

TECHNOLOGY Matters

SHEDDING SOME LIGHT ON THE MANY MYSTERIES OF OUR FAST-PACED HIGH TECH WORLD.



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Are Two ILSs Better Than One?

One of the discussion topics in the exhibitor area of the national convention this year was “how to evaluate and differentiate the offerings of many vendors of seemingly similar products.” The common refrain was that someone should help sort this out. I decided to take on this task using this article series as the forum. So let’s start with the area of most confusion, the ILS suppliers.

A Google search of “What is an ILS?” brings a multitude of results from “instrument landing system” to “integrated library system.” However, the term ILS in our world is an acronym for “Internet Listing Service.”

These services come as widely varied as the ILS search results. There are options such as Craigslist, which is free, simple and straight-forward without a lot of “extras” all the way to services that offer full syndication and charge based on the number of units listed or charge a monthly fee and have a plethora of “extras” that can be used to improve your lead flow.

The important choice for you to make is to find the service (or services) that help to attain your company’s goals.

WHAT IS AN ILS SERVICE?

An ILS, at its core, is an online showroom for properties for sale or rent. A more technical definition would describe an ILS as a website that posts listings of units for rent. In their simplest form, these listings contain the address, rental rate, description, list of amenities and an image or images. They have evolved to include social media integration, a map interface and other features to make it easier for property managers to advertise and for prospective residents to search. Some formats extend the leasing process to include the ability for applicants to complete the necessary forms online.

WHAT DOES IT MEAN TO “SYNDICATE” DATA?

Syndication is the shorter term for data syndication which is a mechanism that an ILS uses to exchange listing information with other listing services. An ILS will use syndication to increase its number of listings by “syndicating in” or providing listings to other ILSs for the benefit of the property manager (provides greater distribution [advertising] for their “ads”, typically at a cost) and the receiving ILS (increases their inventory).

The business model of an ILS is varied...many obtain their revenue solely through paid advertisements on their site. Some also charge the property manager to place listings on their sites. Other revenue sources are syndication fees (a charge to forward your listings to other ILSs) and additional services such as rental comparison reports compiled from the data you provide them.

An ILS builds its business by increasing its number of listings. This increases its website attractiveness, and hence traffic, resulting in increased revenue from sponsored advertising and listing and syndication fees (if applicable).

There are a number of technical challenges when receiving syndicated feeds, particularly from multiple sources. Rules must be established to mitigate the following issues:

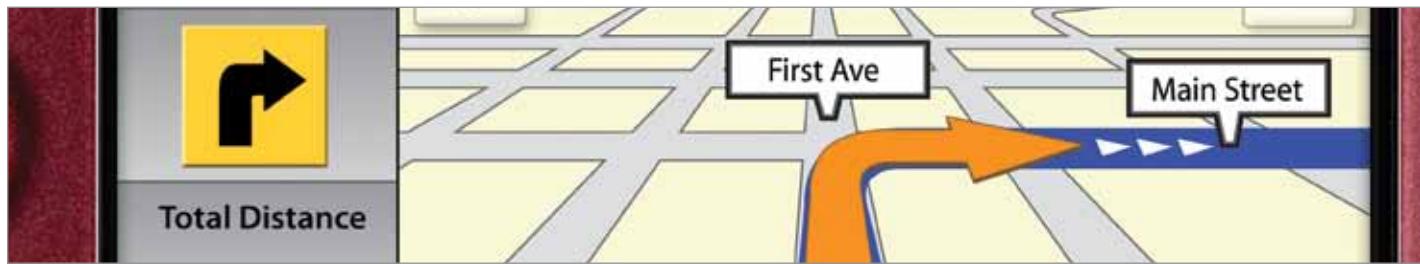
- Which data source is used if the same listing is received from multiple sources?
- How to determine that two listings are the same.
- Is a listing deleted when it is no longer in the original feed but present in an alternate feed?
- Which information is displayed when there is a conflict between feeds?
- Since each feed source has the data organized differently, how is the data interpreted?

DO THE “EXTRAS” REALLY MATTER?

Many ILS service providers also offer additional services as part of the package you choose. Some may be the promise of unlimited leads or lead tracking tools and reports. Others may offer no limits on media, descriptions and the ability to include your company logo.

These tools and reports are great to have, but only if you have the know-how to understand the reporting as well as the wherewithal (and more importantly the resolve) to make the necessary changes to increase your success.

The ability to have a more enriched listing is one feature that is easy to implement without the necessity of understanding lead reports or how to take advantage of those reports to the fullest. An enriched listing also drives more traffic to you as potential residents gain satisfaction from the additional information that is provided.



MAKING THE MOST OF YOUR LISTING.

Not only can a feature-enriched listing drive traffic for your rentals, but it can also help to bring in the right clientele. The better the information you provide, the better set are the expectations of prospective residents, driving applications from those that are within your target market.

- Provide correct contact information** – Your email and phone number are the contact points for your prospects to express their interest. Make sure they are entered properly so you don't miss out on any opportunities. This is often accomplished by setting up a company profile on the ILS website. Don't forget to do this for the ILS sites of which you have elected to syndicate.
- Provide high-quality pictures** – Provide a variety of high-resolution images for each listing. Prospects are more likely to respond to a listing with a well-rounded view of what to expect. This helps them to decide earlier in the process if there is a good fit.
- Provide comprehensive descriptions** – A full description of the property will answer a lot of the prospect's questions before they call you, saving you valuable time

and increasing the likelihood of a contact.

- Target the customer for which you searching** – If you are looking to fill a one-bedroom unit then make sure to highlight the features that would attract a single person, such as safety concerns, social activities, etc.
- Highlight specific search features** – If you are right next to a bus route, within proximity of a shopping center or fall within a highly, sought-after school district, mention it by name so it becomes a searchable feature of your listing.

An ILS at its core is an online showroom for properties for sale or rent. A more technical definition would describe an ILS as a website that posts listings of units for rent.

IN SUMMATION

Even with all of this information there are still lots of choices for you to make before you select a particular ILS provider. Focus upon your company's goals, objectives and target market and you will head in the right direction. As a starting point, review the chart for a comparison of the significant ILS providers in this market. Use the QR code to obtain additional information that could not be included in the chart.

Stay tuned for next month's issue focused upon ILS Security.

ILS Service*	Listings**	Plan**	Syndicated In?	Syndicated Out?	Unique Visits**†
FreeRentalSite.com	20,000 U.S. 60,000 Int'l	FREE	Yes	Yes	270,000
HeroPM	15,000 U.S.	Set-Up Fee & Monthly Fee	Yes	55 Partners	2 million
HotPads.com	510,500 U.S.	FREE	Yes	25 Partners	3.7 million
Owned by PRIMEDIA	Rent.com	25,380 U.S.	Monthly Fee	No	3.5 million
	Rentals.com	50,000 U.S.	Monthly Fee	No	20 Partners
	RentalHouses.com	25,000 U.S.	Monthly Fee	No	20 Partners
Rental Homes Plus	26,000 U.S.	30/60/180 day Plan Fee/Listing	No	15 Partners	1.2 million
RHPros.com	520,900 U.S.	Unit Tiered Pricing	Yes	17 Partners	Unknown
Rentler	75,000 U.S.	FREE	No	No	110,000
Trulia	500,000 U.S.	FREE	No	No	7.5 million
Zillow	460,000 U.S.	FREE	Yes	No	6 million

*Companies featured have minimum of 15,000 listings or a minimum of 100,000 unique page visitors. **Statistics based as of 11/1/2012. †On a per month basis



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