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News & Advice > Columnist Al Heavens

Virtual Tours Are Changing The Traditional Open House

by Al Heavens

Data collected in 2003 by the [National Association of Realtors](#) shows that 72 percent of 3,000 recent buyers responding to a NAR survey drove by or viewed a house for sale as a result of an Internet search.

Forty-six percent walked through a house visited online, the data shows.

Seventy-eight percent found photos of the houses they saw listed on the Internet "very useful," while 46 percent said the same thing about virtual tours.

Only 15 percent did not use virtual tours at all.

If the data is to be believed, the Internet has increased the median amount of time buyers spend looking for houses and the number they look at.

Internet searchers spend eight weeks looking at twelve homes. Non-users spend five weeks looking at only seven.

Brokers acknowledge that the use of virtual tours, especially by people 50 years and older, have far surpassed the open house in use as a marketing tool, proving that not just young people are computer-savvy.

Real estate firms typically offer the virtual tours to all of their clients, often for as low as \$80 a listing.

There can be drawbacks to some virtual tours. A lot of interiors don't show up that well, even though improvements are being made to the system every day.

Look at a photo of a landscape and then the landscape itself. Of course, everything always looks prettier in person.

Consumers are not basing purchasing decisions on



Columnist Al Heavens

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what they see on their computer screens. Rather, they are using the tours to limit what they are willing to look at in person.

In fact, the NAR survey showed 52 percent of all Internet users visited open houses, while only 38 percent did not.

That is a good thing and a bad thing; many real estate agents agree.

A house is more than how it looks, but how it feels. And looking at something on a computer screen doesn't tell the entire story, so a buyer may be ruling out a house that may be the one they should be buying.

Ruling something out before seeing it is a major reason Duffy continues on the open-house route. When the location of a house makes it sound as if it is on a busy street, buyers' agents won't recommend looking at it to their clients. The open house allows these buyers to see it for themselves, and then pass that information on to their agents.

Who shows up at an open house?

- | Future sellers who are looking to see how an agent presents the property for sale and the kinds of things that are selling these days. This typically bears fruit a year later.

- | People who are thinking about buying a house but are not ready to commit to anything. Although they may sign in, they usually tour the house quickly and do not say anything.

- | Buyers who are sent by their agents.

Open houses also can be used to generate new interest in old listings.

It is redundant to use open houses every week. But if a house has been on the market for a while, and there has been a price reduction, then an open house is in order.

Many sellers do not want open houses. There are security issues behind much of the opposition (they also surface in the case of virtual tours), but such sellers also fear scrutiny by their neighbors.

Most real estate agents welcome such scrutiny. They hope that the neighbors will come in, like what they see, and tell their friends. But

sometimes it happens that a neighbor will come in and talk down the property in front of prospective buyers.

As far as security is concerned, the agent or broker should tell the seller to put away things that might be broken or end up in visitors' pockets.

Often, an agent expecting a lot of traffic at an open house will bring another agent or his or her personal assistant along to keep control of the situation.

Agents are always looking for ways to put new zest into older methods.

For example, one idea is to turn an open house in a "parade of home buyers" who meet the agent at a single location and then travel from listing to listing in a particular area.

The technique creates a sense of urgency among the buyers on the tour. They hear others talking about a particular house, and they get interested.

It creates kind of an "auction" effect, because it heightens interest in the same way bidding at an auction does.

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Al Heavens is a syndicated columnist who writes about real estate and home improvement. He appears regularly as the "Gadgeteer" on the Discovery Channel's twice-daily Home Matters Program.

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