



The Business of Home Staging



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When you leave class you will have to decide some basics about your new business venture. Here are some things you will need to consider in that process:

Marketing Your Staging Business

In order for your business to be successful you must be more than a good stager. You must know how to market yourself. This section will primarily focus on marketing strategies and business building.

What and where is your target market – Real Estate Staging, unlike Redesign work, is a little easier to market as your target is more specific. Your target market is home sellers. This means you will market specifically to this group of individuals & those who are in contact with & allies of home sellers.

Branding your business & developing a strategy – In order to appropriately market yourself you will need to develop a business image. This is usually done through logo and/or name recognition branding. Hiring a designer that specializes in this service can be a very valuable tool. Once you have developed a logo, and brand name (you may choose to use your actual personal or company name) you will want to use it on all of your marketing. Often using a photograph of yourself will help etch you specifically in the client's mind. Consistent use and visibility will be the key to creating a strong brand image.

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Building a solid community image – Another tool at your disposal is having a community image. Volunteering your services for school raffles, Habitat for Humanity, and other community activities can be a great source both emotionally and for community outreach. You may also want to contribute to little league, community football or soccer groups. These usually have the added advantage of offering the opportunity to advertise your business on uniforms, at stadiums or in program flyers.

Educating and building relationships with real estate agents - Because your target audience is those selling homes, what better source and business ally do you have than real estate agents? The education and networking of agents is probably one of the single most beneficial marketing campaigns in your arsenal. Below are some marketing ideas geared specifically to educating and marketing to agents:

- Monthly newsletters – **consistent** monthly newsletters is a great educational and marketing tool. It is important that the newsletters focus on ways in which staging grows their business, not simply articles about the achievements or services of your staging company. Provide testimonials and before & after photos. When another agent or client speaks highly of you it is far more powerful than you speaking about yourself.

- Lunch & Learns – offer to provide educational presentations to agents in a given office over lunch. You will need to prepare an appropriate power point presentation and take home materials. It may also be beneficial to provide a

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door prize such as a complimentary consultation. If you are paying for lunch (recommended) you will need to decide if there will be a nominal charge for this course.

- Office Presentations – Contact the Broker-in-Charge of your local offices and offer to do a quick ten minute presentation of your services. You will not have time for a power point presentation. You should be able to provide some form of marketing (such as a brochure) to leave with agents along with business cards.

- Make sure you follow up with all reports and quotes. If they haven't followed up with you, let them know that you are a professional and interested in their business.

- Send handwritten thank you cards, birthday letters, etc. - Few people actually send anything handwritten anymore. They will be impressed with your thoughtfulness.

Networking and Presentations – Networking and presentations are an important part of any sales business. Networking can happen in any environment that you are active and will lead you to business you never even knew was available to you. Presentations will help show what you have to offer and your competency and knowledge level. Here are some ideas for maximizing your efforts:

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- Check with your local chamber of commerce. Often they will have monthly or quarterly network groups available for you to join.

- Join your local Women's Council or Center for Women. This will help put you in touch with women looking do business with other women.

- Network with consultants for other industries. Check with your local Mary Kay, Pampered Chef or other home party plan. They often have many contacts and may know who needs your services.

- Manage a booth at a local trade, bridal or home show. This will give you the opportunity to show many people what you do at a time. A suggestion is to offer a free giveaway like a consultation (if with Realtors) or room makeover.

- Give presentations to local stores. Help the store sell some of their home related products by giving display, presentation or vignette ideas. If you are good at a particular technique such as floral arrangements, faux finishes, etc_ use those to your advantage by teaching mini classes in your area. Bring brochures (check with business first to make sure it's okay) and business cards to pass out. Have a sign- up book or drawing ready to get customer information (again, check with store first).

- See if you can be a special guest or regular on your local TV or radio shows – ex: Good Morning (your city). Offer quick tips on how clients can save money decorating through redesign, etc.

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- Offer an extended real estate agent presentation at your local board of Realtors on Real Estate Staging. You will need a power point presentation and handouts. Set a limit as to the number of attendees you will allow in the class. It is likely that the board will want to review all of your material prior to allowing you to present.

When doing a local presentation or workshop - These tips will help you create a fun and successful presentation.

- Know your audience
- Use visuals (photos, live demonstrations, etc)
- Tell everyone you know, advertise in your newsletters, etc
- Give out a brochure, or handout with tips
- Decide if you will need assistance and come prepared
- Don't be too self serving – this isn't a commercial – but do give out information on what you do and how to get in touch with you later.
- Make sure your presentation is fun and interesting to the audience – engage them when possible, ask for volunteers, etc
- Provide enough time for questions & answers

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Advertising – Some form of advertising should be considered in your business planning. Here are some popular forms of advertising for the Staging and Redesign Industry.

- Press releases – write them. Send them to everyone. Send them every time you do something interesting! You may want to tailor them to the paper you are sending them to. Each one can be slightly different. Make sure the release includes a catchy headline, a bio and how to get in touch with you. Remember, your goal is to have them write an article about you – it is unlikely they will print the actual article you have written. Follow up within 24-48 hrs after you have sent them. I have included a couple in this chapter as examples. (IRIS offers several press release templates on the members' only section of their website.)

- Have signage put on your car! How much driving do you do? In this business you will find you drive quite a bit if you are busy. Car advertising is typically only a couple of hundred dollars and is well worth the money! *(Note: if adding signage to your vehicle, you may have to change your car insurance policy. Check with your underwriter.)*

- Write an article for a local paper, real estate agent newsletter, etc. Local sources are good business. In the back of your book you will find a couple of articles I have written for publication in our local newspaper. Keep them simple, not too self serving and follow your individual paper's needs.

- Advertise in smaller publications. Your advertising dollar is probably not best spent on your major city paper. Look for your local or neighborhood ones instead. Also look for school flyers (offer giveaways), hospital papers, church or sports programs (high schools or local colleges). When using ads, remember that

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you can't run one ad and expect results. You will need to run them on a regular basis.

- Add decorating tips for your subdivision's newsletters. Does your HOA offer a monthly or quarterly newsletter? Offer to contribute an article about home decorating, gardening, etc. Your neighbors will learn to come to you for color consultations, etc. I can't tell you how many times I've answered the door to find a neighbor with a swatch and paint fan wanting help! These little tips can lead to bigger jobs!

- Blogging – popular communities like ActiveRain.com help connect your talents and personality to individuals. It may also help move your website rankings up in search engines. This means it will be easier for clients to find you and when they finally do, they'll already feel like they know you!

You'll notice that not all of your advertising activities cost money. Writing press releases and newspaper articles can be very effective tools if used consistently. Below are some tips for writing news articles and press releases.

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When writing a published article:

- Don't be too self serving
- Know your audience
- Grab their attention with catchy headlines
- Keep their attention with content that will show them how they will benefit from your advice or services
- Give them something in return – perhaps a discount on future services, a bonus for services booked this month, etc
- Let them know how to get a hold of you and your credentials!

Other basic Real Estate Staging Marketing ideas – Here are some additional marketing ideas that may be effective for you.

- Check the local newspapers and send your business card & brochure to homeowners selling FSBO. Follow up with a phone call in a few days. Advise them that you are not an agent trying to sell their home (unless you are!). You simply want to show them how to sell faster and for more money. The phone call should be short, to the point and you should attempt to get an appointment to meet with them to further discuss your services.
- Check the local newspapers and attend open houses. Going to an open house can lead to business. You can usually talk with either the homeowner (FSBO) or agent about your services. Make sure you are professionally dressed, have

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- business cards and brochures in hand. Give them a couple of teaser tips to get them interested. (If you are a licensed real estate agent be cautious of talking to the homeowner without okaying it with the agent.)
- If you have access to MLS (you are an agent or have a friend who is one) check listings that are over 30/60/90+ days old. They may be getting anxious to sell. Phone, or send an email, to their agent advising of your services. If you have sent an email and don't hear back, call within 24-48 hrs (max!).
 - Ask for referrals and testimonials. If they are happy with your services, they won't have any problem with this. When writing a newsletter get permission to use their full name. (If it's agent newsletter, offer to include MLS information on the home they are selling.)

Developing your portfolio, brochure and business cards – These are basic marketing tools you will need. After you have chosen a business name, logo and business brand image, you will need to add them to your portfolios, brochures and business cards. Here are some tips for making these the best they can be:

- You should have a large photo book to take to convention style shows and a small one you can bring to an appointment or carry in your purse. You should be able to showcase the variety of work you do. Homes should show varying styles and price points (home & furniture values), as well as different services (vacant staging, redesign, and owner occupied staging). For larger convention style shows, you should have a couple of your best designs blown up to poster size

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- (minimum 8x10). You want people to know what you do immediately. If you have to explain what's going on in your pictures then chose different ones, or show them scrapbook style with bulleted reasons as to why you made the changes.
- Another idea for a portfolio book is to create a hardbound photo book with companies like snapfish.com or kodakgallery.com. These will be more effective once your portfolio size has increased. The great thing about these books is they look very professional and you can add verbiage and comments as captions. Smaller versions of these books can be left with agents you work with on a regular basis. This will help them show off your services on listing presentations.
 - Because much of the work you will be providing is visually based, full color brochures are great tools not only to convince agents of the value of your services, but also to help convince their clients (sellers) that they need you. Your brochure should outline your services and show before & after photos as examples of those services.
 - Business cards will leave an impression in the minds of your clients. They should be neat & clean. Your logo should be prominently displayed. The card should include your name, phone number, website and email address at a minimum.

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Creating a marketing budget – When you first begin your business you may be tempted to throw caution to the wind and spend in many different directions. While this technique does work for some people, it does not work for the majority. You will want to focus on targeted campaigns geared towards your specific selling demographics (agents & sellers – mid to high end properties).

Most business experts agree that a percentage of expected or past sales is an appropriate way to set a budget. Research reveals that no more than 5-10 percent should be spent on advertising. Less than 5 percent is ideal. What does this mean for you?

In the beginning of your career you will need to focus on inexpensive or free advertising and marketing. Because you will initially have more time on your hands than work, spend your time wisely by creating e-newsletters, press releases and articles for local papers. Work on calling agents, visiting open houses, and making connections. It is this type of activity that will ultimately grow your business and most of it is free or very inexpensive!

Tracking your marketing dollar – When you have decided to pay for advertising there are some specific things you should know.

- You must track the number of customers and ultimate business you receive from your advertising. You will need this to decide if it is worth your time and money.

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- Consistency is the key to any successful marketing campaign. Spending money on one newspaper, e-newsletter or other piece will not be successful unless it is routinely used.

- Know when something isn't working and then give it up. If after several months of newspaper advertising you decide that the number of jobs received does not warrant the expense – pull the plug.

- If you have been advertising for a year or more in a specific publication and suddenly stop, some people may think you've gone out of business. Be sure you replace this form of marketing with something that works and keeps your name visible to the clients you were targeting.

For more information I highly recommend taking a look at the website, www.smalltownmarketing.com by Small Business Marketing Expert, Tom Egelhoff. Taking the time to review his site will be time well spent and may pay for itself in saved marketing dollar!

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Staging Contracts & Service Agreements – This area is crucial, particularly when working with vacant properties. Having these in place will help protect your inventory against theft, loss or damage, as well as helping create a solid plan for when things go wrong. Your contracts should include when you get paid, what is included, where the props should be kept, and how long the contract will be in effect at a minimum. I have included copies of my contracts to use as examples. You should look these over and create your own *after consulting with an attorney*.

Some things that are important to consider in your contracts are:

- End of contract dates
- Rental rates
- What your services include
- When & how you should be notified to de-stage
- Additional fees if staging goes beyond contract
- Cancellation fees
- Who has final choices on design or furniture choices
- Insurance – who is responsible
- When money is due

The next pages are examples of what we put into our contracts and quote forms. Please remember, these are samples and you should have an attorney review your documents.

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FIRST IMPRESSIONS STAGING AGREEMENT

THIS STAGING CONTRACT, ENTERED INTO BY AND BETWEEN _____
HEREINAFTER REFERRED TO AS "SELLER" AND FIRST IMPRESSIONS HOME STAGING &
INTERIOR REDESIGN, LLC, HEREINAFTER REFERRED TO AS "STAGING COMPANY", THIS
____ DAY OF _____ 2010.

IT IS AGREED AS FOLLOWS:

1. CONTRACT IS CONSIDERED VALID UNDER THE FOLLOWING TERMS AND CONDITIONS.

- A. FIRST THREE (3) MONTH'S PAYMENT OF \$_____ PAID ON THIS DATE OF EXECUTION OF THIS AGREEMENT \$_____ TO BE PAID EACH CONSECUTIVE MONTH AFTER INITIAL THREE MONTH PERIOD ON A MONTH TO MONTH BASIS UNTIL TERMINATION OF CONTRACT. NO PARTIAL MONTHS WILL BE ACCEPTED NOR REFUNDS GIVEN. TIME WILL BEGIN ON THE DAY STAGING IS COMPLETED.

- B. SELLER MUST PROVIDE A MIMIMUM OF 15 DAY WRITTEN NOTICE (EMAIL/FAX ACCEPTABLE). FOR EMERGENCY PICK-UP (LESS THAN 15 DAY NOTICE), THERE WILL BE A CHARGE OF \$75.00. CANCELLATIONS OF LESS THAN 48 HRS WILL BE CHARGED A 10% RESTOCKING FEE. NO REFUND WILL BE GIVEN FOR CREATIVE DIFFERENCES OF OPINIONS.

- C. THESE FEES INCLUDE ALL SERVICES INCLUDING PLACEMENT OF FURNITURE, ART, ACCESSORIES, LABOR AND DELIVERY.

2. AFTER 5 DAYS FROM THE DUE DATE EACH MONTH, SELLER SHALL PAY A LATE CHARGE OF \$35.00. ANY PAYMENT WHICH IS 15 DAYS DELINQUENT SHALL AUTOMATICALLY TERMINATE THIS AGREEMENT AND STAGING COMPANY SHALL BE IMMEDIATELY ENTITLED TO RETAKE POSSESSION OF FURNITURE AND ACCESSORIES USED IN THIS STAGING SERVICE.

3. THE FURNITURE AND ACCESSORIES HEREIN SHALL BE KEPT AT _____ AND SHALL NOT BE MOVED ELSEWHERE WITHOUT PRIOR WRITTEN CONSENT OF STAGING COMPANY.

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4. SELLER MAY TERMINATE THIS AGREEMENT AFTER THE INITIAL THREE MONTH PERIOD BY GIVING STAGING COMPANY 15 DAYS WRITTEN NOTICE TO THIS EFFECT. PARTIAL MONTHS WILL NOT BE ACCEPTED NOR REFUNDS GIVEN. FURNITURE MUST BE REMOVED NO LATER THAN 24 HRS PRIOR TO CLOSING. IF REMOVAL DATE IS SET, IT IS SELLER'S RESPONSIBILITY TO ADVISE STAGING COMPANY OF ANY NECESSARY CHANGES. THIS CONTRACT IS CONSIDERED FULFILLED AFTER FURNITURE IS REMOVED ON SELLER REQUEST.

5. SELLER ACKNOWLEDGES RECEIPT OF THE FURNITURE AND ACCESSORIES IN GOOD CONDITION BY ACCEPTING DELIVERY. SELLER SHALL MAINTAIN THE FURNITURE AND ACCESSORIES IN GOOD CONDITION, AND IN THE EVENT ANY ITEMS OF FURNITURE OR ACCESSORIES ARE LOST, STOLEN, DAMAGED FROM WHATEVER CAUSE OR SOURCE ARISING, REASONABLE WEAR AND TEAR EXCEPTED, OR NOT RETURNED UPON TERMINATION OF THIS AGREEMENT, SELLER AGREES TO PAY STAGING COMPANY THE COST OF DAMAGED FURNITURE AND ACCESSORIES AND/OR THE REPLACEMENT COST OF NON-RETURNED FURNITURE AND ACCESSORIES.

6. SELLER AGREES NOT TO MISUSE, SECRETE, ENCUMBER, SELL, TRANSFER OR PERMIT ANY LIEN OR CHARGE AGAINST THE FURNITURE AND ACCESSORIES.

7. SELLER AGREES THAT IF A PETITION OF BANKRUPTCY BE FILED BY OR AGAINST SELLER, OR A RECEIVER BE APPOINTED, STAGING COMPANY MAY DECLARE THIS AGREEMENT TERMINATED AND WITHOUT NOTICE OR DEMAND, OR PROCESS OF LAW, TAKE POSSESSION OF THE FURNITURE AND ACCESSORIES WHEREVER LOCATED. SELLER SHALL PAY ALL COSTS OF LOCATING AND REPOSSESSING THE FURNITURE IF THE AGREEMENT IS VIOLATED. SELLER FURTHER AGREES THAT IF A LAWSUIT IS BROUGHT TO COLLECT MONEYS UNDER THIS AGREEMENT, SELLER SHALL PAY ALL COURT COSTS, INCLUDING ATTORNEY'S FEES, AS THE COURT SHALL DETERMINE. IF COURT PROCEEDINGS ARE FILED, STAGING COMPANY MAY FILE FOR THE THEN DELINQUENT STAGING SERVICE FEES PLUS FEES FOR ANY DAMAGES TO FURNITURE AND ACCESSORIES.

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8. IN THE EVENT SELLER IS IN VIOLATION OF ANY OF THE TERMS OF THIS AGREEMENT, STAGING COMPANY SHALL HAVE THE IMMEDIATE RIGHT TO REMOVE THE FURNITURE AND ACCESSORIES FROM SAID PREMISES. SELLER SPECIFICALLY AUTHORIZES, HIS AGENT AND/OR EMPLOYEES TO ALLOW STAGING TO ENTER INTO AND UPON SAID PREMISES FOR THE PURPOSE OF REPOSSESSING LESSOR'S FURNITURE AND ACCESSORIES USED IN STAGING SERVICES HEREUNDER, AND SELLER AGREES TO INDEMNIFY AND HOLD HIS AGENT AND/OR EMPLOYEES HARMLESS BY REASON OF SUCH ALLOWANCE OF ACCESS TO STAGING COMPANY HEREUNDER.

9. STAGING COMPANY HAS THE RIGHT TO ENTER PREMISES FOR THE PURPOSE OF CHECKING ON STAGING PROPS AND CONDITION.

10. A SERVICE CHARGE WILL BE MADE FOR ANY ADDITIONS, AND/OR DELETIONS. THE MINIMUM SERVICE CHARGE IS \$50.00.

11. SELLER AGREES TO PAY A \$35.00 FEE FOR ANY CHECK RETURNED BY THE BANK.

12. FOR PURPOSES OF THIS AGREEMENT, POSSESSION TAKES PLACE AT THE TIME OF DELIVERY OF FURNITURE.

IN WITNESS WHEREOF, THE PARTIES HAVE HEREUNTO SET THEIR HANDS THE DAY AND YEAR WRITTEN ABOVE.

Insert area for signatures of home sellers, agent and staging company.

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www.StagingAndRedesign.com

www.WeStageSC.com

(843) 822-2622 – Mobile

(888) 262-4112 – Fax

Melissa@StagingAndReDesign.com

Melissa@WeStageSC.com

Credit Card Authorization

I _____ authorize First Impressions Home Staging & Interior ReDesign to charge my credit card for the following amount: _____.

_____ Please charge my credit/debit card for the initial payment ONLY.

_____ Please charge my credit/debit card for the initial payment AND I also authorize First Impressions to bill MONTHLY on my credit/debit card for all future payments.

___ Visa ___ MasterCard ___ American Express ___ Discovercard

Account # _____ Exp Date _____

Name On Card _____

Signature _____

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Contact Information

Property Address: _____

MLS# _____ List Price: _____

Seller Name: _____

Seller Phone Number: _____

Seller Address: _____

Seller email Address: _____

Agent Name: _____

Listing Agency: _____

Agent Phone Number: _____

Agent email Address: _____

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Address
Address 2

Date

Rooms Included:	BASIC PACKAGE	STANDARD PACKAGE	PREFERRED PACKAGE
Master Suite	√	√	√
Living Room	√	√	√
Dining Room	√	√	√
Eat-in Kitchen	√	√	√
Kitchen			
Breakfast Room			
Den/Study			
Family Room			
Bedroom 2			√
Bedroom 3			√
Bedroom 4			
Bedroom 5			
Additional Baths			√
Workout Room			
FROG/Loft/Bonus			
Landing			
Front Porch			
Back Porch		√	√
Sunroom		√	√
Foyer	√	√	√
Extra Services			
After Photos for MLS	√	√	√
Virtual tour for MLS		√	√
Added to ActiveRain.com		√	√
Added to WeStageSC.com	√	√	√
Branded Virtual Tour			√
INITIAL PRICE	\$1,800	\$2,000	\$2,400
CONTRACT LENGTH	3 MONTHS	3 MONTHS	3 MONTHS
ADDITIONAL MONTHLY	\$400	\$450	\$500

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Writing a Proposal or bid – This will vary from property to property. I find it best to give the homeowner different price points for larger staging jobs. The bid should clearly identify what you will be providing and cost of that job along with any additional fees for movers, etc. When providing vacant home quotes, it is usually un-necessary to include every piece of furniture you will be providing, though you should identify if you are providing full service, accessory or vignette only staging. Giving too much information in your bid sometimes allows the seller the opportunity to do all the work themselves, keeping you from landing the job. (This typically occurs when bidding to model homes, agent owned properties or builders.) I have provided samples of vacant home bids and owner occupied bids with corresponding written consultations.

Charging for your services – There are many philosophies for pricing. You may choose to charge by the hourly rate, half day rate, full day rate or individual job. When deciding on these rates you will want to research your specific area as they vary greatly throughout the country. After researching the common rate range for your area, you will want to decide how you will position yourself.

- High end positioning – will you charge at the high end of the rate scale which will yield you a better hourly/daily rate but may provide few jobs.
- Mid price positioning – will you charge in the middle range of the pricing scale. This will likely yield you a good bit of business and garnish a lot of referrals, but you will make less on individual jobs than those in the high end category.

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- Low price positioning – will potentially offer the most number of clients, but you will have to work significantly harder to earn a good income. This may also turn off some high end clients who may feel that your lower price means lower quality.
- Undercutting competitors – This cannot be sustained, but can be done in the beginning phase of a business. The difficulty may be raising your prices to current clients once you decide to move upward.

Invoicing and getting paid – This is an important part of the business. You must decide how and when you will get paid as it will be a common question from clients. In my personal opinion the best ways to be paid are the following:

- Owner Occupied – You should be paid half up front to cover the cost of any supplies. The other half should be paid when the work is completed.
- Vacant Home Staging – This will depend on how you set up your contracts - month to month, or a specific time frame. You should be paid a minimum of half up front and the balance upon installation OR better yet, once established, request all money paid in advance. (The second option is how I run my business. I never have a problem with this.) If the contract is month to month, I recommend you set up payments on a schedule (say, the first of every month) and set up an automatic billing system with a credit card on file. This will save you from having to track down or wait for the payment, sending out invoices, etc.

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Setting business & personal goals for income and profit - Did you know that, statistically speaking, 95% of people who **write and regularly review** their goals achieve them? This is HUGE! Goal setting is the most effective way to achieve success. How can you achieve that next level if you don't clearly know where it is? To get to any destination, you must know where you are going.

The next step? **Create a plan.** Outline what you would need to do to achieve these goals. Think of it like a maze. Mazes are always easier if you start at the end point and work your way backwards. If you want to be #1 find out what the competition is doing. Get specific numbers then work out monthly, then weekly then daily work charts. Keep track. It's very hard to play catch up at the end of the year!

Here's the hard part.... in order to really achieve our goals, we have to **know WHY** we want to achieve them! It is not enough to just say you want to be the top producer. You have to have a reason to become top producer. Why do you want it? What will it cost you, or will you be giving up, if you don't achieve it? Purpose is stronger than outcome. Define your purpose, make sure it creates passion for you, and then go for it!

One last thing.... **Practice FUNdamentals every day!** Every day you should be working towards your goals. This means keeping them in front of you and taking baby steps every day.