Redfin 1% listing fee working better than buyer rebates

Once promising to be the darling of homebuyers by offering rebates, Redfin is now chasing homesellers with a discount commission promise. The Seattle-based tech broker has been targeting listings with a steeper discount while reducing its rebates to buyers. In a listing shortage environment, Redfin claims that its listing count has grown significantly in all the markets where the brokerage has reduced its listing fee from 1.5 to 1 percent. The strategy has paid off the most in Washington, D.C., where Redfin has tripled its listing count since debuting the fee there in 2014, said Redfin CEO Glenn Kelman. With a small fraction of local marketshare, Redfin currently has 29 active listings in D.C. In Seattle, Chicago and Denver -- all markets where Redfin introduced a 1 percent fee last year -- the brokerage's listings nearly doubled from the first quarter of 2016 to the first quarter of 2017, according to Redfin spokeswoman Alina Ptaszynski. While Redfin publicizes it...

Source: click here