

Print Giving Way to the Web in South African Real Estate

Print is steadily losing ground as the Internet becomes the number one advertising medium for estate agents, a new survey shows.

The results of the just-released poll show that local or community newspapers are now the only print options that command more support than the Internet, with 54% of agents regularly placing adverts in these papers while 47% make use of online property portals to showcase their stock.

What is more, 74 percent of agents now also regard their company websites as important advertising channels.

By contrast, only 34% of agents advertise in the property magazines that are distributed for free, and only 29% support the weekly property supplements to major newspapers. Even fewer make use of glossy property magazines (15%) and just a handful (3%) ever advertise on TV.

"To a large extent, this sharp shift towards online advertising is a result of the property market downturn," says Dr Willie Marais, national president of the Institute of Estate Agents (IEASA). "With sales and income way down, agents and agencies have been forced to cut costs wherever possible, and print advertising has always been one of the biggest items of expenditure for most real estate companies.

"Consequently, they have turned more and more to Internet advertising, which is relatively low-cost and sometimes even free, and has several other advantages too, including global reach and a much longer 'shelf-life' for each ad, which can remain on view as long as a property remains unsold."

Agents have also discovered the joys of interactivity, he says, with most property portals offering a 'matching' service that immediately advises potential buyers of new listings that match their home search criteria, as well as the facility for those who are interested in a particular listing to instantly contact the agent via email or SMS.

"And then there is the greater manageability of online listings, with agents being able to instantly upload a new photo, for example, or to change price and other details that may make the property more attractive to potential buyers."

Indeed it is not surprising, Marais says, that many agencies have in recent years actually diverted resources from print advertising to developing, fine-tuning and promoting their own websites to local and global audiences.

The 2009 real estate survey, conducted by an independent researcher with the backing of IEASA and Property24 as well as the Estate Agency Affairs Board, is the second such poll ever conducted in the SA real estate industry, the first having been done in 2004 – when only 62% of agents were using the Internet to advertise.

Besides advertising preferences, the research probed a wide range of characteristics of agents and agencies, including demographics, business activities and compensation structures. It was distributed to 42 000 agents registered with the EAAB and although participation was entirely voluntary, it drew a strong response.