



Virtual Tours

Reaching Consumers With
Effective Internet Advertising

WAV GROUP

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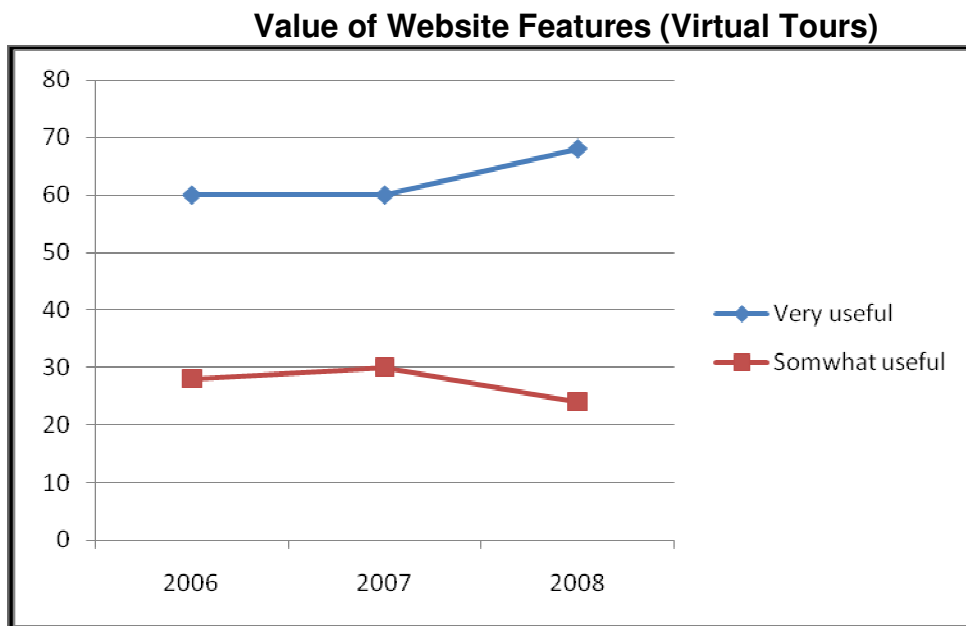
Virtual Tours and Videos

Raising the bar in real estate marketing

There is tremendous competition today for the eyeballs of consumers looking for properties on the Internet. Consumers are faced with numerous options in terms of websites to search and the lists of properties these searches produce are often reduced down to single lines of data. While most properties will include still photos it is an amazing fact that the majority of properties displayed on the Internet do not take full advantage of the exciting and very affordable media tools available today.

According to NAR's 2008 Profile of Home Buyers and Sellers one-third of buyers turn to the Internet first when beginning a property search and over 87% of all buyers use the Internet at some point in the process!

This same reports show how the importance of virtual tours to home buyers is increasing. 68% of the respondents say that virtual tours are "very useful" in their search for homes on the Internet.



Source: NAR 2006, 2007, 2008 Profile of Home Buyers and Sellers Report

Statistics from Realtor.com also state that listings with virtual tours get clicked on 40% more than listings without. This is clear evidence that listings without virtual tours are not on equal footing with those that have them!

This paper explores the opportunity virtual tours and videos represent to home sellers and agents as well as some of the virtual tour product options on the market today.



The purpose of this white paper is to look closely at:

1. Why Virtual Tour advertising must be a part of any professional real estate agent's arsenal
2. How agents can use these tools to gain market share.

What agents need to know about Virtual Tour technology – a comparison of Virtual Tour technologies and products.

Key Findings

- There is a major opportunity for brokers and agents to differentiate themselves using readily available virtual tour technology. Only 10% to 25% of listings have virtual tours today.
- A number of progressive Multiple Listing Services and Association of REALTORS are stepping up and licensing virtual tour technology for their entire membership. There is a significant opportunity at the MLS and/or association on two levels (1) to provide virtual tour services to their members at substantially discounted rates, (2) to raise the bar on MLS based services for members and the consumers they work with.
- Brokers and agents need to incorporate virtual expertise as part of their value proposition to gain market share. 74% of second home buyers do not use the same agent, which means there is a huge opportunity for capturing new clients. Differentiation using video tours can help capture the listing.
- Research confirms that images and video are highly desirable features for the Internet property shopper.
- While real estate agents average over 50 years of age the majority of new home buyers are in their 30's. Agents need to understand and meet this demographic group's technology expectations to be successful.
- Multiple Virtual Tour products are available to brokers and agents today at a reasonable cost; however, the differences are considerable. Quality, combined with speed to create and upload the tour is likely to be the key criteria for adoption and broad use.



Why Virtual Tours are a Must!

What the industry is saying about virtual tours

In a recent article in the New York Times Electronic Edition, published on April 19, 2009 a number of real estate agents commented on media advertising and Internet shoppers.

Bettie Meinel, vice president for career development at Century 21 Laffey Associates, based in Greenvale, said that because consumers are already online seeing the photos and virtual tours, “that is their first showing.” Actually touring the house shows more serious intent, she explained. “If they like it enough, they make an appointment to come and see that property; that is the second showing,” she said.

As Bettie Meinel understands, virtual tours play an important role in the client review process prior to contacting the agent. When consumers have the opportunity to use virtual tours first they come to the real estate agent as a more qualified prospect!

During a recent panel at the 2009 AEI Executive Institute meetings, titled “MLS In Your Face”, Errol Samuelson, President of Realtor.com, said recent research done by Realtor.com indicated that 70% of consumers would be more likely to list with an agent if they used video as part of their marketing effort. In contrast, only .33% (that’s one-third of one percent) of agents use video on the site.

The same is true for Virtual tours. There is no person selling their home that would not want their agent to use any and all tools available to present their home in the best way to get the quickest sale for the highest price. In recent discussions with several Multiple Listing Service providers WAV Group Inc asked them what percentage of the listings in their systems have Virtual Tours. The feedback we received indicated that from 10% to 25% of the listings, in the MLS provider’s database, have a Virtual Tour. This was actually a higher number than we expected but, that still means from 75% to 90% of listings do not have virtual tours attached to them. This represents a huge opportunity being missed for both sellers and agents.

From the seller perspective, based on the numbers reported by Realtor.com, listings that have a virtual tour will be viewed 40% more than those without.

From the agent perspective, if they include a virtual tour on every listing, they have the opportunity to differentiate themselves and provide a better seller service, 75% to 90% of the time they have a listing opportunity!

If sellers understand these numbers and are given a choice, would any seller choose to have their home listed without a virtual tour?



Why aren't there more virtual tours?

Is it cost?

Why aren't more agents using virtual tours? It really shouldn't be an issue of cost anymore. Early on, virtual tours could cost hundreds of dollars and were only available in a "full service" arrangement where professional photographers actually went to the property and created the tours. Today, however, things have changed. Some Multiple Listing Services provide all members with access to a virtual tour product with their regular membership. The cost to the MLS is only a couple of dollars per month per agent. Cost, however, should not be a big issue even if agents don't receive a tour product through their MLS. Agents can purchase these directly from a number of companies for somewhere between \$25 to \$50 per month and produce as many tours as they want. When you consider the value of the properties agents represent this is a small price to pay.

Is it the technology?

It is hard to argue that the virtual tour technology is the issue. Virtual tours today are as easy as sending an email or using any PC application. What once took professionals to do now can be done successfully by the average agent. While not all virtual tour products are created equal there are numerous vendors and products today to create high quality virtual tours, as detailed later in this paper.

Agents leave money on the table every day!

According to the NAR 2008 Profile of Home Buyers and Sellers report 41% of the people that bought homes in 2008 were first time buyers. Their average age was 30 versus 47 for repeat buyers. One third of all buyers looked online first to begin their research and 87% of all buyers and 94% of those aged 25 – 44 years old used the Internet in their search.

These are staggering numbers and if you understand how Internet use in real estate searches have grown over the last five years the message is clear. Real estate professionals need to understand what consumers are looking for online and provide them easy channels to that information. Those that do this in ways that feed the consumer demand for information will gain market share! Those that don't will lose ground and eventually fade away. It is really that simple. Today's real estate agent needs to embrace and use all of the Internet tools available to them because the Internet is where consumers go to look for properties.

What are consumers looking for on a real estate search? :

- Quick access to reliable information
- As much information as possible
- Access that is easy to use and non-threatening
- Visuals because – a picture is worth a thousand words!



The opportunity is significant!

Consider the following facts. According to the same NAR study 84% of sellers used a real estate agent to sell their home. But, only 55% of sellers were very satisfied with the process. Now look at the fact that only 26% of consumers use the same real estate agent they used previously and you see something very important. There is a huge opportunity today for smart real estate agents to stand out and gain significant market share.

According to these statistics, 74% of second time buyers used a different agent. Only 55% reported they were satisfied in the previous process. This means a significant number of buyers and sellers are up for grabs!

There is probably no other industry anywhere that has this rate of customer churn. What are the reasons for these staggering numbers?

We believe the primary reason is simple; it is a lack of perceived value, i.e. in the seller's mind the agent didn't deserve/earn their commission.

So even though the seller's house was sold, at the end of the day, if the experience isn't one where the seller believes the agent did all the right things, there is no strong commitment in the relationship after the sale. As important, it is not very likely that there will be referrals which are the backbone of a successful agent's business.

Professional media representation of homes is not a cure all, but who would argue that Virtual Tours and Video would not increase the perceived value by the seller and should be a standard service rather than the exception?

MLSs and Associations are getting it!

More and more MLSs and associations today are adding virtual tour technology to the products they make available to their members. What was once considered only an option for luxury properties has now become a de facto standard and a very affordable solution for every property – luxury and average alike.. As important, the products available today can be used even by “non-technical” agents to produce professional looking tours.

In writing this paper we interviewed the Chief Executive Officer of the McHenry County Association of REALTORS®, in the Chicago area, Jim Haisler. His real estate association recently signed up with Previsite to offer virtual tours to their members on a membership licensing basis. We wanted to understand what had caused them to take this step at the association level for their members.

Jim explained to us that changes at the MLS level had eliminated the option of professional photography that they had previously offered. Combined with this was the Association's commitment to continue to look for and provide exceptional member benefits. As a result, the Association felt that offering virtual tours to the members was in the best interest of both the agents and the sellers and the Association, through its buying power, could provide the members a substantial savings at the same time.



We also asked Jim what criteria they used in selecting their vendor. He explained that he had been an agent himself for several years and knew that unless a product could provide high quality tours quickly and easily, people simply wouldn't use it. In their reviews they felt the vendor they chose, Previsite, best met these requirements. Before they entered into an agreement with Previsite, however, they invited their members to come in and see it for themselves during a technology fair. The feedback they received was overwhelmingly positive and as a result they began offering their product through the Association in February 2009. Participation is optional but in just 2 months they already have over 6% of their members using the virtual tour product and Jim feels this will continue to grow! Overall he feels this has been a very successful decision.

Why virtual tour advertising works

The number one reason strong virtual tour advertising is important is it gives consumers what they want, namely, clear, visual information! All they have to do is look at the pictures.

Internet-astute real estate agents become experts in consumer behavior. They recognize that the vast majority of buyers and sellers begin the real estate process online and they also realize there is a lot of competition on the Internet. Like a good song, every consumer facing product needs a hook! If 75% to 90% of the listings on the Internet do not have Virtual Tours attached to them, as indicated by our research with MLS vendors, this should be the first thing agents do when trying to differentiate their client listings.

Think of what happens from the buyer's perspective. A person is sitting at a computer and they perform a search using some real estate portal like Realtor.com or Yahoo. They put in a few search criteria such as the area, a price range, the number of bedrooms and maybe even a style requirement, like two-story. The real estate search then presents them with 20 different properties. Let's say 20% of these properties have virtual or video tours. What properties do you think the consumer is likely to look at first? Of course it will be those with the strongest visual presentation, namely, virtual tours.

Additionally, when this advantage is clearly communicated to the seller, it has an extra benefit. It makes the agent's marketing plan rise above the competition.

How to win the listing presentation!

When an agent has an opportunity to compete for a new listing they need to always look at the decision from the seller's perspective. If they do, virtual tours will always be a part of what they present.

Traditional service agent

This agent will put the listing on the Multiple Listing Service and create some brochures and provide traditional services such as managing showings and perhaps hold an open house.



Agent providing full media services

This agent provides all traditional services as noted above but will also provide a full multi-media virtual tour of the seller's property including Virtual Tour and Video, for the same commission. This media will be made available to other real estate agents on the MLS as well as potentially millions of consumers via syndicated property websites such as Trulia, Zillow, Google, Yahoo, to name a few. Using the right tools the Internet-savvy real estate agent will provide the seller daily updates on what type of viewing patterns their listing is receiving through these tours on each of the syndicated sites.

Monitored viewing behavior is important! It can provide insights as to whether pricing is in line with consumer expectations. If properties are being viewed at a high rate, for example, but showing requests are not coming through at a similar rate, this may indicate the property is priced incorrectly. This can be very helpful to agents when working with a seller with unrealistic price expectations.

Technology gaps = a real opportunity for agents!

Most consumers are not thrilled with the buying and selling process they experience with real estate agents!

As noted earlier, it would be easy to argue that on any given day 74% of the listings coming on to any market in the U.S. are up for grabs. Consider the NAR 2008 Profile of Home Buyers and Sellers report that only 26% used the same agent they used previously. This means 74% of repeat buyers are moving to different agents in their next purchase.

Sellers are looking for reasons to pick a new agent. Media strategy needs to be a part of a successful agent's listing presentation to increase their odds of getting the listing.

Reputation is everything – and media can help!

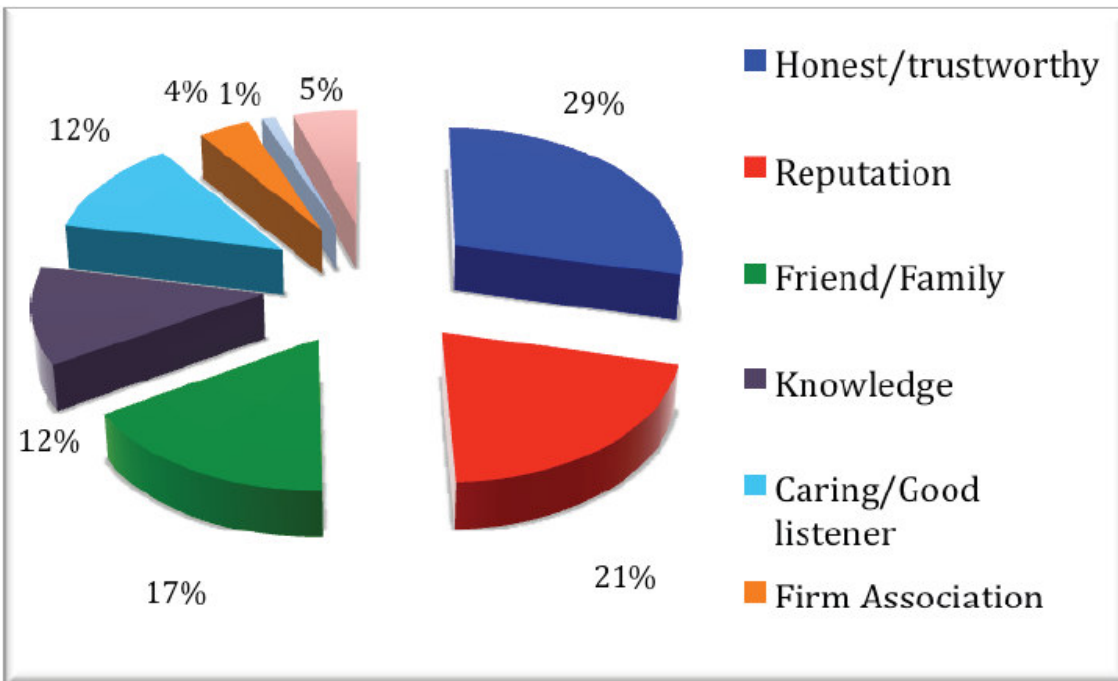
The two reasons cited for choosing a REALTOR® in the 2008 NAR Home Buyers and Seller Survey center around reputation. The first is the agent's honesty and trustworthiness followed by their overall reputation.

38% of sellers chose an agent that was referred to them by a friend or family member or based on their reputation. But what causes these referrals and how do agents get a great reputation?

Certainly it is a combination of factors including their honesty and integrity, personality, market knowledge and service but the result is this person's overall reputation. Marilyn Wilson, a founding partner in WAV Group Inc, recently published a paper on the importance of using your reputation to grow your business, which explains these factors. To review in more detail, this paper can be downloaded at:

<http://www.wavgroup.com/Home/Reports/Reports/YourReputation>





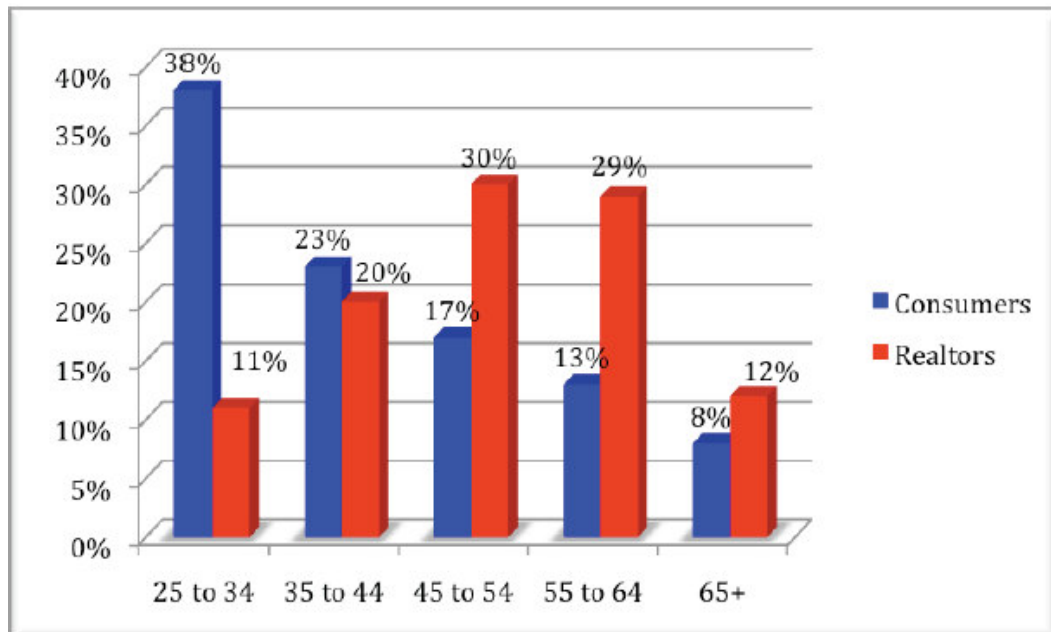
Reputation in any industry is created by standing apart from the competition. It can be good or bad or you can fall into the middle of the road like most. All successful agents will tell you, however, that their number one source of business is from referrals which is a direct by-product of their reputation. To create and maintain a great reputation in today's real estate market you need to understand your audience and give them what they want. While the average real estate agent may be over 50 this is not true for the Internet consumer.

The faces of today's real estate consumer do not have many wrinkles!

Many successful agents have been doing business for years; long before virtual tours and video were even available. While the median age of REALTORS® has remained constant for several years, the median age of the real estate consumer is changing dramatically. They are getting younger and younger.

According to NARs 2008 Profile of Home Buyers and Sellers, the median age of a real estate consumer is 39 years old. The average age of first time homebuyers is only 30 years old. Real estate consumers continue to get younger on average. According to NARs 2006 Profile of Home Buyers and Sellers, the median age of real estate consumer was 41 years and a first time homebuyer was 32 years old. Conversely the average age of a REALTOR® is 51 years old. The median age of a REALTOR has remained consistent since 1999.





The younger Internet shopper has a short attention span and relies heavily on visual information. If they don't get what they want quickly from a web search, they move on. They text, they Twitter and they navigate the Internet instinctively. This new generation of real estate consumer is not going to work with an agent unless that agent skillfully demonstrates an understanding of their technology world.

Slowly but surely agents that master these tools and offer the best of traditional and Internet marketing are going to be the leaders in the industry.

Media tools and media services provide a real opportunity for agents to positively impact their image to differentiate themselves and stand out by providing superior services.

While these tools will become the norm in the future those agents that integrate them into their work process today will stand out as providing a higher level of service. This in turn contributes to their overall reputation, which translates into referrals and higher income!

Why doesn't every listing have a virtual tour today?

We believe there are several reasons why the majority of agents do not provide virtual tours for their sellers today.

1. **Lack of knowledge**- Agents don't know what to do! They simply haven't taken the time to learn about and choose a virtual tour solution.
2. **The Pain Threshold** - Like other technologies that have been around but have not seen mass adoption there is a "**pain threshold**" to adoption that includes doing research on



product options, learning how to use a product, and finding the general motivation to change behavior. There has to be an understanding of benefits as well as loss to get most people to move on anything.

3. **Time** – Many virtual tours while they look great when they are finished can take hours to put together from start to finish. This really may be the single biggest impediment to adoption.
4. **Cost** – Dollars are always an issue but we all know successful people are not afraid to spend money to make money!

All of these factors add up to a fairly high threshold for the average agent that most do not get over. The early adopters in this technology have been those agents that have always been willing to spend money to make money as well as those agents that pride themselves on knowing and using the latest technology available. This is why these agents are in the 10% in our industry that makes more than 90% of the revenue.



Virtual tours = market share!

The “WOW” Factor

Using the Internet effectively to market your client’s home is all about capturing the eyeballs of prospective buyers! Competition is fierce today where listings can be found everywhere from Realtor.com to Zillow and many sites in between. To make your client’s listing stand out it is important to use every available tool at your disposal. As important, is to make sure your clients and potential clients recognize how you can help them when you use these tools to make their properties shine. Agents have a very real opportunity to gain market share by making Virtual Tours and Internet expertise a major part of their listing presentation!

How to rise above the competition

- Talk to your clients about the behavior of the Internet consumer and the importance of capturing their attention quickly during their Internet searches.
- Use statistics, like the ones presented in this white paper, to emphasize the importance of virtual tours and videos in marketing their listing.
- Explain the differences of traditional versus Internet advertising and the importance of both.
- Have a first rate virtual tour identified and ready to show to your perspective client during the listing presentation. Use their own PC to show them a tour!
- Show a competitor listing without a tour to emphasize the difference. Create separation from your competition.
- Book mark all of the sites your virtual tours are syndicated to and take them on a tour with other listings you represent.
- Choose a virtual tour solution that allows you to see search and view activity on your listings and explain why this is important to the seller.
- Use virtual tour technology that allows you to create and show floor plans.
- Choose a virtual tour product that provides automated text to voice narration.

Selling a home is one of the most important financial decisions the average family makes. When you demonstrate a superior marketing plan with a clear understanding of both traditional and Internet marketing strategies you are going to stand out. Today, if you make this part of your marketing strategy, you are likely to be above the competition 75% to 90% of the time, because only 10% – 25% of the listings have virtual tours. Why pass up an advantage like this?



Virtual Tour Options – The Facts

There are many different options an agent can choose from to create virtual tours today. There are full service options and do it yourself options and options in between.. The differences between the various virtual tour providers are quite significant, however. In this section we will share with you a review of some of the major virtual tour providers and what they have to offer looking at key features and functionality including:

- Types of technology products
- Cost
- Equipment
- Training
- Support
- Ease of use
- Quality
- Time to create the tour

It has been our experience that there is a big difference with software and products that look great while being demoed at a conference by an “expert” and the products and software that every day agents can use effectively and quickly.

Ease of use, cost and time are directly proportional to adoption and use!

So while one product may produce fantastic virtual tours if it is too expensive, too hard to use or takes too long to get to the end result adoption will not occur.

Virtual Tour Technology

An Overview

Virtual Tours can be divided first into 2 categories:

1. Full service
2. Do it yourself

Our reviews focused primarily on the “Do it yourself” virtual tour category because these products have the highest potential for broad adoption. While a portion of agents and high end listings will always use professionally created tours and videos, broad adoption will more likely occur when brokers and agents can create these tours themselves due to the cost difference, simplicity and immediacy to upload the virtual tour to the new listing



How do virtual tours actually work?

Virtual tours can be created in a number of different ways. Most virtual tours are actually created from still photos using either special hardware or software or a combination of both. The result is a video like view of a property that allows the viewer to look left and right, sometimes up and down and even zoom in and out.. The best virtual tours actually create a video like presentation that makes you feel as if you are walking through a property in person.

The majority of products available today require the user to take many still photos of each room. Software then stitches these separate photos together to create the tour experience. Some products require this to be done manually while others promote an auto-stitching capability. While some stitch products are easier and faster than others, as noted in our reviews, some require you to shoot from 15 to 17 photos to capture a proper representation of the room. Just shooting these images can take hours. The level of complexity required to then work with these photos can vary greatly between products.

Other virtual tour products use hardware technology to simplify the virtual tour process. These products employ special cameras, lenses and software to take a single photo per room, the benefit being far less time required to create the virtual tours. Until recently, however, the equipment required was too expensive for wide adoption. Fortunately that is no longer the case and very affordable technology and equipment is available that greatly simplifies the virtual tour process as noted in our product reviews.

When evaluating virtual tour products it is important to remember that for every room you want to show there will be the time required to take the photos, the upload time required based on the total number of photos taken and the size of those photos and the processing time to create the tour on the server. Keep this in mind when considering product choices. If it takes too long or is too complex to put a tour together agents simply won't use it.

Other features should be considered as well. Better tour products provide a number of value-add features including mapping, automatic text to voice narration, simulated video production, easy and broad syndication, analytics that show viewer activity, as well as send via email or to mobile phones. Weaker tour products require the agent to narrate their own tours and do not provide the same level of value add services. Tours do require some investment of time to create so it is very important to make sure you are getting the most value for the agent and also the seller when choosing a product.

Recommendations when selecting a tour product

- Use a product that is the best combination of cost, quality and speed. If it takes 2 or 3 hours to create a virtual tour the average agent won't use it. A superior virtual tour product should not take more than 15 to 30 minutes to shoot, upload, label and complete.
- Select a virtual tour product that produces a video-like presentation along with the virtual tour. According to Realtor.com, 70% of consumers indicate they would be more likely to list with an agent that uses videos to promote their listing.
- Look for a service that includes interactive floor plan features or the ability to have a floor plan created for you with an online floor plan order option integrated with a partner.



- Make sure your tour partner allows you to easily syndicate your virtual tour to third party sites like Realtor.com, Trulia etc.
- Test the virtual tour product yourself from start to finish or at least have someone take you through the whole process. We have seen many demos where the demonstrator will take one or two photos and then upload them to show how the process works but then show a tour that has been created with perhaps 50 or more photos. It is very important to have an understanding of the “total time” to create a complete tour for a product because this is the main reason why tour products will not be used after purchase.
- Dynamic updates – make sure that changes you make to your virtual tours are reflected on all of the places that show your tours.
- If you use an alternative browser, such as Firefox, make sure the product you choose will work with that browser. Some that we tested allow you to upload multiple photos through Internet Explorer only. If you have 50 photos to load you don't want to do this one at a time!
- Tours that can be branded by company and agent are the most powerful. Look for a product that allows for this.
- Syndication is a key component of any successful media strategy. Make sure the product you choose allows for easy syndication of your tours to multiple “high visibility” Internet sites.

Virtual Tour Product - Competitive Review

WAV Group reviewed several leading virtual tour options. These products do not represent an endorsement by WAV Group and are not presented in any ranking order. Our review highlights the following key areas:

- *The set-up time and ease of use of each product*
- *Costs/models for each product*
- *Overall product quality and output of each product*
- *General strengths and weaknesses of product and service*

WAV Group reviewed the following Virtual Tour Companies

- Previsite
- Property Panorama
- Visual Tour
- RealBiz 360
- Tour Factory
- Image Maker 360



Previsite



<http://www.previsite.com/us/>

Set-up Time and Ease of Use

Previsite provides an all-in-one solution including the camera, special lens, software, training and support. Customers receive Previsite's Virtual Tour Solution, which includes a seven mega pixel easy-to-use digital camera, a miniature magnetic fisheye lens that captures a 180-degree view of a room so agents can take quality pictures easily, and a carry case. Finally the kit features web-based software that creates, manages and showcases virtual tours instantly.

This is a turn-key product and service that agents can start using right out of the box. From the time we received a camera for testing we were able to load high quality photos in minutes. The best feature, unique from all the products we looked at, was the ability to create high quality tours from a single photo for each room. Photo shooting time was the quickest of all products as was the time to upload photos, which is the slowest part of the process for most products.

A tour is posted on the web less than 10 minutes after upload begins.

Cost/Business Model

Previsite offers their product on an individual basis or via a site license. Multiple Listing Services and Associations have two options. They can subscribe for their entire membership for a low per-agent fee per month, which allows for unlimited virtual tours. Or, under the second option, they can subscribe on a reseller basis where agents are offered a reduced monthly charge from the retail charge, and the MLS also gets a percentage of each subscription. When MLSs contract with Previsite they also supply a number of cameras and lenses based on the size of the MLS.

If an agent signs up individually the camera and lens cost a little over \$100 and the monthly fee is roughly \$29 per month for unlimited virtual tours. These fees are greatly discounted under an MLS agreement.

Product Quality and Output

The virtual tours created from Previsite are high quality, totally without distortion, with music and automatic narration easily added. Easy to use online wizard allows you to put narration in automatically with either a male or female voice.

The Previsite camera and lens allows the agent to capture the tour with a single photo per room. This patented lens and software provide crystal clear views you can pan side to side and up and down floor to ceiling.



The Previsite solution also provides mapping and multiple, customizable floor plans for each property, which include hot spotting to show view angle and interactive thumbnails.

All tours can be customized with agent photos, logos and contact information.

Tours can be integrated into any website, emailed to potential prospects, sent to a mobile device and/or burned onto a CD for easy sharing.

Syndication – Tours can be automatically uploaded with a click to:

- The local MLS
- Realtor.com
- Trulia
- Oodle
- Zillow
- Hotpad
- FrontDoor
- Vast
- Google Base
- Prop Smart
- Yahoo
- Homescape

Brochures – can be automatically created with a single click. The brochures use the primary photos with entered information.

Mobile Access – all video tours are accessible via Text Message.

Lead Capture via email and mobile capturing email addresses or cell number

Previsite provides a "see all my listings" feature.

Agent provided tools produce analytics to see who is accessing their tours and how often.

Training is provided via a 6 minute online video, if needed. However we were able to get up and running by simply using the enclosed instructions. Weekly webinars are also provided for all users at no additional charge. These run for about 20 minutes of instruction and 10 minutes of Q and A.

Previsite works with all browsers including Firefox and Safari.

Email notification option (agent choice) - with this feature the tour starts for 5 sec and then it freezes with a pop-up asking for contact information to continue.

Previsite is adding a social networking feature with a Facebook application and automated flow to your wall, Twitter and RSS feed. Every time you load or change a tour -it will update.



Previsite provides automatic creation of videos for mobile devices.

Strengths and Weaknesses

The key strengths of Previsite are cost and their patented process for using single photos to produce high quality tours. It is affordable, fast and extremely easy to use and produces excellent images with no experience necessary.

Anyone that has worked in the real estate technology industry understands the importance of both simplicity and speed to the real estate agent. This is the difference between having a product that sits on a shelf versus one that is actually used.

The only note with the Previsite solution, though it really isn't significant when you see how the product works, is the fact that a single photo captures an image of the room that is 180° left and right as well as up and down. If the photo is taken from a corner or entryway, you see the entire room as you would if you were viewing it naturally. You can pan all the entire room left and right, up and down except for the exact spot you are standing in. We were extremely impressed with both the ease of use and how well the patented lens captures the whole room, including floor and ceiling.

Positioning/Key Points of Difference

The Previsite solution is differentiated in terms of ease of use and time required to create and load a virtual tour and simulated video of excellent quality.

Previsite also prides itself on training, online support and in-person phone support.

Property Panorama



<http://www.propertypanorama.com/>

Set-up Time and Ease of Use

Property Panorama uses a patented “auto stitching” technology to automatically marry images together once uploaded. The agent does not need to even name or organize the images because the image recognition software behind the auto stitching does the work for them.



Cost/Business Model

Property Panorama has gained a lot of traction from their distribution relationship with Marketlinx. They have formed relationships with several large MLSs around the country. A link to the product is embedded in the home page of the Marketlinx MLS systems.

Their published pricing is \$34.95 per month, but they mainly sell the product with a low per member per month price directly through the MLS. Each deal is negotiated individually so there is no published pricing available.

As it takes some time to upload the photos for the tour Property Panorama say they are also looking at providing the option of displaying ads while the images are uploading which may offer some revenue opportunities.

Product Quality and Output

The virtual tours created from Property Panorama are high quality with music narration and links to school information, mortgage calculators, mapping and an interactive floor plan. The perspectives on the room can be slightly out of shape.

Strengths and Weaknesses

The key strength of Property Panorama is their relationship with Marketlinx. It has helped them breakout of the virtual tour “pack” by leveraging the Marketlinx MLS relationships already in place.

Their auto-stitching technology has helped them differentiate themselves from other more manual systems.

The downside of their process is that the agent needs to shoot approximately 10 to 17 pages per room in order to get a seamless 360 degree image and the time it then takes to upload all of these images to create a quality virtual tour.

Positioning/Key Points of Difference

Virtual tour, integrated into the MLS, married with lead capture using proprietary auto stitching technology.

Visual Tour



<http://visualtour.com/>



Set-up Time and Ease of Use

Visual tour allows you to include up to 50 photos in their virtual tour. It does not require any kind of special camera. Their website includes a wizard-based method for creating, editing and syndicating your virtual tour. It is very easy to understand and manipulate.

The agent has to label each image so the system puts it in the right room location.

Narration is possible, but the agent needs to use their own recording equipment.

Cost/Business Model

Visual Tour charges a \$199.95 set up fee and then \$29.95/month “all you can eat” subscription. They moved away from individual tour pricing because participation was too low to create a sustainable business model.

There is no published pricing for brokers. They do have a few MLS “hunting license” relationships in place, but they are not seamlessly integrated into the MLS system.

Product Quality and Output

The virtual tours created from Visual Tour include:

- High quality with music overlays
- A flyer
- Mortgage calculators
- The ability to forward to a friend.
- The agent can also add a written description of each room being highlighted.

We found the visual design of the display to be a little weak. The perspectives on the room were also slightly out of shape.

Strengths and Weaknesses

The key strength of Visual Tour is its ease of use and set-up. All you need to do is upload the images and the wizard easily walks you through how to set it up. Their site also features a property search so they probably tell their agents they will get them listing exposure as well as a virtual tour. .

The largest weakness of the product is the graphic design. The system is not sophisticated enough to be used for higher end homes.

There is also the need to take multiple pictures per room to create a quality virtual tour and the corresponding time it then takes to upload these photos.

We also were not able to upload multiple photos as this did not work with the Firefox browser we were using. It only allowed us to upload one image at a time.

Positioning/Key Points of Difference

Easy to use virtual tour technology married with a property search engine.



Real Biz 360



http://www.mfrmls.com/entries/entry_231.php

Set-up Time and Ease of Use

RealBiz 360 has a wizard which helps you set-up the tour. It requires you to load images by room and then stitches these photos together for each room. The images then need to be uploaded to the site which takes time based on the number of photos you have taken. Once you upload the images additional time is required while you wait for the system to create the tour.. This upload and processing time at least 30 minutes overall.

Cost/Business Model

In Florida, RealBiz 360 has been successful at getting their product integrated into several large MLSs like Mid-Florida Regional MLS. Having it attached to the MLS makes it really easy for the members to be reminded to use the service which encourages quicker adoption.

For the MLSs where they are gaining traction, they offer either a revenue share approach or simply a large discount which gets passed on directly to members. In the case of Mid-Florida Regional MLS, for example, the MLS decided to proactively market the service as a way to save to reduce the cost for each member. In their case, through the MLS licensing agreement, if you would like to buy an individual tour it is \$2. If you would like to buy unlimited tours it is \$5/month. The MLS is promoting the service for RealBiz360 and they have embedded the virtual tour technology within the MLS system to make it easy to use.

Their published pricing is \$24.95/month with a \$199.00 set up fee for individual agents. They use this published pricing to help position the MLS pricing offers as a great deal for agents. MLSs really like this story because it makes them look like a “hero” too and demonstrates the value they are bringing to their members.

Product Quality and Output

RealBiz 360 talks a lot about the high quality images used to produce their virtual tours. Customers say they like the full screen capabilities and the ability to zoom in and out. Their templates are attractive. The tours look quite professional.

Strengths and Weaknesses

Their key strength is their relationships with MLSs. They seem to be limited regionally but there is no reason their model cannot be exported to other parts of the country.

They provide good analytics with their tours. Agents are able to check stats from the various sources the virtual tour has been syndicated.



The key weakness is the time it takes to take the photos, stitch the photos together and upload the photos.

Positioning/Key Points of Difference

They provide high resolution show and virtual tours with the exclusive iVuZoom interactive experience.

Tour Factory



<http://tourfactory.com>

Set-up Time and Ease of Use

Tour Factory tours are easy to set up with no limit on the number of photos you can use. It does not require any kind of special camera. Their website includes a wizard-based method for creating, editing and syndicating your virtual tour. You can add just one image for room or a variety of images per room to create a virtual tour of the room. The consumer needs to click on each room to see the image. It doesn't really create a seamless virtual tour.

It is very easy to understand and manipulate except if you are using Firefox.

The agent has to label each image so the system puts it in the right room location.

Cost/Business Model

There are several pricing models for Tour Factory. You can buy one tour for \$49.95, 2 tours per month for \$19.95 per month, 5 tours per month for \$29.95 per month and unlimited tours for \$49.95 month. You can also pay by the year \$599.95 for unlimited virtual tours. There is no published pricing for brokers. They focus primarily on selling individual agent accounts.

Product Quality and Output

The virtual tours from Tour Factory vary greatly. The Classic Version is very basic and outdated looking. The new Elegant series is much higher quality and has music overlay and the ability to overlay print narration over the top of the image. The product also includes the ability to save and embed the video, link to schools info, flyer, mapping, link to area information, and forward to a friend. The higher end version has a very sophisticated graphic image.

Strengths and Weaknesses

Tour Factory seems to be in a transition at the moment. Their traditional model was primarily a do it yourself model, but they seem to be moving to more of a full service model for agents with luxury properties. We are not sure how well that is going to work in this economy, but it could be a very successful strategy for the long-run.



Positioning/Key Points of Difference

While there is a “do it yourself” version of Tour Factory, they offer a suite of creative services for the agent that does not want to build the virtual tour themselves. Their site is now more focused on luxury property tours with professional photography, and narration.

Image Maker 360



<http://imagemaker360.com>

Set-up Time and Ease of Use

Imagemaker 360 is primarily a service where you engage with a photographer and the company creates the tour for you. The system uses 10 wide angle images with software-based pan and tilt worked into the product.

Cost/Business Model

The base tour cost \$89.95 including 10 images. For \$139.95, the agent can provide room by room details and then the company will create a script and a voiceover recording describing the features of the homes. For an additional \$24.95(non-premium members) or \$5.95 for premium members, the company will upload the tour to REALTOR.com. Syndication to free syndications sites is included in the price of the tour.

Imagemaker 360 does not have any deals in place with associations or MLSs at the moment.

Product Quality and Output

The image quality of the photography is fairly typical for other virtual tours. The audio narration is a nice feature, but it is expensive. The graphic framing of the sites are typical of other virtual tour companies.

Strengths and Weaknesses

For those that are looking for a full service option this is an obvious advantage.

While full service is nice for some agents this will likely be a difficult sell in this economy. There aren't many agents willing to spend \$140 per home when they are virtual tour options which are much less expensive.

The image quality is good but not superior enough to justify this expense on its own.

Positioning/Key Points of Difference

The company positions itself as the leading virtual tour provider with pan, tilt, zoom and patented “see through window” technology.



Conclusions and Recommendations

- Virtual tours should be a given for any true professional
- There is a major opportunity to gain market share in today's market. Internet media expertise can be a strong differentiator. 74% of second home buyers do not use the same agent and only 10% to 25% of listings have virtual tours today.
- Research confirms that images and video are highly desirable features for the Internet property shopper.
- While real estate agents average over 50 years of age the majority of new home buyers are in their 30's. Agents need to understand and meet their technology expectations to be successful.
- Progressive Multiple Listing Services and Associations are stepping up and licensing virtual tour technology for their entire membership. They recognize the importance of raising the multi-media bar. This provides both a member benefit and potential revenue to MLSs and/or Associations.
- Multiple Virtual Tour products are available to brokers and agents today at a reasonable cost; however, the differences are considerable. Quality, combined with speed to create and upload the tour is the key for broad adoption and use.
- Make sure any product you choose works equally well with any browser, including Internet Explorer, Firefox and Safari.
- Some tour products require you to manually label and stitch together images that can take hours or time especially for someone not comfortable with working with digital images.
- Even products that provide auto-stitching can take hours to produce a usable tour. Make sure to get a true picture of the real time from start to finish to produce a tour including shooting the photos, uploading the photos, adding narration and labels and processing the tour. Demos rarely convey the amount of time it takes in real life.
- Some virtual tours require the agent to create their own narration. These types of requirements are the types of issues that slow down agents from using this important consumer tool.
- Look for a service that includes interactive floor plan features.
- Look for service that allows you to easily syndicate your virtual tour to third party sites like Realtor.com, Trulia, etc.



- Remember that ease of use and time required to create tours are directly proportional to product satisfaction and use. If a product is difficult to use or takes too long in the end agents just won't use it.



Vendor Comparison Chart

	Previsit	Property Panorama	Real Biz 360	Visual Tour	Tour Factory	Image Maker 360
Number of photos required	1 per room	12 to 15 per room	No limit	up to 50 photos	No limit	No limit
Speed to create a tour once photos are loaded	<10 minutes	45 minutes	45 minutes	45 minutes	30 to 45 minutes	30 to 45 minutes
Special Camera/Equipment required	Yes	No	No	No	Professional photographer	No
Ease of setting up a tour	Upload 1 image per room, tour is created	Lots of images to create just one room	Take lots of pictures, wait for upload, stitch together manually room by room	Upload photos, type in copy, narrate if desired, and go	Deisgned for Tour Factory to create tour for you	Need to upload images and stitch together manually
Syndicate to third parties	x	x	x	x	x	x
Ability to narrate	x	x	x	Yes, but need your own recording equipment	No	Yes with their professional writers for additional fee
Interactive Floor Plan Service	x	x				
See through window effect						x
Ability to add captions	x	x	x	x		
Ability to Add Music	x	x	x	x	x	x
Open House Promotion						x
Property Search on Site						x
Traffic Analysis	x	x	x	x	x	x
Ability to create CD	x		x	x	x	x
Ability to print flyer	x		x		x	
Ability to create postcards			x		x	
Create video tours	x			x	x	
Mobile Version	x				x	
Pan and Zoom	x	x	x			
Local Area Maps	x					



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