

All that twitters is not sold

 By [Berry Everitt](#)

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Online real estate companies offering to sell your home for a low fixed price or a discounted commission appear to be multiplying daily - but they are actually just peddling old - and unsuccessful - concepts dressed up in new digital clothes.



Image source: www.pexels.com

Discount and flat-fee agencies have been around for decades. We see them coming to the fore every time the real estate market goes through a slowdown as they try to convince desperate homeowners that their properties will sell better or faster if they can cut a chunk of commission off their asking price.

Alternatively, they tell homeowners that paying a flat fee for a 'marketing package' instead of a commission will enable them to retain a bigger percentage of the profit on the sale, which is understandably appealing in a market where margins are thinner.

The only thing that is really new this time around is that these agencies have gone digital and are using technology to target their potential clients, to create the impression that they can provide national and international exposure for their client's properties and, unfortunately, to keep their clients at arm's length when things don't work out.

Not creating real industry disruption

What they are not doing, is creating real industry disruption in the sense that the taxi, hotel, travel, banking and other industries have been disrupted by the use of technology in recent years. To disrupt an industry, one must use technology to do things completely differently, or to significantly improve on what has gone before - to make the same services more accessible or cheaper, for example, or to deliver faster or better results.

But as things stand, discount or flat-fee agencies are not able to provide a better service than a top-notch traditional estate agency, or to get a better result for the home seller, no matter how much technology they have.

True disruption of the home selling process may yet come to the real estate industry, but for the time being, it is people that sell real estate with the help of technology, and not the other way around. Our group is recognised as being a leader in the adoption and application of real estate technology, but we know there is no technological 'magic bullet' to get the job done. It takes training, experience and access to excellent advertising and marketing resources for an agent to achieve a great result, which is for the property to be sold in the shortest possible time at the best possible price.

Agents don't have the same backing

This all comes at a cost, and the truth is that low-commission and flat-fee companies are just not able to put the same amount of money behind their agents as the best traditional agencies do, or spend the same amount on marketing. Indeed, many of the new online agencies don't even have agents, but only offer to coach home sellers through the process as they do everything themselves.

They also cannot give properties the same exposure to the maximum number of potential and financially capable buyers. Yes, they may be using technology to lower their advertising costs, but so are the traditional agencies like Chas Everitt International, and we can - and do - spend more money on social media marketing campaigns, and have better access to the major SA property portals and international online platforms where most buyers currently start their home searches.

So before they decide to market their property through a low-cost agency, home sellers should consider the following:

- It doesn't matter how well your home is priced if very few people know that it is for sale or come to see it;
- The longer your home takes to sell, the longer you will have to pay holding costs like municipal rates, water and electricity bills, insurance and upkeep which will eat into the profit from your sale;
- It is not easy to price your own home correctly, or to manage advertisement responses, viewing appointments and show days yourself;
- It is even harder for you to check out the financial standing of potential buyers or to negotiate with them yourself.

In short, home owners should not confuse results with great results, and should rather seek out a traditional agent with a track record of achieving great results, based on in-depth knowledge and experience of the area, a clear marketing strategy and superb negotiating skills, as well as the financial backing of a big brand like to ensure that the properties they market receive the maximum possible exposure.

ABOUT BERRY EVERITT

Berry Everitt is the CEO of the Chas Everitt International property group, which is one of the top five estate agency companies in South Africa and widely recognised for its innovative marketing methods, its technological leadership - and its absolute dedication to achieving exceptional customer service. Everitt is the youngest son of the group's founders, Charles and Tilla Everitt, and has been involved in the business since it was established in 1988.

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