

March, 2011.

Shift, change, whatever we label it, it's with us, in all aspects of life...including in real estate sales.

No part of life is untouched by the impact of the internet, and its resulting relationship forms of communication.

The internet has delivered a business model that places the consumer at the core; companies and agents are no longer "key" to a sales process. This difference has profound implications for all sales marketing.

It is always the case in a substantive change moment that the first few years of the shift are taken up with trying to push the accepted/existing model into the new one.

We are just humans, and it appears that we tippy-toe up to massive change, poking and prodding and taking baby sips, before we "jump in".

The hybrid/transition time may have been that 1999 to 2009 period. Transition is erasing, and the truly new is now with us. An explosion of apps and technology vehicles means that the consumer has the power, now, and can be the expediter of outcomes.

For real estate as an industry, it is now sitting fully where the consumer revolution placed the car industry, the travel industry, and the stock market side of investment, some several years back. Real estate as an industry was late to the table of change. The key? It is now an information open model that is required.

The standard franchise company model will have to evolve or be replaced (it's no longer about companies or agents) and the mls system and related information repositories will have to change to an "open wall" concept...information is not about special interest group control of same. Data cannot be fenced off.

The consumer drops in and out of the information sea, at the consumer's timeline, and the consumer decides "when" and "where" to contact a realtor. It's the opposite to the old "call to action" motif of previous sales models, where the purveyor of the service set the rules.

When the consumer is ready to act, they will...after searching the web for answers to their questions, and without ever contacting a realtor, early in the process.

According to some real estate associations, who are trying to track consumer purchasing results, the buyer begins a search approximately 14 months before acting, and waits to contact a realtor until 4 to 6 weeks before a purchase.

In those intervening months between start and finish, it is rare that they contact a realtor...they may be on the mls and other related information sites, and on company and personal websites, but they are not contacting anyone...it's a passive seeking at this point.

With 90+ percent of all sales apparently beginning via a search on the web portals, and only 1 percent now coming off print media, the shift is clear. Some specialty magazines, with long shelf lives, may still deliver some business, but the classified/newsprint ad style is no longer productive in inviting a customer.

In city markets, apparently around 7 percent of business comes from a sign call off a property realty sign...this is less effective in a secondary home marketplace, with seasonal residency/resort rhythms, and a non-local buyer profile.

At the start of the transition, between 20th and 21st centuries, websites were the form for internet data sharing...it's still essential to have a website, but perhaps they are more like basements or attics for information...if a searcher needs indepth information, then there's the website to root about in.

It's a time famine world now, in these post-internet days...no time/always time, and who has time to dig around in a website, when one hasn't figured out the questions to even ask yet?

This could be the point of Twitter...a mini website for the time starved/"on-overload" denizens of this post-internet world.

Social media is the new buzzword, and the move to add the word "marketing" to the phrase showcases the blurring of the personal and corporate worlds, now underway in the post-internet world.

It is suddenly a holistic model of being that is being created by the technology and its spin-off "apps" world, and business enterprises are a part of this. In social media, it's about "everything" and "all at once", and relationship selling is no longer just an idle concept...it's "the" concept.

In change, lies opportunity....

With the consumer at the core, it means that any one of us can facilitate change/deliver new pathways. The ground is level.

Hmmmm...an interesting time, for all of us.

At the same time that we have societal change, business solutions change, information dissemination change, we have a real estate market change.

It may be that we will look back and agree that September/October 2010 was the "bottom-bottom" in the real estate market.

Since mid-October, locally, on Salt Spring Island, and on other Gulf Islands, and in the rural communities of Vancouver Island, on the Sunshine Coast, and in the B.C. Interior communities, a consistent though slowly building rise in sales volume has been underway. This is good news, indeed.

Prices have reduced over the past 2 years and the buyer is often able to negotiate a further reduction at the point of an offer. If the seller is from out of country, then the currency rise for the Canadian Dollar can be attractive, and encourage them to take a lower than desired offer.

This kind of "spread" may narrow, however, as this year progresses and it becomes clearer that the property market "crash" may be over. Inventory will clear and choice will lessen.

The current sales in discretionary/secondary home areas may be driven by a buyer desire to get out of heavy cash positions (worry about currency instability) and by a search for a "safe haven" (desire for self-sustainability), but it may also be a natural shift from a down to an up market.

If markets experience a 7 year cycle, which is one theory, and our downturn in our secondary home marketplace began at end of 2005/beginning of 2006, then we are now into year 6 of a seven year cycle...a time, then, for savvy investor buyers to be acting. This market trend is perhaps also a driver to this renewed sales activity.

Continuing low interest rates, a reduction in property price values from the highs of 2005 to now, by around 25 to 30 percent, depending on property type involved, and motivated sellers, plus inventory choice...it is an optimum time for a buyer to act.

Looking to buy on Salt Spring Island or on another Gulf Island? Call me!

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With a daily blog since 2005, and a strong social media presence since 2008, I look forward to interpreting with you "your" voyage to the beautiful Gulf Islands, and to connecting you with your dream property. Welcome your call....

How may I help you to buy your Salt Spring Island or other Gulf Island property?

liread33@gmail.com