



The **Consumer (R)evolution**

How to attract, engage and retain
the 2021 consumer



Table of Contents

1. Executive Summary
2. The state of consumer behaviour today
3. Introducing the TECTAC consumer
4. How to attract the TECTAC consumer
5. How to engage the TECTAC consumer
6. How to retain the TECTAC consumer



1. Executive Summary

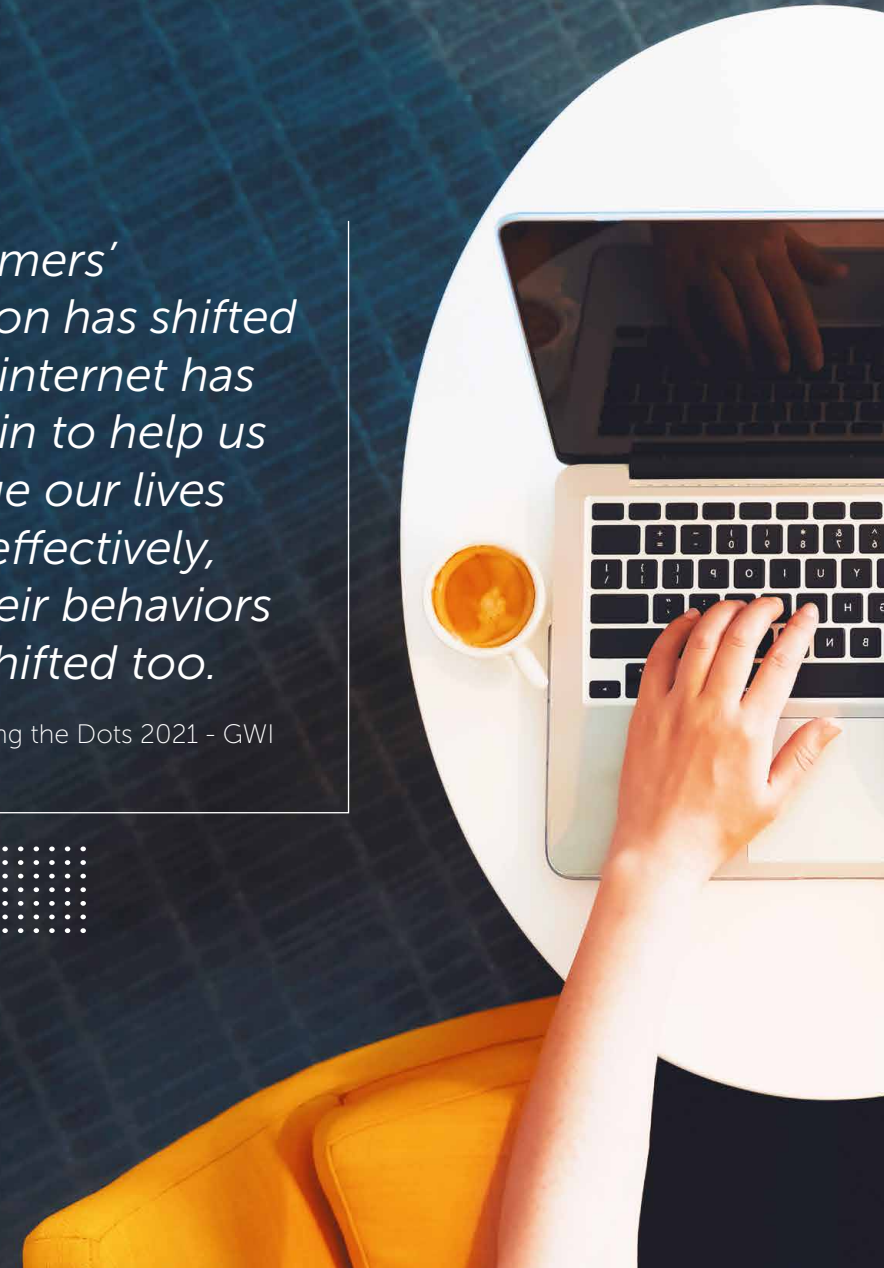
2020 was a year like no other in recent memory. The COVID-19 pandemic is certainly a time that most of us will wish to put behind us and not speak of again, but it would be impossible to move forward without first acknowledging the accelerating and altering impact it has had on consumer trends and behaviour.

Digital trends in particular have rapidly accelerated since the start of the pandemic, during which time both businesses and customers adapted to a changing world in which interactions between the two groups became steadily and necessarily dependant on online-based communications and engagement. Even as markets endeavour to return to the 'old normal', the new reality is that things won't go back to the way they were before.

No industry today is serving customers unaffected by the shift in consumer experience and expectations. Your customer is also a customer to other leading brands, and has been conditioned to expect extraordinary and personalised interactions when buying a product or a service.

“Consumers’
attention has shifted
as the internet has
swept in to help us
manage our lives
more effectively,
and their behaviors
have shifted too.”

Connecting the Dots 2021 - GWI





These mega brands excel at putting the customer in the middle of a highly attentive, finely crafted customer experience programme that often makes headlines on social media. What's more, they've excelled at delivering great experiences through digital platforms during the pandemic.

These changes have impacted the real estate industry no less than any other, if not more so; because buying a house remains one of the most high-value, and therefore deeply emotional buying decisions that any consumer will make in their lifetime.

It is therefore not surprising that by the time a customer walks into your office to make one of the largest and most impactful decisions

of their year (whether that is buying, selling, or renting a home) they are expecting a simply outstanding customer experience, especially as the stakes are so much higher.

Reapit's latest report – The Consumer (R)evolution: how to attract, engage, and retain the 2021 consumer – explores the state of consumer behaviour today, looking in detail at how customer expectations and engagement preferences have evolved since 2020 uprooted conventional trends and accelerated new ones. Agents relying on traditional approaches to reach and serve customers may find that what worked before does not work as well now.

So, this report offers strategies for agencies on how to attract, engage and retain customers in this new housing market era, so that property industry professionals are ready for the consumer of the future.

2. The state of **consumer behaviour today**

How do you attract, engage, and retain the consumer of the future? The process begins with understanding who your customers are and what they are looking for. Whether you are in sales, lettings or both, understanding what your customers are looking for is an essential requirement to give them the best experience possible. But what does the consumer profile look like?

Consumer behaviour tends to change with time and rarely remains static over the course of a lifetime – this is particularly true when it comes to property, as requirements, desires, and affordability are all elements that evolve as the customer gets older. Understanding what drives each of the generation categories should underpin any strategy to attract, engage and retain customers: what they value most, and what their buying behaviour looks like during a high-value, high-risk purchasing decision.

In addition, major events in the macro environment (wars, recessions, pandemics) profoundly influence consumer behaviour and the COVID-19 pandemic was no exception, driving behaviour changes almost instantly across all generations as each generation faced the same restrictions. **Being digitally minded was no longer the domain of 'young people' only, because in an isolated environment everyone learned to rely on digital means for everyday life to carry on: whether that was to connect, shop, work, learn, exercise and be entertained.**

So, the question is no longer merely understanding what each generation wants, but also what that looks like following the life-altering impact of COVID-19. The following sections will aim to provide insight and answers to these big questions.





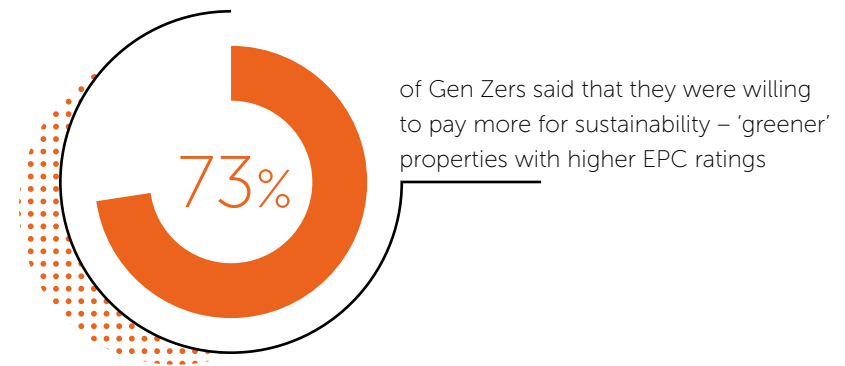
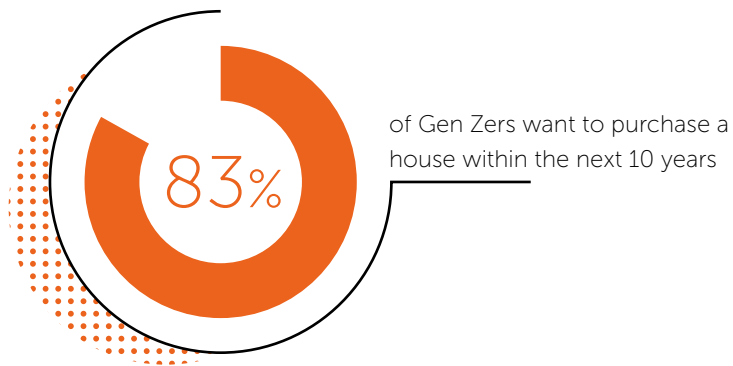
What do they value most?

Generation Z have big aspirations when it comes to housing, and it is important not to lose sight of this generation as they are in fact the future of the property industry. Their values often align closely with Millennials, but they **principally hold stability and financial security among their most important aspirations.**

Today's youngest consumers are entering the marketplace at a time when affordability is a headline issue for the housing market. They have grown up watching the impact of the Financial Crisis on Millennials through soaring house prices and low savings, and this has likely influenced Gen Z consumers to value security and stability, with financial security and homeownership at the centre.

According to a survey from the financial services firm Morningstar¹, **83%** of Gen Zers want to purchase a house within the next 10 years, showing just how much this generation values homeownership over renting. However, the same survey revealed that less than half (**39%**) feel optimistic about achieving that milestone.

Environmental sustainability is also particularly important for Gen Z. In a survey conducted by First Insight², **73%** of Gen Zers said that they were willing to pay more for sustainability – 'greener' properties with higher EPC ratings are likely to be favoured over ones which miss the targets set by the 'green' generation.



How has their behaviour changed when buying a product or service?

A report from EY calls Gen Z ‘the next big disrupter’ – “Politically, socially, technologically and economically, we are moving at warp speed. These changes have created a generation very different than any known before.”³

The youngest consumer generation is not just the next big disrupter but also holds the position as the most digitally adept of all consumers. Customers in this age bracket are ‘digital natives’, in that almost since birth they have had access to smartphones, the internet, social media, and everything that comes with modern technology, in practice engaging and interacting with tech on a scale that outright dwarfs that of previous generations.

Being digitally native has given Gen Z consumers certain expectations about how they interact with products and services, and the demand for tech-driven engagement is high for this generation. According to a survey from the IBM Institute for Business Value⁴, **75%** of Gen Z consumers use a mobile phone or smartphone as their device of choice, and **60%** will not use an app or website that is too slow to load – this means that businesses which cannot keep up, or lean into the delivery of a mobile-first experience, will be left behind.

Whilst focussed on the stability that comes with owning property, a report from McKinsey & Company⁵ finds that Gen Z are introducing different attitudes to products and services than older generations, based around consumption rather than ownership:

“Gen Zers analyse not only what they buy but also the very act of consuming. Consumption has also gained a new meaning. For Gen Z—and increasingly for older generations as well—consumption means having access to products or services, not necessarily owning.”

For the incoming ‘disruptor’ generation this is an important point to note, as the value of services and good customer experiences are likely to become even more crucial to retaining business.

How Gen Zers approach a property purchase

Gen Z consumers have grown up in an environment of rapid digital innovation, as well as one shaped by economic instability and social change. The next biggest consumer generation not only wants to own their own property but are also prepared to save for it and have more tools than ever before to help achieve this as they have come of age amid the FinTech revolution.

When it comes to high-value, high-risk purchases, Gen Zers are both more financially cautious and more prepared to save to acquire what they want. Research from housebuilder Countryside⁶ shows that Gen Zers are quickly establishing themselves as the most saving-savvy generation, with as many as **66%** of this age group already saving for a deposit for their first home.

Research from Zopa⁷ found that around one-third of Gen Zers already have savings of more than £1000, and in addition, they are the least likely generation to have any form of debt. This puts them in a good position to buy a property before the current average for first-time buyers which is approximately 34 years old.

More than likely, these traits make them a generation that will not enter casually into high-value purchases – not when they have thought about it and worked towards it for so long.





Age
25-39

Aspirational

Ready to buy in
0-5 years

Millennial

What do they value most?

Millennials are a mercurial group, valuing freedom and flexibility. In many regards, the values and attitudes of this demographic have been shaped by the 2008 Financial Crisis and its impact on employability and finance, with saving opportunities greatly affected and 'live in the moment' spending habits that are very much experience-driven becoming the favoured mindset.

This also extends to how they approach homeownership. A report⁸ from the Resolution Foundation thinktank suggests that one in three of Britain's Millennial generation will never own their own home, with many stuck in long-term renting. Hamptons International data⁹ revealed that Millennials were responsible for **60%** of all rent in 2019, which makes sense given that they are the second-largest demographic group in the UK after the Baby Boomers (who are more likely to be pre-existing property owners).

According to a report from Deloitte¹⁰ exploring how the priorities and aspirations of Millennials and Gen Zers have evolved, **49%** of Millennials wish to buy homes of their own, compared to **52%** of Gen Z surveyed. Yet they tend to not be as financially judicious and astute as the Gen Zers, making it more likely that owning their own homes could well be further along the horizon.

1 of 3

of Britain's Millennial generation will never own their own home

Millennials were responsible for

60%

of all rent in 2019

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How has their behaviour changed when buying a product or service?

Much like Gen Z, web services form a key part of Millennial behaviour when buying a product or service, with **68%**¹¹ of Millennials demanding the convenience of omnichannel accessibility that enables an integrated experience where they can effortlessly transition their consumer data between their smartphone, to laptop, to local store, and back again.

Millennials have also become increasingly concerned over recent years with how environmentally friendly the products and services they choose to engage with claim to be. Environmental concerns among this demographic have particularly accelerated under COVID-19, with a PwC survey¹² finding that **58%** of core Millennials (ages 27–32) were claiming that they had become more eco-friendly than they were before the pandemic.

When it comes to buying a property, affordability remains a key issue among this demographic – data from a Financial Times¹³ survey found that nearly half of respondents have had to delay buying a home, with **23%** feeling financially insecure or very insecure.

However, the challenges of COVID-19 have certainly influenced Millennial priorities when it comes to homeownership and the associated stability it offers – according to research from Dynata¹⁴, the pandemic has inspired **13%** of Millennials to buy a home for the first time. A further upside of the pandemic is that it acted as a wake-up call for younger generations with Millennials saving more than any other group during the height of the pandemic, increasing their savings by more than **30%** in 2020, according to research from Aldermore Bank¹⁵.

How COVID-19 has influenced Millennials:

58% of Millennials claim they have become more eco-friendly

13% of Millennials were inspired to buy a home for the first time

32% how much extra Millennials saved in 2020, more than any other demographic

How Millennials approach a property purchase

Millennials are the next big homebuyer segment, as many are now reaching the stage where they have saved up a sufficient deposit to get a foot on the ladder - but for many it's a slow process. Research from ABC Finance¹⁶ shows that it takes on average **8 years and 4 months** for a single Millennial first-time buyer to save a deposit, and this rises to **15 years and 11 months** for buyers in London.

The 'Generation Rent' demographic still relies heavily on the Bank of Mum and Dad to secure a deposit. Data from Legal & General¹⁷ reveal that **56%** of first-time buyers aged under 35 received financial support from their parents to get on the ladder, and **71%** of these new homeowners claimed that without financial support from their family, they would have to delay their housing plans by four years on average.



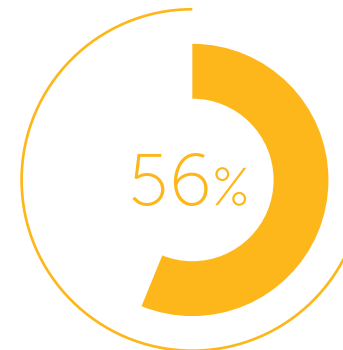
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What do they value most?

Gen Xers have been accustomed to caring for themselves since before reaching adulthood and are generally regarded as individualistic, self-sufficient and resourceful. They value freedom and responsibility, and this translates to their purchasing habits as well.

How has their behaviour changed when buying a product or service?

Gen X have the highest disposable income among all of the generations in the UK¹⁸.

Gen X buyers are considered a complex group though: they tend to be cautious and deliberate when making choices, and when it comes to high-value property decisions they are not likely to make serious mistakes. Gen X buyers understand the value of a home, and like Baby Boomers they have traditional views on property and don't want to overspend.

For modern marketers, however, **the consumer insights firm GWI¹⁹ considers 2020 to be "generation-defining" for Gen X** (and Baby Boomers) in a way that has been much more impactful compared to Millennials and Gen Z, as from a digital standpoint barely any part of their online lives has been left untouched by the pandemic, to the extent where distinctions between "young" and "old" from a digital standpoint have taken a big step toward becoming less relevant.

How Gen Xers approach a property purchase

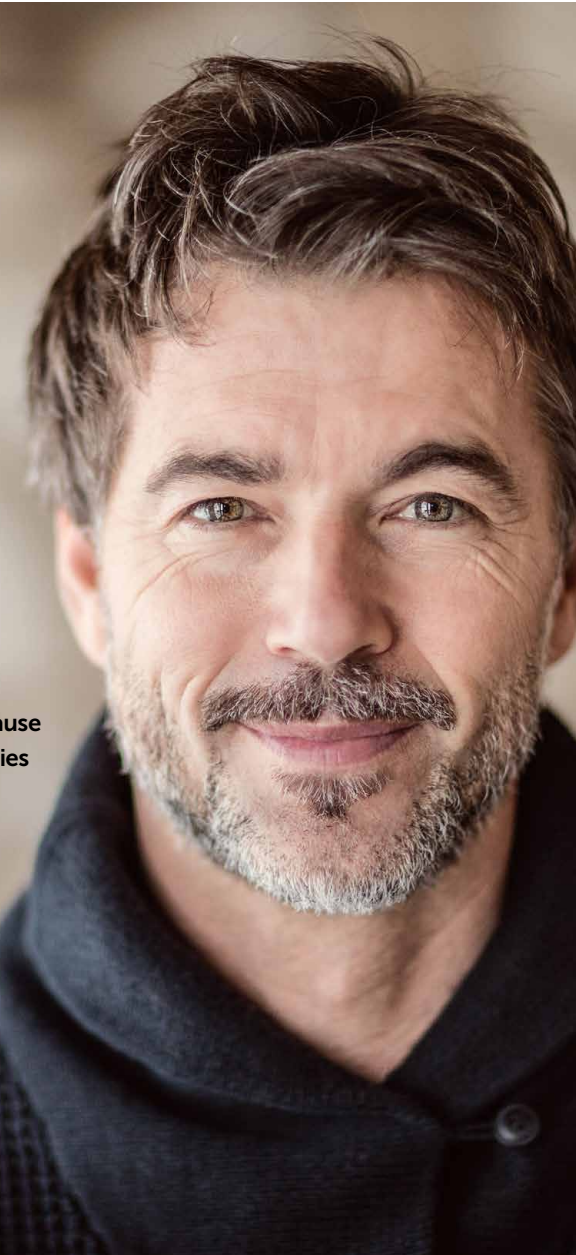
Gen X is one of the smaller consumer cohorts, but they make up a large proportion of the purchasing power in the UK. According to a survey conducted by TD Bank²⁰, Gen X home buyers are looking for freedom from their mortgages and would prefer to minimise the impact that property loans have on their lifestyles.

Location of a property and good community links are important for this generation. Many Gen Xers also have children of school age which means that a proximity to well-rated schools nearby is a top priority for these buyers.

Gen Xers do however face a significant debt issue that may impact their high-value, high-risk purchasing habits, having joined the job market too late to benefit from final salary pension schemes, and too early to benefit from auto-enrolment into a workplace pension. A report from the International Longevity Centre UK²¹ found that **57%** want to save more for retirement but are struggling to do so because of other financial priorities such as housing costs (including mortgages and rent).

With the average age of first-time buyers increasing, awareness and accessibility of financing opportunities such as the Help to Buy: Equity Loan will factor into their purchasing decision making.

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What do they value most?

The post-war generation, Baby Boomers value their independence and are generally considered to be individualist, resourceful and self-sufficient. Growing up prior to the digital boom means that this group still values more traditional forms of communication and are more likely than younger generations to listen to and leave voicemails.



How has their behaviour changed when buying a product or service?

Baby Boomers have a high expectation of customer service and have a root preference for 'brick and mortar' shopping habits when buying products or services. However, despite assumptions, this generation is increasingly embracing digital life in a big way, with Statista data²² showing that over **80%** of Baby Boomers in the UK own a smartphone in 2020.

More importantly to agents marketing their services is just how much time this generation use their smartphones online. According to data from GWI collected from 127,713 internet users, Baby Boomers' average online smartphone usage in Q1 2021 was **2 hours 52 minutes** per day, an increase to the **2 hours 29 minutes** per day that GWI registered in Q2 2020.

It's not just Boomer smartphone usage that has increased during the pandemic, their confidence with new technology has also been on the rise, with GWI data²³ finding that **36%** of Baby Boomers claim to feel more confident in using new technology in Q1 2021, an increase of **10%** on Q2 2020.

Boomers are quickly becoming one of the biggest cohorts to shop online with the COVID-19 pandemic accelerating Boomer attitudes towards tech, including in property – according to a survey on real estate trends²⁴, **92%** of Baby Boomers said they want virtual options on property viewings to continue even after the pandemic is over.

UK research agency Walnut²⁵ notes that

“*There is an outdated assumption in the retail industry that Baby Boomers are shopping in-store and Millennials online, and channels are therefore being designed for these audiences. But the shopping behaviours of older generations are changing, and marketing shouldn't ignore this.*”

For agencies looking to market their services, a hybrid of brick and mortar and a strong digital presence is key to targeting this demographic.



How Baby Boomers are buying property

Boomers have the highest value as consumers in the market today. According to data from Statista²⁶, there were over 14.28 million Baby Boomers in the UK in 2019, making them the largest generational cohort at that time, with Millennials following closely behind at 14.22 million.

Many of this generation with families are finding themselves with empty nests as their children move out to pursue to start their own lives. In addition, most have finished paying off their mortgages. This gives them greater financial freedom and more spending power for personal gains. At this stage some may be looking to downsize their homes, choosing locations for reasons other than proximity to schools.





Silent

This generation has grown up with an emphasis on the values of hard work, loyalty and thriftiness.

What do they value most?

The Silent Generation are very traditional in their values. Growing up just before and during the Second World War and the national economic downturn in the 1930s, this generation has grown up with an emphasis on the values of hard work, loyalty and thriftiness. They are generally financially prudent savers and have a clear perspective on what they want in life.

How has their behaviour changed when buying a product or service?

This generation are financially conservative and it is important to earn their trust when offering a product or services. Consumers among this generation are value hunters, taking more time to make decisions than younger generations.

Unlike their younger generations, the Silent Generation are less interested in the information age, preferring to engage with customer services face to face rather than online. However, their shopping habits have been influenced by the pandemic, with research from PFS²⁷ finding that **59%** of the Silent Generation feel greater loyalty towards brands that communicate with them. COVID-19 has rapidly changed how consumers engage with products and services and the lines between generational shopping behaviour have started to blur.

The Silent Generation will still be predominantly traditional in their purchasing practices, preferring brick and mortar experiences to online, but they are more prepared than before to use online services to engage with brands.



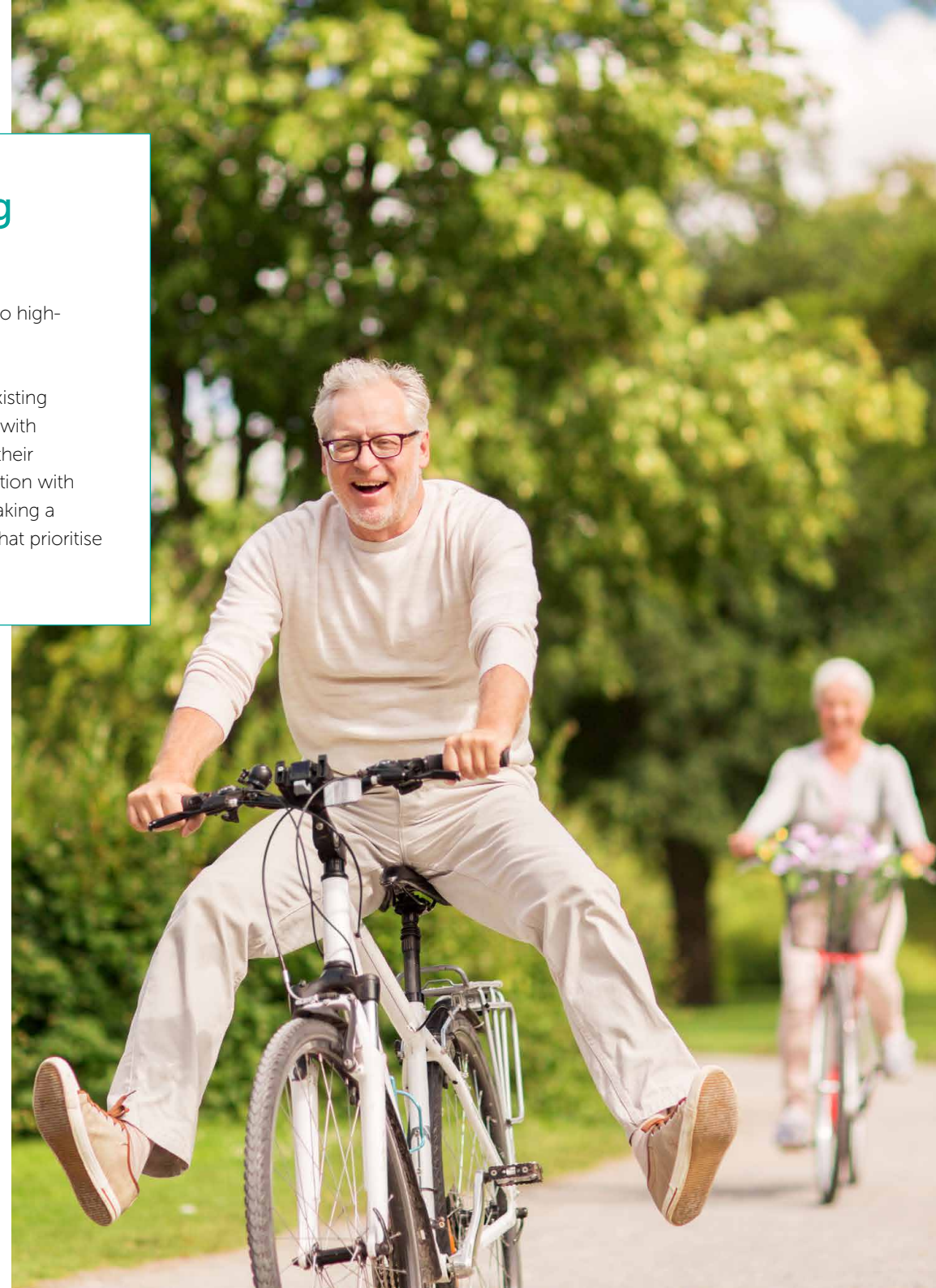
How the Silent Generation are buying property

The property market looks very different for the Silent Generation when it comes to high-value, high-risk purchasing decisions such as buying a property.

Over **70%** of the Silent Generation own their own home²⁸. As many of them are existing homeowners, affordability is less of an issue with high-value purchases compared with younger generations. However, a bigger factor among this generation is whether their purchase can meet their physical requirements. The UK has a rapidly aging population with over 5.4 million people aged over 75, according to Age UK²⁹. When it comes to making a high-risk decision like buying a house, the Silent Generation will look to agencies that prioritise property accessibility and features.

Over 70%
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3. Introducing the **TECTAC consumer**

Consumers in the market today are varied and multifaceted. As we look across the generations, we can see that each demographic has unique expectations and engagement preferences that build their consumer profile and behaviour. However, the pandemic has, as tends to be the case with all dramatic world events, been a powerful equalizer as consumers across the globe experienced the same pain, frustrations and fears – even hoping for the same things. No wonder it has seismically influenced consumer trends and accelerated the digital transformation of the customer experience on a pathway from which there's no turning back.

Following a 2021 consumer research study across 22 countries and 25,000 respondents, Accenture³⁰ found that half of all respondents have changed significantly from where they were, with an additional **33%** of respondents actively evolving towards this new way of thinking and being. **These consumers have so quickly evolved their values and sense of purpose over the past 18 months that they have effectively revolutionised the world of consumerism.** Accenture calls them the Reimagined - consumers who are so firmly rooted in their expectations that they will leave brands that don't recognise their new priorities - and they will pay more for those that do.

More importantly, their studies have found that these expectations, or consumer values, presented the same across all demographics: whether that is age, gender, location etc.

As PwC discovered in their Global Consumer Insights Pulse Survey (June 2021):

“*To be so resilient, consumers have had to pivot and adopt new habits ... The changes are sticking – signifying a historic and dramatic shift in consumer behaviour.*”

In short? *The global consumer has changed for good.*

Reviewing a multitude of data points across various independent studies, we've identified 6 key characteristics that are common to the revolutionised consumer, which will help estate agencies to **attract, engage, and retain** this encompassing consumer type. We call it the TECTAC consumer:



Tech Savvy

As digital trends accelerated during COVID-19, the consumer market has been transformed into an online platform where customers of all ages are both familiar and increasingly adept at using technology to engage with brands. In fact, **49%** of Accenture's Reimagined group said they would switch to providers that offered an enhanced buying experience through digital channels, such as virtual viewings and try-out tools. It's all about using tech to provide the richest, smoothest and easiest buying experience.



49%

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Experience *Driven*

Consumers increasingly want brands to make their shopping experience as personal and memorable as possible. They're asking "do you remember me, do you care about me, do you value me?" and the best buying experiences answer these questions with a resounding yes.

Now, more than ever before, the expectation of a personal customer experience factors into the decision making of buyers across all generations. According to PwC, **73%** of all people point to customer experience as an important factor in their purchasing decisions, whilst research from Epsilon³¹ found that **80%** of consumers are now more likely to do business with a company that offers personalised experiences. In addition, Oracle research³² found that **86%** of customers are willing to pay *more* for a better customer experience. Clearly expectations for an outstanding customer experience have never been higher, so to acquire customers, brands will need to rise to a whole new level of experience delivery.

86%

of customers are willing to pay *more* for a better customer experience

80%

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Credibility Focussed

Credibility is to be reliable, believable, and plausible, and it's without a doubt a critical 'must have' for brands. In the digital age, consumers are more than ever relying on the recommendations from friends and family, as well as independent reviews, to decide on a brand or product – but this became even more important during lockdowns, when buyers did not always have the ability to get a physical sense of the service or the product and had to rely on other measures to decide if a brand is in fact credible.

According to Invesp³³, **90%** of consumers use online reviews before visiting a business and **86%** of consumers will hesitate to purchase from a business that has negative online reviews. Consumers in 2021 also hold personal recommendations in high regard, with **88%** of consumers in Invesp's research trusting them just as much as online reviews.



Transparency *Seeking*

Transparency produces trust, and trust is a critical accelerator in the consumer journey. According to an Edelman survey³⁴ **81%** of consumers need to be able to trust a brand in order to buy from them. Accenture's research found that consumers considered "strong ethical values" as either the most or second most powerful driver of loyalty when dealing with insurance or travel companies, pointing to the importance of trust in high value and/or high risk purchasing decisions.

In an age where there is a myriad of options that all look and sound the same, transparency may well become one of the greatest differentiators during the decision process – even more so when buying, selling or renting a home. Brands that show up as transparent in their processes and motivations can look forward to increased customer engagement and retention from the very first step of the customer journey.

81%

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Availability *Demanding*

Time is a valuable and finite resource, whether you are buying or selling. With time becoming much more fluid throughout the pandemic, consumers have engaged with brands all hours of the day and that demand for 'everywhere commerce' has now become a fixed requirement – according to SuperOffice, **companies' average response time is 12 hours**, with a recent survey finding that **46%** of customers expect companies to respond faster than 4 hours³⁵. Whether it's through online portals to process requests or automated messaging services that give an immediate response, consumers want brands to make time for them.

Companies' average
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Community *Valuing*

2020 might have been a year of great change but 2021 was the realisation of the conscientious consumer. Community has become more important than ever, and businesses are increasingly agreeing, with a report from marketing platform AspireIQ³⁶ finding that **92.26%** of brands consider community to have a positive impact. A sense of connection and inclusivity are both highly valued, with consumers supporting each other more, shopping locally, and increasingly expecting sustainability. This also extends to the businesses that consumers engage with, with research from Sprout Social³⁷ finding that **64%** of consumers want brands to connect with them, whilst **72%** of consumers want the brands they support to be positive contributors to society.

92.26%

of brands consider community to have a positive impact

72%

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With the TECTAC consumer profile established, we can offer various strategies for estate agencies looking to attract, engage, and retain the 2021 consumer. There's no 'one size fits all' strategy or tactic that you can use to transform your customer business, but the following guidelines offer a system that will help you to leverage tech, processes and people skills to reach the heart of the TECTAC consumer.

4. How to **attract** the TECTAC consumer

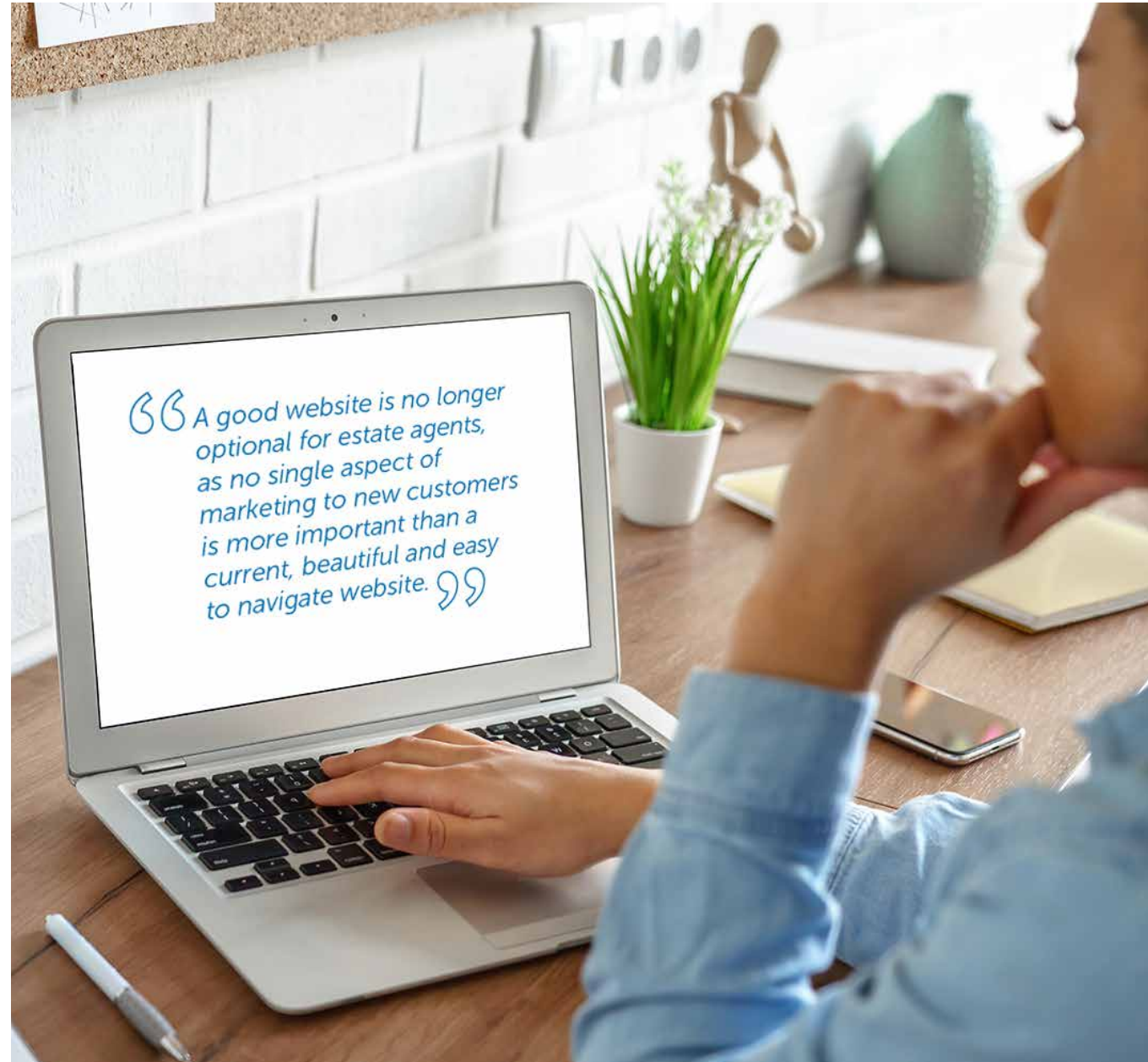
Buying a home is a **high-value, high-risk purchase**. For most estate agency customers, their decision to buy or sell will be one of the most emotional and stressful that they will make in their lifetimes, and they will likely be very selective about which agency they choose to look after their best interests. This section will look at some of the strategies you can employ to attract the TECTAC consumer.



1. Optimise your website for availability, credibility and experience

A good website is no longer optional for estate agents, as no single aspect of marketing to new customers is more important than a current, beautiful and easy to navigate website. Quite often it will be the first port of call for any potential customer as they start their house buying journey and your website should be able to provide valuable information to help guide buyers or sellers throughout the buying or selling process. Considering that **53%** of all consumers do their own research before they approach you for a purchase⁵⁸, having the best website you can afford should be a given.

A great website will paint a clear picture about your brand and its values, including customer testimonials and community involvement, as the TECTAC consumer will be particularly keen to discover why they should choose you over another agency. Make sure your website is well designed and functional, easy to use, optimised for mobile and optimised for search and social media. Finally, have multiple forms of contact so that prospective customers have many doors with which to contact you.



2. Use segmented data to deliver highly personalised experiences

Estate agencies have a wide target audience, and whether it's a young first-time buyer or an older generation looking to invest, each customer has different needs or desires to be met. A segmented marketing strategy is key to targeting each customer with the right communication, and getting your data organised is the crucial step to attracting customers to your agency.

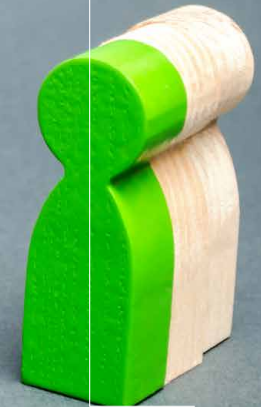
There are four basic forms of market segmentation to consider: **Demographic, Psychographic, Geographic, and Behavioural**. Your data should be able to tell you **who** your customers are, **why** they are looking to buy or sell, **where** they are located (and where they are looking) and **how** they interact with your agency. Once you understand your customer, you can focus your marketing to bring them to the table.

Demographic

Psychographic

Geographic

Behavioural



3. Build brand awareness through digital marketing

The TECTAC consumer has grown far more digitally savvy over the past decade and within the highly competitive world of online real estate, the agency that can most effectively leverage their digital marketing tools to attract more leads will win the hearts and minds of buyers and sellers over to their business.

A successful digital marketing strategy for estate agency will do two things for your brand:

- » Keep it top of mind so that when your future client is ready to transact, your agency is the name they first recall – the use of video on social media channels has proven particularly effective for this purpose.
- » Make it easy to be found, through optimised SEO (ensuring a high organic Google ranking) and Google Search Ads that will raise awareness of your business and drive traffic to your website. Considering that **68%** of online experiences begin with a search engine³⁹ and **75%** of internet users never scroll past the first page of search results⁴⁰, this should be a key marketing tactic for any business.



68%

of online experiences begin with a search engine

75%

of internet users never scroll past the first page of search results

4. Have an active social media presence



Every demographic generation now uses social media platforms to some degree or another, and the usage of social media has only gone up during COVID-19, with the global digital insights firm DataReportal finding that social media user numbers increased by more than 13% over 2020⁴¹.

The TECTAC consumer is increasingly likely to experience their first touchpoint with your brand via social media, and this is particularly true of Gen Z and Millennial consumers, who respectively spend an average of **4.5** and **3.8** hours a day on social media⁴². DataReportal research also found that the number of social media users in the United Kingdom was equivalent to **77.9%** of the total population in January 2021⁴³. The key message here: don't be anti-social.

A strong social media presence will help you to increase brand awareness, build trust, demonstrate your expertise, drive traffic to your website, keep you top of mind with potential customers, and can help generate more leads. Social media platforms tend to attract different age groups, so figure out who you want to reach and adapt your strategies accordingly. Then decide what you want to post, bearing in mind that it doesn't have to be just property listings; sharing your content and testimonials, telling stories about your staff and your community, and boosting posts locally are all effective for building and nurturing your social following.

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of the total population in January 2021

5. Showcase your credibility with reviews and testimonials

Building a credible profile, both on and offline, is essential for attracting the TECTAC consumer. Buying and selling a home are big decisions and potential customers will care very deeply that the agency they go with will care for them. That means that before engagement even starts, consumers will be keen to find out whether they can trust your agency with their transaction. All of the tips we've shared above will help your agency to build awareness and trust in your brand, both of which are important, as according to a report from Sprout Social, **53%** of consumers are likely to consider brands that are transparent⁴⁴.

But there are other ways to build trust and attract consumers, and to really emphasise the value of your service to potential customers, positive testimonials on your website and on other key mediums such as Google Reviews and Trustpilot, will help your agency be top of mind for customers.

One final tip – ask for testimonials from your happy customers and share these on your website and social channels. Social proof is a powerful driver of buying decisions, and if you can demonstrate that clients are satisfied with your services, then others are more likely to trust your business.



5. How to **engage** the TECTAC consumer

Attracting the TECTAC consumer is only the first step of the customer journey, and it is through continuous, value-adding engagement with the customer that you'll succeed in building a relationship that will **shape their decision to choose your agency above all others**, helping you to deliver a **high-value and rewarding customer experience** that may lead to more business from them in the future, and encourage them to **share their experience** with friends, family, or colleagues who in turn might choose your agency on the back of a positive testimonial.

This next section will look at a few strategies for engaging the TECTAC consumer, looking at how technology can help you streamline the process for maximum efficiency, all while delivering an exceptional (and personal) experience with human interaction that shows the customer their time and business is the most important item on your to-do list.



1. Customise each journey for a unique customer experience

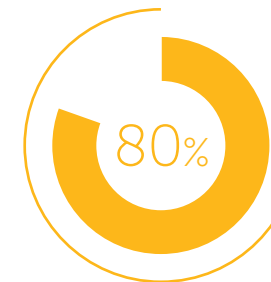
Providing a fantastic customer experience from the very start of the journey right through to the end certainly pays off: a 2021 study from Zendesk found that **75%** of consumers are willing to spend more to buy from companies that give them a good customer experience⁴⁵.

Since 2020, a good customer experience has become truly essential with almost **50%** of UK customers in the Zendesk report saying that customer experience is more important to them now compared to a year ago – and it's certainly not something to get wrong either, as **80%** of customers surveyed claimed that they will switch to a competitor after just one bad experience.

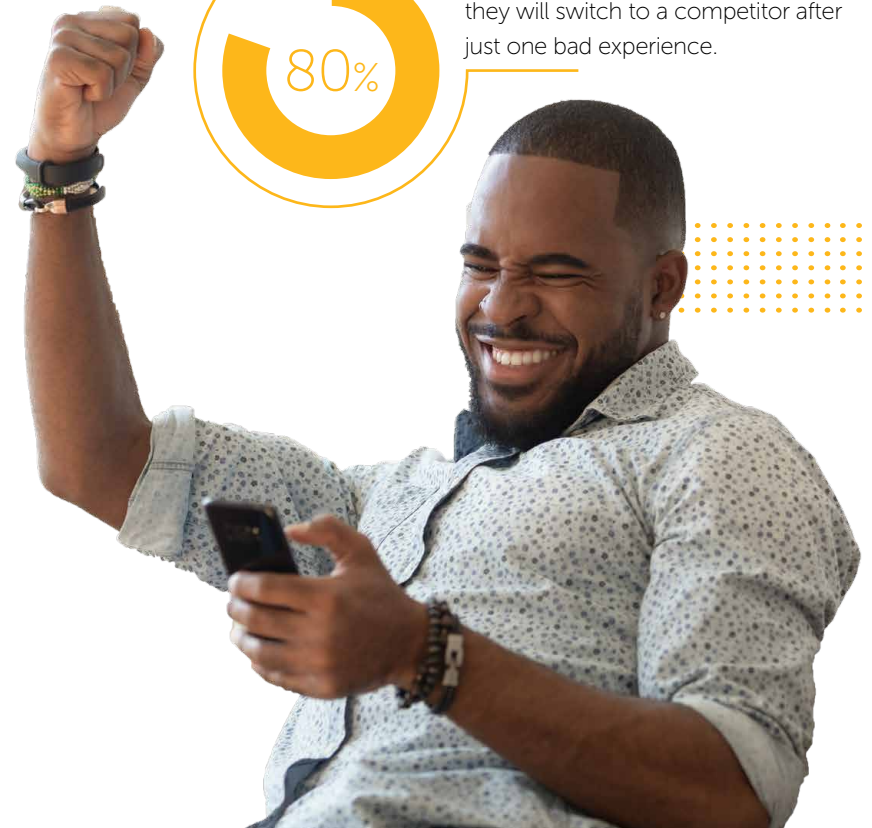
*Consumer companies must invest in the data, technology and systems required so they are able to deliver the kinds of exceptional consumer experiences that will give them a competitive edge and position them as the next customer-experience leaders.*⁴⁶

– Ernst & Young

The TECTAC consumer puts a high priority on a great customer experience and when they reach out to you (or you reach out to them), they will be paying very close attention to the service they receive from you. This is where your data collection and segmentation really come into its own: investing in the right software will help you match the right customer to the right solutions in the shortest possible time, because collecting information on your customer is only half the package. A close personal connection is essential to the TECTAC consumer and the hallmarks of a good customer experience for 2021 and beyond is a combination of both personal, human interactions and super fast, flawless delivery via tech.



of customers surveyed claimed that they will switch to a competitor after just one bad experience.



2. Utilise email marketing to engage with potential customers

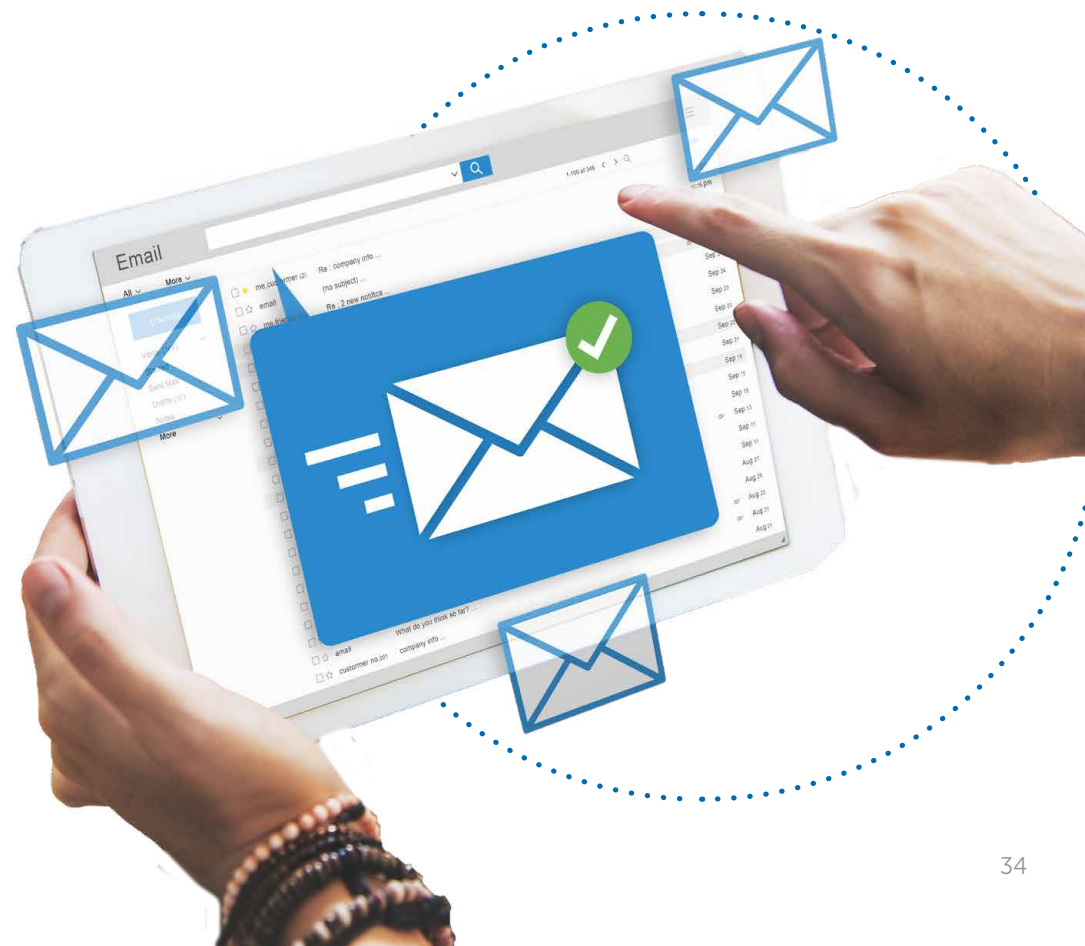
Email marketing remains the most preferred and most personal way that consumers across all demographics engage, and is a great way to get listings, advertise properties for sale and drive traffic to your agency website.

Research from the marketing platform Bluecore⁴⁷ found that **74%** of Baby Boomers think email is the most personal channel to receive communications from businesses, followed by **72%** of Gen X, **64%** of Millennials, and **60%** of Gen Z. According to HubSpot⁴⁸, **99%** of email users check their email every day and **77%** of companies have seen even more engagement with email marketing over the past year.

Whether it's automated or personal, email marketing will help you nurture buyers and sellers. Use email segmentation to send unique and personalised content to each segment of your audience. Automated email marketing using automated workflows to send out content is a powerful tool to keep relevant content flowing. Once they've engaged, you can start building a personal and positive connection by finding out more about what they are looking for to help deliver an empathetic customer experience.

The bottom line:

Email marketing is the best tool for estate agents who want to engage their audience.



3. Create a process to understand what they really, really want

The 2021 consumer has changed considerably over the past year, and their expectations and priorities have evolved with them. According to a survey from Accenture⁴⁹, **50%** of consumers believe that the pandemic caused them to rethink their personal purpose and re-evaluate what's important to them in life. Estate agents will likely have experienced this shift in priorities first-hand with buyers increasingly interested in properties further outside of cities, or with more internal space or even a garden – and with the rise of Work from Home (a trend that is likely to continue in a flexible form), consumers are prioritising their health and mental wellbeing more so than ever before.

The TECTAC consumer will likely have a good idea about what it is that they're looking for in a home, but they won't know the lay of the land like you do. Your expertise is the difference between your customer getting a home and *the* home – but much of this relies on understanding the real reasons why a potential client is looking to buy, sell or rent. Once you've discovered the core motivators – bearing in mind these may be very different to what is presenting on the surface – you can work towards delivering an experience that resonates. But diving deeper does not come naturally for everyone, and savvy agencies will formalise a process, automated by tech to drive company-wide adoption, to ensure that this level of service is provided without exception.



50% of consumers believe that the pandemic caused them to rethink their personal purpose and re-evaluate what's important to them in life

4. Be human and empathetic above all

This one might sound like a no-brainer, but it can be easy to rely too heavily on technology and miss the moment for a human connection when it matters most. People will be happy to engage with your website, app, and the like, but the second something goes wrong, they want to talk to a person, immediately.

Customer engagement cannot always be about new sales - the best way to engage your customers is to develop an online experience that is based on customer empathy.

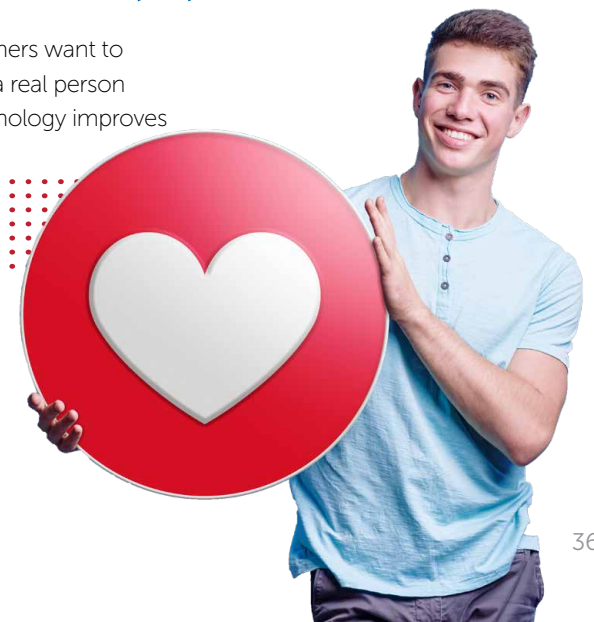
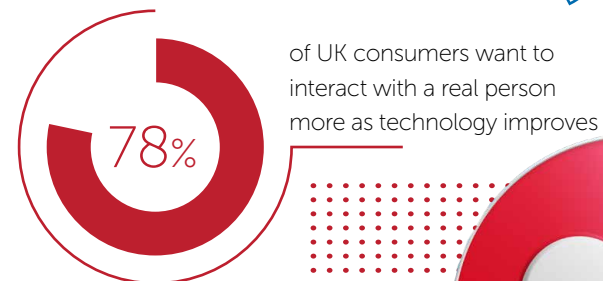
Rich Gardner - VP, Global Strategic Partnerships at Klaviyo

The TECTAC consumer greatly values human interaction and PwC research⁵⁰ found that **78%** of UK consumers want to interact with a real person more as technology improves; in addition, GWI research reveals that 3 out of 5 internet users say that bad customer service would negatively affect their decision-making.

Good customer experiences might be built around the cornerstones of convenience, speed, and consistency, but the human connection sits at the very centre as its linchpin. That means that the technology supporting human interaction must be seamless and unobtrusive across platforms to ensure that consumers feel that the agent they're dealing with is actively engaged and empathetic with their needs.

Smart agencies don't focus on the tech, but on delivering world class customer experiences. And then they set out to find the best tech on the market that will make it happen, empowering their agents to be more hands-on with the customer. By way of an example: when your CRM software instantly recognises an incoming number and automatically presents you with the full client activity record, that call is going to start out with you already informed about the client's previous activity, allowing you to be even more attuned to their requirements, which is exactly the kind of care that clients are looking for. As poet Maya Angelou put it so beautifully:

People will forget what you said and did but they will never forget how you made them feel.



6. How to **retain** the TECTAC consumer

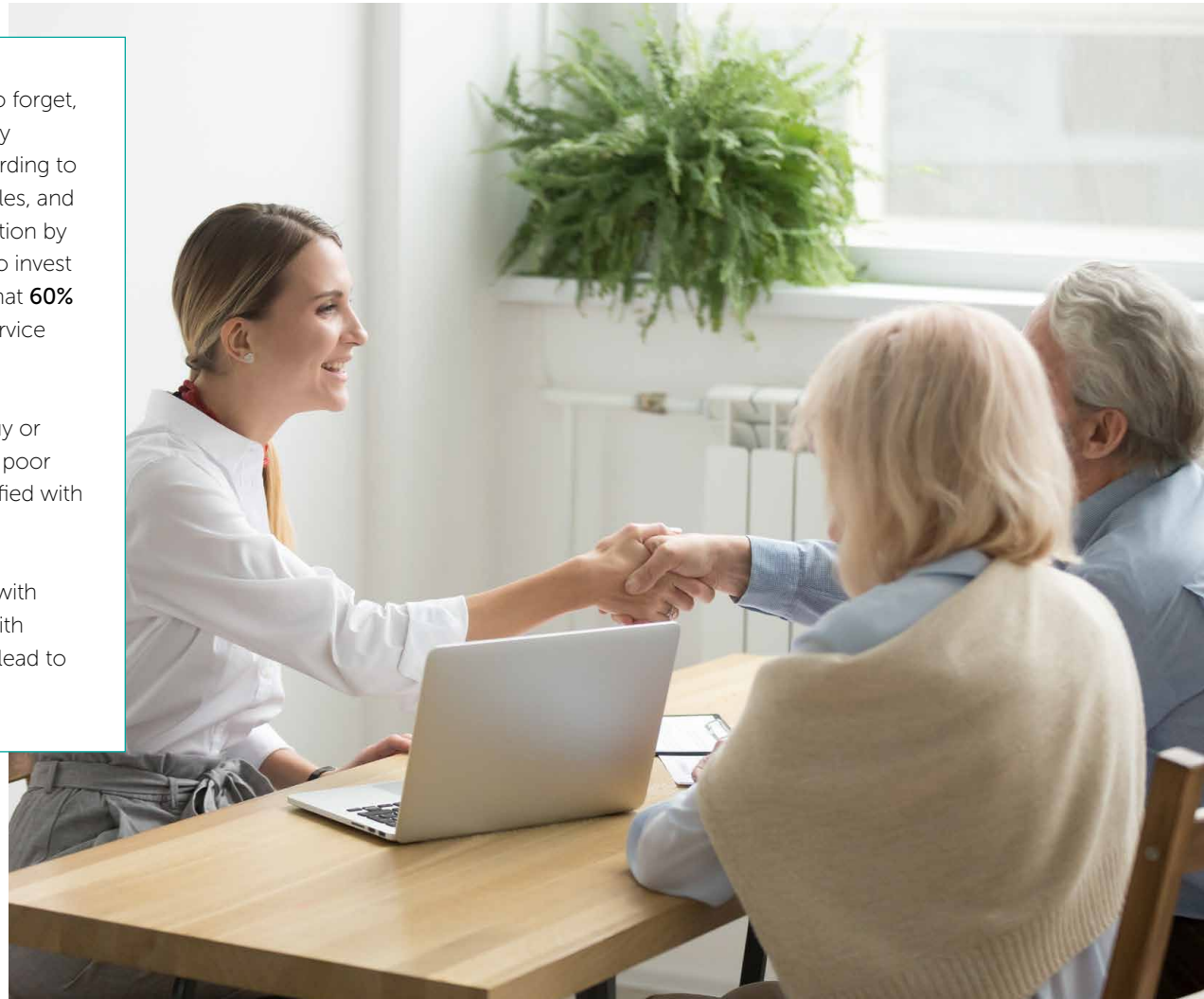
Buying and selling a home is a process that few customers are likely to forget, for better or worse. It is for that reason that customer retention is vitally important for agents looking to maximise their revenue streams. According to the Pareto Principle, **20%** of your customers represent **80%** of your sales, and according to a study by Bain & Company⁵¹, increasing customer retention by just **5%** boosts profits by **25%** to **95%**. So, it's more than worth it to also invest in the retention stage of business. Especially as PwC research found that **60%** of all consumers said they'd stop doing business with a brand if the service they received was not friendly.

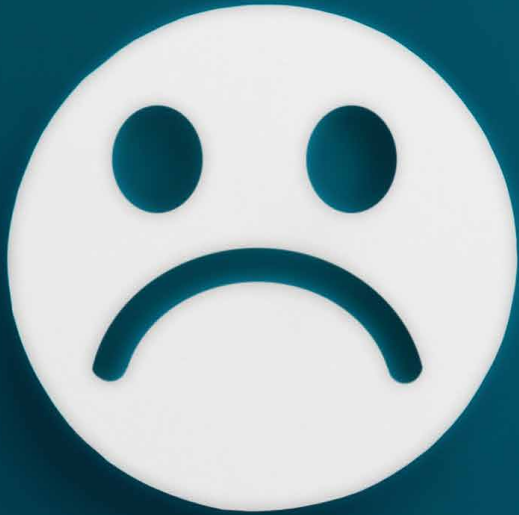
The TECTAC consumer getting involved in the emotive decision to buy or sell a house is even more likely to disengage with agencies that give a poor customer service, or to go to a competitor in future if they are dissatisfied with your service.

Our final section offers some strategies for retaining your customers, with several tips to keep your customers happy throughout their journey with your agency, and beyond, so that they may become repeat clients or lead to referrals in the years that follow.

**20% of your customers represent
80% of your sales**

**Increasing customer retention by just
5% boosts profits by 25% to 95%**





1. Maintain trust with good service and transparency

Trust is the cornerstone of any good relationship, and it is key to customer retention. According to HubSpot, **93%** of customers are more likely to be repeat customers at companies with excellent customer service⁵². Today's most successful agents know that delivering a good customer experience will likely mean more opportunities for repeat business down the line.

The economist Theodore Levitt wrote: "The purpose of any business is to create and keep a customer". The TECTAC consumer holds trust in high regard and when it comes to their property purchase or sale, if you lose their trust then you will almost certainly lose their business. So what can you do to keep customers?

Honesty and transparency are the most important values here. Your relationship will be short-lived if the consumer has a perceived sense of dishonesty at any stage of the

transaction. The TECTAC consumer is informed and smart and will almost certainly discover inconsistencies. Yet often it's not actual dishonesty but rather the appearance of dishonesty that leaves a reputation in tatters. For example, a lack of transparency and accessibility, so easily caused by poor admin practices, can easily be misunderstood as dishonesty or at the least create a sense of unease with the client. Transparent, automated processes and self-service tools will go a long way to avoid negative perceptions.

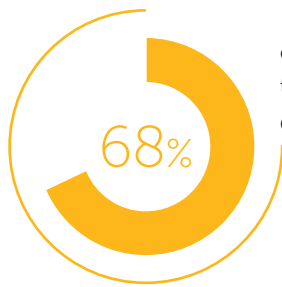
Along with transparency, the more value you offer the more likely the customer will stick with you and refer you to friends and family. This can involve sending useful and informative content that is optimised to their interests, such as market information, and articles from property experts to help inform their decision making.

The purpose of any business is to create and keep a customer

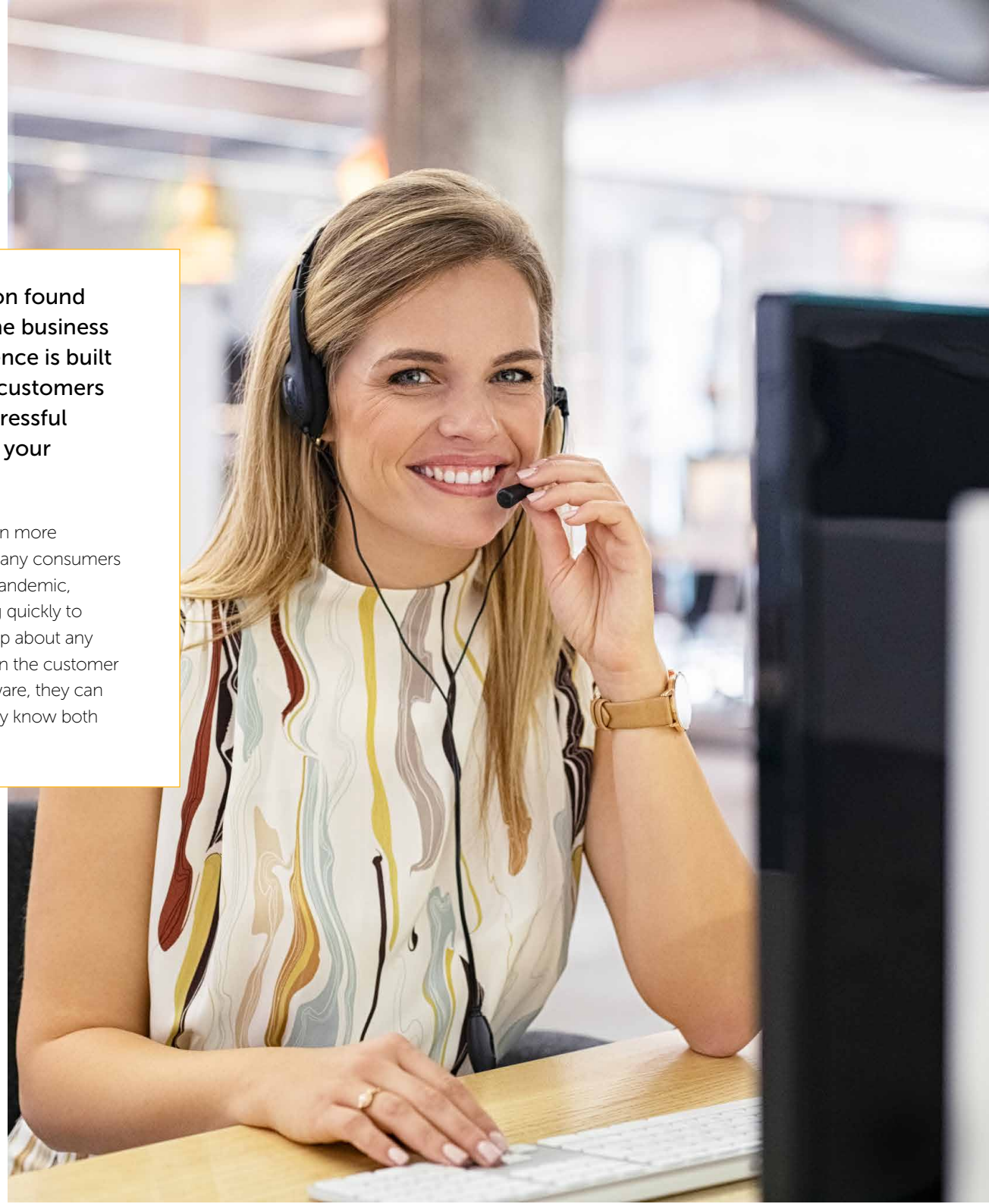
2. Be responsive and provide support

A widely cited study from the Rockefeller Corporation found that **68%** of customers leave because they believe the business does not care about them. A good customer experience is built around communication and being available to your customers when they need you. Buying and selling a home is stressful enough and regular contact is essential for ensuring your customer remains with you.

For the TECTAC consumer this is something which has become even more important over the past year, particularly when support is required. Many consumers adjusted their mindsets to customer service over the course of the pandemic, expecting more from the businesses they engaged with. Responding quickly to your customers when they contact you and keeping them in the loop about any developments in their transaction will help to maintain trust and retain the customer even after business is concluded. If your agents are using CRM software, they can set reminders and notes about key milestones or updates so that they know both when to contact the customer, and what needs to be shared.



of customers leave because they believe the business does not care about them



3. Be open to feedback

Despite the very best of intentions, it goes without saying that it is not always possible to provide a *perfect* customer experience. Sometimes things go wrong or there are areas the customer identifies that can be improved. Being open to feedback gives you the opportunity to respond, resolve the crisis and recycle the learnings from it into your business model – these might come whilst a customer is active with your agency, giving you the opportunity to retain them as a customer, or it may come after they've left following a bad experience.

Consider American Express as an example – the corporation transformed its approach from treating customer service as a cost centre into an opportunity to

build customer relationships. As a result they began to truly understand customer needs and these efforts quickly led to a **400% increase** in customer retention⁵³.

The TECTAC consumer values credibility and will be keen to share their thoughts and feelings with you about your performance. Being open to your customer about any feedback they might have will help your agents to improve their service. Sending out customer satisfaction questionnaires, or better yet, utilising customer feedback tools to track trends by either the customer or the individual, will help you collect valuable data that can help you identify and address issues as early as possible which will help prevent customers from leaving in the first place.



4. Stay in contact after a transaction is complete

Retaining a customer once the business has concluded often comes down to how you maintain communication even when there is no immediate gain to be had from it. The TECTAC consumer will appreciate that you are taking the time to check in with them, and this feeds into the inclusive customer service that consumers today are looking for. Even if a former customer is not currently in the market to buy or sell, they might know someone who is – According to Invesp, referral marketing generates **3-5x higher** conversion rates than any other channel.

There are numerous opportunities to connect post-transaction, and a follow-up after your customer had moved in is a powerful one – it shows that you care about their experience and presents the opportunity to address any remaining concerns that may otherwise have popped up as an unwanted Google review. **Establishing a regular communication schedule with your customers by setting automated reminders will help keep your agency top of mind when the time comes for them to buy, sell or rent again.**

referral marketing generates

3-5x higher

conversion rates than any other channel.



5. Train your staff and treat them well

Our final customer retention tip is not about the consumer but rather the employee. Great customer experiences are built on the back of well-trained and empathetic employees who are both equipped and keen to deliver a fantastic service for their customers. The TECTAC consumer values a human interaction that is authentic, honest and open, and when it comes to customer retention this is vital as according to PwC, nearly **64%** of consumers in their survey said that a bad employee attitude would greatly influence their decision to disengage from a brand.

Remember that whilst customers might generate the revenue, it is the employees that drive the experience. This is something which has taken on particular prominence over the past year – a 2021 special report from the global public relations and marketing consultancy firm Edelman⁵⁴ found that **40%** of employees surveyed believe they are the most important stakeholder in a company's long-term success, with the customer following at **34%**. This is a significant shift over the pre-pandemic era in January 2020 when the customer was still considered the most important stakeholder at **40%**, with the employee closely behind at **37%**.

Training employees empowers them to deliver a better service for customers but incentivising them to provide a good experience will create an overall culture of empowerment at your agency. A focus on technology training will help your agents become more efficient but at the end of the day, tech is only an enabler of good customer experiences. The TECTAC consumer will especially appreciate agents who are positive in their interactions, and that works best when their employer takes care of them. Happy employees provide a better service and that leads to satisfied customers – as Warren Buffet, Chairman and CEO of Berkshire Hathaway can attest:

“Any business that has delighted customers has a sales force out there. You don't have to pay them, you don't see them, but they're talking to people all the time.”⁵⁵



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