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How real estate brokers can successfully deploy proptech - by Curtis Williams

April 15, 2022 - Front Section



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In the last few years, real estate brokers have invested considerable resources in proptech applications that assist both customers and agents through the buyer journey in many different ways. No wonder the proptech market is on fire. A 2021 report from the venture capital firm MetaProp shows us that proptech start-ups' confidence in future fundraising has reached an all-time high. Almost 40% of the startups that were surveyed said it would be easier to get venture capital funding during the next 12 months compared to 2020.

Over the last few years, many parts of the buyer journey have seen considerable improvements in user experience through the implementation of technological innovations, largely due to the pandemic. Visualization technology helps buyers walk through the properties and visit the land they want to purchase without leaving the comfort of their home, electronic file sharing and hosting applications help agents engage and share information with prospects without endless email exchanges, electronic signature services mean that nobody needs to drive anymore to mail a bulky envelope with signed documents, the list goes on and on.

All these innovations are of great value in helping agents engage and transact with buyers, as long as agents are careful to employ select solutions that deliver great support to both themselves and their customers.

The Fatal Flaw of Proptech Deployment: The very tool that helps customers discover their next purchase without leaving their home will turn into a liability for the real estate brokers' brands when the application does not deliver on its promise of a seamless user experience. This is especially true if the proptech tool (understood here as technology that is used in real estate whether that technology has specifically been developed for that purpose or not) has been white labeled, meaning the real estate brokerage put its logo on it.

If a proptech service is considered of critical importance to the brokerage, and the size of the contract warrants this, then the brokerage should seek entering into a Service Level Agreement (SLA) with the vendor. The SLA should spell out what support for the real estate brokerage will look like when there is a major and minor malfunction (whether that support is delivered through email, chat, telephone calls, or anything else).

Consider the Service Level Agreement as your vendor's playbook for technical support. The brokerage should really take the time to understand if the support received from the vendor fits into the culture of the brokerage. If your brokerage prides itself in developing a close and intimate relationship with your clients, you want a vendor's tech support to echo that sentiment.

Timely Customer Support Ensures Successful Proptech Deployment: Customer support provides a great opportunity to retain clients and team members. There's also a great opportunity to frustrate and lose those same clients and team members. Emotional intelligence is another consideration when evaluating how your vendor's technology takes care of your clients in need. Your clients will be looking for answers in a frustrated state. The brokerage should strive to nurture relationships and

trust, and the SLA should address this.

Also, keep in mind that service support comes at a cost. The more personal human assistance a company provides the more expensive the support. In many cases, cheaper technical support is provided through a chatbot or email.

Although there's a higher cost of personal service, this is an opportunity to profit also.

A survey of 15,000 consumers done by PwC found that “86% of buyers are willing to pay more for a great customer experience, and 49% will make add-on purchases on the spot after receiving a personalized customer service experience.”

Another factor to consider is the speed of support. We have all heard the saying, “Time is money.” A real estate brokerage has to evaluate how long it takes to get an answer from the vendor. This could ultimately cost the brokerage clients and result in wasted man-hours. Without being careful, a brokerage can spend—and waste—lots of money dealing with customer frustrations. Many of their frustrations can be fixed by providing timely answers to their questions. If you have control over this process, it will positively impact your sales team.

Real estate brokerages will have to use the proptech application themselves, at least for a period of time, to discover which vendors provide the best support. Besides consulting peers, desktop research—on both the contractual promises made by the vendors, and how these vendors actually tend to deliver on those promises—will help the brokerage make informed decisions.

Which Proptech Platforms Should You Use?

Every year, a real estate brokerage should audit its existing portfolio of proptech vendors and evaluate those vendors on a list of criteria. Cost, quality of service delivered, and also support should figure in that list. Where proptech vendors fail to achieve a minimum aggregate score or score below a minimum threshold on any of the criteria, an examination will need to be conducted on how low scores can be remedied or, if that is not possible, what new vendor could replace the existing vendor that failed to deliver.

Proptech solutions of all kinds offer great value to real estate brokerages, their agents, and their customers, on the condition that the vendors of those solutions offer reliable support to their users (both the agents and their customers). Real estate brokerages need to vet vendors well before making use of their services and submit vendors to an annual evaluation that grades them based on a variety of factors, among them the support they offer.

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