



2011 MLS Domains
Association
Domain Survey

January 2012

WAV GROUP

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MLS Domains Association Consumer Research Survey

Executive Summary

WAV Group was retained by the MLS Domains Association to conduct a study to evaluate the relative interest and relevance of the .MLS top-level domain (TLD). The study was fielded through several MLS Consumer Websites including: MetrolistMLS.com, NW Mississippi Association of REALTORS®, Richmond Association of REALTORS®, San Antonio Board of REALTORS®, TheMLS, and the Traverse Area Association of REALTORS®. In addition, WAV Group fielded the study to a panel consisting of a purchased list of 100 consumers who have purchased/sold a home in the past twelve months. They were screened only for their real estate activity, not for their real estate search preferences. (Because panel group was randomly selected, its responses can reasonably be expected to represent the general home-buying population.) There were a total of 400 respondents in the survey.

The study objectives were:

- Better understand the meaning of the MLS with consumers
- Better understand the value of the .MLS TLD vs. a traditional .com website
- Help determine if there is an opportunity to create more leads for brokers and agents by leveraging the power of the MLS online

Key Findings

MLS Consumer Websites - Clear Choice of Consumers

MLS Consumer websites are the clear choice of consumers over third party sites and broker sites.

Nearly 60% of the consumer respondents preferred MLS sites to other options.

MLS Data is Extremely valuable to consumers

MLS data is very powerful to consumers. They believe that the MLS provides the most comprehensive and up to date information. The industry has trained consumers to know the MLS data is the “good stuff” and they are very interested in getting access to it.

MLS Means Great Property Information

When probed about the meaning of the word “MLS,” it was clear that consumers think of the MLS as the source for the best property information. The WORD “MLS” equates to high quality, educational, objective information.



.MLS Websites are perceived as more valuable than .com website

MLSs have built a very valuable asset with their MLS data. Consumers are very interested in accessing it on MLS consumer websites and even more interested in accessing the data on .MLS websites.

One respondent said:

“A dotcom can be owned by anyone, whereas the MLS has to adhere to the Real Estate laws set by real estate board.”

The MLS Domains Association has an opportunity bring a valuable element to consumers to help them clearly and quickly understand which sites are fueled by MLS data.

.MLS would have positive impact

It appears that the .MLS TLD would have a positive impact on consumers. They attribute many positives to the .MLS concept.

2/3 of consumers said:

- ✓ Site is sponsored by the real estate industry
- ✓ I can trust the information is good because it's coming from the industry
- ✓ Most up to date information
- ✓ Can conduct research without any sales pressure
- ✓ Trust it more because its bound by the rules of the industry

20% said that the .MLS concept would not affect their judgment of the site in any way. They felt it would be just like any other site. Just 5% said they wouldn't be able to find it because they are used to .com sites.



Recommendations and Next Steps

Move forward with ICANN registration

Based on the results of the consumer research it is WAV Group's recommendation to move forward with the ICANN application for the .MLS TLD. While a long and arduous task, it appears as though consumer adoption and recognition of the MLS data is worth the effort.

Reserve .MLS for MLS Consumer Websites

Consumers clearly state that they prefer MLS Consumer Websites versus third party sites and even broker sites. They clearly prefer MLS sites versus third party and broker sites because they believe they are neutral, objective and contain the most comprehensive, up to date and trusted information.

From a consumer's perspective the data suggests that the .MLS domain sites be reserved for MLS organizations.

.MLS for Broker Sites?

While brokers are the clear contributors of property listing data, their sites suffer from other weaknesses from a consumer's perspective. 58% of respondents in the study clearly prefer MLS sites versus broker sites. The main reason is that they do not want to be "bothered" while they are doing their research. They are concerned that they will be "hounded" by real estate agents trying to sell them property before they are ready. They prefer to use MLS sites first and then when they are more comfortable with what type of home they would to buy and what areas they are interested in, they will then engage with an agent.

Broker sites also suffer from inconsistency from a consumer's perspective. Some broker sites include a robust IDX or even VOW data availability, while others may feature only their own listings. Consumers do not know what to expect on broker sites because of this inconsistency, thus their interest in broker sites is lower than MLS Consumer sites.

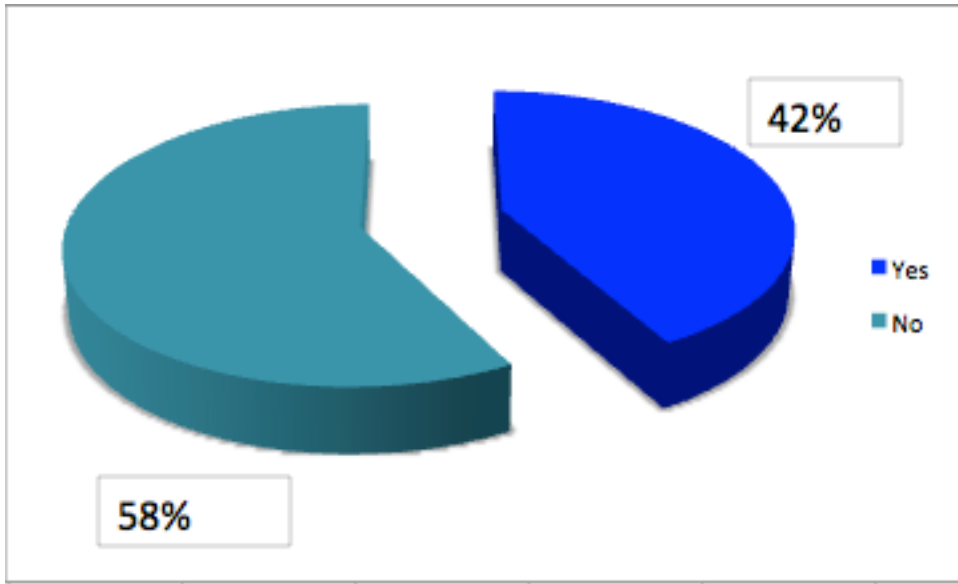
It would be logical to think about offering the .MLS top-level domain to brokers as a way of enhancing the consumer's perception of their websites. In our view, every .MLS site would need to be held to a standard of data quality and usability to ensure it was a positive experience for the consumer. There is no data quality standard, however, that will eliminate the consumer's perception that they cannot remain anonymous on a broker site. For this reason, we believe it makes sense to limit the .MLS domain name to MLS controlled sites only.

Third Party .MLS participation?

Because third party sites display information from multiple sources, some of which are unreliable, the consumer is left with a disappointing experience. In an earlier study conducted by WAV, Group 42% of consumers stated they have found stale listings on third party sites leaving them with a negative feeling about the reliability of the data. By mixing high quality MLS data with poor quality, outdated information from other sources, third party sites have tarnished the consumer's perception about the value of their site.



Have you ever visited a third party site and found a listing that was “stale” – not available for sale any longer?



While the .MLS initiative currently does not contemplate involvement by any third party sites, there are several MLS branding initiatives already under way with third party sites. Homes.com, for example has launched their “[MLS trusted](#)” initiative where they are adding a logo to every listing that is sent to them from the MLS. According to Homes.com, ‘This badge tells consumers they can trust the property details they see, and brands the local MLS as the trusted source for truly accurate property data. All listings also contain clear and direct attribution and contact information for listing brokers.’

Point2 launched their “[MLS Certified](#)” program in May 2011. It is being promoted as “a symbol of authority, quality and trust for real estate listings. A Point2 initiative, the symbol signifies that the listing originates from the local MLS, the ultimate authoritative source for real estate listings.” Point 2 goes on to say, “the agreements signed between each portal partner and Point2 provides for publishing audits to be performed at least once every five days. If the information published is not current, the data feed will be turned off until we are assured that the information will be updated at least once every 24 hours.” While once every 24 hours may be a good standard of data quality for third party sites, most MLSs update their data as often as every 15 minutes. This attention to detail is what has created the consumer’s perception of data quality over the years. By allowing third parties to market the MLS brand in the manner in which they choose without any oversight by MLSs, the perception of MLS data quality will likely degrade over time.



While both of these programs are aimed at improving the quality of listing data on the Internet today, these programs do not promise to eliminate all of the other data on their sites that is not provided by the MLS. We believe the consumer will be confused when some of the listings on the site are MLS sanctioned and others aren't. Will consumers pay enough attention to understand the differences between two types of listings on the same site?

If a .MLS or other type of MLS branding was promoted on third party sites, it will likely create consumer confusion and could even tarnish the perceived quality of MLS data in its entirety over time.

Improving the value and relevance of MLS organizations

The study clearly points out that consumers trust MLS data more than other sources and are more interested in .MLS domains than .com domains. MLSs have a chance to leverage this important asset by taking control of it and encouraging every market in the country to leverage this strategy to the full benefit of their agents and brokers. By encouraging consumers to go to "the" source of data when they are in the early phases of their real estate search, MLSs have an opportunity to encourage consumers to engage with their subscribers by promoting their expertise and allowing them to contribute content that clearly demonstrates their unique and local expertise.

MLSs can also save money for their brokers over time by creating a powerful, highly trafficked site. Brokers are paying more and more for exposure and priority on third party sites. We have, if effect, created another newspaper industry, with not one or two options per market, but thousands of options per market. The MLSs have a chance to re-capture consumers and deliver them to their brokers for nothing more than their regular MLS dues. The .MLS initiative can go a long way toward reversing a very expensive trend requiring brokers to buy back exposure to their own listings online.

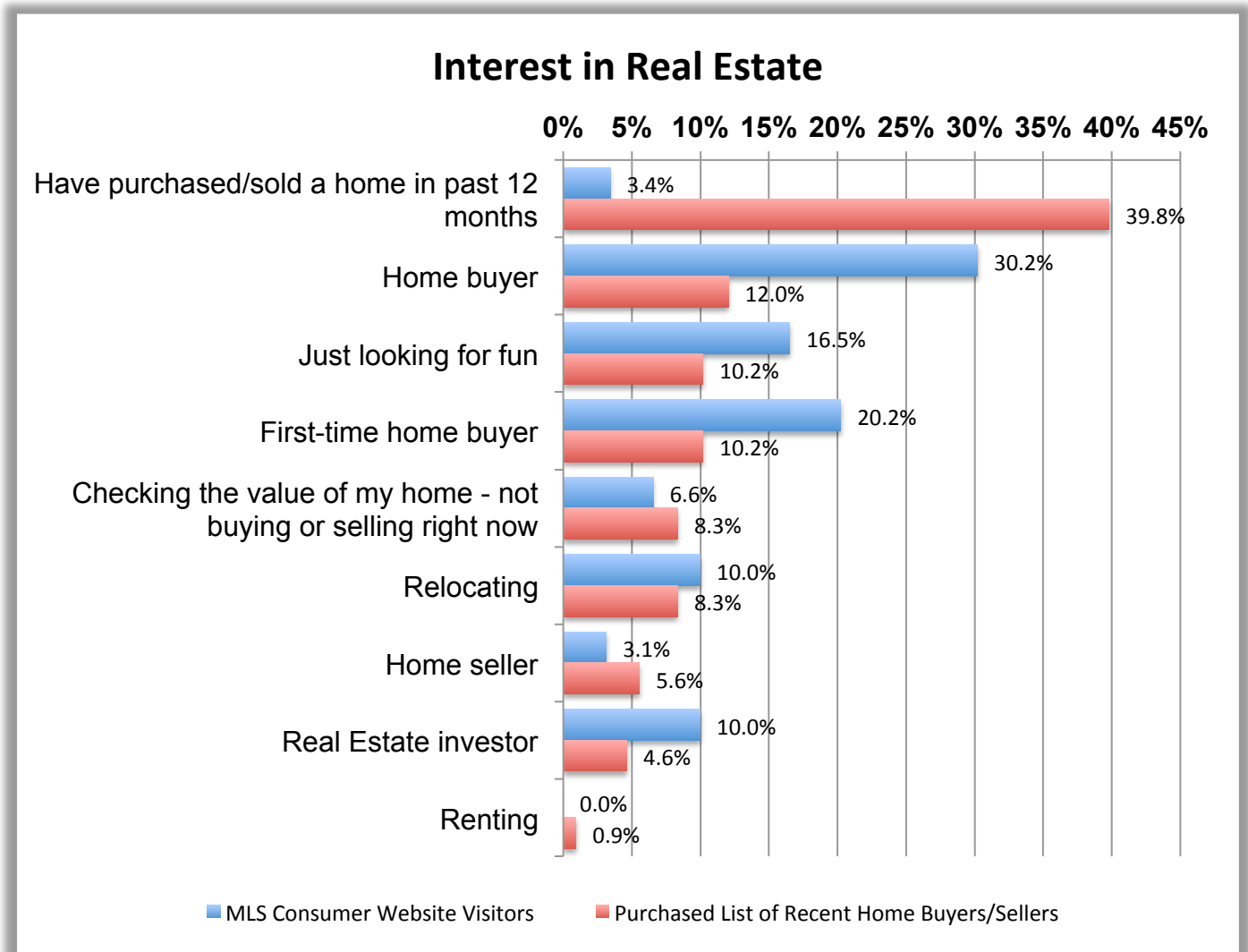
Survey Results & Analysis

Note: These survey results represent two sets of subjects:

1. 300 respondents came from MLS consumer-facing websites. These respondents are represented on charts in the following pages in blue.
2. 100 respondents came from a purchased panel of consumers who had bought or sold a home in the last 12 months. Because this panel was randomized, its answers can be taken as representative of the home buying/selling population (within the limits of statistical inference). These respondents are represented on charts in the following pages in red.

What best describes your interest in real estate?

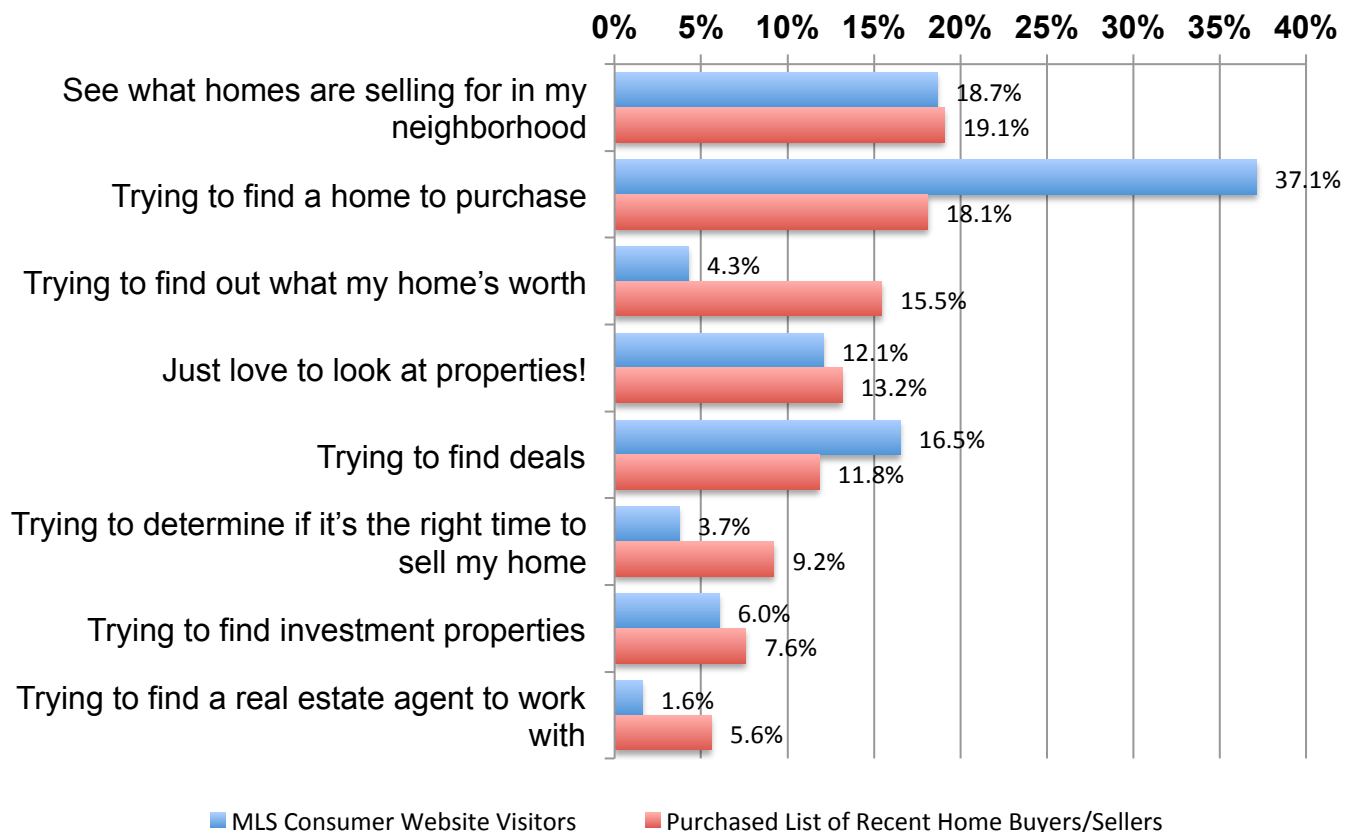
The largest proportion of respondents from MLS Consumer websites were homebuyers, where the largest proportion of the respondents from the purchased panel list have purchased or sold a home in the past 12 months.



What are the reasons you are using real estate websites? (Choose all that apply)

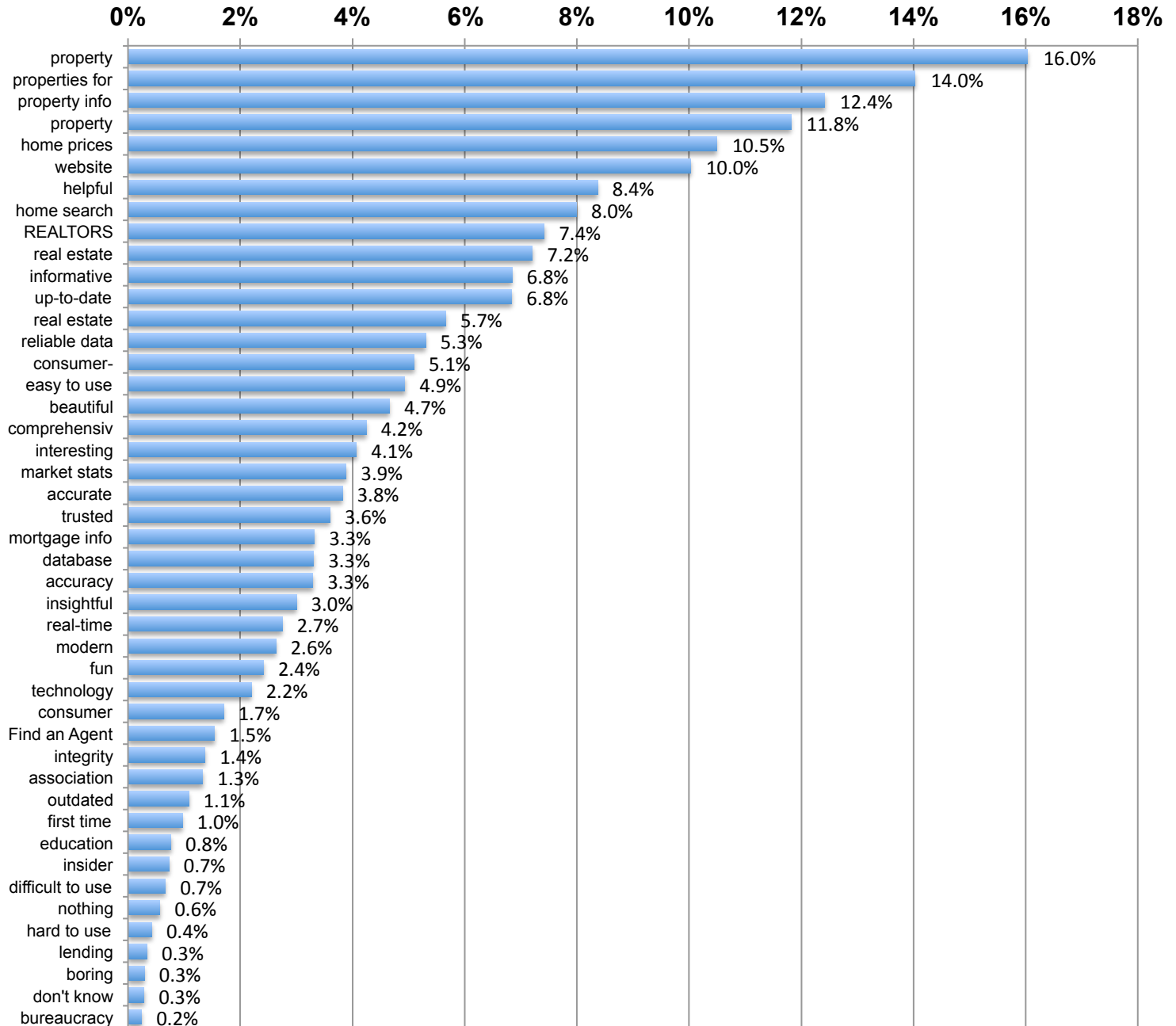
Those visiting MLS Consumer websites were primarily interested in finding a home to purchase. Those from the purchased panel list had bought/sold a home within the past 12 months; since they had completed a real estate transaction recently, they were primarily interested in watching their own home's valuation and their neighborhood valuations.

Key Reasons for using MLS Consumer Websites



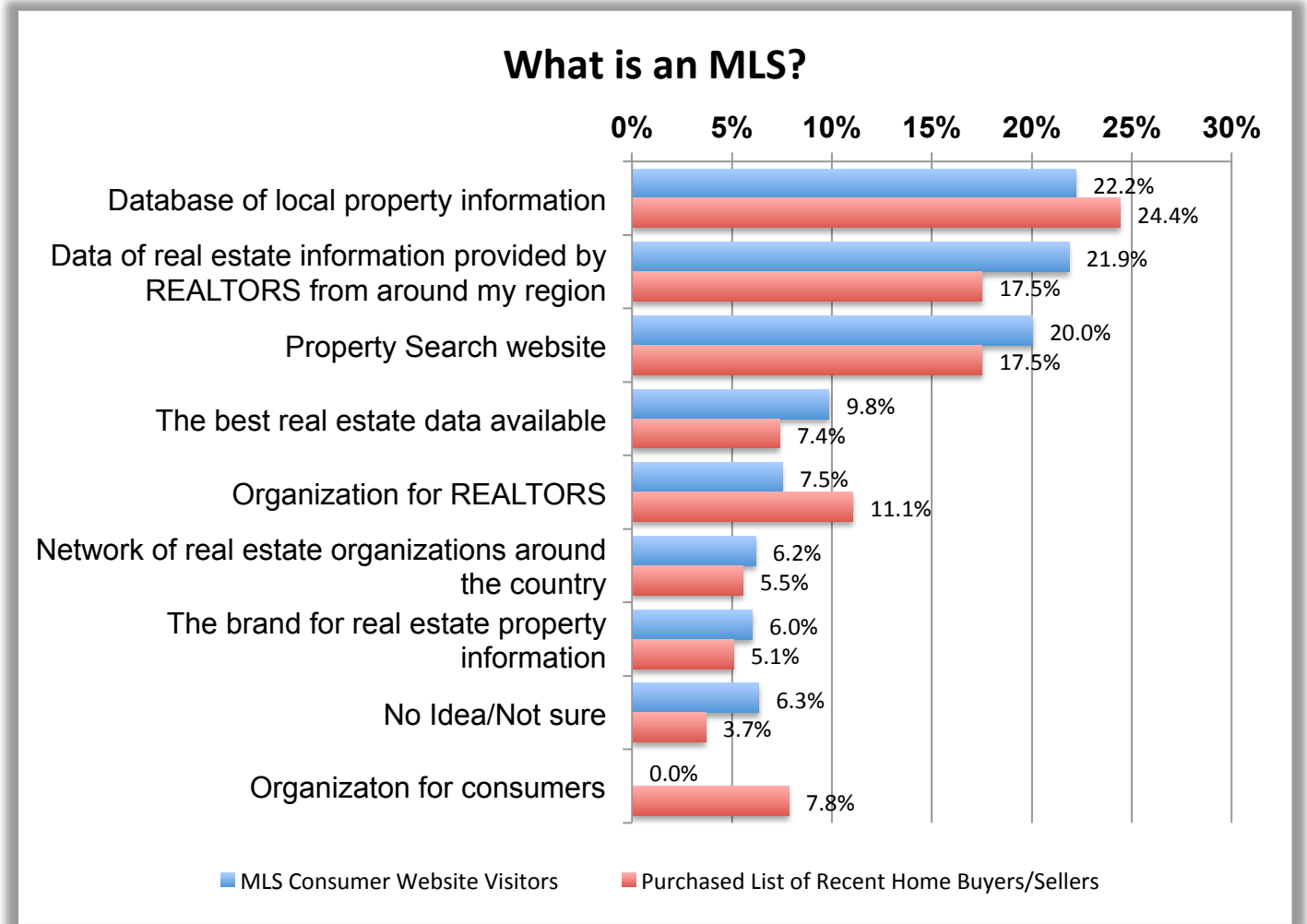
When you think of the word “MLS” in real estate what words come to mind?

Over 50% of respondents from both lists thought of the word “MLS” as a property database. Their responses indicated that they felt it was a search tool for property information.



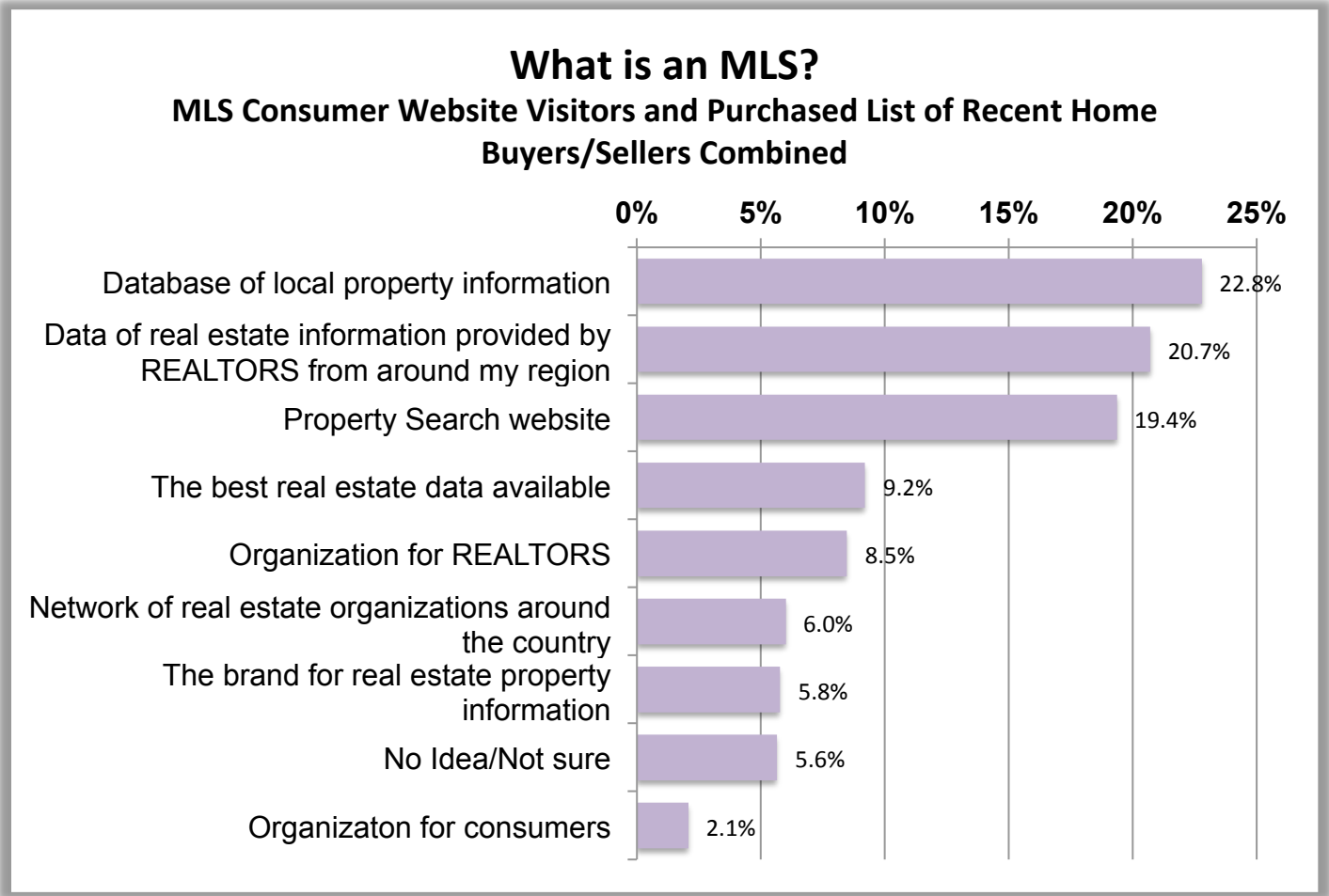
In your opinion, what is an “MLS?” (Choose all that apply)

When comparing the two lists, the majority of respondents from both the MLS consumer website visitors and the purchased panel list believed that an “MLS” was a database of local property information. There was clear recognition that MLS information is provided by REALTORS® from around their region. Few thought of it as “brand,” but they recognized it as a valued source of real estate information. This is not surprising, since the MLS has never been marketed as a consistent brand with consistent expectations.



In your opinion, what is an “MLS?”

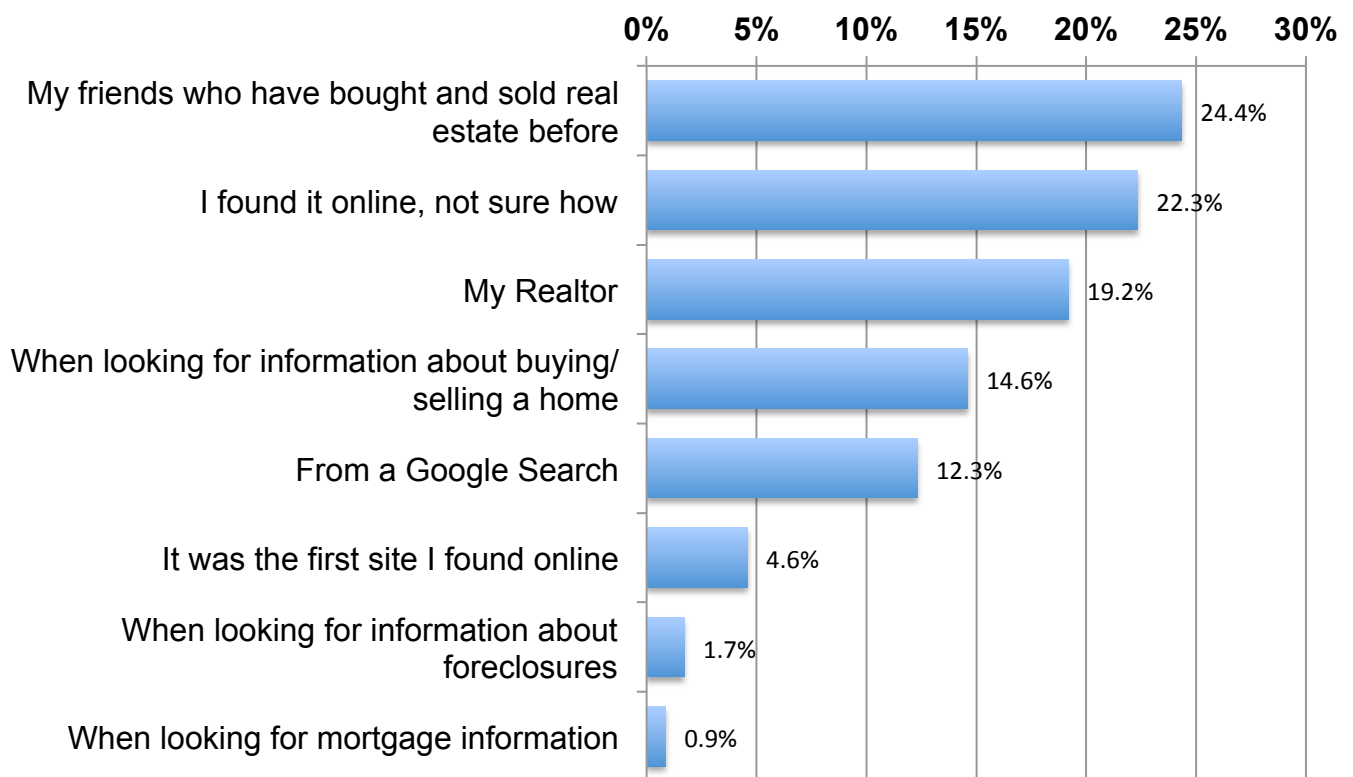
The lists combined further reinforce that the respondents believed a “MLS” is a database of local property information and the information is provided by REALTORS® from around their region.



How did you find out about the MLS and this website?

The majority of respondents from the MLS Consumer Websites heard about the MLS website through friends who have bought and sold real estate before. This clearly suggests that consumers are recommending MLS Consumer websites to each other. Others found it online, but were unsure of how they found it.

How did you find out about the MLS Consumer Website



When looking for a website to search for a property, if you saw a web address like Atlantahomes.MLS or Chicagohomes.MLS instead of Atlantahomes.com or Chicagohomes.com, what would that mean to you? (Choose all that apply)

MLS Consumer Website Visitors

Of respondents visiting MLS consumer websites, nearly 50% say that an MLS consumer website is sponsored by the real estate industry thus making the data more reliable. 22.7% of respondents felt there was no difference in .MLS domains from .com domains. They felt it was just another real estate website. This could be because they have already found the existing MLS site and believe they are receiving the value of accurate data delivered by the real estate industry without needing to have a new top-level domain to accomplish this goal.

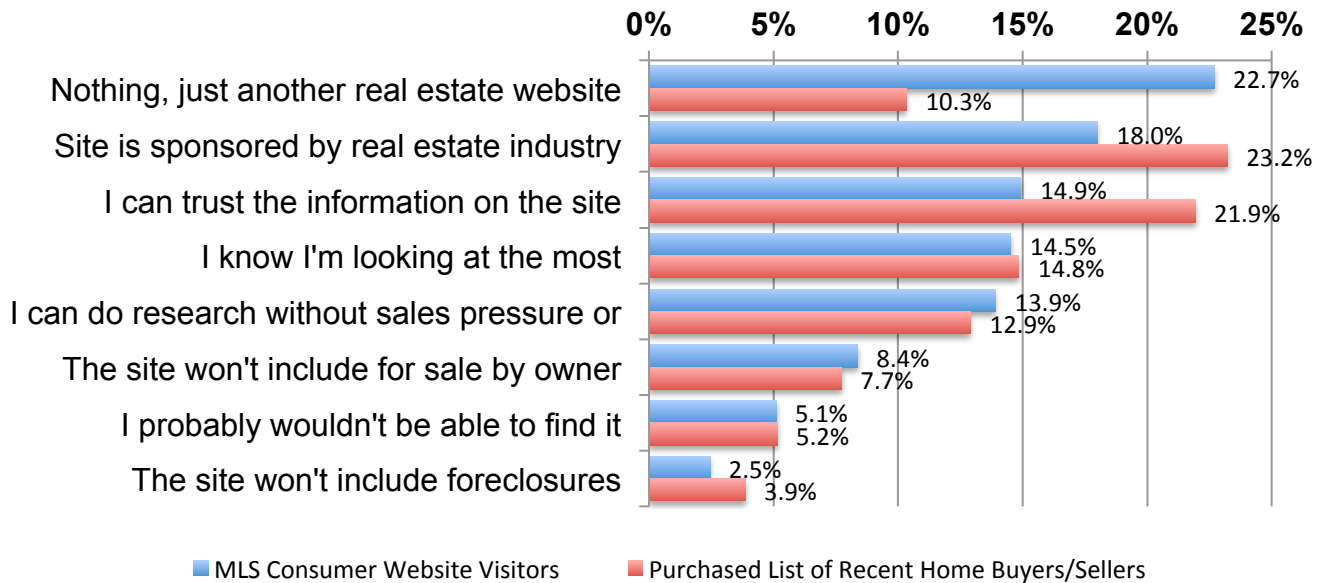
Bought/Sold home in past 12 months

Those that have purchased/sold a home in the past twelve months more clearly recognized the advantage of a site with the .MLS TLD. Nearly 2/3 recognized that the site would be sponsored by the real estate community with comprehensive, up to date and trusted information. These results suggest that consumers would more readily recognize MLS quality information with .MLS sites.



Interest in a .MLS vs. .Com website

MLS Consumer Website Visitors vs. Purchased List of Recent Home Buyers/Sellers

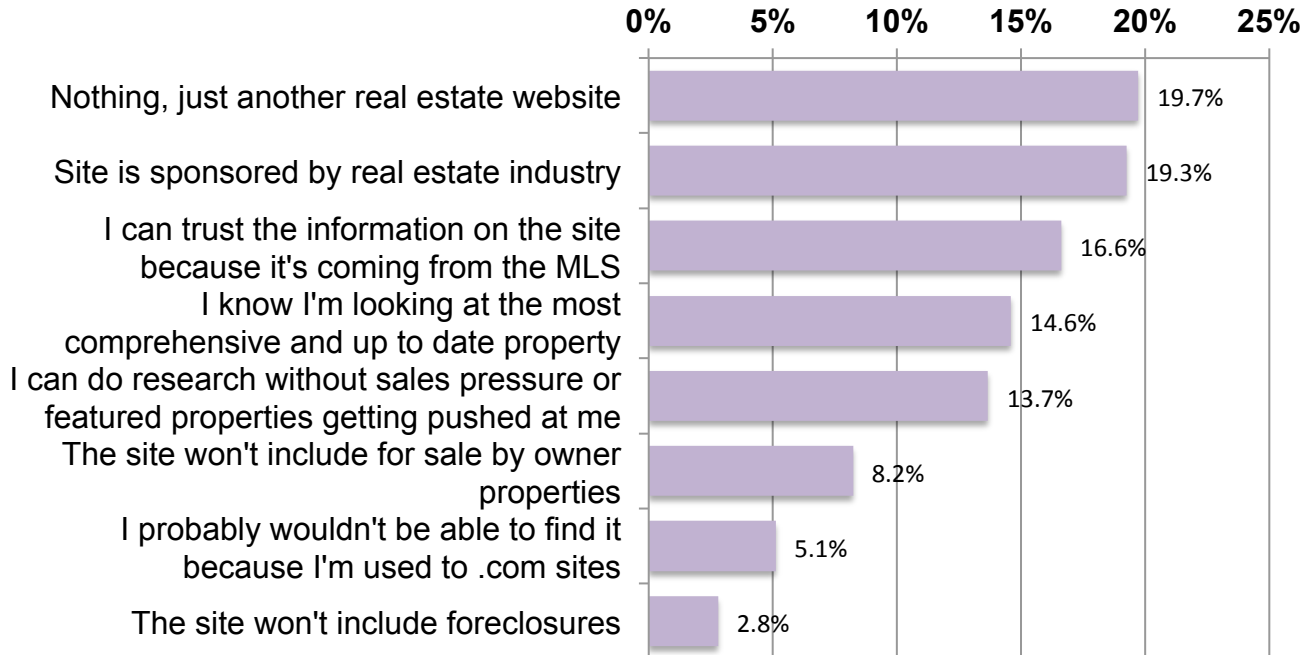


When looking for a website to search for a property, if you saw a web address like Atlantahomes.MLS or Chicagohomes.MLS instead of Atlantahomes.com or Chicagohomes.com, what that mean to you? (Choose all that apply)

When combining the two lists, over 50% of the respondents recognized some unique value with .MLS sites. Few respondents believed they wouldn't be able to find the MLS site because of a new top-level domain.

Interest in .MLS vs. .Com websites

MLS Consumer Website Visitors and Purchased List of Recent Home Buyers/Sellers Combined

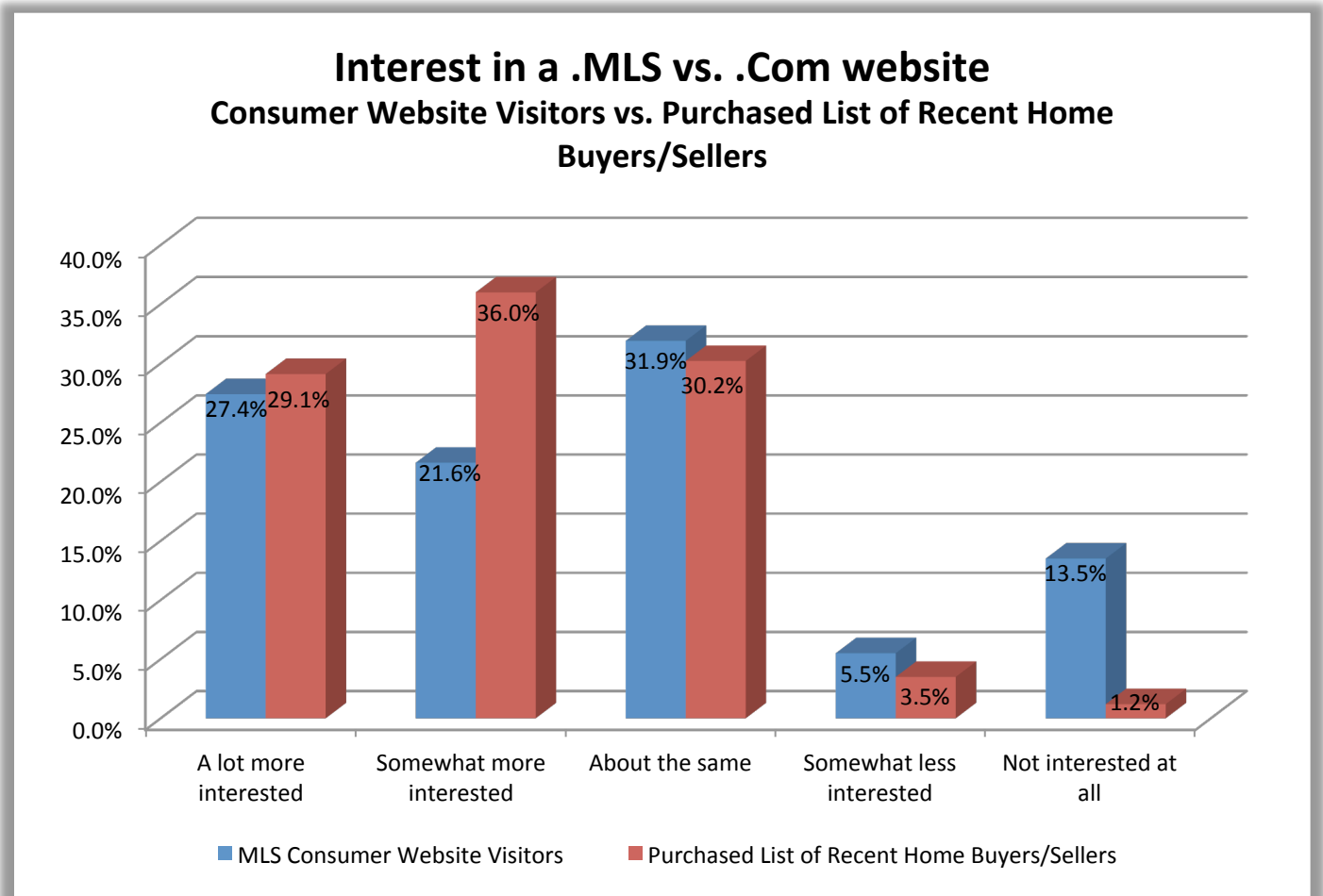


Assuming you were looking for homes in a city like Atlanta or Chicago, how interested would you be in looking at “AtlantaHomes.MLS” and “ChicagoHomes.MLS,” rather than “AtlantaHomes.com” and “ChicagoHomes.com”?

49% of those that visit MLS Consumer Websites would be somewhat or a lot more interested in a site with the .MLS top-level domain. Interest in even stronger with those that have bought/sold a



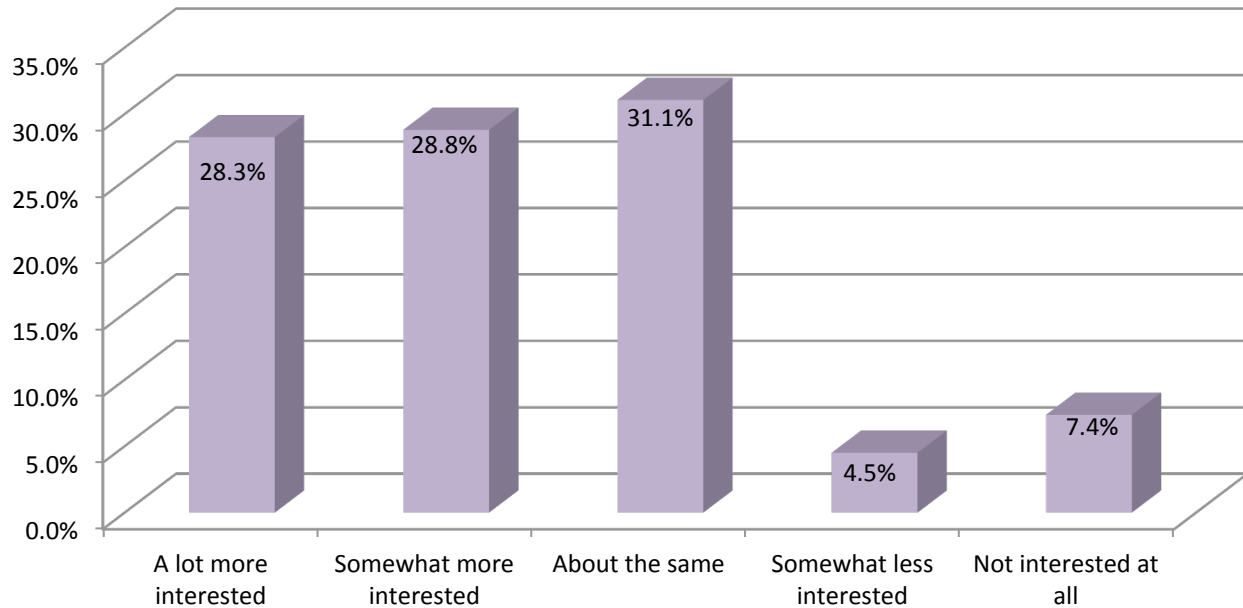
home in the past 12 months. Over 2/3 of these respondents are somewhat or a lot more interested in a site with the .MLS TLD. This second group can be generalized to the population of all home buyers and sellers.



Assuming you were looking for homes in a city like Atlanta or Chicago, how interested would you be in looking at “AtlantaHomes.MLS” and “ChicagoHomes.MLS,” rather than “AtlantaHomes.com” and “ChicagoHomes.com”?

When combining the two respondent sources, the large majority (57.1%) would be either somewhat more or a lot more interested in a site on the .MLS top-level domain.

Interest in a .MLS vs. .Com website
MLS Consumer Website Visitors and Purchased List of Recent Home Buyers/Sellers Combined



Why are you more interested in a site with .MLS vs. .com?

For those respondents that stated they would be more interested in a site on the .MLS top-level domain, trust and accuracy of information at .MLS sites versus .com sites influenced their decision. Respondents felt that they could trust .MLS sites to have comprehensive and accurate information regarding listings in there area.

"I would know what I'm going to see and not waste time"

"As long as the ".mls" stands for the actual MLS, I feel it would be a more reliable resource for information."

"More comprehensive-would have more of the specific info I was looking for"

"A dotcom can be owned by anyone, whereas the MLS has to adhere to the Real Estate laws set by real estate board."

"The MLS makes me feel more secure"

Why are you less interested in a site with .MLS vs. .com?

For the few respondents that stated they were less interested in sites on the .MLS TLD, concerns with the validity of a site with and being “sold to” were an issue.

“I want a trustworthy site”

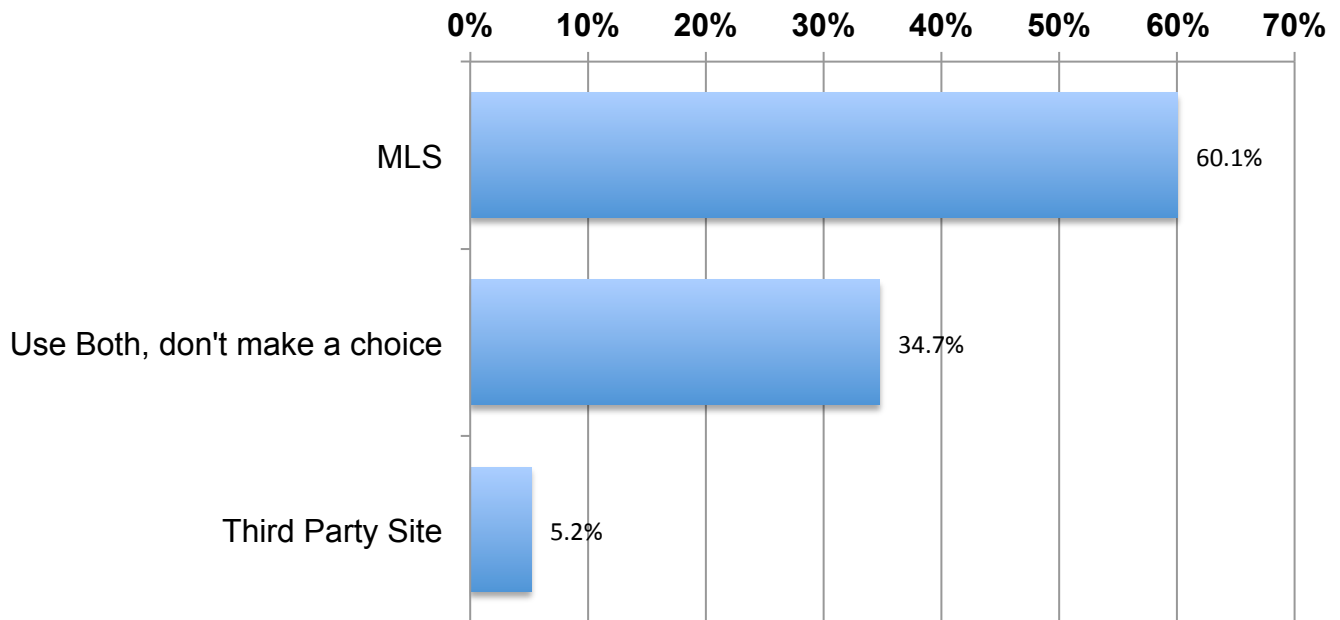
“.MLS domain will probably sound more commercial then the ".com" domain. Yeah, Yeah I know that doesn't make much sense. but MLS seems more like a website designed to sell you ads then help you find information that is useful.”

When given a choice to look at properties on a website from the MLS (Multiple Listing Service) where you found this survey vs. a third party site e.g. Zillow, Trulia, Realtor.com, Yahoo etc. which one do you prefer?

Over 60% of respondents polled from MLS Consumer Websites stated that they prefer the MLS when looking at properties on a website with only 5.2% preferring a third party site. This is not surprising, considering these respondents all found this survey on an MLS site they were already using.

Preference of MLS Site vs. Third party sites

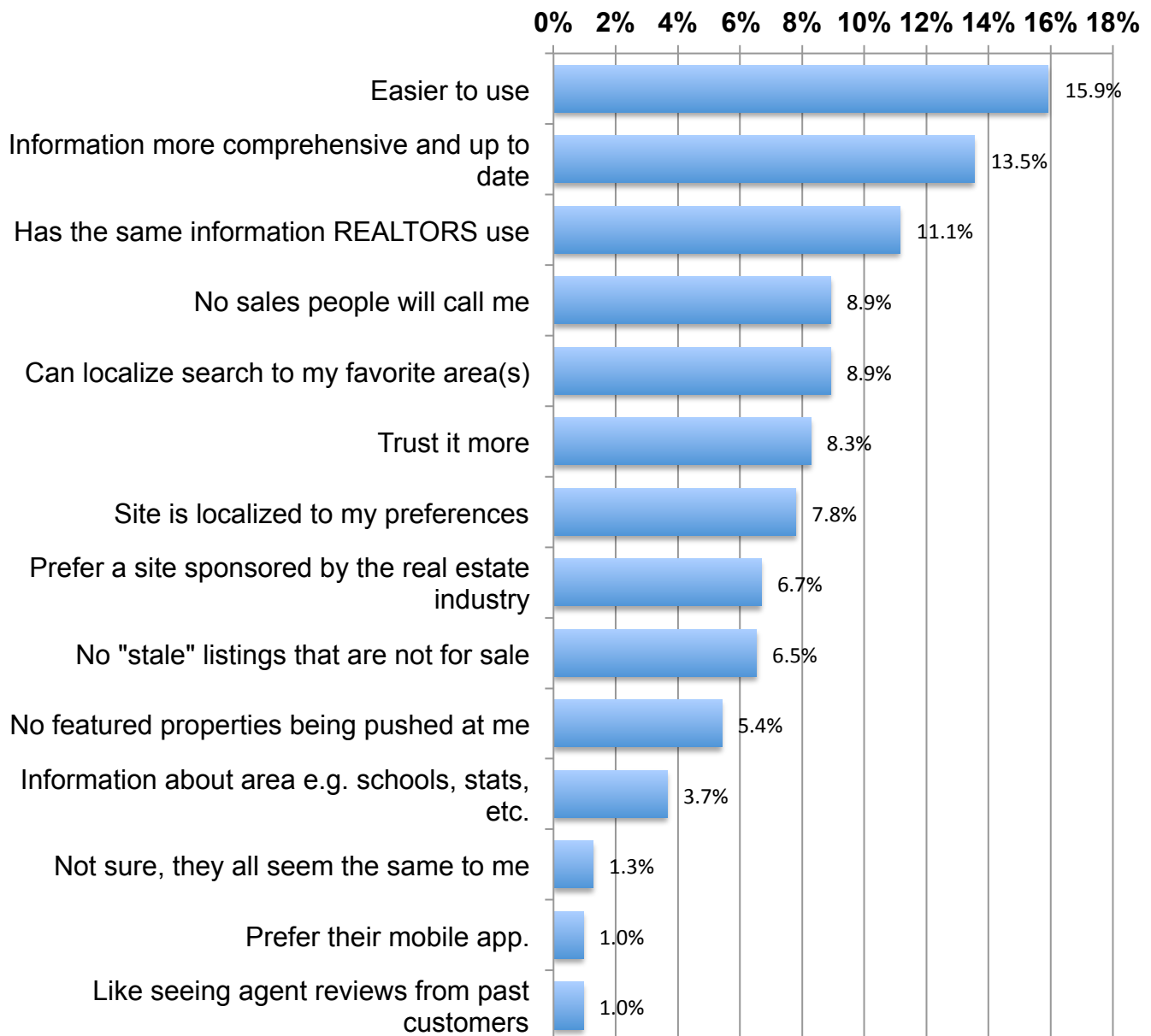
MLS Consumer Website Visitors



Why do you prefer the website(s) from MLS? (Choose all that apply)

Respondents stated that they prefer the MLS to third party sites because of its ease of use and the information provided on the MLS. They also felt that, by using the MLS, they would receive information that REALTORS® use.

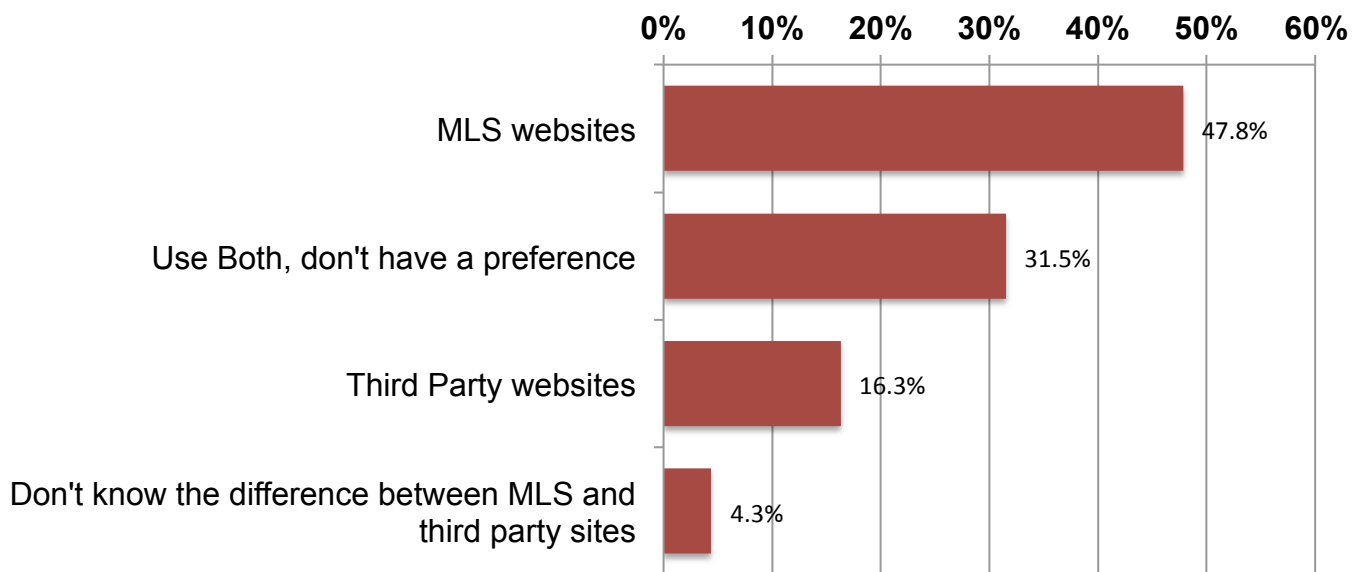
MLS Consumer Website Visitors



When given a choice to look at properties on a website from the MLS (Multiple Listing Service) vs. a third party site e.g. Zillow, Trulia, Realtor.com, Yahoo etc. which one do you prefer?

Over 47% of respondents from the purchased list of recent homebuyers/sellers stated that they prefer the MLS when looking at properties on a website. 4.3% stated that they don't know the difference between MLS and third party sites. This group has slightly less preference for an MLS site than those that visit MLS consumer websites. It could be because there is not a strong MLS consumer website in their area or they were simply not aware of it or it could be because some value the usability and features of third party sites. Ideally, every .MLS consumer website will be intuitive, consumer friendly and feature rich.

Preference of MLS sites vs. Third Party Sites
Purchased List of Recent Home Buyers/Sellers (bought/sold within the past twelve months)



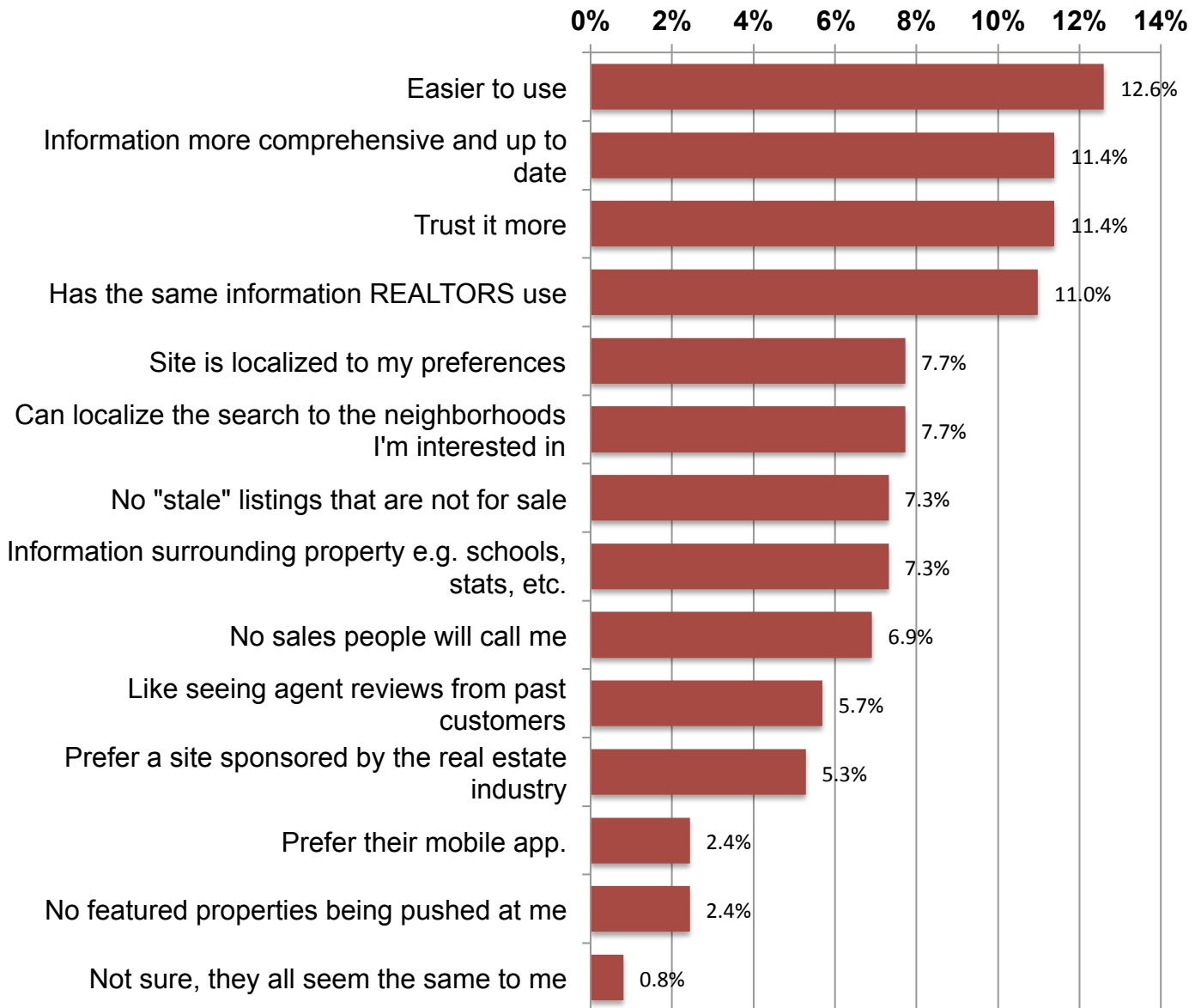
Why do you prefer the website(s) from MLS (Choose all that apply)

Respondents from the purchased panel list stated that they prefer the MLS to third party sites because of its ease of use and they trust the information provided on the MLS. They also felt that, by using the MLS, they would receive information that REALTORS® use.

Reasons for preference of MLS sites

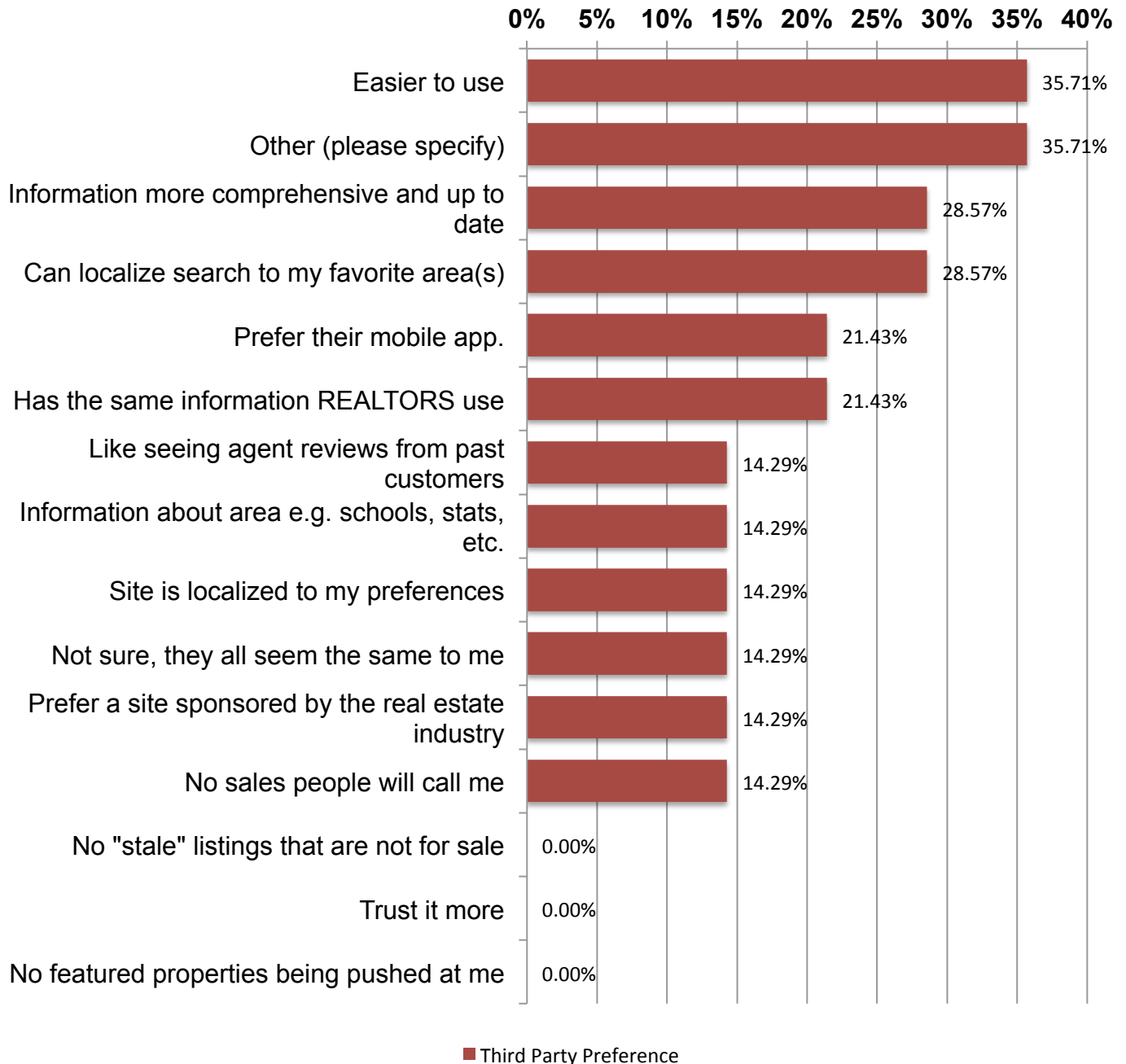
Purchased List of Recent Home Buyers/Sellers

(bought/sold within the past twelve months)



For those respondents that stated they preferred third party sites over MLS sites, the key reasons were the ease of use of the site and the information available on the site. A few others would like to look at houses that are not yet for sale. Others said that third party sites had much better features. One alienated consumer said, *“Would like to obviate the ‘need’ for REALTORS® – unnecessary monopoly.”*

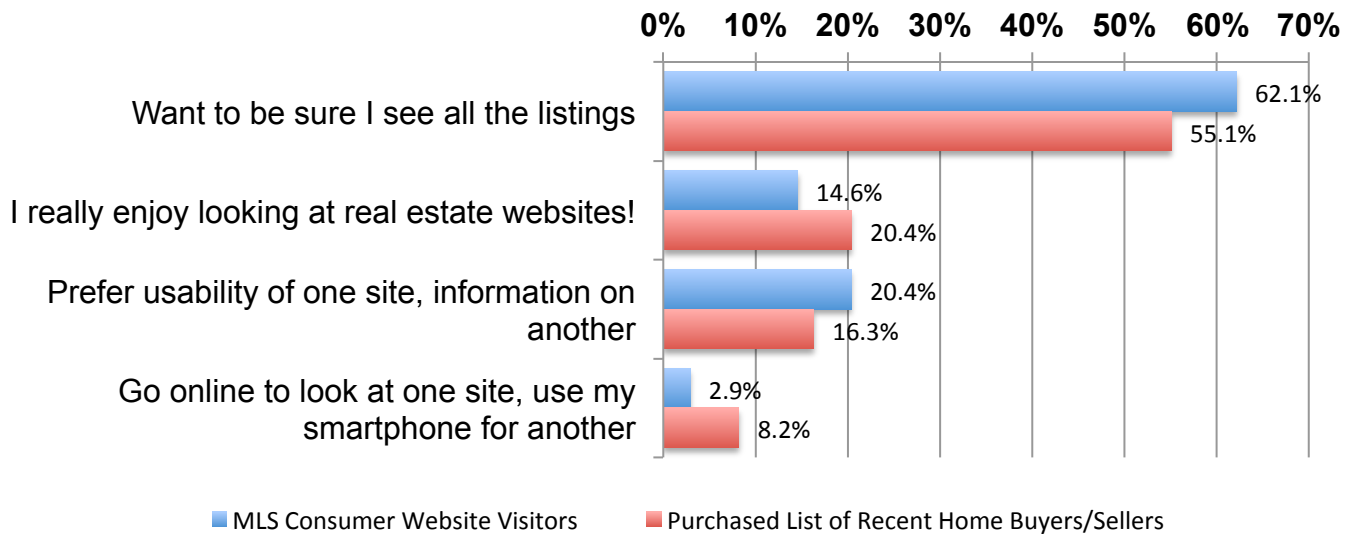
Respondents Preferring Third Party Sites



Why do you choose to use both types of websites?

For those respondents that stated they like to use both the MLS and third party sites, over 50% from each list do so because they want to make sure they see all the listings in their area. 20.4% of the purchased panel list did so because they enjoy looking at real estate. We might call them real estate “junkies”. Interestingly, nearly 10% prefer to use one of the sites via their smartphone. This scenario suggests that some consumers might go to REALTOR.com’s iPhone application, for example, while they are driving through a neighborhood and then use the MLS consumer website when they are back online. Ideally, every .MLS site will also include an easy to use mobile search as well as an online site.

Prefer to use both types of websites **MLS Consumer Website Visitors vs. Purchased List of Recent Home Buyers/Sellers**

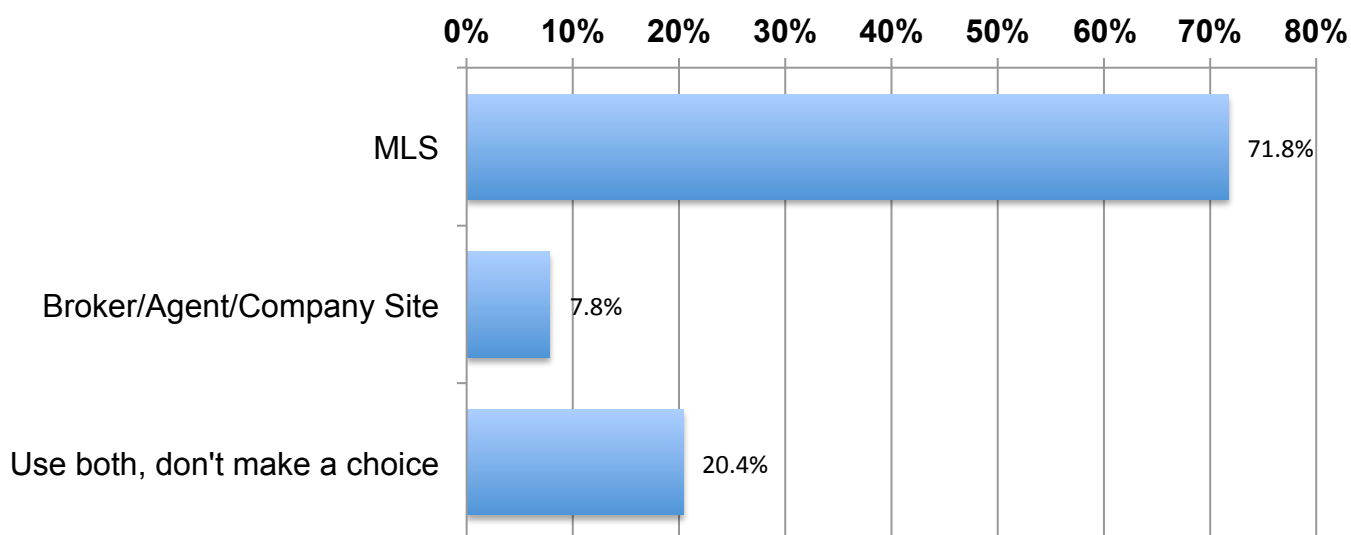


When given a choice to look at properties on an MLS website (where you found this survey) or from a real estate broker/agent/company e.g. Coldwell Banker, Century 21, RE/MAX etc. which one do you prefer?

Again, we can clearly see that the respondents from both lists prefer MLS sites to broker sites.

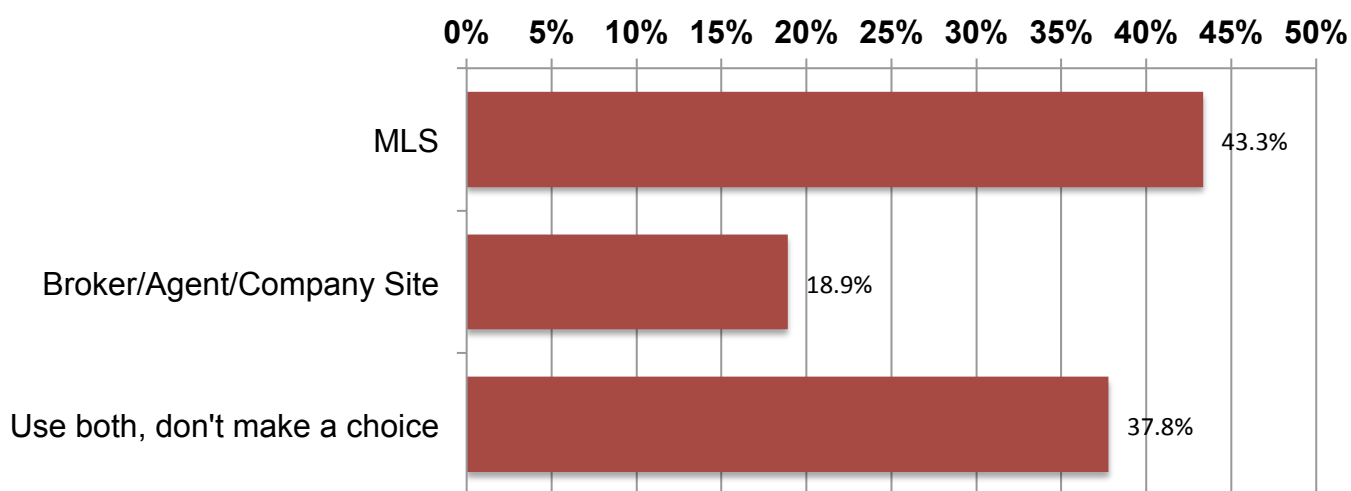
Preference of MLS vs. Broker sites

MLS Consumer Website Visitors



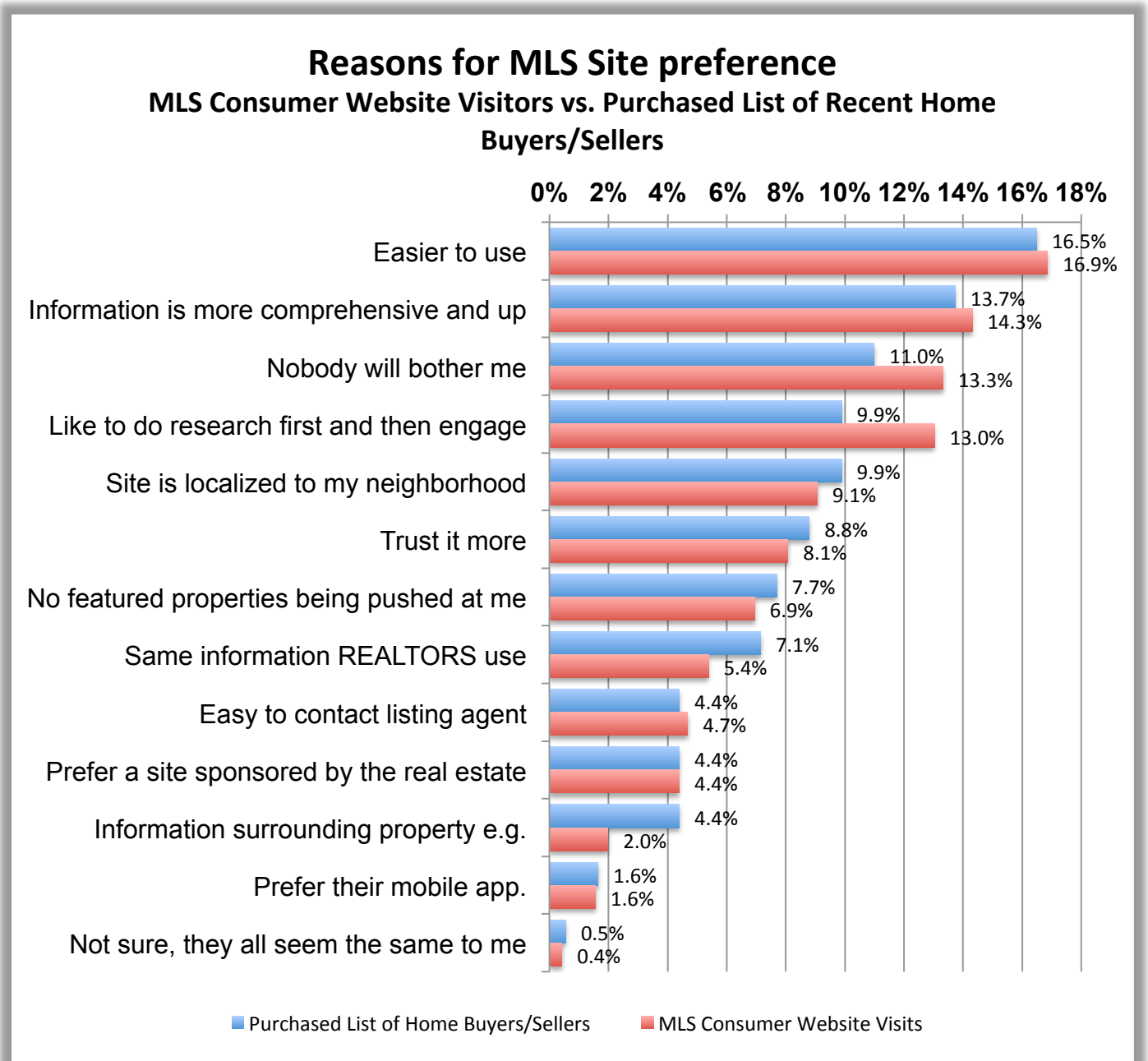
Preference of MLS vs. Broker Sites

Purchased List of Recent Home Buyers/Sellers



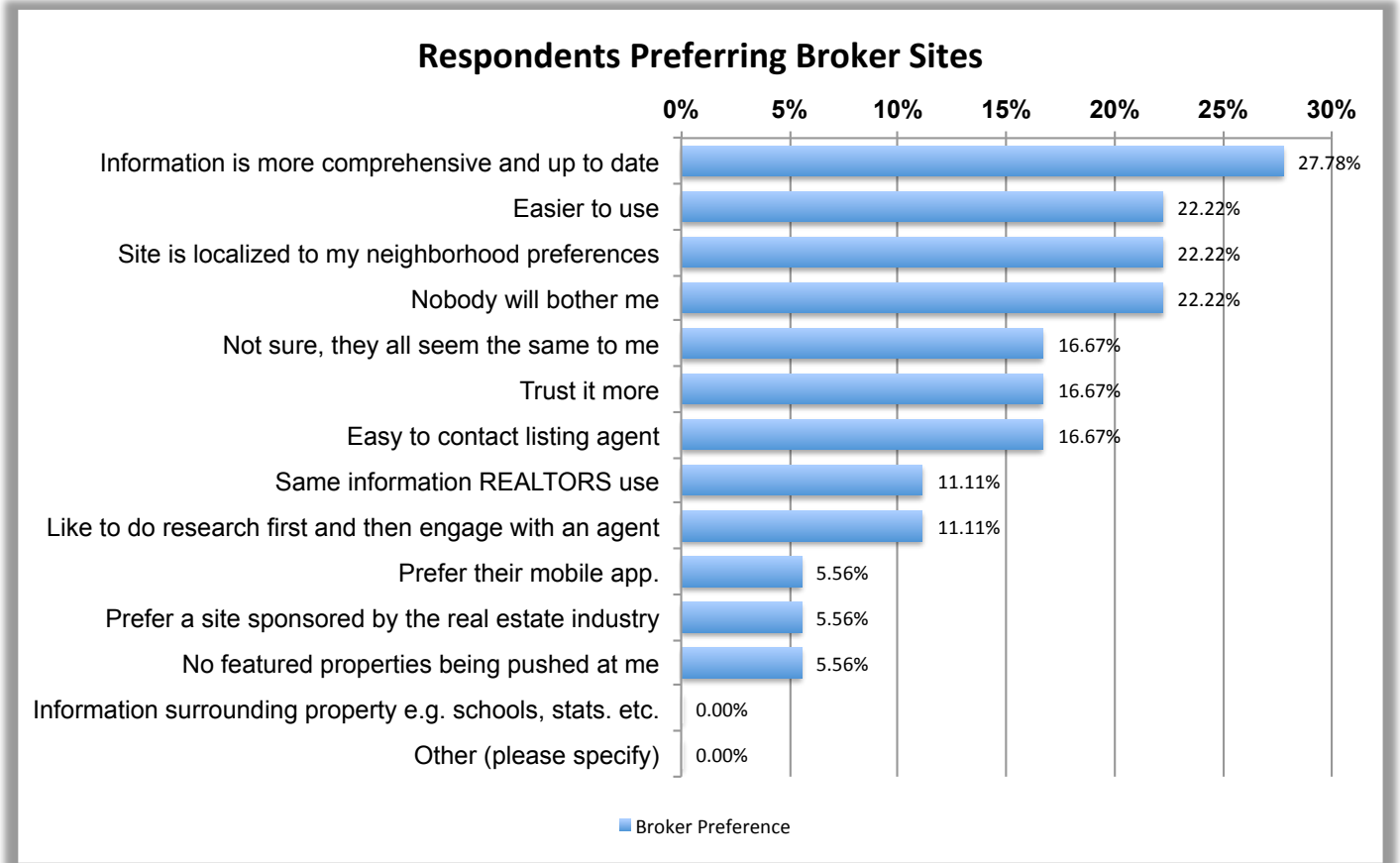
Why do you choose to use MLS sites over broker sites? (choose all that apply)

Respondents from both lists prefer MLS sites to broker sites due to its ease of use and comprehensive information.



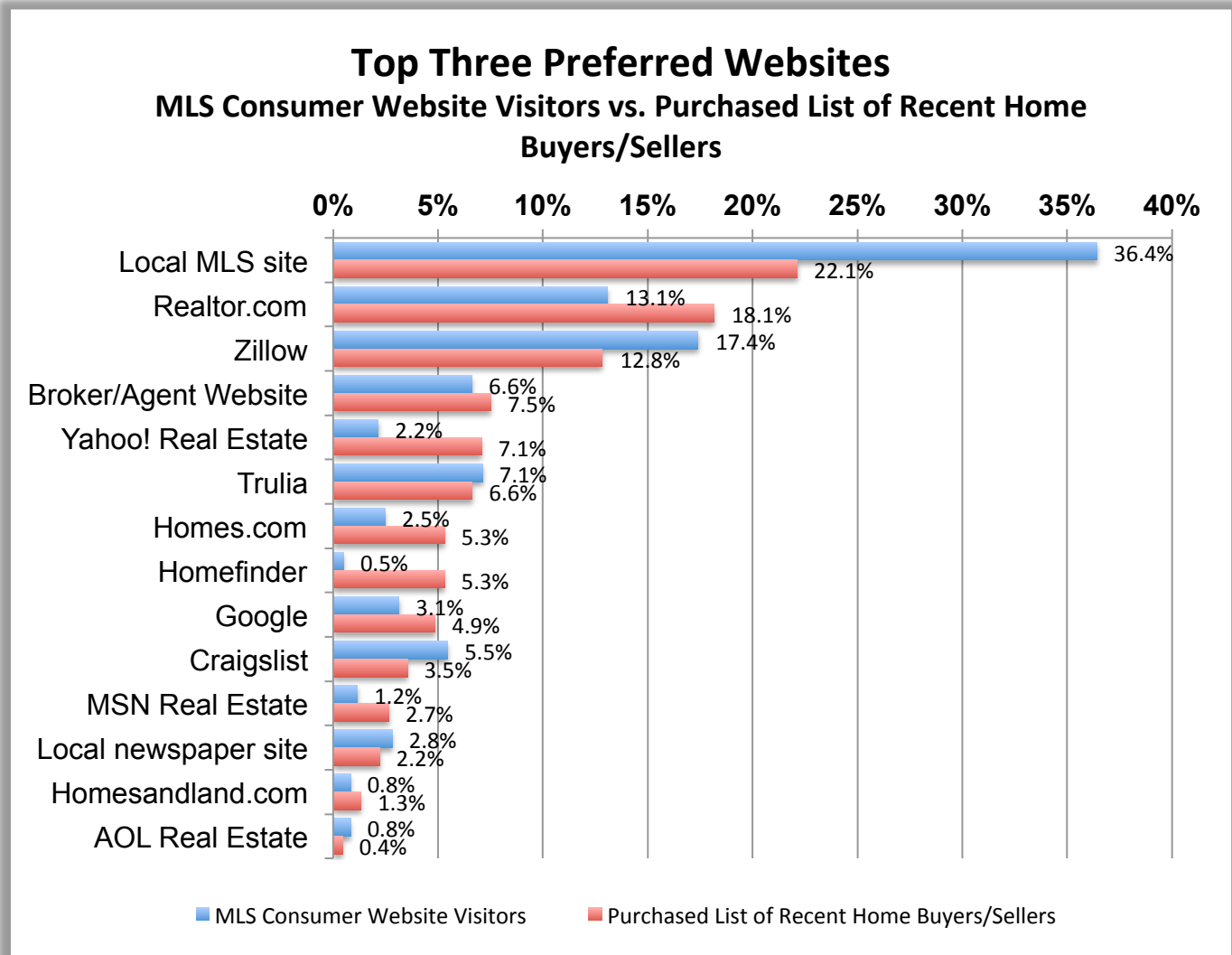
Why do you prefer broker sites over MLS sites?

Only 18 of the respondents prefer broker sites over MLS sites. The key reasons they chose them are outlined below. These numbers are not conclusive because the sample size is too small, but there is a minority of respondents that believe the information on broker sites is more up to date and that broker sites are easier to use.



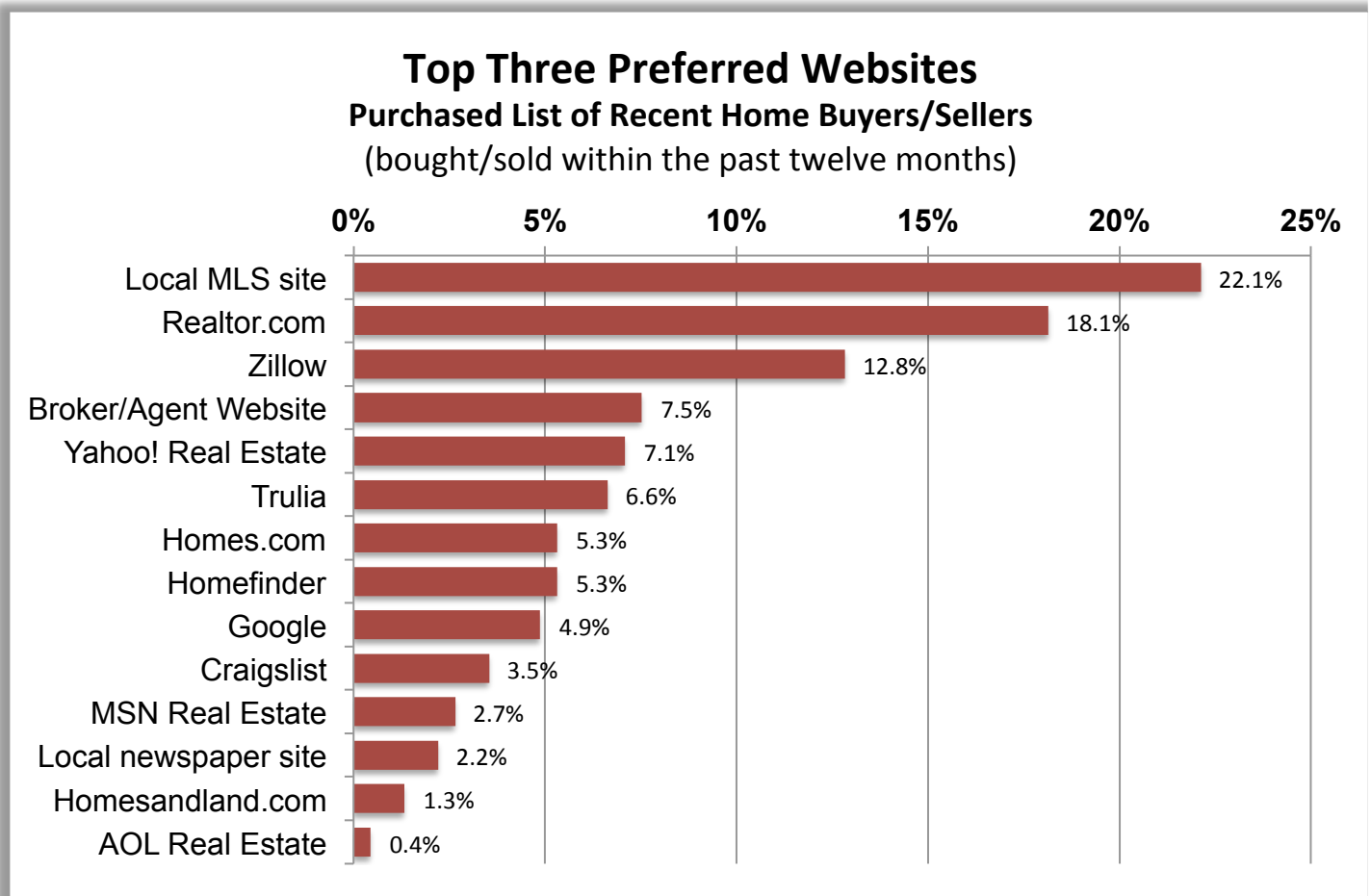
What are the top three websites you prefer for searching for real estate?

Respondents from both lists stated that the top three sites for searching real estate are their local MLS, Realtor.com, and Zillow. Interestingly, even though the preference for MLS sites is higher for those that are regular visitors to MLS sites, those that have purchased/sold a home in the past 12 months also prefer MLS sites. Realtor.com is a close second and then Zillow is a distant third. Broker/agent websites are fourth followed by all of the other major third party sites.



What are the top three websites you prefer for searching for real estate?

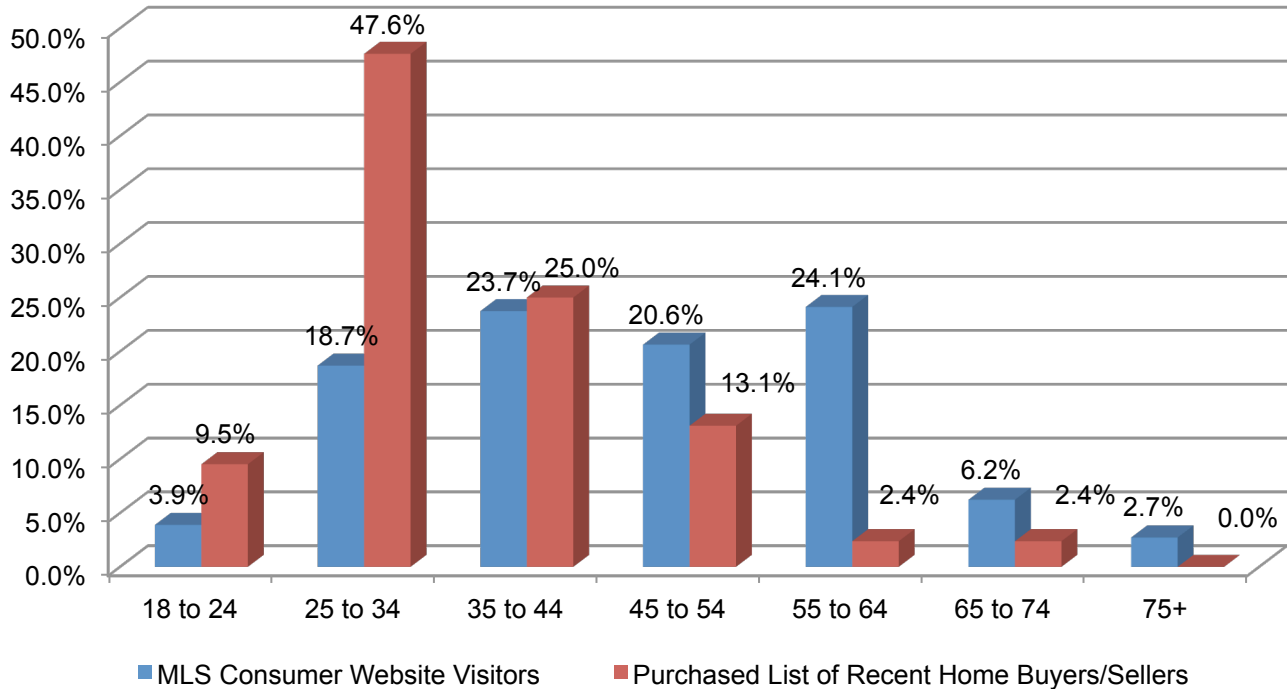
When broken out, respondents from the purchased list stated that the top three sites for searching real estate are their local MLS, Realtor.com, and Zillow. It is important for MLSs to model their usability and the depth of information surrounding listings after Realtor.com and Zillow to be sure to capture all types of search activity. It is important to prominently display home valuations as well as rich neighborhood information.



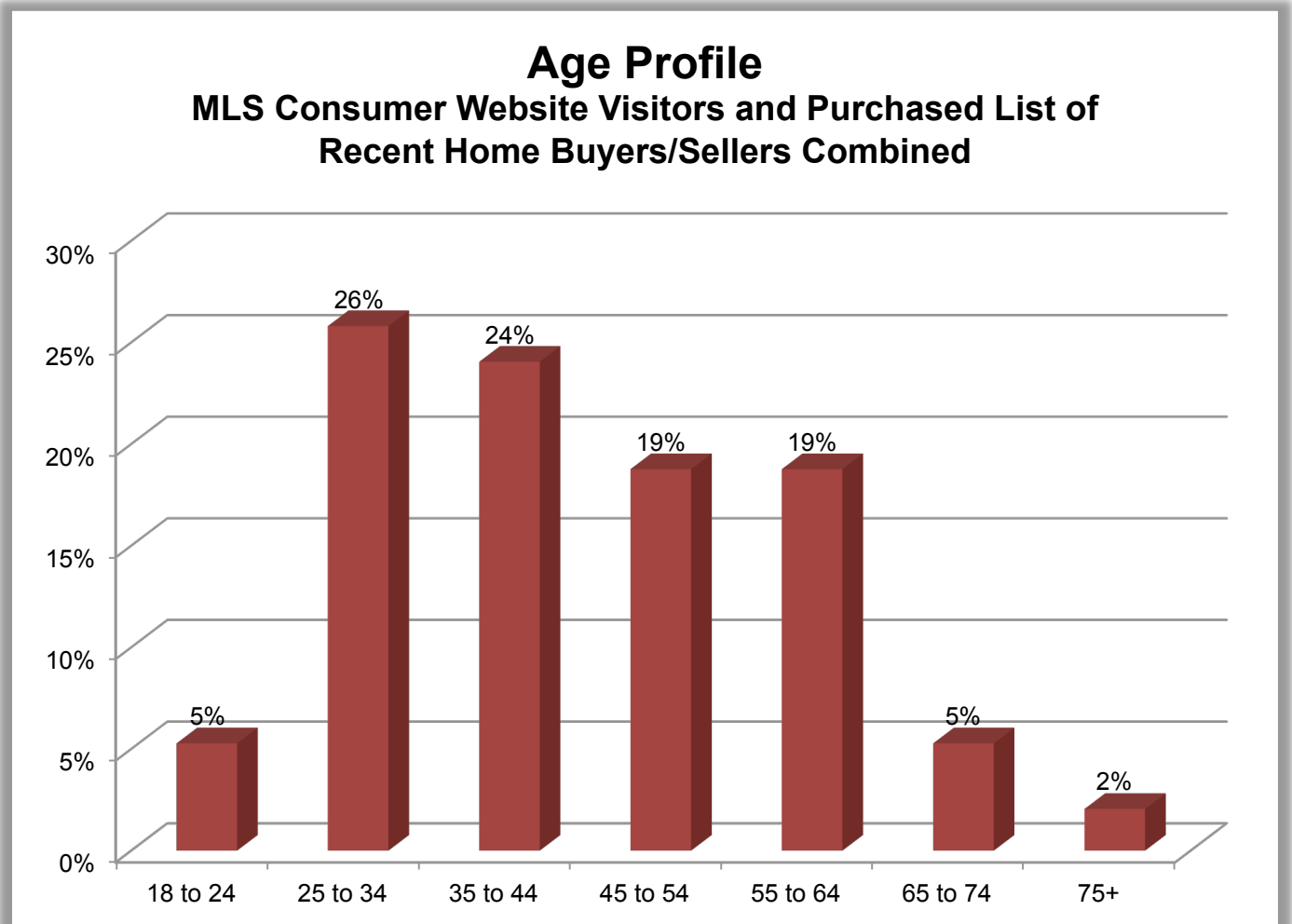
What is your age?

The visitors to MLS Consumer websites are slightly older on average than those from the purchased panel list who have purchased/sold a home in the past twelve months. The majority (68.4%) of the respondents from the MLS Consumer website list are between the ages of 35 and 64, while the majority (72.6%) of the respondents from the purchased panel list are between 25 and 44.

Age Profile
MLS Consumer Website Visitors vs. Purchased List of
Recent Home Buyers/Sellers

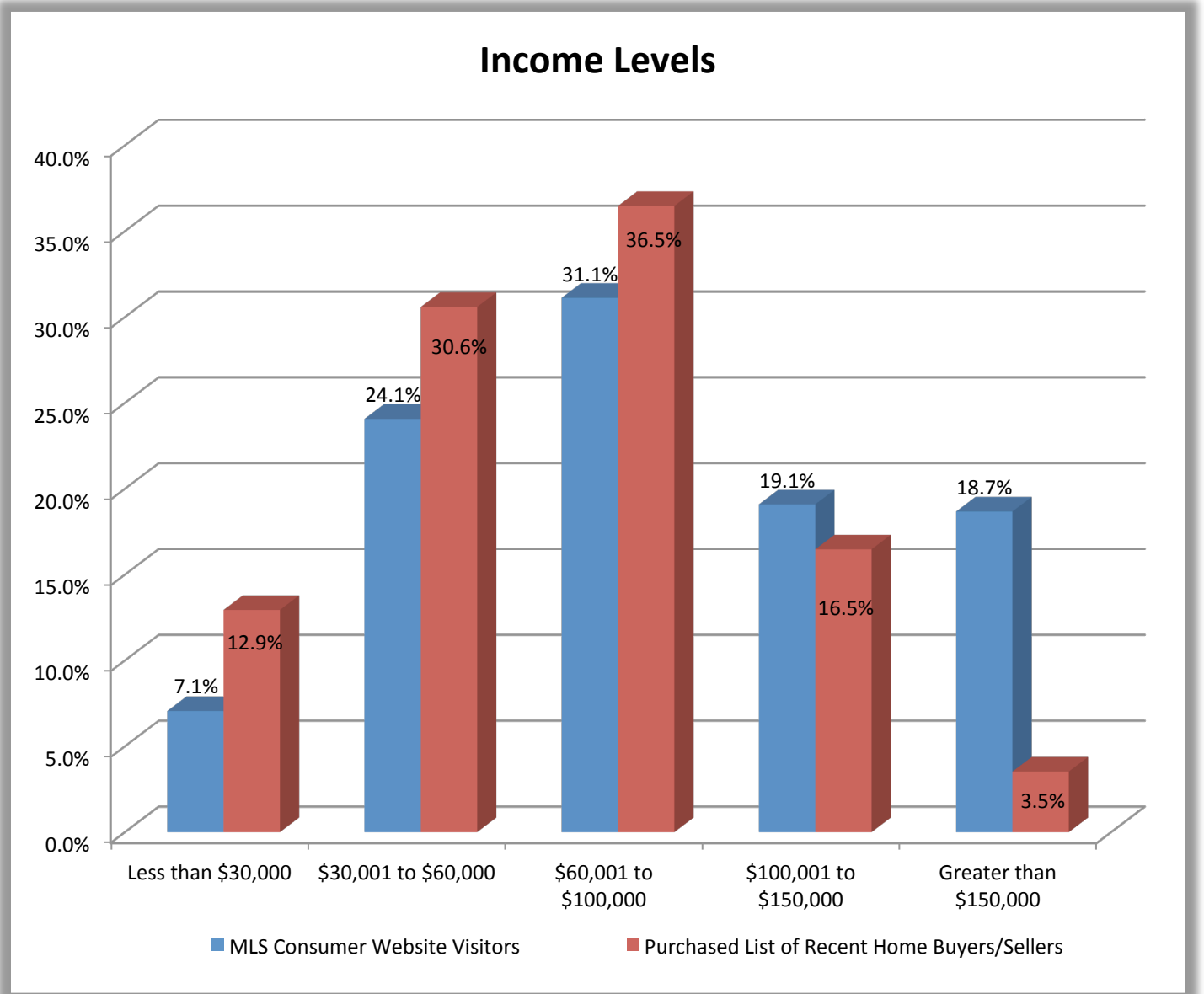


55% of the respondents are under the age of 45. It's critical that MLS Consumer Websites offer the most up to date features that are comparable, if not better than, what's being offered by third party sites to maximize the opportunities for .MLS sites.



What is your income?

55.2% of the respondents from the MLS Consumer Website visitors reported an income between \$30,000 and \$100,000 while 67.1% of respondents from the purchased list reported an income of \$30,000 to \$100,000.





WAV Group has a depth of experience in technology, strategic planning, research, business development, sales, product development and marketing in the real estate industry. We work with your organization as virtual executives and help you meet the

objectives of your business or association, more quickly, more effectively and more affordably. Our partners have collectively launched over 25 businesses and have led several hundred business process evaluations and system installations in North America, Europe and Asia. We have created significant increases in sales and profits for Fortune 100 to start-up companies. Our clients include real some of the largest MLS's in North America, International real estate franchise organizations, technology companies and trade associations. This diverse collection of global industry experience allows the **WAV Group** to cross-fertilize ideas and bring best of breed solutions to its clients.

All of the **WAV Group** partners have been CEO's, Executive team members or founders of Fortune 100 and venture-funded corporations and approach each relationship with a clear understanding of the challenges that face our client's businesses today. We are here to help you take your association or business to the next level and create the next wave of success!

