

10 technology trends

that will impact your business in 2007 ...and beyond

When the subject of technology comes up and how it relates to the future of your business, are you invigorated with thoughts of new opportunities or do you get a knot in your stomach? Regardless of how you feel, technology marches onward, affecting the real estate industry—some would say for better, others would say for worse, but all would say from the inside-out. “Inside” your business, tools are continually being developed to increase your productivity, while on the “outside” your customers and prospects have more information and knowledge available for the taking. We have compiled an overview of a few trends that we feel you will want to keep an eye on. This list is not intended to introduce the “bleeding edge,” rather; it is an overview of newer technologies that are making an impact now.

1 The value of home values

Home valuations for dummies

The idea seems indisputably beneficial: make the estimated value of a home available to real estate customers on Web sites. Ask any homeowner and they'll all agree: they want to gauge the growth of their investment and track their neighbors' gains as well.

But as with all things Web-related, the competition within the category is heating up, with companies such as Zillow, HouseValues, HomeGain, and more recently, FNRES' Cyperhomes.com, giving consumers a choice in how to access information.

But what does this mean to the industry overall? If consumers can find CMA information online, how does it affect the personal trust that all real estate transactions are based upon?

The first to open the door to this was HouseValues.com, a Washington-based company that now provides leads to close to 16,000 real estate agents in North America. HouseValues was developed to work hand-in-hand with agents. Inquiries fielded through the company's Web site were funneled directly to agents who personally generated CMAs to be delivered directly to the consumer. What would seem a veritable treasure-trove of leads for agents does indeed connect agents with customers who want to sell.

But, what of the looky-loos of the world—those customers who may not have an immediate interest in selling their homes? HouseValues does not discriminate between the two, and unfortunately, it takes the same amount of time to create a solid, accurate CMA for a real customer as it does for a looky-loo. With HouseValues and other services based on the same model, the leads

Consumers have rushed to the web for home valuations. Many business models have been developed to meet this new opportunity, but each has limitations. Consumers want immediate “free appraisals” but are they getting what they expect?

A flood of leads –of which only 2% to 5% convert– has made it difficult for agents to respond in a timely manner. New businesses have launched to solve this problem. How do they work?

can be a double-edged sword for agents. When does a steady stream of leads turn into a mudslide?

That's the problem that Zillow, another Washington-based company set out to solve. Zillow automated the CMA process, so that agents would not get overwhelmed by the number of people who simply wanted to know what their house was worth. Although true, services such as this do indeed take information that was previously only in the hands of the real estate agents and place it firmly on the keyboard of any Web surfer.

According to Jeff Somers, director of partner relations for Zillow, these services only help the agents. "Agents are providing expert service to clients and it takes a little bit of pressure off of them to be the end-all, be-all for information. It certainly allows for more informed discussion with consumers; it's another piece of information in an already-complicated transaction."

But is the information on the various home valuation sites accurate? Any real estate agent knows that correctly pricing a house is both objective in the review of other comparable homes and a subjective evaluation of the home for sale. A Web site such as Zillow cannot accurately provide that level of assessment.

But Zillow for one was not created to provide just one service. The business model, so far as it has been disclosed, provides yet another opportunity for agents to advertise. Agents can post listings with photos and contact information on Zillow for free every month, continues Somers. Ultimately, Zillow seems to be creating a model aimed directly at sellers, which is a distinct angle in the market. Just recently, Zillow has enabled property owners to post a "Make Me Move" price which tempts people who are not currently selling their home to think seriously about it.

And that can't be all bad. It takes the unsavory job of cold-calling and mass emailing prospective sellers and turns it into an opportunity for the enterprising agent, who need only troll new postings to Zillow.

The jury is still out on this one, as the concept is too new to be proven. What is obvious, however, is that the role of the real estate agent must be in constant flux to accommodate the never-ending innovations in online real estate.

2 So many leads, so little time The pros and cons of lead aggregators

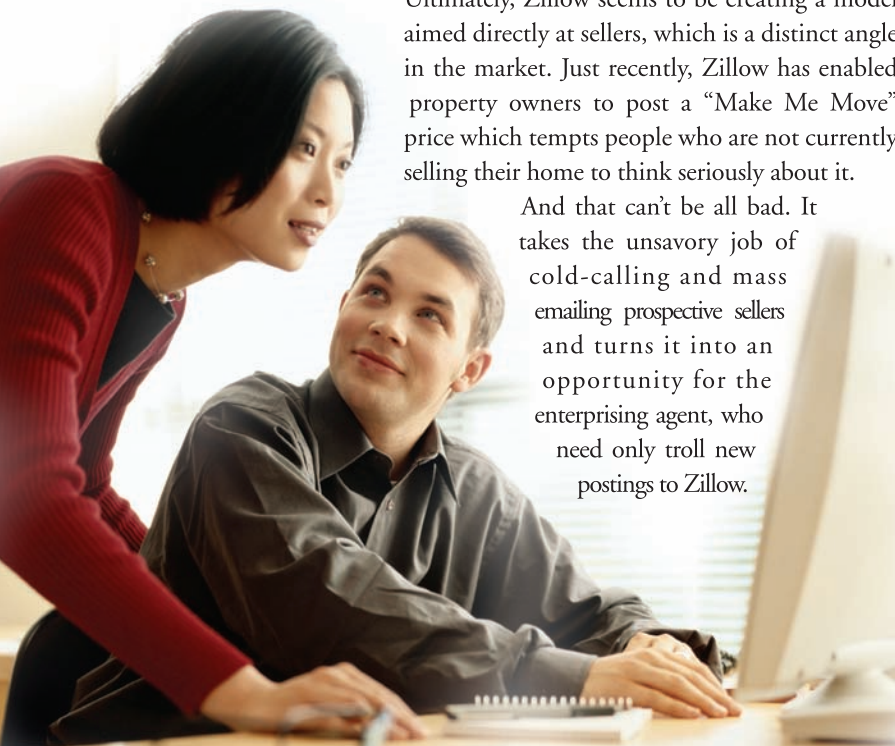
Another of the newest advances aimed at increasing business for real estate agents is the delivery of qualified Internet leads. We mentioned Zillow's newest tool in the previous trend that, if successful, would turn home-owners into home sellers, but what about the more traditional seller who is simply searching for the right agent?

Not surprisingly, buyers and sellers are turning to the Internet. According to the 2006 Realtor Technology Survey, conducted by NAR, nine out of 10 home buyers use a real estate agent in the search process, and the use of the Internet to search for a home has risen from only two percent of buyers in 1995 to 77 percent in 2005. Additionally, when asked where they first learned about the home purchased, 24 percent of buyers identified the Internet, again, up from only two percent in 1997.

There's no question that the Internet is a bona fide source of leads, but agents are finding it's a tremulous balancing act deciding how much of the day should be spent fielding as-yet-unqualified online leads and how much time should be spent with real, live customers.

Agents have definitely adapted, according to the NAR Technology Survey. It was found that over half the survey respondents indicated that it now takes them less than two hours to respond to an Internet inquiry. That compares with a 2004 survey showing that only 27 percent responded within eight hours to an online inquiry and 46 percent of inquiries received no responses.

This improvement in agent response time is reflected in consumer satisfaction. The NAR survey also shows that 81 percent of buyers who search for a home on the Internet purchase through a real estate agent, while 63 percent of non-Internet users buy through an agent. "Buyers who use the Internet in searching for a home are more likely



to use a real estate agent than non-Internet users,” says NAR President Thomas M. Stevens.

Leads generated through the Internet are here to stay, and there is a new crop of companies emerging in the real estate space that not only take the guesswork out of sorting through leads, but literally bring them right to you.

But what is a boon for some, is a bust for others. Renwick Congdon, president and CEO of Imprev, says it's easy for agents to get overwhelmed. “Some agents are saying they get too many leads from aggregators,” he says. “What you need to have is the technology and systems in place to qualify your leads. Some people need help to do that; others don't.”

That's the aim of LeadQual, says Glenn Houck, president and CEO of LeadQual, and a former vice president at HomeGain, “It's not worth brokers' and agents' time to respond fast when they don't know what they're getting. They don't have the tools or wherewithal to sift through their leads quickly; that's where we come in.” According to Houck, if online leads convert from two to five percent of the time, “from a Realtor's perspective—that's 95 percent of leads that weren't good.” In the field, they're doing a closing, making an offer or showing a house, and here comes an Internet lead. There's a one in 25 chance that it'll pan out. Those numbers are not good enough to justify leaving the field.”

LeadQual has installed high-tech, high-touch centers that respond to leads within two to three minutes. In LeadQual's case, once they've established that the lead meets the right standards, they set up a conference call between the Realtor, LeadQual and the consumer.

According to Houck, all lead generators are going to be looking for better ways to qualify leads. The challenge is sifting through them.

“We need to get the right leads into the hands of live, qualified agents,” says Houck. “The people who are trying to buy a house still need a Realtor and want personal touch. They just want someone to pay attention to them.”

From classified ads to key word searches Stretching your ad dollars

Ask most real estate agents if they would be willing to cut their classified advertising completely, and you'd be met with a look of horror. Long known as the staple of a real estate agent's menu of offerings, an important new food group has been added and it's called key word searches.

Google, of course, is the preeminent player in the mix. According to Justin McCarthy, Google Strategic Partner Development-Real Estate, people have started to figure out search, but it wasn't until 2003 that early adopters in the real estate space started to use keyword advertising and outlets like Google. It's only now that a lot of firms...are starting to make the move into testing [keyword searching] as well.”

“What we say is that you should let success decide what you do and how much you do,” McCarthy adds. “It sounds simple to say, but

it's harder to execute. I've seen this myself—firms all of sudden get a religion about search marketing. They then have a knee-jerk reaction to move all of their dollars to the Web space. We caution them to be careful about where they're going with their campaign.”

That's because keywords are priced in an auction-like setting, with cost per click rising with the popularity of the keyword. Unfortunately, with the competition for keyword buys, each click-through can cost upwards of \$2, which can cause ad spends to skyrocket.

However, if you've cornered the market on lakeside double-wide, one-story condos with peek-a-boo views of the city dump, you might be able to grab those keywords for a song, and come to the attention of all of the prospects who are searching for those homes.

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Consumers have moved from newspapers to online searches in droves. Eighty percent are now searching online for their homes. What do agents and companies need to consider when moving their advertising online?



Video is quickly moving to the masses. YouTube is only the beginning. Where does video fit in to an agent's or company's marketing efforts? What are the advantages and disadvantages of adding video, and is it worth the cost?

If you do choose to spend money online, don't spend blindly. It's crucial to track your return on investment, and companies like Google and Yahoo have made tools available to make it easy to gauge ROI of click-through rates.

At present, it appears that individual agents have decided to leave online advertising and keyword searches to the corporate guns to handle. According to a 2006 survey by media research firm Borrell Associates Inc., 61 percent of real estate agents do not advertise on the Internet and 87 percent of agents do not buy keyword advertising from either Google or Yahoo search-engine companies.

However, Borrell also found that the online share of advertising dollars was expected to reach \$2 billion in 2006, and to eclipse newspapers' advertising share and top \$3 billion by 2010. Realtors should take note. With consumers shifting more to the Web to perform home searches, there's no question that in the future, real estate agents must make strategic decisions about where to spend their advertising dollars to get the most bang for their buck.

Whether you're an individual agent or a broker, when it comes to online ad dollars,

exercise caution, says McCarthy. At the beginning, set budgets, decide what you're willing to pay per click and spend per day and stick with that.

Above all, run your business smartly. Wherever you decide to spend your ad dollars, do so wisely.

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—Justin McCarthy

*Google Strategic Partner Development,
Real Estate*

4 Do you see what I see? The video revolution in real estate

The timing is right for the upsurge in video on the Internet. With faster Internet speeds becoming more affordable, information can be accessed very quickly by homebuyers and sellers. And, people are not only accessing Web sites and video from home. Phones, PDAs and wireless Internet in coffee shops and public places bring wireless capabilities to the masses.

In real estate, video has not only been embraced, but has been crowned and designated king of the castle. For Paul Boomsma, executive vice president of Luxury Portfolio, part of the Leading Real Estate Companies of the World network, video is a benefit for his agent members, as well as consumers, alike.

"The videos are great because they bring something unique to the table in that they can capture lifestyle—whether it's the lifestyle of the owner or the house itself," he explains.

Adds Boomsma, "Certain homes don't necessarily come across well with just photography, especially, in our case, with the resort community. For our buyers, it's more about if they want to live the lifestyle being presented there. Video gives the house personality beyond what you can see in a photo and makes the home very real. They can ask themselves, 'Is this someplace I can see myself holding family get-togethers?'"

According to Renwick Congdon of Washington-based Imprev, "Video is by far the best medium to showcase the agent, their communities and area restaurants...anything dynamic. After all, that is what video was created for." While streaming video adds an important dimension to an agent's online presence, it is not usually the best solution for



presenting individual properties. “Properties are stationary. When looking at a video of a property it is nearly impossible to tell if it is a video or a photo, unless you see a person in the video. With Imprev’s virtual tour designs, we found a way to optimize photographs and deliver them in a Flash format to give the impression of movement and grace.” This brings the video concept to the realm of the photographer, and at a higher level of quality.

And video continues to march forward, with new ways to appeal to consumers appearing almost monthly. In fact, Boomsma’s group is launching a podcasting platform this spring, with companies such as Real Living, Century 21 and ERA have already jumped onboard. In the case of Real Living, they are bringing more than 40 community videos to consumers, featuring key Ohio markets of Columbus, Cleveland, Dayton and Cincinnati, and highlighting the communities’ culture, landmarks, restaurants, shopping and other amenities.

One thing is for sure, video is here to stay and consumers can’t seem to get enough of it. Now agents will have to learn whether to become professional photographers, videographers or leave the work and business to someone else.

5 Can you hear me now? Effectively communicating with your clients

There’s no question that maintaining a lasting relationship with customers is one of the things that makes an agent successful in the long run. Maintaining that ongoing relationship can also be the bane of the Realtors existence. With so many ways to keep in touch and the difficulty of tracking the customer relationship, the disorganized agent may not be in the business for long.

“In the old days, when you had to type or handwrite a letter, it was time intensive,” says Renwick Congdon, president and CEO of Washington state based Imprev. “The way I see technological advances like the development of e-mail, is that technology is simply a tool that helps you accomplish difficult tasks more easily.”

E-mail is one communication method in a long list that many agents use. Continues Congdon, “E-mail took off quickly because of

its ability to touch a lot of people easily.” With the wide range of products offered by companies such as Imprev, “there’s significance in our ability to send a professional marketing piece, with thousands of templates to choose from,” according to Congdon. Agents no longer have to find either the time to create a professional design from scratch or hire a professional designer. The materials are available and ready to use.

But it’s important to not go overboard. A flurry of materials with too little substance is never a good idea. “Times have changed,” Congdon says. “Nowadays, e-mail is becoming less efficient because of spam and other filters. It’s not delivered as efficiently or quickly.”

Opt-in emails are a step in the right direction, but regardless of what you do, whether it’s your first or your one-hundredth impression, make it pertinent, powerful and professional.

Whatever your communication method, the trick is still having the time to manage it all. According to Toni Nelson, director of strategic initiatives at Houston, Texas-based Prudential Gary Greene Realtors, “The last thing agents need is to be doing clerical work that doesn’t make them any money. What makes them money is to be out in the public meeting people and if you let [someone else] do this clerical work it gives the agents more time to do what they need to do.”

With agents being pulled in a hundred different directions a day, another option for agents is to hire an on-staff assistant or a “virtual assistant”.

Virtual assistants have long been promoted by Michael Russer of Ask Mr. Internet fame. Companies such as REVA Network provide an easy way to find a PREVA (or professional real estate virtual assistant). Virtual assistants that are trained and certified on technology solutions specifically related to real estate agents allow agents to free up the time they spend on email and rote communication.

“A virtual assistant might be working with five or six agents, and can create a sort of mastermind group for the agents. This is yet another example of technology easing the life of the real estate agent,” says Congdon, “You can



Constant communication with your customer base is the foundation of a successful business. How can agents use technology to make this crucial, and often monotonous, task more efficient and effective?

BLOGs are an additional way for an agent to position themselves to their marketplace. Do the benefits of market knowledge, direct dialogue with a community and higher search engine ranking outweigh the costs, time commitments, and exposure that user content allows?

be a real estate agent in a very expensive area where an assistant will cost a lot, but use a virtual assistant who lives in a low cost area to do all the work of someone onsite; now you can do just about everything remotely.”

6 How the Blogosphere is changing real estate

Blogs, RSS feeds and you

About 18 months ago, if you asked if a real estate agent had a blog, you probably would have heard a resounding “no” or “what’s that?”

But in the past year or so, blogs have “crept into everyone’s consciousness,” says technology pundit and expert blogger Chris Pirillo. And Pirillo should know. He’s the self-professed chief geek, idea evangelist, technology enthusiast and shameless self-promoter of the popular blog chris.pirillo.com. According to Pirillo, “Every year something new happens. Over this past year, more people are hopping online to blog themselves or read blogs. This extends very much into real estate.”

Take David Crockett, an agent with Howard Hanna Smythe Cramer Realtors, in Lake County, Ohio. Crockett has created a first-of-its-kind online community (www.lakecountyblog.com) in which all local organizations can post news and information—at no cost.

“I’ve always thought blogging was an interesting technology and a great way to interact with people,” says Crockett. “However, blogs typically require a lot of writing, so if you want people to read it, you’re going to have to figure out a way to promote it.”

A blog, or “Web log” is one of the easiest ways to publish to the Web. It is essentially a Web page with a delivery mechanism for

an RSS (Really Simple Syndication) feed, allowing you to link to sites and other blogs to feed important information into a Web site. In

addition to the news delivery portion of blogs, most blogs are used to provide personal commentary on a particular subject. Blogging is an interactive medium, with bloggers typically inviting their readers to post comments.

As for Crockett, his site includes feeds from many different groups and organizations, ranging from local chambers of commerce and parks systems to the United Way. What’s more, he provides a daily lead story as well as anything else he thinks may be of interest to readers.

“With the formation of this site, I finally figured out how to contribute to my community,” he says. “I wanted to give them something that didn’t cost anything. This allows me to help and do something great for community.”

That said, Pirillo says that even now, despite all of the changes going on around them, many real estate agents are still leery about blogs.

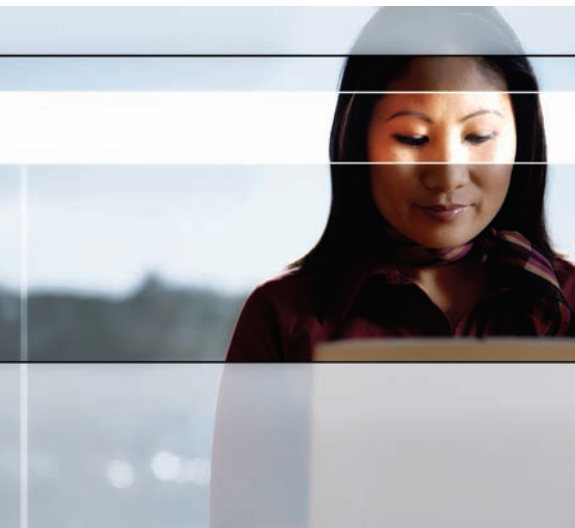
“They say it’s a wasted effort and takes too much energy,” he says. “No one’s saying to drop traditional advertising altogether, but it’s better to start allocating dollars—and time—to a blog. If you’re not online, someone else is.”

Blogs are a way to show your knowledge says Pirillo. “If someone says something about the real estate market doing this or that, you can go online and debate that,” he says. “Show that you are someone to be trusted.”

The best thing brokers and agents can do with a blog is provide useful information, Pirillo says. Share stories, tips, tricks. “Tell people more about your area,” he says. “What’s happening this month? Talk about your experiences going to local events. It provides a true, local flavor.”

A new blog called outside.in is already doing this. [Outside.in](http://outside.in) collects blogs and RSS feeds from more than 3,000 neighborhoods in 56 cities. Posters can write about anything, including the quality of new real estate listings, how good the schools are and police reports in different neighborhoods.

The beauty of blogs is also their downside. Blogs provide a portal for people to post their subjective opinions about any topic. If you choose to join the blogosphere, whatever you do, make sure to provide information that’s accurate and that will leave a positive, professional impression on readers. The upside is, if your blog is deemed worthy, other bloggers and Web site owners may choose to link to it. And the



more people who link to your site, the higher your search engine ranking becomes.

7 Real-time information is only a click away

Customer-centric web pages

One of the most promising technologies available to the real estate industry is the customer-centric Web site. These sites keep real estate consumers updated on the transaction in real-time, diminishing the need for constant e-mails and phone calls. Among the players in this field is Real Living's consumer portal, MyRealLiving 2.0. Launched last year, the portal is an interactive place for both agents and consumers.

"The platform allows agents and consumers to communicate seamlessly," explains Harley E. Rouda Jr., CEO and managing partner of Real Living. "In essence, it acts as a fully integrated prospect and client relationship manager for our agents based on Flash 8 technology."

For buyers, one of the key components of Real Living's portal is an online property "card" which contains features, cost and other basic information about homes picked by the user. MyRealLiving keeps consumers updated by email if a property's status changes—whether it's a price reduction, an open house scheduled, in contract, expired, sold or withdrawn.

Sellers, on the other hand can track properties that are in competition with their own, view articles that could help with the sale of their home and also look at transaction documents. "What's even more interesting is that they are able to view all activity on the property—from the advertising to the number of Web visits on their home," he says.

Because the site is fully automated, pulling information from MLS data feeds, minimal management is required from the agent, yet "everything presented is sent on behalf of the agent and in the name of the agent," says Sellers.

Just call this breed of sites customer relationship management on steroids. Instead of taking the transaction fully out of the agent's hands, MyRealLiving encourages agents to set up a profile for the client to provide seamless,

real-time information to allow them to stay in constant communication with one another.

Seamless, real-time automated information is appealing, no doubt. But this technology which relies solely on the Internet may alienate those buyers who still prefer good old-fashioned personal relationships.

8 What, more listing opportunities?

The overwhelming choices in online listing placements

With so many places to post online listings, agents are finding they must strategically allocate ad dollars. How in the world is a Realtor to choose? A similar dilemma faces the real estate consumer who has such a wide range of choices on where to search for both homes and agents, that the real estate industry has true cause for concern.

An agent who drives a customer to his or her Web site cannot necessarily provide the full database from their local MLS. This diminishes the impact of the agent's branded Web site. However, curiously enough, homebuyers can search on competitive, revenue-generating sites such as Google, Yahoo, Realtor.com and the newly launched Trulia—businesses that are not staffed by real estate agents, but still stand to profit from agents' listings.

These "hybrid" sites claim they add value by combining listing information with local information. Within real estate, the sheer amount of data spread throughout the Internet, as well as the visual aspect of property search, makes real estate hybrids attractive search tools for consumers, says Pete Flint, founder and CEO, Trulia.com. "Media and technology companies are developing both simpler and more sophisticated ways to search and present real estate information—from property listing data and comparables to maps and neighborhood, city and school demographics," he says.

This result, some say, is a simpler way to search property information from multiple sources using search criteria that are most important to consumers. However, critics suggest that these newer sites add no incremental value



Customer-centric "micro-portals" allow agents and customers to stay in constant communication—bypassing email and phone in efficiency. Are they the holy grail of transaction management?

Publishing listings to media sites such as Realtor.com, Google, Yahoo, Trulia, and Zillow generates listing traffic. How do you take advantage of these lead sources without competing with your own listings?

to the search experience because all they're doing is repurposing existing information on the Web.

Indeed, it seems that the road on which information is delivered is certainly changing. In fact, recently, the Northwest MLS, which serves the greater Seattle area of Washington state, decided to remove its listings from REALTOR.com, because the organization's Board of Directors felt it was inappropriate to provide their listings to a for-profit organization that was outside their sphere. Whether this move will be followed by other MLSs around the nation remains to be seen.

John L. Scott Real Estate, based in the Seattle area shares listings with the Northwest MLS. They have chosen to continue to post to REALTOR.com, but not to other aggregators. "The fact that the NWMLS no longer posts listings on REALTOR.com is not an issue for us," says J. Lennox Scott, chairman and CEO, of John L. Scott Real Estate. "We do not see this as the responsibility of the MLS because they are not an advertising consortium. It should be the brokers' choice to do what they wish. Through John L. Scott's Web site, the MLS, and REALTOR.com we reach



Association of Realtors' 2005 Internet Buyer's Report, which states that 83% of Internet home buyers were "very satisfied" with their agent experience compared with 35% of traditional home buyers. "The popularity of [these] real estate [media companies] is a

reinforcement of these statistics," he says.

Consumers are still looking for virtual tours

The pros and cons of virtual tour technologies

As with all thing real estate related, the virtual tour, a widely embraced staple of the industry is getting a facelift. There's no question that virtual tours have benefited agents and consumers. In fact, according to the 2006 NAR Realtor Technology Survey, when it comes to features that buyers consider "very useful" on the Web, 60 percent cited virtual tours but 83 percent cited pictures. That's because buyers can review and pre-screen homes in advance, potentially shaving hundreds of miles from an agent's odometer.

But as with any new technology, the virtual tour has been a headache on a number of fronts.

"When virtual tours were first introduced as 360-degree online tours, agents and brokers alike saw the value in providing visual information to potential buyers," said Renwick Congdon, President and CEO of Imprev. "But over the years, there's been a pushback from consumers who prefer photos over 360-degree images. The 360-degree images distort reality, and therefore are not as valuable to the consumer as photos

"Anything on the screen should look as professional as something seen on television. That is what today's consumers expect."

—Renwick Congdon
President and CEO, Imprev

virtually 100 percent of the buyers in the marketplace, so at this time we do not see the need to post our listings on other Internet media company Web sites."

Despite Scott's leering about these newer Internet media companies, they do seem to be gaining ground. Flint of Trulia points to the California

are. Anything on the screen should look as professional as something seen on television. That is what today's consumers expect. We find that real estate agents come to Imprev for an easy way to meet-and exceed-these higher expectations."

Virtual tours are a direct reflection on the broker and/or agent whose name is listed, and a low quality tour reflects poorly on both, states Congdon. "Once you get past the fact that virtual tours are technology, you realize that they are in fact advertising. They are a commercial for you and the listing."

"That's why the most important thing about a virtual tour is that it reflect well on the agent and company," says Congdon. "If you use a tour that looks cartoonish, you may be considered unprofessional by viewers. Every time you touch a consumer—whether online or offline—you are affecting the brands of both the agent and the company."

For Mike Parker, it's all about pleasing the seller. "Most of my consumers have already seen me online," says Parker, an agent with Huff Realty in Florence, Kentucky. "When we go to get a listing, we'll bring out the brag books, show everything and explain what they're going to be getting with our virtual tour. We're going to shoot 50 to 75 pictures of their home and narrow it down to 15 to 25. We're also going to shoot the schools, churches, parks and shopping areas in the neighborhood."

While Parker has been utilizing virtual tours since 1998, he admits that many Realtors still avoid it because they expect their brokers to do it for them. "Most people are still scared of the Internet," he believes. "They have e-mail, but outside of that not much."

For Parker, however, his virtual tour and online marketing program serve as a lifeline to his business. "We've cut down on our print advertising by 75 percent," he reports.

The level of control Parker retains is of key importance to him. "When you use virtual tours, you have to work with a company and a product that you can use more than one way," says Parker. "If I'm going to spend dollars on advertising, I must get more than one use out of it."

Congdon agrees that if you choose to go the self-serve route, be sure to look at the costs and

choices available—as well as the time it takes—and make sure you understand the platform enough that you'll use it. "When we started Imprev, we felt it was best to put the tools directly into the hands of the agents, so we made our interface purposefully easy to work with, and hid the complex technology on the servers. Imprev's hundreds of virtual tour, web commercial and slideshow tour designs make it easy to produce materials that you can feel proud of."

Parker himself is meticulous about everything he produces for his listings. He uses a high-end Nikon digital camera and spends about one hour with an assistant uploading pictures to tours, and another 15 to 20 minutes putting in comments. After a virtual tour is created, Parker takes it a step further by securing a separate URL for each listing.

"I create a personal Web site for the sellers," he explains. "I call it a 24-hour open house. Sellers know that you are pushing their product as hard as possible. If you use it the right way, this is a huge listing and selling tool."



10 From MySpace to MyHouse Is social networking changing real estate?

Over the past year, we've seen blogs and social networking sites explode. According to some, these sites provide a wealth of unvarnished opinion, truths and half-truths about towns and neighborhoods all over the country—the inside dirt on restaurants, schools and crime.

With so much information readily available to the public, the image of the real estate agent as gatekeeper has been forcefully swept by the wayside.

"Brokers prospered by not giving out information," says Dottie Herman, CEO of New York-based Prudential Douglas Elliman. "Clients came to

Virtual tours are important to consumers, but are often overlooked by agents. When used properly, the virtual tour is an extension of the agent's or company's brand. How can companies include this important feature on all their listings without breaking the bank?

Social Networking has become the fastest growing segment of the Internet, allowing consumers to access and share more information than ever before—information that you have no control over. Should you contribute to these sites, monitor them, or just ignore them?

them for information. This takes the industry to a whole different model.”

“People are getting more information—and getting more savvy,” says Ryan Slack, president of PropertyShark.com. Online, “People are able to get a better sense of what they want from an objective standpoint—what to pay, what the proper prices are.”

Slack insists that sites like PropertyShark not only makes a better experience for the buyer, but also free up time for agents. “It’s leading to a cut-down in the number of properties people are seeing,” says Slack.

All this openness certainly makes the marketplace much more transparent for consumers by putting choices firmly in their hands. Consumers can now review and discuss amongst themselves what market prices are, who are the most professional real estate agents, and find out about individual towns or neighborhoods much more intimately and expeditiously than they could in the past.

Other social networking sites like Homethinking.com have shaken up the

industry. Homethinking.com asks for reviews on agents. Like Yahoo! autos, where car owners can rank their satisfaction with their car purchase or TripAdvisor, where travelers can rate hotels, Homethinking posters are able to rate their real estate agents.

As the new technology comes more into play, Realtors will have to adjust.

The problem the industry is facing, as it always has, says Slack, is its reluctance to adapt to trends and new technology. “We’re in a period of flux in the real estate market, and only the savvier people are making these new applications work for them,” says Slack.

Instead of worrying about this new technology, Slack says agents should be preparing to explain what’s on the sites to consumers.

“Agents’ behavior will have to change in that they’ll need to find information and know what’s out there,” Slack says. “They’ll need to get to know what buyers are looking at and become more educated—even about things like housing violations, liens of property. They need to become more savvy.”

Track the Trends

So how do you keep up with all the new technologies and new business applications of those technologies? While I don’t know of anyone who can keep up with everything, I rely on a few good sources that when combined, provide a good overview of technology trends and their business applications.—Renwick Congdon

Slashdot. The granddaddy of all tech (geek) sites is Slashdot —“/.” News for nerds is a very technical blog that provides opinions on the very bleeding edge of technology. www.slashdot.org

myYahoo. I use Yahoo’s myYahoo feature to build a home page that aggregates news feeds as well as blogs on just about any topic I am interested in. It even shows which movies are showing at the local theater, the snow conditions at the ski resorts, and of course all the stock news. <http://my.yahoo.com>

I, Cringely. Bob Cringely is a leading “what comes next”, and “how will this turn out” thinker. www.pbs.org/cringely

RIS Media. I read the RIS Media newsletter every morning. Unlike other real estate news providers, RIS includes many more articles. Rather than edit the number of articles that they think will interest me, they summarize and provide links to all the articles, allowing

me to decide which ones to read. I find that anything happening in real estate is reported here. www.rismedia.com

Wired, Business 2.0, and Fast Company. These three periodicals mesh technology, business, social issues, and tech toys. They are a must-read.

Crossing the Chasm by Geoffrey Moore.

A great book that discusses the business and marketing sides of technology.

The Tipping Point and Blink by Malcolm Gladwell. Two books that are amazing studies about how people think and choose to act on new ideas.

And just for fun, there’s **Pandora.** Created by the Music Genome Project, this site is just plain cool. You type in a song or artist that you like, and Pandora builds a radio station for you. If they play a song you like, you click on a thumbs-up. If you don’t like it, a thumbs-down... and it learns. As if that wasn’t good enough, there are no ads in the music, just on the screen. www.pandora.com