

2007
REALTOR® TECHNOLOGY
SURVEY



Center for REALTOR® Technology
National Association of REALTORS®

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Author

This survey and report were authored by the **Center for REALTOR® Technology's** Communications Associate, Ericka Luba. Ericka's background includes an emphasis in Computing and Analytical Research obtained while attending the University of Wisconsin-Madison.

NAR's Center for REALTOR® Technology was established to provide technology leadership, guidance, and assistance for NAR members; CRT makes available informed industry insight, research, and open-source applications through its mission of implementation, advocacy and information. Information about CRT is available at <http://www.realtor.org/crt>.

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Introduction

The purpose of this survey is to better understand REALTOR® technology trends. CRT distributed an online survey asking REALTORS® about their usage and opinions on such topics as lead generation, client relations, mapping, transaction management, security, etc. Through this report CRT hopes to gain a better understanding of NAR members' opinions and needs as well as to help the general public understand the opinions and needs of our members.

Please direct any questions or comments about the survey to:

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Methodology

The 2007 REALTOR® Technology Survey was conducted from Feb 28, 2007 to March 14, 2007. CRT distributed a survey link via email to more than 20,000 NAR members, including agents and brokers, which generated 468 usable responses. The survey results have a margin of error of plus or minus 5%.

Method of Solicitation: Email

Demographic Selection Criteria: NAR member with a valid email address

Solicitations: 20,000+

Responses: 468

Executive Summary

Key topic areas that were looked at in the 2007 REALTOR® Technology Survey include: technology sourcing, lead generation, third-party lead resellers, maintaining relationships with clients, comparative market analysis, mapping, forms and contract software, transaction management tools, and security.

Respondents were asked how much they spent on technology in 2006 and 54 percent of brokers, sales agents, associate brokers, and managers have spent more than \$1000 in 2006. When the type of respondent was compared, the trend was for brokers to spend more on technology: half spent \$2001-3000 or more; managers spent \$1001-2000 or more; half of associate brokers and sales agents spent \$501-1000 or more.

Eighty percent of sales agents and associate brokers rate the value of the technology supplied by their broker as being either extremely valuable or somewhat valuable. Where as 12 percent rate the value as being not very valuable or not at all valuable.

Sales agents and associate brokers responded yes, 64.7%, when asked if they wanted their broker to expand the amount of technology that was offered. 35.3% of sales agents and associate brokers responded no when asked.

The three most popular choices that are considered “very important” in generating leads are; referrals, repeat business, and Internet. The three most popular choices that are considered “not very important” in generating leads are: open houses, floor time, and telemarketing. The most popular Web sites where listings are displayed are REALTOR.com, their own site, their broker site, and their local MLS site. Each site has more then 50 percent of respondents displaying their listings on them.

Approximately two-thirds, of respondents have their own real estate agent business Web site. Where 75 percent of respondents spent \$1000 or less on building their personal or company Web site. Approximately five percent spent \$5000 or more building their personal or company Web site. Interestingly, a cross-tabulation was examined to determine if the amount of sides per respondent had any dependence upon how much was spent to build a Web site, and no dependence was found.

Sixty-four percent of respondents communicate with past clients quarterly or more often. The most popular primary tools to stay in touch with active clients are phone calls and email. Mailings and market updates are the most popular primary tools to stay in touch with former clients.

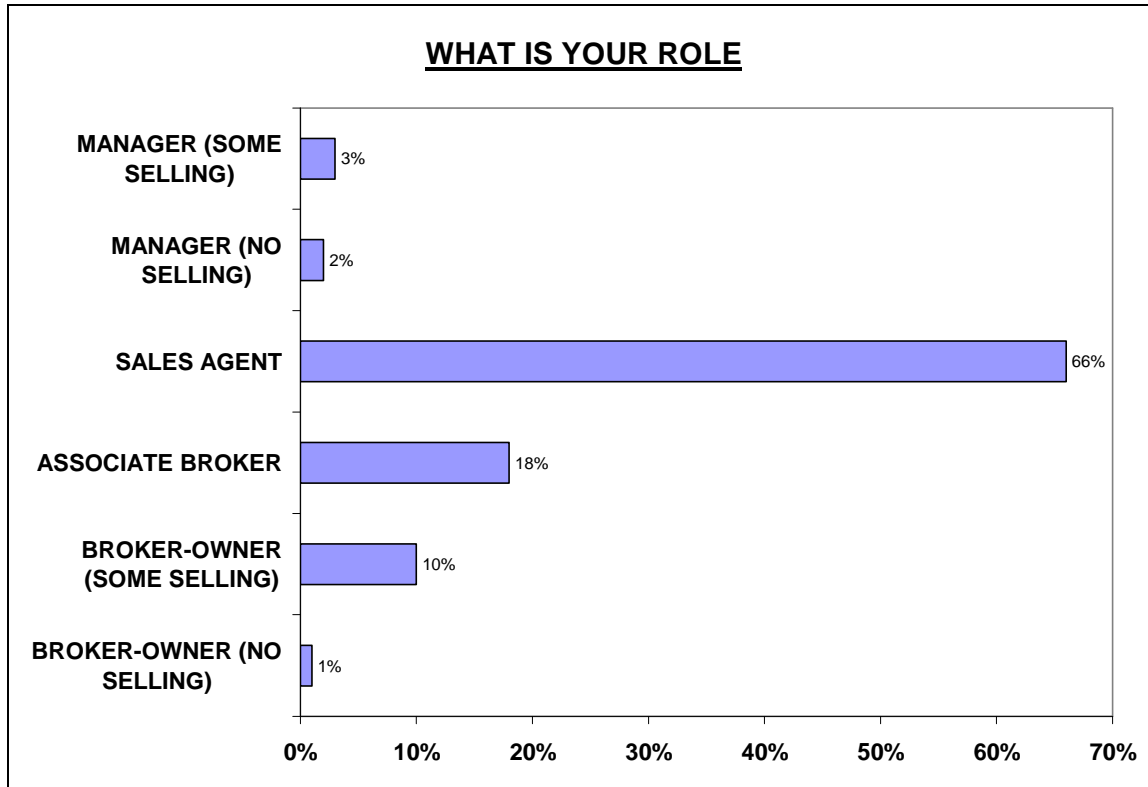
Ninety-four percent include a CMA as part of their listing presentation. The majority is satisfied overall with the CMA program furnished by their MLS; still about 35 percent were either somewhat dissatisfied or very dissatisfied. The ability to personalize design was the number one area that was deemed “needing to be improved the most.”

Seventy-two percent of respondents utilized some electronic mapping applications for business. The most useful applications are driving directions and those that provide outlined maps of neighborhoods and subdivisions.

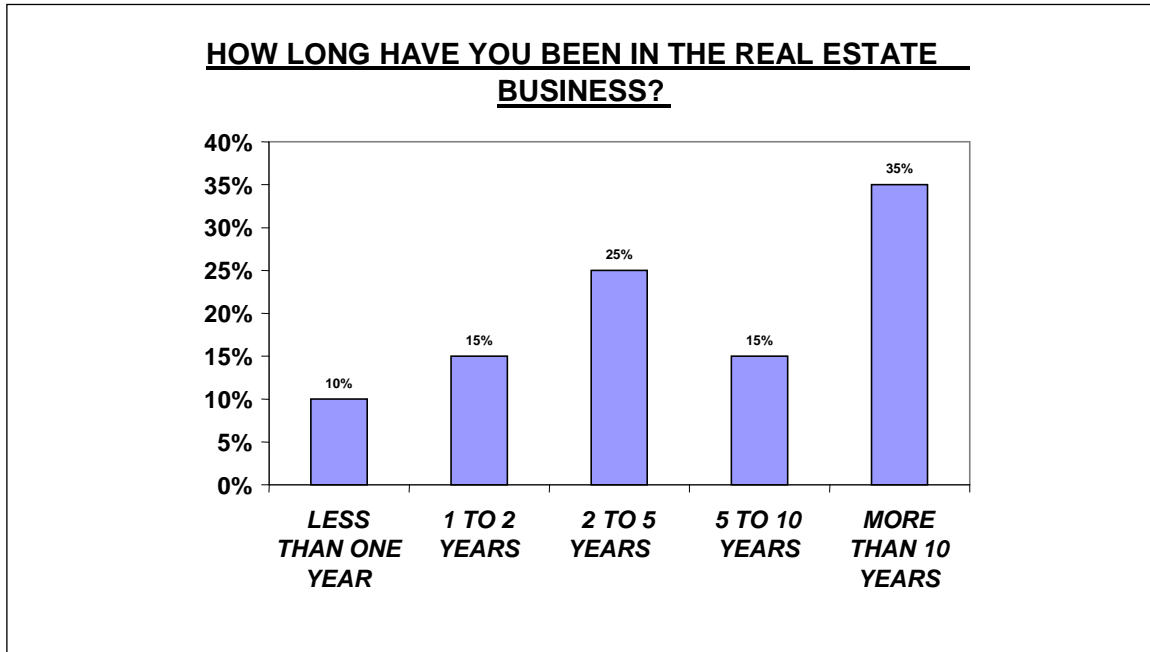
Thirty-eight percent of respondents' companies have a written security policy for staff, and 43 percent of respondents' companies have a written security policy for clients and consumers. About a third of respondents did not know if there was a written security policy for both staff or clients and consumers.

Profile

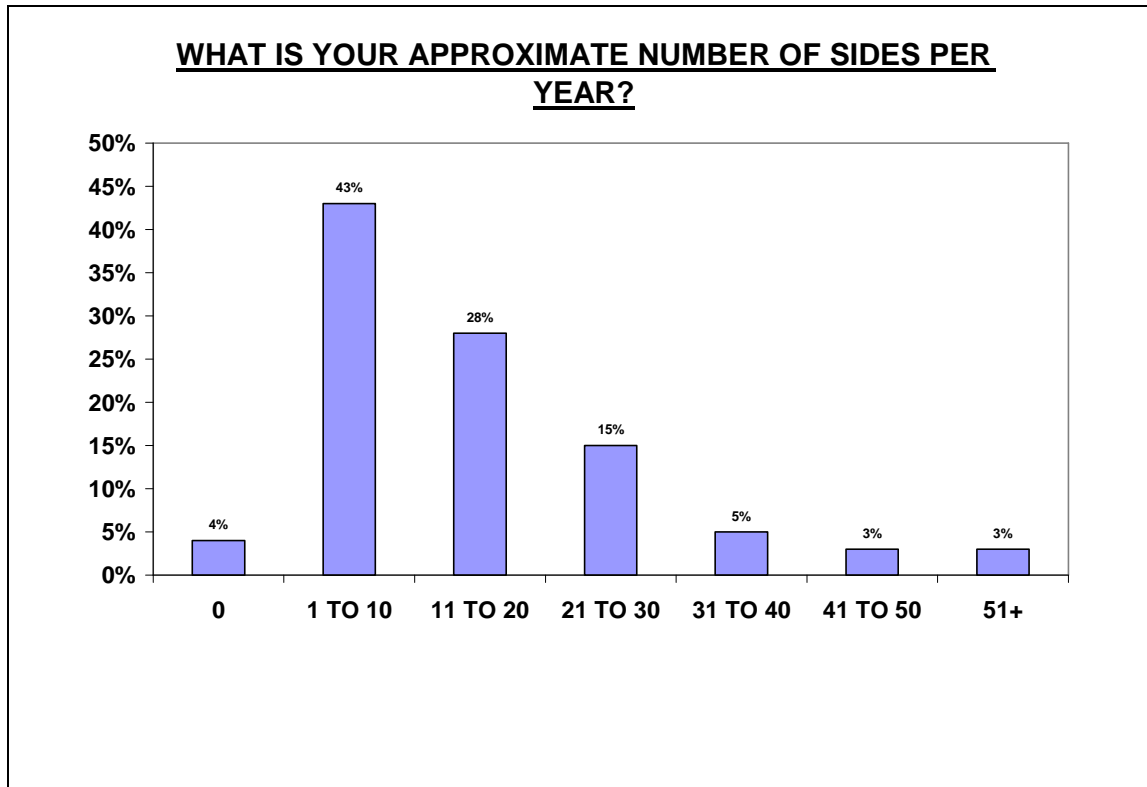
We asked each Realtor® member who was questioned, “What is your role?” We included in our survey the members whose roles are broker-owner (no selling), broker-owner (some selling), associate broker, sales agent, manager (no selling), and manager (some selling). There are five broker-owners (no selling), 46 broker-owners (some selling), 82 associate brokers, 300 sales agents, seven managers (no selling), and 13 managers (some selling) represented.



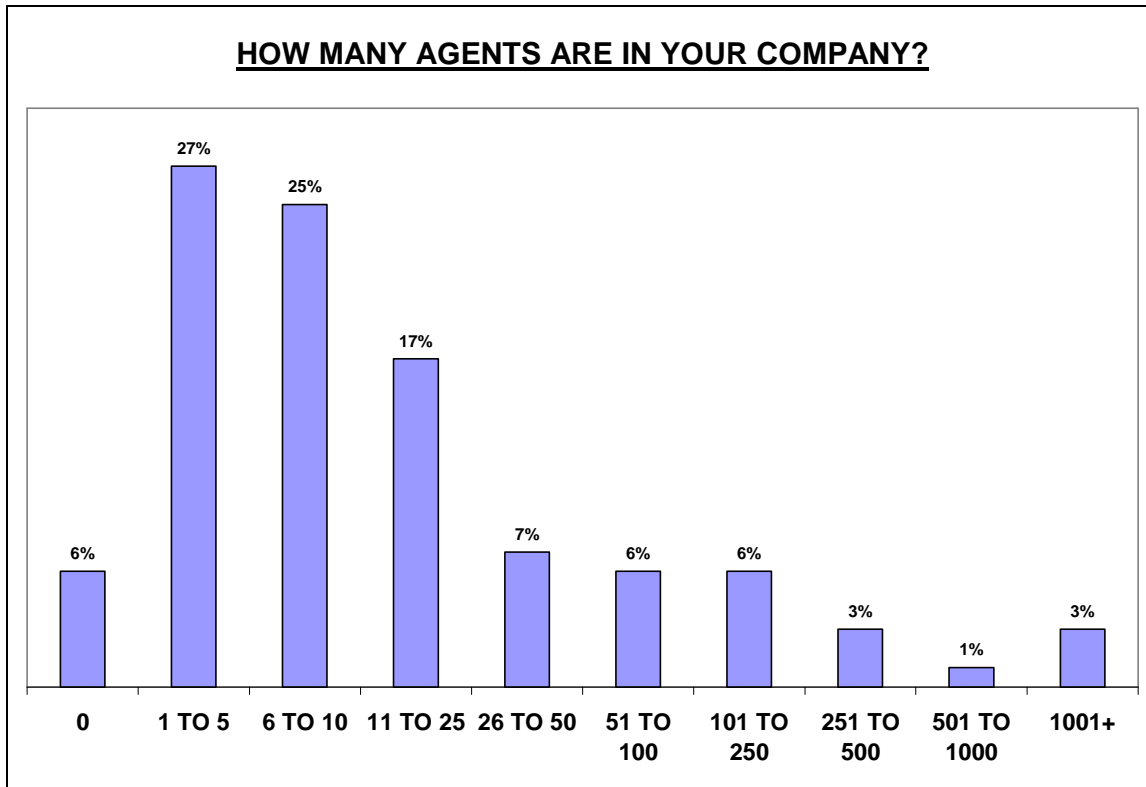
The majority, 75 percent, of respondents have been in the real estate business for two or more years.

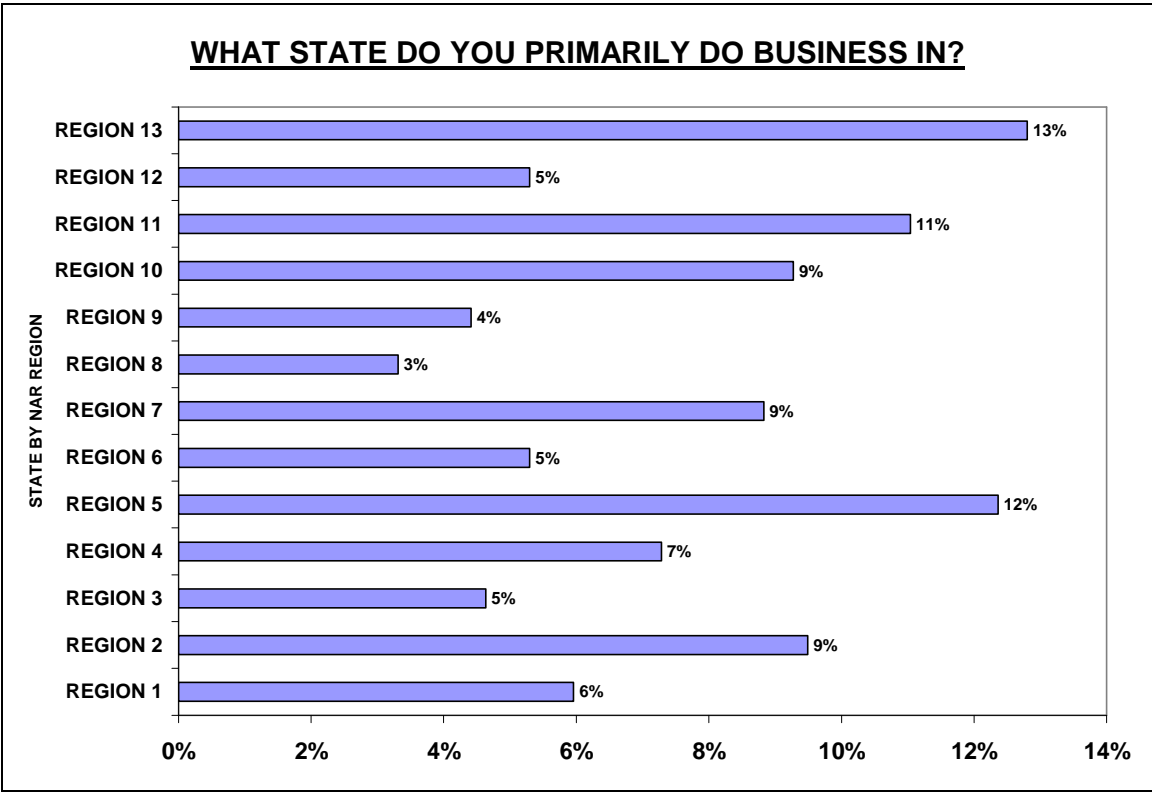


Seventy-one percent of the respondents had between one and 20 sides per year.



A full range of different size real estate companies are represented. Having one to five agents in the company was most common, at 27 percent. It could be that those who choose “0” for number of agents may have not counted themselves and, thus, could be included in the 1 to 5 group, but this cannot be known for sure.





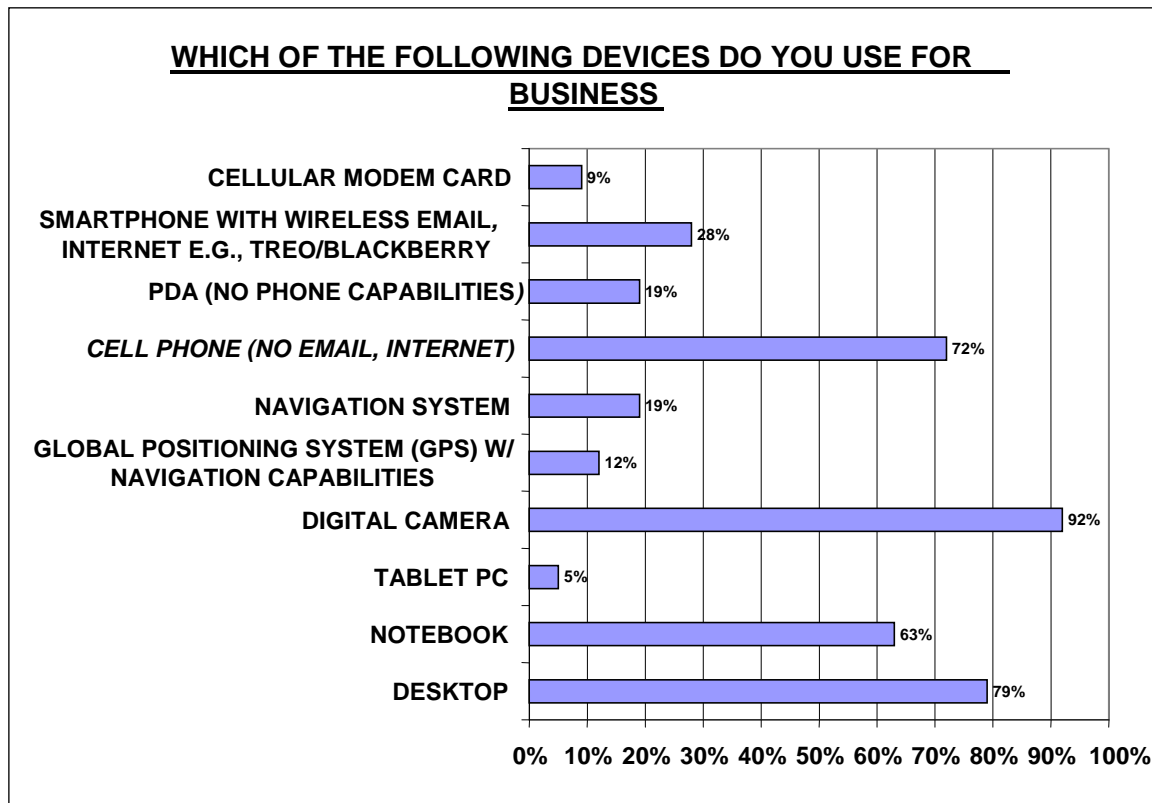
* States included in each region:

- Region 1 (CT, MA, ME, NH, RI, VT)
- Region 2 (NJ, NY, PA)
- Region 3 (DE, DC, MD, VA, WV)
- Region 4 (KY, NC, SC, TN)
- Region 5 (AL, FL, GA, MS, VI, PR)
- Region 6 (MI, OH)
- Region 7 (IL, IN, WI)
- Region 8 (IA, MN, NE, ND, SD)
- Region 9 (AR, KS, MO, OK)
- Region 10 (LA, TX)
- Region 11 (AZ, CO, NV, NM, UT, WY)
- Region 12 (AK, ID, MT, OR, WA)
- Region 13 (CA, HI, Guam)

Technology Sourcing

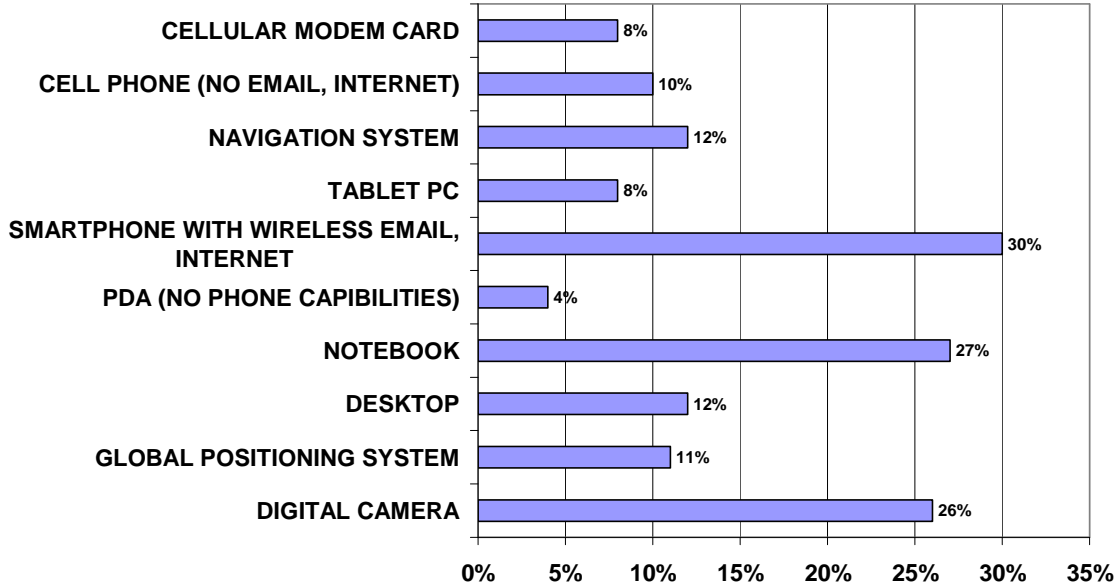
Desktops are slightly more popular, 79 percent, than notebooks, 63 percent. Digital cameras are popular; 92 percent of respondents use them. There are 72 percent of respondents that use cell phones, with no email or Internet, and 28 percent use a smartphone with wireless email and Internet.

The most popular devices that respondents plan to purchase in the following year are; smartphone with wireless email and Internet, 30 percent; notebook computer, 27 percent; and digital camera, 26 percent.

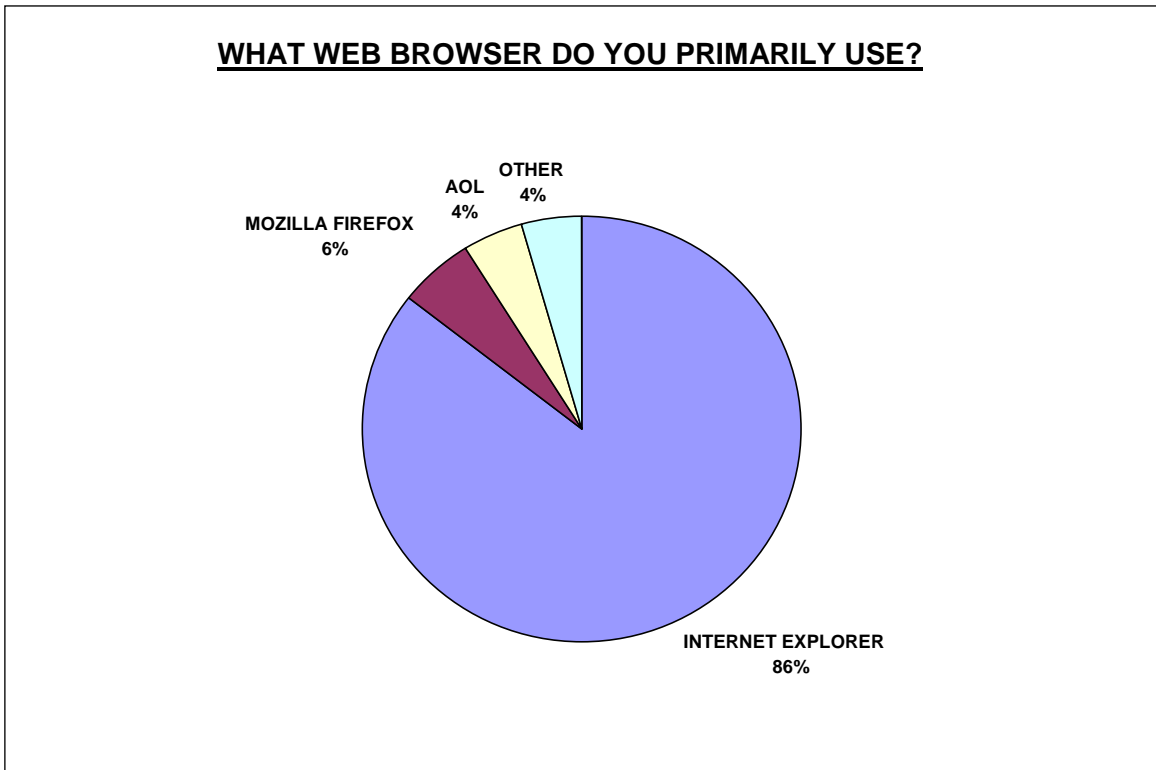
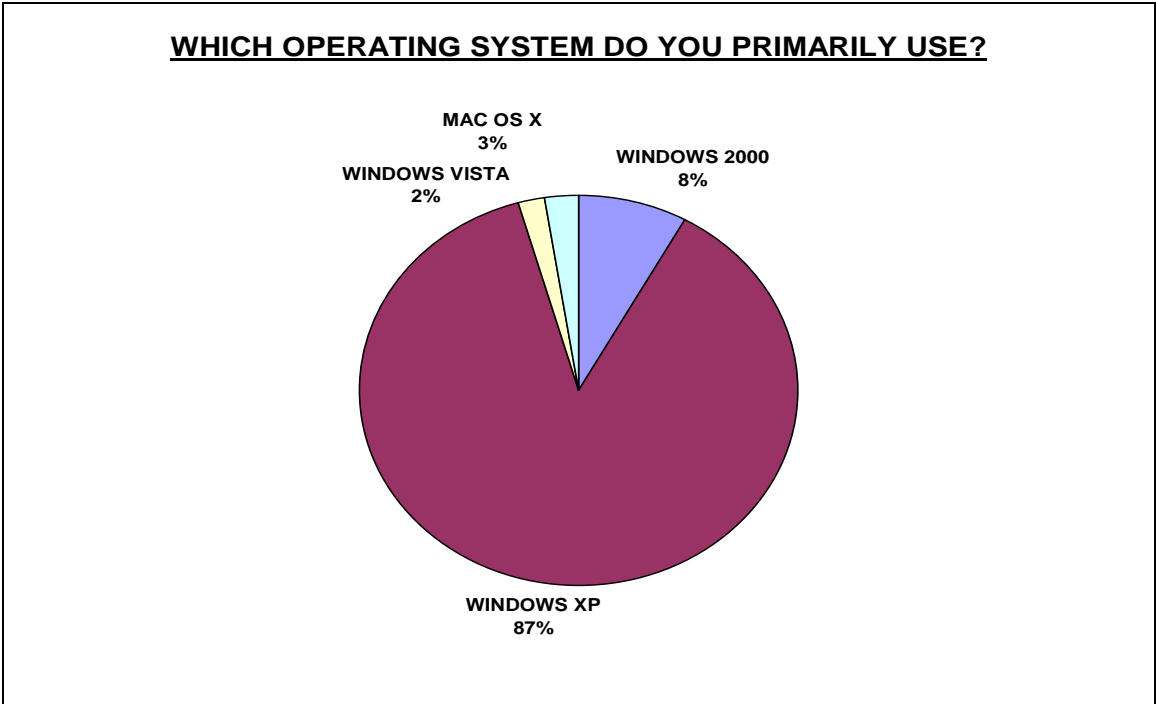


Respondents were able to choose multiple devices.

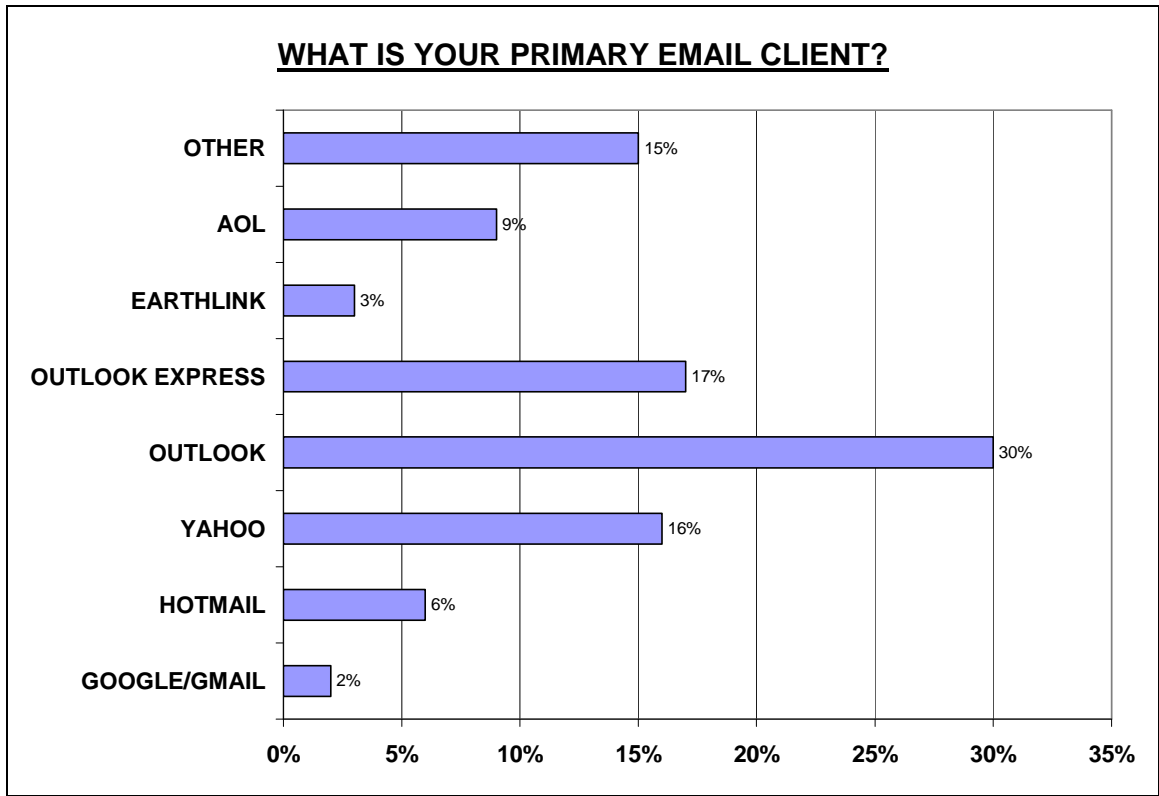
WHICH OF THE FOLLOWING DEVICES DO YOU PLAN TO PURCHASE OR REPLACE IN THE NEXT YEAR FOR BUSINESS PURPOSES?



Ninety-seven percent of respondents primarily use a Windows operating system. The majority of those users, 87 percent, use Windows XP. The most popular Web browser is Internet Explorer, 86 percent.

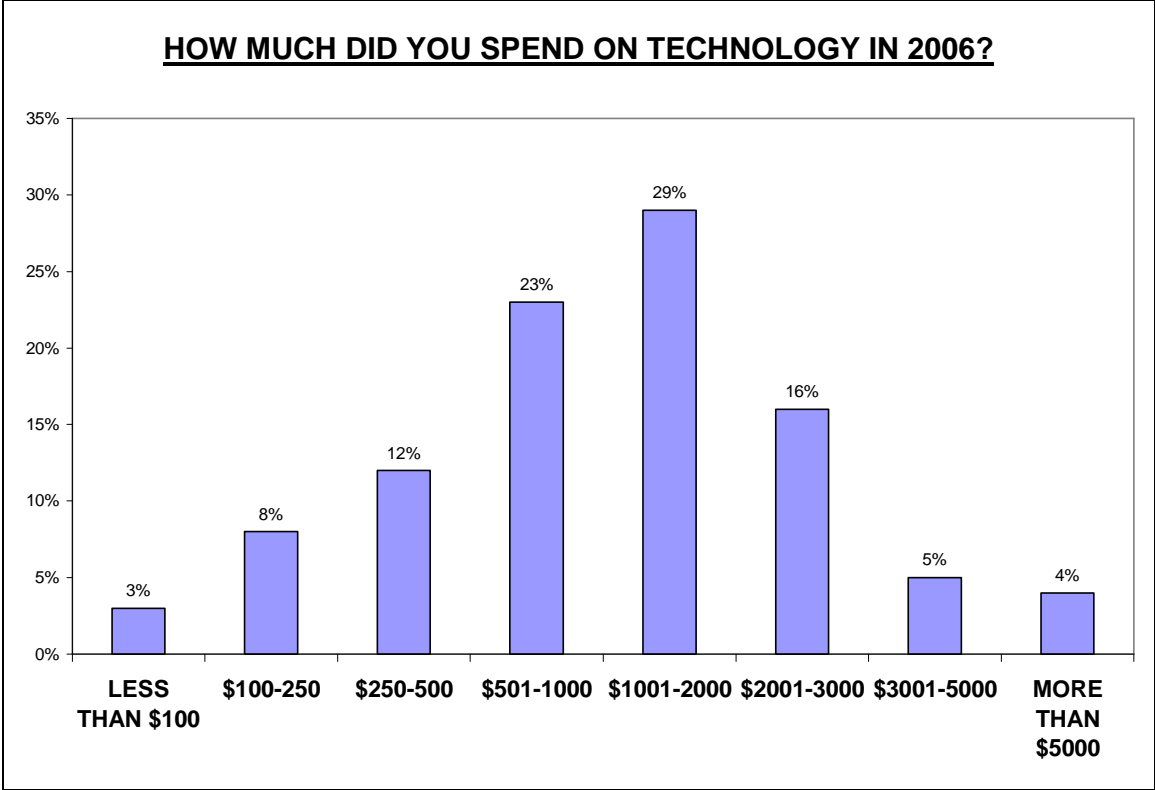


Forty-seven percent of sales agents and associate brokers use a Microsoft product, such as Outlook or Outlook Express, as their email client. The more popular Web based email clients are Yahoo Mail, Hotmail, and Gmail.

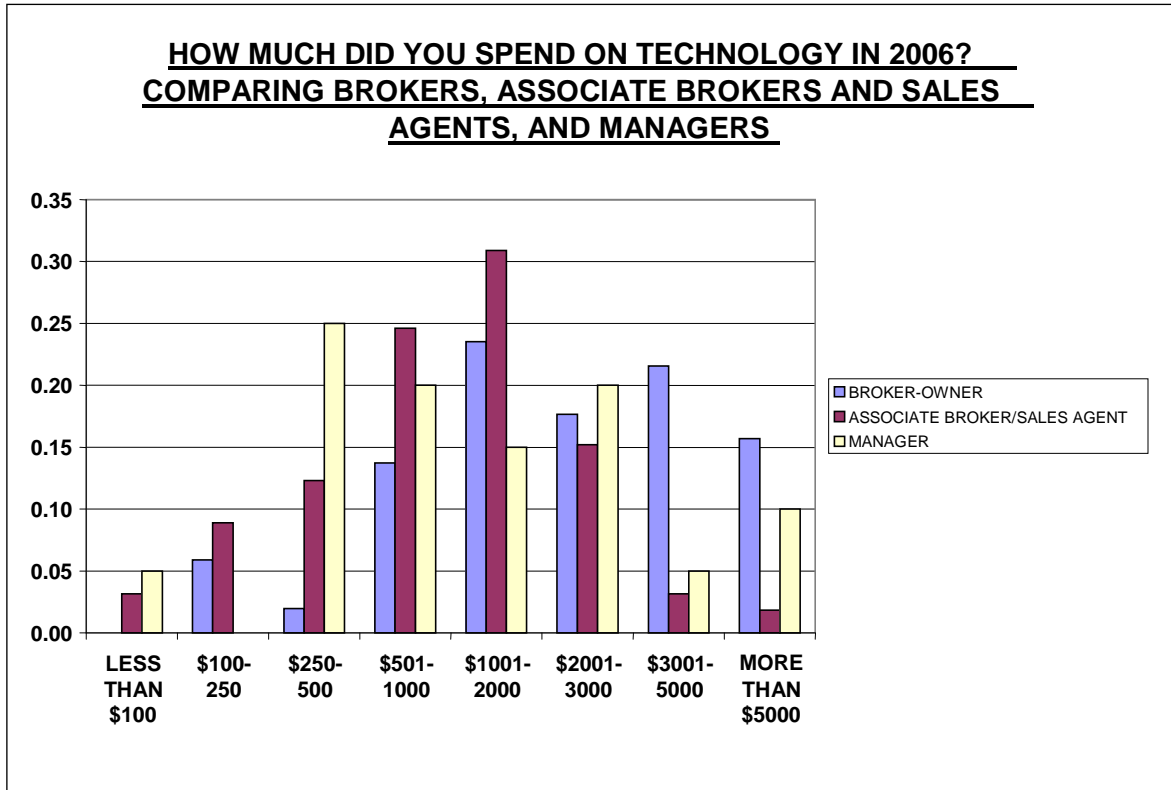


Thunderbird, Lotus Notes, Entourage, Apple Mail, and Eudora were chosen by less than five respondents, thus they are included in the "other" column.

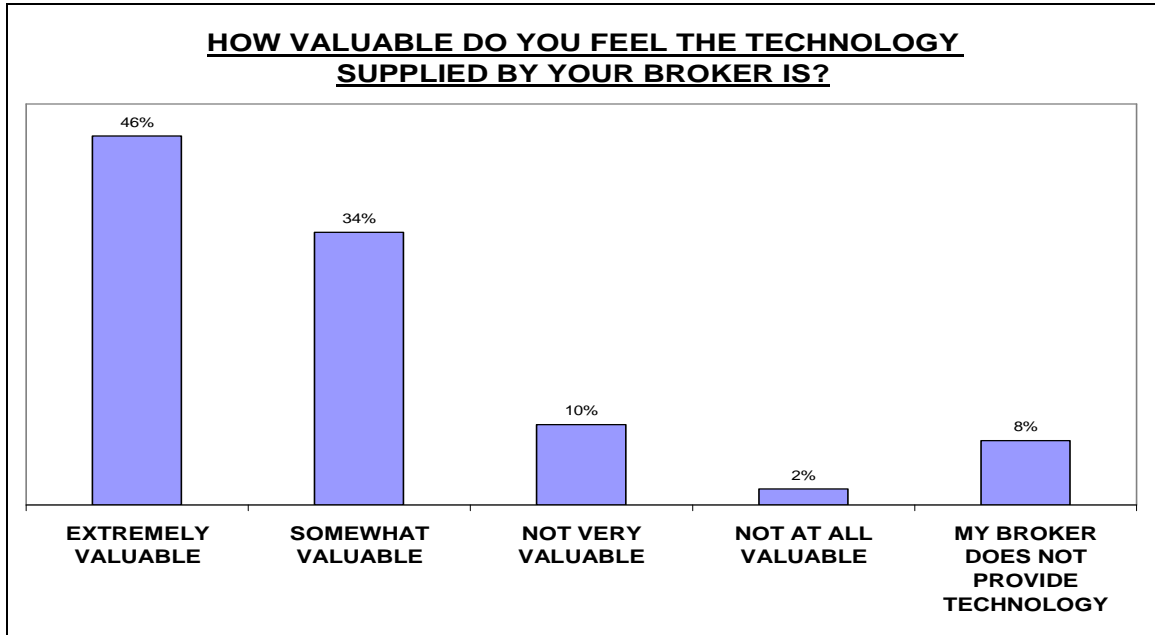
Respondents were asked how much they spent on technology in 2006, and 54 percent of brokers, sales agents, associate brokers, and managers have spent more than \$1000 in 2006.



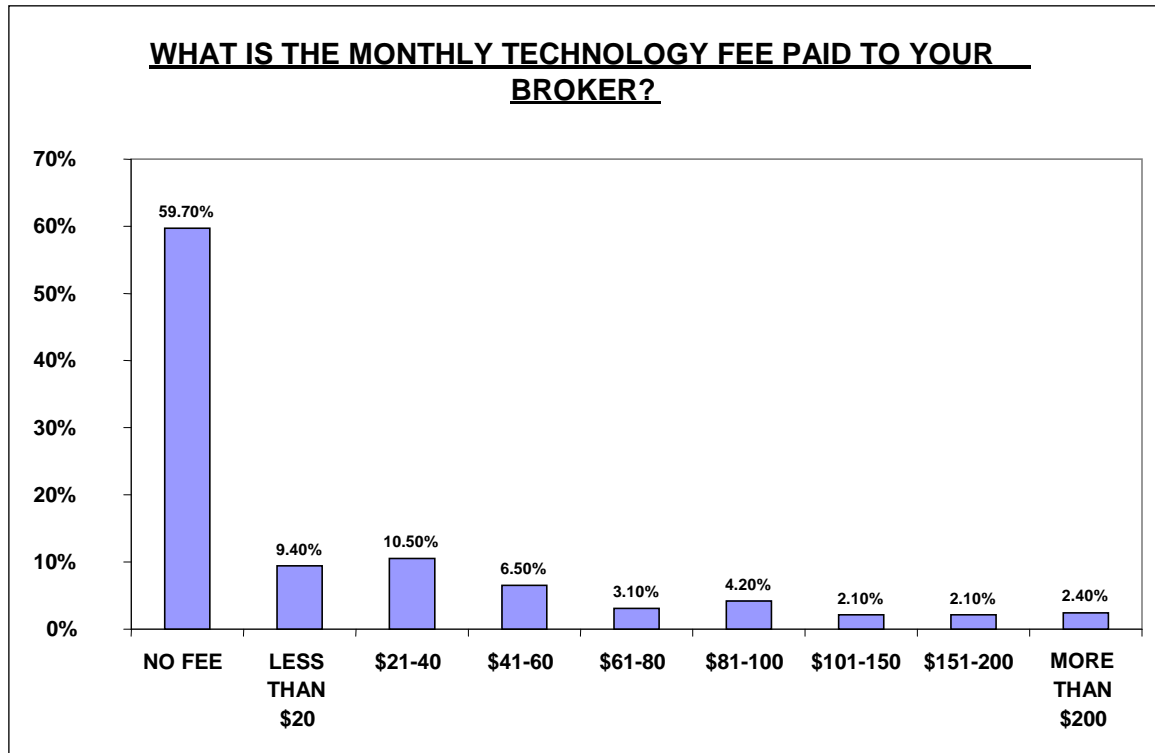
When the type of respondent was compared, the trend was for brokers to spend more on technology: half spent \$2001-3000 or more; half of associate brokers and sales agents spent \$501-1000 or more; managers spent \$1001-2000 or more.



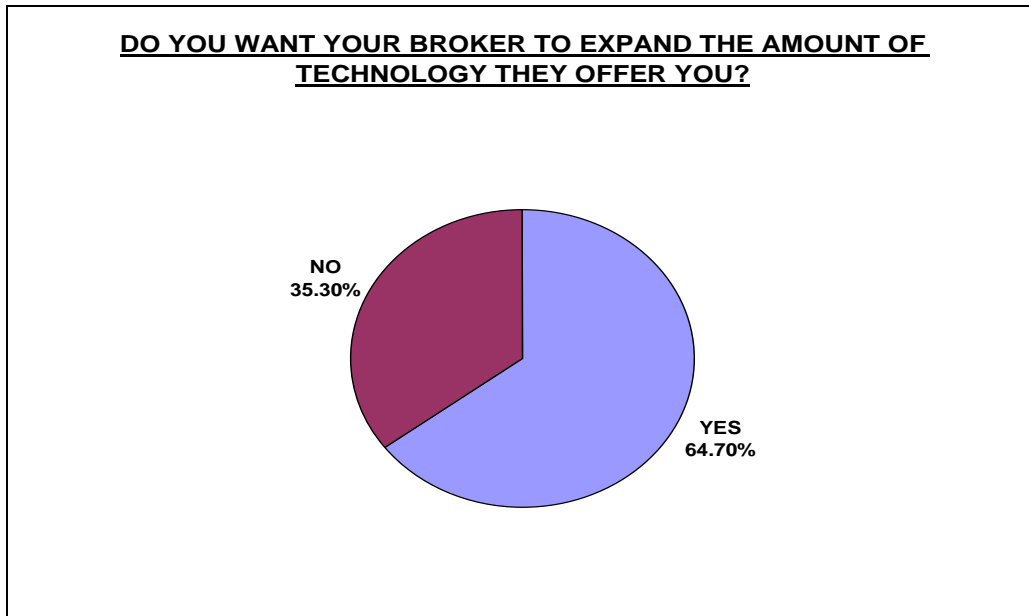
Eighty percent of sales agents and associate brokers rate the value of their broker-supplied technology as being either extremely valuable or somewhat valuable. Where as 12 percent rate the value as being not very valuable or not at all valuable.



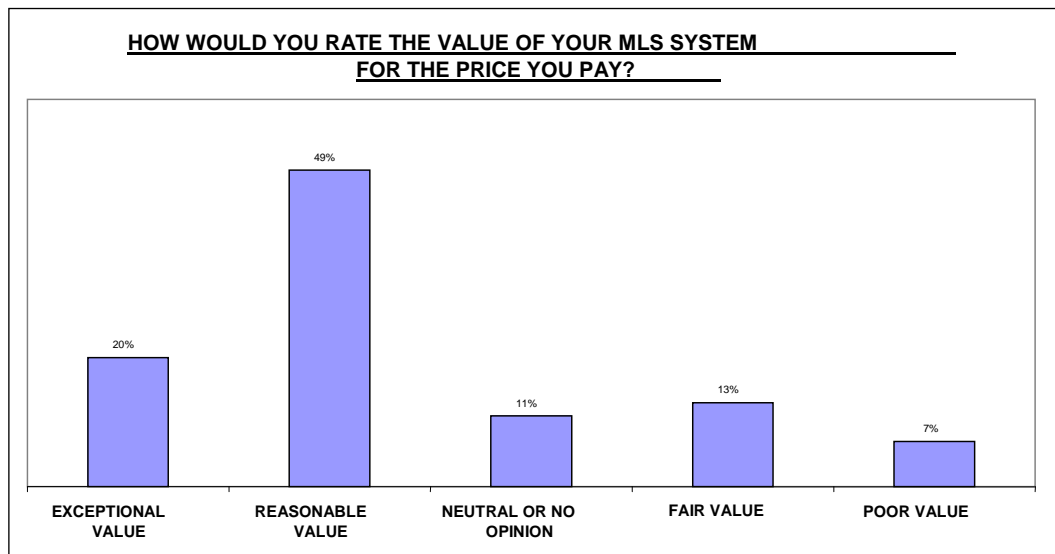
Approximately sixty percent of associate brokers and sales agents do not pay a technology fee to their broker.



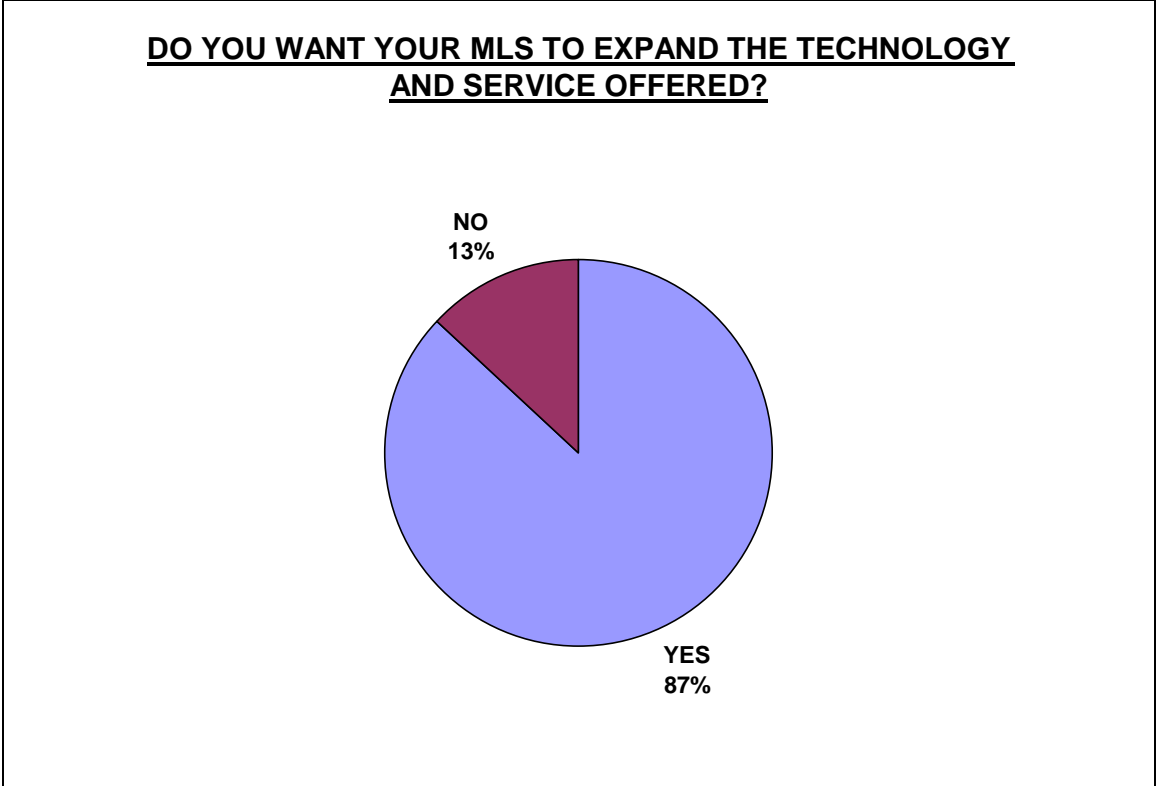
Sales agents and associate brokers responded yes, 64.7 percent, when asked if they wanted their broker to expand the amount of technology that was offered. 35.3 percent of sales agents and associate brokers responded no when asked.



Sixty-nine percent of brokers, sales agents, associate brokers, and managers rate the value of their MLS system as being either an exceptional value or reasonable value. Where as 20 percent rate the value as being either fair or poor value.

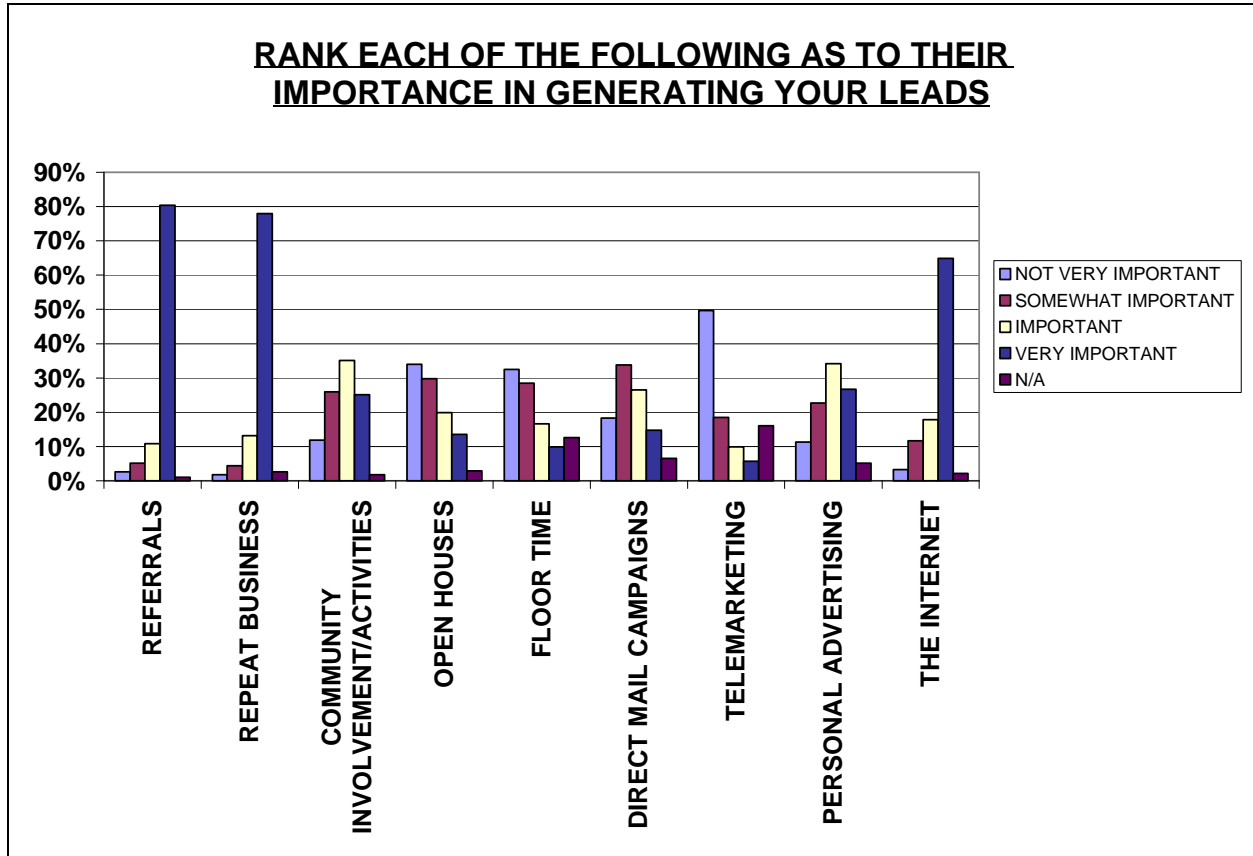


When brokers, sales agents, associate brokers, and managers were asked if they would want to expand the technology and services offered by their MLS, eighty-seven percent said yes.

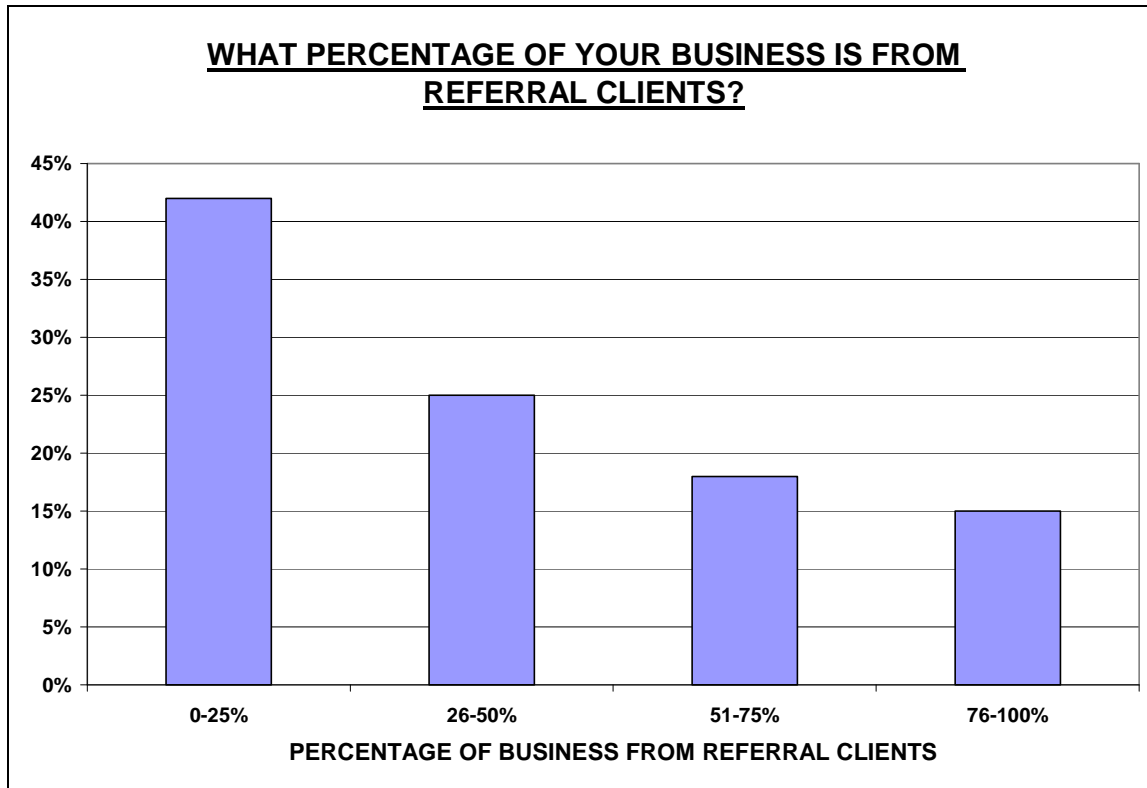


Lead Generation

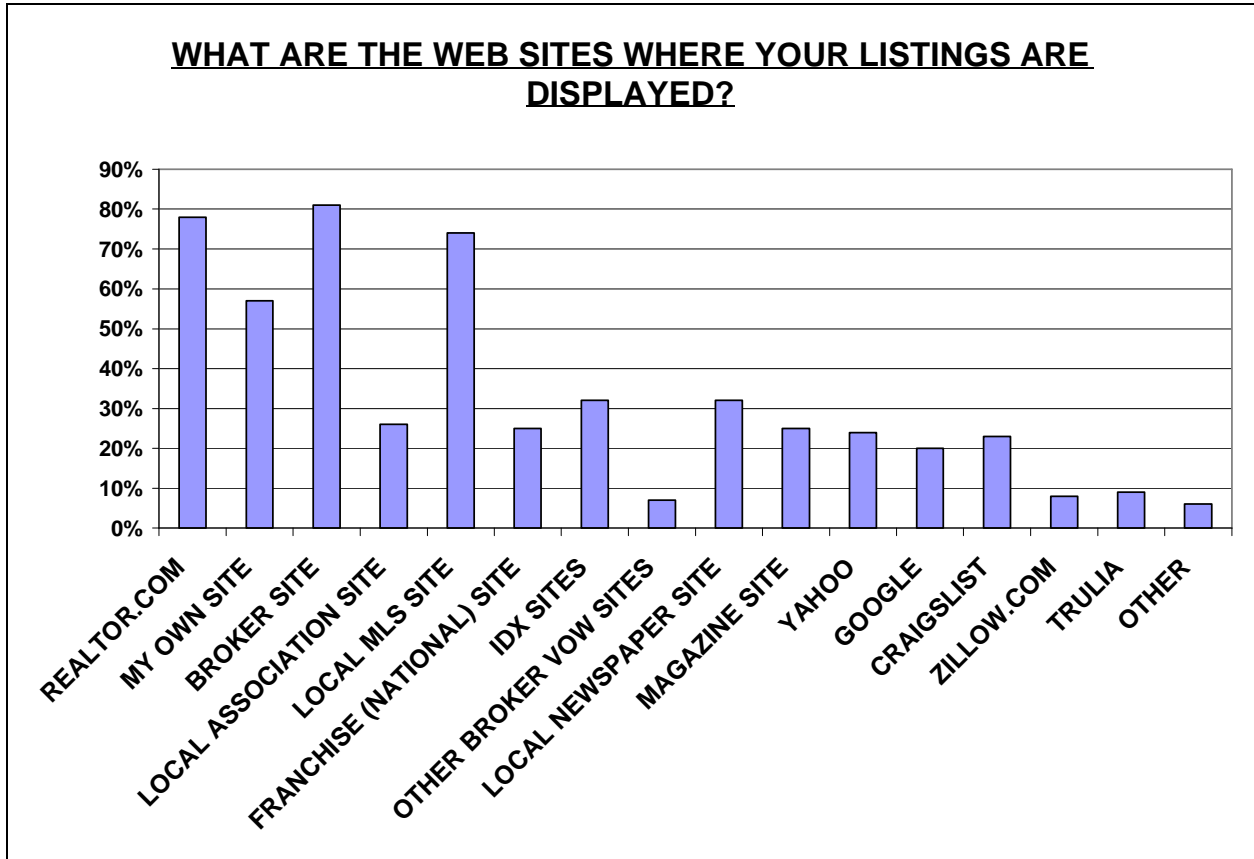
The three most popular choices that are considered “very important” in generating leads are; referrals, repeat business, and internet. The three most popular choices that are considered “not very important” in generating leads are; open houses, floor time, and telemarketing.



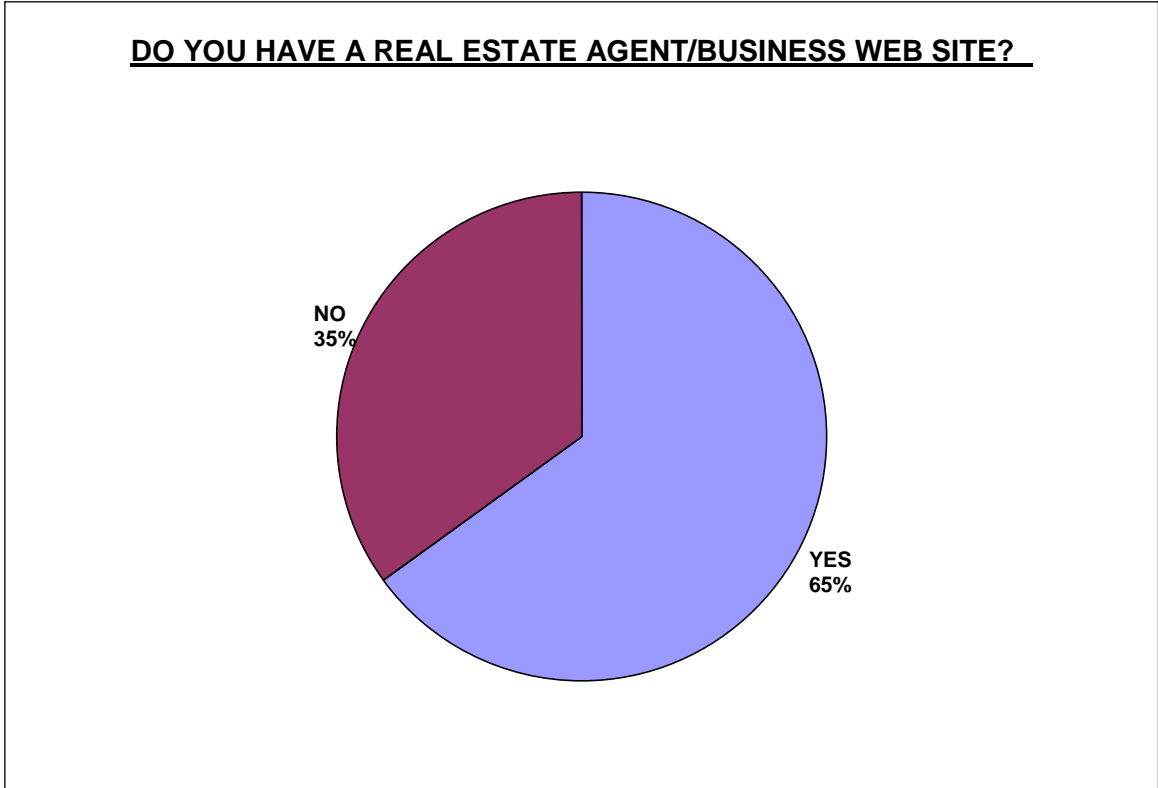
Forty-two percent of respondents said that 25 percent or less of their business comes from referral clients. Twenty-five percent of respondents said that 26-50 percent of their business comes from referral clients. Eighteen percent said that 51-75 percent of their business comes from referral clients and 15 percent said that 76-100 percent of their business comes from referral clients.



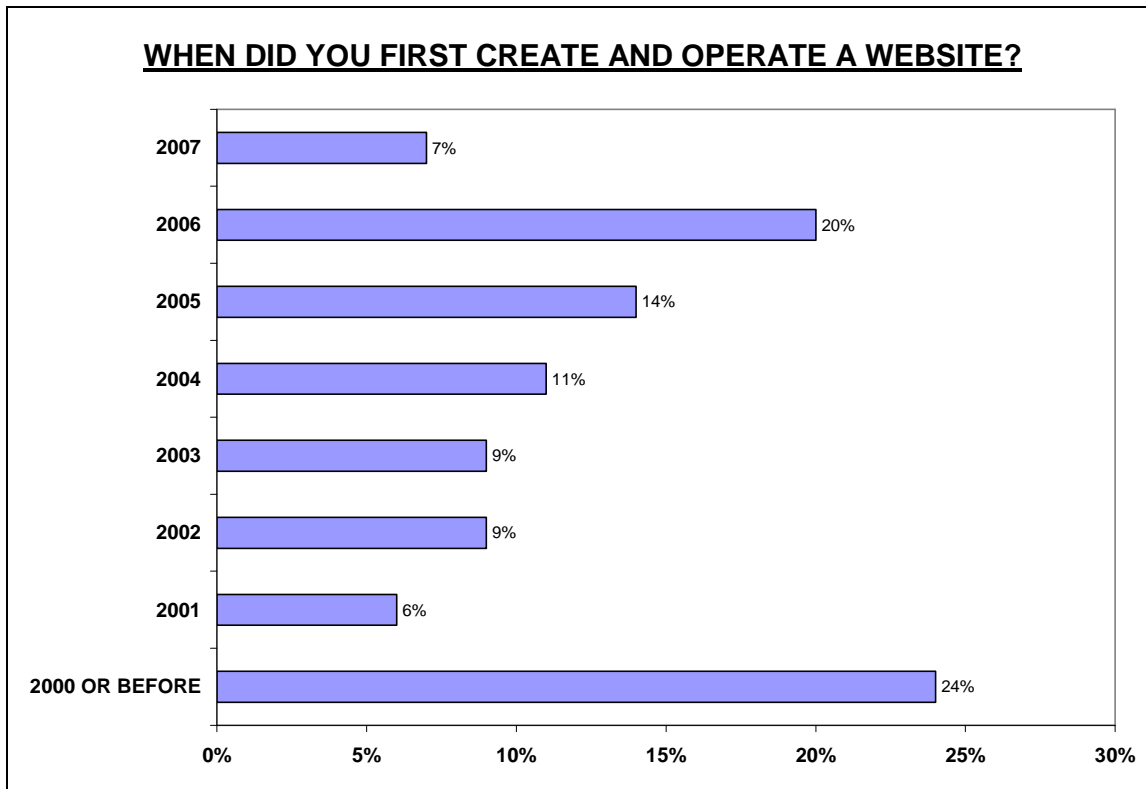
The most popular Web sites where listings are displayed are REALTOR.com, their own site, their broker site, and their local MLS site. Each site has more than 50 percent of respondents displaying their listings on them.



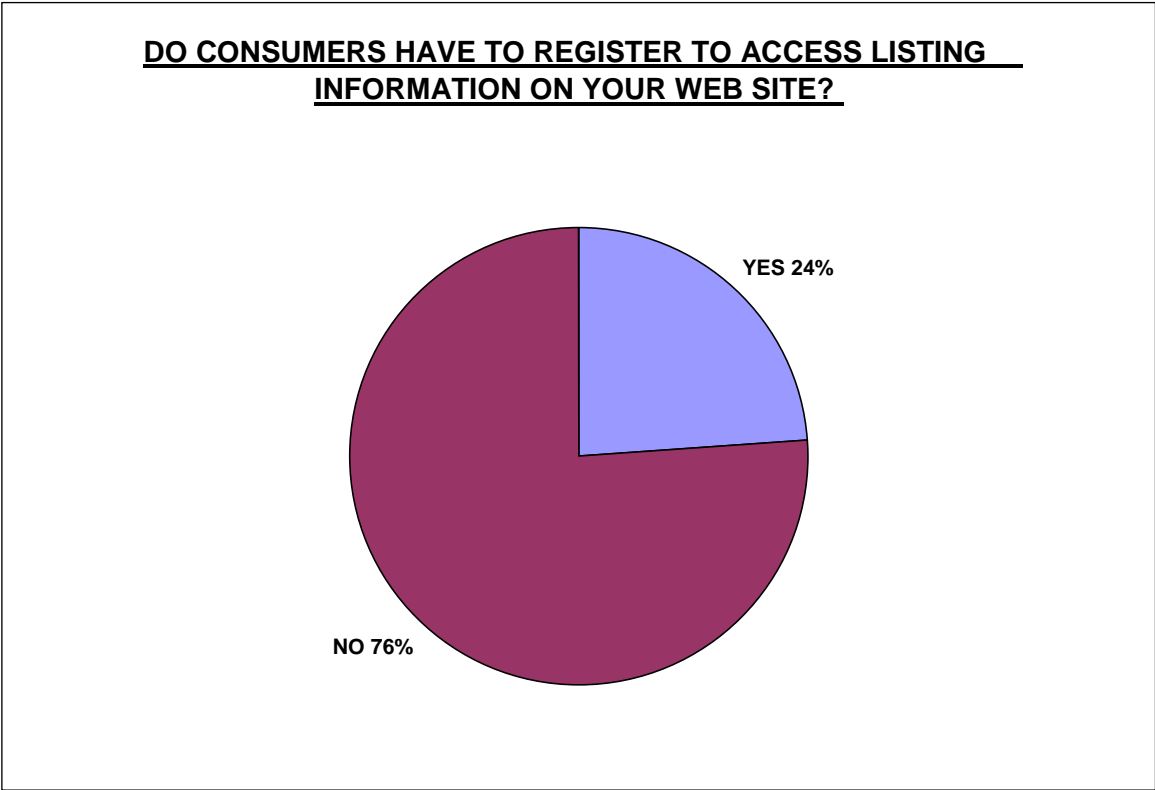
Approximately two-thirds of respondents have their own real estate agent/business Web site.



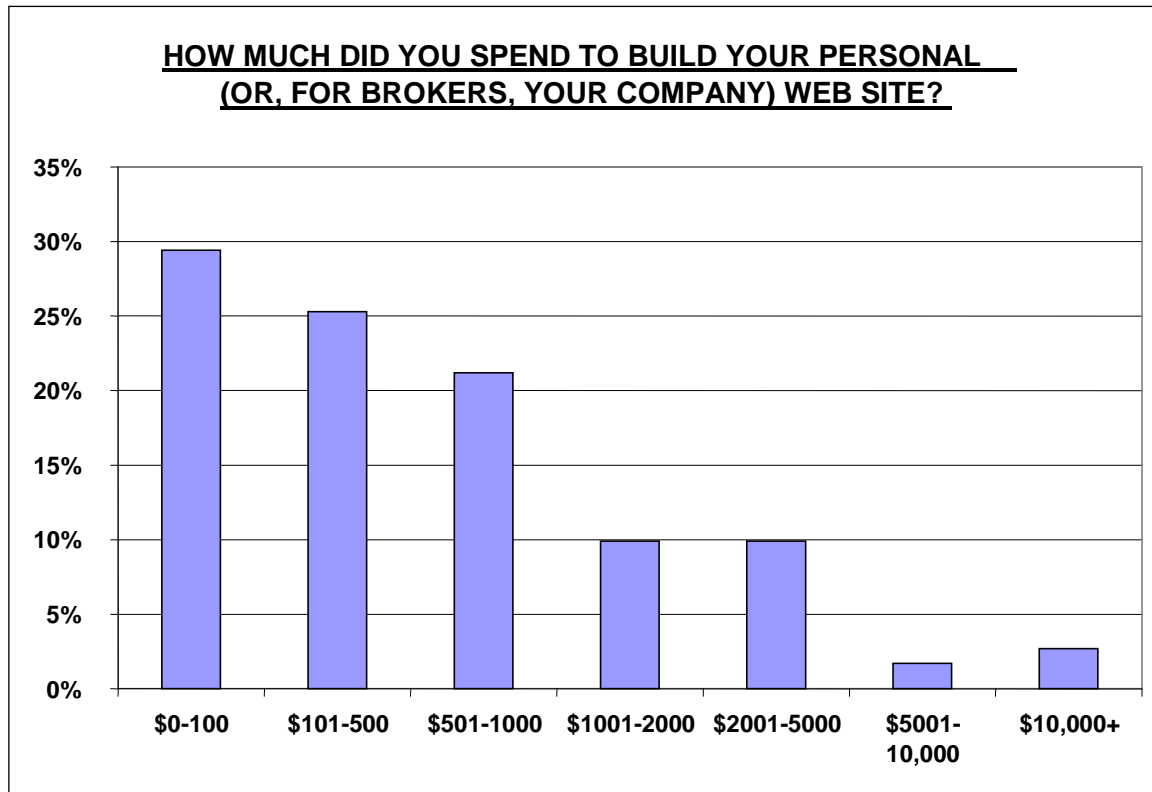
Respondents who have a Web site, 24 percent, had created their Web site before 2000. When we looked at individual years starting with 2001, there has been an increase each year, up until 2006. This data does not necessarily mean that there was a drop in those starting Web sites in 2001, because we did not ask for information from individual years from 2000 or before.



Seventy-six percent of respondents do not require consumers to register before granting access to listing information on their Web site.

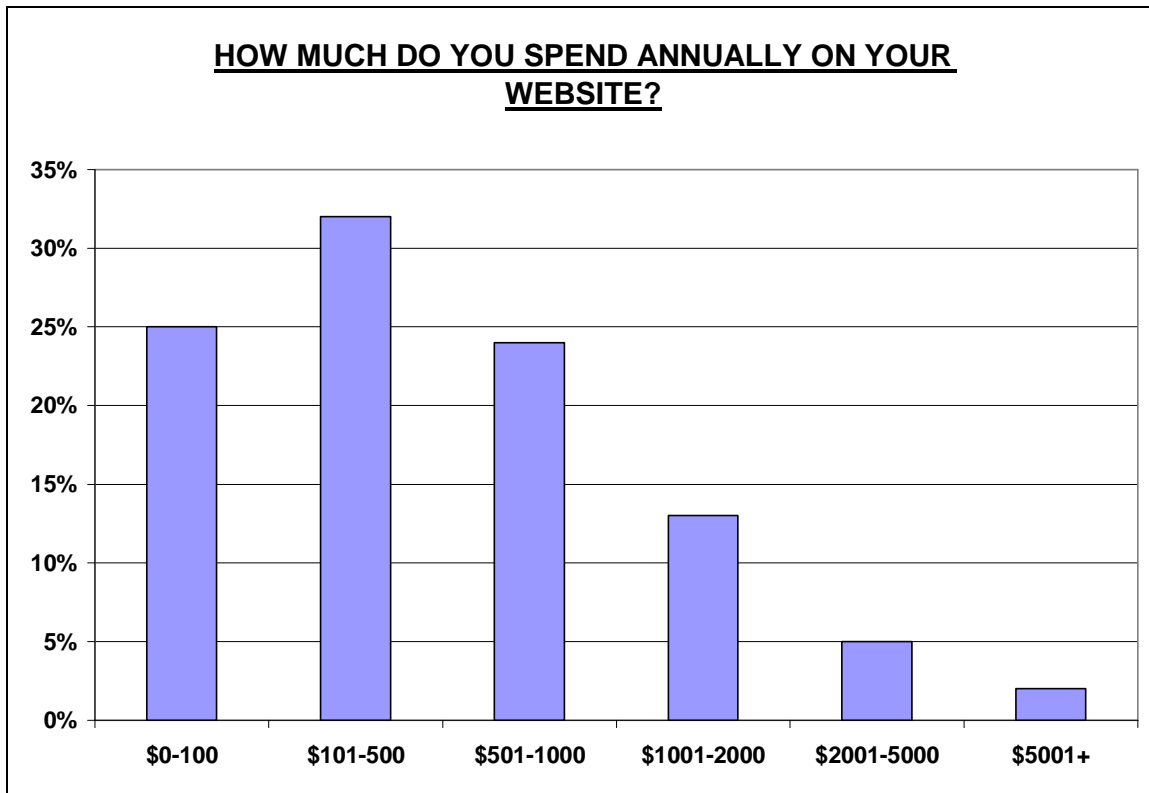


Approximately seventy-five percent of respondents spent \$1000 or less on building their personal or company Web site. Approximately five percent spent \$5000 or more building their personal or company Web site.

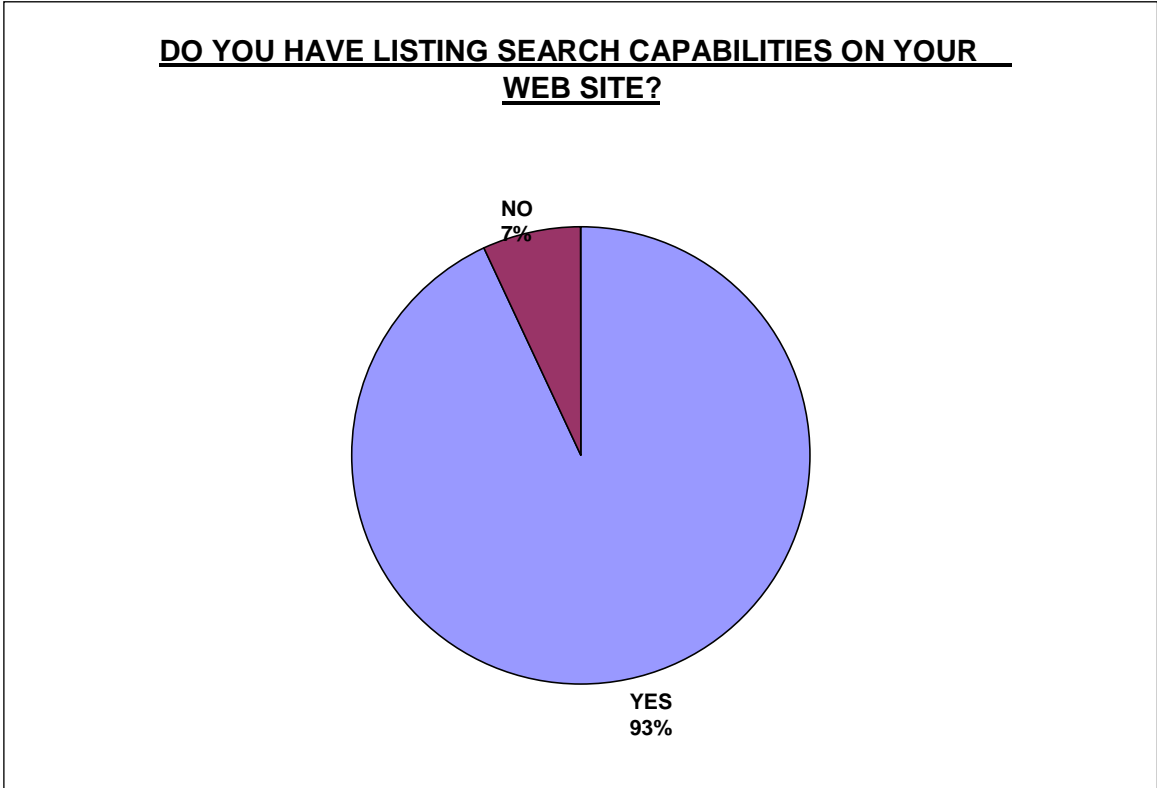


Interestingly, a cross-tabulation was examined to determine if the amount of sides per respondent had any dependence upon how much was spent to build a Web site and no dependence was found.

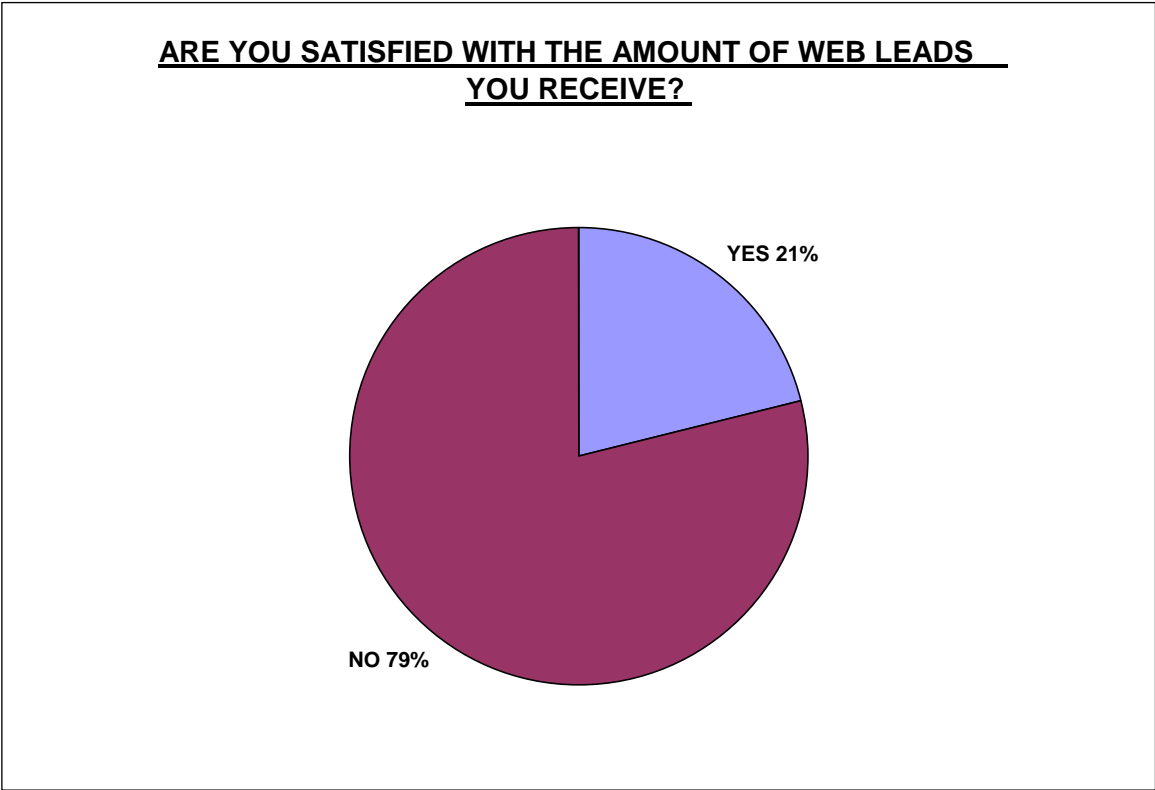
Just over half of respondents, 55 percent, spend less than \$500 annually on their Web site. Twenty-four percent spend \$1001 or more on their Web site annually.



Almost all of those with a Web site, 93 percent, have listing search capabilities on their Web site.

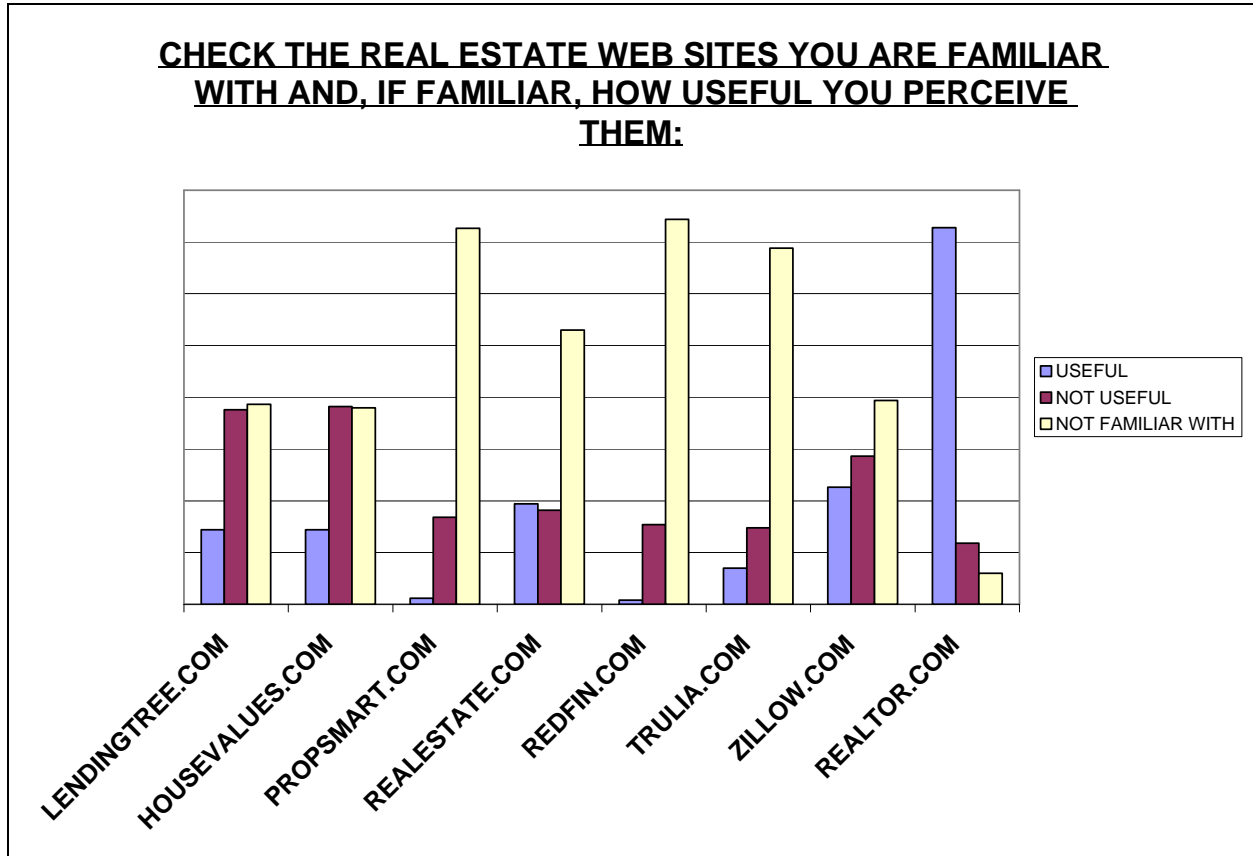


The majority of respondents, 79 percent, are not satisfied with the amount of web leads they receive.

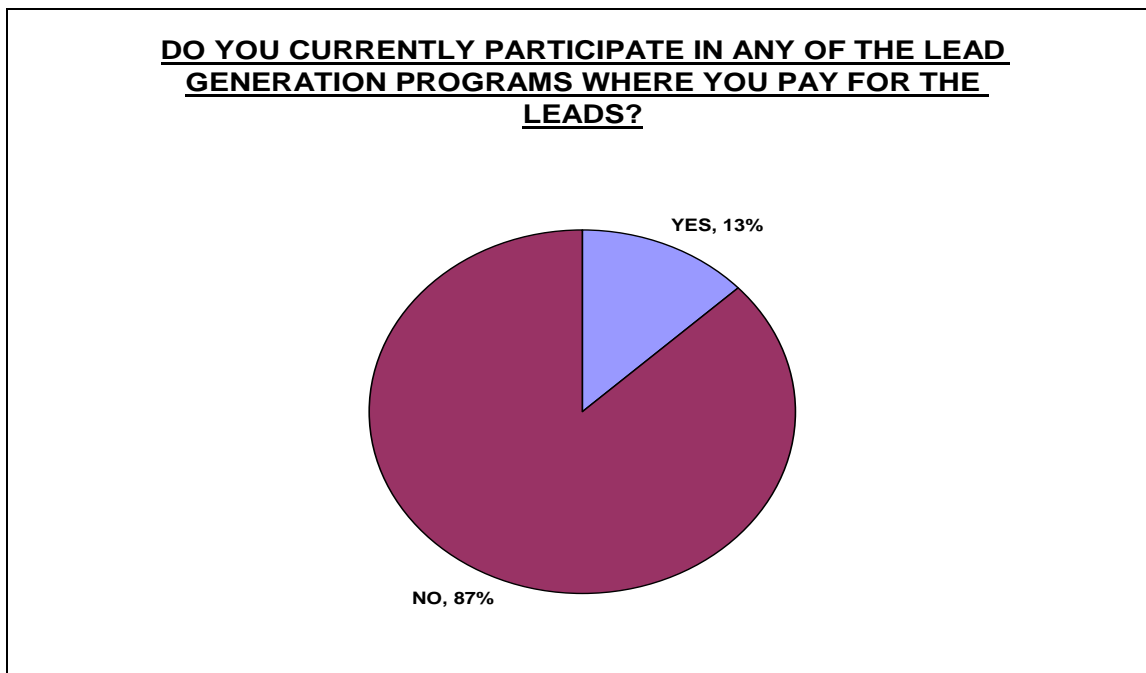
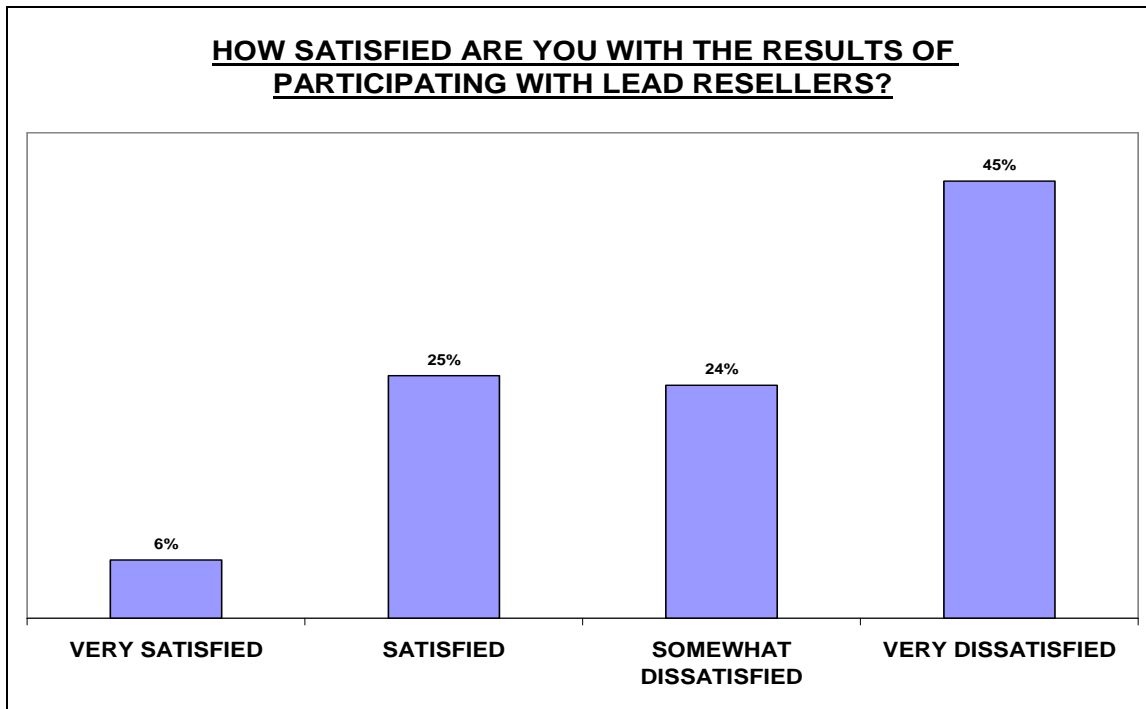


Third-Party Lead Resellers

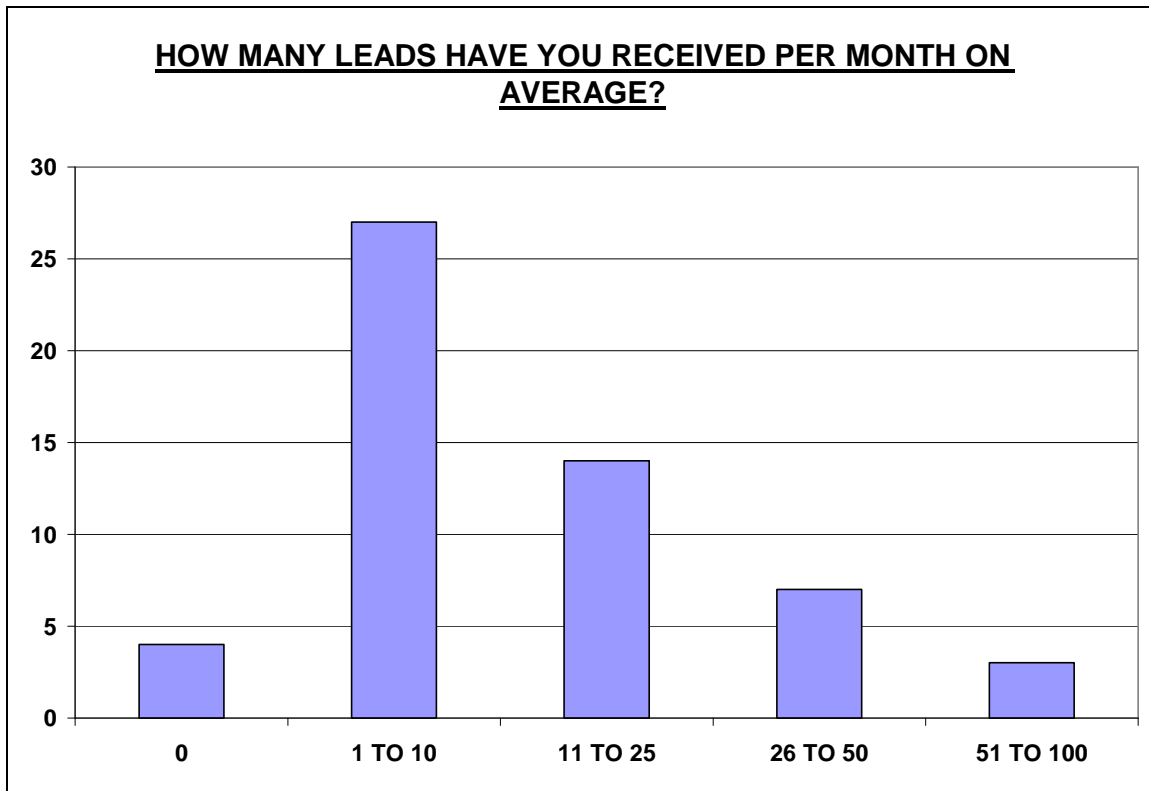
REALTOR.com is considered the most useful real estate Web site with which respondents are familiar. Most respondents are not familiar with the following Web sites; propmart.com, realestate.com, redfin.com, and trulia.com.



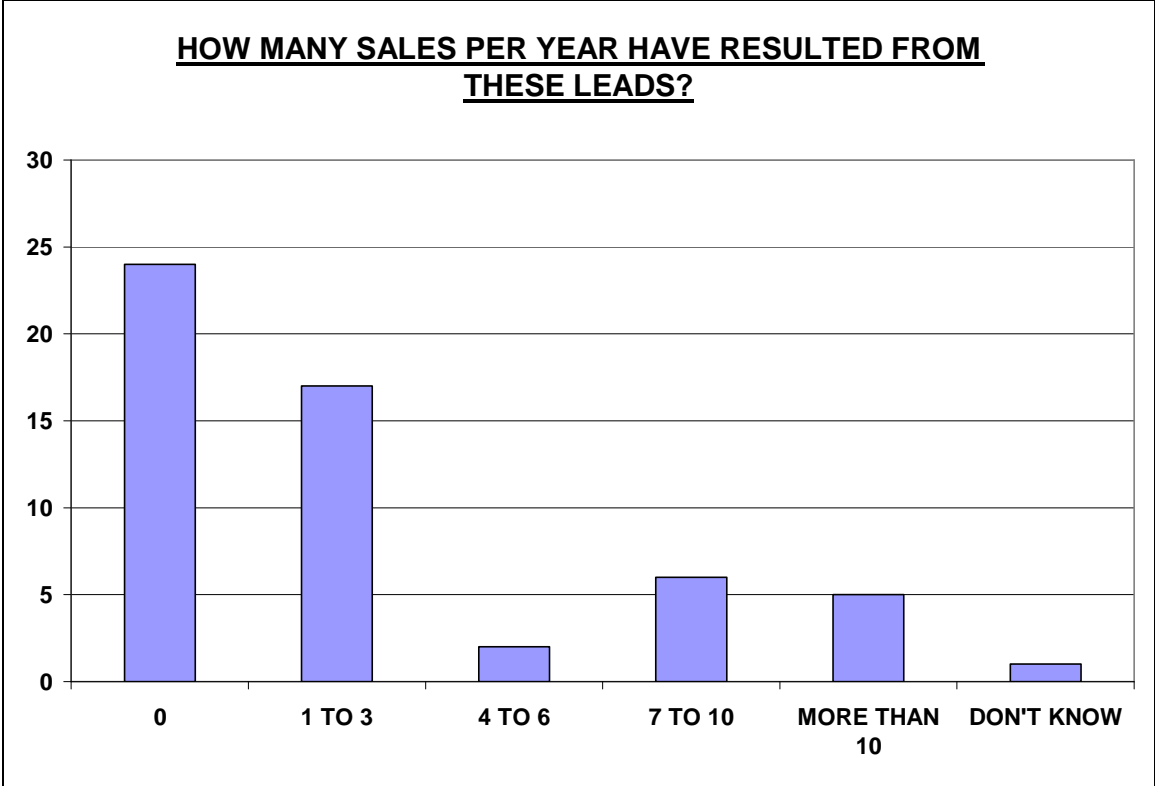
Thirty-one percent of respondents who have participated with lead resellers were either very satisfied or satisfied, and 69 percent were either somewhat dissatisfied or very dissatisfied.



Twenty-four of the 55 respondents who participated in lead generation programs have received 11 or more leads per month on average.

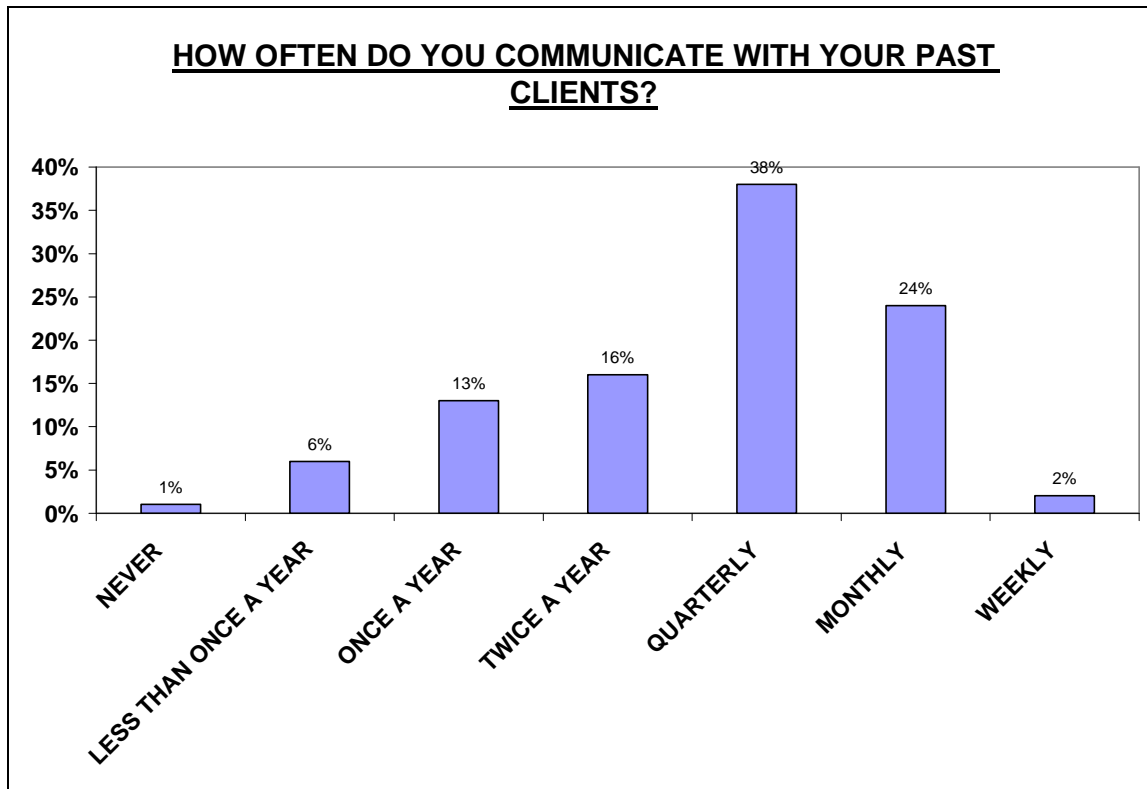


Thirty of the 55 respondents who participated in lead generation programs had one or more sales per year.

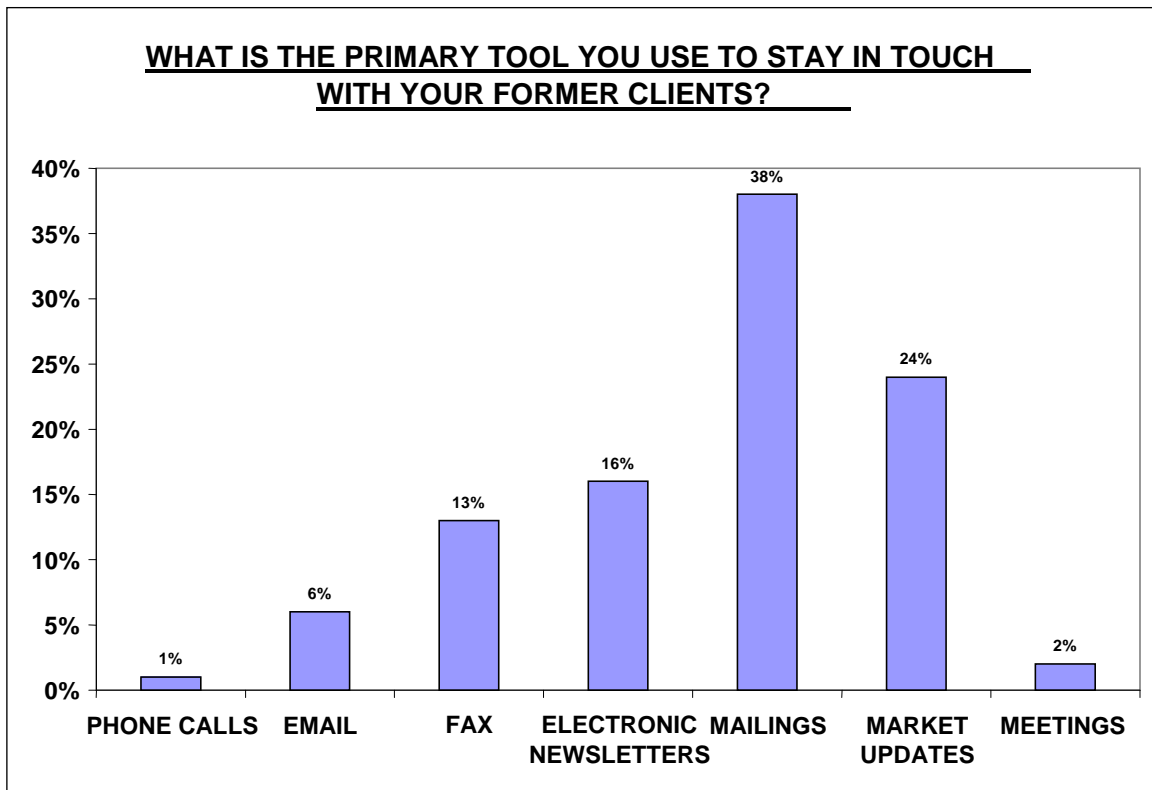
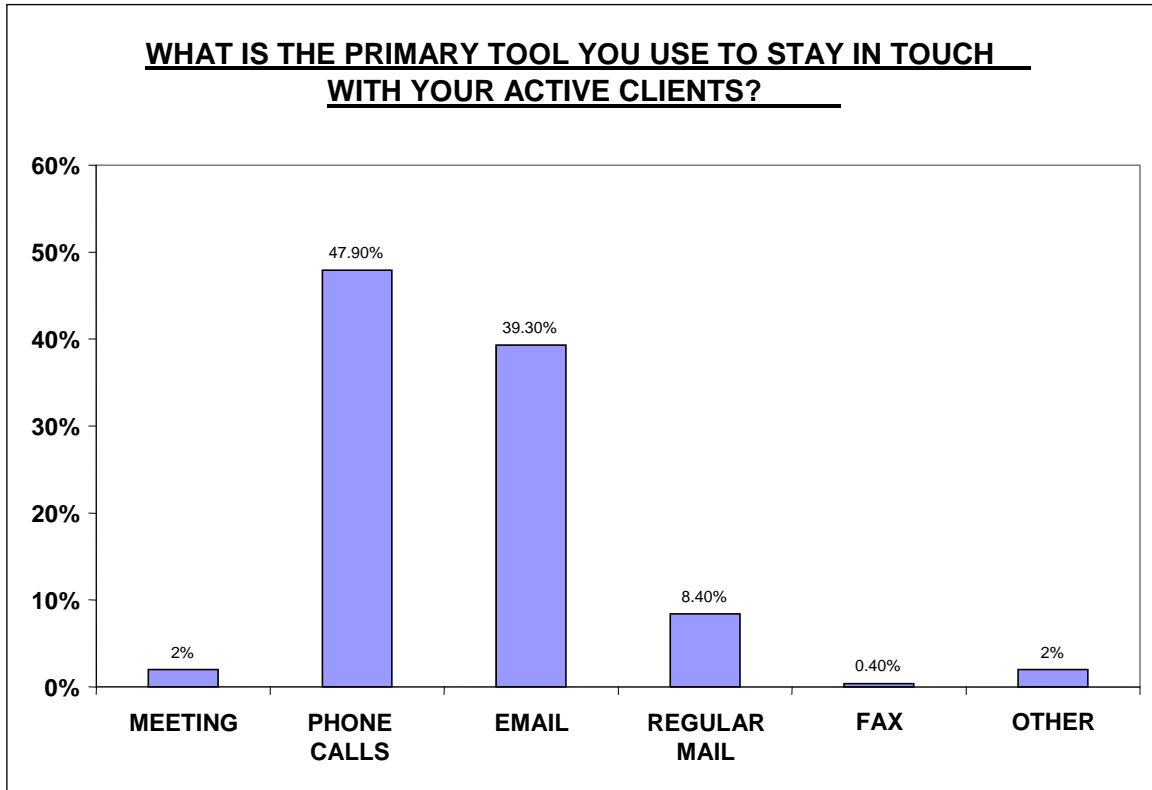


Maintaining Relationships With Clients

Sixty-four percent of respondents communicate with past clients quarterly or more often.

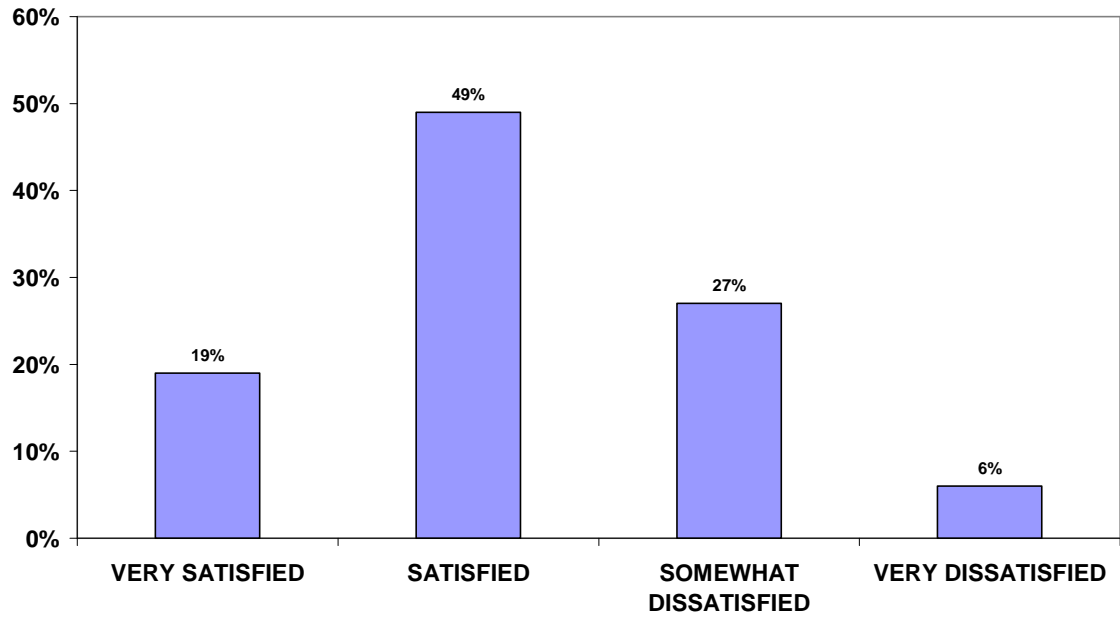


The most popular tools to stay in touch with active clients are phone calls and email. The most popular primary tools to stay in touch with former clients are mailings and market updates.



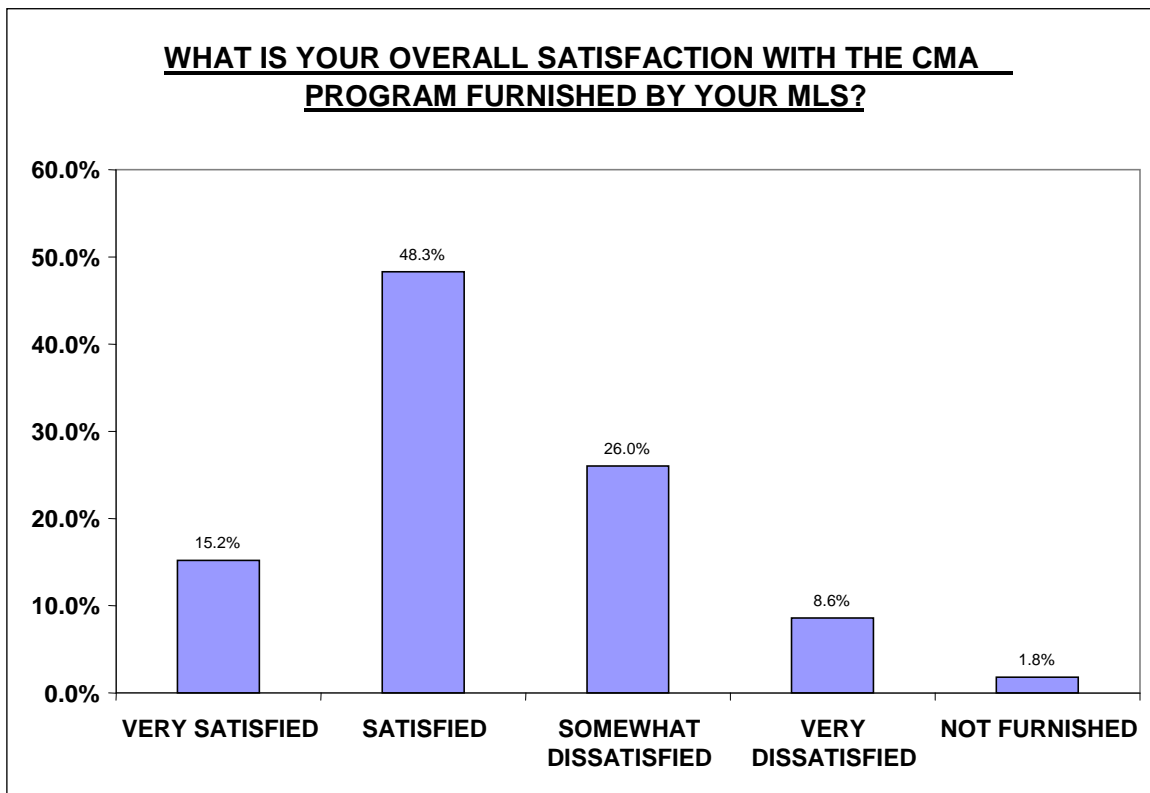
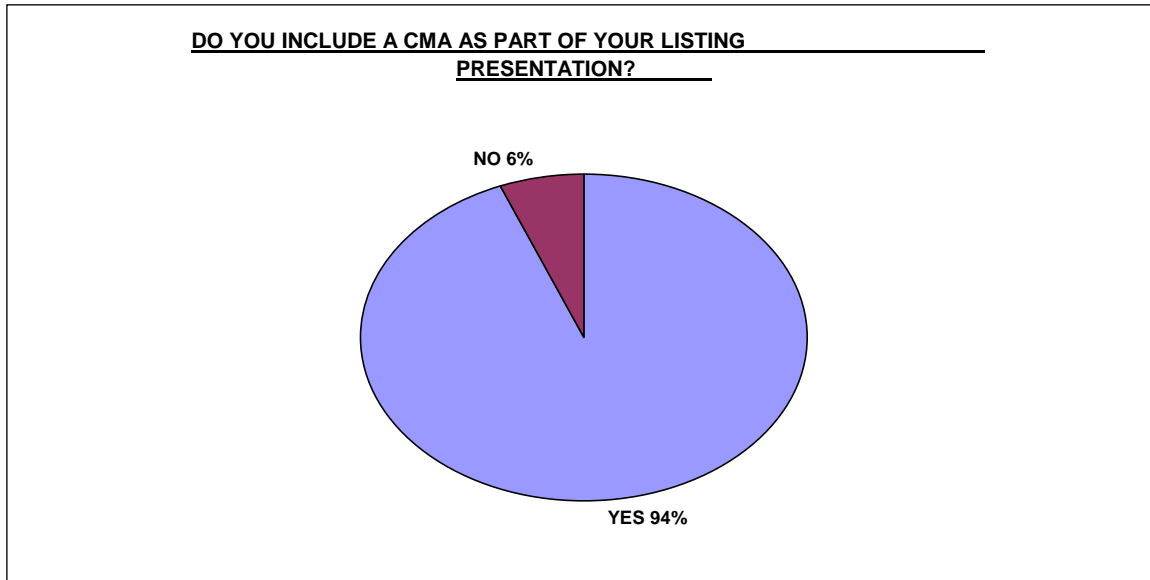
We included blog, web site, and podcasts in the list of choices, but they were not selected by any respondent.

WHAT IS YOUR OVERALL SATISFACTION WITH YOUR EFFORTS TO STAY IN TOUCH WITH FORMER CLIENTS?

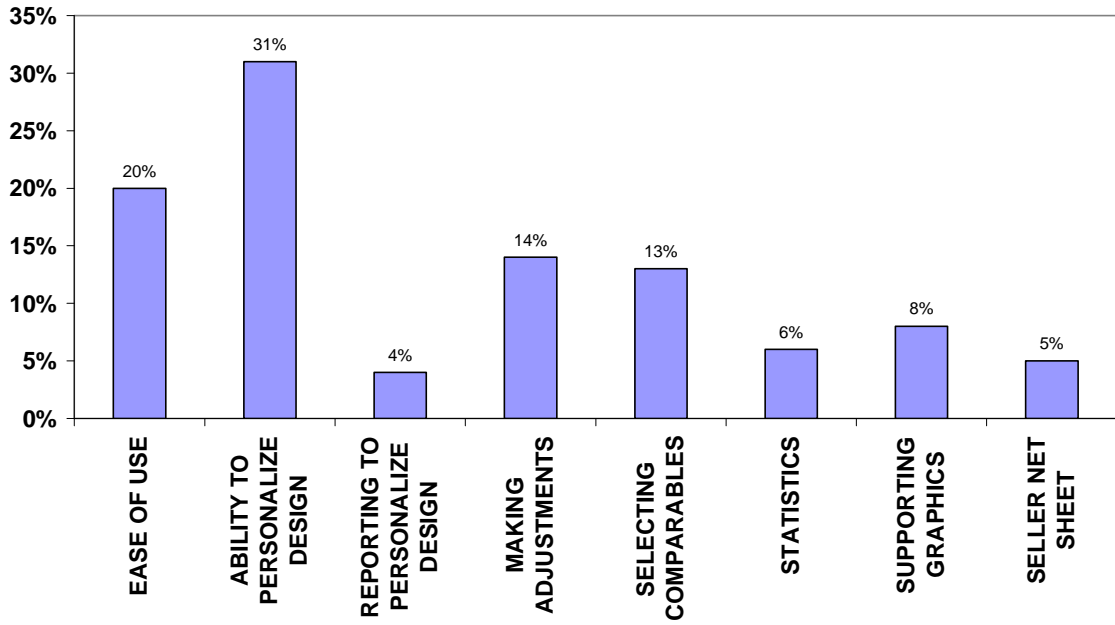


Comparative Market Analysis (CMA)

Responses to the questions asked about CMAs were similar to previous years. Ninety-four percent include a CMA as part of their listing presentation. The majority is satisfied overall with the CMA program furnished by their MLS; still about 35 percent were either somewhat dissatisfied or very dissatisfied. The ability to personalize design was again the number one area that was deemed “needing to be improved the most.”

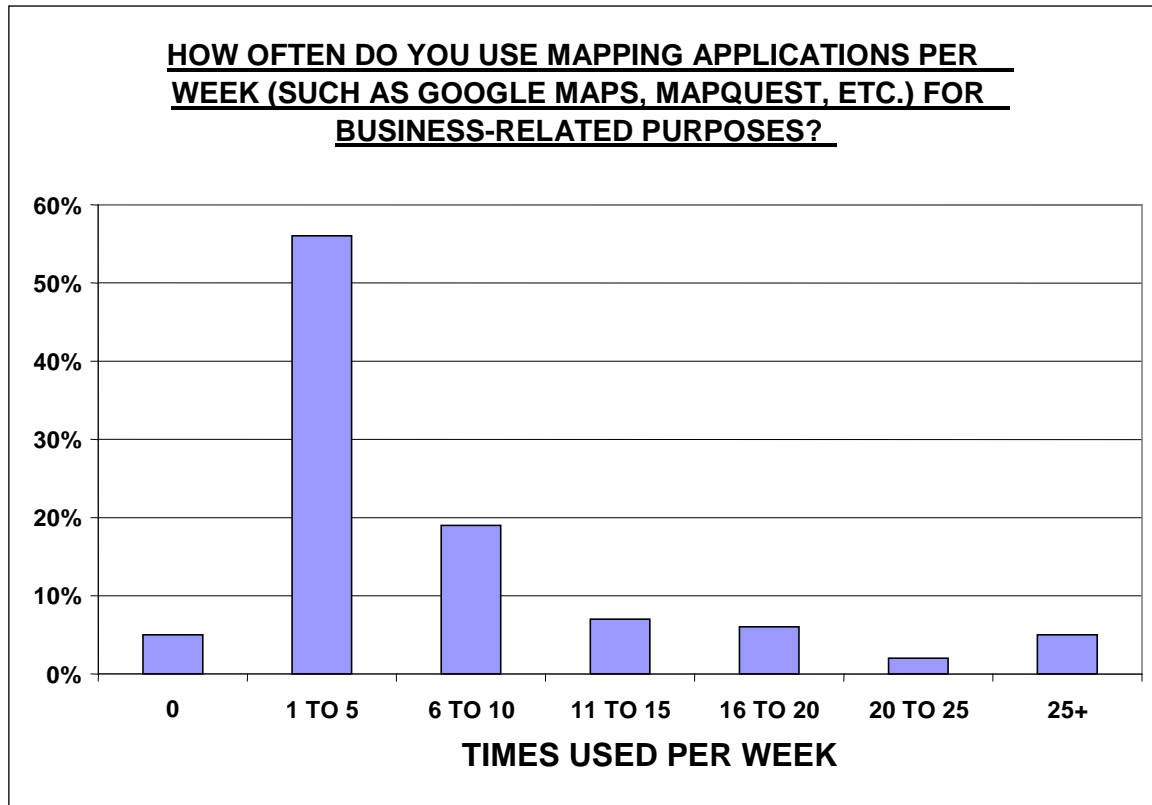


CHOOSE THE AREA OF CMA TOOLS THAT NEEDS TO BE IMPROVED THE MOST:

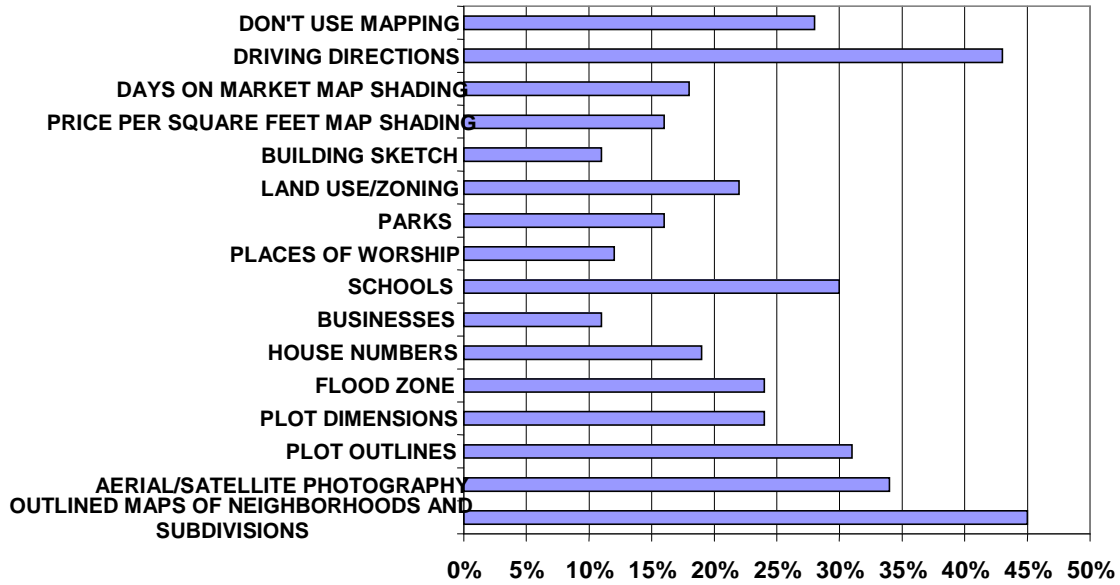


Mapping

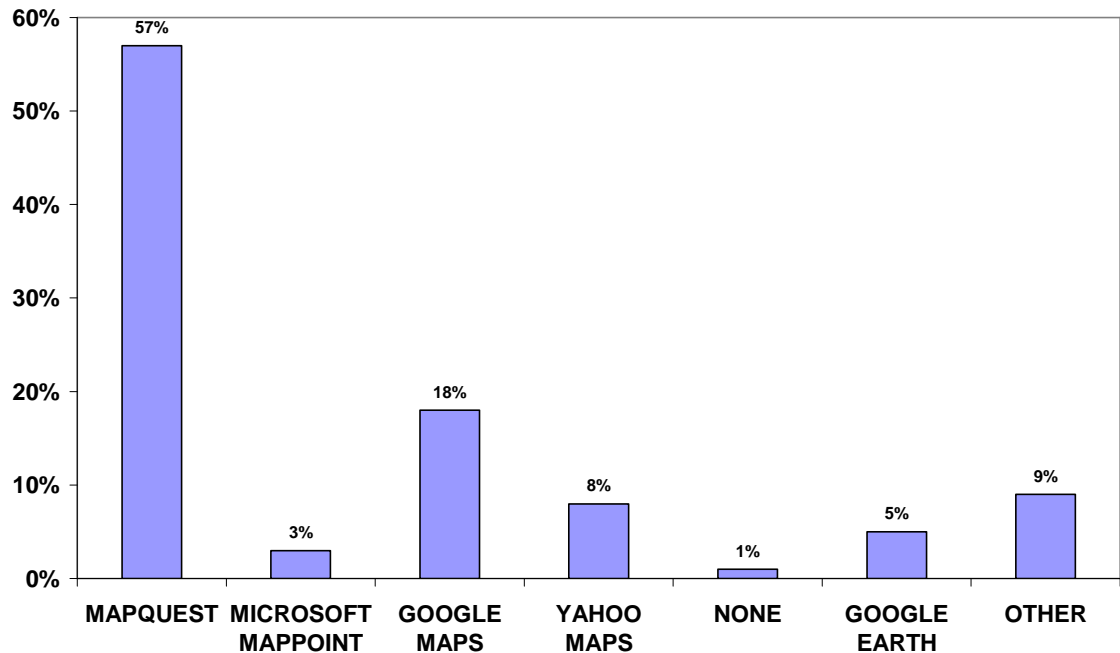
Mapping applications are utilized by 72 percent of those asked, those who do use mapping applications for business-related purposes 20 percent utilized them 11 or more times per week. The most useful applications are driving directions and those that provide outlined maps of neighborhoods and subdivisions.



IF YOU USE MAPPING IN YOUR MLS, WHICH MAPPING ELEMENTS DO YOU FIND USEFUL? CHECK ALL THAT APPLY.

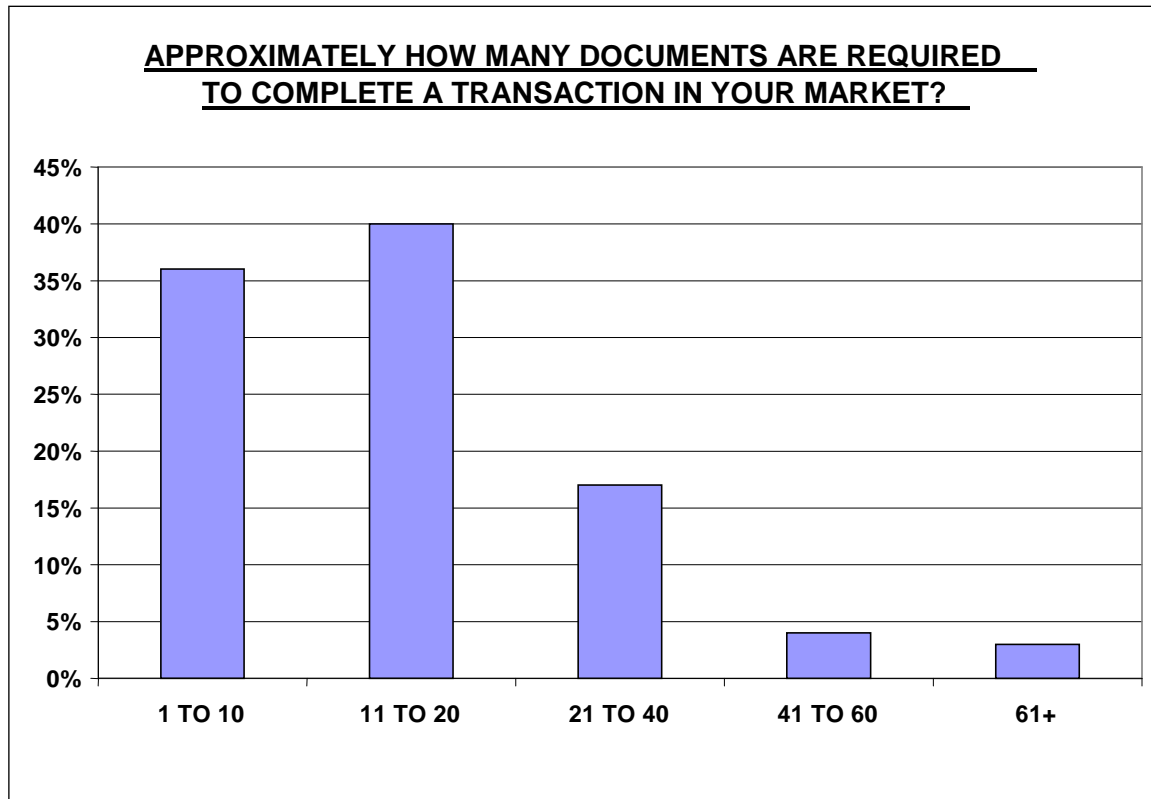


WHAT MAPPING APPLICATION DO YOU PRIMARILY USE?

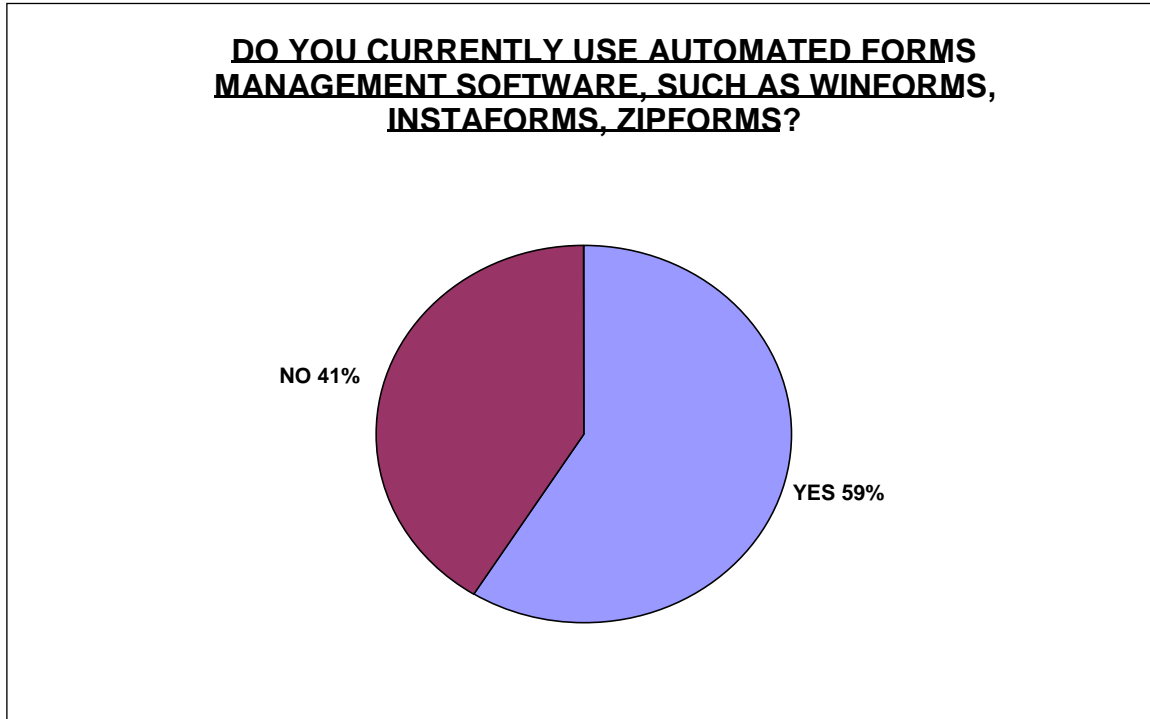


Forms and Contract Software

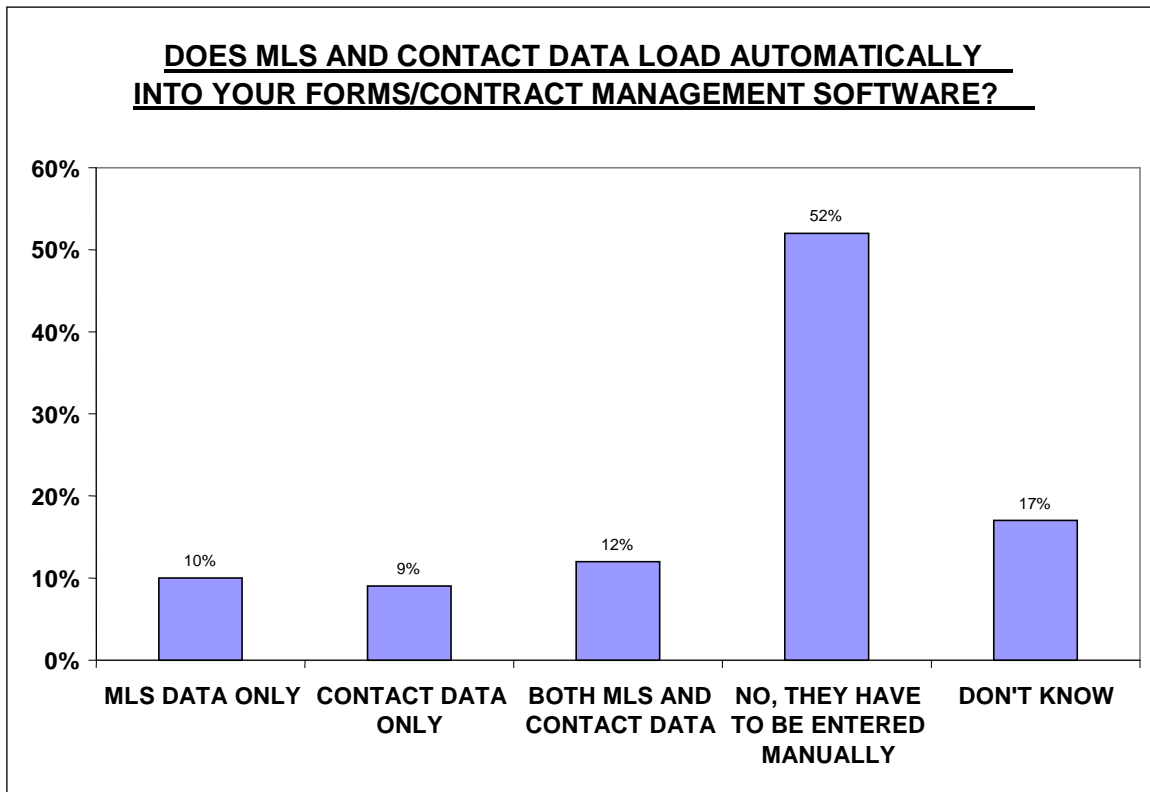
Seventy-six percent of respondents use 20 or less documents to complete a transaction in their market. Seventeen percent require 21-40 documents, four percent require 41-60 documents, and three percent require more than 61 documents.



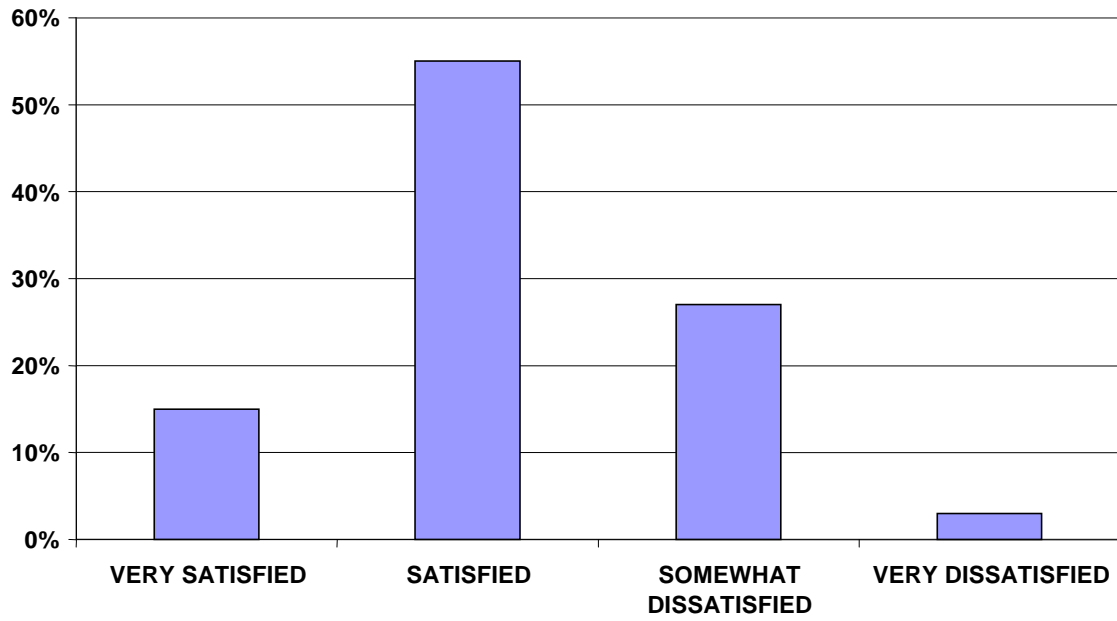
More than half of respondents, 59 percent, use automated forms management software.



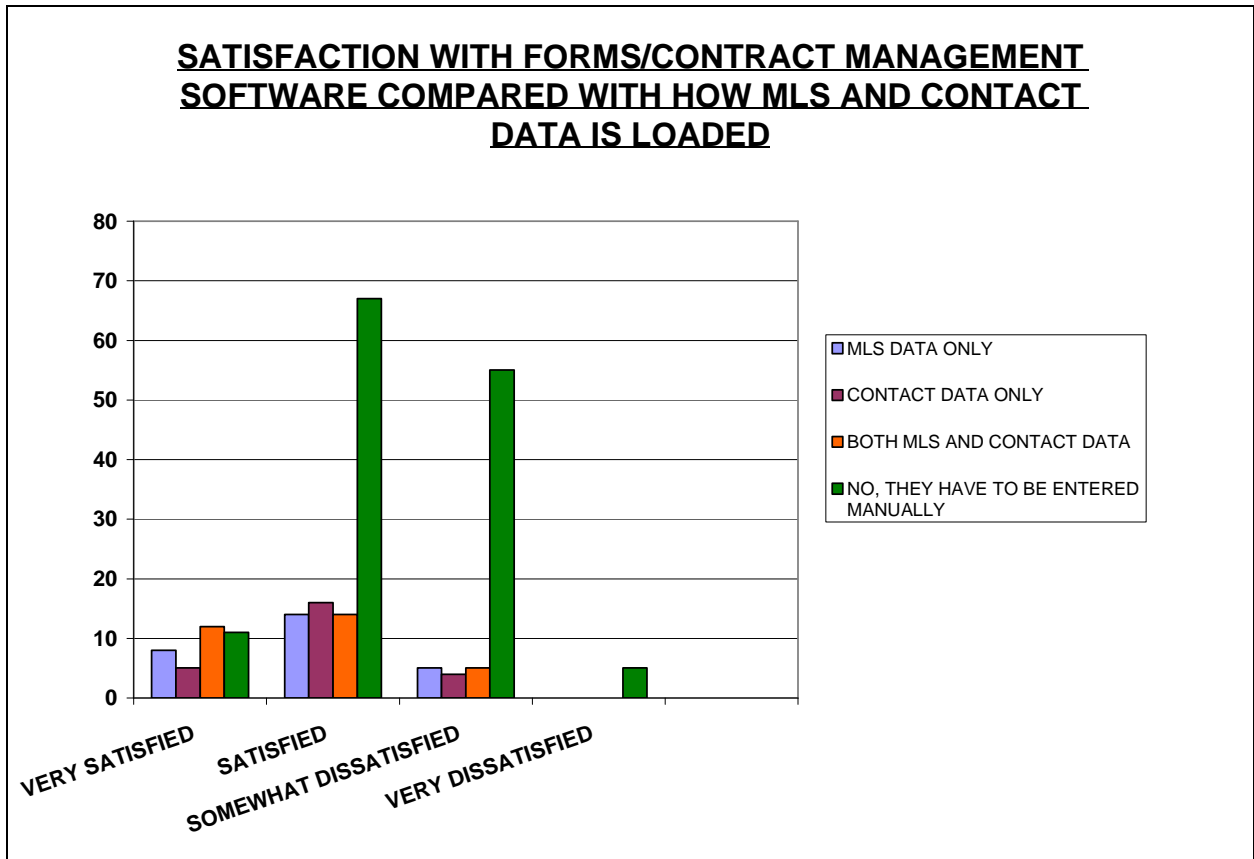
More than half, fifty-two percent, have to manually enter MLS and contact data.



**HOW SATISFIED ARE YOU WITH YOUR FORMS/CONTRACT
MANAGEMENT SOFTWARE?**

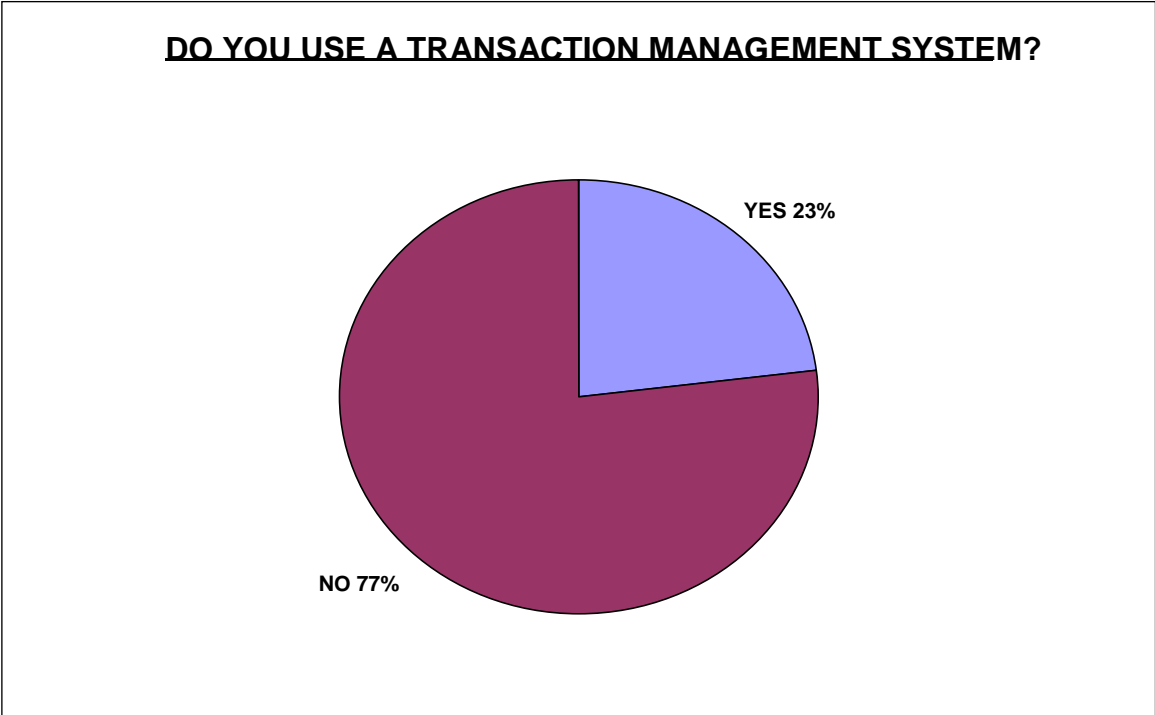


Among respondents who are very satisfied with their forms/contract management software there was very little difference in how the MLS and contact data is loaded. Those who are somewhat dissatisfied or very dissatisfied have to enter the MLS and contact data manually.

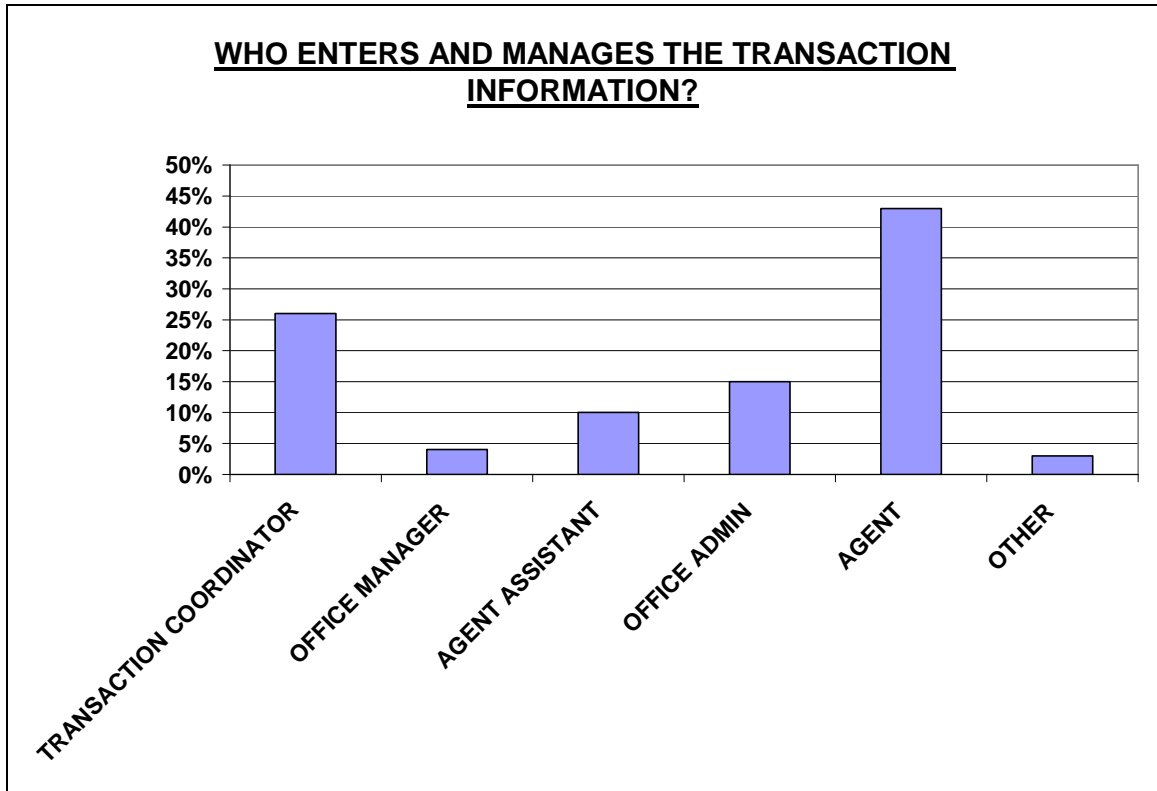


TRANSACTION MANAGEMENT

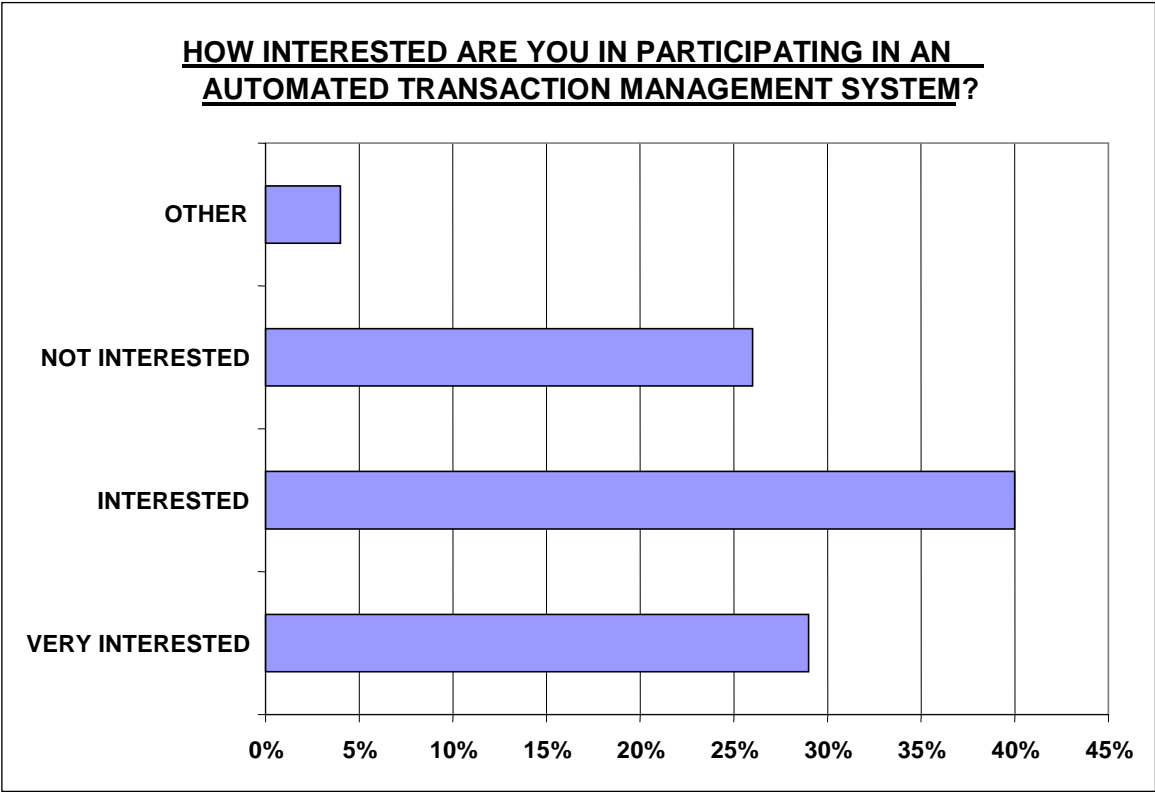
Twenty-three percent of respondents use a transaction management system.



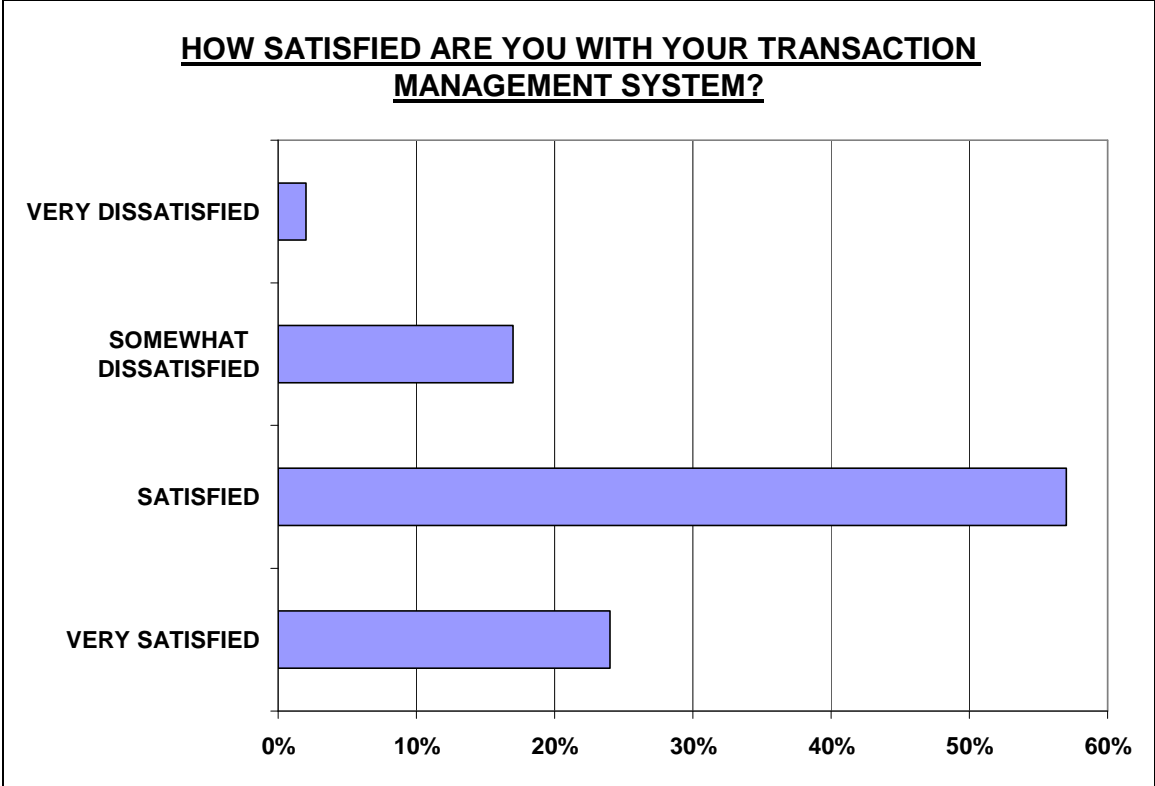
A transaction coordinator enters and manages the transaction information for 26 percent of the respondents, and the agent enters and manages the information for 43 percent of the respondents.



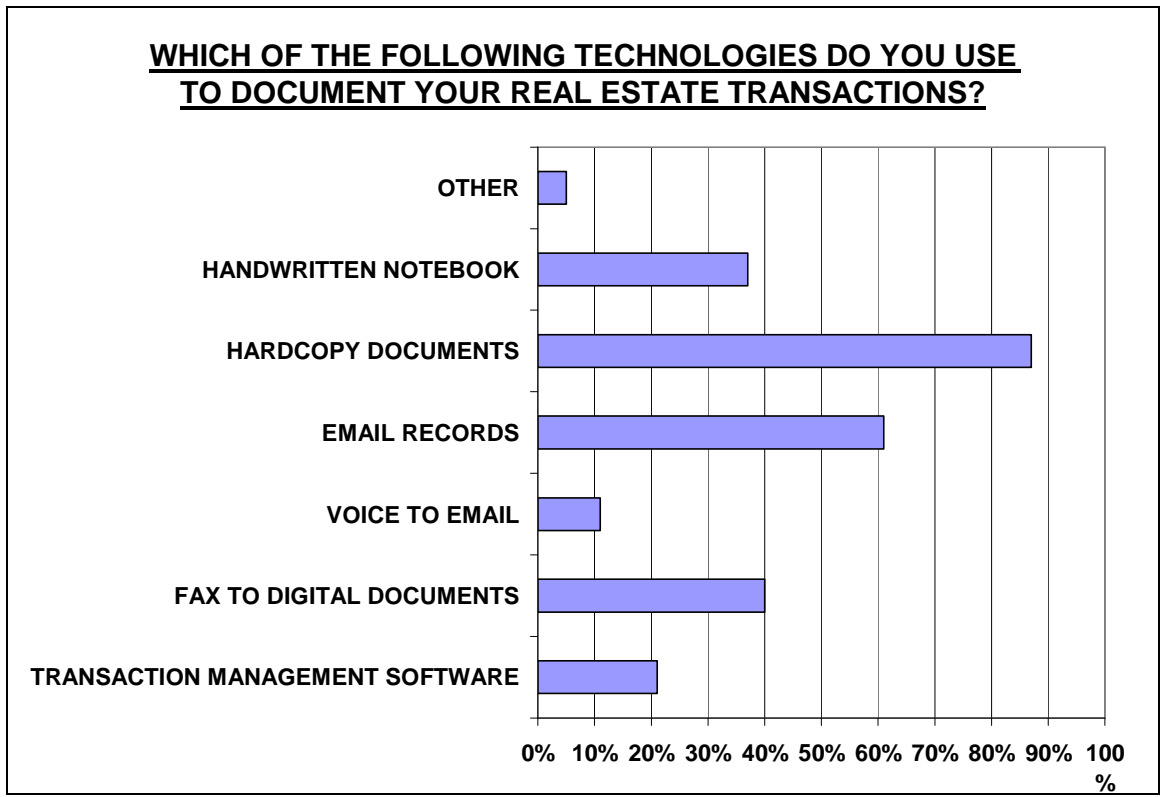
Sixty-nine percent of those respondents who are not currently participating in an automated transaction management system are interested or very interested in participating.



Eighty-one percent of respondents are either satisfied or very satisfied with their transaction management system.

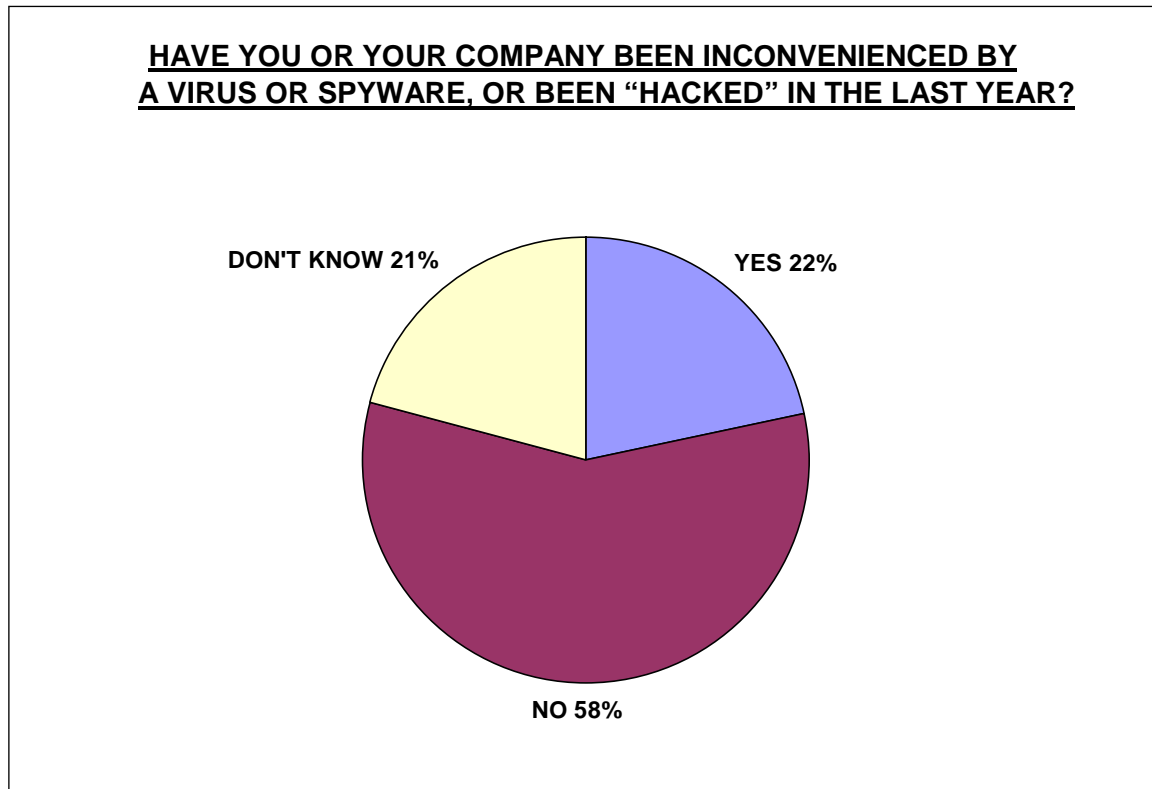


More than half of respondents use hardcopy documents, 87 percent, and email records, 61 percent.

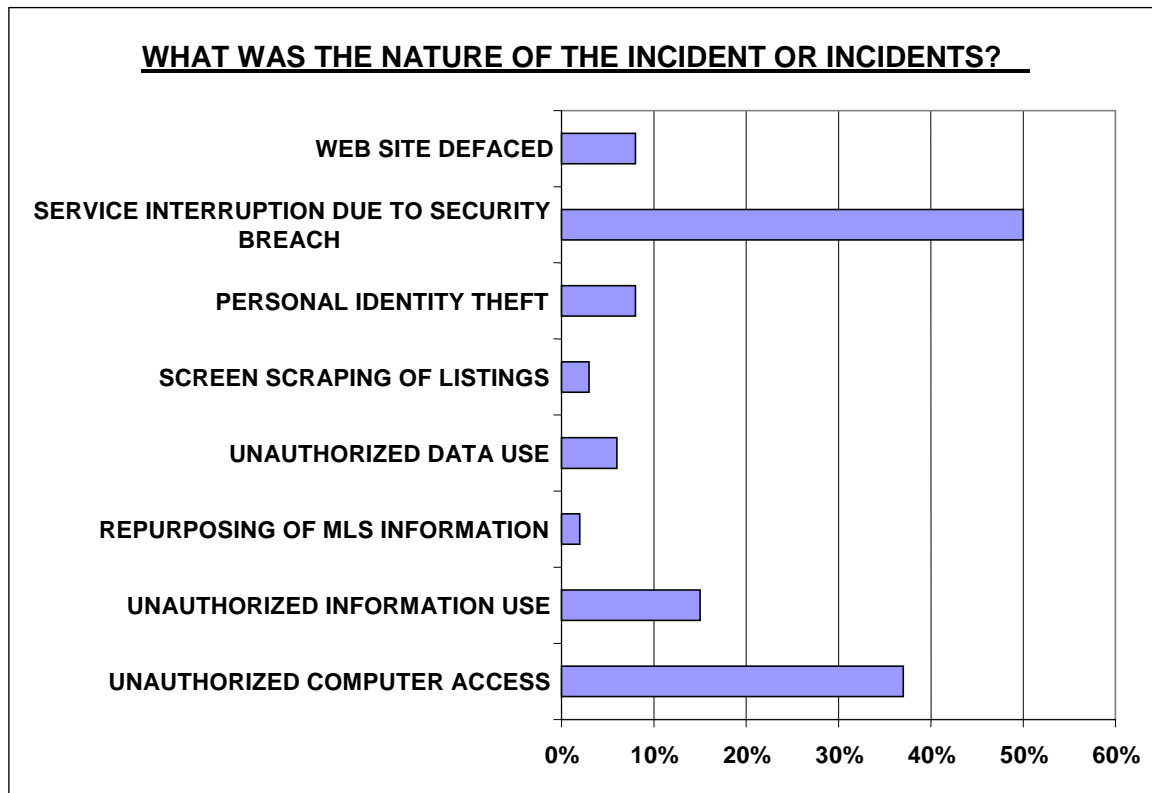


Security

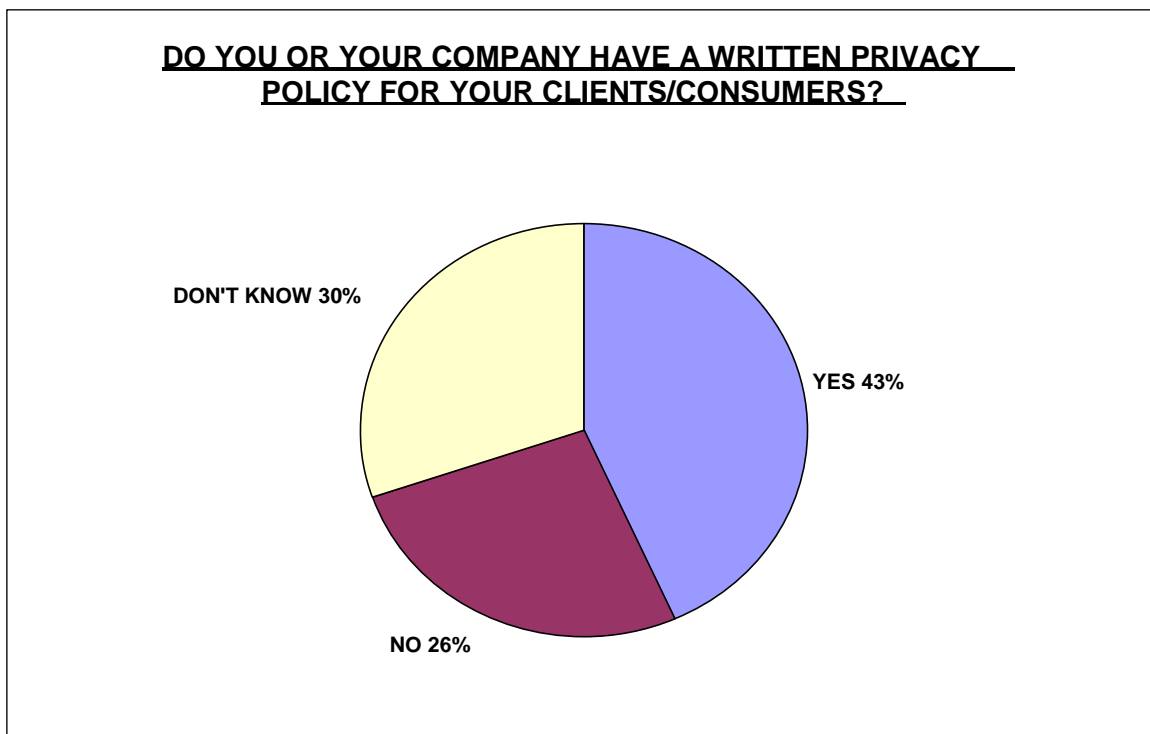
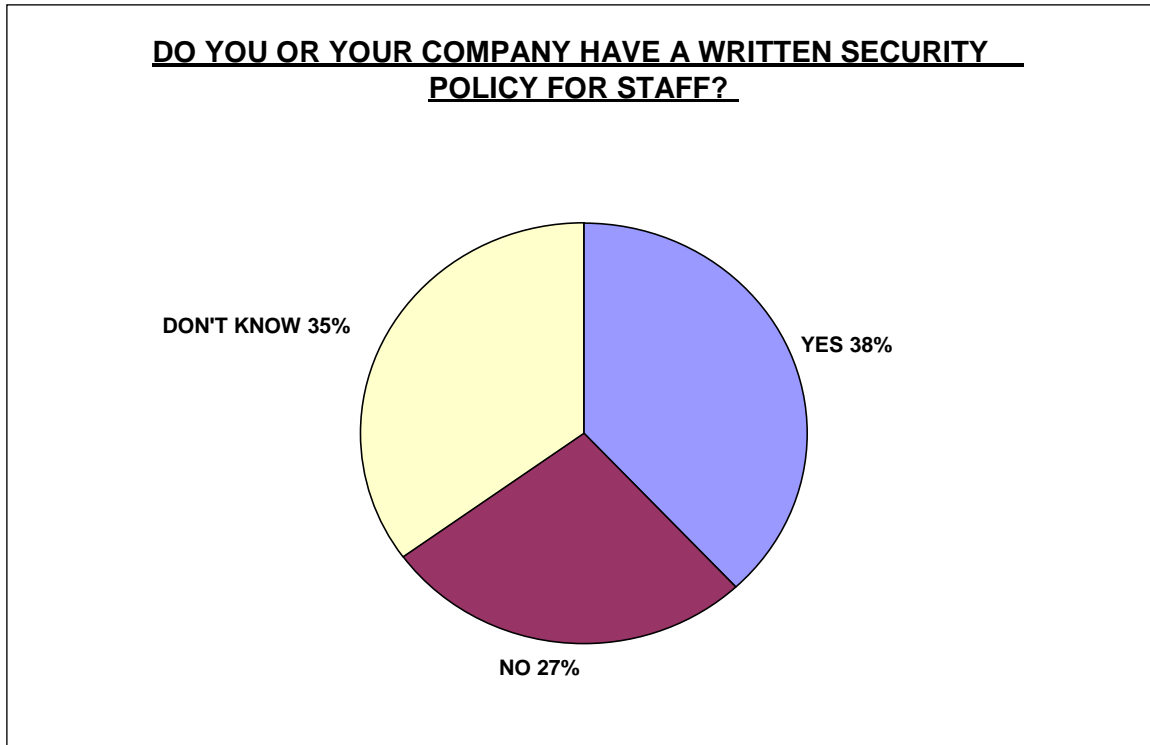
Twenty-two percent of respondents have been inconvenienced by a virus or spyware, or have been “hacked” in the last year. Interestingly, 21 percent did not know if they had been.



The most common incidents were service interruption due to security breach, 50 percent, and unauthorized computer access, 37 percent.



Thirty-eight percent of respondents' companies have a written security policy for staff, and 43 percent of respondents' companies have a written security policy for clients and consumers. About a third of respondents did not know if there was a written security policy for both staff or clients and consumers.



Most respondents, more than percent, use antivirus software and anti-spyware for their computers regularly, at least monthly.

