

Customer Service Redefined

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June 2019



INTRODUCTION

Changes in how customer service is being delivered are evident in virtually every industry. The influx of customized online services is rampant, as seen by custom clothing ordered online, home and office delivery of prepared and unprepared meals, online banking, and virtual travel agents. Today it is possible for a consumer to select music and video entertainment from online services, for a single person to use an app to find a romantic partner, and for a buyer to order a car through a website. In view of these changes, are MLS companies prepared for the changing expectations in customer service?

A CHANGING LANDSCAPE

Change is a given in the real estate industry. Some REALTORS® are still selling property after 50 years in this business. When those REALTORS began, there was no such thing as staging or getting inspections upfront on a listing. Today those REALTORS know they must do everything they can to make sure that their listing shows better than any other house in the neighborhood.

The reason? Sellers' expectations have changed. Fifty years ago a REALTOR would handle 100 or more listings a year. Sellers would want to know only about the process, asking only basic questions as whether there would be a sign on the front lawn, if a key would be stored in a lockbox, whether there would be one or more open houses, and of course what the commission would be. Today's seller is much more sophisticated and wants to know things like what kind of marketing the agent does, how the agent uses online tools, whether staging is included, what kinds of photos will appear on the website and brochures, and whether twilight open houses will be held. Today, clients have higher expectations, and they seek more detailed explanations from their REALTOR because they know they have more options.

Naturally, to keep up with changing expectations, MLSs have responded by delivering customer service differently than they did a decade ago.

RESPONDING TO EVOLVING TECHNOLOGY

Clearly, there are many more tools available today from MLSs than there were 10 years ago, and technology is enabling the number of resources and features to proliferate rapidly. Consider the advancements in data management and reporting, such as the Realtors Property Resource (RPR) tool that MLSListings offers for tracking data, trends, and market information and for refining market valuation.

Today we take for granted the ability to view listings in different counties through greater syndication among MLS organizations, but the ability to intertwine the MLS search databases is a relatively recent development.

Despite many advances, companies can expect that they will need to do even more to keep up with evolving customer expectations of service delivery. For example, today's customer expects products and services to come to them, with the emphasis on convenience and catering to the individual. Amazon, for example, notes what's been ordered in the past and makes suggestions for what the customer also may be interested in. Subscription services like music streaming store the customer's payment information and automatically charge the customer's credit card each month.

While MLSs provide valuable information for consumers, the consumer is viewing that information and the platforms in which it is delivered through the same eyes that view websites and apps that are more viewer friendly, with large and attractive photos and appealing layouts. MLS sites are competing with sites that allow the viewer to zoom in and zoom out of a location with ease. Consumers expect to click on any link and go directly to a new page without having to take extra steps and be redirected to that page.

To compete, MLS sites must match the capabilities of other sites so that consumers see more than a basic matrix and so they can filter their search for listings using such tags as "mosaic tile," and "proximity to Trader Joe's," for example. Current MLS technology enables agents to alert buyers and sellers of any new listing with "to the moment" data on comparable activity in the neighborhood that has been recently listed, pending, or sold. While those alerts worked well in the past, today's buyer and seller want less agent control over the data they receive. They want to be more empowered in the buying and selling process as they collaborate with their agent.

That shift has been evident in other industries like health care, where direct-to-consumer advertising encourages patients to ask their doctors about certain pharmaceuticals. Now the real estate industry is facing consumer empowerment head on.

COUNTERING ARTIFICIAL INTELLIGENCE

Industry pundits say that the internet, artificial intelligence, and big data engineering will eliminate the need for the MLS and brokerages.

Today's reality is companies like Open Door, REX, and Open Listings, which seek to bypass the REALTOR and appeal directly to the consumer.

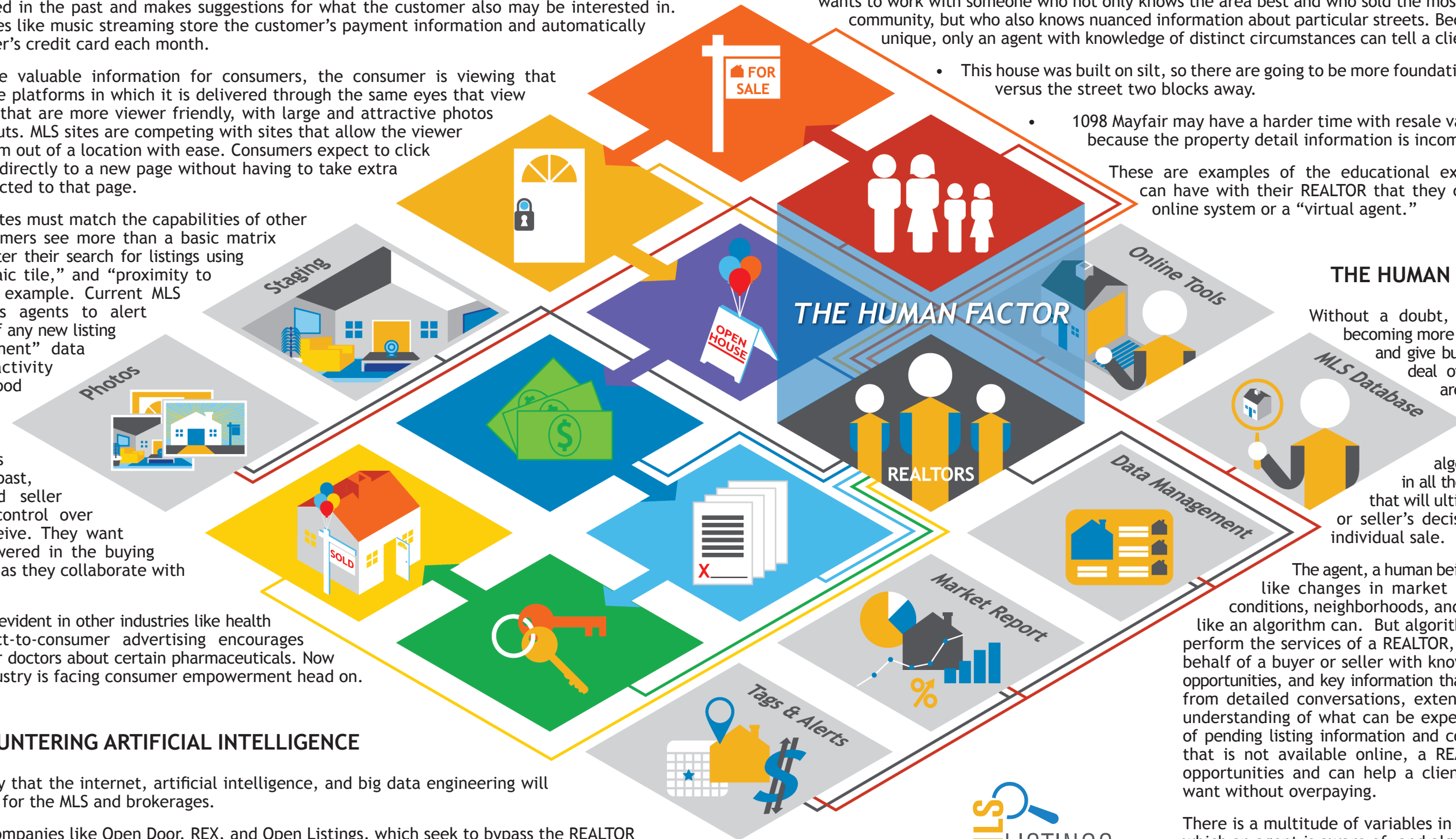
To counter that trend, it is incumbent on the REALTOR community to educate the public on the value of a REALTOR: that he or she is not just a source for listings, but a reliable source for a tremendous amount of valuable information about the area. The REALTOR has knowledge about area schools, the pros and cons of one neighborhood compared to others, the fine points of the decision process, and what disclosures and inspections really mean.

No app can explain to the buyer or seller how that information compares to other homes and negotiate on a client's behalf, nor can it understand what a particular seller's conditions are and what a particular buyer's conditions are and know how to compete against other offers so that ultimately the client has the most protection.

While there is a constantly changing expectation of customer service, the relationship between the buyer or seller and the person that they trust is at the core of the customer experience in real estate. Because buying or selling real estate may be the biggest financial decision that the average person makes, that buyer or seller typically wants to work with someone who not only knows the area best and who sold the most homes in a particular community, but who also knows nuanced information about particular streets. Because every property is unique, only an agent with knowledge of distinct circumstances can tell a client, for example, that:

- This house was built on silt, so there are going to be more foundation issues on this street versus the street two blocks away.
- 1098 Mayfair may have a harder time with resale value than 1001 Mayfair because the property detail information is incomplete.

These are examples of the educational experience that clients can have with their REALTOR that they can't have through an online system or a "virtual agent."



THE HUMAN FACTOR

Without a doubt, digital platforms are becoming more and more sophisticated and give buyers and sellers a great deal of data. However, there are so many variables to consider in the sale of property that even the most advanced algorithm could not factor in all the possible considerations that will ultimately affect a buyer's or seller's decision in virtually every individual sale.

The agent, a human being, can consider factors like changes in market conditions, economic conditions, neighborhoods, and individual homes just like an algorithm can. But algorithms are hardly able to perform the services of a REALTOR, who can negotiate on behalf of a buyer or seller with knowledge of the market, opportunities, and key information that can only be provided from detailed conversations, extensive research, and an understanding of what can be expected. With knowledge of pending listing information and competition information that is not available online, a REALTOR is able to find opportunities and can help a client win the home they want without overpaying.

There is a multitude of variables in practically every sale, which an agent is aware of, and algorithms are a long way from factoring aspects of scenarios like these:



- A seller checks various boxes on an online disclosure form. The agent reviews the completed form and instructs the seller to revise the form because it appears that the seller did not fully understand the meaning of several questions, which could set up the seller for a lawsuit down the road.
- A prospective buyer is ready to make an offer based on comparable data and the agent contacts the seller's agent to ask that the buyer's offer be included. The buyer's agent learns through a personal conversation with the seller's agent that an offer is about to be accepted at \$920,000 with no contingencies, which allows the prospective buyer to then decide if he still wants to pursue the purchase by making a substantially better offer.
- A buyer falls in love with a home that seems to be in his budget, but the agent points out that the property will need about \$20,000 worth of foundation work and reminds the buyer that he wanted to remodel the kitchen. As a result of both factors, the buyer realizes that it is not the right house for him.

REMAINING RELEVANT

No one can deny that the real estate industry is changing, however, and it is incumbent on MLS providers to remain relevant by finding new ways to support REALTORS.

MLSs must provide information and tools beyond what the consumer is already experiencing. That means sharing data of course, but also making it readily available and presenting it in a very pleasing format so it is much more useable.

For example, an MLS can place a toolbar on the side of its website that enables more robust searches for homes in a certain area—with options such as trends over the last 30 days, comparative school ratings, total number of homes for sale in a particular neighborhood, total number of homes for sale in the city surrounding that neighborhood, the last 10 places sold, year over year comparative data—with up-to-the-minute information.

Making things easier for the REALTOR to have all these data access points with limited clickthroughs is essential for an MLS to compete with sophisticated online platforms. That means using attractive graphics and making the data user friendly when it comes to REALTOR use and making the data consumer friendly for REALTORS' buyers and sellers.

REALTORS and their clients will likely be accessing this information on their phones, so it is also important to consider mobile applications during the design process. And because consumer tastes and needs are constantly changing, it is essential for MLSs and brokerages to constantly adjust and evolve their websites to adapt to audience preferences. Reviewing and changing how things are done is no longer an annual imperative, nor is it enough to do that twice a year; it must be done at least every month and should be done even more frequently to keep up with the competition.

CONCLUSION

Artificial intelligence and digital “solutions” are a part of today's real estate industry and will continue to be a factor as the industry evolves. Likewise, the internet has changed customers' expectations around delivery of services. To keep up and remain in favor with clients and consumers, it is incumbent on MLSs, brokers, and agents to stay one step ahead of their digital competitors.



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