

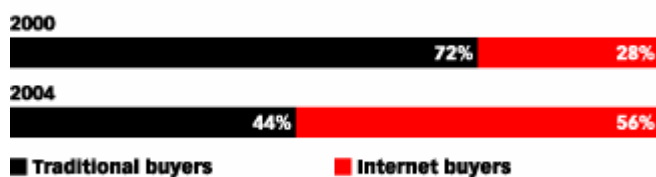
# Internet Home Buyers Changing the House Rules

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As it has with so many other industries, the Internet is having a big impact on the real estate market, particularly how prospective home buyers go about their search, according to the California Association of Realtors (CAR).

In the past four years, the number of home buyers using the Internet to aid their search has increased markedly. In 2000, only 28% of buyers incorporated the Web into their home buying process, whereas a current 56% of home buyers go online, meaning over one-half of home buyers can be classified as "Internet buyers."

## Traditional vs. Internet Home Buyers in the US, 2000 & 2004



Source: California Association of REALTORS (CAR), June 2004

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The CAR found some major differences in the home buying patterns of traditional buyers versus those of Internet buyers. In general, Internet buyers spend more time conducting research before contacting a realtor, but spend less time with the realtor. Internet buyers see the realtor as more of a partner in finding a home, rather than traditional buyers' view of a realtor as a guide to the world of home buying.

On average, Internet buyers spend 5.9 weeks considering the purchase of a home, and 4.8 weeks investigating homes and neighborhoods before contacting a realtor. Traditional buyers only spend 2.1 and 1.6 weeks on these respective activities before making such a contact. After they begin working with a realtor, Internet buyers average just 1.9 weeks looking for a home, as opposed to the 7.1 weeks the traditional buyer averages. During this search, the average Internet buyer will only look at about 6 homes, while the traditional buyer will look at over 15.

## Home Buying Activities of Traditional vs. Internet Home Buyers in the US, 2004

	Traditional buyers	Internet buyers
Weeks spent considering the purchase of a home prior to contacting a realtor	2.1	5.9
Weeks spent investigating homes and neighborhoods prior to contacting a realtor	1.6	4.8
Weeks spent looking for a home once they began working with a realtor	7.1	1.9
Number of homes visited once working with a realtor	15.4	6.1

Source: California Association of REALTORS (CAR), June 2004

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Internet buyers tend to be better informed on market conditions, and better prepared to act on a home they want when they start working with a realtor. Luckily for realtors, these changes don't necessarily hurt, as long as they are able to adjust to the new relationship, and as long as they realize that the new-style buyers value speed and efficiency over guidance when finding a home. As long as the end result -- a sale that includes a realtor -- is the same, the Internet helps both parties reach their goals.