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What's this?

Is your tech vendor monetizing your data?

4 red flags to look for

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The real estate industry undeniably now runs on data. Mining and analyzing data requires sophisticated tools that allow today's agents and brokers to make better-informed business decisions.

However, vendors and some of the nation's largest brokerages, are trying to stake claim to data that does not belong to them. Some brokerages have even recently expanded their business models to include a technology component — whether to protect your data for your benefit or for theirs remains unclear.

And it's not just MLS data or lead and contact data we're talking about. It's also behavioral data such as what your leads look at, the properties they save, the actions they take and when they take them.

Entities are taking the information you submit on their platforms in an effort to monetize it at an alarming rate, even doing so without you realizing it.

This raises the obvious question: Who should really own your data? You as the real estate professional who obtained the data or the organization that aggregates it?

The simple and transparent answer to these questions is: It's your data, period. Your leads, contacts, lists and data belong to you. Your technology platforms and solutions should exist with the sole purpose of helping you track, manage, enrich and automate that data to help drive your real estate business and results.

following red flags.

Red Flag No. 1 — The vendor sells data, leads and information to others

Does the vendor make money primarily by selling leads or other types of data? Is the vendor in the business of collecting and monetizing data?

Or, is the primary focus on providing exceptional software tools to help power agents' businesses? If software is the afterthought, you might have the wrong tech.

Red Flag No. 2 — You don't get data-borne business

Can you import your database, run intelligent marketing campaigns, use CRM and follow-up systems, and know that all of the information gained from these interactions are for your benefit only?

If your vendor wants to hold your data and doesn't provide the analytics, insights and support to help you make better-informed business decisions, you might have the wrong tech.

Red Flag No. 3 — The vendor's technology dates to before 2005

It's not enough for a company to say your data is protected. It's important to consider when their technology was built. Most modern tech companies understand how to keep data safe. When in doubt, simply ask for proof.

You can also look at trusted information technology news sites to see reviews and do a quick Google search for any history of data breaches. If the vendor has been operating since 1999, you might have the wrong tech.

Red Flag No. 4 — Not explicitly clear how you get your data in a break-up

Read the fine print. If you break up with your vendor, does it explicitly state who the data belongs to? How difficult is it to take your lists, contacts, predictive insights, transaction details, historical insights (and any other valuable information you've worked hard to gather) with you?

If you're unsure or it's not clear, ask. If there's a gray area, you might have the wrong tech.

Do a little homework before committing to a tech vendor, and ask these [10 Questions about your data](#) before signing a contract. Fortunately, most tech vendors are genuinely trying to help you be more successful in your business, and the safety of your data is not in question.

However, business models exist that feed off the data you provide their systems for their gain. Just remember: When in doubt, ask for proof.

Inside Real Estate serves tens of thousands of agents, teams and brokers throughout the U.S. and Canada. Its kvCORE Platform allows users to run their business in one system. Its components include lead generation, website and IDX tools, an advanced CRM and integrations with transaction and listing tools. It features behavior-based marketing automation and surfaces