3 MUST-HAVES FOR BUILDING A REAL ESTATE BUSINESS FOR THE FUTURE

FIND OUT IF YOUR BUSINESS IS EQUIPPED TO OUTLAST THE COMPETITION.

The real estate industry has seen a drastic shift over the last decade due to advancements in technology, the increase in number of real estate agents, and a decrease in inventory, that have moved our business online and created a need to always "be on." As a top-producing real estate agent or broker, you've survived a decade of change and likely made huge adjustments to maintain a steady, and successful business. Now it's time to focus on the future and lay the foundation to keep your business ahead of the curve and ensure it outlasts the competition. There are 3 must-haves you should incorporate in your business today in order to build a real estate business for the future.

1. A Team
(Not just any team, but the right team.)

It's apparent consumers today demand more of our time and resources. All of us have a higher expectations when it comes to customer service as a result of technology and the necessity for instant gratification we've become accustomed to. As a result, the growth of agent teams across the real estate industry has become a widely adopted business model. Not all teams are structured the same, but it's not surprising a team with more manpower can manage more transactions more efficiently than an individual agent. Last year, REAL Trends released "The Real Estate Teams Playbook," that summarized why teams have been so widely successful: "Teams in real estate create the opportunity to deliver information, guidance and customer service to clients without having to be a superhero individual sales associate who works 75 plus hours each week." As one buyer's agent said, "I can focus on selling because others are handling the marketing and administrative work."

There are a few key differentiators, all of equal importance, that make some teams more successful than others:

1) You must have dependable lead generation sources to fuel team sustainability. Without a steady lead flow, there's no need for a team.

2) You need a unifying culture that drives daily business decisions and encourages team members to work towards a common goal.

3) Make sure you hire the right people. Hire people not solely based on resume or experience, but consider personality and fit for the role. Think of the characteristics that would best suit the job and have applicants complete a personality assessment, such as a DiSC® profile.

If you already have a team in place, great, you've taken the first step. If you don't already have a team, start by putting a plan in place to accomplish the 3 main differentiators: leads, culture, and people. Typically, your first hire will be an administrative assistant, or a closing coordinator, to help manage the details of a transaction so you can focus on revenue generating activities like lead generation and negotiating contracts.

The REAL Trends report included a foreword from Grier Allen, CEO & President of BoomTown, that painted a clear picture on why teams are the way of the future: "What makes teams successful is that they evolve with consumer expectations by leveraging technology to craft an amazing experience that leads to raving fans...teams have the systems and processes in place to provide a great experience and the technology and tools to enable scalable and profitable growth."

2. Tech Stack

A well rounded tech stack can play a huge role in setting your business apart from the competition when it comes to client satisfaction as well as recruiting and employee retention. The term tech stack refers to the arsenal of software and technology you use to make your lives easier and your businesses run more efficiently.

As a real estate agent, your most valuable asset is your time. The time you have invested in learning your market and the time you spend negotiating the best deal for your clients. Neither of these skills can be replaced by a software system, but you can replace many of the time consuming tasks that come along with each transaction through technology.
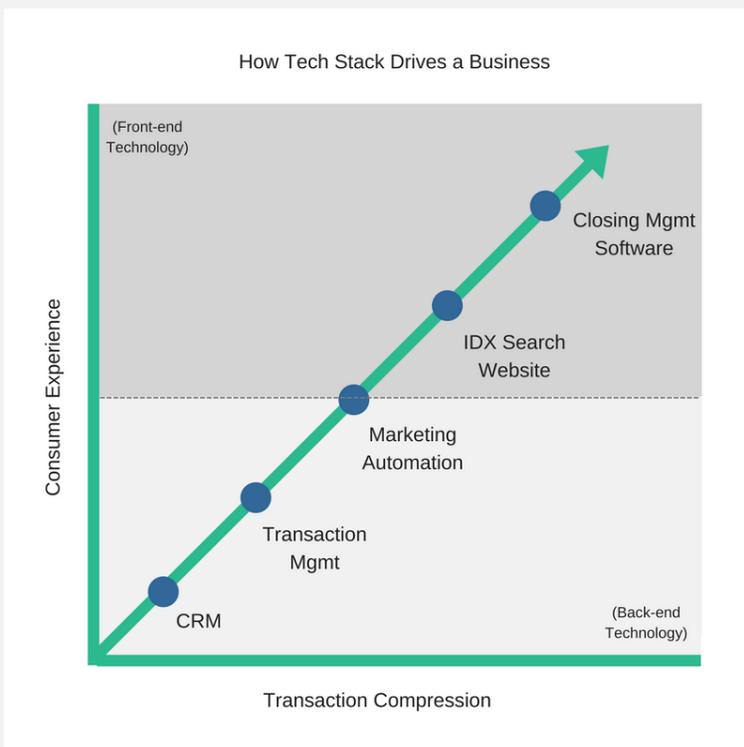
Most real estate agents have technology that saves them time when managing client-facing activities, or the front-end of their real estate business. They have a lead capture website so homebuyers can preview properties, marketing automation tools, and an e-signature solution. All of these are huge time savers that limit the amount of time spent getting consumers from lead to contract. Real estate teams have adopted even more robust technology to streamline the back-end of their business, like transaction management software to track commission payouts and CRMs that store client profiles. But what about the time you spend getting from contract to closing?

How do you manage all of the moving parts involved in a successful transaction? Real estate offices have automated so much of their business with email automation, auto-dialers, digitally signing contracts, and accounting software, but they're missing one critical piece from their tech stack.

Rebecca Guthrie, CEO & Founder of Preclose, a technology company that provides closing management software for real estate agents, says, "Agents are used to

managing virtually every aspect of their business online, but when a contract is submitted, everything goes offline. The contract-to-closing process, the part of the process that determines whether an agent gets paid, is still fragmented across different systems, calendars, and sticky notes. By taking the closing process online, everyone gets a digital closing plan to keep closings on track, buyers and sellers get 24/7 transparency to the status of a closing, and automated emails make scheduling easy for all the service professionals involved in a transaction."

The tech stack for a real estate office of the future should have solutions that allow their agents to provide an enjoyable customer experience, saves them time so they can focus on negotiating successful deals, and provides a modern experience for everyone involved.

3. Transaction Compression

Recently at a national real estate conference, Brad Inman, CEO of Inman News, shared his industry prediction on stage. He said, "the real estate agents that figure out a way to speed up transaction times and get paid faster, will outlast the competition." Makes sense, right? Shorter closings mean happy clients, which means more referrals, and agents that get paid faster have the revenue on hand to invest in their business ahead of the competition.

In the world of 2-day shipping we live in, consumers expect instant gratification. While agents can't reduce the time it takes to close on a home to 2 days, you can take other measures to drastically shorten transaction times, like implementing the right team and tech stack mentioned before. Once you've got your team and your tech stack in place, achieving a shorter transaction time will be inevitable. Then, "transaction compression," as Inman calls it, becomes a mindset and a goal you strive for as a team.

A real estate business of the future should be prepared to handle the ups and downs of the market, and have a proactive strategy to handle any obstacles. The competition will likely have to switch gears and react to whatever the industry throws at them. With your team, your tech stack, and shorter transaction times in place, you've got an unstoppable means to manage more transactions at a time, deliver an unmatched level of customer service, and get paid faster, a powerful way to set your brand apart and outlast the competition.

How Tech Stack Drives a Business

(Front-end Technology)

Consumer Experience

Closing Mgmt Software

IDX Search Website

Marketing Automation

Transaction Mgmt

CRM

(Back-end Technology)

Transaction Compression

The chart above shows a comparison of the common technologies found in a real estate office. A CRM, for example, is a necessity for lead follow-up, but doesn't really affect transaction time or customer experience. An IDX search website allows buyers to preview properties saving agents time showing them houses, and the convenience greatly enhances the buyers experience. Closing management software has the greatest affect on transaction compression and experience.