

Using Price as a Marketing Tool



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Stocktake Sales, End of Financial Year Sales, Door-buster Sales – in an effort to attract customers and by extension more sales, retailers hold and promote the fact that their wares are available for purchase at a discounted rate.

Similarly, real estate agents, in the promotion of their clients' homes also offer property at a "sale" price. Given property is mostly offered "for sale", semantics spoil the opportunity to use retail promotional vernacular, although agents instead use enticing language in property promotion. "Must be sold", "reduced to sell", "below replacement", "bargain buy" are frequently used examples.



the asking price and how it is expressed provides only limited scope for encouraging buyers.

Many agents therefore turn to the increasingly common "Expressions of Interest (EOI)", "Price on Application (POA)" or offer no price at all, encouraging buyers to "Call for Details". Whilst a worthwhile strategy in some cases, most buyers probably shop by price first and location second and during times where listings are plentiful, the efficacy of a "no price strategy" is questionable. Mostly, buyers crave ease when searching for property and are seeking as much information as possible when considering a property purchase. Buyers are, therefore, inclined to simply move onto the next listed property that displays a price, position and the next available viewing time.

That being said, some properties are either difficult to accurately price or offer something extraordinary that may engender a higher than expected outcome. In these circumstances, a "no-price" strategy is entirely appropriate.

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Price too and the manner in which it is expressed is a useful "on sale" enticement. Price ranges, price "plus", "above" and "from" a declared price are examples. Sellers (and therefore their agents) are obliged to ensure the expression of the asking price is not deceptive; a property cannot be advertised at say "\$650,000 - \$700,000" if the owner intends to not entertain acceptance of an offer at \$650,000.

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