



Propertybase Real Estate CRM & Marketing Platform

Navigating the Evolving Real Estate Landscape

Over the last eight years at Propertybase, we have had the pleasure of working with thousands of real estate companies from around the world of all different shapes and sizes. What we've learned along the way is that real estate agents will always have a prominent role in the transaction process. However, it's become clear that there's a fundamental shift occurring that will change the role of the brokerage forever. In order to have a position in the future of the industry, participants will need to adapt in order to thrive. The following is designed to illustrate how taking steps towards implementing the right real estate technology will prepare real estate companies for the inevitable changes that have begun to take place in the industry.

As new technologies in home construction emerge, and as clients demand better ways to engage with agents, the brokerage model at large continues to operate the same way it did 30 years ago. Traditional brokerages offer a support system for independent contractors where all the pieces of the puzzle are autonomous. Every agent for themselves. Teams are unable to take a holistic approach to improving their business. Leaving them unequipped to adapt quickly to new business models that will inevitably do a better job addressing evolving consumer behaviors.

The real estate industry is reaching a pivotal moment as it attempts to understand the new generation of home buyers, incorporate technology, and redefine the value brokerages provide to their agents. While traditional brokerages with disconnected agents scramble to keep up with the changing tides, technology-focused brokerages/companies like Compass, Purplebricks and Redfin are grabbing market share at an alarming rate.

Not concerned? Perhaps it's time to take notice. Redfin reported 37% growth in Q4 2017 compared to 2016 after reporting \$29.2 million in profits. How are they outgrowing the competition? Simple, they embrace and mandate technology that helps their agents win their markets. They appeal to your tech-savvy customers (both agents and consumers), especially those of the Millennial variety. As the Baby Boomers settle into their last homes, and Millennials finally dive into home ownership, the challenge for traditional real estate brokerages to stay relevant is daunting.

The good news is that the future is still infinitely bright for companies that are open to making a few key adjustments. So what's the solution?

The solution can be described in one simple word: Connection. Brokerages need to connect their agents to their brands in a similar fashion to other service industries. In order to achieve unity, companies need to infuse technology into their DNA. This is where a "single source of truth" platform becomes

mission critical. Great platforms not only collect critical data that brokerages need to lead their markets, but also offer operational best practices and maximum value for agents including mobile apps, content marketing, lead automation, and client follow up.

In order to establish a proven methodology that uniquely positions a brand, brokerages of the future need to offer a facility that drives every consumer touchpoint. A digitally integrated approach is the only way forward. It's up to the brokerage to drive this shift in philosophy, refocus the ways in which real estate agents work with their clients, colleagues, and brokerages. It really comes down to giving technology-focused agents and consumers a centralized technology, and the support they need to be successful. All this while simultaneously aggregating data that delivers deeper insights into all elements of the brokerage's business.

If you are up for the challenge and ready to future proof your business, it's time to pick the best platform from which to build. So what should you be looking for? Below we outline the must have attributes of a platform that can connect and scale your business for the future.



1: Reporting Engine – Leveraging Data for Better Decision Making

You can't change what you don't understand. And this couldn't be more true when it comes to your data and analytics. In our experience, the average brokerage has data floating around the office in unformatted Excel spreadsheets on various hard drives, often without any oversight into whether that information is accurate and up to date. The process for collecting any analytics to drive major decision-making or investments in the firm sounds a lot like herding cats in the middle of a fish market.

Unfortunately, the majority of data that is collected includes sales and production numbers. But what if you could make it more usable? To gather actionable metrics that drive the biggest changes in your business, you need to evaluate the smallest details. Details that include:

- The length of time from when a lead comes in to when it converts to a client
- The average number of touchpoints an agent needs to have with a seller before they list
- The online marketing campaigns that drive the most traffic and transactions

How can a broker gather this information when the agent isn't incentivised to provide it?

When technology creates great advantages

This is where technology and reporting come in. If the actions associated with these metrics are gathered through your technology and tied back to a consolidated *real estate CRM & marketing* tool, they can shape the way brokers run their real estate firms and drive critical decisions for the future of the brokerage.

Powerful metrics can shine a light on any kinks in the chain. The behaviors of the most successful agents can be carefully examined, replicated and taught to other agents, while the behaviors of stragglers can be monitored and adjusted to improve performance.

When it comes to deciding on the investments a broker will make, dependable metrics eliminate the guessing game. Brokers will know exactly what campaigns are most effective, the ad with the best performance and the processes making the greatest impact on the firm's bottom line.

2: Digital – It’s Not the Future, It’s the Now

Regardless of how robust, organized and innovative a new technology system or real estate CRM can be for a brokerage, it’s completely worthless if not adopted by the agents. It’s only as powerful as the data put in it, and a brand is only as strong as its weakest link.

According to *Hubspot*, over 32% of salespeople are spending an hour or more on manual data entry each and every day. As more agents move out of the office, the connection with their brokerage decreases. Asking these independent contractors who now operate more autonomously due to the conveniences of the online environment, to complete paperwork or provide metrics for their brokerage is virtually impossible. Time means money and brokerages are not paying agents to fill out TPS reports.



What individual agents don’t realize is that this valuable market and performance information that they aren’t tracking, or are tracking ineffectively in multiple platforms, can transform their production. By placing information such as prospects, contacts, listings, closing data, email campaigns just to name a few in one connected platform that also leverages the brokerage data, agents can improve their individual processes, learn from the group’s best practices, and ultimately save time and make more money. And for the brokerage? Well, you can be a well-oiled machine and make pivotal decisions based on cold, hard facts.

3: Mobile – First Thinking Is a Must

Another challenge facing the real estate industry is the lack of focus on mobility. To the degree that agents spend time away from the brokerage marketing themselves autonomously and managing their own metrics, they also largely operate their business “on the road.” But, for the brokerage encouraging centrality through data and analytics, that kind of separation can be taxing.

The solution? Become part of the existing routine

You’ve probably heard the term, “if you can’t beat ‘em, join ‘em.” This couldn’t resonate more with the concept of embracing mobile technologies in the real estate community. If you want

real estate agents to embrace the system required for the automated, well-oiled machine that is your brokerage – you must make the process fit into their existing routines. Technologies must adapt to the agents needs, work style and daily habits so that adoption occurs easily and organically.

Being on the road almost full time is just part of the job of a successful real estate agent. According to a study by Deloitte, at least 40-70% of office seats are empty during the work day. And it’s certain that this statistic is on the higher end for the real estate industry. If mobile apps are integrated, adoption becomes second nature. You’re putting your system in front of agents where they’re already hanging out – on their smartphones.

4: Automating for Efficiency

According to a study from the National Association of Realtors, 88% of homeowners say they would use their agent again when, in reality, only 12% do. Why? They simply forget their agent’s name. Frankly, once these consumers are out of sight and mind, agents often forget them as well. They don’t have an automated system in place to initiate the periodic touch point, or to remind them to follow up for that crucial referral. And this is just one example of an easily automated system that is an opportunity cost for agents and brokerages.



For agents with limited budgets and little time to seek out their own tools to *automate* their workflow, they rely on the brokerage to help them bridge the gap. Do you have the appropriate platform in place to support your agents in a way that they can’t on their own? Or, are they employing outdated strategies, relying on their inbox and spreadsheets to fulfill their clients’ assumptions have come to expect better service in the digital age? If it is the latter, automation is the only way to change the minds of the growing number of doubting innovators.

What automation looks like

Automation is just the simple process of identifying regular operations within your brokerage and streamlining them in a way that involves little or no intervention from your existing resources. No extra time or energy should be expended on processes that can be automated. After all, shouldn't agents, office managers and marketing professionals be focused on revenue driving activities? That's the part of the job that can't be automated. And that's how you take an active role in growing your business.

From the second a lead dabbles in any element of your marketing, there should be a process in place to carry them through the lead lifecycle. It starts with the intake. How did they come in? What marketing campaign grabbed their attention, or were they a referral? Systems designed for automation will trigger communication or tasks for your team at every stage of

the buying process. And they shouldn't be hard-coded to prevent customization in automation - they should be tailored to the unique benefits of your agents and your brokerage. They will also help to instill and reinforce your brokerages brand for future business and referrals.

Once a lead contacts your brokerage, the wheels should be set in motion without a single person or resource having to lift a finger. Information is captured. Leads are distributed and placed strategically into the appropriate campaigns for relevant and regular contact. Touchpoints in the lifecycle of the relationship are recorded and evaluated. Activities are logged and measured within a centralized real estate CRM. It's these types of activities and metrics that can influence major decisions facing agents and brokerages from the types of markets they should target to the areas of their business they should invest in.

5: Support – The Team Behind the Technology

When brokerages consider adding more robust technologies into the mix, their minds frequently go to added budget and headaches upon headaches to get a new system or brokerage-wide process implemented. But the irony is, it's usually quite the opposite.

Adoption is the most important aspect of implementing new technologies and processes in your brokerage. And adoption happens most easily when the tools are simple to use, make their lives easier, give them resources they didn't have before, and include the *customer support* needed when things aren't crystal clear. This is why the selection of the type of technology you introduce is just as critical as the customer support team that comes with it.

It's not just the technology, it's the technology team

When brokerages begin their search for technologies to alleviate pain points and to fall in line with the demands of the market,

they only look at the tools and not the team behind them. Yes, features and all-encompassing technologies are important to get that holistic view of the brokerage at any given time, but investing in this type of innovation should also come with the mindset that this is an extension of your team. You're essentially adding expert-technology headcount to your team in the form of an outsourced resource.

The team behind the solution supporting your brokerage should be technical wizards with the emotional intelligence to hand-hold your team through the adoption process. They should be focused on your success through a holistic systems automation, client-centered approach and metrics-focused solution. They should have a deep understanding of the real estate industry, the unique demands of your market and the metrics that back up high-performing teams. Think of them like a technology success consultant. They are just as imperative to your success as the systems they support.

6: Data – Stability, Security, and Control

If there is a common thread across the aforementioned points it's this: data. The data of the brokerage, agents, customers, the list goes on. It's certainly a timely discussion, given the recent frontpage news stories regarding Facebook, credit card breaches

and the finality of the European Union General Protection Regulation (*GDPR*) - cited as the most important change in data privacy regulation in 20 years.

Real Estate debating about data is nothing new

Yes, the battle about data and what to do with it has been waged between brokers and agents for decades. Yet, with time comes change and far too often in the current real estate landscape a common question is being asked: "Who has access to this data, because if someone else does, do you really know what's being done with your business?" *Gary Keller's KW speech* asked just this.

Stability, security and control are only achieved when a real estate technology platform is forthright that any data entered, stored, etc. is not owned, accessed or redistributed. The information should be hardened and monitored 24/7 by the most sophisticated tools on the market. The platforms that live by these rules will meet the demands of the future. So, when looking at technology in real estate, it will be imperative for brokers and agents to align themselves in a way that their joint-data is securely controlled and accurate. Bridging this "data gap" between broker and agent benefits the long-term growth of not just the brokerage, but the agent.

Conclusion

Now that you've got the picture, what actions will you take to future-proof your business? Connecting real estate people, applications and information onto a single, scalable solution is the best (and possibly only) way to expand your brokerage for the future. If this paper has resonated with you on even the smallest level, we invite you to reach out to *Propertybase* for a free demonstration of our real estate CRM & marketing platform. Our real estate technology built on the most innovative and secure CRM platform in the world, is successfully powering over 1,500 clients businesses. Don't just survive this new real estate landscape, thrive in it.

