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Online lead generation's missing link

Guest perspective: What about the consumer?

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By [Andy Denton](#)

Educate the consumer and we all win. More homes will be sold, and the real estate buying trend continues.



This year I attended my first [Real Estate Connect](#) conference in San Francisco. Although real estate has been a part of my family for more than 20 years, I consider myself a newbie to the industry. With this outsider mentality, if I had to pull anything from the conference that seemed be missing it would be: What about the consumer?

Canvassed within the industry and across the Internet is one thing: lead generation. What does this mean to the consumer? It means, that instead of seeing homes, they are first confronted with a form. Marketing companies are convincing agents that they need a lead-generation form to be the gateway to their listings. Besides, why just let the virtual window shopper walk by? And industry leaders have found that they can easily make money by generating leads without attacking the headaches of aggregating listings head on.

So, instead of delivering what the consumer wants (a complete, consolidated homes showcase) these virtual window shoppers are being impolitely shoved inside a local realty office while exposing their personal identity to a myriad of participating real estate offices. And everyone with a real estate Web site -- from marketing firms to industry leaders to your neighborhood entrepreneur -- is getting rich convincing realty agents to pay money for these "leads." Our company being no exception to this rule. It does pay the bills.

With all the lead-generation forms that exist on the Internet today, it is understandable how easily window shoppers fall into the nets really meant for motivated buyers and sellers. As an industry, we aren't encouraging dolphin-friendly nets! We simply keep the bait well within our nets and troll the deep waters capturing anything that swims.

So what does this mean to the average agent who works for commission? I would argue that they are spending the majority of their time working leads, and less time selling homes. As the son of a 20-year veteran realty agent, I've heard many stories of real estate success. But the stories most often echoed were those of the clients my mother worked with for three months straight only to have them back out of the deal. It has to be frustrating for those commission-based agents who put all their efforts into marketing, generating leads, cultivating leads, contacting leads, sorting through leads, and not making a sell in the end.

One of the big take-aways from the Real Estate Connect conference was "[hide less, show more.](#)" The industry has been attempting to do so for years. We know the consumer wants this, but how do we convince the Realtors to want this? It is obvious to me that the drum we all should be beating is time management.

How does the real estate industry improve the average agent's time management? By sharing listings, and having a trustworthy, nationwide, complete listings database. By doing so, this allows the window shopper to window shop and at the same time educates the serious buyer.

If 70 percent of all home buyers start their search online, I would imagine that 98 percent of all car buyers start their search online. The auto industry has it right. They have enabled the consumer, educated the consumer,

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and have enticed the consumer to buy. Want to see what the local car lot has for sale without being approached by a hungry used-car salesman? Go to Carmax.com, AutoTrader.com, Cars.com, eBay Motors or a myriad of other local sites to see an image of every car they have available. Yes, they have virtual tours, too. Want to see what these cars are actually worth? Go to KellyBlueBook.com or NADAguides.com. Do they make the consumer complete a form and submit their personal information to view the cars online? No. In most cases, the consumer can even click to buy, have the dealership prepare all the paperwork, show up, sign, pick up the keys, and drive away in their brand-new or used car.

The car dealership is working smart, not hard. By opening up their inventory online to the general public they have basically weeded out the window shoppers and have nearly made purchasing a car an impulse buy. And oh yeah, the car salesman is still earning a commission. The Internet has not eliminated the car salesmen. It is has enabled them to sell more cars with less effort.

Syndicating listings nationwide will appease the consumer. Accompanying these listings with past sales histories will reveal expected appreciation rates. Mapping these listings along with sales histories will reveal growth trends within communities. Putting all of this in one place will show you exactly where to buy and focus your dollars on exactly which home to buy. (Every Carlton Sheets student would find this information invaluable!)

How do we convince MLSs, brokers, agents, FSBO aggregators, investors and the like to join hands and open their listings to syndication? Looks like Microsoft is willing to help out. Agents are already beginning to make their individual listings available via RSS feeds. And it was recently announced that the new version of Microsoft Windows, named Microsoft Vista, will have supporting services for RSS creation and aggregation. It won't take agents long to figure out how to use the RSS features. And after that, it will take even less time for someone to aggregate all these listing feeds into one place.

Or, the industry can choose to be brave, choose to lead, and give the consumers what they deserve. Isn't that what the Internet is all about?

My suggestion for the theme of the next Real Estate Connect conference is: "What about the consumer?" But, maybe by then the folks at Zillow will have answered the call.

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