# FEAR OF BUYING

*Excerpt from "Turning Buyers Around" By: Gary Keller with Dave Jenks and Jay Papasan*
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**A buyers' market should be just that – a buyers' market. It's not a fence-sitting, waiting, loitering, delaying, dawdling, postponing, vacillating, hesitating, wavering, faltering, pausing, foot-shuffling market. It's a buyers' market. By its very name it means buyers should be doing one thing and one thing only – buying. So where are the buyers, and why aren't they buying?**

The great irony of a buyers' market is that even though the opportunity to buy is high, buyer urgency tends to hit an all-time low. The media becomes the excited purveyor of negative news and uninformed advice, and buyers buy it all. Actually, it feels like the only thing they're buying. Their reluctance is ironic since not so long ago buyers were incredibly excited about buying – and it was a sellers' market. Prices were escalating and it was perhaps one of the most difficult times to buy value and yet people were buying like there was no tomorrow. Buyers were afraid of losing out by not buying, even though the advantage was all to the seller.

Now a shift has occurred. Fear is still in the driver's seat but the tables are turned – the fear of paying too much seems to stop most in their tracks and immobilizes them. When they should have been afraid of paying too much they weren't, and now that they shouldn't be afraid of paying too much they are. It's one of the great paradoxical moments of any market and the herd instinct at its most pure. Reluctance in the face of great opportunity becomes an agonizingly defining characteristic of a shift.

A simple technique to prove to potential buyers, or even sellers, that they can't perfectly time the market is to do this easy demonstration: Take out a blank sheet of paper and pen. Now, starting at the top of the paper, draw a line going down and at the same time ask the buyers to stop you when the market has bottomed out.

As long as your line keeps going straight down they won't be able to. The moment you start back up, they'll say "there!" but of course they missed the bottom. Now, keep drawing your line up while asking them to tell you when the market has peaked. Again, they won't be able to tell you until you've rounded the top and started back down. They they'll say "there!" and once again they'll be behind the peak.

This should be a moment of truth for them. Buyers cannot perfectly time a market – no one can. The smartest people know this. They play in the safe zone. The safe zone is where smart people plan to buy and sell. Anyone who buys at the top of a market is just unlucky and anyone who buys at the bottom of a market is just lucky.

**People who buy in a buyers' market are the smart ones. They aren't looking for a killing because they know that's a matter of luck, not planning. They're looking for a sound decision with a predictable result and, therefore, ask the question: "Has the market dropped enough now to make a sensible purchase?" More often that not, when they're asking this question, they're already in the safe zone and the answer is yes.**

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