

REALTOR® Technology Survey

March 2004



Center for REALTOR® Technology
National Association of REALTORS®

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I. Introduction



NAR's Center for REALTOR® Technology is an organization whose mission is to serve REALTORS® and Associations as industry advocate, implementation consultant and technology information resource. CRT investigates emerging technologies, advocates the use of relevant tools and paves the way for adoption of progressive technology solutions.

Understanding REALTOR® technology trends through surveys is one of the tools the CRT uses for its ongoing research. In February 2004, the CRT distributed an online survey designed to examine the use of current and emerging technologies within the REALTOR® community.

Beginning in the spring of 2002, the CRT has distributed an annual survey to examine use of technology within the REALTOR® community, providing a baseline for future comparison. The 2004 REALTOR® technology survey uses the baseline to help provide insight into technology usage.

Please direct any questions or comments about the survey to:

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II. Executive Summary

III.

In 2004 we find that mobile phones and the Internet are technologies essential to the success of the REALTOR®. Wireless e-mail and wireless Internet usage are growing. Also, searchable listings are making a big impact upon the way REALTORS® conduct business.

- 81% of REALTORS® report use of searchable listings on a Web site has changed how they do business.
- Mobile phone and Internet usage have reached maximum use. The vast majority of REALTORS® view these technologies as essential.
- Use of wireless e-mail and Internet continue to grow.
- 73% of REALTORS® believe that technology has made selling easier and increased their selling time.
- Web site usage has plateaued, 2004 usage being similar to 2003.
- Nearly all REALTOR® clients have access to property listings online.
- IDX usage is strong, with over 60% of REALTORS® using IDX themselves or through their brokerage.
- Most REALTORS® and brokers handle IT issues individually or with in-house staff.



III. Observations

The Internet has become essential to REALTORS®. Nearly all REALTORS® make property listings available through the Internet. E-mail remains a popular way to communicate and is required by a growing number of clients.

Online listings continue to have a growing impact on the business practices of REALTORS®. 81% of REALTORS® report that the use of searchable listings has changed their business by making listing quickly available and to a larger audience. Many REALTORS® additionally reported that online access to listings streamlines communication with clients and saves them time.

REALTORS® adopt and embrace new technologies quickly. They report that many technologies that did not exist five or ten years ago are now essential to their business. 96% of REALTORS® reported that the Internet is essential to their success. 93% regard mobile phones as essential.

REALTORS® are reliant upon technology. This produces a great need for technology support services. As technologies become essential to REALTORS®, immediate access to those tools becomes important. REALTORS® need access to support services that provide expedient resolution of technology issues.

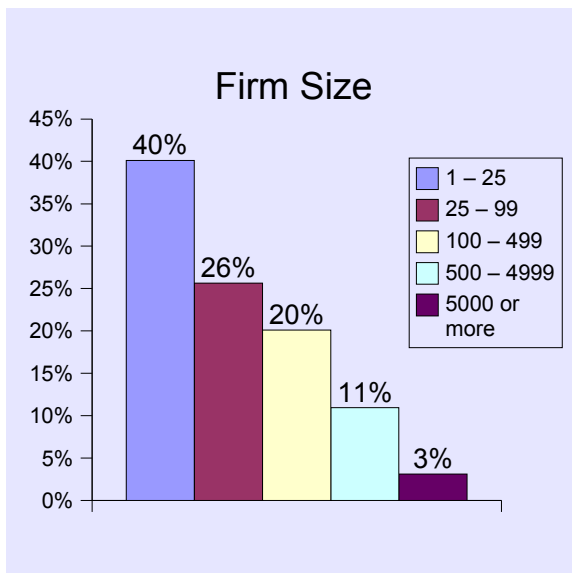
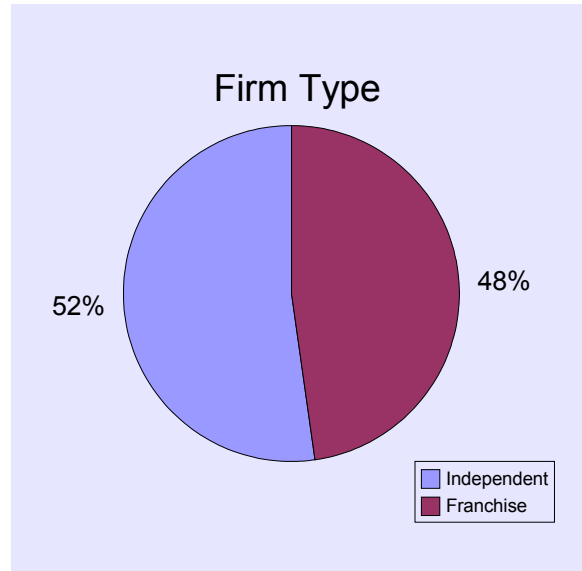
REALTORS® have limited familiarity with business applications such as financial and customer relationship management (CRM). Many REALTORS® are not aware of which business software products their firms use.



IV. Survey Background

A. Firm Type

REALTORS® were evenly divided between independent firms and franchised firms.

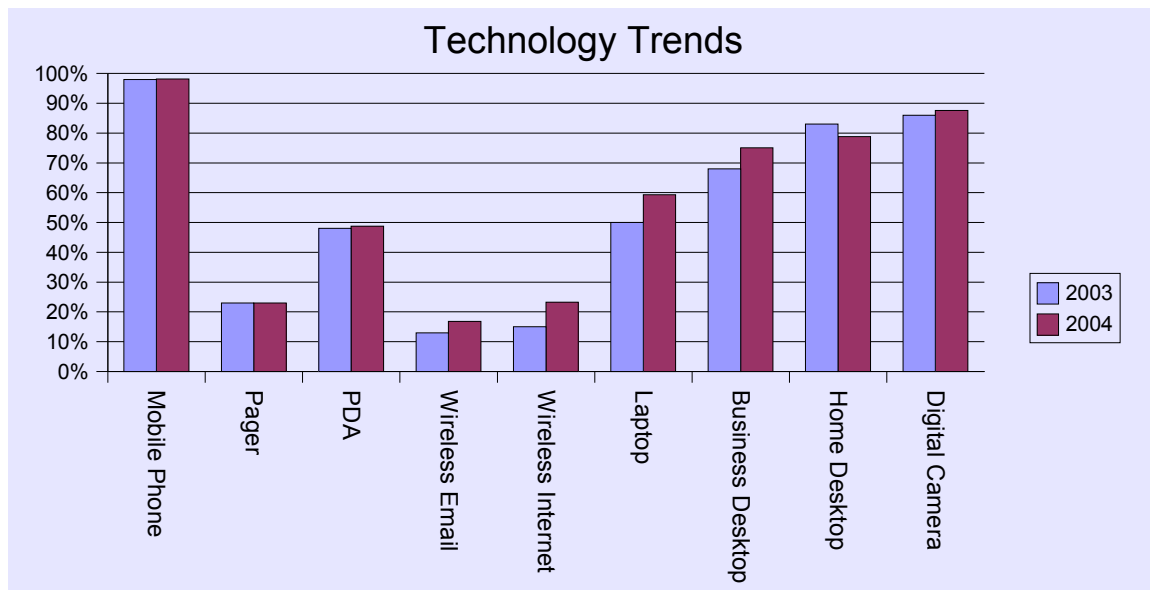
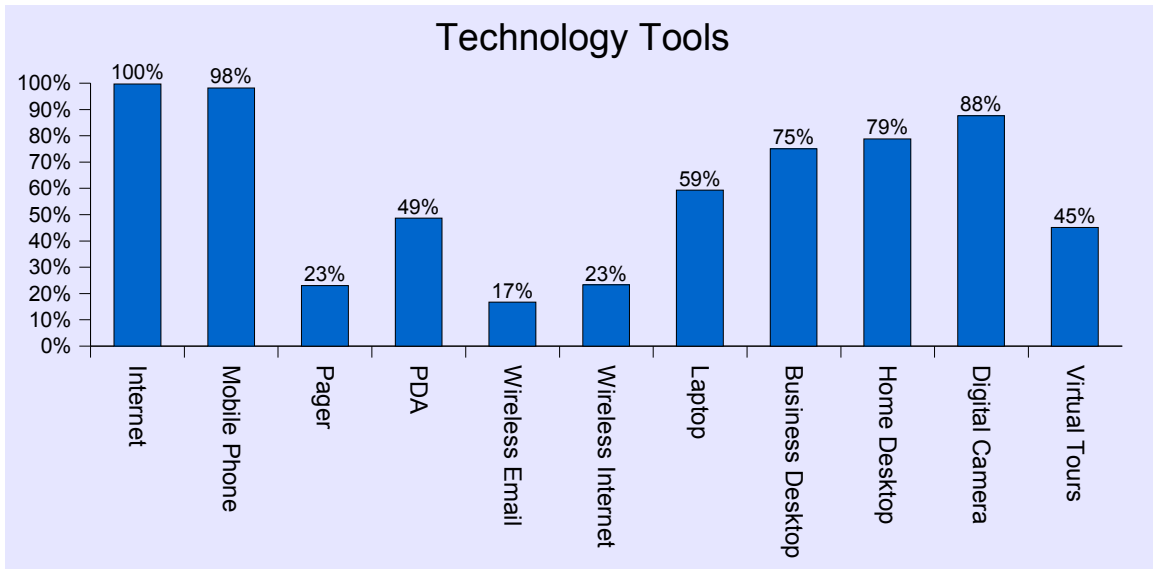


REALTORS® represent many different sizes of real estate firm. The REALTORS® responding came from firms ranging in size from one person up to a firm with more than 50,000 members.

V. REALTOR® Technology

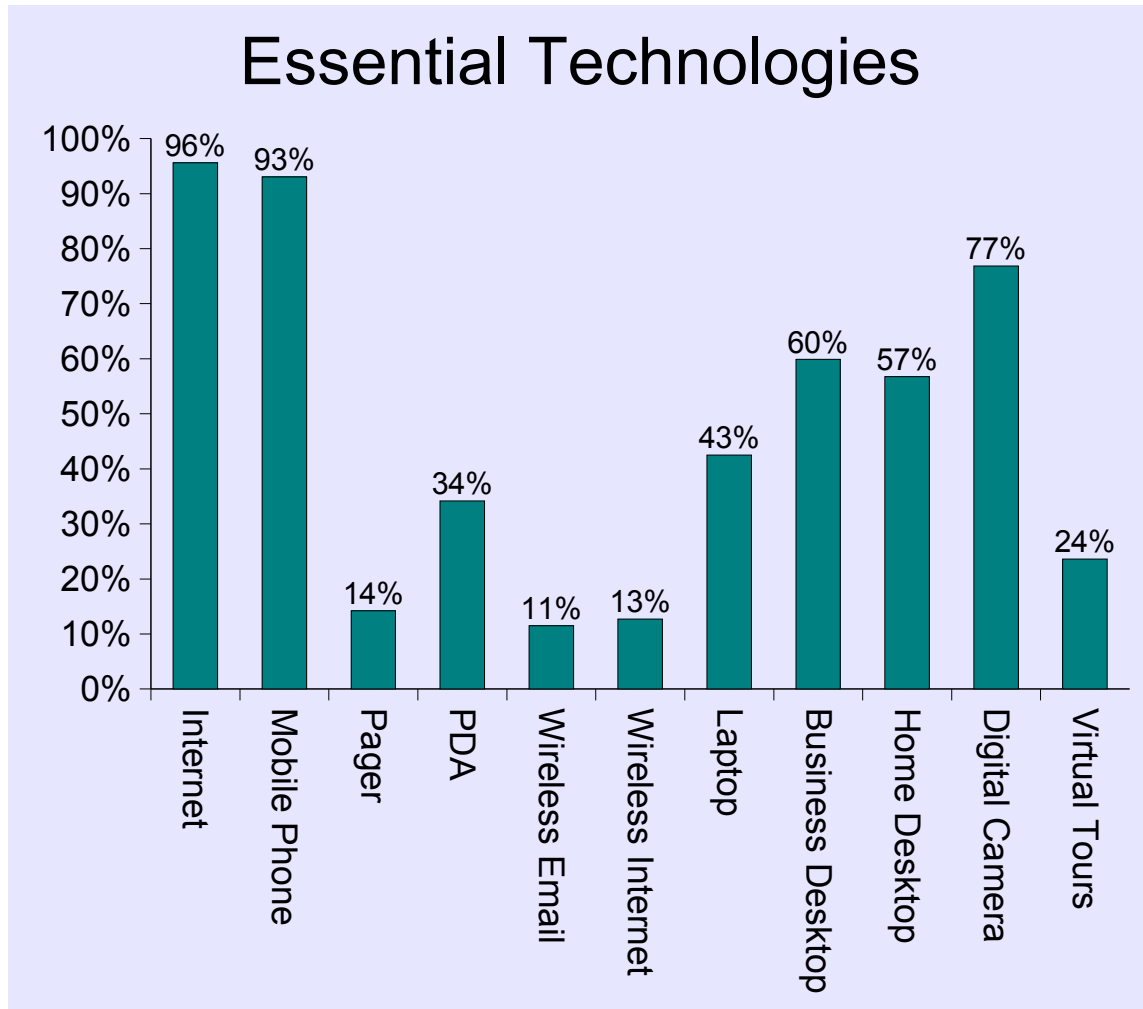
A. Personal Technology

Use of wireless e-mail and wireless Internet access are standouts among usage in personal technology. Laptop usage has also grown by 10%.



This year we asked REALTORS® to identify technologies that are essential to their business success.

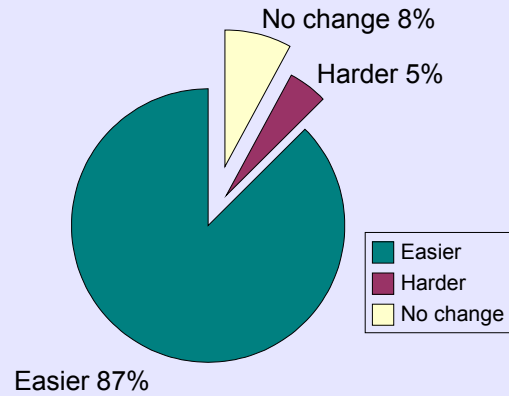
Internet and mobile phones are considered essential by nearly all REALTORS®. Digital cameras, laptops and personal computers are also highly regarded.



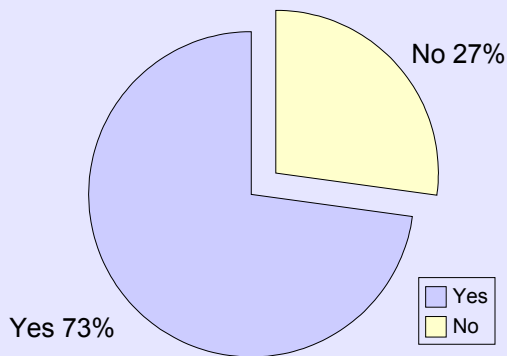
B. Selling and Technology

87% of REALTORS® reported that selling is easier with advancements in technology.

Selling With Technology



Technology Increases Selling Time



73% of REALTORS® reported that technology increases the amount of time they spend selling.

C. Selling Issues and Opportunities

REALTORS® provided us with comments about the technologies they use and how those technologies affect the way they sell. Some summarized comments are listed below:

Advantages:

- Technology eases the elimination of non-qualifying properties.
- Clients use and have access to many of the same technologies.
- Able to communicate wherever located.
- Able to perform more tasks on the road.
- Able to manage more work.
- Much information is instantly accessible.
- Less expense for overnight mail.
- Easier to search for properties.

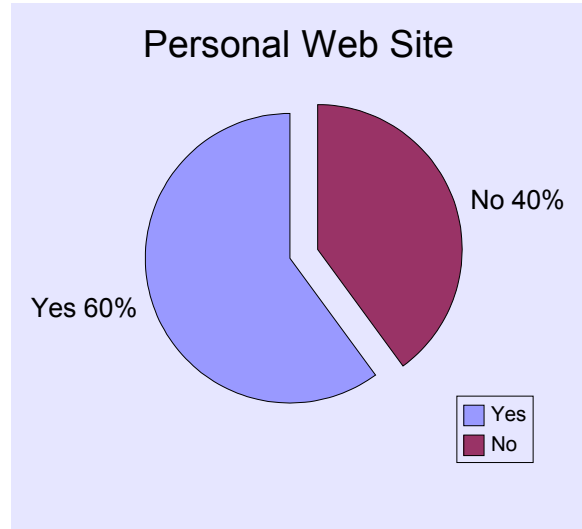
Disadvantages:

- Spam and junk e-mail.
- Learning curve can counter efficiency advantage.
- Not all clients are technically savvy.
- Client expectations are higher.
- Problems when technology fails or breaks.
- Reduces face-to-face interaction with clients.

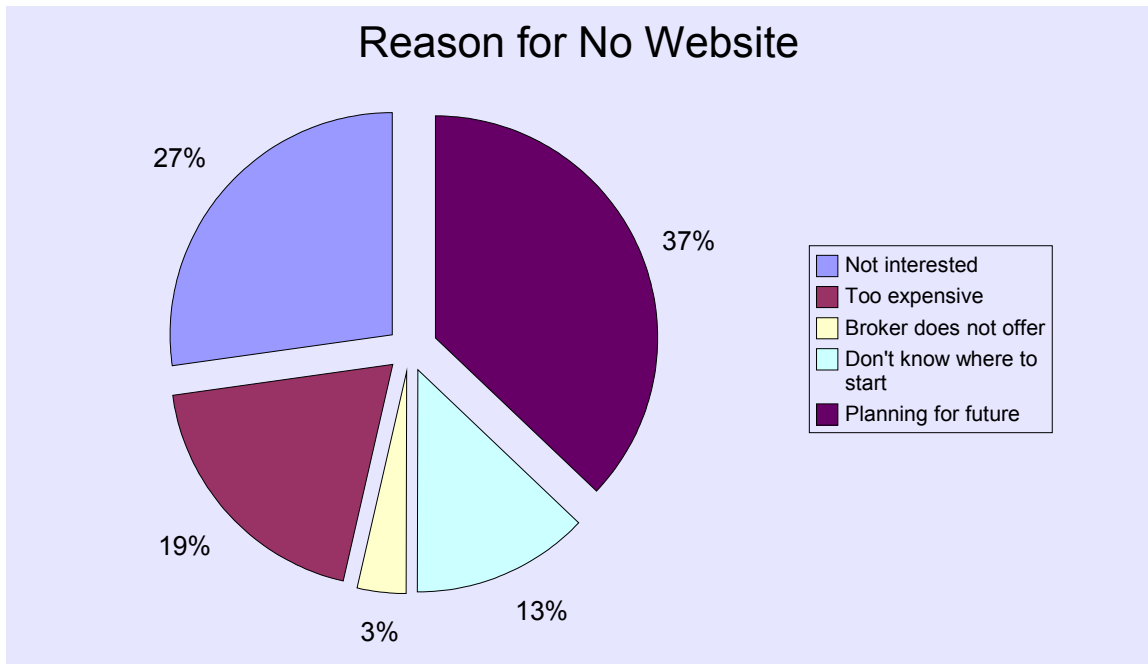


D. Personal Web Site

60 % of REALTORS® have a personal Web site. This is in line with survey results from 2003.



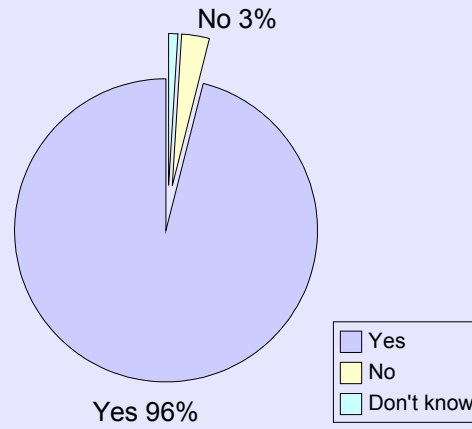
REALTORS® without a personal Web site were asked the reason for not having one. 37% reported that they plan for a Web site in the future. A large portion, 27%, reported not having any interest. 19% feel a Web site is too expensive.



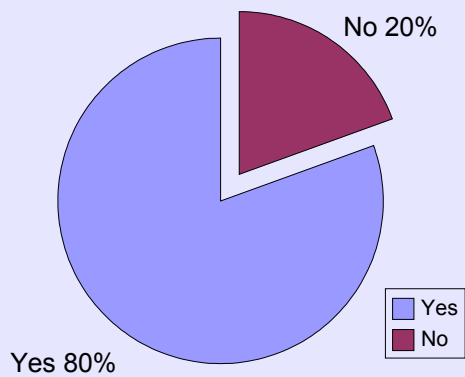
E. Online Listings

Nearly all REALTORS® reported that their listings are accessible on the Web.

Client Access to Listings



Listings on Personal Web Site



80% of REALTORS® with a personal Web site include property listings on their site.

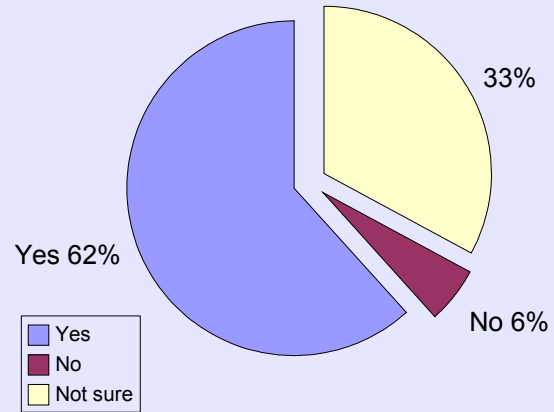
F. IDX

IDX is widely available to REALTORS®.

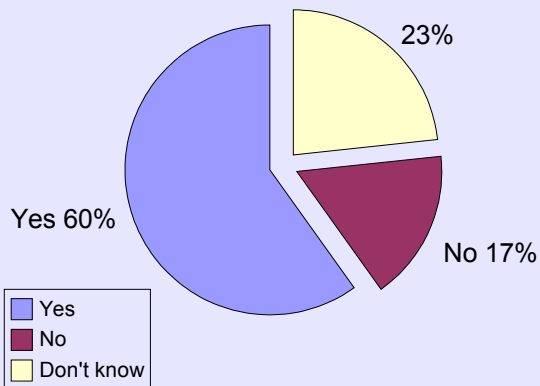
62% reported that their MLS makes an IDX feed available to members.

Only 6% reported not having a feed available.

IDX Download Available



Uses MLS IDX Download

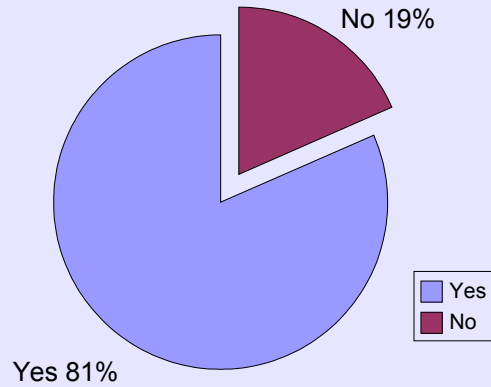


60% of REALTORS® make use of an MLS IDX feed.

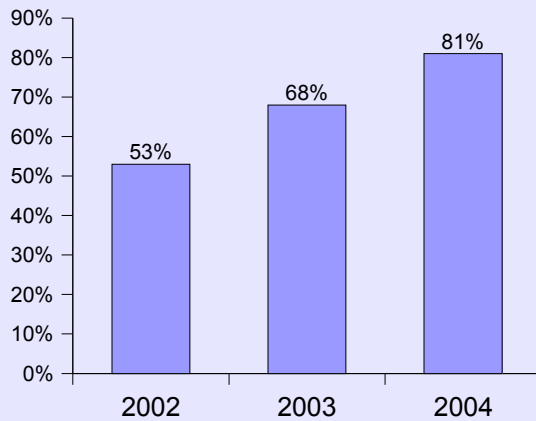
G. Searchable Listings

81% of REALTORS® agreed that online searchable property listings have changed the way they conduct business. It makes listings available to a larger audience more quickly. In addition many consumers are better aware of their property choices before contacting a REALTOR®.

Searchable Listings



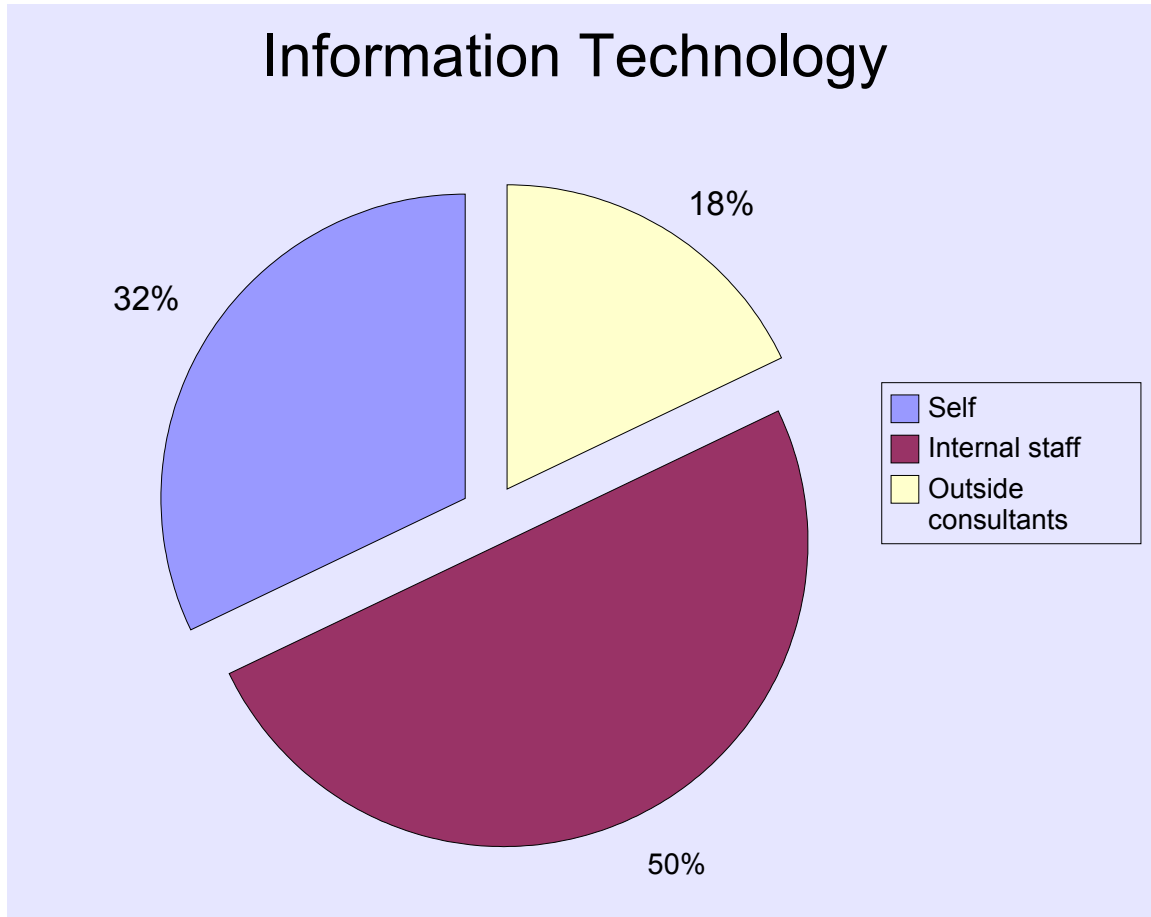
Searchable Listings



The percentage of REALTORS® reporting searchable listings changing their business practices has risen every year since 2002.

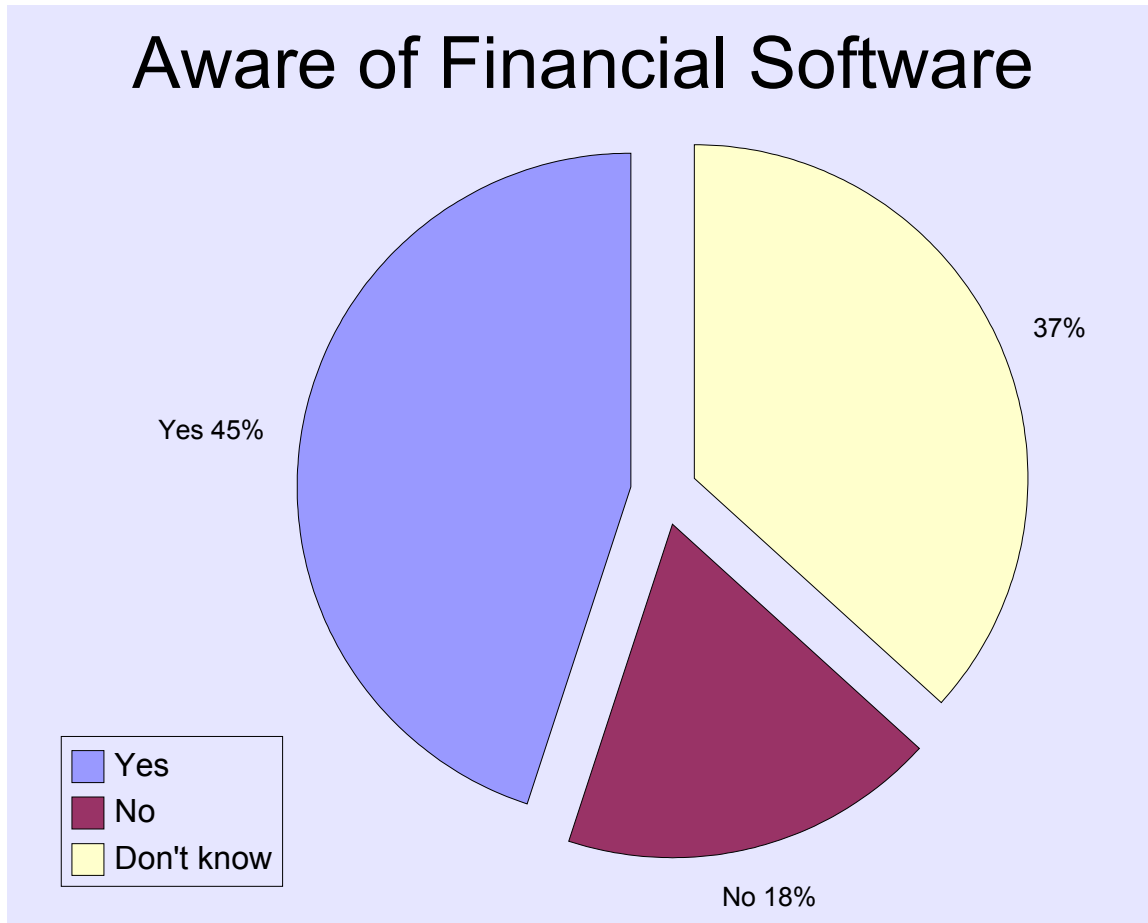
H. Information Technology Practices

A new survey question in 2004 asked REALTORS® how they or their firm deals with information technology issues. Half of REALTORS® use internal IT staff, 32% deal with IT issues on their own and the rest (18%) use outside consultants.



I. Financial Applications

We reviewed REALTORS® usage of and familiarity with financial software in 2004. 45% of REALTORS® are aware of financial software being used by their firms.

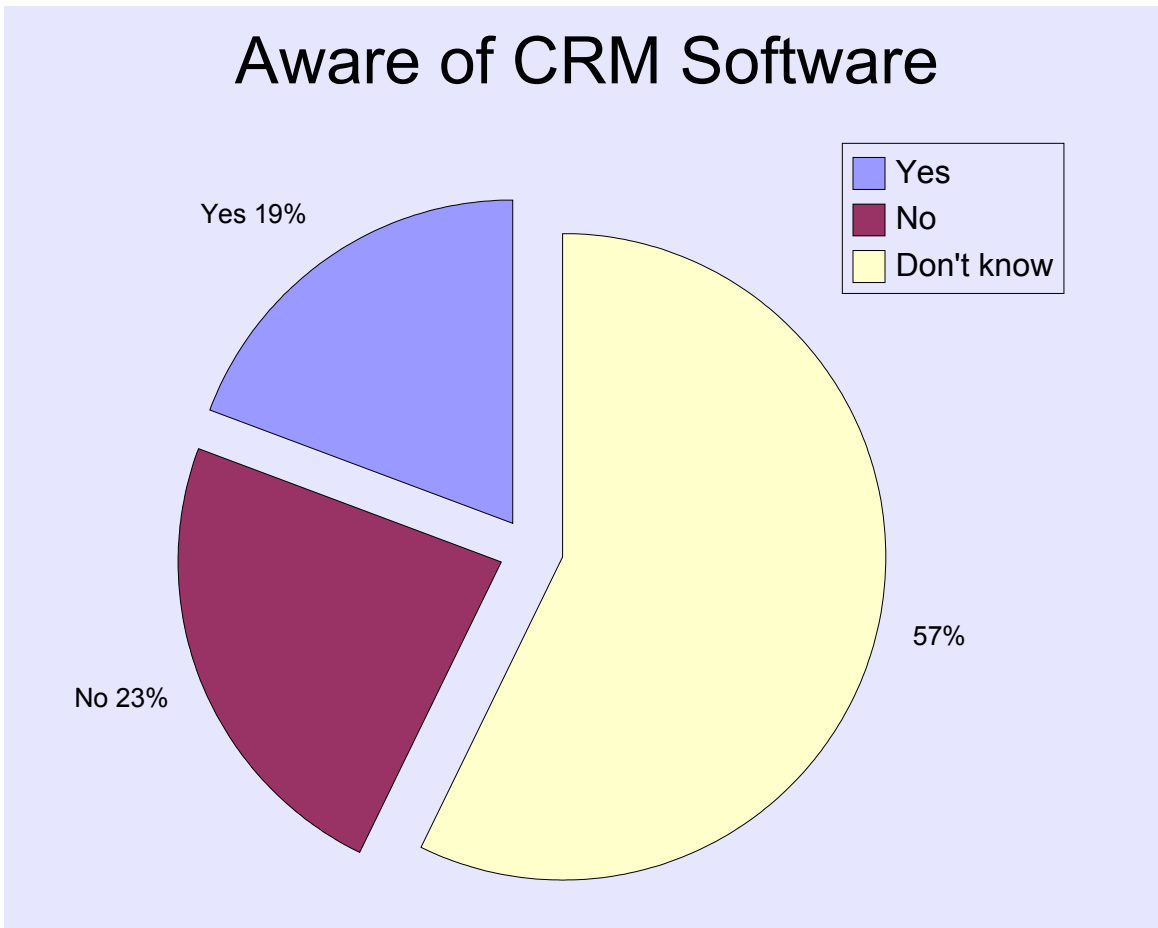


23% of REALTORS® report using Intuit/Quicken products. Other products used include:

- Agent2000
- Great Plains
- Microsoft Money
- Peachtree Accounting
- Proprietary (in house)

J. Customer Relationship Management

Responses to questions about CRM software showed that many REALTORS® are not exposed to CRM.

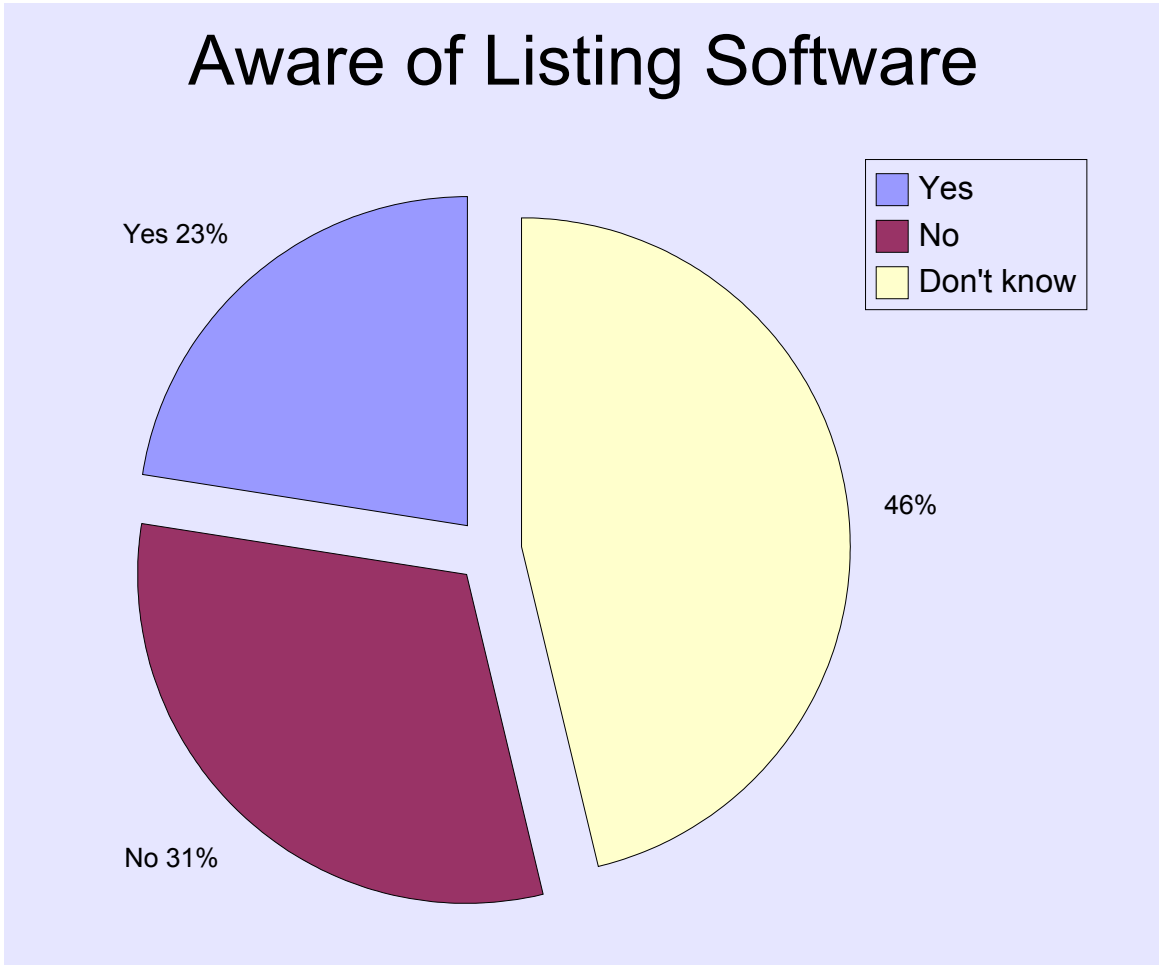


13% of REALTORS® report using Top Producer for CRM. Other CRM products cited were:

- ACT!
- Agent2000
- Microsoft Outlook
- Proprietary (in house)

K. Listing Software

Listing software is also not a technology with great exposure within the industry.



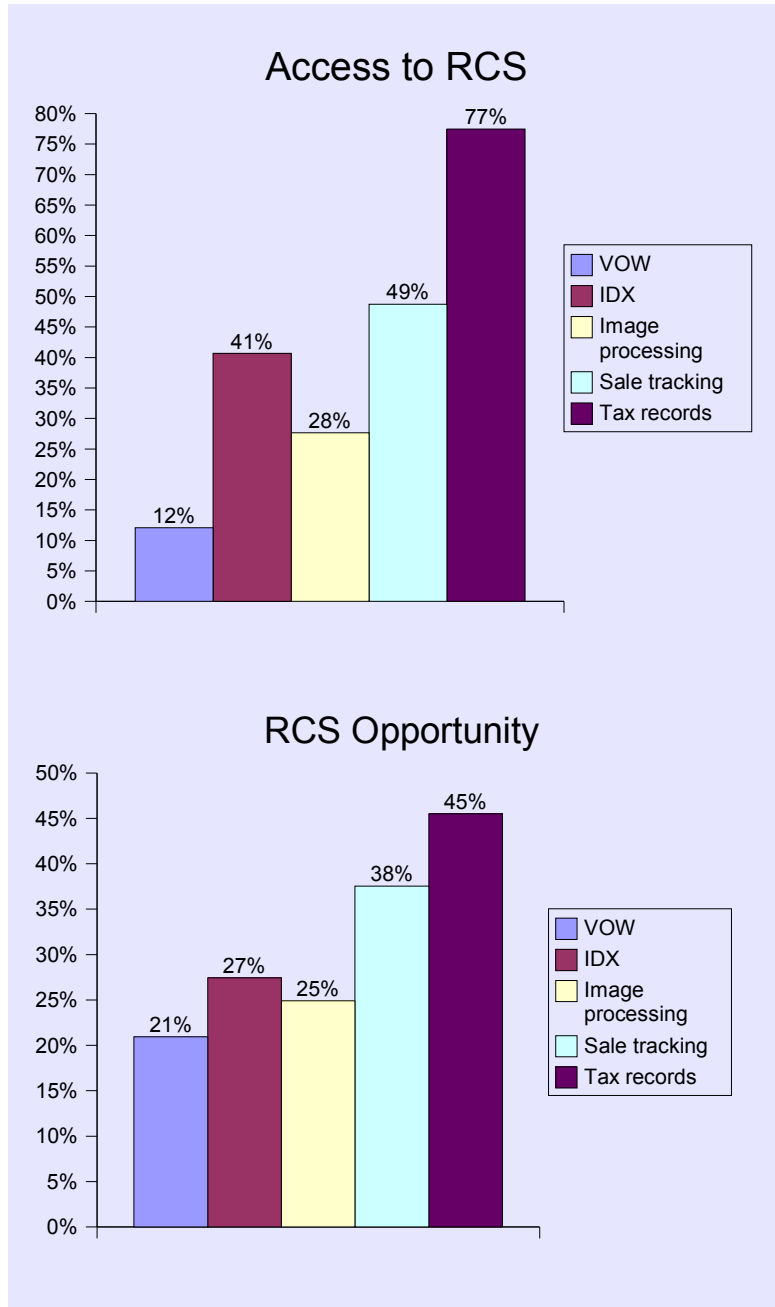
Listing software used by REALTORS® is typically provided by their MLS. Few report using proprietary or after market products.

L. REALTOR® Consumed Services

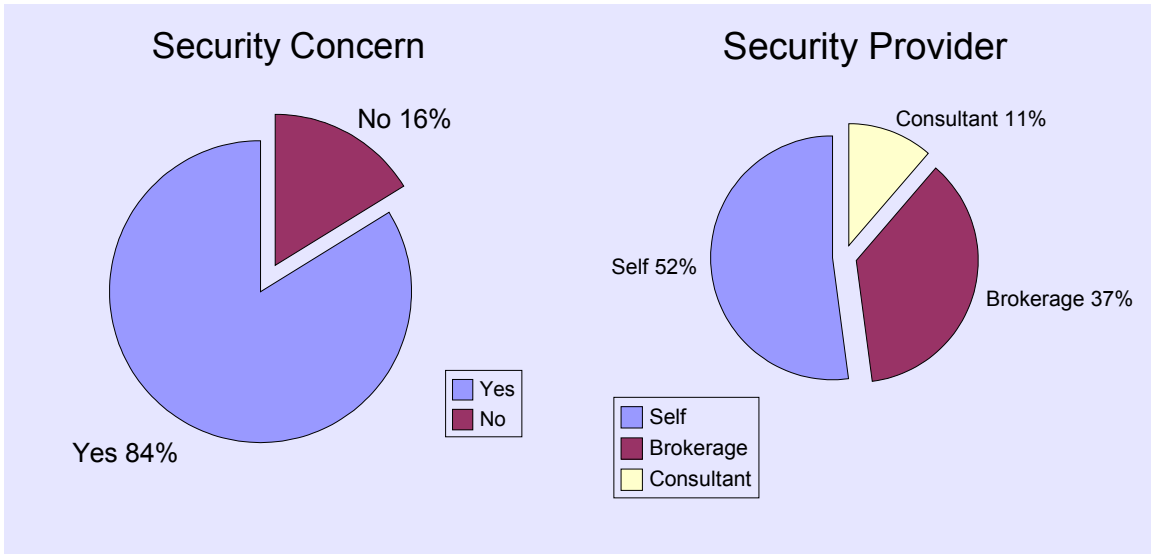
REALTORS® reported on REALTOR® Consumed Service (RCS) offering availability.

REALTORS® are most likely to have access to tax records and sales tracking services.

REALTORS® also reported on what RCS offerings they would purchase if given the opportunity.



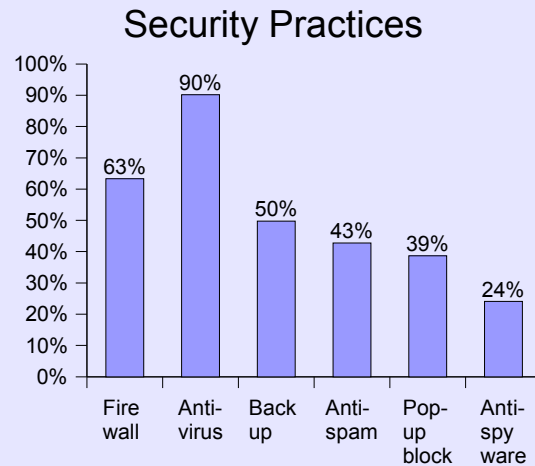
M. Security



Security is widely seen as a concern by REALTORS®.

Most security services are provided either by the individual REALTOR® or via the real estate brokerage.

Security products are widely sought after. Even low market penetration products are used by nearly a quarter of REALTORS®.



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Your Tech Resource

The Center for REALTOR® Technology (CRT) is a resource for members and associations. CRT serves NAR members as an industry advocate, implementation consultant and a technology information resource.

CRT helps NAR members evaluate, implement and apply emerging technologies to enhance their business processes and profitability. CRT also serves as the Voice of Real Estate™ to the technology community. The Center also acts as an advisor on proposed industry technology standards and conducts regular research on technology usage in the real estate community.

CRT Outreach Initiative

CRT's outreach program helps REALTORS® understand, plan and use prevalent and emerging technologies. The initiative makes CRT's insight and experience available to NAR members. It offers free advice on technology selection, implementation, and how emerging technologies and industry standards can be put to practical business use.

The Center for REALTOR® Technology also works with state or local associations or REALTOR® organizations to speak on timely and informative technology subjects.

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