NAR S2E8 Final Transcript

***Intro****: You're listening to Drive with NAR, the REALTOR® to REALTOR® series powered by REALTOR® Magazine. Listen as real estate pros talk tools of the trade and share stories of inspiration. Get ready to step up your business. This episode is sponsored by Buffini and Company.*

**Marki**: What's going on world? This is your girl Marki Lemons-Ryhal, your podcast host of “Drive With NAR,” the REALTOR® to REALTOR® series. And today we're talking about something that is near and dear to my heart. I love technology. I love everything technology. And even though I'm a middle-aged woman, I will tell you that technology has changed my life. As a member of the National Association of REALTORS®, we have resources like the Innovation Opportunity and Investment Summit, also called IOI Summit, which brings together REALTORS®, technology developers and investors to talk about next generation tech for real estate. The conference is being held in Miami, Florida, on August the 29th and 30th. But what role do real estate pros have in the development of real estate technology? If new innovations are going to serve the market well, shouldn't people who work in real estate have a seat at the table? You can be the conduit between your clients and prop tech companies helping innovators get a view of how their products are working on the ground for consumers. I'm elated to be able to introduce to you today to guest Jesse Garcia, a California real estate broker and founder of Zippy, a back office and accounting platform for brokerages, and Julie Whitesell of Maybaum Real Estate in Aiken, South Carolina. What's going on everybody?

**Julie**: Hey, Marki.

**Jesse**: Good to see you, Marki.

**Marki**: Jesse, could you please speak to the perspective of technology developers? And how did you receive feedback from real estate professionals that helped you develop your product Zippy, which is a back office solution.

**Jesse**: As a tech founder, you can only guess what someone is going to use and how they're going to use it. And me even being from the industry for 16 plus years, I still don't know everything and how everything is being used. And I think that tech companies need to provide a more open way to engage with them and provide more transparent feedback as to not only here's what's great, here's what's not, but what is the desired outcome you want from this particular feature or from this tool? And so I think that tech providers need to be more specific in what they're asking for. Right? Oh, do you like this? Do you not like it? No, what exactly are you trying to do with this? What is the process? And my CTO, my developers hated me because I'm like, I don't like clicks, I don't want something to take five clicks if two will do. And so I always try to shave down clicks, and simplify and streamline. And so I think that going from the real estate side of things, the more you can streamline and make it simple is going to work better.

**Marki**: Jesse, I love the idea of saving clicks, it's actually aggravating to have to continue to click and click and click. Shaving down clicks saves us time. Now you had a chance to join the pitch battle at the IOI summit in 2021. To compete against 11 other startups for funding and support from NAR. How did that experience impact the direction of your companies?

**Jesse**: The pitch battle was a great experience because in that process what it forced me to do was take and be able to explain a massive financial operating system, which Zippy was for real estate brokerages, and boil that into a minute and a half to a two-minute pitch and be able to explain everything that it can do. Or at least give the audience an idea of wow, I want to know more about this in such a short period of time. So it really forced me to focus on key takeaways that they're going to go OK, this made me think, or this will help my bottom line. This will help me streamline a process and really boiled down to, you know, one of my favorite quotes is if you can't explain it to a 6-year-old, you don't understand it yourself. And it forced me to do that.

**Marki**: Now, Julie, I'm pretty excited because I get to hang out with you in Miami. Can you discuss what's motivating you to make your first trip to the IOI summit this year?

**Julie**: Yeah, absolutely. I'm really looking forward to that. I get to hear people like Jesse pitch some exciting ideas that might help our business be better. I am currently the vice chair of the Emerging Business and Technology Forum. So if I'm going to be a part of something I want to go all in. And I feel like this is the ideal place to go to be able to do that, to find out where the best of the best are to learn the great ideas. And then for me, personally, in my real estate community, I'm the broker in charge of a company that actually is in places other than Aiken, Aiken Augusta and North Augusta. But we have agents that want to be better. And so to be able to learn about what's out there, maybe alleviate some pain points that they have to help them to be better at what they do is what I'm looking forward to in August.

**Marki**: How do you know, Jessie, when a piece of technology is worth adapting in your business?

**Jesse**: Oh, I love that question. And when I look at technology, for me bottom line, it has to leverage my time, it has to allow me to do more of what I do best. And that's building the business, right? That is building relationships. And when I look at technology, it doesn't have to be perfect. But it has to take something off my plate and leverage my time, leverage a process. And a lot of the things are social proof, who do I know that's doing business at or above my level that's using this piece of technology and using it effectively? And because there's so many other technologies out there that people are using. And you know, do you get a really good gauge as to is it working for you? So I like to compare apples to apples, I'm not going to compare what my business is doing to somebody else's business if we're complete opposites. And then I look at OK, how easy and simple it is to integrate and implement, and be able to streamline and simplify a process. And then my time, is it taking something off my plate or one of my teams’ plate that is going to bring their focus back to their number one priority. And so those are things that I look at when I'm going to adopt technology. And then you look at obviously cost and then the ROI that that is going to bring to the business as well.

**Marki**: Is there a formula that you use when you decide to invest in a new tool? How do you assess your ROI?

**Jesse**: Honestly, a lot of that can be the social proof, I go back to other people that are using that technology at a very high level. And you know, I don't go to a particular business that's been using it for a week or a month or two months, I like to go and do some more research on how long have you been using this? How are you implementing it? And when you ask those questions, you really understand how open our industry is to sharing once you ask the right people the right questions, and they'll share that information with you. And I think it's important that our industry stays that way. Because I think there is a lot in that collaboration to help evolve technology when you're sharing stuff like that. So we can help those developers and technology firms make that technology better.

**Julie**: I think that's a great thing about our business, we cooperate with our competition, but there's plenty of business to go around. And it's, you know, it's all about connecting people and building relationships. And if technology can enhance that, that's a great thing.

**Jesse**: And I think we talked about this before, Julie, is what's really important about technology, especially in our industry, is the technology has to enhance our relationship with our clients and not replace our relationship with our clients. And I think that there's so many in this industry, that are looking at technology to do a lot of the heavy lifting, and almost replace them in that relationship equation. And we have to look at it as no, it's here to enhance and support the building and maintenance of a relationship, not replace us in that equation.

**Marki**: Julie, can you discuss your strengths and relationship management of the transaction and how you use technology to fill in the gaps elsewhere? I loved what you just said it's the doing of it. I think that would be a perfect t shirt phrase. Not talking about it but the doing of it.

**Julie**: Yes, that's right, get out and do it. At the end of the day, technology is wonderful. And as you said, Jesse, it's to enhance what we're doing. We have a pain point we want to alleviate it. I think about agents that I work with when they're trying to figure out how to get to the next level or do the next thing. And you just have to think about what your strengths are. Right? Mine happens to be understanding people and reading them well. And encouraging them to see something they may not see in themselves that I see. And so asking them or pointing out to them what their strength is. And then those things they aren't good at doing. Let somebody else do it. And in this case, a lot of times technology can do that thing for them. Jesse, the last time we were talking about I always think about going to the grocery store and you go through the checkout the self-checkout, you want to rush through and get through the self-checkout. And more often than not, something doesn't work, and we need the person at the grocery store to come help us. People will not be replaced. We need each other.

**Marki**: Sit tight, and we will be right back after a word from our sponsor.

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**Marki**: When I think about my unique selling proposition coming from the south side of the city of Chicago, I tell everyone, it's my ability to create live video that is search engine optimized in the community. And oftentimes companies, they don't have the ad spend to implement that. And so it's one of the reasons that I consistently create videos no matter how I feel, no matter how I sound, no matter whether I'm having a good hair day or not. Because it's the one thing that my competitors aren't committed to doing. So finding that unique, you know, advantage and just leveraging it, but being consistent with it. And sometimes being consistent is hard. I want to know, when do you know when to cut a piece of technology?

**Jesse**: One, it's either not working just in general, because the technology is inferior to another technology that can do the job better. It's usually getting replaced by another technology, it's very rare that a technology is going to get completely cut, because it's there to solve a pain point. But like Julie said, and we're not replacing the technology, a lot of the time that technology is being replaced. But again, it goes back to the ROI, is this saving or providing it to the bottom line? Or is it saving or improving our time management? And those are the two things I look at: bottom line and time. And if it's affecting negatively or positively affecting, those are things that you have to assess on a consistent basis when you're running a real estate business.

**Julie**: I think about all the times when my iPhone is full, I will look at it and realize that I haven't opened up an app in six months or a year, it's time to let it go. Think about the things that you consistently use every day. And if you aren't using them, then you get them out of your mind. It's like when I used to work with buyers, and I would take them to a home. And we'd look at one. And then we go to the next house. And I'd say OK, how do you like this house compared to the last one. And if they say, you know, I don't even like the last one anymore, I love this one, I'll say well throw away that piece of paper, get it out of your mind. You know, if you aren't looking at it pretty consistently, that was a keyword to us earlier, if you aren't looking at it consistently or logging in, you don't need it. Or maybe you need to rethink what you're doing and you do need it.

**Marki**: You know what? I don't think that I've deleted a piece of technology. I no longer have bus benches. I no longer have billboards, because people don't look up, they look down to the palm of their hand while they're driving, right. And then when I think about the technology, what will happen is somebody will develop something that's more innovative, but I'm still going to have a customer relationship management system. I'm still going to have a website. When I did upgrade a system, it was an all-in-one system or there was something new with another two like I have, I think three repurpose tools right now, I will eliminate one. But I'm testing them out to see which one will work most effectively for me. And that's generally going to be the one that I use consistently. What's the biggest disconnect between the real estate industry and the technology community? Julie?

**Julie**: People maybe not talking to each other and thinking they need each other. Right? Jesse mentioned that earlier asking questions. We need to ask questions of each other. We need to not be afraid of each other and realize that if we understand each other and work together, we can really enhance the industry and enhance the experience for the consumers, which is who we're here working for. You think about the MLS. I mean the MLS is a technology that has completely transformed our business and it's an incredible, incredible resource and tool which, fortunately, we all take advantage of. But I mean that that one piece right there, the MLS is just, it transformed the way we do business. And it's only made it better. How do we bridge that gap? We just need to keep going places like the IOI Summit, right? Going and meeting these people that are interested in doing that. Speak to them, get involved. Look up the information, read it, share it, get people like you, Marki, to come and Jesse to come show our agents what works, what doesn't work, get the people that are in the local associations, who are typically with the majority of the agents, let the technology go to them, let them preview things, let them understand it, maybe we could work together to try out a product for you and give you the what works and what doesn't work for those in the development in the technology. Again, just not being afraid of each other and talking. What do you think, Jesse?

**Jesse**: I agree. And I think a big disconnect is and I can use my own experience with this is I wasn't a tech guy. I was I'm not a developer, I can't write code. And but I know real estate. And I know that there was pain points and problems to solve. And I think one of the biggest disconnects are I've seen such great technology out there in our industry, but it's not easy to use. The disconnect is that you have the sales business relationship side, then you have the developer binary side. And those two things have to come together to build something that works. And so I think that when you go to do events like IOI, and you can bring those two worlds together. And some of the most successful real estate, prop tech FinTech companies in our industry, a lot of people in the executive team came from real estate, and then they came from technology. Never is it one sided very rarely, with companies that I noticed that are very successful, it's usually you have people from both sides of that spectrum that are bringing value to the table. And then you get an amazing piece of technology out, then it improves with people's feedback.

**Marki**: I know when I was in Canada, there was one company that I gravitated toward, and I've had the opportunity to interview them. And it was because their tool was a natural fit for our industry. And I was like, oh my goodness, this is going to save me so much time. But more importantly, if I implement this, tool, there were so many new campaigns that I could come back and do as a result of having this technology. So it needs to be common sense, we don't want to take a day to try to learn that tool, intuitive is the word that I'm looking for, in our business. Where is technology failing the real estate industry?

**Julie**: I think where tech is failing the industry is a lot to do with the, and we all know this, with a real estate transaction. There are a lot of cooks in the kitchen. And there are a lot of processes and a lot of different technologies that can do A, B and C, then another one to do D, E and F, then another one that can just do G and E. So there's so many pieces of technology out there that it's very hard to integrate them all to where even an individual agent who may not have gone to college for engineering or technology and know-how to integrate all these pieces of technology to benefit their business. There's a lot. And I think that with there being a massive buffet of technology available to everyone, you almost get overwhelmed with how much technology there is with very little guidance on how to actually make them all work together. And that's the SC real estate industry. And that's the technology companies, because there's so much control or at least the desire to control the data. And I think that if technology really wanted to benefit and move this industry forward, you need different technologies for the real estate transaction, you need separate technology for the mortgage side, for the title side. There's nobody really playing nice in the sandbox to really bring all of that together to make it easy. Not for the agents, not for the brokers, but for the consumers.

**Marki**: Well, one thing I wrote down is it's not about you. And oftentimes when I'm talking to tech developers, they get caught up into thinking that it's all about their technology. It's actually all about the consumer. And they forget that there's an agent who needs to use the technology and the consumer who needs to benefit from the technology. It's not about us either, as REALTORS®, it's always about the client. At the moment that we start thinking it's all about us, then we lose sight and the goal of real estate is to sell houses and to win raving fans because we solve their housing problem. And if we lose sight of that, then the technology really doesn't matter. Because they're not going to do business with us again.

**Jesse**: When you take away real estate teams and brokers and you look at just an individual agent, the amount of responsibility that is on each one of them, is they have to be good at building relationships and lead generating and marketing, then they also have to learn social media and video and PPC, oh, they also have to be able to manage a database, learn technology, and handle maybe leading a team, hiring people, retaining people, adding value, then they also have to learn about finances, being able to be able to create a P&L or how to hire a bookkeeper. Like there's so much that goes into running a business that, you know, when you look at the technology and the real estate industry, and how much is how much responsibility is on one person to be able to go do that. When I think about technology, like there's so much opportunity for these developers and these innovators to not just look at one small piece of the equation, because a lot of technology is how do I solve this one problem. And then you have to try to duct tape all these solutions together the solve 1234567 problems. There's so much opportunity that to figure out how to again, and I say this all the time, how to simplify and streamline the process, not solve a problem? How do you simplify and streamline the process? And I think that it will happen, I know someone's out there that will be able to do it.

**Marki**: So has anyone seen the survey in which 42% of CEOs say artificial intelligence could destroy humanity in five to 10 years? And I'm going to say why I'm laughing. Most companies don't have a chief artificial intelligence officer. And the CEO really doesn't know about artificial intelligence. I'm just going to leave that part alone. OK, but I still need to ask the question. Does that mean that we, as real estate professionals are done? And I'm going to say, absolutely not. But I want to know what your opinion is.

**Julie**: I say no, we need each other. When people are online all day long looking for homes. Right? And just like when you look for a car, you, you build that car online, you've gone online for four or five months and put every single extra thing in this car that you want. And then you realize the price and you start taking it away. But eventually you go on the lot, right? People are looking online, to search for homes. But when they finally are ready for door to be opened, and they're ready to find one, they call us. We need each other. I just don't see tech replacing us.

**Jesse**: Yeah, I mean, artificial intelligence, and from what I've been able to kind of play around with. It's scary, you know, because there's so much that it can do that. I'm not quite sure we're ready for what it can actually do. Do I think it will replace the profession? No, I do think that there's a human component that's still necessary. Do I think that again, going back to my earlier statement with technology is something that should enhance and support what you're doing? It is something that you can leverage, but even at that point, I think I was joking with Julie earlier as I'll go into like a Chat GPT and throw in an email because I'm like, OK, this just sounds dumb. I'm going to have Chat GPT clean this up for me. I'll throw it in there. It'll spit something out. I'm like, well, that just sounds too smart. That doesn't sound anything like me. So I'm not going to use that, you know. So it's a double-edged sword on how much you want to embrace and use AI. I do think that's a valuable, it's a valuable tool. I don't think it'll replace real estate professionals. But I do think it's something that you can use to your benefit, if used correctly and intentionally.

**Marki**: I have a quote and it is: “I do not believe that artificial intelligence will replace an agent. But I do believe that an agent leveraging artificial intelligence can replace one not leveraging it,” but I want to change and modify that. I believe that an agent leveraging artificial intelligence can earn a higher return on time, and a higher return on time invested. And with that being said, when we start thinking about looking at our numbers, right, it's about being efficient. And those that are leveraging these tools, they can become more efficient, but those who have leveraged just regular technology in the past are more efficient. I think we have come to a time that we can no longer rest on what we used to do, right? Because most of us don't have the financial ability to be able to retire. My goal is to retire, and technology is going to empower my retirement.

**Julie**: Well on what you said early, Marki, was with your videos, and being able to leverage that what you said was consistent, and you do it consistently. And I think no matter what technology or anything you're doing this business is you can take market share from your competitors, no matter what you're doing as long as you do it consistently with the consumer in mind with their best interest in mind period. And so you know, I love when you said that, because anything that like we all hear this, what's the best CRM to use? What's the best CRM to use? And always a response is: the one you use consistently, just use it. Right?

**Marki**: I love it. I love it. I love it. I love it. Well, I know that we will be in Miami August the 29th through the 30th attending the IOI summit, where we are going to network clearly and we are going to have great takeaways that we're going to implement into our real estate businesses. We want everyone to start leveraging technology as we know that technology isn't going to go anywhere and we want to thank everyone for tuning in today. That's a wrap.

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