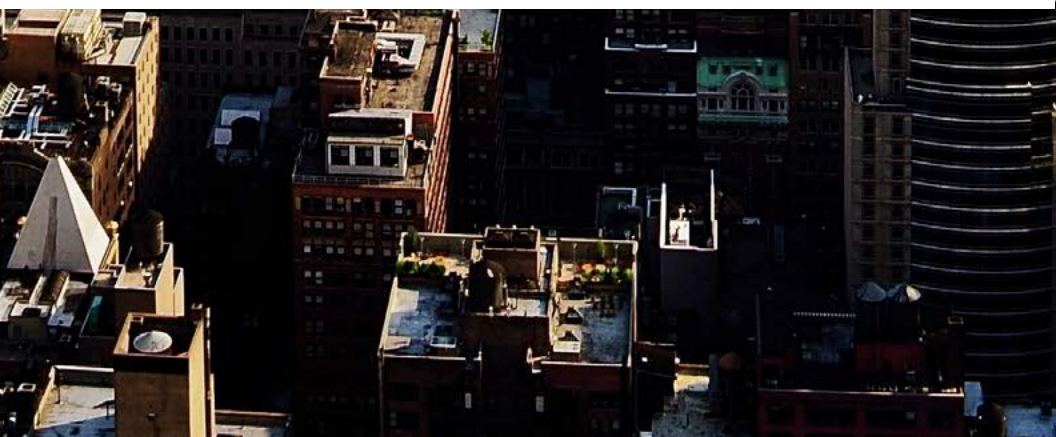# THE IDX OPPORTUNITY

HOW TO COMPETE IN THE REAL ESTATE MARKET

iHomefinder

The real estate market is undergoing significant change. Individual agents and brokerages have to find and use the right systems and tools so they can compete on every level. On top of that, the large real estate portals, like Trulia and Zillow, are changing homebuyer expectations every day.

Despite the level of competition and change in the real estate market, it is possible for an individual agent to deliver a cutting-edge website experience that meets consumer expectations. Websites can help nurture leads and communicate with prospective buyers better than ever before. The result – the more consumers engage with your site the more readily they will connect with you when it's time to start the home buying or selling process.

MEETING CONSUMER EXPECTATIONS

Homebuyers in today's real estate environment expect access to the information they want, when they want it. The internet is the land of instant gratification, and any "speed bumps" between initial contact and final transaction can turn consumers away from your website.

The home buying process is a lengthy one, and people like to see their options are before starting a conversation about eventual home ownership. In fact, today's home search process looks something like this:[i]

- 43% of home buyers check properties online before doing anything else

- 92% of buyers used the internet in some way during the buying process

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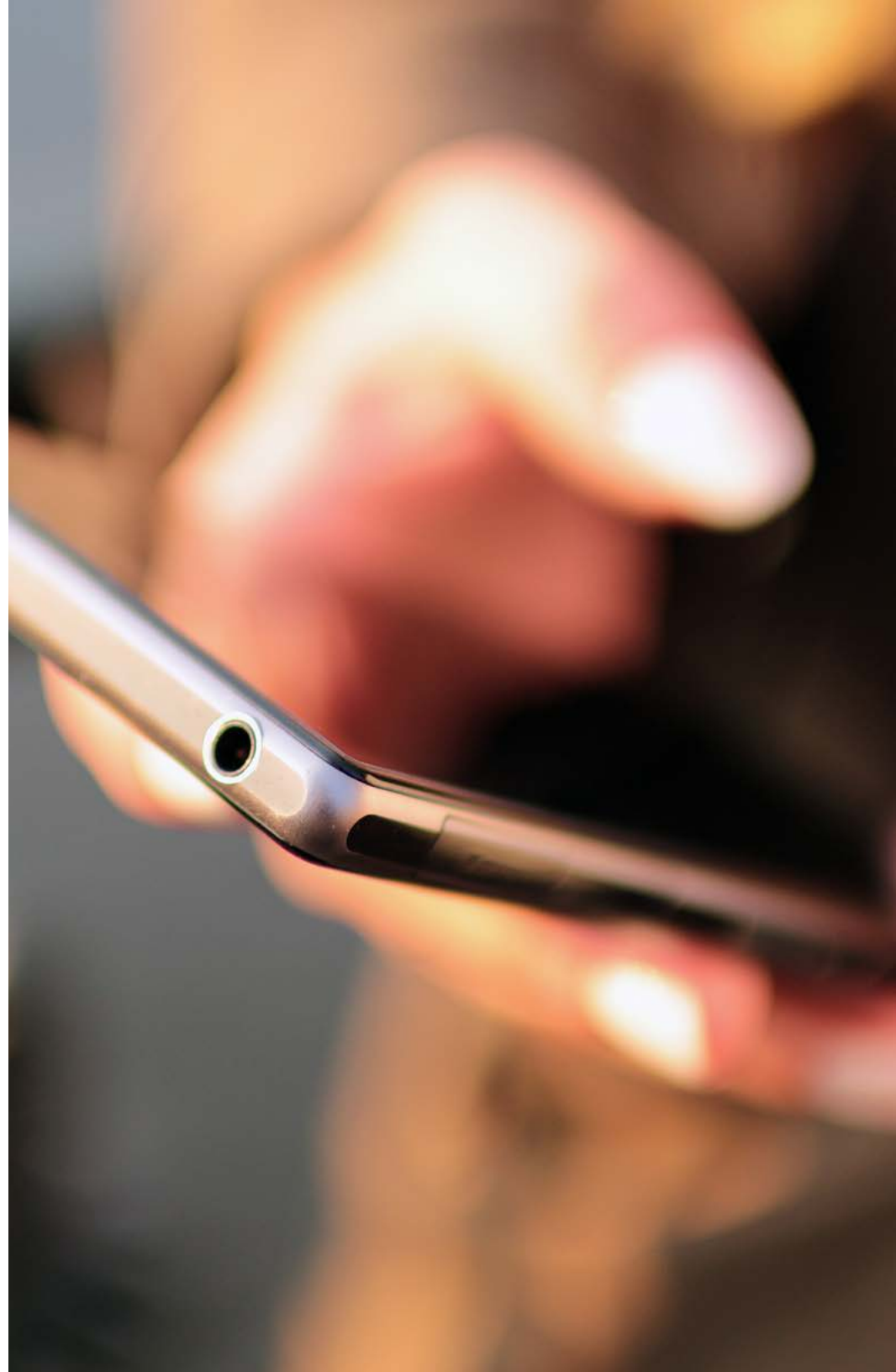
- 50% of buyers use mobile websites or applications in their search

If consumers don't immediately find what they want on your website, they know how easy it is to click away and check out your competition or the media portals.

The level of online competition continues to grow and create very high consumer expectations. They want a simple, intuitive experience. They want to see as many options as possible. And they want an easy way to connect with you when they are ready to find their dream home.

IDX may be the best way to meet those expectations.

WHAT IS IDX?

The Internet Data Exchange (IDX) enables real estate professionals to display the most recent and comprehensive property listing data from a Multiple Listing Service (MLS) on their company or individual websites. The core idea is simple: I agree to share my listings, you agree to share your listings, and as a result, we both increase listing awareness and lead-capture abilities.

Every MLS will likely have different rules that define how IDX listing data can be displayed on member websites. For example, there may be rules governing how data is displayed on agent and broker websites. Generally, these restrictions are fairly straight-forward, but they can include everything from the information that cannot be displayed to the exact disclaimer that all listings must include. Just be sure you understand the nuances before you get started.

HOW DOES IDX WORK?

The IDX data feed consists of property listings data that the MLS has made available to IDX vendors. These vendors typically download the most updated data several times a day and store it in a database, making it available for search and display on a real estate website.

Participation is voluntary, but giving permission to other real estate companies can be beneficial to your business. You will effectively find much wider exposure for your listings and, simultaneously, be able to provide more listings on your own website. IDX is also about moving past the stage where visitors are merely browsing. These tools help you capture and nurture leads more effectively. Agents and brokerages can simply request logins and registrations as they deem fit. This is not a case of locking content away and demanding personal information before you release it. This is about finding the places in the buying process where consumers are ready to make contact – those places where they are ready to take the next step.

You will have more control over how you connect with homebuyers in your local market (within the limits set by the MLS and the capabilities of the IDX provider's software) and you can give consumers exactly what they expect when they arrive on your site. Implementing IDX allows users to search anonymously and quickly. And now that you've given these potential home buyers a way to engage with your website, they'll be more likely to continue to do so as you nurture these leads and continue to provide a valuable service as they search for the perfect home.

USING IDX ON YOUR WEBSITE

IDX gives agents the ability to provide the immediate information that consumers expect while remaining open to a variety of registration options at different points in the process (such as after viewing a certain number of listings or when they request more information on a specific home).

This is a critical balance that individual agents are best suited to determine in their own market. An effective real estate website needs to provide a great user experience that keeps current clients engaged while simultaneously acquiring new leads. IDX makes it possible to do that by testing different options and deciding exactly where you can capture qualified leads and begin working with people who have found their dream home on your site.

You can use IDX as an engagement tool so your visitors will stay and interact with your site. By providing the information homebuyers expect to see at a glance (or within a click or two of arriving on the site), you will be seen as a company that can offer a valuable service. With the features of a well-designed system

from a time-tested IDX vendor on your site, even small real estate companies can create a user experience that rivals larger brokerages.

THE BENEFITS OF IDX WEBSITES FOR CONSUMER AND REALTORS

There are several ways in which both realtors and consumers can benefit from an IDX system on a website.

- **IDX MAKES BROKERAGES MORE COMPETITIVE**
  Smaller brokerages can provide similar services as real estate portals, but their local focus and knowledge make them a better resource when a consumer is ready to start the buying process.

  This was evident in 2014, when it was reported that 88% of buyers purchased their home through a real estate agent or broker, which was up from 69% in 2001.[ii] It appears that no matter how much people use the internet to start their search, they still turn to a broker for help during the buying process.

  Agents and brokerages can also meet user expectations by providing client-centered services and tools for viewing property listings, such as rich, local content that is relevant to the consumers' buying experience.

- **IDX CREATES A BETTER CONSUMER EXPERIENCE**
  By eliminating the "friction" between arriving on the site and finding the information they want, an IDX solution can help move consumers from the "just looking" phase to the "ready to contact you" phase. IDX opens the website for deeper consumer engagement.

- **IDX IS MOBILE FRIENDLY**
  If the IDX system is provided by a vendor that uses a responsive design, brokerages have the opportunity to market their listings on tablets and smartphones. This makes them readily available on a wide range of consumer devices, which is increasingly important as more people turn to mobile devices to find relevant information.

- **IDX HAS MORE WAYS TO ENGAGE CONSUMERS**
  A complete IDX solution offers more ways to build consumer engagement on a website by providing fresh, updated content. For example:
  - Visitors can customize and save searches
  - Brokers can send more relevant and regular communications based on that information
  - Consumers can sign up for alerts when new listings appear

- Homebuyers can compare neighborhoods with unique data points

- **IDX CAN ENHANCE ONLINE MARKETING EFFORTS**
  Consistently updated data feeds can help your website get more organic search traffic. Search engines like to see regular updates of factual information.

In a nutshell, IDX enables an agent to showcase local market expertise while providing the property search features that consumers now expect.

IDX ADOPTION OFFERS GREATER LISTING EXPOSURE

As IDX launched in different regions, adoption rates showed rapid growth, with the number of members increasing extremely fast. Take a look at some of the stats from a case study.[iii]

- North Texas Real Estate Information Systems (NTREIS) (Dallas, TX)
  - In 6 months, the listing available reached 96% of total listings
  - After one year, this number did not drop

- Houston Association of Realtors MLS (HARMLS)

  - Within the first year, Houston saw 100% listing availability

- Real Estate Board of New York (REBNY)

  - On June 20, 2014, REBNY voted[iv] to implement IDX as part of its listing service, adding a range of new options for real estate professionals in the largest market in the country

Based on past adoption rates and the excitement many brokers are expressing about the potential inherent in this system, it is highly likely that momentum towards IDX – from brokerages and from consumers – will continue all over the country.

The shift to IDX is here.

Are you ready for it?

GETTING STARTED WITH IDX

Companies or individual agents that want to implement IDX must first check with their local MLS to see if there are any rules or regulations for using this solution. Some of these organizations require agents and brokerages to only work with an IDX vendor that has an agreement with them or is otherwise certified in some way.

There are a number of features and services that you should consider for when choosing a vendor.

- **LEAD CAPTURE TOOLS** – Make sure the system offers plenty of ways for site visitors to provide their contact information. It shouldn't get in the way of the search experience, but it should also be easy for them to use when they're ready.

- **SYSTEM COVERAGE** – You need to make sure the IDX vendor is contracted with the MLS. This is critical because it could cause delays in the setup process if they have not

yet established vendor licensing.

- **COMPATIBILITY WITH THE CURRENT WEBSITE** – If you already have a website, you need to make sure that all the IDX tools and features can be integrated without causing any problems.

- **LEAD NURTURING** – Once you've captured the leads, what do you do with them? Look for features that allow you to easily store and access leads, track and report search activity, and send notifications on new properties.

- **RESPONSIVE TO THE CONSUMER'S DEVICE TYPE** – More than half of online property searches take place on a mobile device. The IDX system needs to provide a responsive experience, whether the user is on a computer, phone, or tablet.

- **ATTRACTIVE, USER-FRIENDLY DESIGN** – Consumers will judge a website based largely on its appearance. The IDX service needs to be clean and attractive so users will want to use its features.

- **EXPERIENCE** – Find out how long your vendor has been providing services. This is a good indicator on how they deal with changes in the industry.

- **REPUTATION** – Are any known service issues with the IDX vendor you are considering?

- **TECHNICAL SUPPORT** – Once everything is set up, you need to know that you won't be left to your own devices. Ongoing technical support is an extremely important component of an IDX solution.

- **COMMITMENT TO ONGOING INNOVATION** – Some IDX providers may not update their products on a regular and consistent basis, which means they become increasingly stale and underpowered. Look for a provider that constantly updates its products and adds new features to become more powerful over time.

- **FEATURES FOR YOUR LOCAL MARKET** – You need to be able to engage with the people who are looking for homes in your unique market. Off-the-shelf IDX solutions for other parts of the US might not adapt well for the consumers in your area. Look for features like:

  - Polygon saved search tools for you to map and display listings in custom local areas that you create

  - Interactive map search for consumers to visually pinpoint neighborhoods to find properties

  - Neighborhood search options so consumers can easily find the right house in the right place, rather than get lost in search results for the whole city

INCORPORATING IDX ON YOUR WEBSITE

There are several ways to implement IDX solutions on your website and start engaging with your potential clients.

- **A WORDPRESS PLUGIN** – Do you already have a WordPress website up and running? You don't have to rebuild from the ground up. Use an IDX plugin and simply add the necessary features to your existing site. It's a simple and straightforward way to start offering your visitors a powerful search function.

- **IDX READY WEBSITES** – If you have yet to dive into the online waters, you can get a website that is built from the ground up to support IDX property search and listings. Obviously, this will require a slightly larger investment, but you can design your website from the very beginning to be both user-friendly and aesthetically pleasing.

- **IDX INTEGRATION FOR WEBSITES** – Brokerages and

agents that already operate a website can add an SEO-indexable IDX property search and start seeing even more growth. Developers can still apply HTML site branding to all the IDX pages and take advantage of responsive designs to adapt to any device or screen size.

Whether you're integrating the system with an existing website or starting from scratch, the right tools and functionality can make a big difference in your results. It's also important to understand that installing these tools on your site (or getting a site with it pre-installed) is not as difficult as you may think.

No matter which route you go, it doesn't take much to implement IDX systems and provide high-end service for your clients.
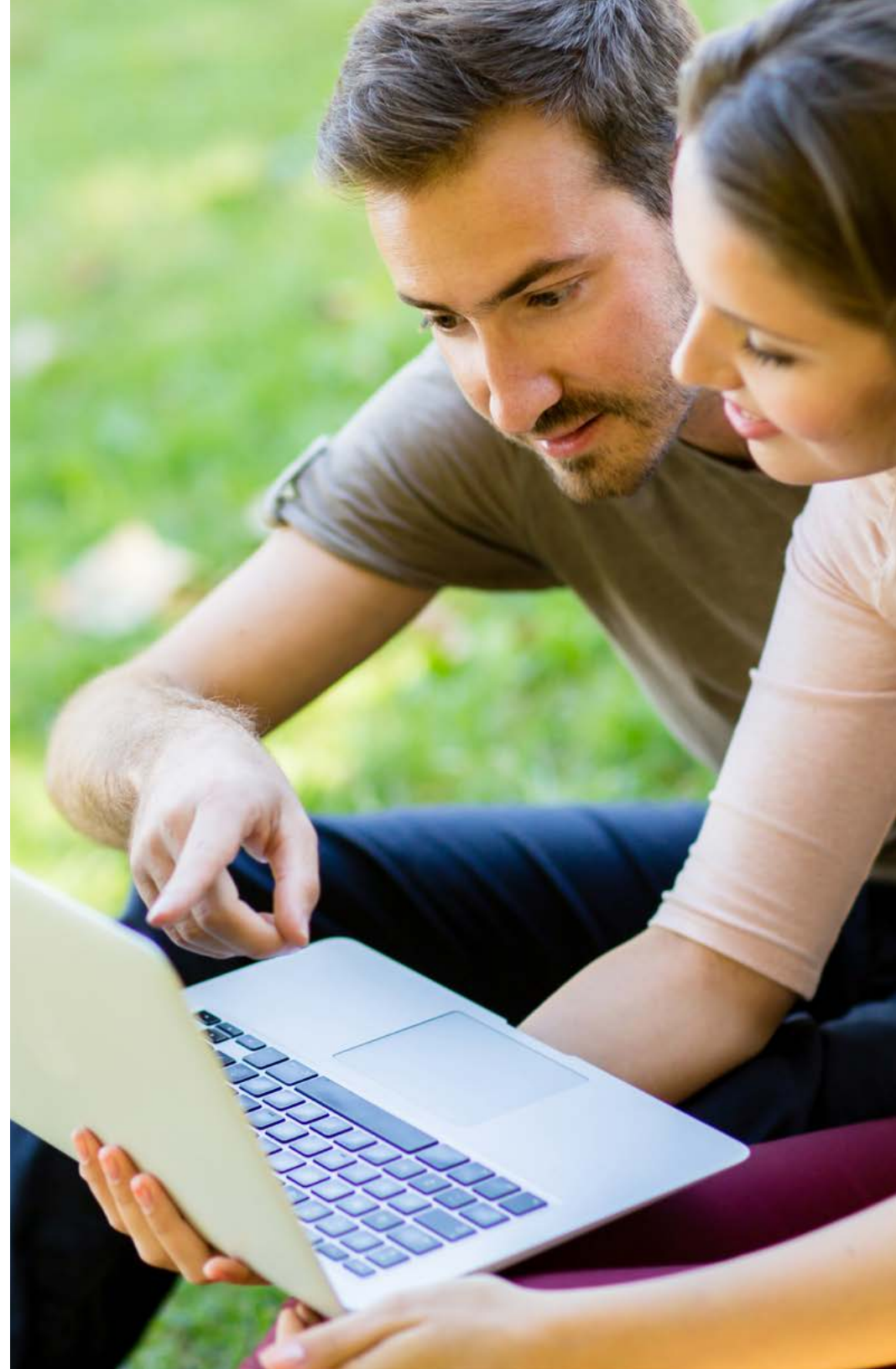
REAL LEADS AND REAL SUCCESS

Today's consumers have high expectations when they visit a website, and with large web portals offering a flashy alternative, real estate professionals have had to find ways to be engaging. They have to offer a solution that highlights their best services and offerings.

IDX brings a lot of features to the table that can improve the user experience and help generate real leads. It has created an opportunity to create the kind of cutting-edge website with thousands of listings that will help you compete with the "big boys" and build a successful real estate company.

MAKING THE CHANGE

The real estate market is changing fast, and IDX gives online buyers and sellers the search experience they've come to expect. Discover your options for a cutting-edge IDX website today at iHomeFinder.com.

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i.   http://www.realtor.org/reports/highlights-from-the-2014-profile-of-home-buyers-and-sellers

ii. http://www.realtor.org/reports/highlights-from-the-2014-profile-of-home-buyers-and-sellers

iii. "IDX Implementation Case Studies," Center for REALTOR® Technology National Association of REALTORS®

iv. http://www.rebny.com/content/rebny/en/newsroom/press-releases/2014/idx_rls_vote.html