

Digital disruption and the role of the real estate agent



By [Dr Andrew Golding](#)

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In a world of digitisation, technological service is on offer in almost every industry. The question is, to what extent is there a digital disruption in South Africa's residential property space - and how does this change the buying, selling and renting of most people's most valued asset?



Dr Andrew Golding, chief executive of the Pam Golding Property group

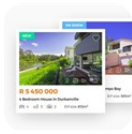
There's no question that technology is going to play an ever-increasing role in the residential real estate world. But I think at the same time, what appears to be apparent is that the role of estate agents as the trusted advisor, utilising technology as it evolves, continues to be extremely important and is in fact an imperative part of the real estate transaction.

A more refined service offering

In terms of how this changes the function of the modern estate agent, the issue of digital disruption has actually refined the service offering of a professional property consultant even further.

The modern agent is no longer able to simply provide a functional service if they are to provide justifiable value for their commission. Today's professional property consultant needs to, among a range of other skills, provide insight, wisdom and personal value way beyond the basic contractual needs of a transaction. Certainly, the role of technology can serve to better enable efficiency and communication, but its limits are tested.

It all boils down to trust and the need for a trusted advisor. And that is what a real estate agent provides and which technology will never provide.



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You get what you pay for

The advent of purely online or hybrid online-agent agencies highlight without any doubt that real estate service is not much of a muchness. To put it simply, you get what you pay for.

Apart from the professional skillset required across a broad range of parameters including legislation, finance, project management, mediation and negotiation, the reality is that due to the fact that you are marketing and selling someone's home and/or their investment, almost all property transactions are emotionally charged in nature. It's also important to remember that in some instances home-owners are selling because of some kind of distress, be it financial, death or divorce. This makes it even more essential to lean on the advice and wisdom of a trusted professional.

Professional wisdom and technology aside, the other major player in any property transaction is surely the market. Buyers, sellers, landlords and tenants should appreciate that there is fundamentally a skill to navigating a range of circumstances that could be impacting the market.



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Hyper-local market

Apart from the more obvious macro-economic factors which require insight when applying them to the property market, real estate is very much a hyper-local environment where literally, in a street, there could be a particular micro market which an agent has to have particular knowledge of and skill for.

So how does one decide on which real estate model to use to sell a home?

When the moment comes to decide on which model to use to sell your home, most sellers and buyers, I think, will benefit from the notion of an intermediary. And so this idea that all industries will be disintermediated and that the property industry will be disintermediated – has certainly not yet proven to be true.

There is a very important role for an expert property intermediary in a property transaction and I think that that is something that is going to stand the test of time.

ABOUT DR ANDREW GOLDING

Dr Andrew Golding, chief executive of the Pam Golding Property group, was originally in private practice as a General Practitioner on the Atlantic Seaboard from 1991 to 1996, after which he joined the family business as MD in 1996, followed by his present position.

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