



# **2004 MLS Technology Survey**

## **Summary Report**

**WAV Group**  
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On behalf of WAV Group I want to thank you for participating in our first annual MLS Technology Survey. We had a total of 208 respondents representing 164 different MLSs from around the country. As you'll see in the results, we also had a great distribution of respondents from the smallest to largest MLSs. Thank you again for taking the time to give us your feedback.

We are pleased to provide you with this summary report of the results that you are free to use within your MLS. We encourage you to share this information with your leadership. Unauthorized distribution for any other purpose is prohibited.

- The ratings summarized in this report are the opinions of the individual respondents to our survey.
- The summary contained in this report is based on information provided by each individual respondent. No mention or information on these pages should be interpreted as endorsement of any MLS vendor or software by WAV Group.
- MLS technology is constantly changing. While we have tried to make the information presented in this summary accurate, we cannot guarantee the accuracy, completeness, or currency of this information. We assume no responsibility for any direct or indirect consequences of using the information or opinions provided here. Users are urged to verify all information directly with the MLS vendors or developers before committing themselves to license or purchase any MLS software.

When you are ready to evaluate and decide on new technology for your MLS please contact us at WAV Group. We will be pleased to provide you with a full list of our services and pricing based on your unique MLS needs.

Thank you again, we hope you enjoy the report.

Warm regards,

A handwritten signature in blue ink that reads "Mike".

Michael Audet  
Partner

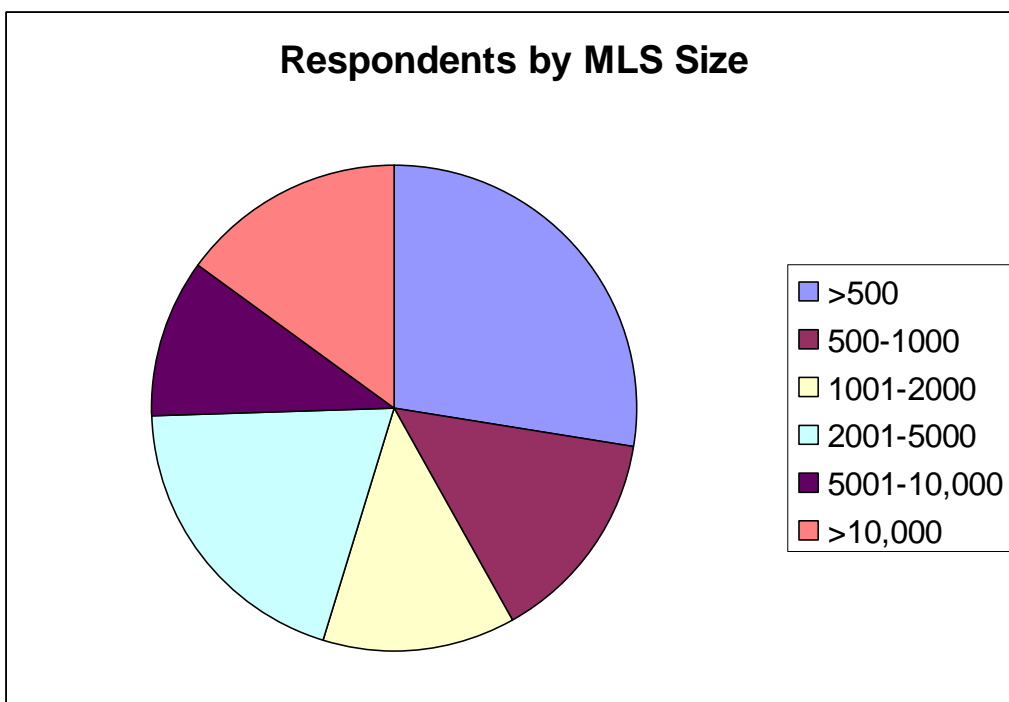
## WAV Group 2004 MLS Technology Survey

### Overview

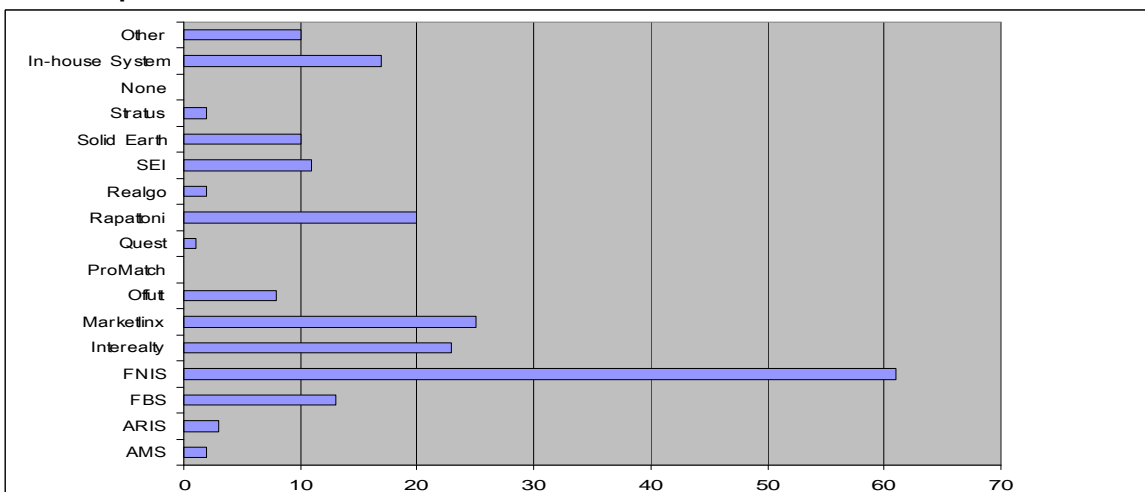
WAV Group has just completed our 2004 MLS Technology survey and the response has been outstanding. We want to thank each of you that took the time to respond and it is our pleasure to provide this summary report for your review. Our technology survey will be repeated each year and we are very excited to have such a significant response to benchmark the beginning of this annual event.

### Who participated?

208 leaders responded from 164 separate MLSs. As you can see from the graphs below we had excellent representation from all market segments and all of the major MLS vendors.



### Total responses for each vendor



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## Some Highlights! What did we learn?

There was a wealth of great information in the survey results. We have included many of the results from the specific questions in the details that follow but here are some of the highlights!

### **Most respondents were happy with their MLS technology overall!**

Overall, most of respondents appear reasonably happy with their vendors with about 60% indicating they will likely renew with their current vendor.

### **How the MLS vendors ranked!**

Boutique vendors Realgo and Stratus received the highest ratings from their customers though we need to note their limited number of accounts. Rapattoni led the pack in the overall vendor rating for the large MLS vendors. Of the large MLS vendors, Rapattoni, Solid Earth, and Interealty received the highest customer ratings. Of the vendors serving small to medium sized MLSs, FBS and Offutt received the highest ratings. One of the more interesting things we observed from the survey was the fact that In-house systems scored basically in the middle of the pack in terms of their overall rating.

### **What MLS features are weakest across the board?**

The MLS features that were rated the weakest overall across all MLS systems were:

- CMA
- Statistical reporting
- Contact Management
- Tax functions
- Report writers

### **Are many MLSs ready to switch vendors?**

Probably not! About 60% of the MLSs indicate they will likely stay with their current vendor.

### **What about in-house development? Do more MLSs really want to build their own system?**

A number of interesting points can be drawn from the survey regarding In-house systems. Based on the rating of their own systems they don't rate them as highly as users rate the "off-the-shelf" systems. One possible conclusion is that they are willing to forgo some of the bells and whistles available on ready made systems for the other benefits they believe they realize by doing things in-house. It isn't cost and it isn't functionality, in our opinion. It appears to be primarily an issue of control. In the survey, 10 MLSs, who currently use "off the shelf" systems, indicated they are seriously considering building their own MLS system next time around. This doesn't bode well for our MLS vendors who have been facing a shrinking technology market for a number of years.

### **Is Transaction Management really going to happen someday?**

The answer is...maybe! 12 MLSs indicated they plan to implement a Transaction Management solution over the next 24 months. 19 said they plan to do something in the next 12 months. 34 MLSs say they won't implement Transaction Management while another 132 respondents said they are undecided.

### **Data licensing for non-traditional products**

This still remains a very controversial issue in our industry. While not every respondent chose to answer this question 172 that did were either against data licensing or undecided while only 15 indicated they plan to license data for non-traditional uses.

### **Crystal Ball Time? What are the big changes you all see coming to our industry in the future?**

The answers to this question were, as you can imagine, all over the map! There were some recurring answers though and others worth mentioning. Here are a few of the notables!

- More consumer focused systems/more public inclusiveness
- Transaction Management (quite a few listed this one)
- Changes to the authorized use of MLS data
- Large broker impact on MLSs
- Increased focus on data security and data monitoring

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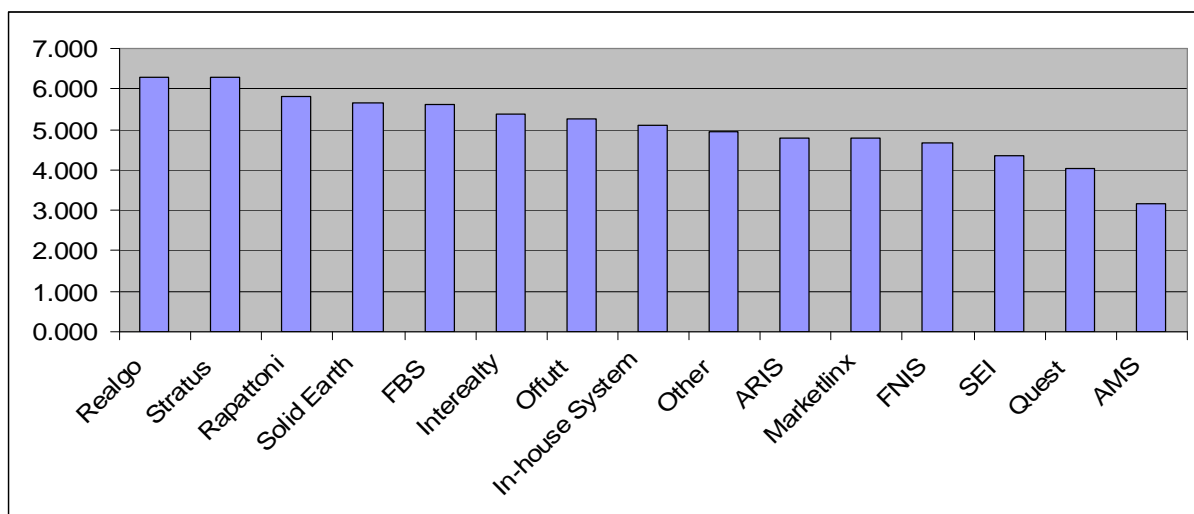


- Continued growth of FSBO/discount MLS sites
- Mega stores like Wal-Mart enter the MLS world
- Wireless goes mainstream like the fax machine
- Expanded integration with GIS capabilities in all products and devices
- More in-house development at DB level with integration to multiple products
- Expansion of regional MLSs to super regional MLSs

## Survey Details

In our survey we asked respondents to rate their vendors in several different areas including general satisfaction, ease of use, responsiveness and system features. One reason to do this is, of course, to get specific likes and dislikes. Using several responses from both broad “user satisfaction” to more specific system and vendor questions also provides a more reliable “overall rating”. Our “overall rating” is a combination of direct questions on vendor and system satisfaction combined with specific feature and service questions. Here are the results!

### Overall Vendor Rating



\* Low number of responses

#### Some important notes:

The two top rated vendors in our survey, Realgo and Stratus, are what we consider “boutique” vendors. Boutique vendors serve a small client base and in many ways provide the type of service and systems that you might equate to an in-house system. Due to their limited accounts they can provide services and customization not typically available with the vendor serving many MLSs. Realgo currently has one customer, IRES, a Colorado regional system with about 5,000 users and Stratus has 2 customers, Toronto and Long Island with 22,000 and 19,000 users respectively. Congratulations to Realgo and Stratus for the outstanding ratings given to them by their customers!

While the results are valid for these boutique vendors, since all of their MLS customers responded, they should not be compared on an “apples to apples” basis with the other major vendors serving many MLS customers. These vendors are noted below in order of their “Overall Vendor Rating”.

Advanced Marketing Services (AMS), ARIS, Quest and ProMatch had less than 3 responses in the survey. We have included all but ProMatch who had 0 responses but the low number of respondents needs to be considered when looking at the results.

#### Major MLS Vendor Ratings

If we take away Realgo and Stratus and look at the rest of the field here is how the vendors stacked up in the “Overall Rating”. Congratulations to Rapattoni for having the highest overall rating in this group.



1. Rapattoni
2. Solid Earth
3. FBS
4. Interealty
5. Offutt
6. In-house
7. Other
8. ARIS
9. Marketlinx
10. FNIS
11. SEI
12. Quest
13. AMS

**Important Note**

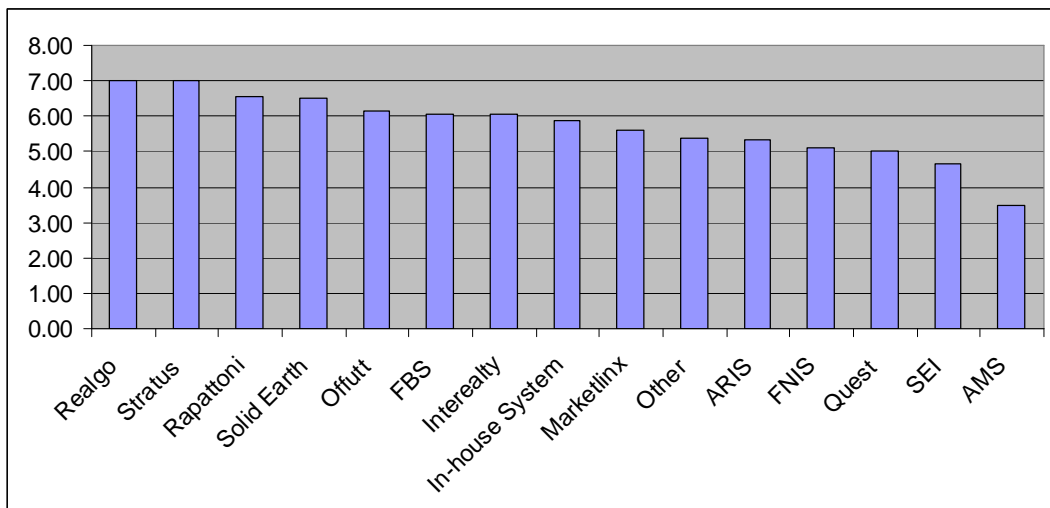
Because this is a blended rating, combining multiple questions that included both a 7 point and 5 point rating, this is a relative ranking only.

**Vendor Satisfaction Questions**

The following charts show the results of two specific questions where the respondent was asked directly to rate their vendor. The first question had 7 possible choices as follows

Strongly Agree	7
Agree	6
Somewhat Agree	5
Neutral	4
Somewhat Disagree	3
Disagree	2
Strongly Disagree	1

**Overall, our members are happy with our MLS system and vendor**



\* Low number of responses

Note: As you can see in the chart, only one vendor had a below neutral rating and their results are not statistically valid due to a low number of responses. Overall, when answering this question most customers seemed relatively happy with their MLS system and vendor.

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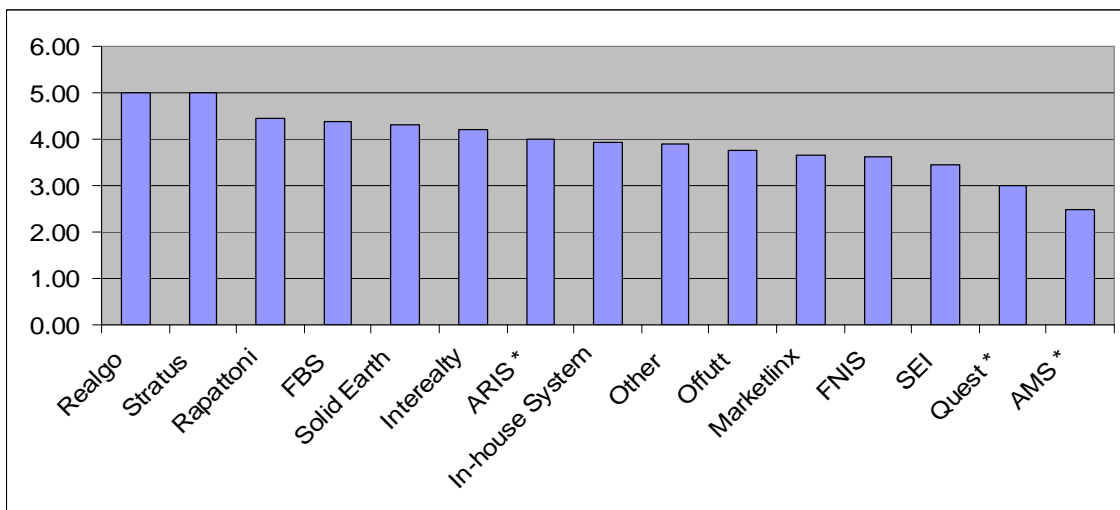


The following question rating overall satisfaction with a vendor and their system used a 5 point rating as follows:

Excellent	5
Good	4
OK	3
Poor	2
Very Poor	1

The actual statement in the survey was:

**We would rate our overall satisfaction with our vendor and MLS system as**



- Low number of responses

### Upgrades/Service/Responsiveness

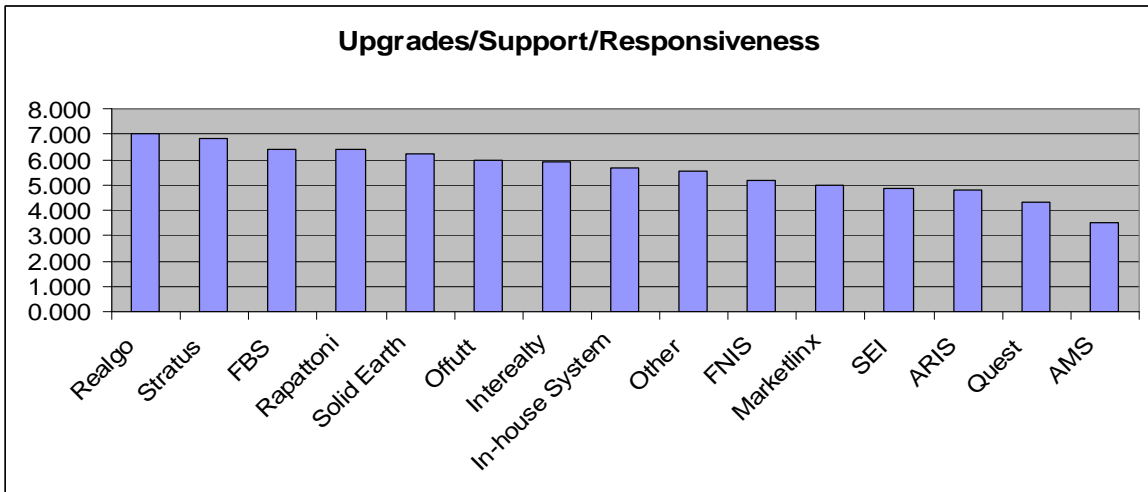
The next chart is a blended result combining the ratings from the following 3 questions.

**Our MLS vendor provides regular upgrades to the MLS system that keep it current.**

**Our vendor is responsive to our service needs. When there is a problem they respond quickly to solve the problem.**

**Our MLS vendor is responsive to our suggestions for system improvements.**





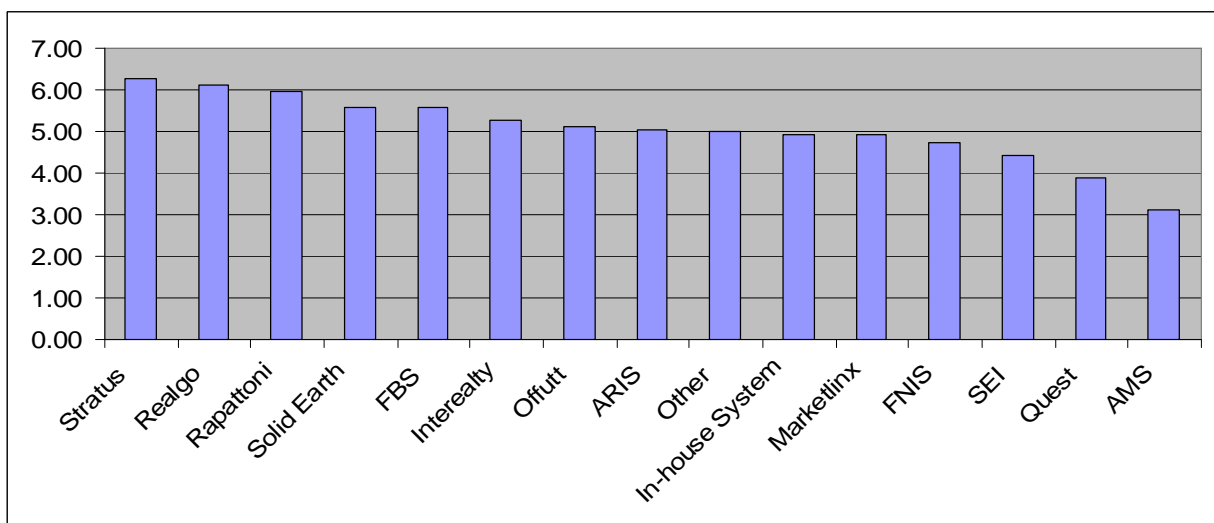
### MLS System Features

The next chart shows the results from the ratings for each MLS system feature. In the first chart the results have been totaled and averaged for each vendor. This question had a 7 point scale as follows:

Excellent	7
Very Good	6
Good	5
OK	4
Poor	3
Very Poor	2
Terrible	1

The actual survey statement was:

Please review the list below and select your rating for each particular MLS system feature or function

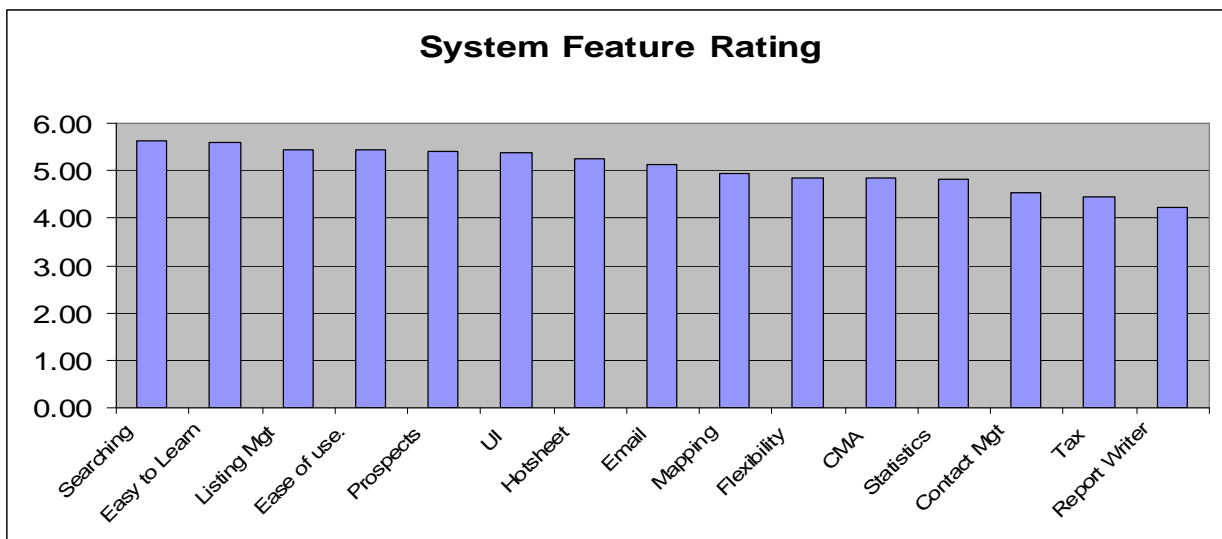


\* Low number of responses

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The following chart takes a different look at the data we obtained in the features section. In this chart we have shown the overall ratings from respondents for each system feature. This is a blend of all respondents and all vendors.



What this is showing us is that, in general, the functions from the middle of the graph to the left have been rated as “Good” to “Very Good”, while those to the right of middle are in the “OK” to “Good” range. So what do our vendors need to do better on a general basis?

- CMA
- Statistics
- Contact Management
- Tax
- Report Writers

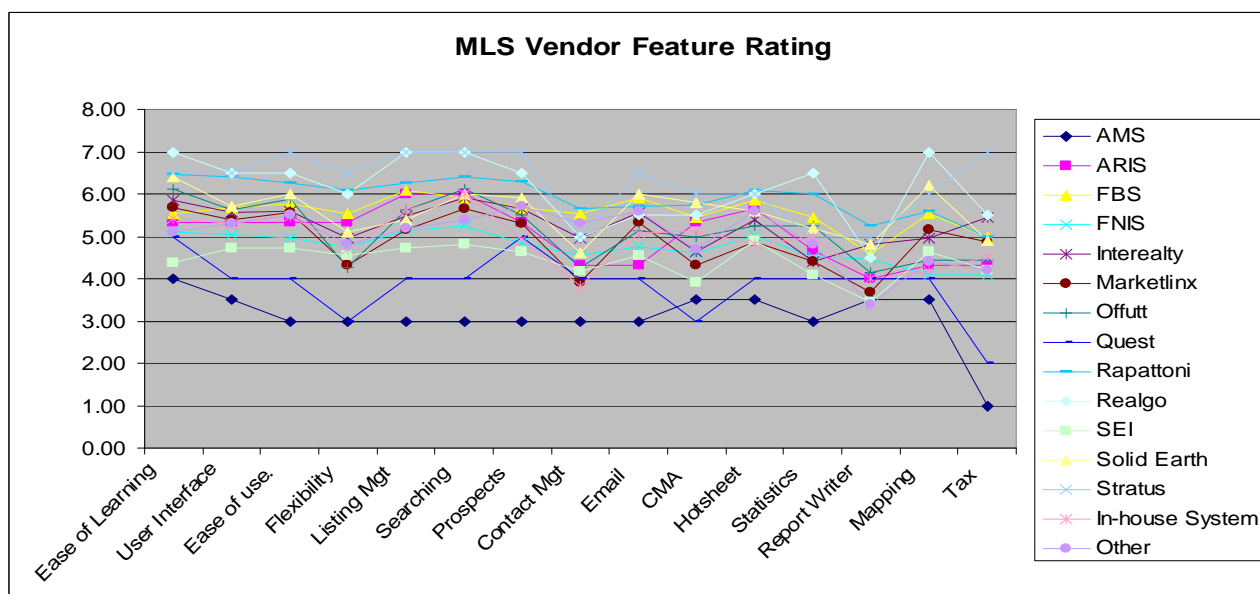
### MLS Feature Rating by Vendor

The chart on the next page, shows the results of the the same statement:

**Please review the list below and select your rating for each particular MLS system feature or function**

In this chart, though, the results are shown vendor by vendor for each feature rated using the following scale:

Excellent	7
Very Good	6
Good	5
OK	4
Poor	3
Very Poor	2
Terrible	1



**Other Survey Questions:**

**Does your system integrate with a 3<sup>rd</sup> party Internet Tax product?**

Yes	24%
No	46.6%
Not sure	29.3%

**We have confidence in our MLS vendor's management team.**

Strongly Disagree	2.4%
Disagree	2.9%
Somewhat Disagree`	9.6%
Neutral	5.3%
Somewhat Agree	8.2%
Agree	34.6%
Strongly Agree	33.7%
N/A In-house System	3.4%

**We are comfortable that the owner of our MLS vendor is committed to the MLS industry for the long term.**

The great majority of respondents felt their vendors were committed to the industry.

Strongly Disagree	1.4%
Disagree	2.4%
Somewhat Disagree`	2.4%

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Neutral	9.6%
Somewhat Agree	7.2%
Agree	32.2%
Strongly Agree	40.4%
N/A In-house System	4.3%

**We will likely renew with our MLS vendor at the end of our current contract?**

About 35% of the respondents were either negative or neutral to renewing with their current vendor. Almost 60% said they will likely renew with their current vendor.

Strongly Disagree	4.8%
Disagree	2.9%
Somewhat Agree	4.3%
Neutral	17.8%
Somewhat Agree	6.2%
Agree	26%
Strongly Agree	33.2%
N/A – in-house system	4.8%

**If you currently have an in-house system would you ever consider using a traditional MLS vendor system?**

Yes	21.3%
No	24.6%
Not Sure	54.1%

**We are seriously considering building our next MLS system in-house.**

Yes	14
No	159
N/A	11

The yes counts actually represent 10 individual MLSs.

**We currently provide wireless access to our MLS data, via Palm, Pocket PC or Blackberry devices.**

Yes	57.2%
No	42.8%

**Our MLS plans to implement a Transaction Management solution for our members in the future.**

Yes – in the next 12 months	19
Yes – in the next 24 months	12
No	34
Undecided	132
Already have it	11



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**We plan to license MLS data for non-traditional products in the near future.**

Yes	15
No	85
Undecided	87