about baseball scores, weather and the like. That's a waste of your time and it's a waste of the prospect's time. They know exactly what you're trying to do. Why don't we do something really differently? Why don't we be up-front? Why don't we be straight-forward? Why don't we be honest with the prospect and instead of trying to make a new best friend, let's just try to get some trust going here? Let's change the way the buyer and the seller, the salesman and the prospect react to each other.

There are so many preconceived notions by buyers about how the sales person should be acting. When you say the word "salesman" to most people, they're going to think 'tricky, polyester suit, high pressure'. They have all these negative connotations about what a salesperson really is. The result is that the buyer has to be defensive. They know you might be acting very friendly towards them because you want to get money from them. You want to make the sale. Of course you do, but don't you want to get it in a way where you can also have respect and trust? Wouldn't you love to have a relationship with your prospect where it's more like a doctor and patient relationship? That's why I developed this Agenda Step.

The 1st baby step is **Permission to Ask Questions**. Have you ever met a salesperson who said, *Mr. Prospect, would you mind if I asked you a few questions? Then I can see which way I can help you or maybe I can't help you. Would that be a problem for you?* Have you ever met a salesperson who asked permission to ask questions? I've never heard of anyone. They

just kind of go into it – their presentation. I think when you are asking permission, you are gaining a certain amount of "up-frontness" and frankness with the prospect. I've never heard anyone say 'no' to me when I ask permission to ask questions. In setting the Agenda, I'm setting the way we are going to be doing business today.

The next baby step within the Agenda is to **Draw a Road Map.** Many times, as I said earlier, the buyer has preconceived notions. They're wondering what's going on. They're doing a lot of Kreskin style mind reading, if you will. What is the salesperson up to? Why don't we just eliminate the guessing, the mind reading and tell the prospect what's going to happen before it happens? We're going to Draw a Road Map and it will sound something like this:

Mr. Prospect, if you don't mind, I'd like to ask your permission to ask a few questions and I'd like to ask you basically why we're talking today. What's the purpose of this conversation? Why am I here? What would you like to see happen? I'd like to ask you some questions about what you're comfortable spending and how you make commitments and decisions. Would that be all right?

Now that's the Road Map. I basically told the prospect what's going to be happening before it happens. There's no second guessing. They don't have to worry about pressure or anything. I got this idea, once again, getting back to my dentist story. I went to a really good dentist whom I've been seeing for years in San Diego. I had a tooth that had to be drilled and the dentist told me, Claude, I'm going to swab inside your mouth with some Ambesol. I'm going to give you this needle which contains Novocaine, then I'm going to drill the tooth. He told me (without getting too morbid) about the whole procedure. He told me what he was going to do before he did it. So there were no surprises, no shocks. I didn't have to worry; my anxiety was eliminated. The same thing should occur in sales. Let's Draw a Road Map. Let's tell the prospect what's going to happen before it happens.

The 3rd baby step of the Agenda is **It's OK to Say 'No**'. I don't know about you, but I have never met a salesperson yet who said, *Mr. Diamond, I'm* 

going to show you my product, I'm going to answer all of your questions and if it's not right for you and if you're not comfortable with the product or service, if you don't like the style, if it's not within your budget, it's OK to say 'no' to me. Can you do that, Mr. Diamond? I remove all the stress, all the pressure, from the sales process by giving all of my prospects permission to say 'no' to me. It sounds something like this:

Miss Prospect, if it's all right with you, I'd like to ask you a few questions. What I basically want to find out is why we are talking today, what your needs are, what you are comfortable spending and how you make decisions. At the end of our conversation, you can ask me some questions and what I'd like us to do is to reach a conclusion about whether we should go ahead and do business. If you don't feel my product or service is right for you or my house (if this is relating to real estate) is not right for you or you don't want to move in, I want you to feel comfortable enough to say 'no' to me. Can you do that Miss Prospect?

The answer is usually, Sure, I can say 'no'. Then I continue, I also hope you can say 'yes' to me. I'd like to do business with you, but I want you to know it's OK to say 'no' to me and we'll still be friends. I don't believe in pressuring people, but what I'd like to know is that at the end of this conversation, you'll either say 'yes' or 'no'. You can't say you'll think about it or you'll get back to me. People say that they'll think about it because they don't want to hurt the salesman's feelings. I want you to know up-front that you don't have to worry about that. I'm here to help you come to your own decision and your own conclusion. If you don't think this is right for you and you are not comfortable, you can say 'no' to me. Is that all right with you?

I challenge you, ladies and gentlemen, have you ever heard any salesperson in any situation - selling a car or life insurance or anything - who told you to say 'no'? This brings me back to my original premise. We have to stop the adversarial relationship. We're not out looking to make our new best friend with the prospect. We do want their respect and their trust. I know that when we go to a prospect and we lay out the Road Map ahead of time, when we ask permission to ask questions and we tell them it's OK to

say 'no', we provide them with the most important thing in the whole process and that's trust.

Now we're ready to move up the staircase. We've moved from the Agenda step to the next step and that is **Qualification**. This is where we get the information to determine whether or not we have someone with whom we can do business. Qualification is broken down into 4 baby steps which are:

Needs Money/Finance Time Commitment

Let's start with the first one – **Needs**. It comes back to what we talked about earlier - Why do people buy things? What are their needs? What is their passion? What is their desire? Why are they talking to us? What is their interest level? People buy things because they have to satisfy their needs. Are their needs strong and passionate or are they very weak and academic? What I want you to do on your sheet of paper is to draw a scale of 1-10. 1-5, like a little barometer is Academic and 6-10 is the emotion, passion, motivation.

People buy things because they become emotional about them. Let's take an example of someone we talk to who says, *I'm just looking. I just want to gather some information and kind of mull it over.* That's someone who has really weak needs. That's someone we commonly refer to as having the paralysis of analysis. That's someone who gathers information. Some people might refer to them as tire kickers or time-wasters. Their needs are not very strong right now.

On the other side of the barometer is where someone becomes emotional, upset or even hysterical about their needs. An example would be someone whose car breaks down in a bad neighborhood and it's getting to be dark and they are getting scared. Are their needs strong? Do they need a tow truck? Are they just going to sit there for a long time?

In real estate, we might want to talk about prospects who are renting a house and they are looking to eventually get into (buy) something. They've been renting for a long time and there's no rush. There's no sense of urgency. They have another year on their contract. That's someone who would be something like a 3, 4 or 5 on the intellectual scale. But a prospective tenant-buyer — now that would be someone who may be tired of paying rent. Maybe they have a noisy neighbor. They're looking for equity, appreciation, they are looking for pride of ownership. That's someone who might be more emotional about their needs. They're ready to take action because they are emotional. People buy things because they are concerned and upset, not because they are studying the material and reviewing it. So you must determine the needs of this prospect. How urgent are their needs?

You are going to have to (going back to our questions), ask questions like, Mr. Prospect, why are we talking today? What are you looking for? You're going to ask guestions like, I know you are renting right now. Why do you want to buy a house when you are perfectly happy renting? You are going to try to find their needs and if you can't find their needs, you have to create If you do find needs, you are going to exacerbate their needs, make them worse. People only buy things because their needs are becoming very important to them, very emotional, very stressful. Someone who has been renting for a while who has no problems or needs and is comfortable, is going to stay in that property and probably not take an action. Do you really want to drive your car through traffic and meet somebody who is not going to take any action? If, on the other hand, you get someone on the phone, you ask the right questions, you determine they want to get into a home which they can own and they're ready to make that move, isn't that the person who is worth meeting, spending the time with? Needs are very very important. You have to determine needs. If there are no needs, it's over. If you can't get someone who seems concerned, compassionate or emotional about their needs, it's over. There's no sense going any further, no sense giving a presentation and no sense moving further up the staircase.

The 2nd baby step is a really important one. It is **Money/Finance**. As I said earlier, money is the subject we have to talk about very early on in the process. Most salespeople are afraid to talk about money in the beginning; they want to talk about it way in the end. They are too scared, they're worried about getting some kind of rejection. We have to talk about the money up-front and we have to have some stick-to-it-iveness in our redirection, in our questions. You have to say, I know that you want to get into a house and you want to do it soon. Have you set aside money for your purchase? Have you thought about how much money you'd like to pay in terms of rent? How much would you like to put down as a commitment toward option consideration? Some people play their cards, like in poker, very close to their chests. They might not want to give away that information. You have to keep redirecting. You have to keep asking questions, with finesse mind you, because remember, questions can be very aggressive, very arrogant. They can be very abrasive. So be careful how you ask your questions.

The 3rd and final step of the G.U.T.S. Selling Method is **the Close**. This is where we get to finally make our presentation and we finally get to go to the bank, as we say, or get paid. The close is broken down into 4 baby steps. These steps include:

The Review
Satisfy
Ask the Question
Triple C

The **Review** is basically where we are going to repeat the information we have learned in the entire Qualification and Agenda Steps. It's where we are going to go over and basically summarize what we've agreed to and what we've learned from our question-based method. It will sound something like: *Miss Prospect, thank you for allowing me to ask you these questions and as I said, if my product can help you, that's wonderful. If it can't, you are free to say 'no'. From our discussion, I have learned that you are looking to get out of renting, that you have been renting for ten years, you've spent thousands of dollars and you want to move as soon as possi-*

ble because you want to get into a home of your own. You want security, you want tax benefits and you'd like a nice quiet place in a good school district for your children. You told me that you have a budget of \$10,000 for a down payment, you can afford \$1500/month rent and you are the sole decision maker in this entire process. Is that basically a good summarization of what we've discussed, Miss Prospect?

As you can see, we're reviewing everything the prospect has said. We're using the information she gave us, based on our questions, our redirections and we're keeping everything in the forefront. We're keeping a certain amount of urgency. We're trying to keep the needs of the prospect strong. We're trying to keep her emotional because we know that is why people buy things.

The next baby step in our Close Step is what we call the **Satisfaction**. The Satisfaction is essentially where we finally, believe it or not, where we get to give our presentation. If there is one thing that is different from my G.U.T.S. Selling Method than any other method out there, it is that we do not give the presentation until the very end. And the logical reason is, how can we give a presentation if we don't know what to present? If we don't know what the needs are? If we have multiple products and services, specifically in Creative Real Estate, we don't want to talk about a million dollar home when the prospect has a small condo budget. Right? So we don't give an overbroad presentation. We wait until we know how to satisfy the needs. We relate to all the information they gave us. We relate our product, service or our real estate, depending upon whether they are a buyer or seller. It would sound something like this: Ms. Prospect, you told me why you are looking for a home and what your budget is. We have a property in the neighborhood you're looking in. It is \$10,000 down and \$1,200/month. It is a rent-to-own and you can move into it in the next 30 days. I think this will solve your problem. It will give you the opportunity to plan so you can save and correct your credit. Then you can buy this house anytime within the next 2 years. That's why I've been asking you all these questions about rent-to-own.

What I basically did in this 2nd baby step is try to satisfy all of the needs of the prospect. That's why we call it the Satisfaction. You can call it a presentation or whatever you like, but we now know how to direct our product or service or real estate toward the qualification of the prospect. You can see how this is a much stronger method than faking it and giving overbroad presentations and free consultations. After we've asked the right questions, we can direct our presentation toward this prospect in exactly the way they've explained their situation to us.

The 3rd part of the baby step, the only close strategy you'll get from me, is called **Ask the Last Question**. The Last Question basically is where you go to the prospect and say something like this: Ms. Prospect, we've talked about what you're looking for. We talked about a property I have that I think will fulfill your needs. What would you like to do next? Hopefully, at this point, you have a high assurance that she is going to say 'yes' because you've taken her step-by-step. You are going to use her own words from the information that she gave you. You are only going to ask one simple question. You're not going to sound like the typical salesperson who keeps asking for the order in different, obvious, tacky and cheesy ways. You are just going to go to the prospect and say, This is what you said you're looking for. This is what I have. What would you like to do next? So you see, we only ask one question and if we do this the right way, we have a very high likelihood that we're going to get the order right now. A big psychological difference here is that we're not asking for the order as much as the prospect has made the decision to give us the order. She doesn't feel pressured or manipulated. The prospect made the decision. We led her down the path by taking an interest in her.

Once again, we're back to the doctor/patient relationship. When you go to see a doctor, he doesn't sound like a salesperson. He asks questions, wants to determine where you're hurting, why you're hurting, when you're hurting and arrive at a diagnosis. The patient would not go to the doctor and say, *I want to read your literature* and then ask a lot of silly questions. Why? Because there is a certain respect in that relationship. I want you to create that same respect by asking questions the way we've been talking,

the same as a doctor would. The prospect sees you as someone who is professional and who truly has an interest. That's why we ask questions.

Hopefully, we've received the order after we've asked the last question and then we move to the final step, the Triple C - the Confirm, the Change and the **Close**. When we Confirm an order, we go to the prospect and say, Mr. and Mrs. Prospect, are you comfortable with this decision? Are you all right with it? You're not going to call me tomorrow and tell me you've changed your mind or anything? Most salespeople, once they get an order, get real excited. They jump up and down, take the check and run, only to find that the next day the prospect had some kind of remorse. This has happened to me many times in Creative Real Estate because I ran too fast and I didn't tie up the loose ends. I want you, in the Triple C process, to first Confirm the sale. This sounds something like: Mr. and Mrs. Prospect, are you comfortable with this decision? Can you keep your commitment? You're not going to call me tomorrow and tell me that you've changed your mind, are you? Once again, this goes back to having the G.U.T.S., the spine, to make sure that you truly have gotten an order. If you can do this one little step, you will never get a buyer, a prospect, who will call you the next day with any kind of remorse. You've taken care of potential problems up-front.

The next part of the **Triple C** is **Change**. Sometimes you have to modify or change or re-negotiate steps. The prospect may say something like, *I'm not comfortable putting \$10,000 down. Is there any way we can finance it?* Now you will ask the prospect, *If we could finance it, what would you say* or *If we could finance it, what would you be comfortable putting down?* You're going to change, you're going to modify, you're going to re-negotiate in this one part of the Triple C. That's why we call it the Change. You've got the sale. You've got to fine tune it a little bit. You've got to fix some things. This happens in any sales situation, especially a great deal in Creative Real Estate.

The last step in the baby step is the final **Close**. This is where you go to the prospect, you thank them for the order, you reconfirm the order and then you're done for the day.

Now that we've gone over the Final Step, I want to talk about how this entire method can relate to you in your Creative Real Estate business. In Lease Purchasing, when I mentor people, I specifically tell them that there are two things we have to do. We have to find buyers and we have to find sellers. We have to find property owners or landlords and we have to find tenant-buyers. We have to work smart with these people. We have to qualify them so we are not wasting our time with tire kickers.

When we are talking about the tenant-buyers, the buyers or the renters, our first point of contact is usually on the phone. What many of us did in the old days was to meet with these people. We'd meet at a coffee shop or we'd meet for breakfast or lunch. We'd go to the property and show it to them or we would spend a great deal of time in multiple phones calls giving away a lot of free intellectual information. Those days are over with the G.U.T.S. Sales Method. I can tell you frankly that I did it the old world way where I spent a lot of time with people and I didn't have a clue about their needs, about the money to satisfy those needs, their urgency, time frame or how they made commitments. With the tenant-buyer, for instance, the quick key question is: Why are you looking for a property? You may want to think ahead of time what questions you need to ask your prospective buyer in order to do business? My nickname, by the way is "One Call Close Claude". Why? Because in one phone call, I can determine if this is a tenant-buyer with whom I can do business or if I should politely get off the phone quickly.

Beforehand you want to think about the questions you need to ask in order to determine whether or not you can do business with this person. Take a fresh piece of paper and write down those questions. Let's talk about a few of them. Why are you looking to get into a property? Why don't you continue renting? We talked about negative and positive redirection, when you go in the opposite direction the prospect expects you to which is also the opposite direction of your competition. When you do this correctly, your prospect will do the presentation for you. They'll tell you why they are looking for a property, what their sense of urgency is, what their time frame is. They'll tell you everything you need to know. Your prospect will do the work

for you if you ask your questions – you redirect your questions - in a positive or negative way.

Remember they expect you to be forthcoming with your answers. You might just want to turn their questions into your questions and even go in the opposite direction that they expect you to go. So you are going to write down questions like:

What are you looking for in a house?
When did you want to move?
Do you have a budget?
Do you want to spend the same amount on rent or more?
How much money can you put down?
What stopped you from just going out and buying your own property?
Why are we talking today, Mr. Prospect?

Can you imagine if you could get all this information? If you could read the mind of your prospect and you knew they didn't have any money to do a deal, they weren't going to move for at least 6 months. They can't make decisions unless they have their partner or spouse available. Wouldn't it be great to read their mind and know this all up-front before you spend countless hours giving away free information?

We can't be mind readers, so we have to learn how to ask the questions with finesse, redirect the questions so we get the information we need to know up-front. You think about the questions and practice a little. When someone asks you a question, turn their question into a question so that you learn to work smart with your prospective tenant-buyers. If your tenant-buyer doesn't qualify, get as much information as possible. Put it into your database. Maybe set up a tickler file so you call them back at another time. But know right up-front it is not worth getting in your car; it's not worth mailing tons of literature. It's not worth meeting them, waiting around and giving tours of houses. This is the difference between someone who can make a very high 6 or 7 figure income and someone who is just spinning their wheels like a gerbil in a cage. Eventually, they get frustrated from all of the

rejection and quit. We have to learn to work smart and you have a right to ask these questions of your prospective tenant-buyer.

Let's change gears and talk about the seller or the landlord of a property with whom we're looking to do business. These are the questions to ask the owner of the property:

Why are you selling the home?
What are you willing to get for the home?
How did you get to the price for the home?
Would you be willing to let me rent your home and buy it in the future?
Can we work together if there is a way we can move your home in the next 30 days for the top sales price without paying a real estate commission, if you're not a realtor?

These are the questions you want to be prepared to ask ahead of time. You want to ask them, once again, with finesse. You want to ask them in such a way that you're not giving information, but rather you're receiving information. You want to find out if this seller is motivated. On a 1-10 scale, what are their levels of need? Are they living in the house or is the house vacant? Why are they selling the house? Are they moving? Are they being transferred? Are they building a larger home? Is it a family situation? Why do they have this house for sale or for rent? You need this hard information up-front so that you can determine how you can do business. What strategy will be used? If lease purchasing, are you going to do a sandwich or are you going to do an assignment? Are you going to do a land sale contract? If you're a realtor, how are you going to list the property? Is the listing commission a question here? Do they want 6% or are they willing to do it for 3%? These are the questions you need to ask.

Your competition is going to jump in because they're so glad to get a prospect. They're going to just give it all away. They're going to give a presentation. They're going to do their Power Point million dollar slide show. You, on the other hand, are going to sound like a doctor. You're going to be asking the questions so you can do your diagnosis, so you can determine if this is a prospect you can do business with or someone to get away from

very quickly. Remember, 'no', is a great answer if you get it early. You don't want to get a 'no' after investing hours and days and months on a prospective deal. Isn't it better to get a 'no' up-front?

I've discussed buyers, sellers, landlords and the kind of questions we need to ask while we are working through the G.U.T.S. Selling Method. In the old days, I used to just sit on the phone for hours and answer all the questions until one day my wife heard me giving away all this free information and really gave it to me. She said, You were willing to pay the price. Why don't you make your prospects pay the price? From that one idea from my wife, I discovered there is a different way to do real estate. I could ask the questions, qualify the prospect and I could consult with people. Many of you have spent a lot of time and money on education and doing deals. You don't have to give it away. You can consult with people. You can get paid for your time, knowledge and energy. But, you have to qualify that prospect. What are his needs and how urgent are they? What is his time frame? What is his availability of money to pay you? How does she make decisions for paying consultants or for products? I sell a great deal of products, really good informational products. I'll ask people what they're looking to accomplish, what their budget is. Not everybody is willing to pay for a consultant or a mentor. They don't have the money available right now, but maybe they want to spend a smaller amount on informational products. It's better for me to learn that up-front than investing an hour or two on someone who can't afford a consultant. So, no matter what aspect of Creative Real Estate, whether you are doing sandwiches, assigning, buying properties, foreclosures, selling products or consulting or coaching your clients, you need to use the G.U.T.S. Sales Method if you want to be successful. It is the million dollar skill and it is necessary to be successful in real estate or any other business.

I've been mentoring and teaching people for years. I've had marvelous people who really took their studies seriously. They knew the strategies. They knew the different ways of doing Creative Real Estate. Not just lease purchasing, my favorite, but other guru's favorite strategies. And here's the sad thing, they still fail. You know why? Because no one ever taught them how to sell, how to market and how to negotiate. No one ever taught them

that sales is not just about going out and giving away free information. It's about working smart, feeling good about yourself, having high self-esteem, asking the questions and moving from step-to-step in an organized methodic way. This is the way you become successful in Creative Real Estate.

#### Overview of the G.U.T.S.™ Sales Method

I would not be successful in sales if I did not learn this question based method. It allows you to have a blank check for the rest of your life, no matter what product or service you're involved in. I've worked a long time to get to the financial freedom that my family and I now enjoy. We live in different parts of the country – in the mountains in Colorado and by the beach in San Diego. We have a wonderful life, we're debt free. We make a wonderful income, we have financial security and it's all about learning how to give good phone. It's about having a Sales Method so that you're in control, so that you feel good about yourself, so you're not getting the rejection like all of your competition.

I often tell people that I define success as follows: You can take everything away from me, all the money, the security, the houses, the cars, everything. You could literally take it all away from me, put me in Times Square with nothing in my pockets and I guarantee you that I will find a way to get to a telephone. I will find a way to be up and running and I will be back on top in 30 days. And when you can say that, you're truly successful. It's not about the money, the wealth and the things you accumulate. It's about the freedom, the self-esteem to know you can do it over and over again. That's what the Sales Method did for me. It's not so much about the type of business, but rather about having a method that allows you to be in control, to live your life the way you want, to feel good about yourself. No one is ever going to reject you again. You have the ability to reject the prospect. You're in control with the G.U.T.S. Sales Method.

Let's do a quick review. We've basically talked about the 3 steps, the **Agenda**, **Qualification** and the **Close**. We're not going to do transparent or obvious bonding and rapport because we know that's superficial. What

we are going to do is gain trust. We're going to ask permission to ask questions. We're going to Draw a Road Map with the prospect and we're going to tell them it's OK to say 'no' to us because we like the word 'no'. We love the word 'yes' more, but we want to get the 'no's' out of the way so we have the time to spend with the 'yes' or what we call the high probability prospects.

We then move up to Qualification. Instead of giving presentations right away, like our competition does, we have the right to ask questions. We have the right to know what their needs are. If we can't find their needs, we have to create their needs. We know our business, we know why people sell properties, why people want to move into them and we have to raise these needs. We have to exacerbate existing needs, make them worse because we know people buy things when they are emotional, not because they are studying and reviewing information. They take action because they are emotionally involved. We know that we have to find out what kind of money they have available because if they have no money, it doesn't matter how strong their needs are, it's over.

We have to know the time frame. We have to know how they make commitments. We need to have all this information up-front and remember, one of my most important rules is that there are **no** presentations given up-front. You give no presentations, no matter how much you are dying to, you don't answer their questions until you've qualified the prospect up-front. You're in control.

We also get all this information by asking questions. That is the fuel for ascending the Staircase of Success. We have to ask questions in a certain way, with finesse. We have to ask them the right way. We redirect their questions. Sometimes we do the ignorant redirection or the multiple choice redirection, at other times we enlist the positive or negative redirection and other times we make use of the magic lamp redirection. There are so many different ways that we can redirect the questions, with finesse, that they don't even see us asking the questions. And we feel wonderful about ourselves because we are getting the hard information that determines whether we should spend more time with this prospect or it is over.

We then move to the final step, the Close Step. This is where we review all the information. We then see if our product, service or real estate can satisfy their needs. Then we move to the Triple C. We Confirm, Change and Close. I'm going to tell you one caveat here. This is a tough method. This is going to take practice. My mentor used to say, Claude, everybody wants to be rich, but few are willing to pay the price. The price of success, of financial freedom is getting a method that works. You are going to have to put time into this. This is not intuitive. When you were in school, you were told that when a teacher asked you a question, you had to answer. Now along comes Claude and he's telling you, Don't answer questions, rather redirect them into other questions because that's your right. This is going to take time. This is going to take practice, but I can assure you that this is the way to success. Sales the Million Dollar Skill. I would not have the freedom and the wonderful lifestyle today if it wasn't for sales. Please remember that I was a former "World's Worst Salesman". I was the kid in the back of the room who never raised his hand. I was the person who never spoke up. You can change and sales is the way you can get to your financial dreams - to the life you deserve.

### HOW TO SELL WITH G.U.T.S.TM Sales Skills Article

Sales Skills are the Missing Link for Success in Creative Real Estate By: Claude W. Diamond J.D.

Why Do Creative Real Estate Investors Fail? What is the missing link for success in the best business in the world? There are more book and tape packages, gurus, boot camps, seminars, conventions, speakers, internet news groups than ever before and yet something is REALLY WRONG.

I remember when I discovered Lease Purchasing, I was on pure adrenaline. I finally had a strategy for making money in real estate without all the traditional hassles like banks, repairs, large down payments and tenant management (yuck). Things were going great compared to the way they used to be (I was making money without the usual investor problems), but I was still not getting to the higher income levels that I set as a goal for myself. I was making tons of cold phone calls everyday and contacting all kinds of owners and landlords.

Some folks would hang up, some would ask me questions for hours and literally get a free consultation, some lied to me in order to get my contracts for free, others were out and out rude. It was a tiring process of phone calls, going to properties where the owner said one thing on the phone and then another when I arrived. I was hearing stuff like 'I have to think about it', or 'I'll get back to you', 'send me a brochure', 'leave me your contracts' or the famous, 'I have to speak with my spouse'.

I was working VERY HARD and yes, things were better than they had ever been in my investor career, but I wanted more! I wanted to work smarter, have more fun and Control in the selling process, skip all the prospect rejection and make a much higher income. I knew that I needed to learn how to be a better communicator, yes a better salesperson. Up until that time, the only sales training I had was from K-Mart! (I learned how to turn on the blue light gizmo that you often see wheeled around the store and give the corny speech they teach you!)

Later in Corporate America, I was given some brochures and an order book and told to go see existing clients and some prospects. In other words, I had no training whatsoever. If I was going to succeed, I needed something more.

I began an education process very similar to most of you. I bought all the popular sales books, tapes and attended several weekend seminars. The information was usually more motivational than hands-on practical. I needed an organized system of sales that was unlike the tired old systems that everyone else was using. I asked everyone I knew who were successful in sales the following question, who is the best salesman you ever met? I kept asking until I heard the same name repeated over and over. His name was Max.

So I sought Max out and sure enough everyone was right, he was the best salesman I ever met! He was a self-made millionaire who reinvented sales because he found that he was encountering the exact same problems that all salespeople had to endure. Time wasters, lack of respect, no control over the sales process, frustrating cold calls, indecisive prospects, free consultations and what he considered to be the greatest sin of all, Not going to the BANK often enough.

Max decided that most of the sales techniques being taught were the same old tired stuff that all the prospects knew almost as well as the salesman. It was time for something new. A new way of selling that would qualify the prospect in the first couple of minutes, right upfront. It would allow the salesman to make a contract and close the prospect before any sales presentation would be made, it would allow the sales professional to have tons of fun and feel totally empowered and in control. Best of all, it would give you the skills to make as much money as you wanted!

I was really excited because now I had the missing pieces of knowledge that I needed to reach my income goals in Creative Real Estate with Lease Purchasing. Let me share with you some revolutionary ideas that will change your life, empower you and raise your confidence level to heights you never knew could be possible, put you in

control in the sales process and make you enough money to choke a horse.

- A. Sales is about you going to the (*fill in your name here*) BANK. (Sorry if I just offended the touchy feelys).
- B. Sales is the most important skill you can have to make your business grow and to be prosperous; Sales <u>is</u> a Million Dollar Skill (Hmmm, this would make a great title for a sales tape set). If you are in sales, it is about you making a difference and solving peoples' problems with your products and services. It is not about being a free consulting service. You need a way to constantly learn, keep focused and reinforce your techniques.
- C. The Three Minute Qualifying Rule. You must be able to qualify your prospect on the phone in three minutes or less. You must learn the art of asking questions and reversing questions from your prospect in order to find out whether you have a live one or a time waster. Do they have a problem you can solve? Can they afford to fix it? Are they the decision maker? These are the questions that absolutely must be asked and answered, otherwise you are giving a free consultation and just wasting a great deal of time. Why spend time with the 80% who will never buy when you can qualify and work with the HOT 20% who will?
- D. You must create an understanding or Agenda during the initial conversation with the prospect. There is no sense in not getting to the point; you must set the ground rules in the beginning or you will have to argue them later and possibly lose the sale you worked so hard for. Learn how to get the prospect to say 'yes' or 'no' and none of that 'I have to think about it' or 'I will get back to you later' stuff.
- E. Stop begging for the order! Everyone wants to buy, but few want to be sold. Let the prospect come to their own natural conclusion and give you the sale. You just lead them by re-direction.
- F. Never make cold calls! I don't know about you, but I hate cold calling folks out of the blue and being treated like a long lost cousin who

is asking for money. Create an environment where you only make warm or hot calls.

- G. Make the Prospect Uncomfortable. If your prospect is feeling uncomfortable then you're doing something RIGHT! That's right, the pressure should always be on the Prospect, not on you. If you're feeling uncomfortable then you're doing something wrong. You should be in control and have fun while making money.
- H. Never carry a brochure, business card, pen, attache, nada, nothing. Believe it or not, this one idea will help you to close more deals and you won't have a sore arm or back from lugging too much unnecessary stuff!
- I. Get a G.U.T.S. Sales System (great untraditional-unorthodox techniques of selling) now, whether you have a product or service to sell or just want to become a better communicator. Trying to sell something without a simple system is like going to a Chucky Cheese pizza palace on a rainy Saturday WITHOUT ASPIRIN. If you aren't having fun and making buckos, then you are doing something wrong. There are no bad prospects only bad salespeople.

## HOW TO SELL WITH G.U.T.S.™ G.U.T.S. SELLING METHOD EXAMPLES

#### Why Typical Creative Real Estate Investors do NOT go to the bank!

(Because they don't have a G.U.T.S.™ Sales System!)

You know I love creative real estate and that I think it is one of the best ways to have financial freedom while working from home. There are a few problems however: many investors that I meet work way too hard, do too much unprofitable running around and eventually quit out of frustration. There are plenty of books, tapes and seminars on real estate strategies, but nobody is spending any time on the Sales Skills necessary to make it in this business. No one except us, that is.

The following is a tasty sample of The G.U.T.S.™ Sales Method.

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**Do you give good phone?** Investors make crazy offers on the phone without qualification which either aggravate the prospect, create an adversarial relationship or are downright embarrassing.

**Prospect:** What is your offer?

**Typical Investor:** I am looking for a home that I can buy with little or nothing down. Would you do owner financing, carry back your equity, refinance the property and split the cash with me? Would you put the property into a trust, sign the deed over to me, move out and let me put tenants in it with little or nothing down?

**G.U.T.S.™ Investor:** Mr. Seller, I don't know what I want to offer you, but would you mind if I ask you a few questions so we can determine whether or not we can do a deal together? What do you want? What are you looking for, how do you make decisions of this important nature? What is your time frame?

**Rule:** Ask questions, act like a professional, not like a person who just came from a weekend *get rich* seminar.

#### Do you suffer from the agony of Premature Presentation?

Most real estate investors give free information without getting any information or commitment from the prospect in return.

Prospect: How would you market my home?

**Typical Investor:** *Mr. Seller. we would take out ads, put up signs, hand out brochures, Yada-Yada-Yada;* (until the prospect falls asleep ZZZZZzzzzzzzzzzzzz and becomes comatose from boredom).

**G.U.T.S.™ Investor:** That's a great question, Mr. Prospect. Why is the marketing of your home so important to you? You must have asked me that question for a reason.

**Prospect:** The last investor I worked with did conventional marketing, the home stood empty and he gave it back to me. What can you do differently?

**Note:** Our G.U.T.S. salesman does not give out information/presentations, but turns the question into a question and gets into the head of our prospect to learn what her **hot button is**. A smart investor gets enough information first.

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#### I would rather do it myself!

**Prospect:** Why do I need you when I can do this myself?

Typical Investor: I doubt it, sir, otherwise you would have done it already. We are

highly trained professionals.

**G.U.T.S.™ Investor:** Sir, I was thinking the exact same thing. You strike me as a handson person who is more than capable of marketing his own home. Why bring in a 3rd party investor and diminish your profits when you can keep it all? Suppose I told you that we have a consulting program where we provide you with the contracts, a marketing and sales plan and 30 days of unlimited consulting. You would recoup the reasonable consulting fee we charge and still make an up-front profit. Is that something we should discuss or are we done?

**Rule:** The G.U.T.S. investor turns an objection into a solution and makes money upfront re-marketing his knowledge.

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**Come on down, I'm Lonely!** The seller/owner invariably wants you to come by the home without making any up-front commitment. Most of the time, the investor doesn't get enough information or an up-front commitment. It's all a waste of gas and time unless you show some G.U.T.S. and learn that 'No' is OK if you hear it in the beginning.

**Seller:** Sounds great. Come on by the home and let's talk. **Typical Investor:** I will come by today at 1:00 PM, thank you.

**G.U.T.S.™ Investor:** I would love to come by your home sir, but before I do that, could you tell me what we need to do in order to make a deal happen today? If I do come by, can you tell me either 'yes' or 'no' and not, 'I'll think about it'? Are you the only person on the deed? If not, will the other person, spouse, investor be there?

**Rule:** Work Smart and determine up-front that you are going to the home to pick up a check or a contract.

# HOW TO SELL WITH €.U.T.S.™ Role-Plays with the G.U.T.S. Sales Method

The following pages contain valuable role-plays which were sent to me by a few of my Mentees. I normally allow my students to record these role-play sessions to study at a later time. The recording can be transferred to an iPod or audio CD to listen to and to review. The role-plays are pretty much in their original state with minimal editing.

#### **Role-Plays with Claude**

#### Talking to an Investor who wants Free Information and Contracts

CLAUDE: Hi John, how can I help you?

JOHN: I'm working on this deal. It's my first deal and I'm just not comfortable ....

CLAUDE: What kind of deal is it, John?

JOHN: I'm hoping to get a lease option from this seller.

CLAUDE: What do you want to do with it? Live in it, sublet it, assign it, buy it?

What's your goal here?

JOHN: Probably sublet it.

CLAUDE: All right. What is the problem?

JOHN: I don't have any forms.

CLAUDE: Just go to your attorney.

JOHN: I really don't have one to work with.

CLAUDE: That could be a problem. Anything else?

JOHN: I have a number of questions about how best to do the deal. Like I said, it is my first deal.

CLAUDE: There are a lot of different ways to do this. Have you taken any courses, bought any programs or taken any seminars?

JOHN: I went to a Ron LeGrand course.

CLAUDE: Oh. Good course. So did you call Ron with these questions?

JOHN: Well, he is not exactly easily available. I have never talked to him.

CLAUDE: What were you hoping to get from me today, John?

JOHN: Well, some advice on the best way to do this. Maybe a copy of some forms and stuff like that.

CLAUDE: John, suppose there was a way I could get you the right contracts and save you all of those expensive attorney fees, get you a manual so you would know how to market this property, know how to negotiate it and get you some supplemental CDs and DVDs so you do this the right way? Do you think it would be worth spending \$1595 to do that?

JOHN: Wow. That was a lot more than I was expecting to pay.

CLAUDE: What were you expecting to pay, John?

JOHN: Well, I was hoping to get something for free.

CLAUDE: John, how should I reply to that? Do you really want to take advice from someone who doesn't place a value on his knowledge? How much is this property worth?

JOHN: It's worth about \$250,000.

CLAUDE: You are going to spend a quarter of a million dollars, but you want free advice from me? What's wrong with this, John?

JOHN: I guess that doesn't make a lot of sense.

CLAUDE: If I thought that little of myself, would you really want to take any advice that I would give you?

JOHN: That's true.

CLAUDE: If you needed surgery, would you want the cheapest doctor or the best? JOHN: Obviously the best.

CLAUDE: You could probably get someone at a clinic for free.

JOHN: Yeah, I know.

CLAUDE: You could save all of that money.

JOHN: Yeah.

CLAUDE: But you might be dead. Life's a trade-off, John.

JOHN: Yeah.

CLAUDE: You are going to take on a quarter of a million encumbrance. Do you want to do it the right way or do you want to do it the wrong way, lose money and end up in court?

JOHN: I definitely want to get the deal.

CLAUDE: How are you going to solve the \$1595 issue? It is still a lot of money, as you said.

JOHN: Well, If I come up with \$500 now, can I pay the rest in a month?

CLAUDE: Oh boy. I don't know. Let me think about that for a second. Let's just pretend for a minute that I was willing to accept that. You couldn't do that on a credit card now, could you?

JOHN: I could do the first \$1000 on a credit card.

CLAUDE: I'm sorry. What? I couldn't hear you?

JOHN: I can do the first \$1000 on a credit card.

CLAUDE: You put me under a lot of pressure. Are you sure you are comfortable doing that? I can get it out to you today if that is what you want to do and if I accept it.

JOHN: Yeah. I really need to get working on this deal right away.

CLAUDE: And the other \$595, thirty days from now? On the same credit card? Is

that fair?

JOHN: That will work.

CLAUDE: OK, you got it.

Claude Rule: A presentation is nothing more than the dissemination of free information.

#### Seller is Calling Us with a Desperate Deal

CLAUDE: Hello, Diamond Consulting Group. How may I help you?

JOHN: Hi, this is John.

CLAUDE: Hi John. This is Claude Diamond. How can I help you today?

JOHN: I've got this house that I am trying to sell and was wondering what is it that you offer? What kind of program do you have?

CLAUDE: I don't know.

JOHN: Uh, well I'm wondering whether you can help me?

CLAUDE: I don't know, John? What were you hoping to get from me today? I don't know you. I've never talked to you before, have I?

JOHN: No.

CLAUDE: I don't know. Did you write me? Do I know anything about this deal or anything?

JOHN: No. I saw...

CLAUDE: What were you hoping to get from me today, John?

JOHN: I was hoping you could buy my house.

CLAUDE: You just call up total strangers and hope they will buy your house?

JOHN: No, I saw your sign that says, 'We buy Houses'.

CLAUDE: Yes, we do have a sign like that. Why are you selling this house? You don't mind if I ask you a few questions, do you? I usually don't buy houses unless I get some information.

JOHN: I just can't afford to live here anymore. I really need to get rid of it.

CLAUDE: OK. You know, that is interesting. Are you living in it now?

JOHN: Yeah.

CLAUDE: How much is it worth? Real world.

JOHN: About \$160,000.

CLAUDE: How did you get to that price?

JOHN: We had a real estate agent look at it awhile back.

CLAUDE: When you asked your real estate agent why he or she can't sell your house, what was the response?

JOHN: There wasn't enough equity to pay for the real estate agent.

CLAUDE: What did they mean by that?

JOHN: Well my mortgage is \$160,000 and I would have to come up with money at the closing. I can't do that.

CLAUDE: You mean the house is worth, how much again?

JOHN: \$160,000.

CLAUDE: And the mortgage is \$160,000?

JOHN: Right. We had to take out a second to pay some bills and it adds up to \$160,000 now.

CLAUDE: What is your monthly payment on the first and second, John?

JOHN: Between the two of them, about \$1,600.

CLAUDE: And this is a house or condo or a Maytag box?

JOHN: It's a single family house.

CLAUDE: You have a hell of a problem here, John. I don't know how I can help you. I'll have to think about it for a minute. Let me ask you something. If you did get an offer for your property, where you wouldn't lose any money, what do you think your response would be?

JOHN: That would be great if I could get my \$160,000.

CLAUDE: But you're not going to get \$160,000. The bank is going to get it.

JOHN: Oh. Yeah.

CLAUDE: Let me think about this for a moment. Who is the decision maker in this whole situation, John?

JOHN: Well, my wife and I would have to agree on this together.

CLAUDE: OK. And what is your budget, John? How much would you be able to pay me if I took this house off your hands?

JOHN: Pay you? CLAUDE: Yeah.

JOHN: I was hoping I wouldn't have to pay you anything.

CLAUDE: John, I was hoping that I would be 6'5", but I am only 5'8"! Wishes are wonderful things, but you are asking me to take a house that is over encumbered and just pay retail for it. I'm an investor, John. I am not someone who is going to move into this house.

JOHN: Right.

CLAUDE: So is that a deal killer for us? Frankly, I would need at least \$5,000 to even consider doing this deal with you.

JOHN: I don't have \$5,000.

CLAUDE: What do you have? Could you share your budget in round numbers?

JOHN: Well, I am almost at the point where I can't even make the next payment.

CLAUDE: You've got a heck of a problem here, John. Suppose that I was willing to consider this, you wouldn't be able to do this transaction by December 15th, would you?

JOHN: I could move out by then.

CLAUDE: Are you behind in any payments, if you don't mind my asking?

JOHN: I still haven't made the November payment.

CLAUDE: So you are one month behind literally.

JOHN: Right.

CLAUDE: You said that's \$1,600 a month, right?

JOHN: Yes.

CLAUDE: Since I am waiving the \$5,000, would you be able to subsidize the rent for one year? I pay the \$1000 and you pay the other \$600 for the first year. The second year, I pay the full \$1,600.

JOHN: Yeah, the second is about \$600.

CLAUDE: You are the one who took out the second. You're the one who borrowed the money. Shouldn't you be the one who pays it?

JOHN: Yeah.

CLAUDE: Is that something you could afford or be comfortable with?

JOHN: Yeah, it would be tough, but that would be better than having it go into foreclosure.

CLAUDE: Absolutely. Suppose I were to come over to your house, meet with you and your wife. You like me and I like you. We sign a two year contract to rent this property with an option to purchase, \$1000 per month for the first year's rent, \$1,600 per month for the second year and I'll waive my \$5,000 fee.

JOHN: Yeah, I would definitely consider that.

CLAUDE: 'Consider it' means what, John? I'm very busy. I'm juggling several deals right now. Is that something you and your wife would be comfortable with or should we call it a day?

JOHN: Yes, let's meet.

CLAUDE: And what will happen after we meet? How will your wife feel about this deal?

JOHN: She is pretty desperate to get rid of the house, too.

CLAUDE: Tell you what. You talk to your wife about what I offered and can you call me back at 1 o'clock this afternoon? No. Make it 1:15.

JOHN: OK. Let's do that.

CLAUDE: Just let me know if you want to move ahead, if your wife is comfortable with it. If she is not, it's OK. But I'd just appreciate a phone call. If she is comfortable with it, I will come over tonight, I'll re-explain everything and if we want to move ahead that's wonderful and I can get you out of this property and stop the possible foreclosure. I'll pay off the back month's encumbrance and we will go forward.

JOHN: OK.

CLAUDE: How does that sound?

JOHN: That sounds good.

CLAUDE: Good.

#### 'Let's Pretend' Redirection or 'Suppose' Hypothetical Redirection

CLAUDE: Hi. How much do you want for your house, John?

JOHN: I really want \$300,000.

CLAUDE: What do you mean 'really'?

JOHN: I need \$300,000 to pay off the mortgage ...

CLAUDE: What's the problem? It sounds like a nice house. Why don't you just give it to a realtor and sell it for \$300,000?

JOHN: I've talked to realtors and there's just not enough equity to pay for it; to pay for the real estate agent.

CLAUDE: You mean you owe \$300,000 and you are trying to sell it for \$300,000.

JOHN: Well, I owe about \$275,000 and if I have to get a realtor involved at 6%, we are talking an \$18,000 commission. I wanted to have some equity so that I could put it into another house.

CLAUDE: Oh, I see. Why don't you refinance the house and take out \$25,000?

JOHN: My credit is not great, so a refinance probably wouldn't work.

CLAUDE: Suppose I was able to give you the \$300,000, but it would have to be a delayed closing for at least 12-24 months, what would you say to that offer?

JOHN: So that means I wouldn't get any of my money for another year or two?

CLAUDE: That's right.

JOHN: Well, that wouldn't be my first choice.

CLAUDE: OK. Let me ask you one other thing before I get off the phone. Let's pretend that I could make it \$325,000. What would you say?

JOHN: Well, that sounds a lot more interesting.

CLAUDE: Which means?

JOHN: Yeah, I would definitely consider that.

CLAUDE: And what is involved in 'considering', John?

JOHN: Well, I'll have to work through the numbers, but...

CLAUDE: The numbers are pretty clear, \$325,000 with a 2 year rental. How much is your mortgage?

JOHN: The mortgage is \$275,000.

CLAUDE: I meant the payments?

JOHN: About \$2,300.

CLAUDE: \$2,300 seems a little high.

JOHN: Yeah, well like I said, I don't have the greatest credit.

CLAUDE: How are you going to buy a new home if you don't have the greatest credit, if you don't mind my asking? Why don't you stay in your home?

JOHN: We are looking at one of those rent-to-own homes.

CLAUDE: You are in a nice home now, in a good neighborhood. You've got a little equity. Why don't you just stay there and rebuild your credit? Why this great leap into another house?

JOHN: The \$2,300 a month is pretty high for us.

CLAUDE: I see. That's a problem for a lot of people. What do you think a house like that would rent for in your neighborhood?

JOHN: Probably for about \$1,800.

CLAUDE: I guess the ball is in your court, John. I'm willing to do business.

Would you be comfortable doing a rent-to-own? I could work out something.

JOHN: Yeah. My problem is I really wanted to have some money for moving and that kind of thing.

CLAUDE: It's just not there, John. Not for this deal. Shall we call it a day?

JOHN: No. No. No.

CLAUDE: I've got other deals to work on. I'm pretty busy.

JOHN: Yeah, I understand. No, let's get together and talk.

CLAUDE: We are talking right now, John. Give me some meat and potatoes.

JOHN: Let me talk to my wife about it and get back to you.

CLAUDE: You're a newlywed?

JOHN: No.

CLAUDE: How long have you been married?

JOHN: Ten years.

CLAUDE: That's wonderful. You go to your lovely ten year bride and say 'honey, a guy wants to buy our house, he'll cover our PITI, but we aren't going to get any cash out of it'. What's your bride going to say?

JOHN: She really wants to move, so I'm sure she'll say 'yes'.

CLAUDE: I'm sorry. What?

JOHN: I'm sure she will say 'yes'.

CLAUDE: OK. Tell you what. Talk to your wife and call me back at 3:00, no make it 3:15 this afternoon.

JOHN: Yes.

CLAUDE: That's all my schedule will allow. I'm sorry. It's going to have to be 3:15 sharp. Can we do that?

JOHN: Yes, I'll do that.

CLAUDE: We will talk about it and if we can work something out, wonderful. If not, we will call it a day.

JOHN: OK.

CLAUDE: Thank you.

#### Talking to a Potential Buyer - "Subject To" Deal with Financing

KAREN: Hi, I'm calling about the house you have. Can you tell me about it?

CLAUDE: Yeah. It's \$150,000. It's worth about \$185,000. You've got to fix it up and put \$10,000 in, but you don't need to go to the bank as you can assume it. It's in a land sale contract.

KAREN: So, would you be willing to carry the loan?

CLAUDE: What do you mean by 'carry the loan'?

KAREN: Well, I mean... My husband and I are investors and we are new to this. I've been looking in that area, but I haven't really come across anything that works yet. I was wondering what the price is. Can we pay our mortgage directly to you?

CLAUDE: Let's pretend that I could do all of those things, what would happen next?

KAREN: I would definitely want to look at it.

CLAUDE: OK. And then? Let's pretend that you like it.

KAREN: I need to talk to my husband about it because he is going to have to do all of the work on it.

CLAUDE: And if it was work, he could do it?

KAREN: If it was work, he could do it.

CLAUDE: What?

KAREN: I think we would want to buy it.

CLAUDE: You think, or... I mean is this what you are looking for?

KAREN: Well, I haven't seen the house yet. How can I ...

CLAUDE: Let's pretend that you like it. It's the sweetest little white picket fence

house in the world.

KAREN: If I like it, I would buy it.

CLAUDE: What?

KAREN: If I like it, I would buy it.

CLAUDE: I'm having a hearing problem today. It's the altitude. You wouldn't have any money to put down as a commitment towards this home, would you?

KAREN: Since we would have to be putting a lot of money into it, probably not a whole lot.

CLAUDE: What do you mean by 'not a whole lot'? KAREN: You know, a couple of thousand dollars.

CLAUDE: You mean five or six?

KAREN: I don't think we could come up with that much.

CLAUDE: We've got a problem. I can't do this deal for less than \$5,000 up-front.

KAREN: Oh, wow! What if I could put down \$2,000 now and \$2,000 later? Can

we do installments?

CLAUDE: What if I said \$2000 down and \$1000 per month for 3 months secured and paid by a credit or debit card? What would you say?

KAREN: OK, we can do that.

#### **ROLE-PLAY - "IT'S OVER"**

CLAUDE: So, John it sounds like you're interested in the house. Do we want to set up a meeting?

JOHN: Yes.

CLAUDE: To take a look at it?

JOHN: Yes.

CLAUDE: When would you like to meet at the house?

JOHN: How about tomorrow night?

CLAUDE: That is going to be really tough, my wife and I have previous plans. Is there any chance we could meet today?

JOHN: I work at Quiznos and I've got to be there until at least 4:00.

CLAUDE: Okay, could we meet at 5:30?

JOHN: Yeah, okay, I think I can make that.

CLAUDE: Do you think or do you know?

JOHN: Yeah, okay I will make it.

CLAUDE: Okay, great. Let me ask you something. If this was a house you liked, are you the only person who makes the decision?

JOHN: It's just me.

CLAUDE: Okay, you mind if we talk about money for a minute?

JOHN: No, that's fine.

CLAUDE: Do you want to purchase this house or do this as a rent-to-own?

JOHN: I would like to do a rent-to-own.

CLAUDE: Okay, great. Could you share with me, in round numbers, what kind of budget you have, what kind of money you could put down as a commitment towards this property?

JOHN: I could come up with \$150 in about a week or so.

CLAUDE: That is wonderful John, but there is no point in us meeting or discussing this further.

JOHN: I would really like to have the house.

CLAUDE: Did you really think you were going to get into a house for \$150?

JOHN: Well, I can come up with more when I get my next paycheck.

CLAUDE: What do you mean by more, John?

JOHN: I think over the next month, I could come up with about \$700.

CLAUDE: Well, gee, if you threw in a sandwich, maybe I'd consider it. No, I'm kidding.

JOHN: I understand.

CLAUDE: John, how old are you?

JOHN: About 40.

CLAUDE: 40. You've been renting all of your life?

JOHN: Actually, I have been living with my grandmother for the last two years.

CLAUDE: Why am I not surprised? John, we can't do business. I need a minimum of \$5,000 or this conversation is over.

JOHN: Well, I guess I won't be able to do it then.

CLAUDE: Exactly.

## HOW TO SELL WITH G.U.T.S.™ G.U.T.S. and Creative Real Estate

Now that we've gone over the G.U.T.S. Sales Method©, I want to talk about how this system can be put to use in your Creative Real Estate business. When I mentor people in Lease Purchasing, I specifically tell them that there are two things we have to do. We have to find buyers and we have to find sellers. We have to find property owners or landlords and we have to find tenant-buyers. We also have to work smart with these people. We have to qualify them so we are not wasting our time with tire kickers.

Usually our first point of contact with tenant-buyers, the buyers or the renters, is on the phone. What many of us did in the old days was to meet with these people at a coffee shop or for breakfast or lunch. We would go to the property and show it to them or we might have spent a great deal of time on multiple phones calls, giving away a lot of free information. Those days are over with the G.U.T.S. Sales Method. I can tell you frankly that I did it the old world way; I spent a lot of time with people even though I did not have a clue about their needs, about the money available to satisfy those needs, their urgency, their time frame, or how they made commitments.

With the tenant-buyer, for instance, the quick key question is: Why is he looking for a property? You may want to think ahead of time what questions you need to ask, what you need to know about a prospective buyer in order to do business. My nickname, by the way. is "One Call Close Claude". Why? Because in one phone call I can determine if this is a tenant-buyer with whom I can do business or if I should politely get off the phone quickly.

What you want to do ahead of time is think about the questions you need to ask in order to determine whether or not you can do business with this person. Take a fresh piece of paper and write down those questions. Let's talk about a few of them. Why are you looking to get into a property? Why don't you continue renting? Remember when we talked about negative and positive redirection? When you go in the opposite direction the prospect expects you to, if you do this correctly, your prospect will do the presentation for you. They'll tell you why they are looking for a property, what

their sense of urgency is, what their time frame is. They'll tell you everything you need to know. Your prospect will do the work for you if you ask your questions, you redirect your questions, in a positive or negative way.

Remember, the prospects expect you to be forthcoming with your answers. You might just want to turn their questions into your questions and even go in the opposite direction from what they expect of you. So you should write down questions like:

Why are you looking for a house?

When did you want to move?

Do you have a budget?

Do you want to spend the same amount for rent or more?

How much money can you put down?

What stopped you from just going out and buying your own property right now?

Why are we talking today, Mr. Prospect?

Can you imagine being able to get all of this information up-front, if you were a mind reader, if you were Kreskin? If you could read the mind of your prospect you would know that maybe they didn't have any money to do a deal. Maybe they weren't planning to move for at least six months. Maybe they can't make any other decisions unless they have their partner or spouse available. Wouldn't it be great to read their mind and know this all up-front before you spend countless hours giving away free information? Wouldn't it be great to be a mind reader?

Well we can't be mind readers, so we have to learn how to ask questions with finesse, to redirect questions, to get the information we need up-front. I want you to think about the questions to ask and practice a little. When someone asks you a question, turn their question into a question so that you learn to work smart with your prospective tenant-buyers. If your tenant-buyer doesn't qualify, get as much information as possible and add it into your database. Maybe set up a tickler file so you call them back at another date. But know right up-front it is not worth getting in your car; it's not worth mailing tons of literature. It's not worth meeting them and waiting around and giving tours of houses. This is the difference between some-

one who can make a very high six or seven figure income and someone who is just spinning their wheels like a gerbil in a cage. Eventually the wheelspinners get frustrated from all of the rejection and quit. Learn to work smart and remember, you have a right to ask questions of your prospective tenant-buyer.

Let's change gears and talk about the seller or the landlord of a property that we're looking to control and do business with. What are the questions we need to ask the owner of the property?

Why are you selling the home?

What are you willing to get for the home?

How did you get to the price of the home?

Would you be willing to let me rent your home and buy it sometime in the future?

Can we work together if there is a way we can move your home in the next 30 days for the top sales price without paying a real estate commission? (If you're not a realtor.)

These are the questions you want to have in your head when speaking to the owner. You should ask them, once again, with finesse. Ask them in such a way that you're not giving information, you're getting information. You want to find out if this seller is motivated. On a one to ten scale, what is their need level? Are they living in the house or is the house vacant? Why are they selling the house? Are they moving? Are they being transferred? Are they building a larger home? Is it a family situation? Why do they have this house for sale or for rent? You need this hard information up-front so that you can determine how you can do business. Which strategy will you use? Will you use lease purchasing? Are you going to do a sandwich with this person? Are you going to do an assignment? Are you going to do a land sale contract? If you're a realtor, how are you going to list the property? Is the listing commission a question here? Do they want 6% or are they willing to do it for 3%? These are the questions you need to ask.

Your competition is going to jump in and because they're so glad to get a prospect in front of them, they're going to just give it all away. They're going

to give a presentation. They're going to do their Power Point Million Dollar slide show. You, on the other hand, are going to sound like a doctor. You're going to ask questions so you can do your diagnosis and determine if this is a prospect you can do business with or someone to get away from very quickly. Remember, 'no' is a great answer if you get it early. You don't want to get a 'no' after investing hours or days or months on a prospective deal. Isn't it better to get a 'no' up-front?

So I've discussed buyers, sellers, landlords and what kind of questions we need to ask using the G.U.T.S. Selling Method. When I mentor people, I talk about multiple streams of income. I talk about consulting with people. I also talk about selling products. We use the exact same method. I often get someone in another state or country who is interested in Creative Real Estate or lease purchasing and they're ready to ask me a lot of questions. In the old days, I used to spend hours on the phone answering all of their questions. Then one day my wife heard me giving away all this free information and really gave it to me. She said, You were willing to pay the price, why don't you make your prospects pay the price? From that one idea from my wife, I discovered there is a different way to do real estate. I could ask the questions to qualify the prospect and I can consult with people. Many of you have spent a lot of time and money on education and doing deals. You don't have to give it all away. You can consult with people. You can get paid for your time, knowledge and energy, but here again, you have to qualify that prospect. What are their needs? How urgent are their needs? What is their time frame? Do they have money available to pay you? How do they make decisions for paying for consultants as well as for products? I sell a great deal of products, really good informational products like the one you are reading now. And I'll ask people what they're looking to accomplish, what their budget is. Not everybody is willing to pay for a consultant or a mentor. They don't have the money available right now, but maybe they want to spend a smaller amount on informational products. It's better for me to learn that up-front than to be investing an hour or two with someone who can't afford a consultant. So, no matter what aspect of Creative Real Estate you do, whether you are doing sandwiches, assigning, buying properties, foreclosures, selling products, consulting or coach-

ing your clients, you need to use the G.U.T.S. Sales Method© to be successful. Sales is the Million Dollar Skill and it is necessary for success.

I've been mentoring and teaching people for years. I've had marvelous people who really took their studies seriously. They learned the strategies. They knew the different ways of doing Creative Real Estate, not just lease purchasing, my favorite, but other strategies. Here's the sad fact, they still fail. You know why? Because no one ever taught them how to sell, how to market or how to negotiate. No one ever taught them that sales is not just about going out and giving away free information. It's about working smart, feeling good about yourself, having high self-esteem, asking the questions and moving from step-to-step in an organized, methodical way. This is the way you become successful in Creative Real Estate.

# HOW TO SELL WITH G.U.T.S.™ The Last Word

We are coming to the end. I'm going to tell you about myself and the web page where you can get more information on this innovative method. I'll tell you how to contact me if you'd like to learn more about the G.U.T.S. Selling Method. First, if you'd like more information, I suggest you go to my web page. It's www.claudediamond.com.

I also have newsletters with articles on the G.U.T.S. Sales Method<sup>®</sup>. I have a ton of free information for you. I also have a free ebook on the G.U.T.S. Sales Method<sup>®</sup> which you can download right from the web page. If you'd like to learn more about G.U.T.S., we also have a Mentor Training program where I would personally train you. I have yet to meet someone who does not substantially increase their sales in Creative Real Estate or whatever sales they're in as a result of the G.U.T.S. Sales Method<sup>®</sup>. It's a marvelous method. It allows you to have a blank check for the rest of your life, no matter what product or service you're involved with. I've worked a long time to get to the financial freedom that my family and I now enjoy. We live in different parts of the country, in the mountains of Colorado and by the beach in San Diego. We have a wonderful life, we're debt free. We make a wonderful income, we have financial security. It's all about learning how to give good phone and knowing a sales method that puts you in control, so that you feel good about yourself.

I have one caveat here. This is a tough method. This is going to take practice. My mentor used to say, *Claude, everybody wants to be rich, but few are willing to pay the price.* The price of success, of financial freedom, is finding a method that works. But, you are going to have to put time into this. This is not intuitive. When you were in school, you were told that when a teacher asked you a question, you had to answer the question. Now along comes Claude, and he's telling you, *Don't answer questions asked of you, redirect them into other questions because that's your right.* This is going to take time. This is going to take practice. But I can assure you that this is the way to success. Sales is the Million Dollar Skill. You would not be reading this today, I would not be making the income and having the freedom and the wonderful lifestyle that I enjoy today if it wasn't for

sales. Please remember that I was a former "World's Worst Salesman." I was the kid in the back of the room who never raised his hand. I was the person who never spoke up. You can change and sales is the way you can realize your financial dreams and the life you deserve.

As you can tell, I am very passionate about sales. I really believe this is the answer to success in real estate or whatever area you're in. If you'd like to contact me, my number is (800) 324-4652. Feel free to call me. That number goes to my different homes. If I'm not there, leave a message and I'll personally call you back. I love talking about sales, real estate, coaching and mentoring. I hope you got a lot out of this package. There is a lot to learn, but if you are willing to put in the time, Sales is the Million Dollar Skill.

