



Online Transaction Processing Comes of Age

2009 WAV Group Transaction
Management Adoption Study

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2009 WAV Group Transaction Management Study

Study Highlights

WAV Group has been tracking the adoption of online transaction processing software for several years. In the [2005 WAV Group Transaction Management Adoption Study](#), we identified a number of factors that were inhibiting adoption of transaction management solutions and recommended steps to improve adoption. We are seeing encouraging adoption increases throughout the country.

The WAV Group 2009 Transaction Management Adoption Study surveyed over 1700 brokers and agents from 22 different MLSs. In addition, we worked with major Transaction Management vendors to look at their product adoption trends over the last few years. The result is a much clearer picture of where online transaction processing stands today.

The study found that online transaction processing has come of age. User and transaction growth is significant. Both survey results and growth trends from each of the key online transaction processing software vendors support this finding.

Reasons for Adoption:

Some of the key reasons for adoption detailed in this report, supported by both our survey research and Transaction Management vendor data include:

1. WAV Group 2005 predictions/recommendations prove out – modular products with a staged roll out have been a key to adoption.
2. The desire to adopt “Green” business practices is a key driver of paperless online transaction processing today.
3. Agents now realize they can save time and money by eliminating the cost of paper, ink, storage costs and even insurance premiums through online transaction processing.
4. Respondents also said they use online transaction processing because it helps them improve communication with their clients.
5. There is growing dissatisfaction with their current methods of handling transactions and more interest in adopting transaction management.
6. Online transaction processing systems have very favorable user ratings overall but improvements to “usability” is still noted as a key opportunity to encourage continued adoption.

Hurdles to Adoption:

There are still hurdles to adoption that need to be addressed:

1. Non-participants still believe online transaction processing can be cumbersome and difficult to implement. While satisfaction levels are high there is still room for improvements in usability according to the study results.
2. The value proposition is still not clear to some REALTORS®. They need to be convinced why the time spent transitioning to online transaction processing will be worth it.
3. Some respondents are simply not doing enough business to engage in online transaction processing.
4. Still others are simply not interested in making a change from their current method of processing transactions – it works for them.

Recommendations for Multiple Listing Services

- MLSs should continue to educate themselves and their members on the value and benefits of online transaction processing. The technologies have been proven to provide strong satisfaction and real benefit to REALTORS so it is an area worth pursuing further.
- The MLS is the ideal organization to offer online transaction processing services. The more community-wide participation in online transaction processing the better the system for all involved. This can be another area where the MLSs encourage collaboration and cooperation.
- Ideally, Transaction Management will be well integrated with the MLS system to take advantage of data content integration and will allow for easy auto-populating from listing data and public records.
- When looking at any component product, such as forms or document management, remember that eventually these are pieces of a bigger system. Before choosing a vendor and product look at how well this vendor and product fit into a longer-range solution. Don't make decisions today that create blocks to more integrated and advanced technologies in the future.

- Do your homework. While ratings were favorable for most of the Transaction Management vendors we reviewed there are significant differences in terms of features and functionalities in each as well as the overall user interface. A thorough understanding of these differences when selecting a vendor will help member adoption in the future.
- Be ready to educate members on the positive impact Transaction Management has both in savings to your members and in protecting our environment. This is a paradigm shift that requires giving up older, less efficient processes. Help your members recognize going paperless has benefits for client satisfaction, cost savings and reducing their environmental impact.
- Consider using online transaction processing in your own organization to reduce paper and simplify internal processes.
- Create and execute a communication plan that highlights the process and benefits of moving to paperless transactions for your members. Sharing case studies and user success stories will motivate others to adopt these new technologies.

Recommendations for Transaction Management Vendors

- Improve usability! Remember that one of the primary obstacles to adoption is the time and pain to implement. Going to a modular product approach is a step in the right direction. Vendors need to continue to make it easier for agents to move forward with more complete Transaction Management. Transaction Systems need to be intuitive and easy for all parties to navigate or brokers and agents will not use them.
- Continue to share information on Transaction Management adoption and the value it represents in terms of lowered expenses, benefit to the environment and better service to buyers and sellers.
- Publish more case studies on actual user experiences and how Transaction Management is changing their businesses and client experiences.

- Provide clear step-by-step overviews and examples on how to integrate Transaction Management into their companies without upsetting their business in the process.

2009 WAV Group Transaction Management Adoption Study

Online Transaction Processing – Keys to Adoption

Modularization of Components

In our 2005 Transaction Management study we discussed the lack of a clear and compelling benefit being solved by Transaction Management and how this is crucial to the success of any new software or system.

In the early days of Transaction Management vendors were trying to move agents from paper-based processing to completely paperless, full featured online transaction task processing. We contended in 2005 that the industry was trying to move too far too fast. We pointed out that the way to build adoption was to start with key modules that provided comfort to “pain points” experienced by agents and brokers. The following is an excerpt from our 2005 study where we noted that some of the online transaction processing providers at that time did not have an integrated document manager.

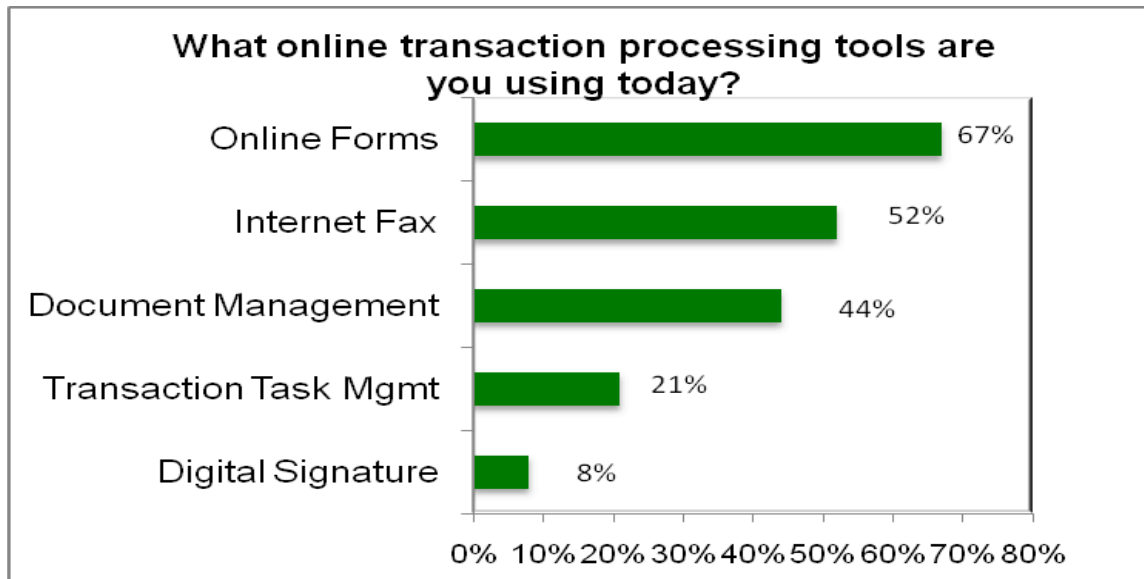
“ ... Vendors need to step back and look at ways to introduce their technology in small bites hitting the high pain areas first and then moving on to broader capabilities. It may make sense to create a transaction management “light” version, which is really easy to use, and include only the absolutely most important functions. Once a simple system is adopted and more and more agents become comfortable with it additional functionality can be added.”

Today, four years later, Transaction Management vendors have come to the same conclusion. Some now offer systems with integrated forms and document management and allow clients to subscribe to just the components they want. MLS vendors are also getting into the game providing integrated access to the key components such as document management. These improvements have contributed to the increases in adoption.

Modular Offerings are Working

Data obtained in our 2009 survey illustrates that adoption has increased significantly on a component basis. It also shows the progression of component adoption, starting with online forms and progressing to Digital Signatures. As agents have gotten comfortable with online forms which are well-established in most markets across the country, they have begun to see the value of not only initiating forms online, but also executing, storing and distributing them online as well via document management.

Internet faxing is becoming a “gotta have” among REALTORS® now as well. In several of the member satisfaction surveys WAV Group has fielded on behalf of MLSs recently satisfaction levels are extremely high for Internet faxing. For those MLSs that do not yet have Internet faxing, many members are requesting it and even complaining that other MLSs have Internet faxing and they want it too.



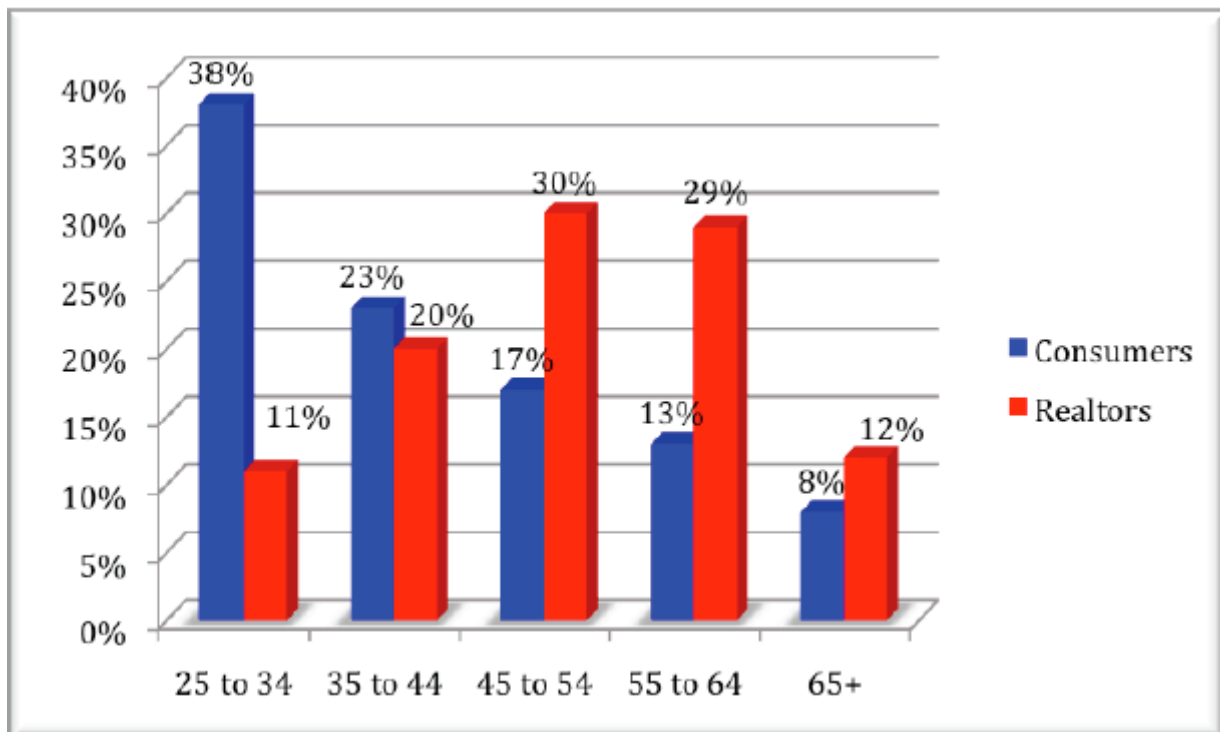
As noted in the chart above 67% of the respondents use online/forms and contracts and around 50% use Internet fax and document management. These are all key components of today’s Online Transaction Processing systems. 21% report using Transaction Task and Activity Management as well and 8% already use Digital Signatures.

Changes in Consumer Expectations

Younger, tech savvy consumers are also pushing their older REALTOR® counterparts to provide them with the transparency and real-time updates online transaction processing affords them. This growing generation of younger buyers and sellers are used to being able to see things on their own and do not share the values where professionals “take care of the details” behind closed doors.

According to NAR’s 2008 Profile of Home Buyers and Sellers, the median age of a real estate consumer is 39 years and a first time homebuyer was 30 years old compared to the average age of 51 years old for a REALTOR®. We believe this age factor has a real influence on pushing real estate professionals to adopt these technologies that best serve buyers and sellers.

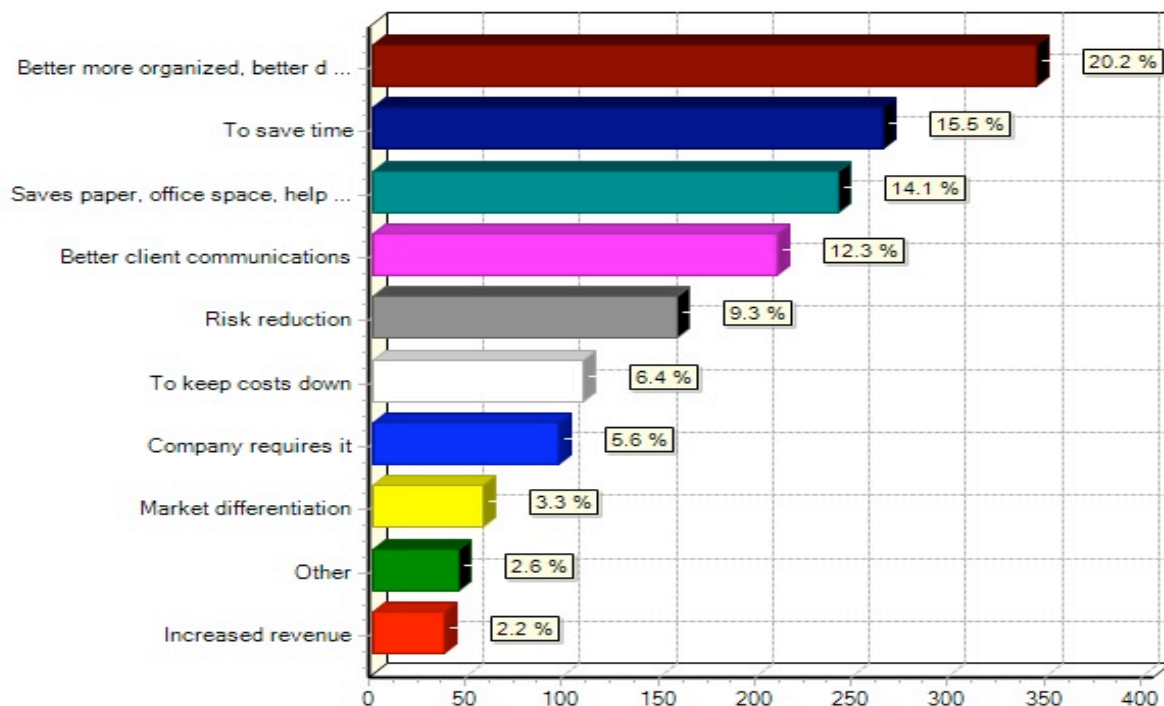
Transparency can be controlled. Some Transaction Management systems allow the agent to control how much or how little of the transaction details the consumer can see. Real estate companies can make the transaction entirely transparent or simply use the system to manage the process internally.



Realizing Efficiencies and Cost-savings

What are the primary reasons you use the Transaction Management system? (Check all that apply)

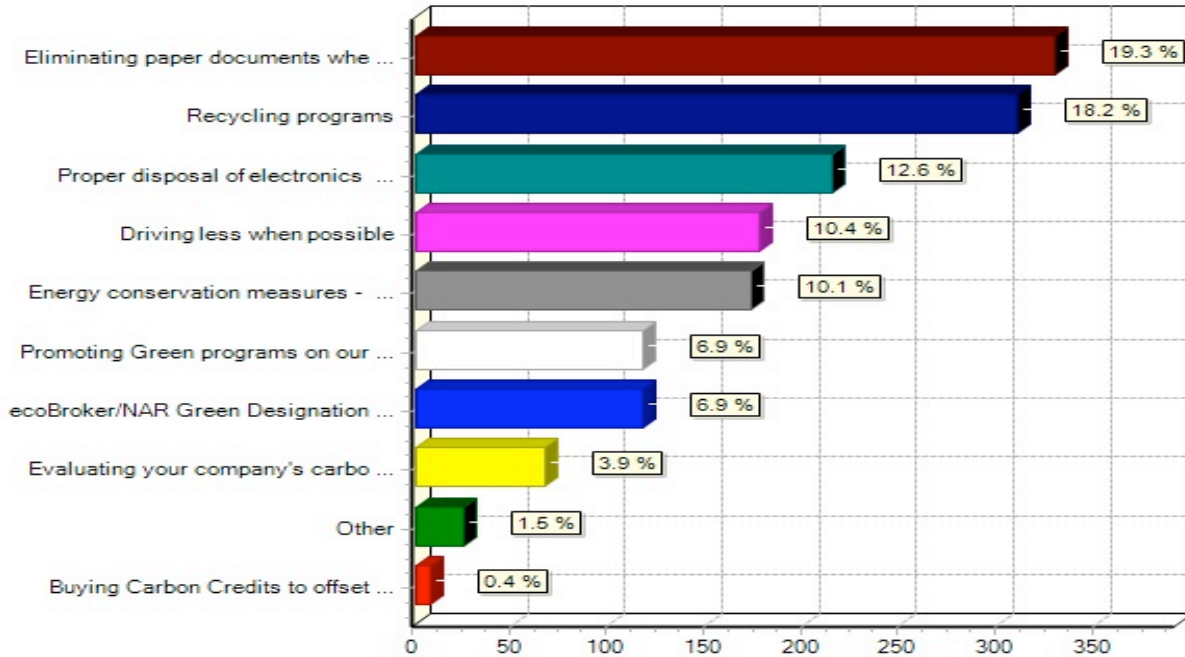
Users of online transaction processing now realize they can save time and money by eliminating cumbersome and redundant paper processing. They also realize they can better service their client needs by having all of the transaction information available at their fingertips.



Growing Interest in “Going Green”

As noted in the following chart from our study, going paperless is the number one method of “Going Green” by respondents. Transaction Management adoption is the obvious vehicle for moving into a paperless business environment. If you would like to learn how much money a brokerage could save by going paperless, you can go to the [paperless savings calculator](#) and check it out.

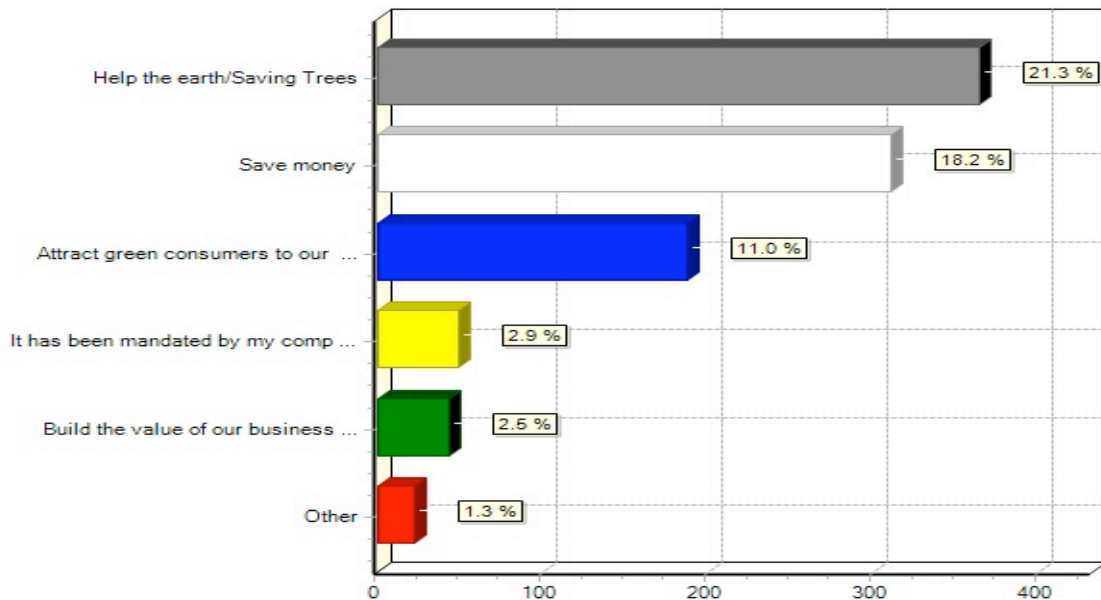
What types of green programs are you or your company considering or implementing? (Choose all that apply)



Why are you engaging in these activities? (Choose all that apply)

Green programs and going paperless are solving two important problems for REALTORS®. They are saving money on ink, paper, storage and E&O insurance while they are helping the earth and saving trees. They consider it a win/win situation, especially since there is also a growing awareness that “going green” is becoming more important to consumers.

For more information on how to go green, you can download the white paper “[Make more green by going green](#)”



"Today's client wants everything immediately and on line."

"Concern about ecology in general"

"Easier to keep digital files vs. paper"

"Because it is the right thing to do"

"It's the right thing to do for future generations."

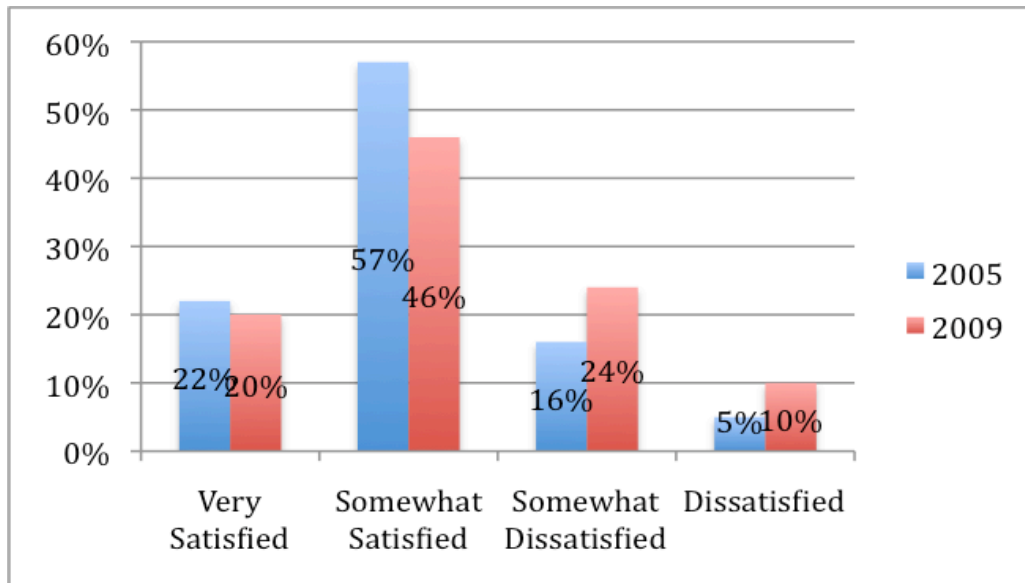
Growing Dissatisfaction with Current Methods of Processing Transactions

One of the key reasons we discovered real estate professionals weren't using Transaction Management systems in 2005 was because they were satisfied with their method for managing transactions. As we pointed out agents will not adopt new technology unless they are very unhappy with their current process or there is an overwhelming upside to adopting the new technology.

In 2005 there just wasn't enough pain on the one hand or upside on the other. The market was so hot they weren't as concerned about efficiency or cost-savings. Today this balance seems to be changing for a number of reasons. As we will discuss in more detail later the decision to offer Transaction Management in "smaller bites" along with a growing interest in "green" business practices has Transaction Management adoption heading in the right direction.

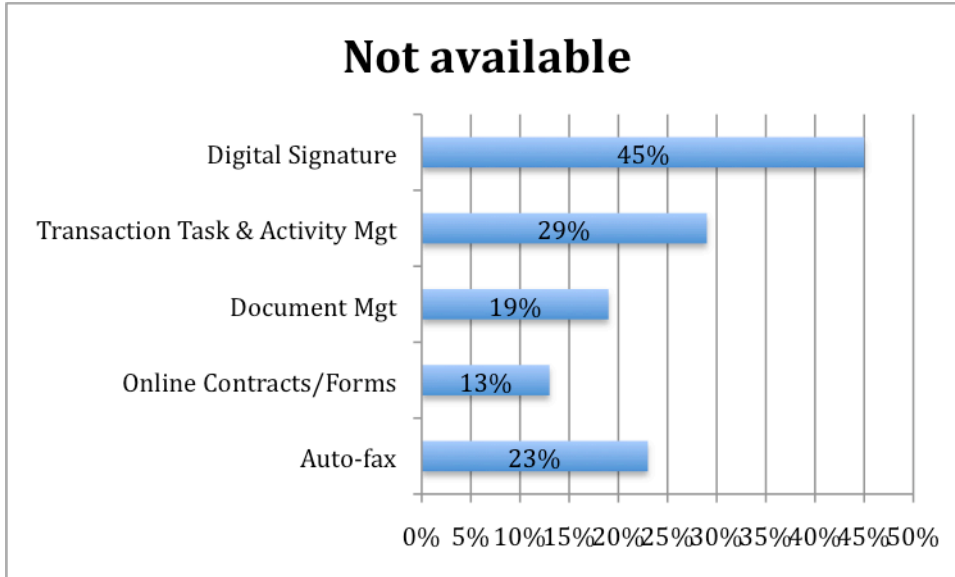
Today, there is a notable change among respondents **not** using Transaction Management today. Those “Somewhat Dissatisfied” or “Dissatisfied” have jumped from 1 in 5 to 1 in 3. The higher the dissatisfaction with current processes the more likely people will adopt new systems and technology.

How satisfied are you with your current process for managing transactions? (For those not currently using online transaction processing)



More Availability of Online Transaction Processing Tools

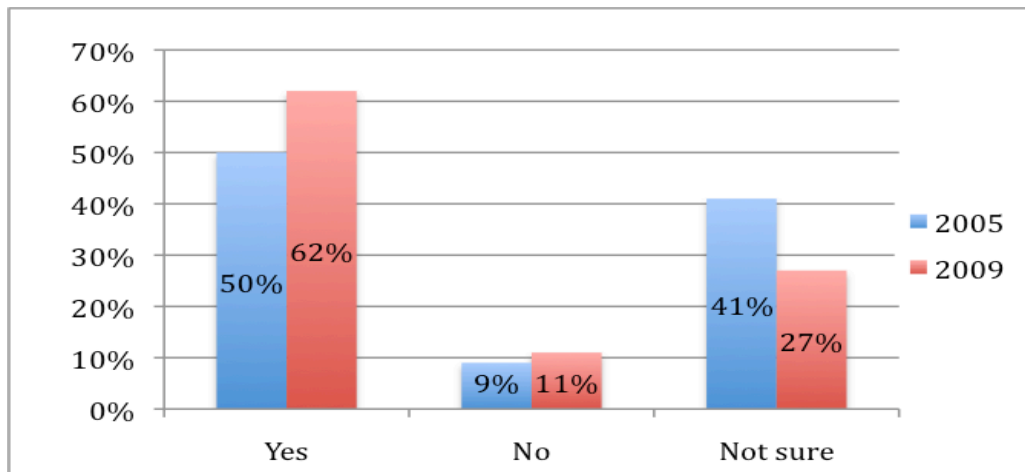
In 2005, 48% of the survey respondents reported they did not have access to automated Transaction Management. In 2009 this number has changed significantly. Over 70% of the respondents report having access to Transaction Management. Electronic forms are nearly ubiquitous at 87% and Internet faxing is a close second. Both of these technologies are considered by many agents to be “gotta haves”, almost considered core service offerings for MLSs now. Document management is becoming very popular now too and is available in a variety of formats in many MLSs.



More Interest in using Online Transaction Processing

Respondents that reported they were not currently using Transaction Management were asked if they would like to use it in the future. The number interested in moving to automated Transaction Management has jumped 12 points. Nearly 2/3 of those not currently using online transaction processing are interested in using it in the future.. This is up from from 50% in 2005.

Are you interested in using Transaction Management in the future?



Transaction Management Vendors Report Significant Growth

As part of this study WAV Group also interviewed most of the leaders in online transaction processing. To a company they are experiencing significant growth. The numbers of users, transactions, Internet faxes and documents have all increased dramatically within the past two years.

Zip Logix

Online forms, while they are very well established continue to gain new users. According to ZipLogix, their users have created nearly 38 million forms just since the beginning of 2009.

Lisa Mihelcich, Chief Operations Officer says:

“The integration of RELAY® with zipForm® has helped encourage users to initiate forms within a transaction management platform so they can get full use out of the full suite of products.”

ZipLogix tracks the number of consumers creating accounts so they can monitor the activity of their transactions. While the numbers are still fairly small, there are steady increases in the number of consumers participating as well. Their system also allows the agent to track consumer satisfaction throughout the process. This feature is getting more popular over time as well.

Instanet

Instanet Solutions now has contracts to provide services to over 350,000 REALTORS®, for their end to end suite of solutions including Internet Faxing, Forms, Document Management, Transaction Management and Digital Signatures

According to Martin Scrocchi, CEO

“Internet faxing and document management are really taking off, especially in the markets where document management is integrated directly into the MLS system so that the forms can autopopulate and transaction folders can be initiated directly from the listing.”

In MyFloridaRegionaMLS(MFRMLS) in Orlando, for example, recently integrated TransactionDesk into their MLXchange system and iMapp Tax/Property Records solutions.

The average number of unique log-ins has increased 30% in just one month from 36,151 to 46,474 from June to July, 2009. Nearly 2/3 of all forms created were begun within a transaction folder, representing a 63% increase in use in one month. The step to integrate the ability to set up a transaction from a list or tax record has also played a role in significantly increasing adoption rates.”

Marketlinx

Marketlinx has seen the number of transactions in their system double in just one year as well. According to Marianna Trammell, Account Executive:

“We are very pleased with the growth in the number of users and transactions being created. Agents are beginning to see the value of going paperless and eliminating the duplication and time wasted duplicating information on forms”

Emphasys Software

Ed Smith of Emphasys software, owners of Settlement Room, see a very high attachment rate to the transactions being created in addition to similar growth being experienced by other vendors:

“We are seeing anywhere from 5 to 50 attachments for each transacton created. That suggests to us that online document management truly is becoming the hub for tracking and completing all of the steps toward buying or selling a home online. It’s very encouraging to us.”

LPS Real Estate (formerly known as FNRES or Fidelity National Real Estate Solutions

LPS reported they have experienced an average 35% annual increase in the number of transactions entered since 2005. During that same period they report the number of digitized and stored documents increased significantly as well, averaging over 40% annually. The number of new accounts has grown steadily each year, averaging a 25% increase each year. Yet another example of growth in usage for online transaction processing.

Dynaconnections

Dynaconnections, a leading MLS system vendor took a different path with online transaction processing. They integrated the entire document management functionality directly into the MLS system. They experienced earlier adoption than some of the other online transaction management vendors and have seen consistent usage for creating transaction within the system and uploading documents into the document management module.

PropertyInfo - SureClose

Beth Young, the Director of Account Management/Realty Segment for PropertyInfo Corporation, a Stewart Company reports that in looking at their file counts and comparing numbers from Jan-Jun of 2008 vs. Jan-Jun 2009, they have seen an increase in transactions created within SureClose of 37.4%, very consistent with the increases reported from the other vendors.

Track My File

Heidi Bergman of Track My File also reports similar growth over the last three years in their number of transactions, documents and users. Heidi points out that key to their growth is not just their technology but their belief in working with clients to help them change their business processes with the addition of the Transaction Management capabilities.

Challenges to TM Measurement

One of the challenges we recognized in reporting the vendor numbers was a lack of consistency or standardization in how aspects of Transaction Management are reported. One vendor may measure Users, for example, as everybody that touches a transaction including the buyers and sellers, while another only counts agent users. Likewise, some vendors may consider a transaction to be an event where someone opens a new file even though no data is actually entered. Should this be considered the same as a transaction that has multiple participants entered as well as scheduled events, documents and activities? We didn't think so, so we decided not to publish actual counts from the vendors which might cause judgements to be made incorrectly about the success of one vendor over another. What we are confident about, however, is that usage of Transaction Management components, is on the rise for all of the vendors.

Hurdles to Adoption

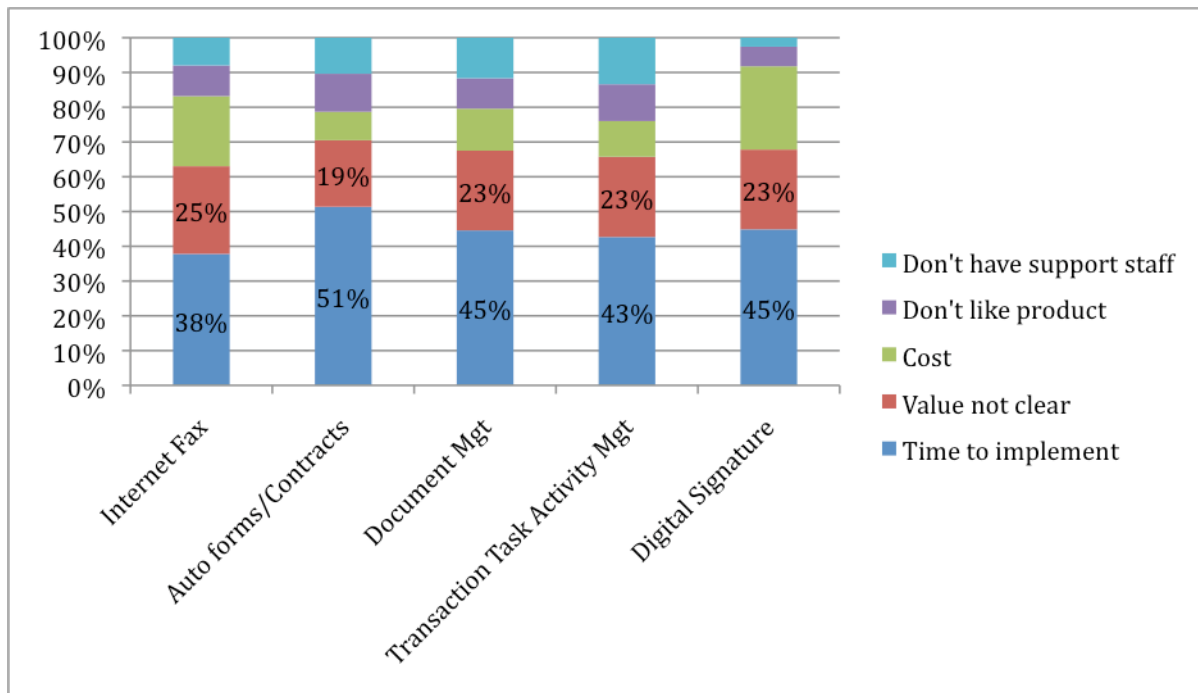
In the 2005 WAV Group Transaction Management Adoption Study we noted the key reasons users were not adopting Transaction Management were the perceived pain of

implementation, the lack of perceived value and their relative comfort with the methods they were using to manage their transactions.

While these issues have been overcome by many REALTORS® there are still clear hurdles to further adoption that need to be addressed.

Time to Implement – Top Obstacle

The number one hurdle to adoption for some is still the perception that these systems are difficult to rollout. “Time to implement” is the number one reason respondents cite for not using Transaction Management functionality. This is true for each of the individual components we measured as shown below.



Value Not Clear

There are still some that do not understand the fundamental value of moving to online transaction processing. They do not see a clear path between the transition to a new method for processing transactions and increased sales revenue. They do not yet recognize the inherent value in addressing the needs of today's younger consumers or the potential cost savings and ability to be more environmentally friendly.

Perceived weakening of client relationship

Many REALTORS® pride themselves on their level of customer service and “high touch” client relationships. Some respondents who are non-users of Transaction Management systems express concern that they will lose some of their opportunities for personal contact, somehow weakening the relationship they have built with their customers. This might have been true 10 years ago but we believe expectations of buyers and sellers of all ages are changing. Using technology tools to provide better service to buyers and sellers should not impact the “personal touch” if used correctly. Transaction Management is just another tool to be used along “with” personal touch.

Another concern we have heard expressed by more than one broker is a desire “not” to make the transaction more transparent. These brokers feel that increased transparency will actually have a reverse effect on the client and cause more issues than it solves.

When you consider the average buyer and seller is getting younger and younger it is difficult to support the notion that more and more transparency will not be the norm in the near future.

Limited Transaction Activity

In addition to the reasons listed on the chart above there are other realities that inhibit growth of online transaction processing. There are many REALTORS® who are simply not selling property at the moment. They have no need to use online transactions when they are not selling anything.

No need to change

Others simply do not see the need to move away from their current processes. They are comfortable with their current processes and do not recognize the need for improved efficiencies.

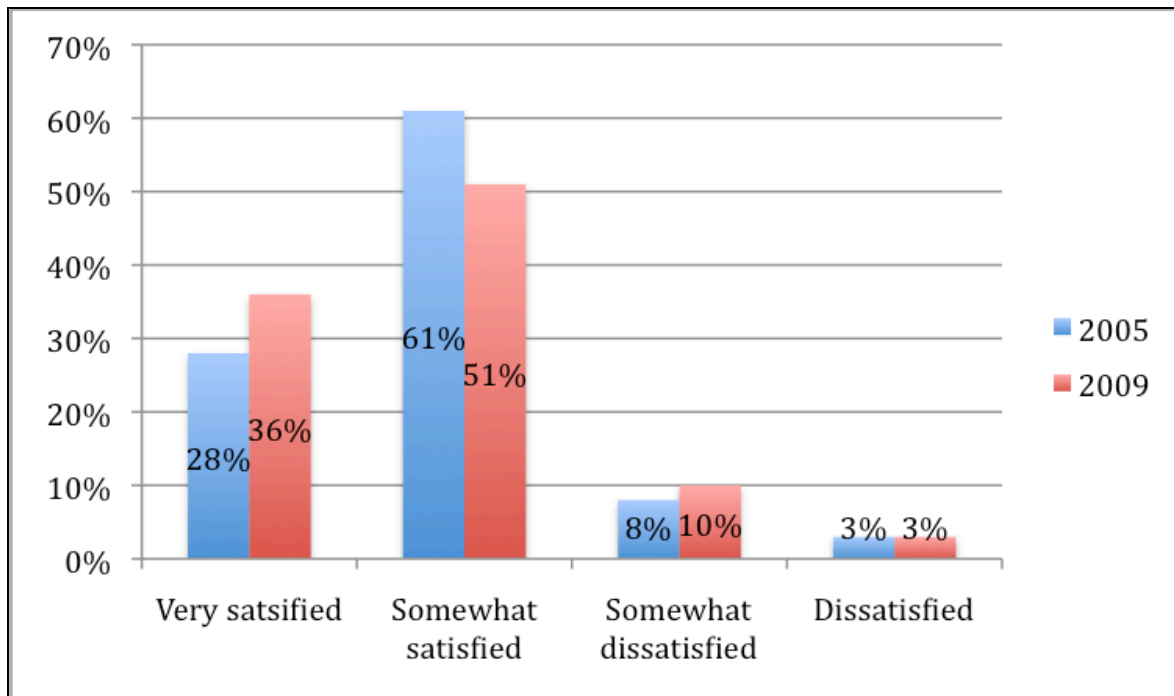
Online Transaction Processing Satisfaction Trends

Satisfaction Levels Remain High

The 2009 WAV Group Online Transaction Processing Adoption study shows that users are very satisfied with the Transaction Management systems overall. This has not changed significantly since the 2005 study though the number of “Very satisfied” users has gone up.

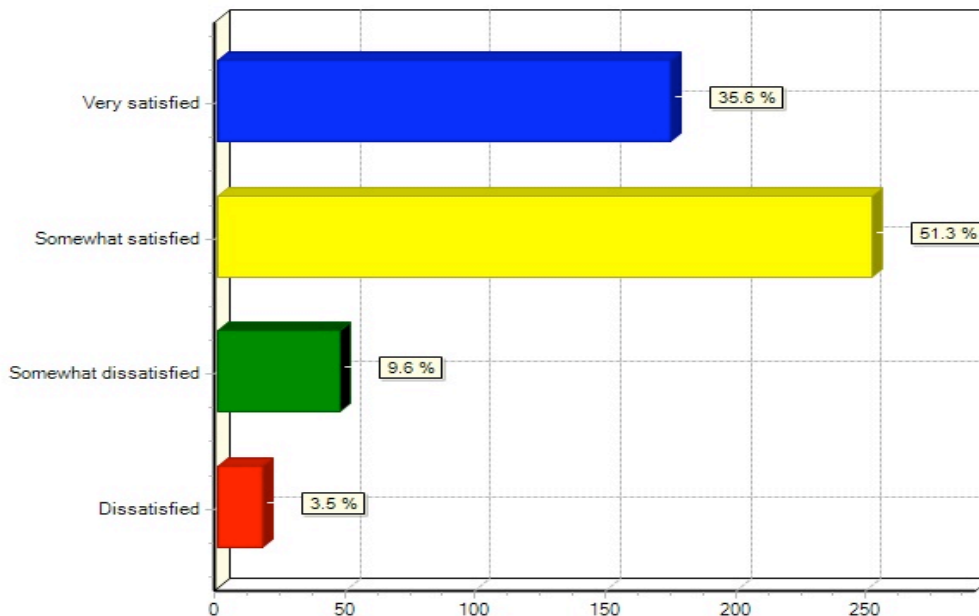
What is your overall satisfaction with the Transaction Management system you are using?

2005 Compared to 2009



Overall Satisfaction Results

What is your overall satisfaction with your online Transaction Management system?



One respondent said:

*"It's wonderful. Not only for forms, but to keep track of all my business from anywhere!
Keeps me organized! Love it!"*

What can be improved?

Transaction Management products need to be more intuitive and user friendly. Here is a sampling of just some these comments.

I find the user interface not very user friendly. The system is often slow and cumbersome. The file creation/placement of documents is cumbersome. Frequent outages. No ease of adding repeating task or events unless they are applied to all files.

"While the system works well overall, there are some areas that are not as intuitive as they could be for Realtors. "

"The system is complicated..."if this, then this" scenarios seem to exist. The more a company wishes to utilize it to its fullest, the more difficult it seems to tweak it to its needs. Maybe more knowledge and experience stories from the support group could be of service and use."

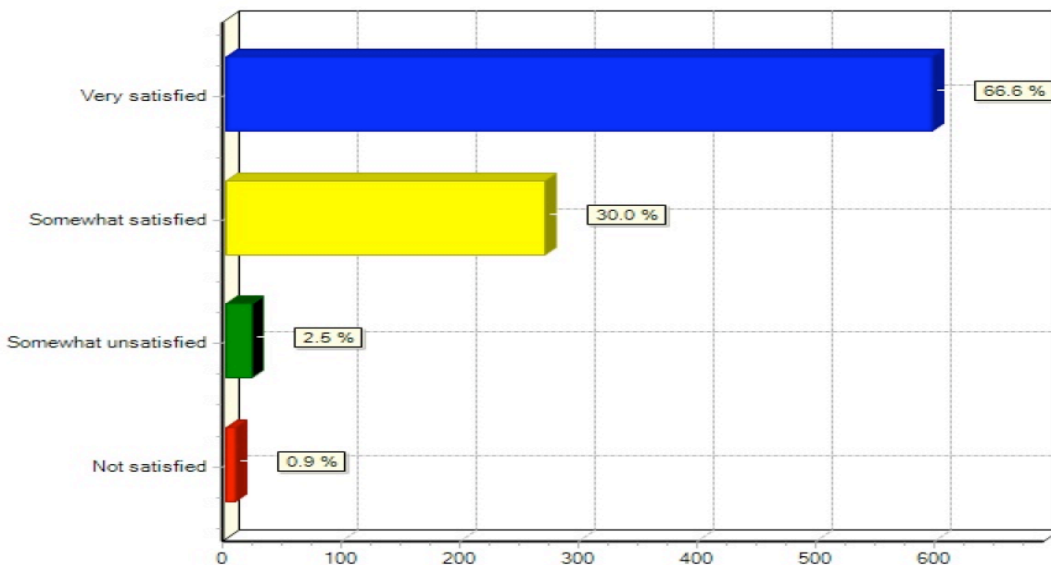
"Good to go paperless, but learning curve is/was steep and took many iterations to get notifications set correctly"

"There are things that aren't easy... takes time to figure out...like importing a new property into an existing transaction...i.e. deal dies buyer purchases new property, most of the data in old contract is the same but you can't import a new property and sellers easily...doesn't work. There isn't enough room in some of the boxes for the data and end up with a + in final contract instead of the text shrinking...need more room in some fields for more data."

It may at first seem to be a contradiction that users give these systems high marks and then make comments like those shared above. This is not atypical, however, of early adopters that have learned how to use valuable technology even though the interface is not totally user friendly because they recognize the real benefit. That being said, there are enough comments regarding usability to make it an area that vendors should spend some time on to improve if they want to promote broader adoption.

Internet Fax Products

Overall, how satisfied are you with your Internet fax product?



96.6% of electronic fax users are either somewhat or very satisfied. This is consistent with individual member satisfaction surveys WAV Group has conducted for MLS clients.

Please indicate your level of satisfaction for each of the following Internet Fax features.

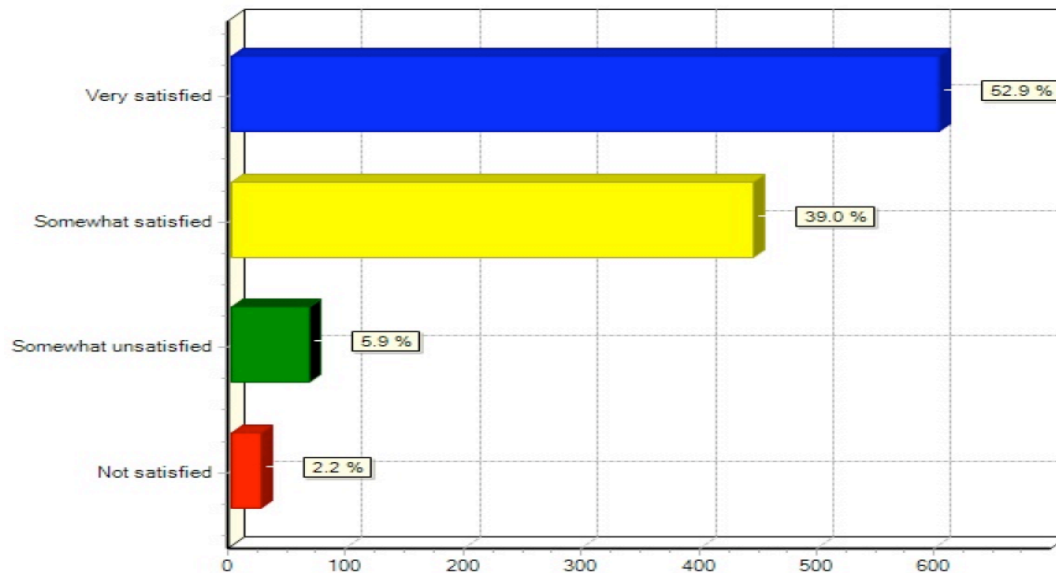
	Not available on system	Dissatisfied	Somewhat dissatisfied	Somewhat satisfied	Very satisfied
Overall ease of use	1.5%	0.8%	5.0%	29.3%	63.4%
Ease of creating cover sheets	12.0%	3.7%	8.2%	26.0%	50.1%
Ease of creating fax from email	19.3%	3.3%	7.1%	25.8%	44.5%
Ease of creating email from fax	8.4%	1.7%	6.9%	25.3%	57.8%
Ability to store and retrieve saved fax documents	9.6%	2.7%	7.7%	27.1%	52.9%

What can be improved?

Respondents seem very pleased with the products they are using overall but about 30% gave ease of use only a “Somewhat satisfied” rating for overall ratings, ease of creating a cover sheet, creating fax from email or creating an email from fax. While numbers overall are good clearly the “ease of use” area is something to be looked at by the vendors.

Automated Contracts/Forms Products

Overall, how satisfied are you with your automated Contract/Forms product?



Satisfaction levels are also high for electronic forms. More than 50% of respondents are very satisfied with their electronic forms solution.

Please indicate your level of satisfaction for each of the following automated Contract/Forms features.

	Not available on system	Dissatisfied	Somewhat dissatisfied	Somewhat satisfied	Very satisfied
Overall ease of use	0.3%	2.1%	8.2%	42.8%	46.6%
Ease of input when creating forms	2.0%	3.3%	9.0%	38.8%	46.9%
Auto population of forms with data, i.e. MLS/Contact data	7.7%	6.4%	12.7%	35.1%	38.1%
Ability to correct errors across	5.1%	5.9%	13.8%	36.8%	38.5%

forms					
Ability to share forms by email	4.5%	5.1%	10.1%	31.3%	49.1%
Ability to save paper, help environment	3.5%	3.5%	5.2%	30.3%	57.5%

What could be improved?

While overall satisfaction was high over 40% report being only “Somewhat satisfied” in terms of ease of use. Other comments point out other areas where there is room for improvement:

“Some forms still don’t auto-populate so it seems that we have to re-enter info several times throughout the file.”

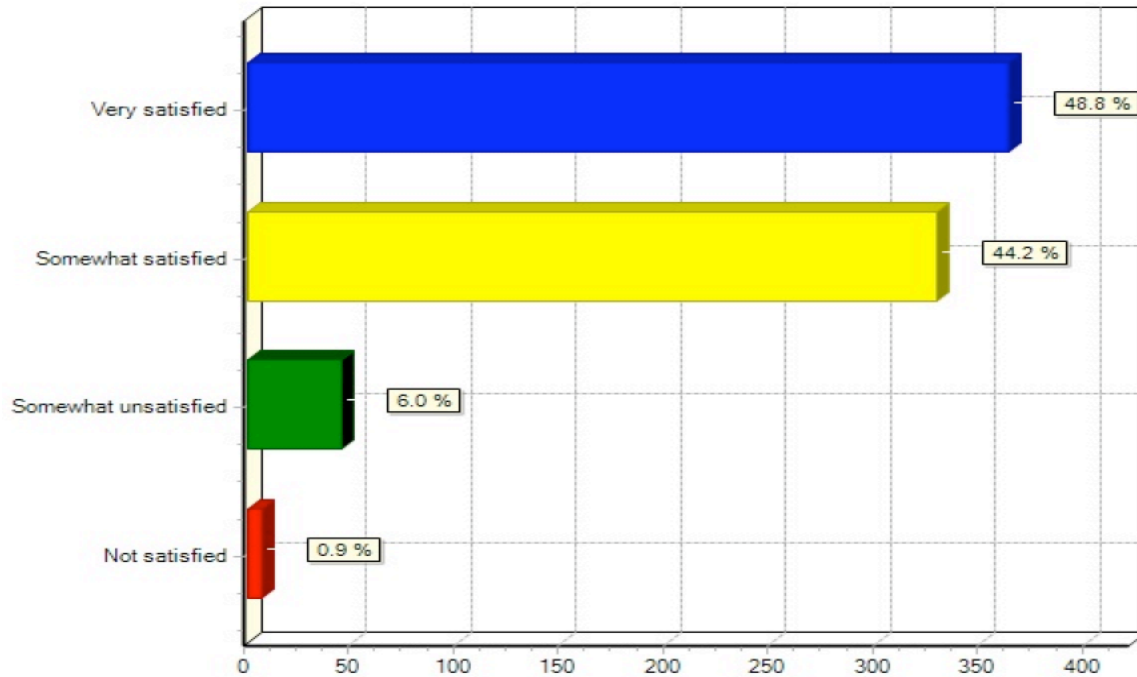
“Our form program is separate from our transaction management program.”

“Information does not update and fill in on all forms.”

“Attorneys & banks still want paper copies”

Document Management Products

Overall, how satisfied are you with your online Document Management product?



Document Management solutions are also very popular now. Nearly 50% of respondents are very satisfied with their document management solutions and less than 1% are not satisfied. Once REALTORS® get comfortable with transitioning away from paper and online the solutions seem to work well for them. Transaction Management is a natural migration beyond purely using electronic forms.

What could be improved?

Please indicate your level of satisfaction for each of the following DOCUMENT MANAGEMENT features.

	Not available on system	Dissatisfied	Somewhat dissatisfied	Somewhat satisfied	Very satisfied
Document storage and retrieval	2.5%	1.2%	9.1%	35.9%	51.3%
Ease of loading	2.5%	2.4%	10.3%	37.6%	47.2%

documents into system					
Loading documents via fax	18.0%	3.3%	10.1%	29.4%	39.3%
Ability to save paper, help environment	2.2%	2.4%	6.7%	25.9%	62.7%

Ratings in the chart above show that most people are satisfied with their document management products, however, once again there appears to be room for improvement in the “ease of use” area. About 38% of respondents were only “Somewhat satisfied” with the “Ease of loading documents into the system”.

In the comment section, not all comments were positive, of course. Here is a sampling of some of the suggested areas for improvement in the document management module.

”Not always readable due to print fade”

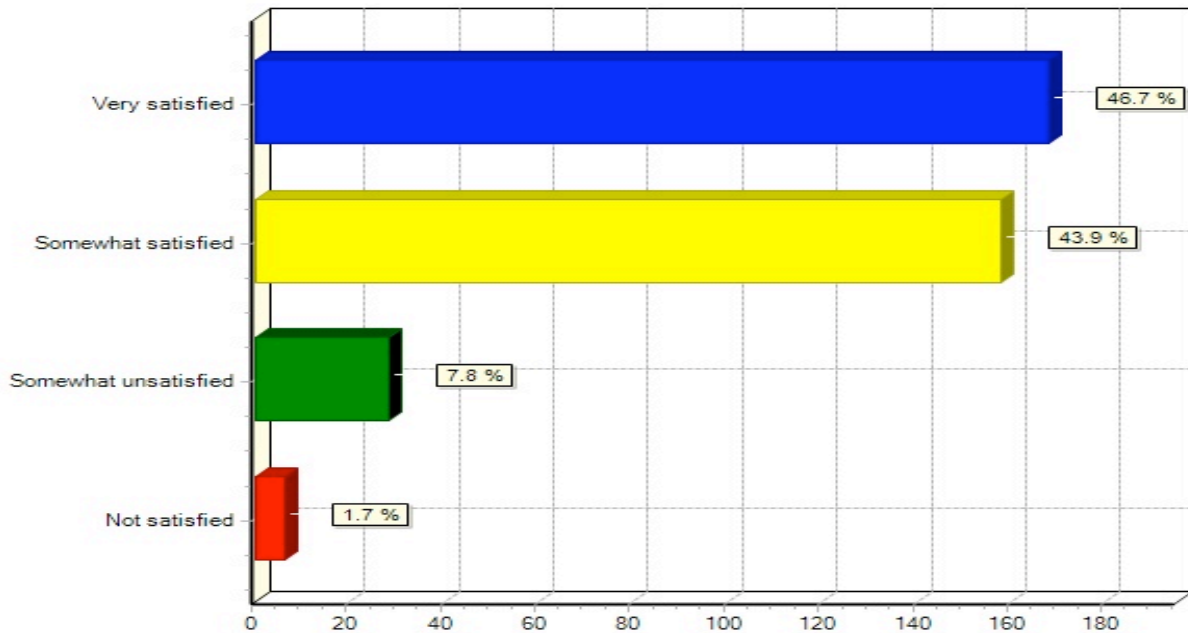
”Can't use for every transaction. Only if prepared in office, not on the road.”

”Would be better if I could get more clients/realtors to use online.”

What is notable about these comments is the fact that they are not so much “technology” related as “process” related. One comment is just about using a good first copy and the other two are clearly related to adoption and how broader use will make it much more effective.

Transaction Task and Activity Management Products

Overall, how satisfied are you with your online Transaction Task and Activity Management product?



Over 90% indicated they are either somewhat or very satisfied with the Transaction Task and Activity Management product they are using.

What could be improved?

Transaction Task and Activity Management is probably what most people think of as actual Transaction Management. This is the area where you log events and track activities and share views into the transaction. Once again, overall satisfaction is very high with a large number of users “Very satisfied” with their products.

Areas noted where some improvements could be made include “Communication of transaction events to all involved parties”, “customer views” and providing “Access to the transaction by permission”.

Please indicate your level of satisfaction for each of the following Transaction Task and Activity Management features.

	Not important	Not available on system	Dissatisfied	Somewhat dissatisfied	Somewhat satisfied	Very satisfied
Communication of transaction events to all involved parties	1.7%	4.1%	3.8%	8.2%	34.4%	47.8%
Customer online view of transaction	6.1%	8.7%	4.3%	9.5%	30.3%	41.0%
Ability to provide access to the transaction by permission	4.4%	7.6%	3.2%	8.1%	31.7%	45.1%
Ability to supply customer closing documents on CD	15.8%	19.6%	2.7%	5.7%	21.7%	34.5%
Ability to supply customer closing documents online	9.2%	18.9%	3.6%	5.9%	24.9%	37.6%
Ability to save paper, help environment	5.3%	4.1%	2.6%	5.0%	24.9%	58.1%

The negative comments were very limited and seem to be more related to adoption by agents and consumers than the technology itself.

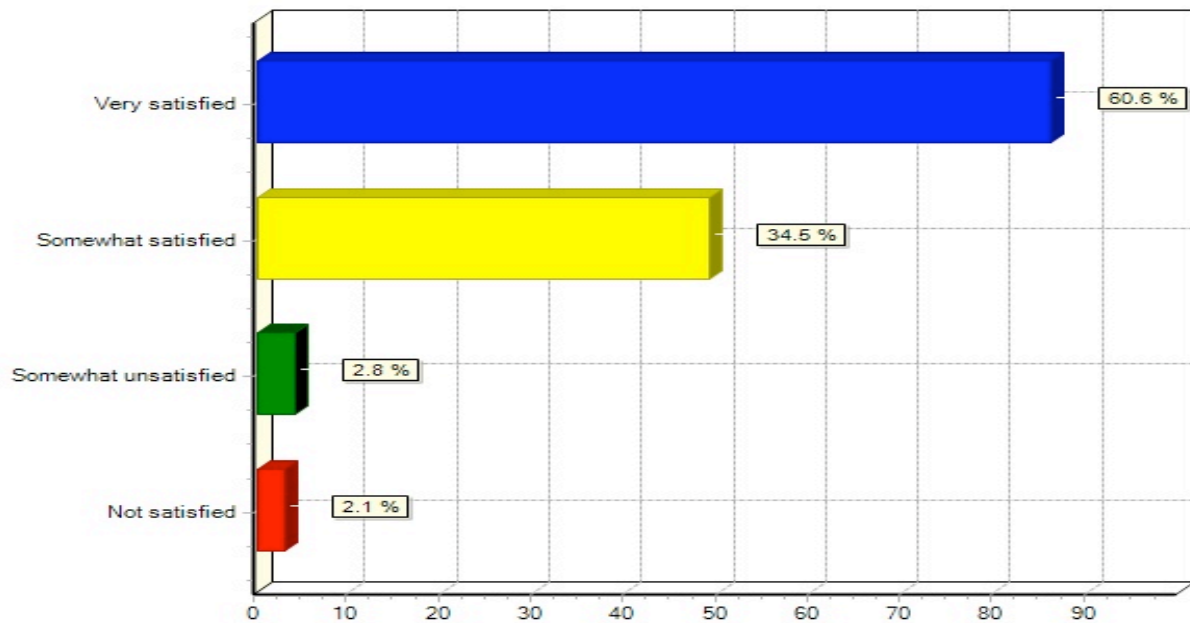
"Wish more agents would use this"

"Clients don't view, don't always remember to do so"

"Not customizable by agents, only by admin"

Digital Signature Products

Overall, how satisfied are you with your online Digital Signature product?



While Digital Signature is the least used module of Transaction Management at this time it is important to note that over 60% report being "Very satisfied" with the product they are using!

What could be improved?

Please indicate your level of satisfaction for each of the following Digital Signature features.

We found it very interesting that while this is the least used component today in Transaction Management it had very high ratings. This is due likely in part to the fact that the standards for compliance are so strict and that vendors partner with specialists to provide this service.

	Not important	Not available on system	Dissatisfied	Somewhat dissatisfied	Somewhat satisfied	Very satisfied
Overall ease of use	0.7%	1.5%	4.4%	3.6%	34.3%	55.5%
Time savings	0.0%	2.2%	2.9%	7.2%	28.1%	59.7%
Security	0.0%	2.2%	4.3%	2.2%	31.9%	59.4%
Perceived value to client	2.2%	2.2%	2.2%	6.6%	28.5%	58.4%

Over 30% still report being only "Somewhat satisfied" on ease of use.

The comments regarding digital signature show more specific concerns that indicate it will take some time for broad acceptance in the real estate sector.

"Don't trust the security of any system available, too much possibility of capture by unknown sources"

"Clients don't like it & cost"

"Wet signature is better."

"Legal concerns"

"Don't know that much about it"

"Client don't like it, signing is a commitment; DRE has rules on retaining paper."

"Our in-house attorney doesn't recommend its use for all and any transactions"

Conclusions and Recommendations

General

- Online transaction processing has come into its own despite a slow economy and from all indications, adoption growth will continue. Results from our study and statistics from cooperating vendors show a steady increase at all levels of Transaction Management.
- On a general level the technology, once adopted, is receiving high marks in terms of user satisfaction.
- One contributing factor to increased adoption is clearly the result of vendors providing modular products with integrated solutions. These products allow users to try new technology a piece at a time and make it easier to transition from one Transaction Management process to another.
- Younger consumers expect full transparency into the transaction. As noted in our report, the age differential between REALTORS® and buyers and sellers is getting wider. Younger buyers and sellers have different technology expectations than their parents. This will become even more important over time.
- A significant factor that should not be underestimated is a desire to adopt more “green” business practices. This is a major trend in our culture today and as noted in WAV Group’s [“Save Green While Going Green”](#) whitepaper,
“...There are many benefits to going green. One is cost-savings. When a company commits to going green they examine every process within the company to eliminate waste. Companies like 3M realized a savings of \$1 billion in just the first year of implementing a green program within their factories. While the savings for a small organization will not be that dramatic, of course, going green can create meaningful cost-savings to reduce operating costs.”
- Going green makes good sense in all respects to protect our environment, save resources and to reduce costs currently spent on products like toner and paper. Younger buyers and sellers are much more tuned in to these realities and will be

looking more and more to partner with businesses that reflect their values. This can only add to the “pain” and “benefit” argument we stress is vital to product adoption, which will in turn accelerate the process.

- Two significant issues that need to be improved is the “time and pain to implement” Transaction Management and the overall usability. While general satisfaction ratings were very good a recurring complaint was that the systems were not as intuitive and user friendly and they should be. As users move from the basic modules like forms and document management to full transaction scheduling and management which are far more complex, this usability becomes even more of a factor.

For Multiple Listing Services

- MLSs should continue to educate themselves and their members on the value of available online transaction processing components.
- The MLS is the ideal organization to offer online transaction processing services. The more community-wide participation in online transaction processing the better the system for all involved. This can be another area where the MLSs encourage collaboration and cooperation.
- Ideally, Transaction Management will be well integrated with the MLS system to take advantage of data content and will allow for easy auto-populating from listing data and public records.
- When looking at any component product, such as forms or document management, remember that eventually these are pieces of a bigger system. Before you choose a vendor and product look at how well this vendor and product fit into a longer-range solution. Don't make decisions today that create blocks to more integrated and advanced technologies in the future. Choosing a Transaction Management provider in some ways is more difficult than choosing an MLS system because ideally it will be integrated into every broker's business processes.
- Understand the positive impact Transaction Management offers both in savings to your members and in protecting our environment. Help your members recognize going paperless has benefits for client satisfaction, cost savings and reducing their environmental impact.

For Transaction Management Vendors

- Improve usability! Remember that one of the primary obstacles to adoption is the time and pain to implement. Going to a modular product approach is a step in the right direction. Vendors need to continue to make it easier for agents to move forward with more complete Transaction Management. Transaction Systems need to be intuitive and easy for all parties to navigate or brokers and agents will not use them.
- Continue to share information on Transaction Management adoption and the value it represents in terms of lowered expenses, benefit to the environment and better service to buyers and sellers.
- Publish more case studies on actual user experiences and how Transaction Management is changing their businesses and client experiences.
- Provide clear step-by-step overviews and examples on how to integrate Transaction Management into their companies without upsetting their business in the process.
- Standardize reporting methods with other Transaction Management vendors to accurately reflect true adoption in the industry.

Survey Methodology

WAV Group distributed the 2009 WAV Group Transaction Management Adoption survey to real estate professionals across the country in partnership with a number of Multiple Listings Services. The survey received an outstanding response of 1,700 agents, brokers and support staff from across the United States. Respondents represented all of the major transaction management vendors in the survey.

In addition to the data we obtained from users we were also able to obtain historic data from a number of the major transaction management vendors. Their cooperation allowed us to see actual technology usage patterns in their products in all of the elements of the Transaction Management tools set from forms management, to document management to the many components of the actual transaction management software products. The data from both sources helped to validate the growth of automated Transaction Management by the real estate industry over the four years since our first study providing a clearer picture of how adoption is actually taking place. As noted earlier in our report, due to the lack of standards in report, we have chosen to report trends rather than actual numbers from each vendor as this may have caused an unfair comparisons based on data that is not reported in a uniform manner.

We want to thank all of the MLSs, the Transaction Management vendors and all of individual respondents for their participation and help with the study.

In 2005 we defined automated transaction management as a system that allows multiple parties involved in a transaction to view, share and manage data through the entire transaction process. In 2005, we attempted to make it clear that we were not referring to personal use software that can used by agents to help them individually manage their own transactions but cannot be viewed or accessed by the multiple parties involved in the transaction. Regardless of our intentions it became clear during our study that many of the respondents simply did not understand what Transaction Management systems are. As a result, many reported using Transaction Management systems when in fact they were using contact managers or simple scheduling products.

In 2009 we approached the question differently. We did ask upfront if the respondents use an automated Transaction Management system and 29% of the respondents report they do compared to 60% that said they did in 2005. While this may seem that less people are now using Transaction Management today we believe the opposite is true. In fact, our 2009 study now shows us clearly what parts of Transaction Management are being used.

Full Transaction Management systems are complex, rule based systems that include several different functional modules. For the purpose of our study we broke these functional areas down as follows:

- PC/Internet fax
- Contracts/forms integration

- Document management
- Transaction task and activity management
- Digital signature

Contribution and thanks to participating MLSs

WAV Group would like to thank all of the participating Multiple Listing Services and associations for their assistance in creating this study.

All MLSs and associations with respondents are recognized in the following list:

- Arizona Association of Realtors
- Connecticut Statewide MLS
- Consolidated Multiple Listing Service (CT)
- Garden State MLS
- Greater Hudson Valley Multiple Listing Service
- Heartland MLS
- IRES Information and Real Estate Service
- Jersey Shore MLS
- Metropolitan Regional Information Service
- MIBOR (Indianapolis)
- Middlesex MLS
- Midwest Real Estate Data LLC
- Monmouth/Ocean Multiple Listing Service
- Multiple Listings Service of Long Island
- Northern Nevada Regional MLS
- Realcomp MLS
- Sandicor MLS
- SoCal MLS
- Suncoast MLS
- TREND MLS
- Western NY Real Estate information Service
- Wilmington Regional Association

Contributing Transaction Management Vendors

WAV Group would like to thank the following Transaction Management vendors that supplied us with valuable data and insights into their own product adoption to be shared in this report. Please contact these organizations for more information about their products and services.



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WAV Group is a leader in providing consulting services and research to the real estate industry. The company provides strategic direction and thought leadership to some of the industry's leading Multiple Listing Services, Associations, technology companies and real estate organizations globally. The company regularly publishes studies and white papers on a variety of technology topics.

WAV Group has expertise in the areas of market research, strategic planning, product development, sales planning, distribution, marketing, and technology evaluation, selection and implementation.

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