10 data trends you cannot ignore in 2018

NEW YORK — It’s nearly impossible for real estate agents to keep up with the constant change in data trends. It seems as though new ideas and concepts stay with us just long enough to be mastered by some, but grow outdated as soon as the latest and greatest hits the market. This year, however, there are 10 trends that can’t be ignored.

Marilyn Wilson, founding partner of Wav Group, and David Charron, chief strategy officer of Bright MLS, took the stage in New York City last week to share the following trends with the Inman Connect audience.

1. Business intelligence

The ability to take seemingly disparate data points and transform them into a coherent picture that could predict the future is one of the most import skills to acquire, according to Charron. Mastering business intelligence means finding the area where data and commerce converge.

“I believe in three years we will making decisions largely in part thanks to business intelligence,” he said.

According to Charron, using “big data” will help real estate professionals better understand the intent of buyers and sellers.

2. Business and market consolidation

While not necessarily a new topic, Wilson admitted consolidations and mergers are certainly undergoing a big change as of late.

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"I think one of the thing's we're starting to see is, historically, we had a one-size-fits-all mentality — all or nothing," Wilson said. "But what we're finding is that there are great opportunities for us to uniquely look at what's going on in the market dynamic."

In New Mexico, it was decided that there would be no statewide MLS. Instead, they implemented a statewide consumer-facing website, which is what Texas has been doing. It's little steps and partnerships that are making all the difference, Wilson said, and while you may find a merger is best, there are other ways to look at market consolidation.

Most importantly, businesses need to identify what it takes to work together.

"It takes the processes to come together, the politics to come together and ultimately to figure out where's the money, how does it flow and how does everybody win?" Wilson said.

3. Artificial intelligence

There are some amazing things happening in the area of artificial intelligence (AI), according to Wilson. Using AI, there are services that are able to pull full descriptions of properties just from a photo.

So as opposed to someone sitting down to write descriptions of a property, the technology can identify things like, “northside-facing picture window,” or “rear porch.”

Charron even envisions a future in which a robot could be greeting you at an open house.

4. Industry leadership

Right now, the National Association of Realtors (NAR) is kind of the de facto leader and influencer in the big data sector of the real estate field, but Charron wonders if they’re swimming in too many lanes? He believes they could be the perfect entity to bring new leaders into the field and choreograph growth instead of taking the lead themselves.

“Someone will assume this leadership role as it relates to data,” he said. “I think NAR would be an excellent choice to bring a number of disruptors into the tent.”

5. New players, *lots* of new players

Tech companies getting deeper into the real estate industry are changing the rules of engagement in the business and it’s on Realtors to stay on top of all the new competition coming into the market.

“Understand there’s going to be a lot of new players with a lot of money,” Charron said, highlighting the growing advances being made by internet giants like Google, Facebook and Amazon.

iBuyers like Opendoor and OfferPad are also creeping further into the marketplace, promising homeowners quicker sales and closing in a matter of days.

Charron also believes we may even start to see some consolidation between all of these new companies, which could make it even harder for traditional brokerages to compete.

6. RESO

The Real Estate Standards Organization (RESO) — previously a branch of NAR — is a nonprofit trade organization working to build standards across the industry to help accelerate the growth of

new real estate technology.

“This is the foundation of a lot of the innovation we’re going to be able to all do together,” Wilson said. “By having a set of standardized information it’s going to allow technology companies to move faster into new markets; it’s going to allow brokers to expand to where they want to expand; it’s going to allow brokers to innovate where they want to.”

7. Data distribution

Historically, there was a clean line between the multiple listing service (MLS) and real estate brokerages. According to Wilson, MLS services used to just “collect the data and throw it over the mountain,” but now there’s a much grayer line.

With that blurry boundary, MLS services can not only facilitate the collection of that data, but also help real estate brokerages leverage it and learn even more about the market, as opposed to just providing the totality of numbers.

8. Government regulations

In this case, Wilson and Charron are specifically referring to net neutrality, which NAR has taken a strong stance against the recent FCC vote to repeal. Net neutrality refers to the way the government regulated the way internet service providers treated content.

“This is where NAR absolutely needs our support,” Charron said. “If you are an opponent of this, you are either a stockholder of Verizon or Comcast, or you’re related to [FCC Commissioner] Ajit Pai.”

9. MLS as a marketing engine

According to Wilson, there’s no better value for an agent or broker than an MLS service, but MLS services never really take credit for their role in the selling process. As we move into 2018, look for more MLS services to become actively involved in the marketing process.

10. Portal wars

Charron admitted that about five years ago, this topic would have been the number one thing on the minds of all Realtors, with so many national and regional sites.

There are national portals like Zillow and Homesnap, as well as regional sites like Har.com and State27Homes and even more traditional outlets like the Washington Post.

Now it’s on Realtors and MLS services to work with these public portals to find partnerships to make sure they’re the company that shines through the noise. At Bright MLS, Charron said they’ve worked out a partnership with the Washington Post, which has its own real estate portal, and they find themselves mentioned in the newspaper about 3-5 times a week.

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