

DIGITAL MARKETING AND ITS IMPACT ON REAL ESTATE

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Abstract

Digital marketing provides a unique platform of electronic communication that allows marketers to interact instantly with consumers for the purpose of goods and services endorsement. Undoubtedly, digital marketing and e-commerce is a bonus to real estate industry as it has significantly changed the traditional transaction methods. But at the same time, just like every coin has two sides, e-commerce along with digital marketing is negatively impacting the role of intermediators and agents in real estate and is intensely changing the existing practices. Therefore, upcoming trend of real estate industry is heading towards new opportunities and challenges at the same time. Moreover, due constantly increasing popularity of online marketing because of its easy accessibility, established firms also face competition resulting in highly impressive services to the customers by sellers. In addition, introduction of new communication means for publishing information such as world-wide web (www) has completely transformed the trade. Utilising smart devices and social media are further accelerating the success rate considering and meeting the consumer requirements on the priority basis. Various studies have also been done to find out the clear pictures from market to about convenience and usage of digital marketing. Although digital marketing is considerably enlarged from past few decades but its actual foundation to get fruitful outcome is also directly related to interactive nature of its service providers. In economy, the real estate is ranked as one of the most highly information technology (IT) intensive sector by the Department of Commerce ^[1]. Also, the modern advancements in technology have changed the administrative structure of companies and distribution networks of industries.

Keywords: Digital Marketing, Online Property, Real Estate, E- Commerce, Information Technology, Online transaction

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Introduction

Digital marketing is also denoted as web marketing, internet marketing and online marketing & it is successfully setting new benchmarks across the globe. Displaying items/products online and other services by various digital mean/sources has become a common practice among sellers and customers, thus it is incorporated into market plans for future strategies. Since e-commerce offers a potential setup to study e-commerce due to its information-driven and information-intensive nature which is also experiencing ongoing IT related changes^[2]. E-commerce applications have the ability to meticulously change the current practices in the real-estate industry. Technological inventions have altered all aspects of real estate series, beginning from design and construction via marketing till their sales. Improved information processing system and financial organisations lending loans to developers and home purchasers further lifts the real estate market^[3]. Industry has shown a mixed reaction about the emergence of e-commerce in real estate. But no matter the response, e-commerce has already made its way into the real estate trade that reformed the terrain forever. As per the estimations, increased internet usage among consumers would ultimately increase the rate of sale-by-owner^[4]. On the other hand, a decrease in employment and revenue level of professionals was expected. To get the desired outcome, real estate can also be coupled with some traditional aspects like networking and factual information. Innovative e-commerce era permits the entry of new comers in already competitive marketplace which results in more choices available to the customers^[5]. Further, e-commerce requires real estate experts to think out of the box, so that more clients can be attracted. Modern industry is heading towards the addition of digital signature, where more online transactions can occur, which on acceptance, will create a room for long distance transactions to be completed within industry.

Digital Marketing and Real Estate

Growth of e-commerce and digital marketing has fascinated the public interest. Online marketing being a universal network on public platform is skilfully managing the connectivity hitches between the potential trading associates. The internet has also created a platform for online auctions^[4]. Several websites to support the sale-procedure in real estate and ultimately, various sites supporting the online transactions are also created. This allows sellers to directly reach the customers without any agent or other intermediary. Today, websites are used to search suitable

properties and houses. Thus, representing sellers are now efficiently using the internet for sales and are circumventing the Multiple Listing System (MLS) which is a platform for disseminating the information with other brokers to enable more reviews of assets. So, traders find it more expedient and less expensive to list their properties for sales through internet instead of selling with the help of brokers where they had to pay them also. But online websites permit them either free of cost usage or they pay for advertising only which costs very less. It clearly indicates that online websites are evading the traditional trading methods where agents and brokers had an important role to play. Now, properties and other goods are listed online to reach the potential buyers. It involves the following steps which support the transactions at different stages^[6]:

Listing

- Houses are listed on websites
- Allows direct reach to customer
- No need to pay the real estate agents
- Very less amount is required to display assets online

Searching

- Sellers can directly search the houses in MLS listings: Its potential can be understood seeing

the support to these websites by National Association of Realtors (NAR), which sponsors many of them and helps in easy access to 1.2 million houses (listed in different MLSs) with good searching and mapping tools.

Evaluation

- Some of the websites offer virtual tours to properties and houses, giving the idea about how they look.

Above mentioned feature of virtual-walk eliminates the role of agents because neighbourhood and all other details are explained in an organised way using panoramic images.

Negotiation

- For closing details of purchase, websites are synchronised with other service providers which add value to their clients and trades.
- Building inspectors, loan officers, advocates, and evaluators help to assist transactions. Offering such services to buyers provides the one-stop shopping with full service centre.

Closing Transaction

Currently the legal system is also facing difficulty in the electronic transaction closing. the second obstacle to the online transaction are the lack of guidelines and the norms which are not sufficient in the current market for the proper closing of the transaction as there are so many non-banking services available in the market and non-banking landers also decide to close transaction themselves, so this is also the challenge for the banking sector in filling the gap of such closed transaction.

Digital Marketing Trends and Customer Opinion

In this area of new technological environment, customers are at the top-most priority for every company and lots of customers are finding the way on Internet to save their time and retrieve updated information regarding the goods and services of their interest and trust. Customer is intelligent, smart enough and know how to visit company's website, examine the difference in cost of products and services and to purchase them online with lots of benefits taking into consideration various features such as money-back guarantee and easy replacement and return. Customer have variety of options today for comparing and choosing the competent products available with various vendors/sellers and reviews available by the public who had already used that particular product or service. Digital marketing allows 24 x 7 services to make transactions for the customers and there is a considerable amount of transparency on Web.Internet marketing and e-commerce have the greatest future in the present market scenario and consumers are also satisfied purchasing products online due to its variety of advantages and most of them also find it is the safest mode of transactions. The ratio of male customers is very high in online shopping which is about 70% where the income of 49% of such consumer space lies from 10000- 20000 INR. Apart from that various organisations are also buying more than others through online shopping and is contributing about 50% of the online shopping^[7]. Few of the customers find that

online shopping incorporates a simple procedure for purchasing an item and is having a broader variety of products to choose with many other features like price, vender, popularity, brand and reviews. As every coin is having two sides, there are customers whodo not prefer online transactions, products or services because of the security concerns those are incorporated with these systems.

Challenges Encountered

The rise of e-commerce poses many challenges to physical retailers. Internet driven economy is causing new threats and opportunities to the various sectors at the same time. Presently, many obstacles are emerging on the way of e-commerce and digital marketing in real estate. Firstly, legal system and lack of regulations generate interruption in final closing of online transactions. Secondly, increased competency among companies and elimination of agents& brokers is also challenging the industry as the firms have to put extra efforts to make their products, retailer services more attractive to the consumers with limited manpower. Many e-commerce websites enter daily into the business markets but unfortunately, less than 10 percent of them survive after an year^[8]. The other bigger challenge is ensuring the customer about transparency, privacy, reality of services and secure online transactions. Real estate companies find it difficult to incorporate technological changes in e-business because industry demands are swiftly changing every day. Additionally, minimal cost web-services can also be a problem for real estate consultants as it results in increased competency to survive in the era of online marketing coupled with e-commerce. Although real estate firms are trying their best to produce virtual tours but a gap between virtual and real parameters still exist^[9]. Immature areas of certain e-commerce applications in real estate still require strengthening and shifting from infancy to mature and experienced marketplace which may require further expertise assistance.

Future Aspects

The future of e-commerce in the real estate is auspicious. Technology has expanded the horizons of industry taking it to the new levels. Nearest future implications still have a scope of improvement in terms of efficiency and competency-ability. Online transactions with digital signature will be increased considerably. Technological innovations will scratch down the geographical barriers allowing more long-distance transactions ^[4]. Thus, a management system

for online transactions is expected to be highly sophisticated and intelligent. On considering the management aspect, better access to data will be possible due to multiple databases and analytical tools. Electronic commerce model of Property Management Areas embracing the idea to develop “digital cities” for planning the development of many cities. Therefore e-property management system can potentially replace the traditional ways of property management ^[9]. Customer Relationship Management System (CRM) will make it available to track ever customer’s deal and complete process of service. The tremendous combination of real estate with e-commerce and digital marketing will create miracle in modern urban development approaches.

Conclusion

Digital revolution has significantly impacted the real estate by reducing the gap between retailers and sellers. It is necessary for corporates to ensure their valuable position in industry via responding to the new advancements promptly and accordingly making the future strategies. Government should also support the real estate market in organisation, co-ordination and all concerned aspects primarily consisting of property management. Meanwhile, real estate entrepreneurs should be encouraged to actively participate in grasping new opportunities so that all over growth becomes easily achievable. Although current trends are indicating declined involvement of brokers, but it can be successfully established by increasing transparency and reducing security related risks. Industry can be more benefitted. The real estate industry in India is matured enough and as per digital marketing performances incorporating user friendly software and the phenomenal increase in the number of hits (almost 300%) from digital marketing of the real estate platforms. Undoubtedly, digitalization basically makes the real estate and is impacting the buyers by exposing them to more choices than ever before. As web marketing plays a crucial role and is becoming an inseparable part of every industry and business, therefore, it is the time to evolve the real estate digital marketing strategy which should be handled explicitly. Digital marketing for real estate statistics clearly depicts how online marketing is influencing real estate industry as 80% of all home buyers are searching online, 83% of home buyers show their interest in watching property related videos and pictures, 52% of the prospects use smartphones and 49% of the leads come through referrals, social media is used by 91% of retailers and finally, 33% of the buyers buying for the first time are researching online^[10].

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