

Disruption and disintermediation in Queensland real estate

Two buzz words are filtering through real estate at the moment – disruption and disintermediation.

We can easily grasp what disruption means because we've seen it with Uber, with Airbnb and with digital cameras and Kodak.

Disintermediation is the reduction of intermediaries in a transaction. In the real estate context this means the minimisation – or even the elimination – of real estate sales agents and property managers, who are the intermediaries between buyers and sellers or between landlords and tenants.

Both of these 'd' words spell disaster (another 'd' word) for real estate practitioners who fear they may go the way of another 'd' word – the dinosaur – and be made extinct.

But the REIQ sees a far more positive thing happening as real estate agents adapt and integrate technology into their business, creating new digital ways to connect with clients.

We are seeing agents moving into social media in great numbers, and excelling at it, attracting ever greater numbers of followers as they offer more interesting and creative content in the real estate frame.

New apps are being created by and for real estate agents, who are embracing the opportunities that technology brings, identifying new ways to improve their service offering. Technology has enabled our agents to connect with clients in a multitude of ways, offering choice and levels of communication to the client in a tailored way that has never before been possible.

In days gone by, an agent would update their seller with a regular phone call about the process of the house sale.

Today, an agent can call, text, email, or Facetime the update about the latest open house. We're seeing some agents using Facebook Live to also conduct open houses, in both a sales and rental contexts.

The democratisation of data means that house buyers are more informed and better educated about the market than ever before. They can accurately and astutely evaluate a home's selling price with a higher degree of success than ever before. But an agent can help analyse and understand the data, bringing it down to a neighbourhood level. An agent can recommend suburbs that will suit a family, or a young single couple, from their deep, detailed market experience and knowledge.

Also, the apps and the data fail in two important areas where a real estate agent shines.

Apps can't provide the **personal service and human element**. They can't spot a worried face or a concerned expression and address those concerns. All the technology in the world can't hold your hand on auction day and steady your nerves as you wait for the auctioneer to bang the gavel.

And the technology can't **adapt**. The digital tools that are proliferating the real estate space are static tools and if they don't suit you then you simply don't use them.

However, an agent can tailor their approach for each different client in multitude ways. They can provide more information – or less if you're overwhelmed. They can provide more communication – or less if you're busy and trust them – to suit each client's particular needs. In the end, it's the agent with the ability to adapt who will win the day.

And that's why the agent will always be part of the process.

-ENDS-