Shift Happens: Generation and Business Trends

Presented by: Adorna Carroll

(3 credit hours)

Monday, September 25, 2017
9:00 a.m. – 12:00 p.m.
CE SESSION PROCEDURES:

We have provided all of the course materials for the joint Ohio & Kentucky REALTORS® Convention & Expo on-line. Please look for the appropriate table in the back of each room for either Ohio or Kentucky session contacts to answer any questions you may have before the session begins.

There will be no breaks during the sessions. If you need to leave a session for any reason you will need to stop at the monitor’s table in the back of the room and sign out of the session and back in when you return. Whether you leave for a restroom break or to make a phone call we will need to record the time missed from that session.

The Ohio Division of Real Estate’s code (Revised Code §1301:5-7-03(B) (3) (a) states that you must be present 90% of the time in order to receive CE credit. This means in a:

- 1.5-hour session you may not miss more than 9 minutes.
- 3-hour session you may not miss more than 18 minutes.

OHIO - Ohio attendees registered for the convention will receive five (5) continuing education tickets (five is the maximum number of sessions one can attend). The tickets will be unique to Ohio REALTORS® database and your full name will be on each ticket.

For each of the courses you attend it will be your responsibility to fill in the name of the course on your CE “ticket” and turn it into a course monitor at the end of the session. If you registered onsite for the program please visit the Ohio CE table at the back of the room for an on-site CE form. Ohio CE certificates will be emailed within 30 days.

KENTUCKY - Kentucky attendees will be required to “sign-in” for each session at the Kentucky CE table at the back of the room. Kentucky attendees will need to submit an evaluation form at the end of each session in order to receive CE credit.

OHIO & KENTUCKY - If you are an individual desiring both Kentucky and Ohio CE credit, you will need to follow the procedures for both states – signing in at the start of the session at the Kentucky CE table and submitting both the Ohio Continuing Education Credit Form or Ticket, and the Kentucky Evaluation Form at the end.

Thank you for joining us at the joint Ohio & Kentucky Convention & Expo in Cincinnati!
Adorna Carroll, DSA
ABR, SRS, CRB, CRETS, CIPS, RENE, GRI, SFR, PSA, ePRO

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AdornaSpeaks – FB
@AdornaCarroll – Twitter
AdornaCarroll - Linkedin
What Consumers Want

No changes in property needs ...
• Location, Location, Location
• Value and ROI for the money spent
• Turn-key options whenever possible

From professionals has changed a lot ...
• Elevated representational skills
• Effective communication
• More detailed information
• Due diligence from unforeseeable risks
Temperature Check

Consumers drive the real estate experience not Brokers and Agents

- Generational attitudes affect the process of info delivery, marketing venues and communication styles
- Retail shopping experiences drive consumer expectations of the real estate experience
Understanding the Generations

Whether you are a broker/owner, manager or team leader

- You need to understand the differences and similarities of each generation to build and grow successfully
- Leading, managing, coaching and collaborating those different generations offers different business opportunities and challenges
Generations
Select Excerpts from the
SRS
SELLER REPRESENTATIVE SPECIALIST
Generations At A Glance

Source: Pew Research Center (Population data as of 2015)

Before 1928
Age: 90 – 102)
GREATEST GEN
Population: 3.79M

Born: 1928 to 1945
Age: 72 – 95)
TRADITIONALISTS
Population: 28.32M

Born: 1946 to 1964
(Age: 53 – 71)
BABY BOOM GEN
Population: 75.52M

Born: 1965 to 1980
(Age: 37 – 52)
GENERATION X
Population: 65.72M

Born: 1981 - 2000
(Age: 17 – 36)
MILLENNIAL GEN
Population: 79.41M

Born: 2001 - 2025
(Age: 7 – 16)
GENERATION Z
Population: 73.61M

Source: Pew Research Center (Population data as of 2015)
Communication Styles At-A-Glance

Marketing – Communication Venues that Resonate with Each Generation

<table>
<thead>
<tr>
<th>Generation</th>
<th>Newspaper</th>
<th>Drip</th>
<th>Email</th>
<th>Text</th>
<th>Social Media</th>
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</table>
GI – Silent Generation

Characteristics

• Address by Mr. unless authorized
• Almost exclusively men in upper management
• Retired from long-held positions at the same company
• Had only female executive assistants
• Respects process, laws, specialists, designations, experience, stability
• Very loyal – handshake seals deal
• Believed in mentoring and leadership
• Cultivated long-term relationships
• Paid cash – comfortable in black/white
• Heavy business networkers
• Never bring up business before they do
• Sale requires patience
• Verify current preferred communication method – uses phone more than others

1900-1945
17% of adult population

© 2014 Council of Real Estate Brokerage Managers - SRS Designation
Baby Boomer Generation

Characteristics

• Women infiltrate the Old Boys Club
• In upper management positions and/or anticipating retiring unless entrepreneurs
• Rule breakers, mavericks, little respect for process, procedure
• Believes they can do your job better than you can - May not appreciate your value
• Pays with plastic rather than case
• Materials in color with larger type
• High Maintenance – Constant Attention
• Business communication is email, some phone and text
• Limited Loyalty

1946-1964
33% of adult population

© 2014 Council of Real Estate Brokerage Managers - SRS Designation
Enter the Facebook, Twitter, YouTube, Wii, Kinect Generation

- https://www.youtube.com/watch?v=wT2D-6-7kSk
- Shift 3.0
Generation X

Characteristics

• Natives to technology and expect to work with tech savvy professionals
• Comfortable in virtual environment for tele-commuting and meetings
• Expect a packaged transaction with high-caliber skills and team members
• Want opportunities to lead and be the decision makers but aren’t patient with “paying their dues”
• Will be actively engaged in the process
• Email and texting preferred
• Will be loyal if they choose you
• High Expectations and expect immediate responses
• Pay by credit and debit cards
• E-Transaction; paperless offices

1965-1979
28% of adult population
Generation Y

Characteristics

- Very comfortable in a virtual environment and global community
- Will not be restricted by domestic boundaries
- Have little perspective of how business was done and don’t know why they need to understand
- Crossing a threshold may not be necessary to make a decision since property portals will include all decision points
- Gamer Generation will expect to be a fully integrated involved partner
- Research and learn on internet heavily
- Don’t know what they don’t know - due to lack of experience but are ready to learn
- E-Transaction will be the new normal
- Sets the stage for NextGen

1980-2000
22% of adult population
• https://www.youtube.com/watch?v=OptqxagZDfM
• Day made of glass1
• https://www.youtube.com/watch?v=SJZv8sIlZpc
• Day made of glass 2

Microsoft Vision 2019
http://www.youtube.com/watch?v=XiqqmAYrd3c–
Imagine ...

UNRESTRICTED INFORMATION

25 Futuristic Technologies You May Live to See

https://www.youtube.com/watch?v=dtbebPcWhe4
NextGen Consumers of the Future

- No land-lines
- Cell phone is complete mini PC
- Interactive TV with on-demand viewing of any programming
- Globally interactive e-community
- Universal e-banking/shopping
- Telecommuting reduces need to move
- Money thru inheritance provides global freedom
- Drive-thru service expectations of everything
Buying and Selling Process

- Global “MLS” of all property
- VReality tours
- License portability
- Contractual rep and buyer Registry removes need for MLS coop compensation
- eBay-like transactions with on-line bidding
- Full e-transaction with digital signatures, editable PDFs;
- Live video-conferencing closings
Venues that will be incorporated into learning now and later

- Live video-conferencing training
- Trainer and students together and/or separate
- Virtual school environment
- Game based learning
- Simulation Training
- Holographic imaging for situational and experiential learning
All Property.com

- Database of all property that exists w/full public records
- Some is for sale by Realtors®, some are FSBOs and some is not for sale at all
- Portals for Consumers and Professionals
- Available in any language

Select Language and Proceed
• Any State, Anytown USA
  – 1 Main Street – one family
  – 2 Main Street – two family
  – 3 Main Street
  – 4 Main Street - lot
  – 5 Main Street – commercial property
  – ……
  – **1001 Main Street** – Commercial - click here for details

– **RED** = Realtor® Listed
– **Green** = For Sale by Owner
– **Black** = Not currently for sale
Changing Business Dynamics

Seniors-Boomers

- Volunteerism ingrained
- Tech Immigrants
- Tactile – High Touch
- Land lines, snail mail, newspaper, personal
- Professional controlled info
- MLS limited to sales area
- General business practitioners
- Manual transfer of paper, crossing the threshold, live closings
- Sub-agency reliance on co-broke fee

Gen X & Y

- Participate if asked
- Tech Natives
- Comfortable in virtual environment
- Email, text, social media, video
- Consumer has access to info
- MLS beyond sales area
- Business specialty focus
- Global transactions
- E-transaction, less desire to cross threshold, virtual closings
- Web and virtual formats key
- Contractual rep yields compensation thru proceeds
D.A.N.G.E.R. Report

definitive analysis of negative game changers emerging in real estate

an official extract and presentation from the DANGER Report

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- Strategic Thinking Advisory Committee Members
- REALTOR® Survey Results

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THE DANGER CHECKLIST ORDERED BY DANGER INDEX

DATA CLASSIFICATION
In order to best evaluate and present each danger, an index was created based on the probability (P) of each danger occurring, the future timing (T) of the potential danger, and the possible impact (I) of each danger. The combined scoring of these factors results in the PTI Index. The index is not scientific but rather a combined and weighted representation of the research, surveys, and interviews that enable the dangers to be placed in order of significance as to the level of danger they present.

INDEX
In evaluating each danger, the overall result is presented in the PTI index (Probability, Timing and Impact), which ranks the danger in order to provide a level of comparison between the five sections of the report. The Danger Index represents a composite, overall score.

<table>
<thead>
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<th>#</th>
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<td>5.0</td>
<td>100% Chance</td>
<td>1 Year</td>
<td>Game Changer</td>
<td>81-100 Critical</td>
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<td>4.0</td>
<td>80% Chance</td>
<td>1 - 3 Years</td>
<td>Major Impact</td>
<td>61-80 Severe</td>
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<td>3.0</td>
<td>60% Chance</td>
<td>3 - 5 Years</td>
<td>Moderate Impact</td>
<td>41-60 High</td>
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<tr>
<td>2.0</td>
<td>40% Chance</td>
<td>5 - 10 Years</td>
<td>Some Impact</td>
<td>21-40 Moderate</td>
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<td>1.0</td>
<td>20% Chance</td>
<td>10+ Years</td>
<td>No Impact</td>
<td>0-20 Low</td>
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<table>
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<td>Masses of Marginal Agents Destroy Reputation</td>
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<td>Regulatory Tsunami Hits</td>
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<td>The Three-Tier Structure Liability</td>
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<td>Too Many Uninformed Decisions Are Taken</td>
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Skill Training is Essential for Your Survival

And MORE

ABR
RSPS
SRES
RENE
CIPS
SFR
green
Graduate REALTOR® Institute
C-RETS
CRB
e-PRO®
REALTOR® Auction
CCIM
REALTOR®
LAND INSTITUTE
SRS
Performance Management Network

Certified REAL ESTATE TEAM SPECIALIST
Certified REAL ESTATE SPECIALIST
1. Recruiting for Success
2. Creating a Profitable RE Company
3. Show Me the Money – Compensation Planning
4. The Firm Rules – Company Policies to Mitigate Risk
5. Managing a Multi-Generational Business
6. Performance Leadership – Coach, Manage & Mentor
7. HR Solutions for Today’s Real Estate Company
8. Exit Strategies for Real Estate Brokerage Owners
9. Business Planning

3 Courses Required – All Worth Taking
2 day Core Course Required
• Understanding and Leveraging Teams

Select Two 1 Day Electives:
• HR Solutions for Teams
• Team Leadership
• Team Collaboration Tech Tools
• Position Your Business for Profit
✓ Strategic Planning and Leadership Training
✓ Meetings in a Box – Live Virtual Training
✓ Designation Course Training
  ✓ ABR – Accredited Buyer Representative
  ✓ SRS – Seller Representative Specialist
  ✓ RENE – Real Estate Negotiation Expert
  ✓ CRETS – Certified Real Estate Team Specialist
  ✓ CRB – Business Management Courses
✓ GRI, CE and Conventions & Ed Fairs
✓ Course Development
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