

# BUILDING YOUR BUSINESS : MARKET STRATEGIES

## Notes from Real Estate Connect

As technologies speed up,  
so do the realtors

By Patrick S. Duffy

For over 10 years, each year in San Francisco (and now also in New York City), a dedicated group of technologists, real estate pros and other industry leaders gather to discuss the most pressing issues impacting the business of real estate. Founded by Inman News founder & publisher Bradley Inman, the Real Estate Connect conference has steadily grown in both attendance and prominence, with internet companies such as Yahoo!, Google, Zillow and Trulia now among its top exhibitors.

It's also the place where a network such as HGTV can promote their new website, called FrontDoor.com, and provides a unique opportunity for a company like Realogy – which owns the Century 21, Coldwell Banker and ERA brands – for a splashy announcement of its latest brokerage namesake, Better Homes & Gardens. Even Craig Newmark, founder of the eponymous Craigslist.com, was there to share his thoughts on his site (12 billion page views per month, most of which originate in the U.S.) and his site's great success (listening to the constant input from users).

The big theme at this year's conference was the future of the 'nomadic consumer.' Given the convergence of emerging trends such as smart phones taking on complex tasks once relegated to personal computers, faster and improved wireless networks, and information being stored on a vast computing 'cloud' rather than on individual hard drives, the day when consumers,

suppliers and subcontractors will increasingly drive around to new home communities and require instantaneous information will soon be here, with the spoils being accorded to those who prepare the best.

**“The day when consumers, suppliers and subcontractors will increasingly drive around to new home communities and require instantaneous information will soon be here, with the spoils being accorded to those who prepare the best.”**

I'd expect to see more companies jumping out of the shadows forcing established players such as Realtor.com, Homescape or NewHomeSource to change their game plans not just once in awhile, but continuously in order to remain relevant. At the same time, some of these new entrants continue to hit some bumps along the road as they learn that technological expertise alone is a poor substitute for years in the real estate trenches. Addressing these issues will become even more important as the real estate listings business becomes a global enterprise.

The housing industry is also a natural fit for social networks and blogging, since these often-unedited forums allow potential customers to make a human connection with a real person versus a generic company website with the requisite disclosures in a 5-point font. Rather than listings remaining prisoners of the 900-plus separate MLS systems throughout the country,

an individual with a page on ActiveRain (a popular social network for real estate) or their own blog can now include specific listings, foreclosures or even analytical tools so buyers don't feel the need to surf to other sites to be informed.

One side benefit of the current housing downturn will be changes for the rebound that not only benefit the consumer, but strengthen an industry that has been damaged by the short-term interests of certain mortgage brokers, real estate agents and, yes, also some homebuilders. Imagine how much easier business will be with a simpler and more transparent mortgage system in which products are fully explained to buyers. Envision a time when those who dispense advice on one of life's most important purchases – a new home – are more closely regulated and disciplined.

The resulting thinning of the real estate herd, many of whom only jumped in after seeing it as a get-rich-quick scheme, will eventually leave the real estate industry with a higher quality of sales executives and managers who can re-think the process of home sales in a world in which neither buyer nor seller has an information advantage. For the building industry veterans who recognize and embrace these new market realities, success will likely come sooner rather than later.



Patrick Duffy is a Principal with MetroIntelligence Real Estate Advisors ([www.metrointel.com](http://www.metrointel.com)), consults to Beacon Economics and authors The Housing Chronicles Blog ([www.housingchronicles.com](http://www.housingchronicles.com)). He can be contacted at [pduffy@metrointel.com](mailto:pduffy@metrointel.com)

### Fast Facts



• Smarter phones and faster wireless networks will give rise to a "nomadic consumer."

• The internet will gradually become as video-centric as television.

• Home listings continue to move beyond MLS boards and are going international.

• Real estate websites must continuously evolve to remain relevant.

• A more regulated and disciplined industry will eventually benefit everyone.