

Understanding the Female Consumer

If you're anticipating a female consumer in your future, you better be waiting with the right attitude.

BY JEREMY CONAWAY

The primary focus of most of the industry's current literature seems to be divided between the high profile subjects of Internet strategies and informational technologies. However, brokers would benefit from looking beyond the glitter and romance of these matters into a number of business trends that some experts suggest will have much more significant short and mid-term impacts.

Without question, the recent non-profit consortium formed by IBM, Oracle and a number of other tech companies represents the most important of these trends. Called the "Service Research and Innovation Initiative," the new organization is totally dedicated to bringing a new level of innovation and creativity to online service. There should be little doubt that the work of this project will heavily impact the growing Internet-based real estate sector.

Traditional real estate service providers have long represented themselves as the ultimate providers of great service during the consumer's real estate search, sale and transaction. The fact is, however, that during the period of 2003 - 2005, the golden years of the last real estate boom, service for many real estate service providers became a relative concept. In many cases, the level of service was set more by the time available than

by the needs of the customer and consumer. Given the high levels of activity experienced by many agents, the exclusive determinant of quality during that period, service levels may have gotten just a bit skinny.

In any event, it is now clear that the customer's definition of extraordinary service will be among the battles that will be fought when the great market returns. Each brokerage will have to decide how to meet this challenge.

The initial management point of decision will be whether to (1) attempt to train agents to adopt their own standards of service or (2) adopt a firm-wide standard that becomes part of both the brand and the corporate culture. These two options may also raise the question of whether service will be mandatory or optional. Experience has probably taught the industry that optional service standards equate to no service standards, at least when the market is strong.

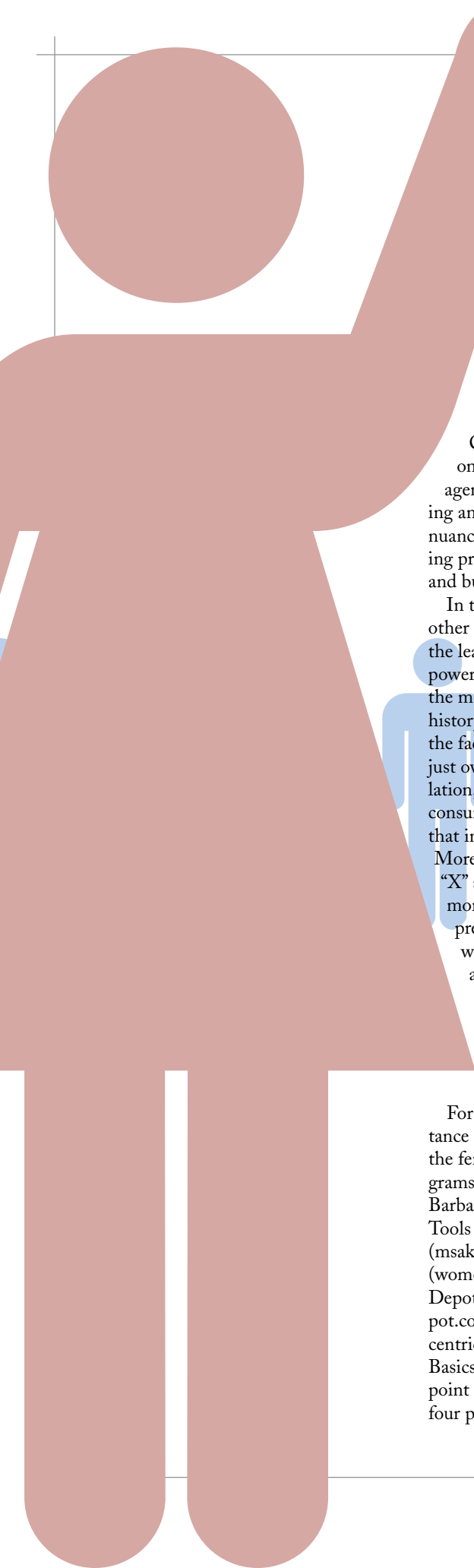
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The focus of mandatory service initiatives will not be "one size fits all," but rather on specific demographic specialties. As the power of the consumer has grown over the past five years, so has their power to demand that they be treated in a unique manner that is relevant to their own issues and expectations.

Current evidence suggests that this new competitive struggle will center on ethnicity, gender, and generation. The trend toward specialty services in the ethnicity area was confirmed by last week's announcement that the Houston-based Gonzales Group, headed by one of the brightest people in this industry, Dr. Oscar Gonzales, has been selected by Leading Real Estate Companies of the World (LeadingRE) to provide its 700 affiliate real estate firms with strategies to better serve multi-cultural home buyers and sellers. The relationship offers training and support programs to the LeadingRE connector network through the LeadingRE Institute, a cutting-edge training resource for LeadingRE member brokerages and their sales associates.

The program was launched in response to the rapidly growing multi-cultural population, as evidenced by the projected increase of 13.45 percent in the U.S. Hispanic





population and 13.59 percent in the Asian population in the next five years, according to the U.S. Census 2007.

“These demographics will change the landscape of real estate markets in the future, and our network wants to play a role in helping these consumers achieve homeownership,” said Pam O’Connor, President/CEO of LeadingRE. “It’s not only about hiring multi-lingual agents, but also about understanding and accommodating the cultural nuances of different groups, tailoring programs to meet specific needs and building trusted relationships.”

In the gender field, a number of other industries appear to have taken the lead in discovering the increasing power of women. Women may be the most underserved group in the history of service provision. Consider the fact that women, who comprise just over 50 percent of the US population, make over 80 percent of the consumer purchasing decisions, and that includes housing decisions.

Moreover, women within generation “X” and “Y” households are even more powerful than their boomer predecessors. Real estate brokers would do well to be obsessing about pleasing their female customers. Simply assuming that female agents instinctively know how to take care of female consumers will not be a successful approach.

For other examples of the importance of the female buyer, consider the female-centric marketing programs currently being executed by Barbara K (barbarak.com), Tom Boy Tools (tomboytools.com), MsAkit (msakit.com), Women at Work (womenatwork.com) and Home Depots “Do-it-Herself” (homedepot.com). Don’t miss “women centric” home design by Design Basics (designbasics.com). As they point out on their site: “There are four primary filters through which

women evaluate designs: how the home entertains; how the home helps her de-stress; the flexibility of the home’s design; and the home’s ability to address her storage needs.”

For brokers who may decide to find refuge in the fact that other industries may decide not to play the female trump card, consider the following:

- What could be more macho than the motorcycle industry? Check out Street Diamond Motorcycles and Wicked Women Choppers (family approved). Even Harley Davidson now has a website dedicated to female bikers (<http://www.harley-davidson.com/wcm/Content/Pages/Women/women-motorcycling>)
- Men who fear the auto repair shop might want to drive by the female friendly Motor City Sales and Service in Detroit. (<http://www.motorcitysales-services.com>)

Leaving the consumer service field for the agent service world for a moment, brokers might also want to consider how the challenge of recruiting women agents will be changing over the next few years. New needs, demands and expectations will change the whole process. Looking for a quick insight? Check out the Google recruiting video on YouTube (<http://youtube.com/watch?v=JcXF1YirPrQ>). Don’t miss the final play on Google’s logo.

When recruiting women, nothing is sacred. The age of recruiting women from the male perspective may be over. Companies will increasingly discover the benefits of creating women-centric work and performance environments.

A final thought: the subjects of women-as-customers and women-as-agents may just come together when consumers begin to ask how women-friendly the brokerage is. Don’t bet on “that’s the way we have always done it” as a winning response.



Jeremy Conaway is a keynote speaker, conference facilitator and consultant to the Real Estate industry. He is President of RECON Intelligence Services, and can be reached at 231.938.7326, <http://www.reconis.com> or jeremy.conaway@reconis.com.