

# Web becoming first call for househunters

The venerable weekend property listings pages are likely to play second fiddle to property websites in the next 10 years, such is the growing popularity of the online medium. According to Johan Strydom, GM of propertyGenie.co.za, traditional property print pages are increasing having to compete with property website listings the world over, particularly as advertisers are backing this trend with hard cash.

“New research from the UK’s Jupiter Research consultancy shows that European Internet users spend more time online than they do reading newspapers and magazines,” says Strydom.

“But while Internet usage has accompanied a rise in overall television consumption, print usage has stayed flat over the past three years, according to the survey of nearly 4500 European consumers. European Internet users spend on average four hours per week on the Internet, compared with three hours per week reading newspapers and magazines.”

## Rise in media usage

Overall media usage has risen to an average of 19 hours per week, up from 15 hours in 2003, according to the research.

Strydom also points to a UK report by the Internet Advertising Bureau, the World Advertising Research Centre and PricewaterhouseCoopers which shows that £993.4 million was spent on national press advertising in the UK in first six months of 2006 - just £76.2 million more than online - accounting for an 11.4% share of all ad spend.

“The amount advertisers spent on the Internet was up 40.3% year on year to £917 million in the first half of the year - and will overtake press advertising spend before the end of 2006 at its current rate of growth.

“Internet spend is now double the size of outdoor in the UK (5.1%), more than twice that of consumer magazines (4.6%) and three times the size of radio advertising (3.4%).”

Strydom says that South Africa is experiencing a similar trend and that he has noticed a recent surge in property listings on the PropertyGenie.co.za website which experienced a 30% rise in listings in the last two months alone.

## Unwieldy

“Property listings pages in newspapers are unlikely to be the preferred advertising place in the next few years as they are unwieldy and have illogical and complicated listings indices. They will also struggle as advertisers continue to plough money into the online space because that is where the consumer is.”

Strydom says the key drivers of online growth abroad include the rapid rate of uptake of broadband and falling Internet usage costs – factors that will take root in SA too as the cost of communications is set to decline as more competitors enter the market with better products.

“Other factors include a continuing boom in online retailing, innovation in creativity and new marketing tools - such as blogs, podcasts and social networking websites - all attracting mass media popularity and more money online from advertisers in general.”

According to a National Association of Realtors in the US, one of the largest surveys of real estate consumers ever conducted, use of the Internet to search for a home has risen spectacularly over time, increasing from only 2 percent of buyers in 1995 to 74 percent in 2004 and 77 percent in 2005.

Strydom says that many estates agencies have seen the writing on the wall and are adapting. “Sotheby’s International Realty, for example, spent R14 million upgrading its international website late last year.”

Strydom notes that in talking to estate agents, he has found that many sellers are now asking - and expecting - a website listings on property sites as part of the property marketing plan.

## **Changing quickly**

“The real estate industry in SA today is changing quickly. Although people still need to do the footwork looking at houses, many are finding property websites... a good starting point and an invaluable aid in the screening process,” Strydom said.

“Another important factor is that many property websites are linked to bond originators and are serving as a one stop shop for finding and financing properties.”

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