

# Swanepoel Trends Report Report

## Trump a surprise as big as Brexit

Jobs – creating jobs will help real estate – primarily in areas that need infrastructure (water roads etc) and energy

Tax Changes may be a negative for home ownership – because may remove itemized deductions

Dodd Frank may be doomed (horrah??) should ease regulations which should ease lending to small builders.

Don't worry about fannie mae or Freddie Mac going away in the short term

## Platforms

CRM

Lead management

Transaction Management

Mobile Apps

Email and Marketing tools

Sales Tracking and Analytics

Mentioned Redfin and EXP realty and Compass (together over \$500,000 in investment funding)

Lots of out of the box solutions (Agent Achieve, Boston Logic Placester Real Estate Webmasters

Ziprealty now Zap Labs (increased [Era.com](http://Era.com) by 70%)

Many companies are now technology companies – delivering leads and software as a service (SAAS) to the agents.

## Agony of Technology adoption

Industry spends over \$1 Billion each year on over 1000 different tech products – however most firms struggle to achieve meaningful results – their agents are only in the low double digit of acceptance and use.

Why –

- 1) We're independent
- 2) One size does not fit all
- 3) We use price to make our decision not Return on Investment
- 4) Wrong criteria for success – If the agents were given the option of buying the product would they?
- 5) lack of a clear plan and strategy – resistant to any change – many agents try it once and that it! –

Long and Foster Case study 11,000 agents 85 products 100 or fewer agents used some tools- New CRM and Goal Setter – 1 year roll-out – 53% use it average 361 contacts each.

Fox and Roach now use Corelogics eproperty watch program – Open rates of 52 % and click through of 31% - 63% of agents use it

## Retirement of the Leadership wave

Babyboomers are retiring in 2017 10,000 will celebrate their 69<sup>th</sup> birthday – everyday – (baby boomers 46 to 64) Ceos at companies average about 40 years at a company

Younger boomers and GenX Obvious choice how ever it will take giant feet to fill the footsteps of the retiring leaders

**Upstream** - Zillow for the brokers – more control, data on their agents, (NAR and RPR part of this) MLS mostly not in favor of this - MLS and Zillow have competing products

## Data Landscape and Integration

Single entry in multiple MLS and Data portals, data management – Zillow spending tons on this  
RESO- Real Estate Standards Organization– RETS Real Estate Transaction Standard

## Flat Fee Brokerages

1970's and 1980's franchises

1990 Remax

2000 Keller Williams

2017 Flat Fee Brokerages – now becoming large scale national entities – RealtyOne (8700 agents 40,000 transactions) HomeSmart (11,000 agents 36,000 transactions), United Real Estate (2500 agents 10,000 transactions) Fathom (1200 agents 9000 transactions) Allison James (1200 agents 11,000 transactions)

Target are agents doing 7 to 15 deals a year

This will force “traditional” brokerages to prove their value in relation to commission \$ kept.

Clarify Value Proposition to Agent

Own the Streets (image advertising, branding,

Think Technology platforms

Provide real Value

Agent Training

### **MLS Shift**

Fewer but larger MLS – down from 825 to 719 – more mergers in the works.

Should remove double fees etc

But concerns about anti trust intellectual property and disaster planning need to be addressed.

### **Teams Teams Teams – Explosive Growth**

Its reshaping brokerages as many cant figure out how to make a fair profit with teams. (BTW this has been a sore point for many of our clients)

Family team

Happenstance teams

Rainmaker teams

Streamlined teams

Expansion Teams

DO our clients want our personal service or the service of a specialist (think dentists office with receptionist, hygienist, dentist, and accountant)

Needs a powerful digital platform – as clients expect instant answers

Technology issues (especially millennials wanting transparency info and speed)

Lead Generation issues (most teams pay too much in our opinion)

Legal Liability (do teams break the law with their standards? – we believe many do with regards to 1099's versus taxes and independent contractor status)

Expect a good broker to foster culture and support yours

Training geared towards teams

Establish common goals

### **Roles**

Team Leaders

Buyers agent

Listing agent

Marketing

Tech Support

Operations manager

Transaction coordinator

ISA incoming lead handling

OSA lists of fsbos expireds etc

Operations/Admin

Sales Managers

Showing Assitants

Client Care Specialists

Virtual Assitants (fill in some of the roles abve0

Agent to support staff is most commonly 5 to 1

Path is usually part-time admin, fulltime admin, then buyers agent; next role varies – ISA, another buyers agent or a listing Transaction coordinator – Then Manager Tech Operations Support.