

KellerCenter Research Report



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INSIDER:

How Technology is Changing the Selling Environment

Jacob Christie, MBA Candidate; Andrea Dixon, PhD; Curtis Schroeder, MBA Candidate; Mark Tarro, MBA Candidate; and Dennis Thé, MBA Candidate

In a recent issue of the *Journal of Personal Selling and Sales Management*, four scholars report on a research initiative involving sales practitioners in the United States and the United Kingdom (Marshall, Moncrief, Rudd and Lee (2012), “Revolution in Sales: The Impact of Social Media and Related Technology on the Selling Environment”). Exploring the role of technology and social media in the selling process, the authors identify six major themes of interest to the academic community: connectivity, relationships, selling tools, generational, global, and sales/marketing interface.

To bring this research into focus for the *Keller Center Research Report* audience, we discussed the themes and their relationship to our real estate audience. We believe that the real revolution for real estate lies in the use of technology and social media to *deliver value*. Value can be brought to life as we consider the way salespeople *manage information, conduct client research, and generate leads* WITHOUT getting lost in the “social side” of social media (i.e., using social media for pleasure) or losing one’s sense of life balance due to constant connectivity.

Using Technology to Deliver Value

Development and innovation in the technology sector has changed the business and personal landscape for all consumers. For some, new technologies have trickled into everyday activities over the span of a career. For others, there has been no life without technology. As Marshall et al. (2012) discuss, the rise in technology usage over the past decade has had a significant impact on the buyer/seller relationship. The value of extant and emerging technologies, particularly in business, lies within the user’s ability to exploit its benefits to *deliver value*.

In the real estate industry, value can be derived in a number of ways. Real estate professionals should be looking to technology to streamline work functions, reduce costs, and maximize return on investment (both in relation to time and money). Smart phones, applications, and Cloud-based services provide users with access to data, colleagues, and clients, among others, irrespective of location. Videoconferencing technologies minimize the time and expense of travel – across the world or even across town – to engage in face-to-face meetings. Internet marketing, social



media, and blogs empower salespeople to manage their personal “brand” through various channels in the marketplace. In relation to information, customer-relationship building, and lead generation, there is an important opportunity for real estate professionals to take advantage of all available benefits of technology. Real estate professionals may benefit by asking clients (at the close of an engagement) what recommendations clients have for leveraging technology even more effectively in their recent home-buying process.

Using Technology to Manage Information

Myriad technology products exist for salespeople today under the aegis of “customer relationship management” (CRM). Contact with each and every lead, customer, and former customer requires the retention of significant amounts of information. Nowadays, the Rolodex is gone, replaced with technological [CRM solutions](#) that preserve and organize this information in order to streamline the work of the salesperson. Many of these solutions can be accessed through applications on a smartphone, freeing the salesperson from being physically tied to his/her desk phone and desktop computer.

This ease of information access allows salespeople to “touch” more customers, more often, with more precision, and even more effortlessly than before. Now the salesperson can be automatically reminded of customers’ milestones, like birthdays or the anniversary date of when they purchased their home. Little notes commemorating these occasions help keep the technological agent top-of-mind.

There is an emerging demographic of customer that does not value a ten-minute phone conversation to get an answer to a question that could otherwise be condensed to 160 characters. What they do demand are instant answers to basic questions (e.g., when is my agent available, what are the latest homes on the MLS, etc.).

These days, technology provides consumers with a comprehensive information solution. In fact, Marshall et al. (2012) find that technology provides consumers with near perfect information – no longer does a customer need to contact the salesperson for each and every request. Instead, they can often get answers by perusing a website or getting an automatic out-of-office reply by email. And, in fact, some customers wish to maximize their self-service approach to the home-buying and home-selling processes. This idea of understanding how consumers manage the information search process in the home-buying process is discussed further in another March 2013 *Keller Center Research Report* article, [Communicating the Value of the Real Estate Professional](#).

Even when these technology-savvy customers do want to communicate with their agent, they do not reach for their phone to dial up the agent first. Instead, they are probably more inclined to send an email or a text message or a message through social media or perhaps even chat/video-chat by Skype. For a segment of customers, these methods are becoming preferable to phone

calls or in-person visits. Finding creative ways to leverage access to and the flow of information can ultimately result in a significant value-add for the agent and her constituents.

Using Technology for Client Research and Lead Generation

Marshall et al. (2012) confirm that social media sites that have become common tools are becoming permanent fixtures in the sales process. If used effectively, advances in technology and social media for client research and lead-generation activities can yield positive results for the real estate industry.



Social media can assist greatly in the pre-call planning and prospecting phases. Sites such as LinkedIn and Facebook empower the salesperson to customize his sales pitch to each individual client. Consider using LinkedIn to conduct research on a prospective client. Such sites may carry information on where she went to school, where she works, what social circles she runs in, etc. Armed with this information, a salesperson can tailor his entire selling approach for each client, providing a systematic and strategic way to build relationships.

Keller Center Research Report authors have discussed technological tools to support an overall prospecting strategy (see “[Blogging and Chatting to Promote Your Business and Generate Leads](#)”). Blogging, for example, can be a powerful tool for an agent to brand himself in a specific area of expertise through social media. Blogging must be done consistently and provide quality, pertinent information. This means dedicating time to the process of research and writing. A blog that caters to a specific niche will go a long way in delivering value to potential consumers. Over time, this area-specific expertise can help a blogger cement his position as a thought leader in his industry.

Most importantly, agents must remember blogs (and other social media approaches) should not serve as a platform for sales pitches. The goal of a blog is not to sell, but rather to become established as a credible source of information in a field of expertise. Once a blogger gains traction as a visionary thought-leader, lead-generation opportunities will likely follow.

While these selling tools can potentially enhance the sales experience for you or your clients, it must be noted that these tools should be managed strategically. Sales people must take care not to allow social media selling tools overwhelm or become a substitute for other traditional sales efforts.

Technology and Social Media - for Business or Pleasure?

The pervasiveness of technology and social media shapes news and business headlines on a regular basis. As Marshall et al. (2012) document, communicating via social media is becoming more acceptable each year. While it is important to recognize this shift in consumer behavior, the research findings suggest that the actions of employees connecting with customers via social media must differ from social use of social media. Key informants in this research note there is a key difference between *activity* (social) and *productivity* (business) when using social media. Since we live in an “always on” environment, utilizing social media websites has become necessary in the workplace. However, knowing which tools are productive and what is “mindless activity” is vital.

The three main social media websites that dominate most discussions are LinkedIn, Facebook, and Twitter. At a business-level, LinkedIn seems to gain the most traction for productivity by providing tools such as “recommendations” and “skill endorsements” for building-out the agent’s profile for a potential customer. With LinkedIn, a current client can recommend or endorse her agent using all of the information (company, title) visible on the profile. The visible information combined with recommendations and endorsements allows potential clients to view and consider a prospective agent. Company pages with discussion boards allow clients and employees to connect.

While Facebook has many similar capabilities, especially in the company page and interaction categories, it may be more difficult to discern and segment one’s time spent on Facebook. There appears to be a real gray area between time spent on Facebook for personal versus business use. While connecting with prospective or past customers, there can be peripheral clutter that clouds an agent’s ability to be as productive as possible while online. Similarly on Twitter, real estate professionals may find it difficult to make the distinction between personal time and business time. Using Facebook or Twitter to post home listings, conduct client research, or announce open houses are all effective business activities – but it may be difficult to *start* business activity and *stop* personal activity when using these mediums.

Technology and social media websites can provide value for your business but can just as easily take it away. Consider shaping a personal (or company-wide) policy for social media business activities and plan to use these websites *productively* instead of just being active on them.

Disadvantages of Connectivity

Technology clearly creates opportunity for increased efficiency. Tasks that used to require days (i.e., delivery via Federal Express) now occur quickly (i.e., emailed attachments) or instantly (i.e., shared document via a [wiki](#) or shared computer screen via [joinme](#)). In addition to increases in *efficiency*, technology delivers on the promise for increased *effectiveness* through a variety of tools, not the least of which is customer relationship management (CRM) software. However, as

the *Revolution in Sales* article summarizes, there is a dark-side to technology, social media, and connectivity.

Carrying a microcomputer in your pocket (a smart phone) means that not only can you get more work completed, you are *expected to get more work done*, and done faster than ever before. Consequently, one dark-side to constant connectivity concerns expectations about productivity. In fact, as the *Revolution in Sales* research shows, the expectation for productivity does not appear to be a constant. Rather, the tone and perspective shared by the authors is that *the expectation for increased productivity is ever increasing*. Consequently, residential real estate agents whose jobs already span non-normal working hours are likely struggling with this issue even more than the typical business person.

One approach toward balancing this escalation is to keep stats on your inputs. For example, you might consider tracking the number of hours spent each week on various social media tools, and the number of emails and text messages fielded each week. The purpose of keeping your stats is to identify when “enough is enough.” Is 10-14 hours/week (2 hours/day) enough time of various forms of social media? Does spending 18 hours/week on social media send your life out of balance? Only through tracking can you identify appropriate boundaries.

Participants in the *Revolution in Sales* research spoke about the dark-side of social media as: “no place to hide,” “always on and it feels as if there is no choice,” and “connectivity makes us do more work without getting more work done.” As we consider the impact of this new work landscape, we recommend that real estate professionals reframe the conversation for themselves.

Instead of considering technology as introducing “no place to hide,” we recommend that agents consider how they might use technology to create good connectivity as well as appropriate boundaries. For example, clients engaged in the home-buying process are only buying one home. The agent is engaged in selling homes to multiple home owners thereby creating an imbalance in communication expectations. Perhaps the agent can designate specific times of day when s/he will be answering email or text messages, and then convey those times to clients. By engaging with email and text messages within a bounded time period, the agent exercises more control and reduces the anxiety that might be felt due to over-connectivity.

In addition to setting time boundaries, the research suggests that salespeople and real estate agents consider framing which technology tools will be used for various stages of the home-buying and home-selling process. Do you want to leverage Facebook with clients during the home buying process? If so, what parts of the process make the most sense using Facebook as a tool? The real estate agent can help today’s client understand what technology or tools you expect the client to use for the various parts of the home-buying process. You have an arsenal of communication tools and it is up to you to define for the client which weapons or tools will be used for what purpose. By guiding the client in this way, you establish appropriate boundaries in use.

Conclusion

Marshall et al. (2012) identify a number of important considerations regarding the cumulative effect of technology on the sales environment. As real estate agents consider how to utilize these tools to their maximum potential, agents must learn how to deliver value without succumbing to the potential negative consequences of the connected sales environment that increased technology usage has fostered.

References

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About the Authors

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Jacob Christie is a graduate student from Portland, OR. He is currently pursuing an MBA and an MS in Information Systems. He has four years of experience providing desktop support, producing creative solutions to often unique problems, and communicating technical concepts to nontechnical users. He is planning on utilizing his education and experience by transitioning into technology consulting.

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Prior to joining Baylor, Dixon was the Executive Director of the MS-Marketing Program and the Ronald J. Dornoff Teaching Fellow at the University of Cincinnati. She has co-authored the book, *Strategic Sales Leadership: BREAKthrough Thinking for BREAKthrough Results*, and

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