

Interview

Next Generation Brokerage

An Interview with Sherry A. Chris,
President and Chief Executive Officer, Better Homes and Gardens Real Estate LLC



Sherry A. Chris

EDITORS' NOTE Sherry Chris was appointed to her current post in October of 2007. Chris was most recently Chief Operating Officer for Coldwell Banker Real Estate LLC. Chris began her real estate career in Canada and held increasingly senior positions with Royal LePage for 16 years before taking on executive roles with Real Living (Ohio) and Prudential CA/NV/TX Realty. She joined Realty Corporation in 2006. Chris is a graduate of The University of Western Ontario and earned an M.B.A. from the Richard Ivey School of Business.

COMPANY BRIEF Better Homes and Gardens Real Estate LLC (www.BHGRealEstate.com) is a real estate brand offering a full range of services to brokers, sales associates, and home buyers and sellers using innovative technology, sophisticated business systems, and the broad appeal of a lifestyle brand. Better Homes and Gardens Real Estate LLC is a subsidiary of Realty Corporation, a global provider of real estate and relocation services. The growing Better Homes and Gardens Real Estate network includes approximately 140 offices and more than 5,000 sales associates serving home buyers and sellers in 18 states: California, Florida, Georgia, Illinois, Indiana, Pennsylvania, Maine, Massachusetts, New Hampshire, New Jersey, New York, Nevada, Ohio, Texas, Tennessee, Vermont, Virginia, and Washington.

When you consider the past 24 months and the impact the economic crisis has

had on the real estate industry, would you talk about Better Homes and Gardens Real Estate's positioning during this time and the market outlook going forward?

In a strange way, the recession benefited us as a start-up brand. As the market began to decline and many brokers were not profitable, they started looking at their own business models and trying to figure out what to do. We came to the table with a new value proposition around what we call "the next generation brokerage" tied to a "lifestyle brand" that speaks to the self-directed consumer.

We are looking beyond today's market to the tools and skills that will be necessary to help brokers of the future. A big part of that is greater efficiency through the latest technology. As a result, we have helped facilitate quite a bit of consolidation within companies that joined us and increased the opportunities for expansion surrounding those companies.

When things are going great, people tend to stay the course. When things are challenging, people are more open to new ideas. We represent those new ideas. So the downturn helped us get a hearing among some very successful brokerages looking for a new vision. And we are delivering.

In launching two years ago, what did you see in the market that made you feel there was opportunity, and how have you been able to differentiate and show what makes your brand unique?

We noticed there was a shift going on in demographics. The 78 million baby boomers that drove the economy and drove the real estate market industry for the past 30 years – which is one-third of the population – started to slow in their buying processes. The downturn in the economy was part of it, but also they're aging, and they weren't buying as much.

The new demographic emerging is the Echo Boomers. They're the 18-to-34-year-olds. They're completely mobile, everything is online, and they make decisions in very different ways. We were able to study some of those habits and build a value proposition around that.

Also, buying decisions are made in a different way today, with consumers utilizing technology to its full extent. Twenty years ago, we relied on the agent or broker to provide us with information. Now we are able to gather all the information we need, so agents have to perform a value-added service.

Buying a home is not just about the listing; it's about what is around the property, such as the community, the school, the job market, etc. The next generation of buyers and sellers are taking all of those facts into consideration because they have access to the information.

So as a lifestyle brand, we provide value-added services by providing lifestyle information. Recognizing that as an important part of the buying decision has made a difference for us.

Geographically, is the key focus throughout the U.S. or are you more focused on specific markets for growth?

We're focused throughout the U.S. and plan to branch out internationally.

In the immediate term, we have been able to look geographically at the U.S. where the brand is very strong with the Better Homes and Gardens trademark.

One of our innovations is PinPoint, a direct marketing tool for brokers and agents that leverages Meredith Corporation's U.S. database of more than 85 million consumers who interact with the Better Homes and Gardens brand. That database also identifies areas of strong identification with Better Homes and Gardens.

Internationally, we are in the process of licensing a trademark for real estate in 40 countries.

Is there an effective understanding among "Next Generation Brokerages" of the career opportunities a broker has today?

There is. Many years ago, being a real estate broker or agent was a part-time career for someone. Now it's very complicated. Technology provides us with a lot of information, but somebody has to cut through the clutter and analyze it. So the role of a broker today is a sophisticated one. When you look at the Echo Boomer generation, being in real estate now is cool.

We did a research project several months ago called the Beta Broker Project, and we're finding that a lot of start-up real estate companies are run and owned by technologists. There is a tremendous value in gathering and utilizing technology in a sophisticated way to help home buyers and sellers.

Did you know right away this opportunity was a good fit for you, and has the role been what you expected?

For me, this is the opportunity of a lifetime, and I knew it when I was offered it.

I've always been a builder and a grower throughout my career and that is where I'm happiest. ●