



Is Your Listing Presentation Broken?

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About WAV Group

WAV Group is a leader in providing consulting services to the real estate industry and is comprised of corporate executives with a depth of expertise in both the real estate industry as well as the consumer market.

The company has conducted studies for some of the largest organizations in the industry. For more information or to register to receive reports, releases and newsletters, please contact Victor Lund at Victor@WAVGroup.com

WAV Group works with Multiple Listing Services, associations, real estate firms, franchise organizations and technology vendors in the US, Canada and Europe. WAV Group has expertise in strategic planning, technology evaluation, product development, market research, recruiting, sales and marketing plan development, technology selection and implementation.

WAV Group Communications offers full service communications and public relations.

WAV Group encourages boards of directors to participate in their quarterly WAVinars, titled WAVes of Change. This quarterly series provides an examination of issues and trends that shape the real estate industry.

For more information on WAV Group products and services, contact Victor Lund, or visit our website at www.wavgroup.com.

Is Your Listing Presentation Broken?

I look at a lot of listing presentations. As a broker consultant, the CMA and the listing presentation are keystones of operational effectiveness.

Here is what I see all the time:

- 1. Consumers find homes online**
- 2. We put your listings all over the internet**
- 3. CMA**
- 4. List with me**

The National Association of REALTORS® has an incredible research department. Sometimes that research is leveraged for good, and sometimes it is misappropriated. I would love to see NAR kill this research question—where do buyers search for homes?

In 2004, most brokerages were putting a pile of money into newspaper advertising. The seller demanded it! The only fundamental question that the seller asked was, “Are you going to advertise my home in the newspaper?” Today, consumers ask how their property will be marketed online.

The NAR research helped brokers and agents get out of the addiction to newspaper advertising that was long understood to be too expensive for the buyer engagement that it captured. As you may not be able to read from the image above, only 1% of buyers report using the newspaper to find a home. **What the seller was asking for was wrong.**

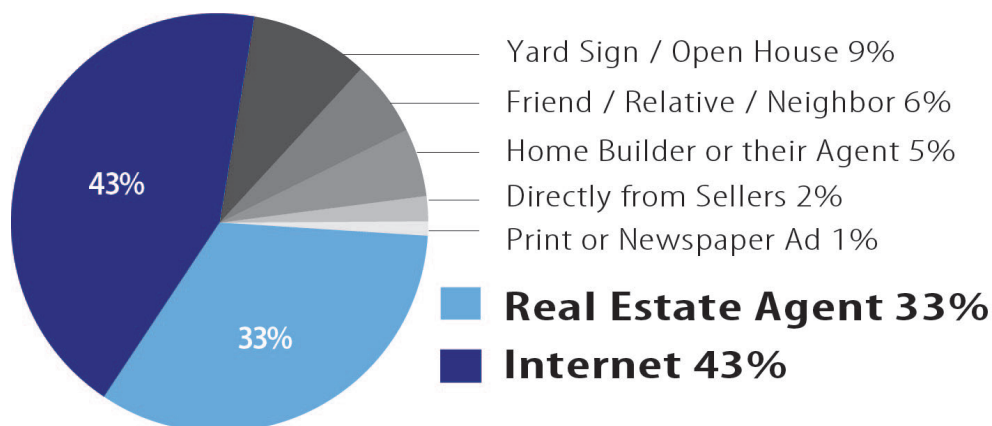


Figure 1 Where Buyers Search for Homes (NAR 2014)

Listing Syndication Emerges

Point2 generated this image for agents to use in listing presentations. I can hear Saul Klein in my head, "If the buyers are on the internet, that is where your listing needs to be advertised! Distribution trumps Destination!"



The interesting thing about the internet is that it can be measured. The reporting tools that brokers and agents can access and share with their sellers tell a different story about online advertising. It tells the story that the engagement on the internet is not what everyone thinks it is. I believe that the NAR survey underrates the internet. Everyone uses the internet at some point in the home buying process – so the data should show that 90% of buyers search for homes online. But that is still not the message. We need to stop telling the story that third party listing websites are where buyers come from. The communication focus should be that buyers who will purchase in the next 30 days are already working with agents in the MLS or on broker websites.

NAR Survey is Misleading

When you ask agents the same question, the answer is very different. Buyers come from other agents and from yard signs. Buyers rarely come from the internet. The internet inquiries are taking over 300 days convert, according to research performed by Weichert and Metro Brokers. When days on market is less than 300, the buyer for the property that you are listing is already working with an agent. That is why we are so bullish on Buyside as a product. I would want my agents to do the same thing that Fox & Roach agents and Elliman agents are doing. Don't show the seller where you are going to advertise my listing on the internet; show them the buyers for the listing that you already have in your database!



Image provided by Buyside

Imagine if Buyside was plugged into the MLS and leveraged all of the saved searches! This report would show every buyer for the home across every agent in the market. The seller would demand that their listing be published in the MLS and would care very little about the internet. P.S. The MLS is on the internet.

Saul was wrong. Destination trumps Distribution. Ninety percent of all consumer engagement to listings on portals comes from the top five sites – Zillow, Realtor.com, Trulia, Homes.com and HomeFinder. The other 300+ websites in the ListHub distribution environment combine for less than 15% of all engagement. It begs the question, why put your data at risk? Moreover, the MLS has twice as many views as all syndication sites combined.

Your Seller Reports Are Missing Data

ListHub and ListTrac are competitors in the space that hope to display a full picture of where listings are viewed on the internet. In the case of ListHub, you pay for the reports. In the case of ListTrac, the reports are free. The San Diego MLS, Sandicor, is leading the nation at requiring that the tracking cookie be displayed wherever a listing is viewed, including the MLS and IDX sites.

The data proves that the MLS system is far and away the no. 1 place to market a listing. As you see from the Listtrac report below, MLS engagement for listings trumps all syndication sites by a measure of 2X, even before you include broker and agent IDX websites. **If MLSs want to prove their value to the consumer and to their subscribers, they should track and publish the power of the MLS as a marketplace for connecting buyers and sellers.**

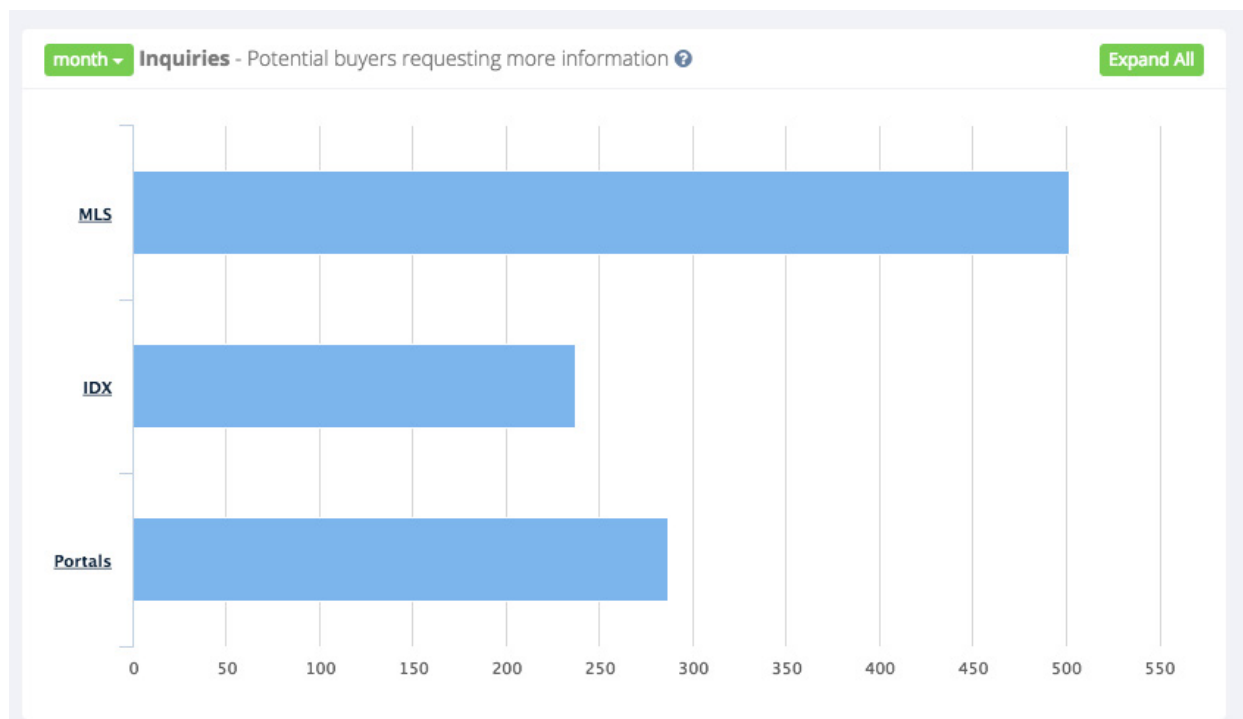


Image provided by Listtrac seller report

Learn from FSBOs

There are a number of listings on publisher websites and in the newspaper everyday where some seller is trying to go it alone and sell their house. After their discouraging experience, they list with a Realtor® and their home gets sold. **The internet and newspapers do not sell houses, they sell advertising.** When I review listing presentations, the message I read is, "This is where I will purchasing advertising for your home." *Consumers do not need an agent to purchase advertising.*

Sell Your Brokerage and Agent Value

The value of hiring a Realtor is that they work to make sure that sellers and buyers have safe, ethical, and legal trades without having to do all of the work alone.

Where is the mention of the broker's track record for avoiding legal battles?

Where is the mention of the broker's transaction management system?

Where is the mention of how you will explain the contract?

Where is the mention of your process for counter-offers?

Where is the mention of your average days on market vs. others?

Where is the mention of the number of buyers you already have?

Where is the mention of your experience in the neighborhood?

Where is the mention of your market share?

Where is the mention of your closing process?

Where is the mention of your showing process?

Where is the mention of your privacy policy?

Where is the mention of your safety policy?

Where is the mention of your experience?

Where is the mention of your training?

Where is the mention of your certifications?

Where is the mention of the 10,000 other things that differentiate you?



Victor Lund

Victor Lund is the CEO of RETechnology.com, partner in WAV Group Communications, and founding partner of WAV Group Consulting. During his 20 year tenure in the real estate industry, Lund has provided research and strategic consulting to most of the largest firms in real estate brokerage, franchising, technology, associations of REALTORS®, and Multiple Listing Services.

Today, WAV Group is focused on a number of projects that may have a fundamental impact on how consumers and financial markets access real estate information: Project Upstream, Broker Public Portal, Real Estate Standards Organization, and RED-PLAN.

More information may be found at www.WAVGroup.com or on LinkedIn [@victorlund](#).



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