

OPINION | AGENT

## Tick tock: Can this generation's real estate agents prove their worth?

Many are quick to say that technology will soon eliminate agents, but the industry will rise to the occasion

BY SAM DEBORD  
JUN 27 



### Key Takeaways

- Mature VC money enhances agents' jobs.
- The Stop Zillow campaign needs to re-examine the facts.
- Messaging, big data and computer vision are coming to MLS users.
- NAR's new chief has the reins and a big opportunity.

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What's the next big thing in real estate? Lately, I've been getting more inquiries from investors looking for the answer to that question.

You can usually categorize their messaging by the amount of time they've been on the ground in the industry.

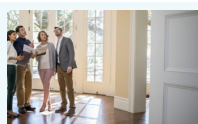
**Newbie:** "Software will eat your jobs."

**Veteran:** "Can you share a bite of that commission?"

A friend of mine just sold his company in the Valley and is dabbling in venture capital investing. He explained to me how tech will soon eliminate agents.

It's not a rare stance. Take it from another VC investor, Joe Lonsdale of 8VC: "A popular opinion in the technology community is that real estate agents will soon be replaced by software — whether in the form of direct consumer-to-consumer marketplaces or programs which automate many of an agent's basic function," he wrote in a recent [post](#).

Lonsdale actually feels that tech will change agents' functions but not eliminate them. Of course, he's been around for a little while and figured out how to partner with great brokers and agents.



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For my job-culling friend, however, this understanding required a couple of cocktails and a description of the unpredictability and vast idiosyncrasies of the transaction, and the defensible relationships between consumers and one million-plus agents.

He conceded. Agents will survive for one last generation before software proves its superiority.

## Stop Zillow?

Brokers and agents are asking the National Association of Realtors (NAR) to stop Zillow's Instant Offers program. The disillusionment is understandable, but the campaign lacks objectivity.

NAR doesn't send your listings to Zillow. Brokers do. Virtually every brokerage has the choice to opt out. (If your MLS doesn't give you that option, let's get that discussion started.)

The real root of the angst is that many brokers don't feel like they could make that choice if they wanted to. Total consolidation of advertising outlets leads to advertisers having no leverage. We're not there today, but there are a whole lot of brokers shouting "Somebody do something!" for a reason.

There's some opportunistic amnesia in the media, with a storyline that NAR has been absent on this issue. NAR has been investing heavily for years in alternative portals, as well as tools like [Upstream](#) that would provide some diversity of leverage against a potential 800-pound gorilla.

It's not going to throw itself into a collusion racket just because a lot more eyes were opened by [the announcement of Instant Offers](#).

## Let's recalculate where we are

Investors will continue to find ways to make lowball offers to sellers on broader digital platforms, not just Zillow. Great agents will continue to prove their superior value to sellers when given the opportunity. Zillow will continue to push the envelope on the transaction if it looks profitable. Regulatory agencies will determine where licensing law begins and ends.

Zillow Group becoming a true brokerage seems to make less sense every day as it marches further toward its goal of capturing 40 percent of the commission through advertising. Why take on oversight when you're already earning a great split? Even as a paper broker, a referral fee (25 percent?) doesn't pencil.

Zillow's no different than Amazon or Costco. They all play chess with suppliers and customers. My company is continuing to advertise with Zillow, but we're certainly not going to put all of our eggs in that basket.

## Tech updates: Is messaging the latte experience?

Brad Inman has long called for the "latte experience" of seamless transactions, but protectionism keeps rival companies on disjointed systems. [Agent Inbox's secure messaging platform](#) for MLSs could point the way to a needed evolution.

Messaging's growth is astronomical, and the need for secure transaction communication is clear. Agent Inbox brings them together.

Directly tied into the MLS, the data-enhanced interactions happen between many different parties in the transaction. The threads of communication are easily exportable, so brokerages can document material communications.

Messaging is just the vehicle for driving competitors onto a common communication platform and removing one more layer of friction from the transaction. Where else, but within the MLS, could this experience attain the cross-party adoption necessary to move the industry over competitive hurdles?

## More data, less work

If you've been waiting to see the industry create visually pleasing uses of deep MLS data, take a look at [Remine](#). This information-heavy, friendly-on-the-eyes toolset puts big data in agents' hands.

It's a property-centric, map-based system for finding information about homes, homeowners, etc. Take your 30-year veteran. Find every home she's ever sold in the MLS database by agent ID. Remine figures out who lived in the home at the time and tracks them to where they live today. Your database of buyers and sellers is at your fingertips, even if your files haven't kept up over time.

It's pretty, and your agents will actually be able to use it. Set up your farming campaign and go.

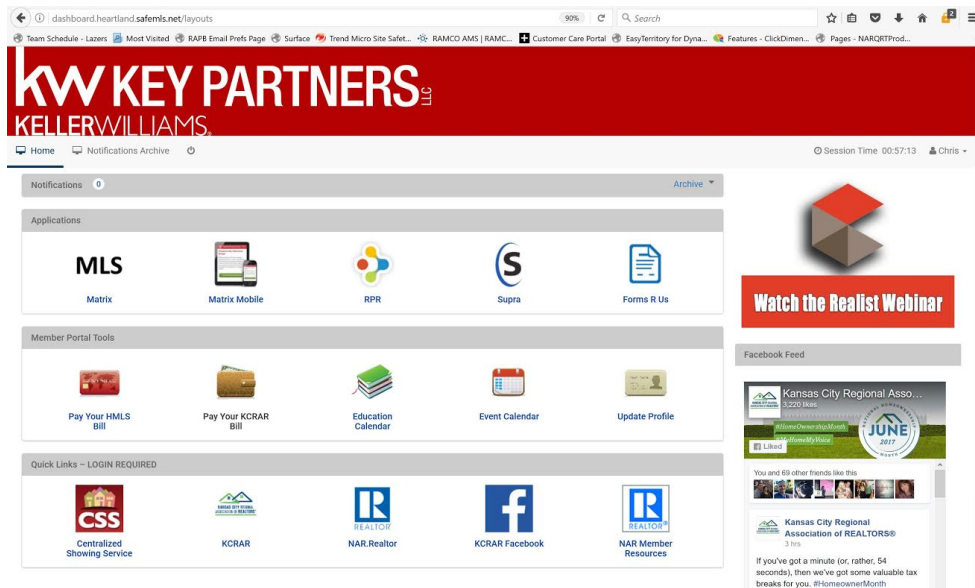
**Boulevard**, an app for agents to monitor leads, schedule tours and streamline assorted business functions, has taken agent-client collaboration to a new level with its feedback system. Clients can tell an agent much more about their reaction to a home with questions initiated by the software.

Do you like the hot tub? Is the yard too small? These are the kinds of queries dynamically generated by Boulevard in the agent collaboration process. The unique factors in an MLS listing and the nuanced preferences of the clients become a part of the conversation.

Whether it's computer vision or machine learning, this tech innovation we're seeing from Boulevard, **RealScout**, et al is a pretty magical step forward in the home search process.

**Go get your shine box**

MLS dashboards are sometimes ugly and disjointed. If you're looking for relief, take a look at the Kansas City Regional Association of Realtors (KCRAR)/Heartland MLS. With Clarity's single sign-on interface, users don't need to remember extra logins/passwords. The tools are organized, easy to find and just as easy to use.



The genius is that KCRAR lets individual brokers add their own branding, colors, logos, etc. It makes the experience feel like a broker-provided platform.

KCRAR also [produced a video that superbly captures the value of the agent's many roles](#). Brokers and agents can white label it and take credit for it. At a time when defining the agent's value proposition to the consumer couldn't be more critical, this is a breath of fresh air.

Kudos to Kipp Cooper and his team on an association/MLS that's innovating and deferring much of the credit to its brokers. Because, if we're honest, MLSs and associations are wonderful, but none of this exists without brokers risking their shirts to open up businesses and bringing on agents to sell.

**MLS MLS MLS**

Notice a trend in these stories? Sharing credit is a two-way street. [CMLS's campaign to highlight the value of the MLS](#) is timely. As brokers, we have intermittent issues with our MLSs that can overshadow the massive marketplace benefits that they create for us.

Far from the rabid Facebook commenters' predictions of demise, the MLS is swiftly improving upon its value. As these organizations share, compete and [consolidate](#), they create greater tools and drive down costs through scale. The value of the MLS is becoming more clear and tangible to brokers, and technologists, every day in this evolution.

**NAR's new chief**

demographics.

Let's not allow that to overshadow the fact that Goldberg is the person who could fast track change more efficiently than any other candidate. He's uniquely qualified and knowledgeable. He knows where all of the levers are, and I imagine he's eager to start pulling them on day one.

The leadership team in Chicago last week looked extremely optimistic about what's ahead. Considering their current theme is "Revolution," now is their opportunity to deliver it.

Good luck and Godspeed.

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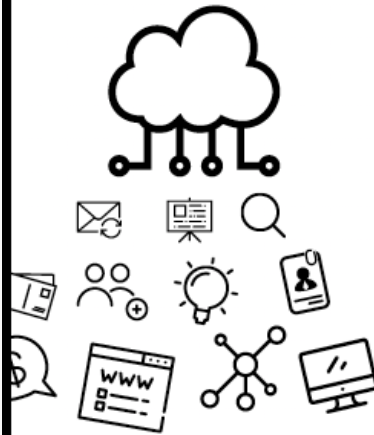
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