



**REALTRENDS**  
THE TRUSTED SOURCE

**2018 CONSUMER STUDY**

# RELATIONSHIPS

STILL MATTER MOST WITH HOUSING CONSUMERS

**90%**

of all buyers and sellers  
used an agent, up 5%  
from 2014 and up 9%  
from 2001

Housing consumer research produced by Harris Insights & Analytics and underwritten by the California Association of Realtors®, the CE Shop and REAL Trends



# EXECUTIVE SUMMARY

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A recent Harris Insights housing consumer study shows that 90 percent of those who bought or sold a home in the first six months of 2018 used a real estate professional in their process. This study, underwritten by the California Association of Realtors®, The CE Shop and REAL Trends, is the fourth in a series of housing consumer studies done by Harris since 2001.

Most importantly, the usage rate of agents by consumers at 90 percent is the highest recorded in the 17 years since Harris first produced this study for REAL Trends. Further, there is little variance in this usage rate among different generations or income groups, dispelling the notion that Gen-X or Millennials are turning away from the use real estate professionals.

A great deal of the findings of the research point to the importance of relationships, both in the selection of a real estate agent for the task of selling or buying a home and the importance consumers place on the delivery of personal service rather than the reliance on technology solutions.



Steve Murray, president  
REAL Trends

# THE USE OF REAL ESTATE AGENTS

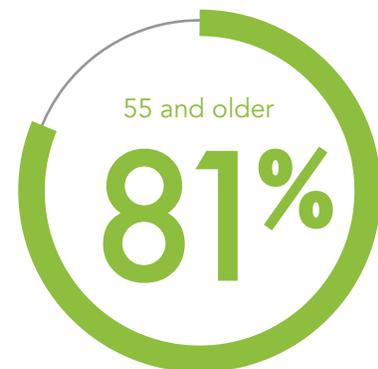
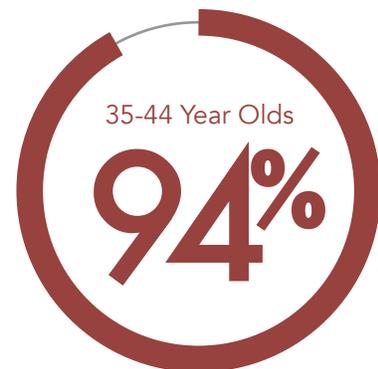
Percentage of those who opted to use a real estate professional as part of a transaction

The usage of a real estate agent was at its highest level since Harris first did research of this kind in 2001 (Room for Improvement, 2001, REAL Trends). And, it's five points higher than the most recent report in 2014.

For the age groups 18-34 and 35-44, the usage rate was 91 percent and 94 percent respectively which dispels the oft-quoted notion that younger generations are not using or will not use real estate professionals as frequently as their parents or older generations. In fact, the oldest generation segment in the study, 55+ years, had the lowest agent usage rate at 81 percent.

The more educated the consumer the higher the usage of real estate agents. Those with college degrees used real estate professionals at a 94 percent rate while those with only a high school degree had a usage rate of 83 percent. Higher income groups were greater consumers of the services of real estate agents. Those who made less than \$50,000 per year had a usage rate of 79 percent while those who made between \$75,000 and \$100,000 used agents in 98 percent of the cases.

Those who live in the Northeast or who live in rural areas are the least likely to use an agent. The figure for consumers in the Northeast was 87 percent usage of agents while those in rural areas had a usage rate of 76 percent.



# FACTORS IN THE SELECTION OF A REAL ESTATE PROFESSIONAL

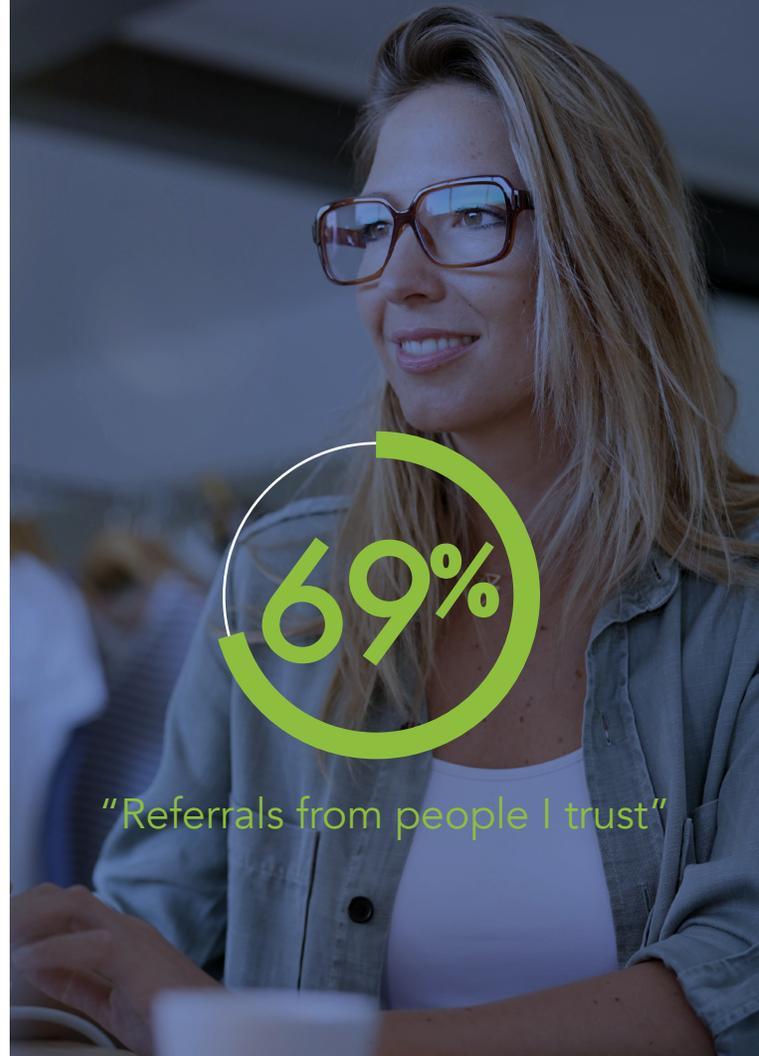
“Referrals from people I trust” garnered the highest response from consumers as to what was important in their selection of a real estate agent. Some 69 percent of all consumers said this factor was either extremely important or very important and 92 percent said it was important.

Next in importance was “findings agents who had listings like my home” (64%) followed by “looking at websites with ratings of agent’s performances” (62%). In fourth place was “having a personal relationship with the agent.” Interestingly, “belonging to a Realtor® organization” was right behind this factor at 52 percent.

When looking at the breakdowns by age and income, younger generations (<45 years) rated referrals from trusted friends higher than older (>46 years) buyers and sellers.

Also, those with higher levels of education and higher levels of income reported higher levels of reliance on referrals from trusted sources.

Younger consumers rated the use of websites with ratings higher (66-67%) in terms of importance than did those older than 45 years (47%). However, when looking at income segments, those making less than \$75,000 per year rated the use of websites higher (67-68%) than those with higher incomes (57-58%).



“Referrals from people I trust”

## What Was Important When Looking for a Real Estate Agent

Referrals from people I trust	69%
Agents with similar listings to what I was looking for	64%
Looking at websites with ratings of agent performance	62%
Having a personal relationship with the agent	57%
Being a member of a Realtor® organization	52%
Having used the agent in a previous transaction	41%

# USE OF WEBSITES IN SEARCH AND SELECTION OF AN AGENT

Some 92 percent of all consumers looked at websites for information about real estate professionals. The figures were higher for younger persons, well-educated and those with higher incomes. For instance, those aged 18-34 used websites 96 percent of the time. Those with household incomes below \$75,000 used websites 94 to 96 percent of the time, and those with some college or college degrees used websites 91 to 94 percent of the time.

## TOP WEBSITES FOR AGENT INFORMATION

The top four websites selected by consumers for information on agents were:

**1. Realtor.com**

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**2. Zillow**

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**3. Google**

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**4. Facebook**

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Interestingly, in fifth place were local real estate sites. Consumers selected this source only slightly less than Facebook for information about the performance of real estate agents

Among others that were mentioned were Amazon and Nextdoor, neither of which have appeared in our research before as sources of information about a real estate agent's performance.

# THE IMPORTANCE OF SERVICES PROVIDED BY REAL ESTATE PROFESSIONALS

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Real estate professionals offer valuable services and those services are well-received by buyers and sellers.

The service that received the highest marks was “assisted in negotiating the best price to buy or sell.” Some 86 percent of all respondents rated this service as extremely or very important to them in the process of buying or selling a home.

For instance, the second highest-rated service was “providing a list of homes for me to preview” at with 77 percent saying it was extremely or very important.

The third and fourth highest-rated services were “provided a market analysis for comparable properties” (74%) and “educated me on the process of buying or selling a home” (72%).

Interestingly, younger buyers and sellers (<45 years) rated the provision of a list of comparable homes higher than did older generations (81 to 83% versus 58 to 72%). This is particularly interesting when much of what has been written is that younger generations like doing more of their own searching—which they do, but they also seem to want an agent to work in this area as well.

## Summary of Other Key Findings

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73%

of consumers said that the agent’s educational background was either extremely important, very important or important

80%

of those surveyed say they prefer to use a real estate agent because they are professionals

47%

agree that the services provided by real estate agents are less valuable now that the internet has all housing information available

80%

say that buying or selling a home is a stressful process

71%

of those surveyed said that they were either extremely likely or very likely to use a ratings website the next time they bought or sold a home (this is up significantly from similar Harris study in 2014)



# METHODOLOGY:

## HARRIS INSIGHTS & ANALYTICS

This survey was conducted online between June 20-July 12, 2018 among 1,000 U.S. adults aged 18 and older who either bought a home or sold a home in the first six months of 2018 of whom 896 used a real estate agent by The Harris Poll on behalf of REAL Trends. Figures for age, sex, race/ethnicity, education, region and household income were weighted where necessary to bring them into line with their actual proportions in the population.

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