Brokers Dissatisfied With RealNet Replacement Out East Agent Tools

Brendan J. O'Reilly | 4/22/2019

At the start of this month, Zillow Group went live with its replacement for RealNet, the real estate listing entry and distribution system used by East End agents to put their listings online and to match their clients with homes.

But some brokers believe the new system, Out East Agent Tools, is not an improvement over RealNet. They say it is buggy and does not work as promised, and maintain that existing systems used successfully in real estate markets around the country would have been a better choice.

Zillow Group bought listings website Hamptons Real Estate Online and its supporting software, RealNet, in 2017, and a year later replaced HREO with Out East. Agents continued using RealNet to populate Out East with listings until Out East Agent Tools debuted on April 2.

"We all knew that this was in the works, but we had no idea it was going to roll out this ineffectually—and then basically disable the industry," said Judi Desiderio, the CEO and president of Town & Country Real Estate.

Ms. Desiderio said she has seen dozens of listings programs in her 34 years in the real estate business, and she found Out East Agent Tools to be "by far the least user-friendly."

Speaking when Out East Agent Tools had been online for just about 48 hours, she said the process to load listings was clunky and cumbersome, and listings did not always appear with the correct information.

"Salespersons want their information," Ms. Desiderio said. "We're a business of information. They want their information easily accessible, easily navigable, easy to select a cart, easy to map, and easy to export to their clientele."

Geoff Gifkins, the Hamptons area regional manager for Nest Seekers International Realty, shared a similar sentiment: "Our business is very much technology driven, and it's about delivering information—delivering information efficiently and really fast for the consumer. Because if you don't, somebody else is going to do it."

Lisa Holden, a senior manager for industry communications at Zillow Group, said staff is working 24/7 to address bugs as quickly as possible. However, she said some of the feedback is due to the platform being new. "That has a learning curve," she said, noting that webinars and in-person trainings are continuing to educate users on the new system.

Mr. Gifkins explained last week that problems with Out East Agent Tools persist.

"It doesn't work right now. Essentially, that's the crux of the thing," he said. "They've launched the system—I don't think they tested it well enough. And it just doesn't function like a listing system should, and it's made it really difficult for brokerages and agents across the area to share data, find listings, send listings to customers, and things like that.

"So, yeah, it been a very difficult time. It's not a good system at all."

Because of the issues, Nest Seekers removed feeds from Out East from its website. "The feeds have been corrupted, so we actually disconnected the feed until they get the feed correct," Mr. Gifkins said.

Ms. Desiderio also found Out East Agent Tools lacking in that only an agent who created a rental listing has the ability to flag a property as already rented. With RealNet, any agent could flag that a rental is no longer available, and a manager could quickly approve the update to the listing. She said the new way is inefficient and can't keep up with the pace of the market.

"This time of year, particularly, rentals are gone every single minute of every single day," Ms. Desiderio said. "The rental market changes, your availability changes. You can send someone a rental listing on Thursday, and Friday, when they come out, it's rented."

Ms. Desiderio noted that "about 85 percent" of rental listings in the Hamptons market are open listings, rather than exclusives under contract with certain agents. According to Ms. Desiderio, it does not appear that Zillow Group took that into account: "They don't understand open listings and how they work, so they get debilitated."

An Out East spokesperson said in a statement that the rental listings are owned by either an individual agent or an office administrator so that only one person is responsible for the listing. The spokesperson went on to state: "If the entire brokerage has permission to edit the open listing, it would seem to defeat the purpose of having a responsible party in charge of the listing."

Ms. Desiderio also takes issue with the training Zillow Group provided for Out East Agent Tools. She said a session was just 50 minutes, compared to the two-hour trainings Town & Country conducted for agents learning RealNet.

And she noted that RealNet is now accessible to view but not to edit, so agents cannot continue using RealNet to upload listings while problems with Out East Agent Tools are addressed.

"This is my fourth time of transcending to a different database," Ms. Desiderio said. "Always, we ran the two systems concurrently for a year. And, once all the bugs were out with the new system, we then pulled the plug a year later on the other one. This was, literally, lunchtime, you went from RealNet to Out East."

An Out East spokesperson said that RealNet remains online in read-only mode to prevent data quality problems. "It's very hard to have two different systems synchronized in real time with a database," the spokesperson said. "If a listing is being edited at the same time on both systems, changes could be overwritten, leading to significant frustration from users."

According to Mr. Gifkins, getting the bugs out of the system would not necessarily make Out East Agent Tools a good product.

"The basic engine in the listings system is not there, so even if they get the system up and running, where it's somewhat usable, there are so many other systems in the marketplace that brokers could use that are far more powerful and far more efficient, that, really, I think makes this system very obsolete," Mr. Gifkins said.

"And it's a shame. I mean, they had a great opportunity to do something innovative and improve what we had—but they just haven't done that."

He added that he understands that RealNet, which was nearly 20 years old, was difficult for Zillow Group to maintain and was not capable of integrating the technological advances of modern real estate listing systems. "But this new system doesn't even work on the basic level for agents to efficiently search data and deliver data to their customer," he said. "So that's the biggest hurdle that they have to get over. And RealNet, by comparison, did function." He suggested that RealNet be turned back on.

Ms. Holden said RealNet was breaking frequently; in 2018 alone, there were more than 1,000 queries from agents reporting problems. "The decision to put Out East Agent Tools online was not a decision that was made out of creativity," she said. "It was fixing a real problem."

Mr. Gifkins said there are around five different listings platforms in use elsewhere that could have been adapted for the Hamptons market and would have been better than Out East Agent Tools.

According to an Out East spokesperson, there is no system Out East knows of, other than RealNet, that deals with the "unique chaos of Hamptons Open Listings"—and that's why Zillow Group built a new system to cater to the market.

"The silver lining to all of this is that it has galvanized the brokerage houses on the East End," Ms. Desiderio said. "For the first time, we can actually sit in a room, respect the fact that we're competitors, but know that we're fighting for the industry. When someone takes your ability away to do your business, you have to join forces."