

DISRUPTING REAL ESTATE:

THE IMPACT OF TECHNOLOGY AND THE INDUSTRY'S FUTURE

EXECUTIVE REPORT



CENTER FOR CALIFORNIA REAL ESTATE
ROUNDTABLE SERIES 2014

CALIFORNIA ASSOCIATION OF REALTORS®

PREFACE

This executive report presents analysis from a panel convened by the CALIFORNIA ASSOCIATION OF REALTORS® in July 2014 with top executives from the online portals Zillow, Inc., Trulia, Inc., and Move, Inc.'s realtor.com®. Notably, soon after the panel took place, it was publicly announced that Zillow would acquire Trulia. This reflects the timeliness of the participants' discussion on the companies' positions within the real estate space online, consumers' growing reliance on these sites for engaging first-hand with the housing market, and inevitable changes to the industry facilitated by technology.



The acquisition made headlines across the nation as a sign of the growing influence of online real estate, and while it remains to be seen what the future of their combined efforts will entail, CEO Joel Singer – as moderator of the panel – fostered an engaging discussion among the executives. The panelists shared their views on what lies ahead for real estate business, the current state of the industry in relation to technology, and what needs to occur for innovation to fully take root on a wide scale. C.A.R. and Singer were pleased to be joined by Zillow's Curt Beardsley, vice president of industry development; realtor.com®'s Luke Glass, executive vice president of industry platforms; and Trulia's Paul Levine, chief operating officer.

This panel was convened by C.A.R.'s Center for California Real Estate, a new institute launched by the trade association dedicated to intellectual engagement in the field of real estate. C.A.R.'s strategic thought leadership initiatives fall under the auspices of the Center. Among its varied activities are high-level events that place an emphasis on substantive discourse. It is a focal point of the Center to pursue dialogues that add clarity to the challenges and opportunities that will shape the industry's future; undeniably, the influence of technology is a significant factor in understanding the landscape of real estate in the 21st century.

PARTICIPANTS



CURT BEARDSLEY
Vice President of Industry
Development
ZILLOW, INC.

Curt Beardsley joined Zillow, Inc. as Vice President of Industry Development in March 2014. He is responsible for building and strengthening Zillow's relationships with multiple listing services (MLSs) and other industry partners.

Beardsley was most recently Executive Vice President of Industry Development at Move, Inc., where he helped lead products and services at realtor.com® and other subsidiaries. Prior to Move, Inc., Beardsley founded True North Technology in 1994, where he developed and deployed the first major Internet-based MLS system in the United States.

Previously, he worked with Windermere Real Estate Company, among others, to develop one of the first public real estate websites to offer complete inventory of MLS listings to consumers. He also served as the director of product development for the Enterprise Solutions division of GTE and Whoscalling.com, developing systems targeting the real estate, healthcare, education, and automotive channels.



LUKE GLASS
Executive Vice President of
Industry Platforms
MOVE, INC.

Luke Glass was promoted to the new position of Executive Vice President of Industry Platforms at Move, Inc. in May 2014. Previously, Glass had managed ListHub for Move since 2010. Under his leadership, ListHub became the dominant industry platform for residential listing content syndication, which provides brokers and agents access to a broad consumer audience. Glass also focused on developing publisher relationships that expanded the consumer audience for Move's broker customers.

Glass began his career in the real estate industry in 2002 at Threewide Corporation, the previous operator of ListHub. Move acquired Threewide in 2010. Before joining Threewide, Glass was a financial and technology analyst for A.G. Edwards & Sons' investment banking unit. He holds a bachelor's degree from Babson College in finance and entrepreneurship.



PAUL LEVINE
Chief Operating Officer
TRULIA

Paul Levine, Trulia's COO, is responsible for leading Trulia's Consumer and Business Services divisions. He has 15 years of consumer Internet experience and most recently served as President of Digital at Current TV, where he led the company's consumer engagement and monetization efforts across online, mobile, and emerging platforms. Prior to his time at Current Media, Levine was Vice President of Products and Marketing at AdBrite. Before AdBrite, Levine served as Vice President and General Manager of Local at Yahoo!, where he grew local advertising into a \$100 million business. His previous experience also includes senior executive positions at E*TRADE.

Outside the office, Levine acts as investor and advisor to numerous Bay Area startups and serves on the board for local events publisher, Zvents. He earned his bachelor's degree from Amherst College and an M.B.A. from Stanford University.



JOEL SINGER
Chief Executive Officer
**CALIFORNIA
ASSOCIATION OF
REALTORS®**

Joel Singer is Chief Executive Officer of the CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.), a statewide trade organization with 165,000 members dedicated to the advancement of professionalism in real estate. He also is president and chief executive officer of zipLogix™, whose software is used by more than 600,000 REALTORS® in 48 states.

Singer has held the Association's top staff position since November 1989. He previously served as C.A.R.'s Chief Economist and headed the Association's Public Affairs Department. He also has been directly involved in the development of key business technologies and significant housing legislation in California.

Before joining C.A.R., Singer spent several years as a Chancellor's Intern Fellow at UCLA and a Fulbright Fellow in West Germany.

TABLE OF CONTENTS

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BACKGROUND

The CALIFORNIA ASSOCIATION OF REALTORS (C.A.R.) is a statewide trade association dedicated to the advancement of professionalism in real estate. C.A.R. celebrated its centennial anniversary in 2005. The Association works in conjunction with 120 local associations of REALTORS® throughout the state, as well as with the NATIONAL ASSOCIATION OF REALTORS®. Serving nearly 165,000 members statewide, C.A.R. provides a wide array of products and services to meet its diverse member needs. Additional background on C.A.R. and its services can be found at car.org.

PART I: Consumer Experience and Business Strategy

B. State of the Industry

PART II: The Value Proposition to REALTORS®

PART III: The Fear of Disruption

B. Helping REALTORS® Help Themselves

PART IV: Moving Forward: An Eye on the Future

PART V: Concluding Remarks

CONSUMER EXPERIENCE AND BUSINESS STRATEGY



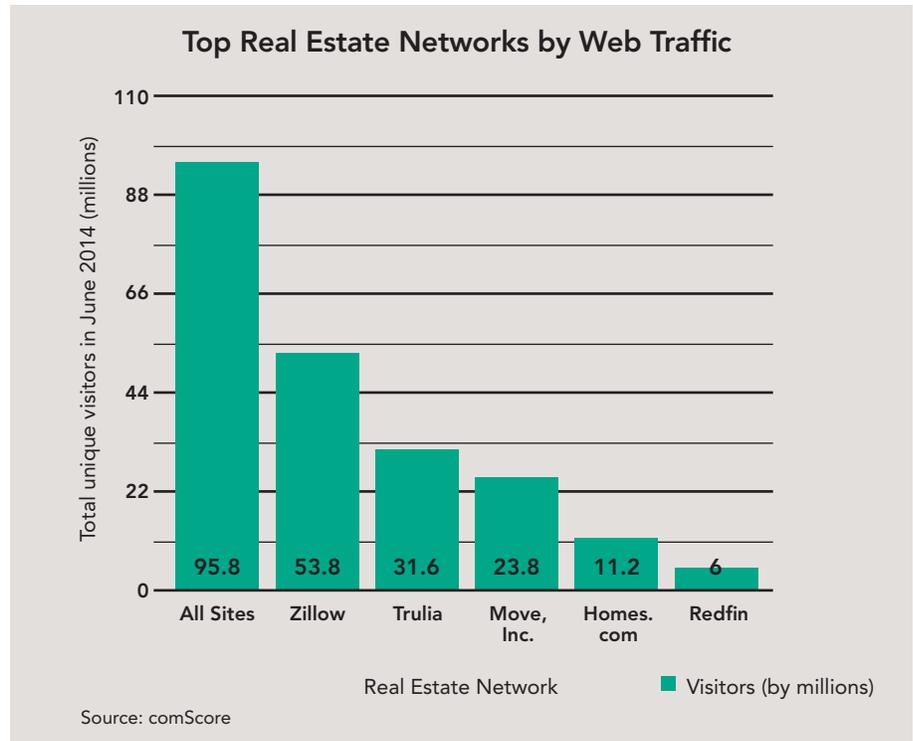
Without change there is no innovation, creativity, or incentive for improvement. Those who initiate change will have a better opportunity to manage the change that is inevitable.”

— WILLIAM POLLARD

The growing role of the Internet in U.S. home sales was made all the more apparent by Zillow’s recent acquisition of rival Trulia. After all, not only did the dominant U.S. real estate website expand its influence via the merger but also, for the first time, an online real estate company’s market value surpassed that of an industry heavyweight like Realty Corp., the leading franchisor and owner of real estate brokerages in the world. While change in the real estate business is both inevitable and ongoing, it remains to be seen the extent to which disruption from technology impacts its future. One has to consider that merely 10 years ago, it wasn’t possible for consumers to find homes on their phone, take virtual tours of a listing, or secure loans online.

Furthermore, with the acceleration of audience demand for consumer-friendly real estate information on the Internet, the growth of Zillow, Trulia, and Move, Inc.'s realtor.com® shows no signs of stopping, and consumers have made their preferences apparent through web traffic. Online real estate broke new records for traffic in June 2014 as millions of consumers flocked to these three sites. As such, REALTORS® increasingly have to capitalize on the dynamic interplay of technology and online services shaping 21st century real estate since the market share of these dominant online presences continues to balloon. In 2010, these entities comprised just 16 percent of real estate Web traffic; today, they comprise nearly 40 percent.

The shift in the growing role of the Web is mirrored by significant traffic growth on mobile devices, which the industry also did not have to contend with a mere 10 years ago. Keeping pace means adapting to the disruption of new business models cultivated by advancements in technology, and it is these three major companies in particular that have considerable influence in shaping the future landscape of real estate. And now they represent leading voices in the industry. Understanding where these companies are headed and their impact was at the forefront



of a roundtable discussion led by the CALIFORNIA ASSOCIATION OF REALTORS® and executives representing each of the aforementioned companies.

As panelists sat down with C.A.R. CEO Joel Singer, they were presented an opportunity to reflect on a wide array of topics, including their role in real estate and trends in technology. Singer began by asking the panelists to consider the current state of the industry in terms of consumer experience and the business strategies of these companies.

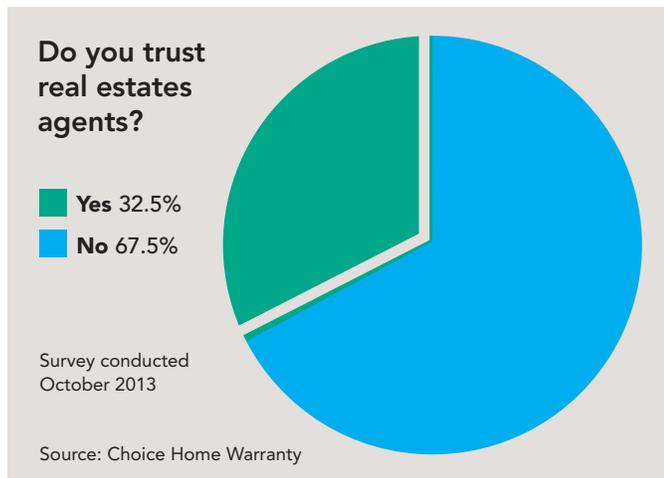
Singer invited the panelists to think about consumers in the context of an industry that is driven by the independent status of agents and how this complicates the experience of a

cohesive branded experience. While the panelists noted that consumers may know exactly what to expect when they visit one of the online portals, from then on – depending on the agent they work with – their experience will be very different due to the high degree of fragmentation across the industry. While it was conceded that the industry is not a top-heavy business, Curt Beardsley, vice president of industry development at Zillow, noted that he has yet to see a drive from the corporate level to solve the lack of standardization and data access plaguing the brands and by extension the consumer experience.

Beardsley stated: “Agents are the extension of the brands, and the

“We see both [B-to-B and B-to-C] as important, but we only play in one. Our focus is we’re a media company. So we build fantastic experiences, and we try to connect them with the best REALTORS® that we can.” — CURT BEARDSLEY

way that they deal, the technology they use, and the systems they use are completely fragmented. That’s a problem. I think that from a brand perspective, if I was managing a brand for brokerages, I would have to try to solve that because every touch point that the consumers have with me is different, depending on which agent they have. So I think that at some point there’s going to be a drive to begin to standardize that.”



In light of this fragmentation impacting consumers, Luke Glass, executive vice president of industry relations at Move, Inc., added that the profession as a whole suffers because the public often ranks REALTORS® negatively in studies regarding perception of professionals like doctors, lawyers, dentists, et cetera. He noted the following:

“Fragmentation of the consumer experience tends to negatively [affect] the entire space, and so I think the industry – and it starts with the brokers, the franchises, et cetera – has to drive adoption, down to the agent level, to create that consumer

experience because that’s what leaves an industry open to changing economics and changing value equations. If you’re not providing a consumer the best experience, then someone else is going to at some point.”

Paul Levine, chief operating officer at Trulia, supplemented Glass’ points on negative perception of the real estate profession by stating that REALTOR® and broker performance is not fully living up to what the average consumer expects. The industry cannot afford to ignore these issues because, as Levine reminded the group, we are in the age of the empowered consumer. But he put a positive spin on these fractured circumstances by noting that there’s a real opportunity for the industry because success will come to those who really think about the consumer first when determining how they operate their business.

For example, Levine said industry professionals need to think about the following questions: “What are the tools I need to have in place, what are the service levels I need to be able to deliver, what is my net promoter score of clients and consumers who interact with me?” He added, “Then make sure they’re continually raising the bar. There are plenty of excellent brokers and REALTORS® out there who are delivering that kind of experience every day. I think it’s really a question of at what rate will the tide keep rising.”

Singer then asked the discussants to characterize their business strategies in terms of focusing on consumers versus the business-to-business side of the industry. Levine started by saying that Trulia

B

STATE OF THE INDUSTRY

views the industry as a two-sided marketplace because its tools and products serve both consumers and REALTORS®. He noted that both sides are equally important. “Success is a buyer, a seller, and two agents sitting at a table together, getting a deal done. So we really feel like both sides are critical,” he commented. Helping REALTORS® to be successful in their daily life, particularly with a variety of free products, as well as continuing to improve Trulia’s website, mobile apps, and listing quality for consumers is the vision articulated by Levine.

Glass noted that in addition to the strategies outlined by Trulia, realtor.com® has a third key component on top of its business-to-consumer and business-to-business ventures, namely supporting the industry at the industry platform level. He stated, “We believe we can fundamentally provide services, through both Find, which is a search utility, or ListHub, which is a data distribution or data rights management engine for brokers around the industry [...] which means sending data to Trulia and Zillow and competitors of our realtor.com® business.”

Beardsley differentiated Zillow’s operations from the other portals by noting: “We see both [B-to-B and B-to-C] as important, but we only play in one. Our focus is we’re a media company. So we build fantastic experiences, and we try to connect them with the best REALTORS® that we can. Then we try to facilitate the systems that they want to use, and so we have a fairly thin set of processes. [...] But we will do everything we can to facilitate [the B-to-B] industry, to build [it] up, try to encourage entrepreneurs and software development to create solutions. But we’re not in that space.”

To find some common ground, Glass concluded discussion of business strategies by summarizing how Zillow, Trulia, and realtor.com® are similar in their overall commitment to facilitating a positive consumer experience despite internal challenges across the industry.

Singer shifted the discussion toward an internal view of the state of the industry and the impact – for better or worse – of fragmentation, standardization, infrastructure, and consolidation in shaping both the consumer and agent’s experience.



Glass started by sharing his perspective on how fragmentation in technology offerings in the real estate space has complicated day-to-day issues for agents. This is because the burden is on agents to grapple with an influx of companies focusing on niche aspects of the industry. While the fragmentation of vendors has pushed forward some technology, in Glass’s view, it has greatly exacerbated a core issue facing the industry: a lack of interoperability, i.e., the ability of platforms and systems to work together, such as the exchange of relevant data about a user’s context across software.

Glass commented, “The technology has really gotten more fragmented than it’s gotten consolidated in the industry. [...] That ultimately continues to make interoperability in our industry

“The technology has really gotten more fragmented than it’s gotten consolidated in the industry. [...] That ultimately continues to make interoperability in our industry and the ability to provide a great consumer experience – from search to closing – even that much more difficult.” — LUKE GLASS

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Speaking of consumer experience, Levine noted that uneven adoption of technology between consumers versus real estate professionals is a key issue shaping the current state of the industry. In Levine’s view, there has been massive adoption of technology on the consumer side in the past five years, and using a baseball analogy, put consumers in the fourth or fifth inning with REALTORS® far behind. Levine explained:

“On the agent side of things, my sense is we’re still in the first or second inning in terms of agent adoption of technology. I think that’s partly a demographic thing, but from my perspective, that’s a big trend that I think we should all expect to see over the next five years: Agents starting to adopt technology in much broader ways in terms of how they conduct their business, and if

you think about it, it makes a ton of sense. Agents are on the go. REALTORS® have mobile phones. And so taking advantage of apps, managing open homes in more of a technology-enabled way, I think you’ll see a lot more of that to come.”

Beardsley agreed with these sentiments but offered a different perspective on what ails the industry. He sees a lack of cohesive standardization as an issue that will cause the industry to continue to struggle. This is because while a variety of front-end processes have been developed to serve the industry, the backends remain deficient. That is to say there is a lack of wide-scale infrastructure to cultivate interoperability so that processes can function across multiple platforms and agents can perform efficiently. Case in point: While Trulia and Zillow both may have attractive frontends to capture consumers, each had to separately create their own backends through a disparate process of aggregation

and licensing so that their frontends could be supported by necessary infrastructure. He added that his company’s efforts to develop such infrastructure are “missing in the rest of the industry” because it has not undertaken similar efforts for itself.

Beardsley stated the following: “The reason that the software is good in one spot but is not available in another spot is because there is no backend to support agent software. There is no single standard. Forms are the closest thing. So what happened with zipForms is you have a really strong backend, which is your library and your processes, with a frontend that also works, but with the rest of the industry, there is none of that parallel. The Real Estate Standards Organization has never managed to create a single backend so that there can be standardized software that actually reaches across multiple markets. No broker can write a system that allows him to do either data entry or searches across multiple MLSs and have a single cohesive experience to build his or her brand around in their office.”

On top of the challenges described by Beardsley, Singer pointed to the level of complexity required to create the type of infrastructure that would address a lack of

standardization. He added that when considering cohesiveness, the consumer is getting a standardized experience on one of the portals whereas the agent's experience is differentiated as they juggle various systems. Singer led the panelists to conduct an assessment of the extent to which the industry is lagging the consumer and what needs to occur in order to engage these concerns, and by extension, what steps should transpire to address the inoperability prescribed by the panelists? What is exacerbating the discrepancy between fragmented backend processes and consumer-facing frontends?

Glass began by raising a symptom, as he posited that brokers struggling to find their identity have contributed to poor standardization because they

have sought to position their brand and status through the creation of backend systems. The result has been a great deal of variation and fragmentation across the industry. Glass said, "The struggle for identity is expressed through systems that actually should be standardized. That's not where identity should be expressed. It's the services that go on top of [these systems]. But I think that's a phase that we're walking through."

Levine conceded that every broker wants to put their own stamp on their technology and do it in a unique way. As a result, there are a variety of small, subscale vendors providing technology to individual brands and brokers. But that is not to say this approach has been without success, as Levine argued that Market Leader – a leading provider of Software as

a Service (SaaS)-based customer relationship management (CRM) software for the real estate sector – has worked with the country's top national franchises to build a system that can plug into their enterprises and push out access to tens of thousands of REALTORS®. Since Trulia acquired Market Leader in 2013, Levine explained that "Part of our strategic rationale for doing that was really feeling like there was an opportunity to better service and partner with the industry to provide scale systems that could be used across multiple businesses."

Glass added that despite data licensing challenges, content distribution and backend functionality are where the broker can help control the destiny or future of data flows, data content, and data licensing because there's an opportunity to fill a gap for brokers nationwide who need a single listings clearinghouse to power their systems. As such, brokers could steer the industry away from fragmentation. Glass advocated for consolidation at the MLS level to address the standardization issues discussed by the panel. If achieved, consolidation would be a helpful step in managing data across all software and brands. He noted that while it might be easy to write such a standard, wide-scale implementation and adoption are another matter.





Levine agreed that consolidation is likely inevitable and it's only natural that a fragmented environment with lots of different technologies will ultimately move toward a smaller number of scale platforms. This perhaps rings even more true after Zillow acquired Trulia. As an example of consolidation at the franchise level, he pointed to an MLS-connected solution, namely the Keller Williams Listing Service, commonly known as KWLS. This service allows Keller Williams to pull its data from the MLS and aggregate it on its own listing service, which can be augmented with photos and content. Levine commented that KWLS "allows all that data nationwide to get into a single database to power a backend system for one franchise. So I think the question is how do you then do that nationwide?"

Beardsley stipulated that while Keller Williams has a system that may work for them, there is no interoperability between franchise systems. So what would interoperability entail under a consolidated system? Glass contextualized that an agent would not be obligated to use the entire lifecycle of products from just one of the online portals. He

added that regardless of the frontend chosen by the agent for CRM, there would be compatibility within a brokerage, because to Singer's point, it is the agent "driving the boat."

Zillow views the agent as steering its approach to data, noted Beardsley, since the agent is Zillow's primary customer and interface. Consequently, it has developed a whole class of Application Programming Interfaces (APIs) so its data can be plugged into a variety of systems, including at the brokerage level. Beardsley argued that once adoption becomes more common, it will no longer be about access to data but license rights to data. He stated the following about the current state of the industry: "We tend to put the blocks on access to data versus the rights and licensing around it, which is where it really should be. It should be a contract, not an access issue. And once we get to that stage, I think things will begin to work better. But we're a ways away from that."

Singer next encouraged panelists to consider how they differ in the value they bring to REALTORS®. ●

THE VALUE PROPOSITION TO REALTORS®

As the leading online marketplace for home buyers, sellers, renters, and real estate professionals, these portals have changed not only how REALTORS® strategize and conduct their business but also how they redefine their value proposition. Conversely, Zillow, Trulia, and realtor.com® must also cultivate their value proposition to the REALTOR® community as they differentiate their brands and services from one another. This is reflected in the fact that industry relations remains a committed focus of each company, so Singer asked each of the executives to comment on how they uniquely service REALTORS® and why they are a positive contribution to the real estate space.



Progress is a nice word. But change is its motivator. And change has its enemies.”

— ROBERT KENNEDY

“Our differentiator is that we share a brand with the REALTOR®. So we get up every day and think about how can we keep a REALTOR® at the center of the transaction, and so I think that means that we’ll make some different decisions on our site versus maybe some other sites.”

— LUKE GLASS

Levine began by pointing to the variety of free services Trulia provides. He noted that thousands of REALTORS® use Trulia every month, not to mention its free app to manage listings. The ability to create and manage a profile so that consumers can easily find an agent is also a benefit, according to Levine, because agents can build their brand and generate leads. CRM and lead conversion services are additional tools outlined by Levine as helpful to REALTORS® to enhance their productivity.

Glass posited that while Move, Inc., and by extension realtor.com®, may offer similar services to Trulia and Zillow, the major difference is that operationally it spends all of its resources trying to drive the REALTOR® brand in the minds of consumers. He also argued that Move, Inc.’s entities are more supportive of the real estate professional because its sole focus is connecting a consumer with a REALTOR®. He stated: “Our differentiator is that we share a brand with the REALTOR®. So we get up every day and think about how can we keep a REALTOR® at the center of the transaction, and so I think that means that we’ll make some different decisions on our site versus maybe some other sites.” He concluded that the mission is when a consumer thinks real estate, they think REALTOR®.

To differentiate Zillow, Beardsley commented on the totality of its approach because its marketplace is actually the nation’s existing 110 million homes, not the 3 million for sale. He stated, “We have a tremendous amount of activity on listings or

properties that are not for sale. People look at their own valuation. People look down the street. We get them early stage when they’re thinking about selling because we can actually see the rise in the number of times they check the valuation on their house, and then we actually see it pop up for sale, listed by a brokerage.” Beyond listed properties, he added that Zillow’s research and analytics contribute toward a general understanding of what’s happening in real estate, which also is useful for the professionalism of REALTORS®.

Following these comments, Singer acknowledged that he would be remiss not to force the panelists to consider not just how they view themselves but also how the industry views their business operations and value propositions. Singer added his question was driven by persistent concerns he has heard within the industry about the motivations of the online portals and how well REALTORS® are serviced by their presence. Singer directed the panelists to assess why many real estate professionals are skeptical of the return-on-investment (ROI) potential of the online portals, despite the fact that numbers indicate the Internet provides much more meaningful lead generation in comparison to antiquated and costly newspaper advertisements.

The panelists proceeded to address whether these views have merit or if they need to do a better job of showcasing the discrepancy between criticism of the portals and outcomes in which REALTORS® have greatly expanded their businesses. Glass

started by noting that while Move, Inc., and realtor.com® have a longer history, a significant challenge still remains for its business: Getting brokers and agents in the industry to understand that realtor.com® is an advertising outlet. As such, he argued it provides an umbrella-level playing field for the entire industry in which it represents the brand. He posited that all three platforms are strongly focused on positive ROI for customers, i.e., REALTORS®, and that in particular, “[realtor.com®] tries to create the equation that data accuracy plus a good customer experience equals the highest quality leads.”

Realtor.com® and its operator Move, Inc., launched a national consumer marketing campaign titled “Accuracy Matters” in May 2014 to emphasize its claims to superior data accuracy over competitors. The campaign highlights realtor.com®’s unique, direct relationships with more than 800 multiple



listing services that provide consumers with 98 percent of all for-sale properties listed in the U.S. In a statement about the marketing effort, NAR President Steve Brown stated, “This effort is critically important for our industry as we unite under a common goal of providing the most accurate market data available online along with the deep local knowledge and REALTOR® expertise that buyers and sellers need to make their real estate dreams a reality.”

To encourage greater understanding of the portals’ goals, the responsibility falls on the shoulders of the platforms, according to Levine, but he added that it is frustrating that misconceptions persist despite numbers that are highly favorable to the industry. For example, in 2006, Levine said \$5 billion was spent just in newspaper classified advertising in the real estate category, and he compared that amount to the sum of the three companies’ revenue, which is less than a billion dollars. Levine stated, “We feel proud of having brought efficiency, empowering consumers, and taking costs out of the system.” He added that, overall, the net amount of funds spent by brokers and REALTORS® has been reduced dramatically in the last eight years, and the technology the portals have cultivated provides the industry free services, free listing exposure, and free profiles.

Glass added to Levine’s comments by stating that unlike newspaper advertising, agents who use online portals can rely on concrete measurements to determine the number of impressions and leads. If a majority of agents and brokers in the industry tracked ROI around what they spend, they would

“We feel proud of having brought efficiency, empowering consumers, and taking costs out of the system.” — PAUL LEVINE



see “positive ROI on spending money with all three of our sites, in different ways and in different quantities,” Glass said. He went on to say that the industry’s response to the portals has become more emotional than analytical, and the value would be more apparent if brokers looked closely at cost per lead and closing ratios made possible by the portals.

Beardsley noted that Zillow is a bit of a lightning rod in the industry, yet more than 100,000 agents rely on it to successfully run their businesses. He conjectured that some controversy likely stems from the fact that many of the industry’s most successful agents are doing well because they have built their brand through traffic, leads, and exposure from Zillow, Trulia, or realtor.com®. This means the portals have made it possible to achieve success without being closely affiliated with a brand. The ability of successful agents to circumvent real estate franchises and brokers has dented their value proposition, in his opinion, because such agents can simply connect with consumers directly through one of these three Internet companies. “I think to a certain degree there’s been a little bit of a narrowing of what makes someone successful or what can make someone successful to just a handful of companies versus a whole bunch of things a few years ago,” noted Beardsley.

Singer stated that there is still a high level of dissatisfaction across the industry from those not getting a strong return on any money invested in the portals’ services, and that brokerages/ franchises continue to feel threatened, particularly after Zillow’s acquisition of Trulia. He then steered the conversation toward understanding industry fears amidst such skepticism, particularly the fear of disruption. ●

ZILLOW'S 'COMING SOON' FEATURE: FRIEND OR FOE?

In June 2014, Zillow announced that it would allow agents to spread the word about an upcoming for-sale listing before it hits the market in a feature billed as Coming Soon listings, thereby adding a “pre-market” category to their listing process. Through this offering, agents, brokers, and multiple listing services can market homes on Zillow up to 30 days before they hit the MLS (this feature is exclusive to Zillow Premier Agents). Only the listing agent is featured on this advertisement. Singer pointed out that the launch of this feature was met with a mixed response industry-wide, with objections raised by the NATIONAL ASSOCIATION OF REALTORS® in particular over such marketing strategies. This is due to concerns about the best interests of the seller, as well as legal and professional liability issues. The pluses and minuses of this pre-marketing approach and why concerns remain prevalent were discussed.

Singer began by pointing to data that suggests this feature does not work in the best interests of the consumer, especially the home seller due to transaction prices: “We’re concerned about it. We think the data suggests that it isn’t so helpful to consumers.” He also stated, “From our standpoint, market exposure has to be across the spectrum, both for the consumer and for the industry. The advent of this service is an interesting issue for us.”

Beardsley posited that despite criticisms, one cannot discount agent support for this service due to the momentum it creates going into the listing process. He said, “It is actually the agents themselves saying we want to hit the ground running, have a tremendous amount of activity in the first few days, and show the homeowner that things are really happening. So Coming Soon gets some marketing out there ahead of the start date.” He also clarified that such listings “can only be on Coming Soon for 30 days. Most of them are shorter than that, and most of them do end up in the MLS, and then we roll them directly into a full-listed status.”

A key question raised by Singer is how Zillow defines success for this feature. While Beardsley already noted that the response is positive among agent customers, Zillow is especially focused on consumer response. He added, “For us, it’s all measured in consumer interest. So how many consumers are looking at those listings, how many of them are spending time on those, how many are asking questions? It’s a unique set of data that they can actually find on our site that is difficult to find in other places.”

Beardsley also addressed criticism that this feature promotes off-market, or pocket, listings in the industry and emphasized that it requires compliance with the rules and regulations of a user’s local MLS, local association of REALTORS®, brokerage, and licensing laws. He went on to say that “Coming Soon is the antithesis of a pocket listing. It’s pre-exposure [...] in front of a huge audience. So it’s not this private network. It’s not secret. It’s not putting it on your little private Facebook club that only 20 or 30 of your closest friends can see. It’s actually putting it out in front of a huge audience of consumers.”

Glass questioned whether it was a positive development for REALTORS® and organized real estate if consumers are being trained by Zillow to simply get the most comprehensive content in only one location, i.e. going to Zillow first, to which Beardsley responded that consumers aren’t being trained to “go somewhere else” because they’re already predominantly using Zillow and its millions in Web traffic is the evidence.

Each member of the panel expressed interest in observing the level of interest, criticism, and development of this service, and Singer opined that it will be important to watch “the number of sales that are going to be cooperative versus by the listing broker, as it will be very telling from my standpoint.”

THE FEAR OF DISRUPTION

As the portals increasingly dominate the online consumer real-estate space and comprise a growing piece of agents' marketing investments, Singer felt it was important to have the panelists discuss the implications of these developments. While each executive reassured the industry that they have no interest in becoming a broker and disrupting the industry in that manner, Singer pointed out that their position with consumers is indeed another form of disruption. The Internet has created a new dynamic in which real estate can equal something other than your community's local agent, and public perception has changed to the point where consumers go to the portals first rather than to a local REALTOR®.



Disruptive technology should be framed as a marketing challenge, not a technological one."

— CLAYTON M. CHRISTENSEN,
AUTHOR OF *THE INNOVATOR'S DILEMMA*

“We’re shifting the chairs of who gets [a seat] at the table, and I think that [real estate professionals] are afraid that when the whistle blows or the music stops, they’re not going to have a chair.”

— CURT BEARDSLEY

Glass was quick to caution that disruption does not equal extinction, and that the major source of fear is not that brokers, agents, or MLSs will disappear but that a shift in economics will create a level of uncertainty about who is perceived as creating the most value for the consumer. He commented, “Those trying to understand the shift in economics really need to figure out what that exchange of value looks like for them in the short-term and in the long-term. What does the value shift mean [if] the consumer perceives that value coming from a third party, [and] not REALTORS®?” Any change in economics could affect the number of REALTORS® in the business, and a lack of clarity about what the future holds has led many to feel threatened, according to Glass.

To explain his view of why many real estate professionals feel threatened by the big portals, Levine postulated that strong reactions evident throughout the industry are driven by the Internet empowering consumers. The advent of the Internet has forced many professionals to deliver the hard work of being

true service providers, and Levine pointed to an example of disruption that he experienced first-hand in the financial services industry when he worked for E*Trade Financial Corporation. He led the panel to consider the similarities of this example because just as old ways of relying on a financial advisor have significantly diminished, with these portals, listings no longer are a core part of the toolkit for a REALTOR®—something that foments resentment with respect to a changing value proposition. He described:

“It was incredibly dislocating for financial advisors to no longer be the one place, the one-stop shop for providing real-time quotes. Well, guess what? Good, successful financial advisors provide much more service than just being able to provide a quote. They’re true service providers, experts, practitioners. [...] So that’s my sense of what’s going on, and I think you’re already seeing a lot of excellent REALTORS® adapting to this, raising their service levels, and realizing that simply providing listings is no longer going to

delight the consumer. Consumers can find that elsewhere.”

Beardsley drew on a musical chairs analogy to analyze fears of disruption that the portals have provoked across the industry, given the concerns that under the new dynamics of the business, these sites have changed who has a seat at the table for transactions. Many professionals are struggling to see how they fit into this new world so they become the person who, either on the listing or the buying side, gets involved and connected with a transaction. He noted that in the past if you knew your neighbor was a REALTOR®, then she would be your most logical step to contact first; however, now with options online, the consumer can easily connect with someone who may have better credentials. “We’re shifting the chairs of who gets [a seat] at the table, and I think that [real estate professionals] are afraid that when the whistle blows or the music stops, they’re not going to have a chair,” Beardsley stated.

In light of the economic shifts discussed with respect

to industry disruption, the executives also discussed fears about REALTOR® commissions suffering as the cost for being connected to a consumer online. Will fundamental aspects of the real estate business inevitably change due to the impact of the portals?

Beardsley began by dismissing this notion as he noted that none of the portals are actually incentivized to disrupt the classic way that real estate works in North America. “We like what works. Our business models actually work quite well in the [current] environment,” he said. Rather, according to him, there are other entities that are far more disruptive to the fundamentals of real estate whereas the portals are “not really trying to undermine the fundamentals of the way that real estate gets transacted” because “we’re just taking away the advertising dollars that are going into inefficient methods.”

In reference to these advertising dollars, Levine added that paying for the services of one of the portals, which ranges from \$200-\$300 a month, should not be burdensome for the average, successful REALTOR®. The costs should not disrupt the economics of a REALTOR®, according to Levine, and when examining the average dollars spent per agent, the amount has not “changed meaningfully.”

Singer added greater context to the economic realities of practicing real estate and noted that there are real causes for concern. Specifically, despite all the technology, the number of sides per agent “is actually substantially less today than it was at the turn of the millennium,” and while the value of those sides has gone up, there are still fewer overall, on top of the fact that median incomes for REALTORS® are stagnant to down. He said, “You probably don’t hear REALTORS® telling you that they’re working any less hard, either, because I certainly haven’t heard that and I don’t believe it. Our research shows they’re working harder despite all this technology.”

Glass responded, “In theory, technology should be making them more efficient, more effective, and able to handle more simultaneous transactions.” So what are the reasons productivity has not increased

and many in the profession are struggling? These trends should be worrisome to the portals as well since it means less discretionary advertising spending.

As a potential cause, Beardsley pointed to there being a greater number of agents, which leads to a dilution of the professionalism in the industry. The risk, according to Beardsley, is as follows: “If you’re spreading fewer transactions over a bigger base, or you’re spreading the transactions over a bigger base of people, that means they’re making less and less. It should indicate that you’re potentially going to get less and less professional service.”

To address the aforementioned challenges so REALTORS® can be more successful, Singer next asked the panelists to review how their platforms can increase productivity. ●



B

HELPING REALTORS® HELP THEMSELVES

While Zillow, Trulia, and realtor.com® undoubtedly have accommodated the preferences and lifestyles of modern, tech-savvy consumers, Singer addressed how this development has run counter to an improvement in the REALTOR® lifestyle. C.A.R.'s mission is to help the professionalism and success of REALTORS®, and despite technological advances that supposedly facilitate efficiency, Singer is concerned that the REALTOR® lifestyle – simply put – has not gotten better.

Panelists started by assessing the long-term trend of consumers increasingly using the Internet to find a REALTOR® and subjecting that candidate to more scrutiny. There is an ongoing transition – reflected in the efforts described by each company – to enable consumers to better find an agent online. The NATIONAL ASSOCIATION OF REALTORS® recently conducted a survey that found only nine percent of buyers and four percent of sellers found their real estate agent online. Since a vast majority of home buyers now search for homes online, there is a considerable gap between consumers searching for a home online and finding an agent online.

Therefore, Singer questioned how might REALTORS® best position themselves during this transition; furthermore, how will these companies' efforts differ from past failed attempts to make finding and reviewing REALTORS® online similar to current systems for doctors, dentists, restaurants, or hotels? Thus far, an informational framework has not succeeded, and ultimately, there will be a need to serve this growing consumer demand.

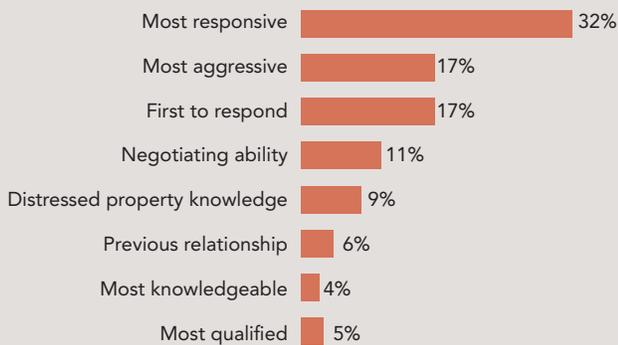
Glass noted that Move, Inc. has rolled out a completely new "Find a REALTOR®" program, which is an example of these companies' efforts to help consumers find the best possible agent online. Under the tool's new profile pages, agents will have the ability to highlight their transaction data, team info, and client recommendations to consumers.

Enhanced profile pages are among the ways that the portals are trying to connect consumers and agents online in new ways. Similarly, Zillow – which already receives over a million unique users a month on its "Find a Realtor" pages – is focused on improvement of these pages so consumers are connected with an agent for their specific needs. Beardsley stated, "We're really trying to create a much better experience for the consumer and the home-buying and home-selling audience to identify the best REALTORS® for them."

Levine added that another important step is each platform needs to continually improve on helping REALTORS® meet the expectations of consumers who want a high rate of responsiveness. Levine indicated a C.A.R. study found a rapid response to an inquiry was the number one quality consumers wanted in a REALTOR®. Regarding the survey, he stated that consumer expectations have changed greatly in the last five to 10 years and it will be a focus of Trulia to help REALTORS® close more business and be more responsive with the help of technology.

But there is another transition, beyond finding an agent online, that could restrain success for many in the industry who don't adapt, according to Glass. He believes that consumers will increasingly view the home as merely data on what's available in the

Response Time Is Important to Buyers In Selecting Agent



Source: C.A.R.

marketplace and what really needs to be advertised is not the home but the agent. If REALTORS® don't adapt accordingly by advertising what they stand for to the consumer, and why they are of value to handle a transaction, Glass said they will struggle to succeed. He explained:

"I think that there has been a fundamental change in what the consumer believes is the advertisement, and I don't think the industry has completely caught on yet. [...] I believe that real estate's in that same type of transition where, 20 years ago, you advertised the property, and that's what you spent money in the newspaper on. So the property was the advertisement. It is no longer. The property is data. The advertisement is the agent. That is what you're advertising: It's your services, you, your brand, and everything that you are."

If indeed the agent is the advertisement, Glass noted that REALTORS® must ensure that when they promote themselves on listings, they use a valid e-mail address, phone number, and a good photo so that consumers can easily connect with them. While these appear to be basic concepts, Glass cited a Move, Inc., study that found agents consistently failed to provide correct or complete contact information.

Adding to Glass's comments, Levine said agents also must increase the likelihood that they're going to be found online and convert more business through the Web. This means they must manage their profiles on the three major platforms and understand one's personal résumé lives online on the basis of reviews. This point was bolstered by research from Zillow. Beardsley reported that agents who have between eight and 15 reviews are much more likely to be contacted by a consumer; moreover, having at least one negative review leads consumers to see an agent as more trustworthy.

Beardsley reiterated that the consumer, when he does finally contact an agent, is not looking primarily for information about the house but rather for a level of guidance that successful agents capitalize on:

"The consumer has just spent eight months looking at homes. He knows more about that house than any REALTOR®, including probably the listing agent. The consumer is not actually asking, 'What can you tell me about this house?' He's saying, 'What am I missing?' 'What's my next step?' 'What do I do now?' 'I've spent all my time. I don't know where to go now.' And there are certain agents who have figured out how to pick that cue up and move them to the next spot."

He added that successful REALTORS® emphasize high-quality service during a stressful period for the

"This consumer has self-selected as a digital consumer. You know they're online. You know they're searching online. Communicate with them the way they want to be communicated, which is digitally." — PAUL LEVINE

consumer. Beardsley said a strong focus on experience and service go a long way in proving the worth of a REALTOR®'s assistance on a transaction, thereby upholding the profession's relevancy.

Finally, in the context of helping REALTORS®, the panel discussed what lies in store for the future of lead generation. Beardsley said he expects leads to improve only incrementally, and there needs to be a mental shift on the part of agents so they can better handle the leads they're already getting. Specifically, they need to view their business as brand-building because those who are performing well in the industry are aware of their presence as a brand and exhibit concern about brand connectivity with the consumer. Agents should think that "Every contact from the consumer is a chance for me to either build or destroy that brand recognition with that one consumer, and less about them buying a home. They will probably buy a home at some point before that. And I want them to remember me."



On a similar note, Levine stated that agents can do a better job of scaling their expectations in addition to cultivating relationships digitally:

"This consumer has self-selected as a digital consumer. You know they're online. You know they're searching online. Communicate with them the way they want to be communicated, which is digitally. Put them onto a follow-up campaign. Send them search alerts of like properties that have come online. And don't expect that if they inquire day one that day two, they're in your car."

Singer added his own views on leads by remarking that different incubation periods greatly affect agent business, so it's not just the quality of leads that matter but also juggling clients who proceed at different speeds through the home-buying process. Levine responded that technology can help REALTORS® by facilitating communication with consumers, regardless of what stage they are at in the home-buying process. And when the consumer is finally ready to pursue a transaction, having a strong personal brand can keep a REALTOR®'s business first in the minds of potential clients, according to Levine. In the coming years, he expects to see progress in customer relationship management.

Notably, the lack of inventory in the market has only lengthened the amount of time devoted to just the search process, so Beardsley advocated that agents must realize consumers are looking for a property for a greater length of time. He added the longer search process is also partly due to the portals, so contact with an agent could come at a very early stage. The panel agreed that a greater understanding of these conditions and how consumers want to communicate can create more positive results for REALTOR® productivity as technology continues to drive the future of agent-consumer business. ●

PART IV

MOVING FORWARD: AN EYE ON THE FUTURE

As technology-driven companies, success for online portals remains predicated on an ability to innovate product solutions, facilitate consumer needs, and ensnare a growing share of marketing dollars with successful advertising strategies—in the midst of a period in which the real estate landscape is continually changing. Singer asked the panelists to look ahead and discuss how the portals will better position themselves in the future. Furthermore, what will the future hold for the industry?



“No sensible decision can be made any longer without taking into account not only the world as it is, but the world as it will be.”

— ISAAC ASIMOV

As a reflection of current consumer interest, mobile technology proved to be the emphasis in all responses. Beardsley began by noting that since Zillow embraced mobile early (as did Trulia), mobile is perhaps the single biggest driver of traffic to the Zillow site. "Seventy percent of our activity on weekends is now through a mobile device," he said. As for the future, touch technology will be a big focus for Zillow because consumers want a different experience on their iPad vs. their mobile vs. their laptop, he commented. "Figuring out what users do at different times of the day on different devices, and what experience they want, and then showing them the best app is a big challenge we're working through," stated Beardsley.

Major goals for realtor.com® are to better connect with renters and to introduce the realtor.com® brand to a younger audience. Another objective is to create a more personalized experience for a consumer and the agent she is working with so it is far easier to collaborate via mobile devices and online.

As for Trulia, a big area of investment has been in a fully-integrated agent app with its primary function being lead management. Overall, the app has been widely used by paying customers and an iPad version just launched. The app allows an

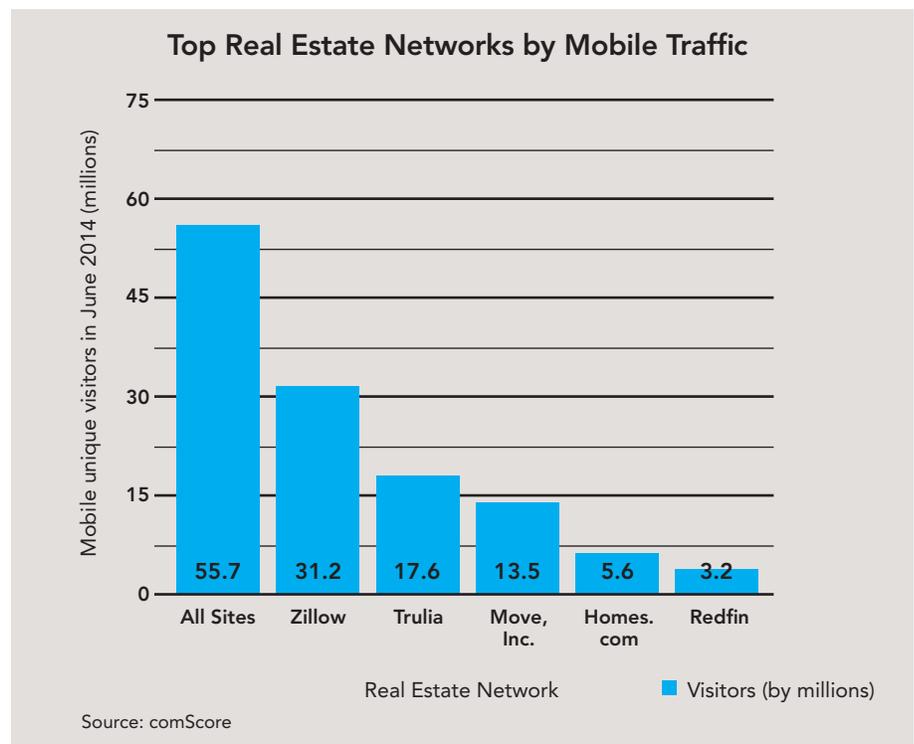
agent to respond to leads and share/collaborate listings. Also, the integration of Market Leader in the mobile experience will provide more advanced CRM and lead management capabilities. Levine stated, "Our view of the agent of the future is the agent who's on the go, conducting business through the phone, through the tablet, and that's the core experience."

Levine also pointed out that since the portals have an abundance of data, if put to use, it can address brokerage concerns about agent relationships with the portals through improved transparency and sharing of information. Describing opportunities via data, he said, "The beauty of conducting all this business in a technology arena is every action

triggers data. We have more data than we know what to do with, and so sharing that data is a big technical trend."

While the panel discussed the kinds of progress they hope to achieve, Singer reminded them that planning for the future also must take into account unexpected developments of large magnitude that could impact the industry, the so-called black swans of real estate. He asked each executive to consider what they view as potential black swans.

Beardsley again cited infrastructure as a cause for concern in the industry, worrying that some of the underlying infrastructure doesn't have a near-term replacement.



“Our biggest fear has got to be that the REALTOR® is not at the center of the transaction, that the REALTOR®’s role is diminished over time, that the REALTOR® becomes a paperwork facilitator and becomes a less trusted consultant to the home buyer. So our perspective is that we kind of live and die with the REALTOR® brand and the ability for REALTORS® to have a true value proposition to the consumer.”

— LUKE GLASS

Problematically, this means a continued reliance on existing structures and unsustainable models. Such unsustainability will be apparent if there are fewer successful agents and then MLSs suffer a collapse in their numbers. He stated:

“The basic infrastructures that we all rely on are supported by a model that is the antithesis of where the industry says it wants to go. It says it wants to go toward professionalism and they don’t say this part, but eventually less agents making more money, more money in the hands of a few. And yet, all of the models that support that, from the associations to the MLSs, have a business model that actually prevents that from happening.”

Listings data was referenced as a major source of frustration by Levine due to the great amount of discussion, money, and energy that has gone into the transmission of listings data throughout the country. He remains troubled by the fact that

there are still numerous listings that go into the MLS and never make it out, or never even make it into the MLS to begin with, which runs counter to getting the listing in front of as many potential buyers as possible.

As for realtor.com®’s greatest concerns, Glass pointed to disintermediation and REALTORS®’ loss of value in the eyes of consumers. He explained, “Our biggest fear has got to be that the REALTOR® is not at the center of the transaction, that the REALTOR®’s role is diminished over time, that the REALTOR® becomes a paperwork facilitator and becomes a less trusted consultant to the home buyer. So our perspective is that we kind of live and die with the REALTOR® brand and the ability for REALTORS® to have a true value proposition to the consumer. That’s probably our biggest fear.”

As a corollary to his question about black swans, Singer also asked each executive what they would change in the industry or

in organized real estate. Listings again were the focus of Levine’s answer. It’s his desire to see an adjustment in philosophy toward listings distribution so that all players in the industry willingly embrace broad syndication and distribution of listings—not to mention comprehensive rules adhered by all. Levine argued that the velocity of home sales would increase under this change, and both buyer and listing agents would be better served if the portals did not have to spend substantial effort on grappling with hundreds of different MLSs and thousands of brokers. Instead, they could channel such efforts into helping consumers, agents, and brokers succeed. He concluded, “If we could redirect [all these] efforts away from protection and toward innovation, I think we’d all benefit.”

Speaking of innovation, Glass agreed that it is currently hindered in the industry because of challenges with data distribution. To spur innovation, his wish is to see a single-point-

of-entry system, i.e., a single clearinghouse for all data that could power a variety of services.

Glass went on to say that the need for ListHub is evidence that the industry has a problem, and Listhub only addresses one slice of distribution. Echoing an earlier comment on distribution made by Beardsley, Glass said, “There are small companies that have great ideas that are only available in one market because they have no possible way to get to the other 800 markets in a cost-effective manner.” Singer followed Glass’s sentiments by remarking that each of the portals has systems that are effectively powering the entire listing base to millions of consumers every day, yet frustratingly, it takes 800 separate installations for the industry to share data. Beardsley responded that the key changes

he would make include erasing the majority of the MLSs so that only around 50 or so remain, and he would want to see them run as businesses so that current cost inefficiencies are eliminated. He also would do away with only allowing brokers to have access to data.

Next, Singer directed the panel to speculate whether brokers, MLSs, and REALTORS® will still be left standing, or will the real estate landscape be significantly altered in five to 10 years from now?

Beyond some economic shifts, Glass argued that overall the industry will have the same actors—they just may “look fundamentally different.” He stated, “There may be a different amount of brokerages, agents, and MLSs, but fundamentally those all serve a very vital role in

the infrastructure. So I do believe that no one’s here to replace them.” In terms of how those aforementioned economic shifts could impact the industry, Glass said that the costs of running a brokerage/franchise and being an agent could change, which may reduce the number of agents or MLSs in the market. But as for how those economics are shaped in the future, Glass cautioned that there are checks and balances in place if the portals do not make clear the exchange of value they provide to the industry. That is because in the end, the sites are dependent on advertising dollars and there are mechanisms in place to withhold content. He concluded, “You’ll see an evolution of the advertising models on all of our sites to try to meet the demands of our customer.”

In his view of the future, Beardsley believes there are several groups that are going to have their viability seriously challenged and their survival will depend upon how they adapt. Firstly, franchises, in his opinion, will struggle to make a valid case for why they exist: “Franchises are going to have to figure out how they’re going to make that brand actually roll all the way down to the agent level, or the value that they’re providing to their own constituents – not to the consumers but to their own agents – is going to be challenged. I think that’s huge.”



Secondly, he believes the majority of state trade associations in the industry – with the exception of perhaps five – will have their viability challenged because their value proposition is not readily apparent, unless there is more dedication toward political advocacy of industry interests. Lastly, Beardsley concluded that “small MLSs that tend to be run by associations are also going to have to seriously defend their value over the next few years.”

Adding to Beardsley’s comments, Singer offered the following about the extent to which entities operating within the industry might share a similar fate: “I think the value equation for all of us across the board is incredibly difficult in terms of continuing to reinvent on an almost daily basis because there are so many people hanging onto this industry—from the associations to the MLSs to the brokers, let alone entire third parties, portals included.”



To Singer’s point, it remains to be seen which parties will continue to hang onto the industry in the future as the growing role of the Web in U.S. home sales marks a shift in how consumers interact with the marketplace. The merger of Zillow and Trulia in particular presents a new force to be reckoned with. While debate continues about which entities

are facing the greatest threat of marginalization, the panel agreed that consumers will still look to local experts with strong service when they buy and sell property, which led to the panel’s final remarks on the longevity of the REALTOR® profession amid changes in technology. ●

“I think the value equation for all of us across the board is incredibly difficult in terms of continuing to reinvent on an almost daily basis because there are so many people hanging onto this industry—from the associations to the MLSs to the brokers, let alone entire third parties, portals included.” — JOEL SINGER

CONCLUDING REMARKS

While discussion on the degree to which transformational changes and consolidation will impact the industry were central to the panel's final remarks and encapsulates the broadness of their overall conversation, importantly, the executives also tied the potentiality of any disruptions back to the individual REALTOR® and the profession's future prospects. It's worth considering how the viability of REALTORS® will be challenged – or better put – remain intact.

Ultimately, the panel agreed that the role of successful REALTORS® will probably change less as elements of the industry evolve, and those REALTORS® who are already successful will continue to do well since they have the habits in place to adapt and maintain a strong level of productivity. Singer emphasized this point by stating: "We have a strong belief that the individual REALTOR®, that REALTOR® who has local market knowledge combined with tech knowledge, and then has created her own brand with the individual consumer, is going to be a long-term survivor. But that doesn't mean the industry isn't going to look radically different in 10 years. But, of course, I've been saying this now for 35 years."

Regarding such change, the acquisition of Trulia by Zillow is just one of many that the real estate industry will face in the years to come. However, the merger is all the more notable because it has heightened the contrast (and competition) between new business forces and the long history of organized real estate. Amid these transitions, REALTORS® will have to ensure the marketplace

makes them indispensable to real estate transactions. The executives suggested they can do so by being consumer-centric service providers whose performance is enhanced by technology offerings available now and in the future.

The roundtable also revealed consensus among all panelists that public perception of who brings the most value to the consumer was a significant factor that couldn't be ignored in the years ahead. Perception's ability to shape the future dynamics of real estate, for better or worse, means the industry must proactively expect and address change.

C.A.R. was gratified to hear the thoughtful consideration and expertise of each executive in response to CEO Joel Singer's questions. Special thanks to Luke Glass, Curt Beardsley, and Paul Levine for sharing their perspectives with the membership of C.A.R. Singer concluded, "I think the industry has an obligation to work as effectively as we can with all of you."

Adding insights to the industry's most pressing issues is a focal point of C.A.R.'s strategic thought leadership activities and its new Center for California Real Estate, an institute centered on pursuing substantive dialogues, such as this roundtable. The discussion shed light on the challenges and opportunities that will shape the industry's future; after all, technology's influence is undoubtedly an impactful development, and one that real estate professionals and consumers will mold together.