

How the evolution of the real estate industry has reshaped the role of agents

The real-estate industry has undergone a profound transformation over the past two decades and, as a result, the landscape that real-estate professionals navigate today bears little resemblance to the one of even a decade ago.



Source: Supplied.

So says Yael Geffen, chief executive officer of Lew Geffen Sotheby's International Realty who adds that this is due to several significant disruptors that have precipitated a host of changes which have not only redefined the industry but also reshaped the role of real-estate agents.

"Gone are the days when being a property agent was a great part-time job which required little more than popping For Sale boards on the sidewalk, placing adverts in newspapers and hosting show days.

"Not only does the job now require more commitment but it also demands an array of new skill sets and, although it's still a flexible career with excellent earning potential, it's certainly no longer a part-time option to be slotted in when convenient."

Geffen looks at the most significant differences between market dynamics then and now:

- **Information accessibility: From scarcity to abundance**

Two decades ago, real-estate information was a guarded commodity, primarily in the hands of real-estate agents. Today, the internet has democratized information, empowering consumers with access to property listings, market trends, and neighbourhood data. Homebuyers and sellers are more informed than ever, challenging agents to provide value beyond what can be easily found online.

- **Digital transformation: A technological revolution**

The technological leap over the past 20 years has been a game-changer for the real-estate industry. Online platforms, virtual tours, and 3D imaging have transformed the property search process. Social media has become a powerful marketing tool, enabling agents to reach a broader audience and showcase properties in innovative ways.

- **E-commerce impact: From traditional to online transactions**

The advent of online platforms for property transactions has streamlined the buying and selling process. E-signatures and digital documentation have replaced traditional paperwork, accelerating transaction timelines. While face-to-face interactions remain important, the real-estate transaction landscape has expanded into the digital realm, offering convenience to clients.

- **Globalisation and investment trends: Beyond borders**

Over the past two decades, globalisation has influenced real-estate investment trends. International buyers and sellers are increasingly participating in local markets, and cross-border transactions have become more commonplace. The interconnectedness of global economies has opened up new opportunities and challenges for real-estate professionals.

- **Regulatory changes: Stricter oversight**

In the aftermath of the 2008 financial crisis, regulatory oversight in the real-estate industry has increased significantly. Stricter lending practices, enhanced disclosure requirements, and a focus on consumer protection have reshaped the regulatory landscape for real-estate professionals.



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Geffen explains the impact on property professionals and how their roles have shifted, requiring much more than a passing interest to be successful in a now highly competitive arena:

- **Adaptation to technology: The digital savvy agent**

Real-estate agents of today must be tech-savvy, navigating a landscape dominated by digital tools. Proficiency in using CRM systems, online marketing platforms, and virtual communication tools has become essential. Agents need to embrace emerging technologies to stay competitive and provide clients with a seamless, modern experience.

- **Marketing mastery: From traditional to digital domains**

Marketing strategies have evolved from traditional methods like newspaper ads and flyers to a digital-first approach. Real-estate agents now leverage social media, online advertising, and content marketing to showcase properties. The ability to create compelling online narratives and engage with audiences on digital platforms has become a crucial skill.

- **Client education: Partnering in informed decisions**

With clients armed with a wealth of information, real-estate agents have shifted from being sole information providers to trusted advisors. Agents now play a more consultative role, guiding clients through the complexities of the real-estate process. Education about market trends, negotiation strategies, and legalities has become a cornerstone of the agent-client relationship.

- **Global reach: Expanding beyond local borders**

Real-estate agents are increasingly involved in international transactions, necessitating an understanding of global markets, currencies, and legal frameworks. Cross-cultural communication and negotiation skills are now valuable assets in the real-estate agent's toolkit.



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- **Emphasis on emotional intelligence: Navigating human dynamics**

While technology has transformed many aspects of the industry, the human element remains paramount. Real-estate agents today need strong interpersonal skills and emotional intelligence to navigate the emotional highs and lows of the buying and selling process. Building trust and fostering positive client-agent relationships are more critical than ever.

- **Compliance and ethical standards**

Real-estate agents today operate in an environment where adherence to ethical standards and compliance with regulations are non-negotiable. Understanding and navigating complex legal frameworks, ensuring transparent transactions, and prioritising client protection are integral aspects of the modern real-estate professional's role.

“The real-estate industry's evolution over the past 20 years has transformed it into a dynamic and technology-driven sector and agents, once considered mere intermediaries, have become strategic advisors, digital navigators, and global connectors,” says Geffen.

“The job description of a real-estate professional has expanded to encompass a broad range of skills, from technological proficiency and market analysis to cross-cultural competence and compliance expertise.

“And, as the industry continues to evolve, real-estate agents must embrace ongoing learning and adaptability to remain at the forefront of this ever-changing landscape. Those who can navigate the complexities of today's real-estate environment with agility and expertise are well-positioned to thrive in this dynamic profession.”

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