

DNA of #CRE

# 2020 DNA of #CRE broker results

Identifying CRE best practices  
and forecasting the year ahead



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When the survey was conducted

February–March 2020

Survey focus

The future & best practices

The respondents

730 brokers

Since 2015, Buildout and theBrokerList have partnered for the annual DNA of #CRE survey. Our goal is to deliver comprehensive, actionable data to the commercial real estate industry.

For the 5th anniversary, we've revamped the survey based on the needs of the industry. The 2020 DNA of #CRE Broker Results focuses on two things: the future and best practices.

The survey is broken up into key categories about how brokers manage their

- Data
- Prospecting
- Deals
- Marketing
- Back office

And to carry on the annual tradition, we asked brokers about their 2020 predictions as they relate to CRE and technology.

730 brokers from all across the country participated in the 2020 DNA of #CRE Broker survey. The respondents represented a range of demographics, roles, brokerage sizes, geographic regions, and property focuses, all highlighted in our results.\*

Thank you to all of our respondents for making this survey possible. If you have any questions, don't hesitate to reach out.

*\*Due to rounding and multi-select options, percentages may not always appear to add up to 100%*





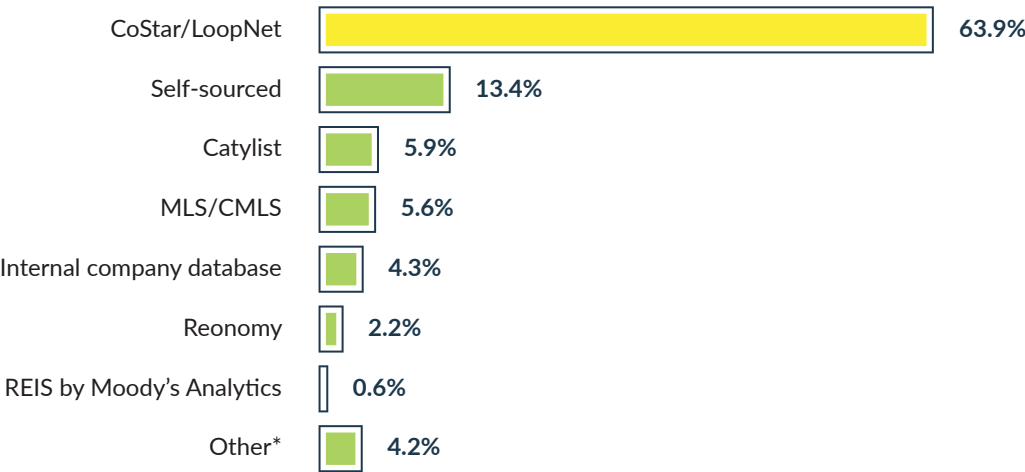
# 01

## Your data

What is your top source for finding property information? .....

# CoStar/LoopNet

The majority of brokers use CoStar and LoopNet to source their property data. This is up by 12% from last year's survey.



\*Top write-in: Crexi

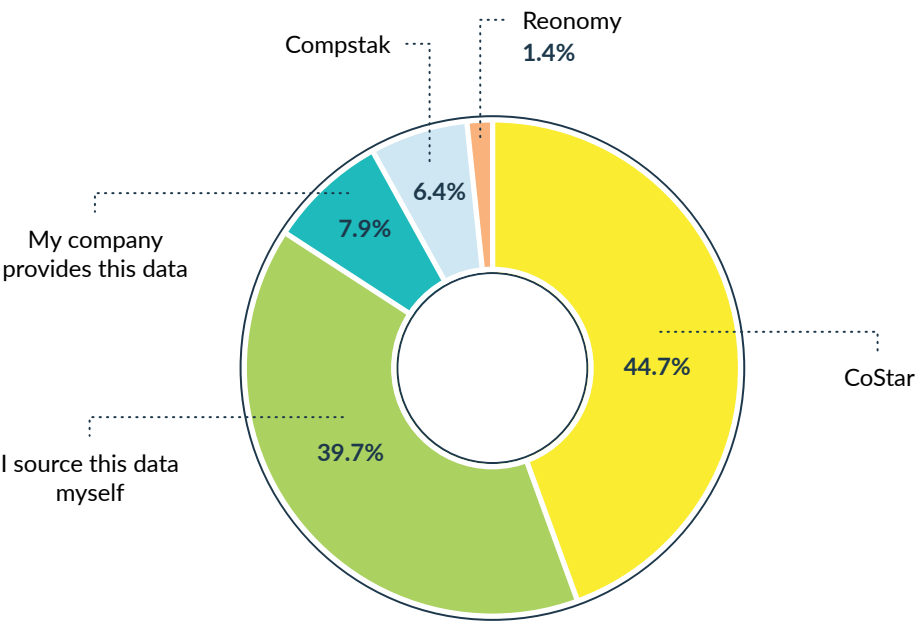


For the fifth year in a row,  
**CoStar and LoopNet** were the  
top source for property data.

How do you gather your comp information and data? .....



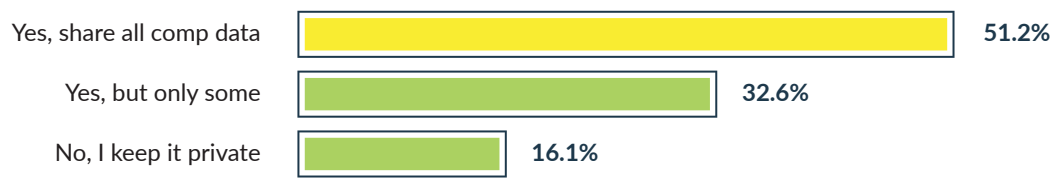
Few brokers say that their company provides comp information and data for them. Brokers primarily gather comps information and data through either CoStar or source it on their own.



Do you share your comp data with others at your brokerage? .....

# Yes, share all comp data

Just over half of brokers share their comp data with everyone at their firm. Few brokers keep their comp data entirely private.

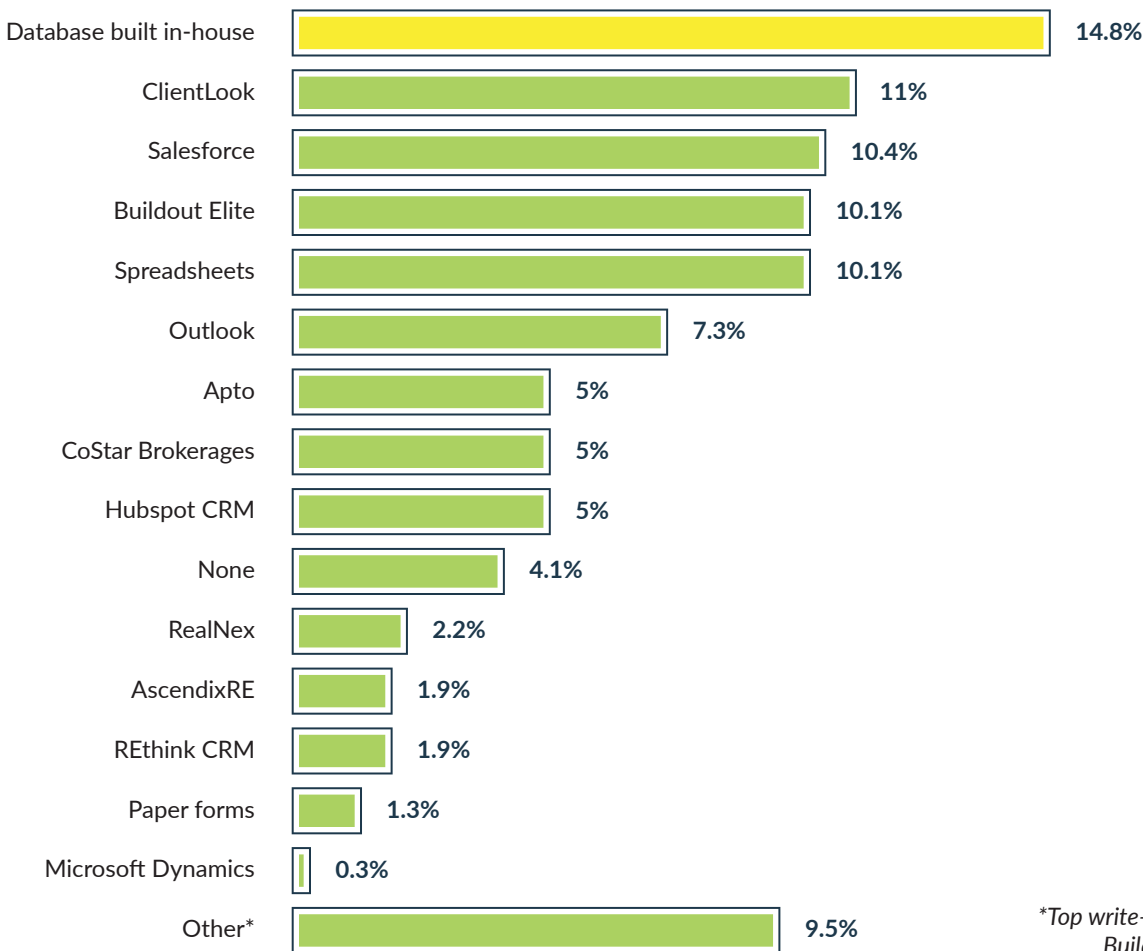


Does your company have a shared contact and research database? .....

No 54.3%

For just under half of brokers who report using a shared database at their brokerage, the top three shared database tools brokers use are custom in-house databases, ClientLook, and Salesforce.

What tool does your company use, if you have a shared database? .....



\*Top write-ins: ACT, Zoho, Buildout Marketing



82.2%

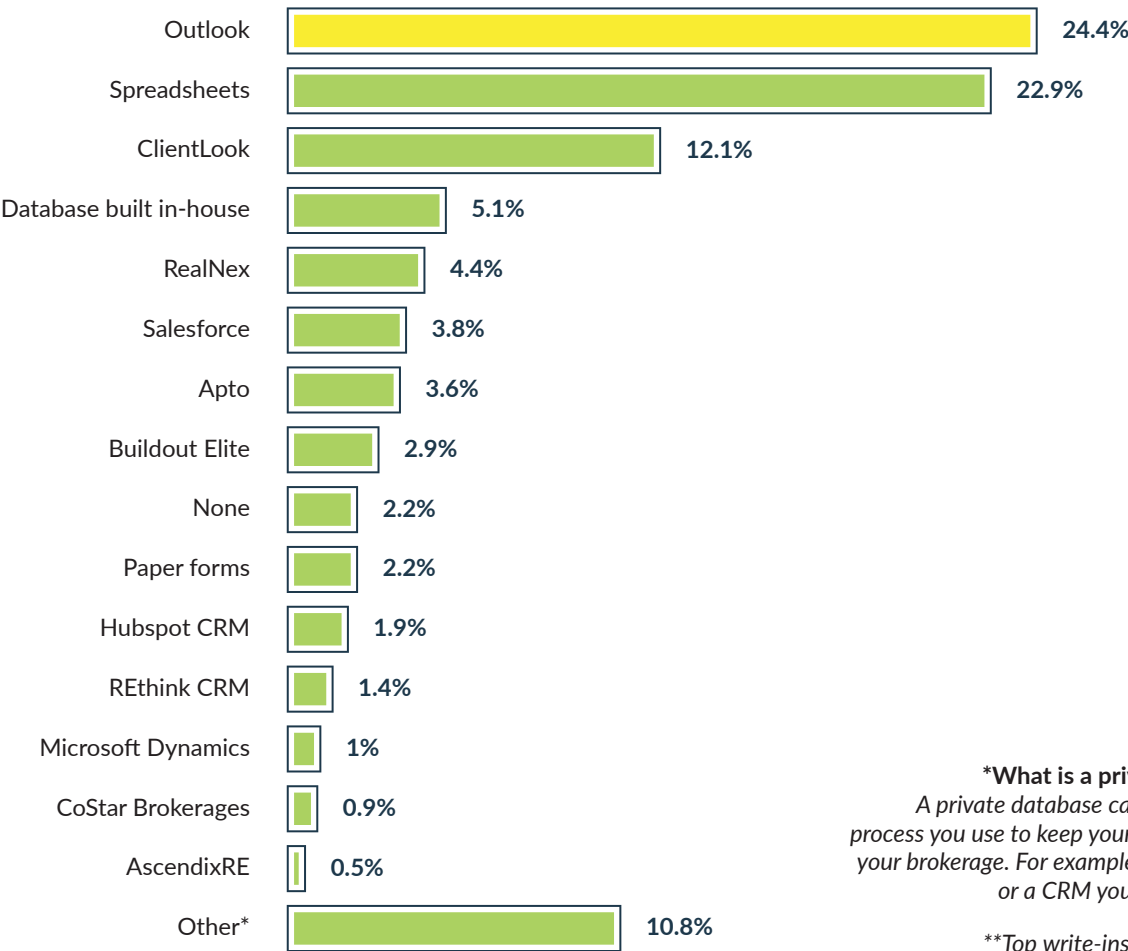
Would recommend the tool they  
use to share data to others

Do you keep a private database?\*

Yes 83.9%

Over three-quarters of brokers use a private database at their firm. Of these brokers, nearly half rely on Outlook and spreadsheets to manage it.

What tool do you use, if you keep a private database?



**\*What is a private database?**  
A private database can be any tool or process you use to keep your data private at your brokerage. For example, a spreadsheet or a CRM you use separately.

**\*\*Top write-ins:** ACT, Pipedrive

80.2%

Would recommend the private  
database tool they use to others





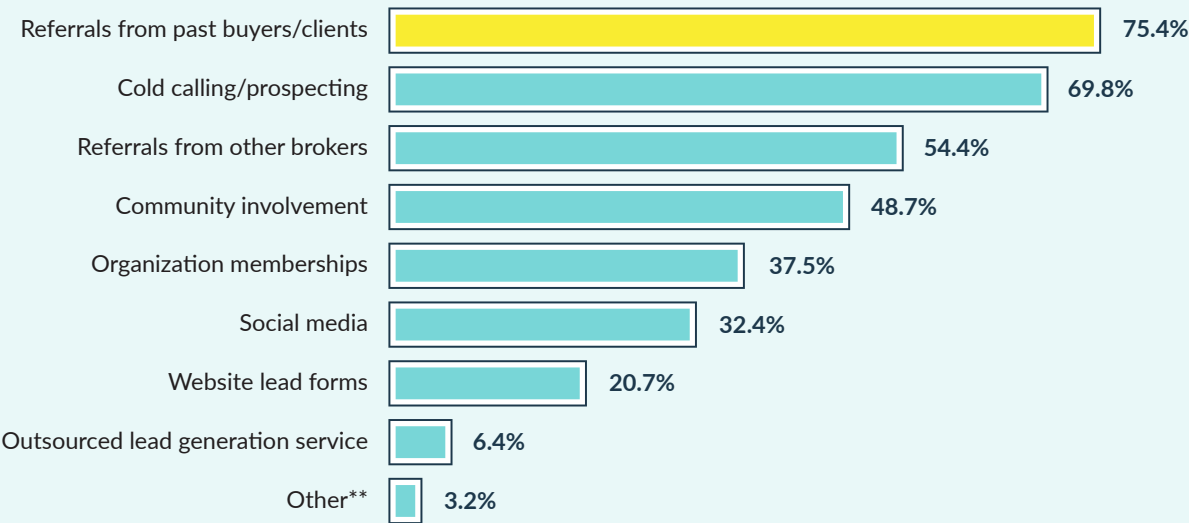


# 02

## Your deal cycle

How do you prospect for new clients?\*

# Referrals from past buyers and clients

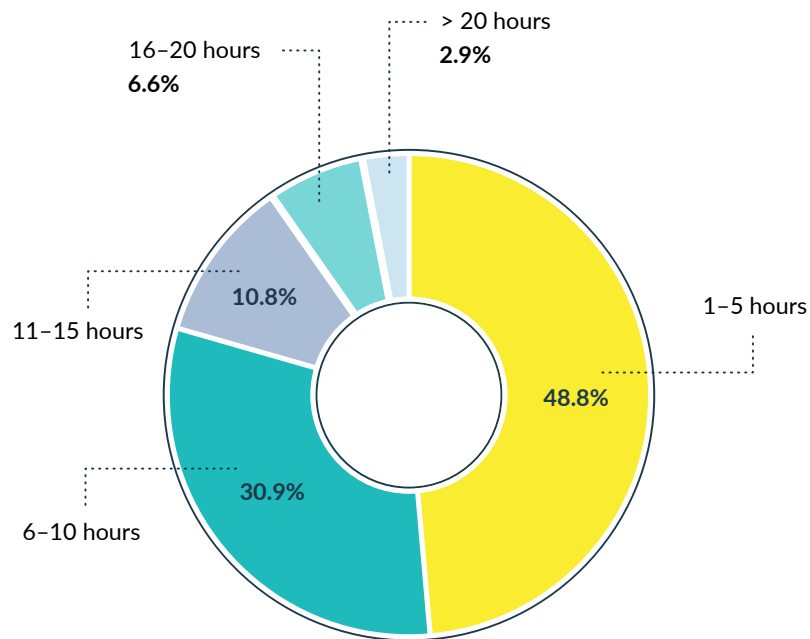


The top way brokers prospect for new clients is through referrals from past buyers and clients. Brokers also heavily rely on cold calling and referrals from other brokers for new clients.

\*Brokers selected all that applied in this answer.  
\*\*Top write-in: Direct mail

How many hours a week do you spend prospecting? .....

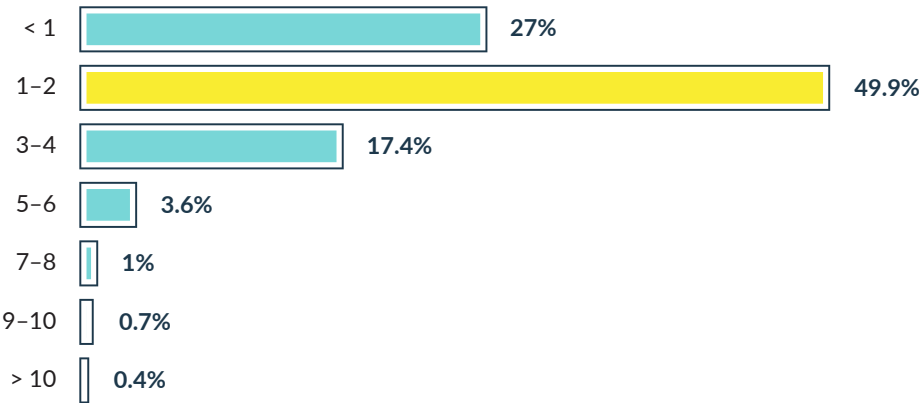
# 1-5 hours



The majority of brokers report spending up to 10 hours prospecting.

On average, how many new listings do you expect to win per month? .....

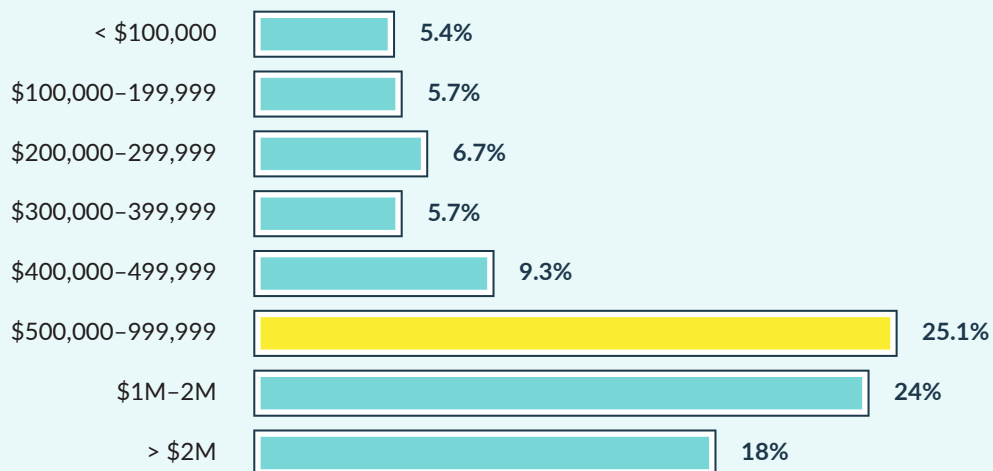
1-2



Nearly half of the brokers surveyed expect to win 1 to 2 new listings each month this year.

What is the price of your average listing? .....

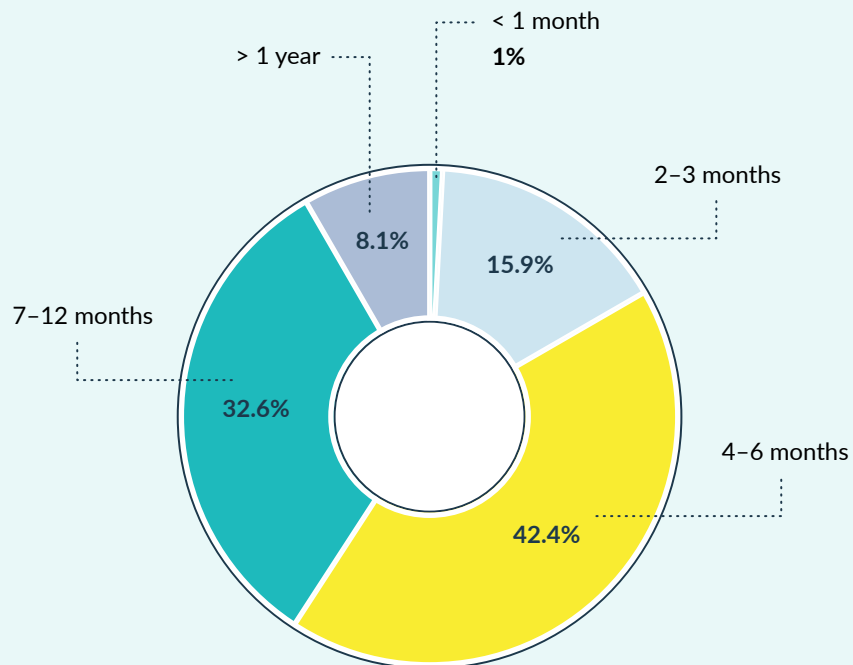
**\$500,000-999,999**



Nearly half of brokers report their average listing price to be between \$500,000 and \$2M, and about 20% of brokers say it is over \$2M.

What is the length of your average deal cycle from first on market to close? .....

# 4-6 months

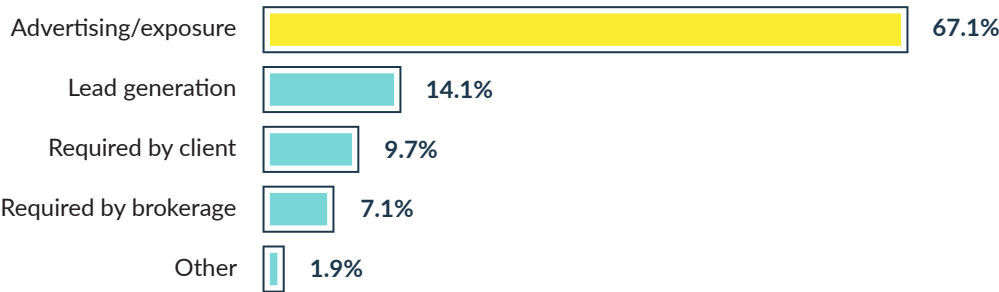


Nearly three-quarters of brokers say that the average length of a deal cycle (from first on market to close) is between 4 months to a year.

The average deal cycle lasts  
**less than half a year** for the  
majority of brokers

What is the number one reason you use a listing site? .....

# Advertising/exposure

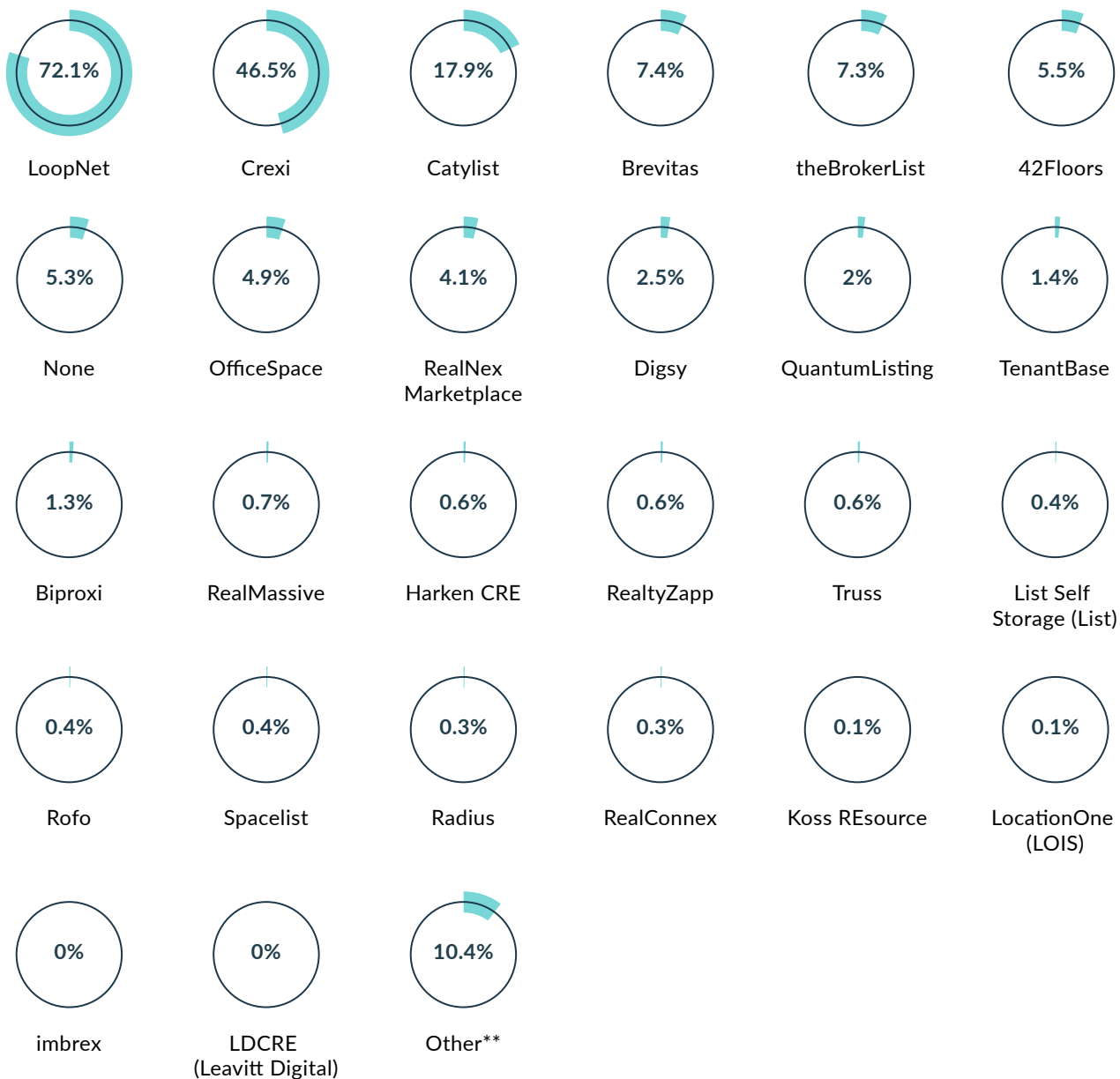


The top reason brokers use a listing site is for advertising and exposure. The second most common reason is for lead generation, which is down by 39% from last year’s results.



Which listing sites do you use most?\*

# LoopNet



Nearly three-quarters of the brokers surveyed say that they use LoopNet the most to list their properties. This is down 15% from last year's results.

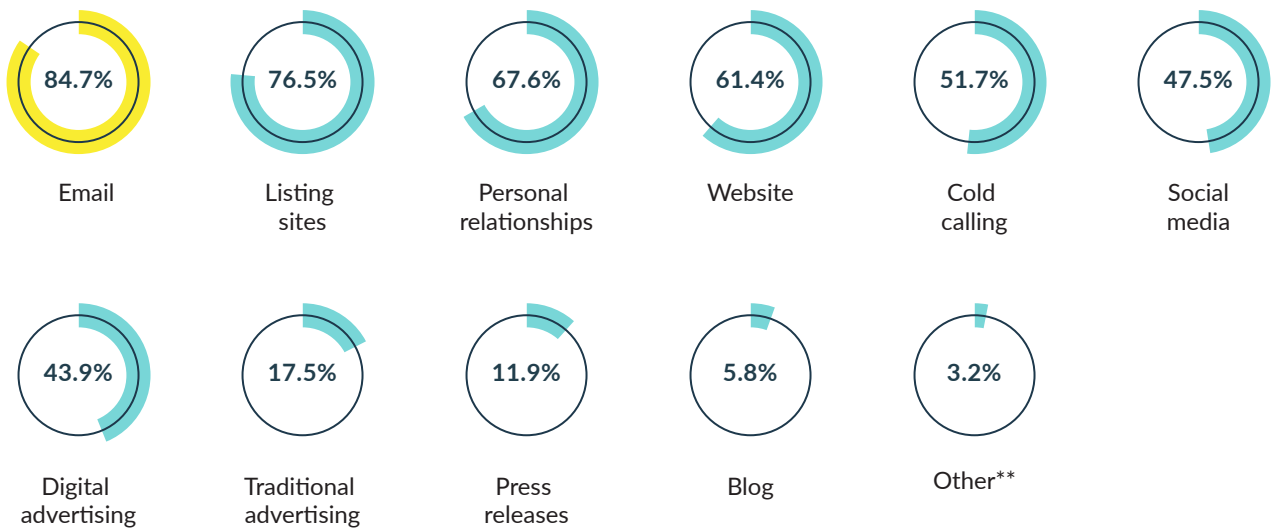
\*Brokers selected their top 3 in this answer.  
\*\*Top write-in: CoStar

# Once you win a listing, do you manage the marketing process or will someone on your team manage it?

I do 69.5%

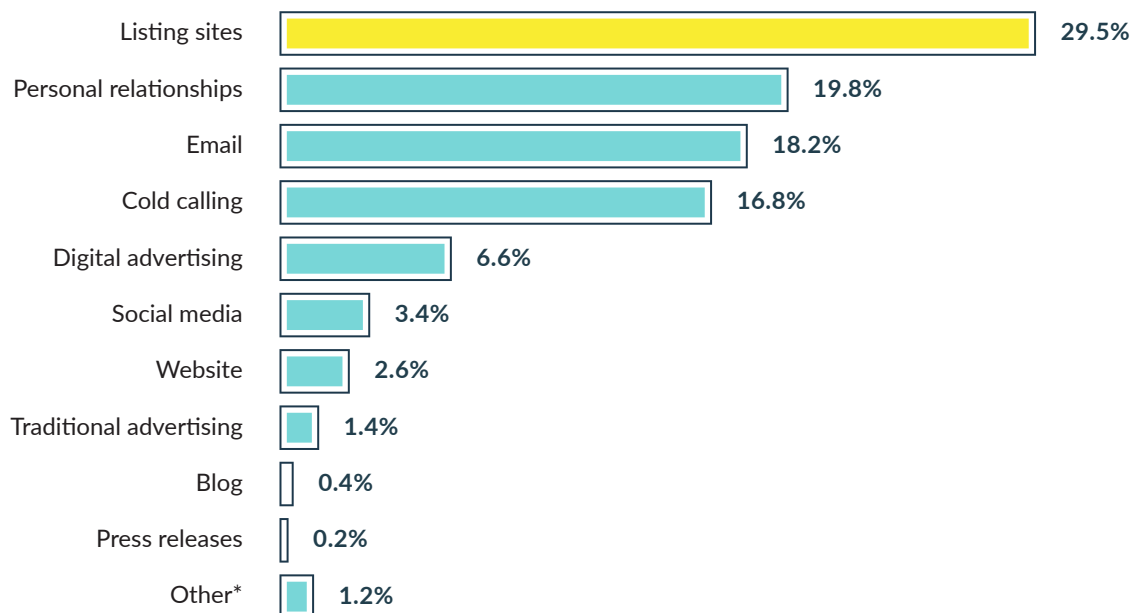
About three-quarters of brokers manage their marketing process themselves after a listing is won. These brokers say the most effective tactic was using listing sites.

## Which tactics do you use, if you manage your marketing?\*



\*Brokers selected all that applied in this answer.  
\*\*Top write-in: Direct Mail

## Which tactics do you find most effective, if you manage your marketing? .....



Want a more comprehensive look at CRE marketing? Read our **DNA of #CRE Marketer Results**.

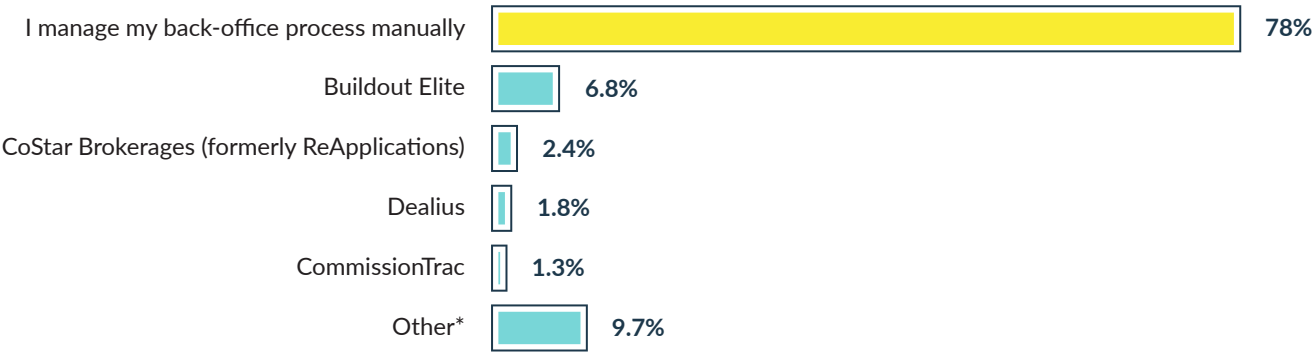
*\*Top write-in: Direct Mail*

Once you close your deal, do you manage the back-office process or will someone on your team manage it? .....

I do 54.1%

Over half of brokers say that they manage the back office process at their brokerage after they close a deal. The majority of these brokers report doing so manually.

What technologies do you use, if you manage your back-office process? .....



\*Top write in: System built in-house



85.1%

Would recommend the tools they  
use to manage their back-office work



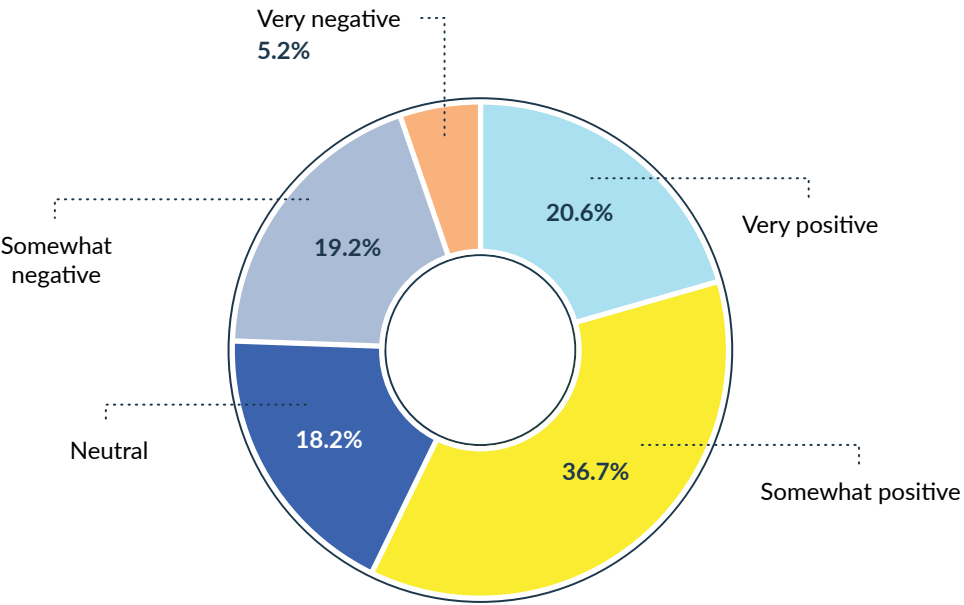
# 03

## Your predictions

*Note: This survey was conducted during the COVID-19 pandemic. Two-thirds of our respondents took the survey before March 15th when most states put stay at home order in place. The rest of the survey respondents took it after March 15th.*

In your opinion, what is the economic outlook for CRE in 2020? .....

# Somewhat positive

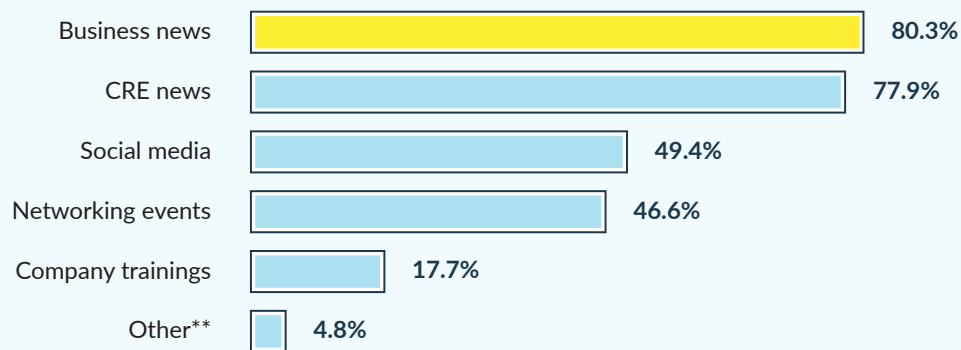


The majority of brokers are positive about the economic outlook for CRE this year.



How do you stay up to date with what's going on in CRE?\* .....

# Business news

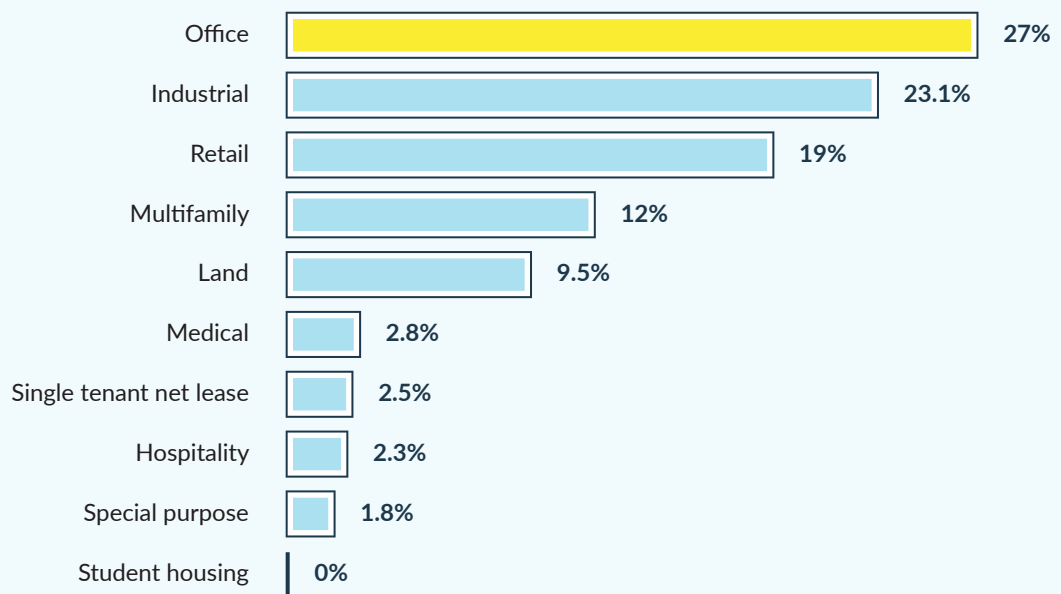


Brokers rely on business and CRE news as the top ways they stay up to date with what's going on in CRE. Nearly half of brokers also report social media and networking as key ways they stay up to speed.

\*Brokers selected all that applied in this answer.  
\*\*Top write-ins: Speaking with brokers and clients

Which property type do you expect to sell or lease the most of this year? .....

# Office

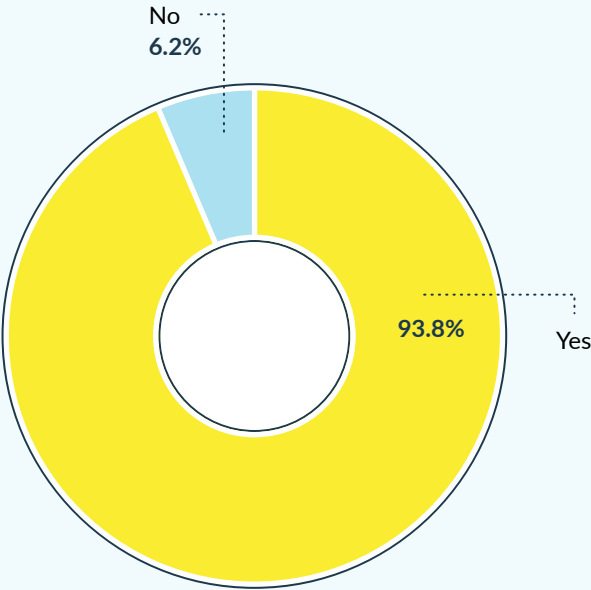


For the third year in a row, brokers expect to sell or lease office, industrial, and retail properties the most in the coming year.

Brokers reported closing more  
**office deals** in 2019 than any other  
property type—and expect that trend  
to continue through 2020

Do you think relationship-building will be your top stimulus in 2020? .....

Yes



For the fourth year in a row, nearly all brokers identify relationship-building as their top stimulus for winning business. The top ways brokers cultivate their relationships are with regular phone calls and emails.

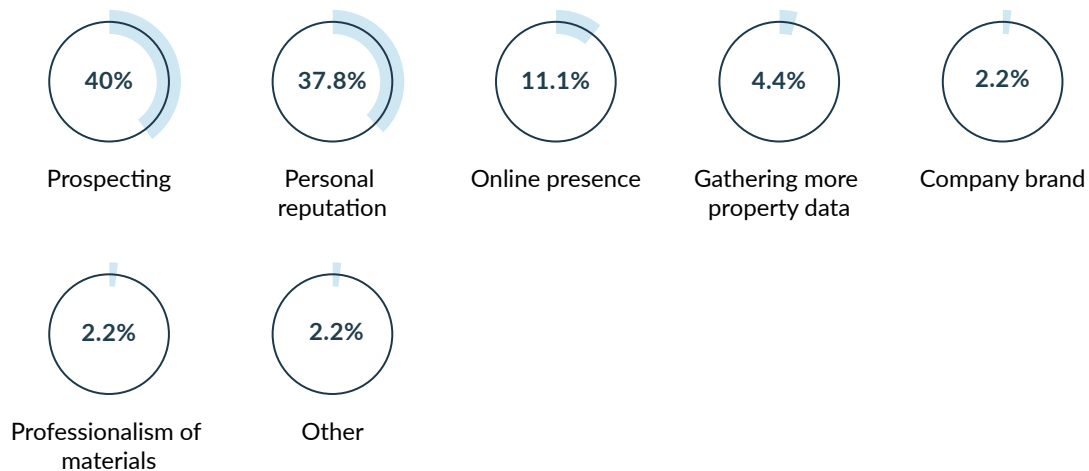
## How will you cultivate your relationships in 2020, if reported as your top stimulus?\* .....



\*Brokers selected all that applied in this answer.

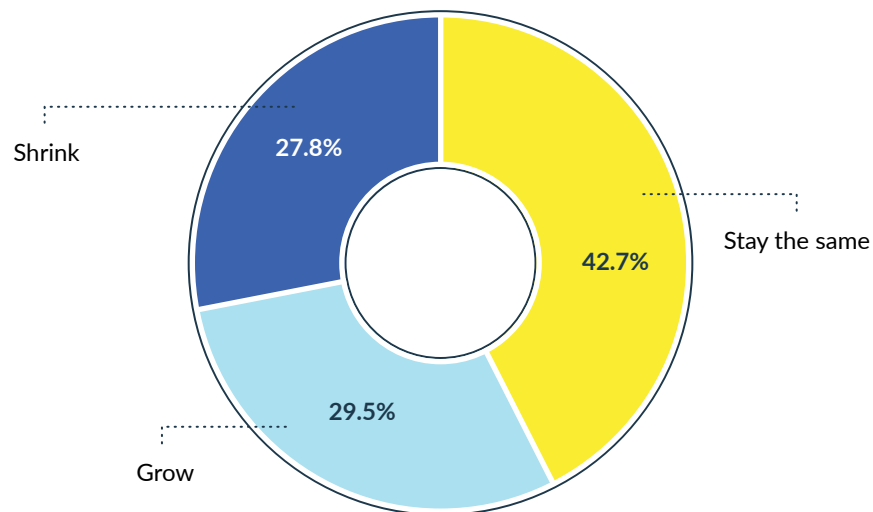
\*\*Top write-in: Face-to-face meetings

## What do you predict your number one stimulus for winning business will be in 2020, if not relationship-building? .....



Do you believe the CRE industry staffing needs will grow, shrink, or stay the same in 2020?

# Stay the same

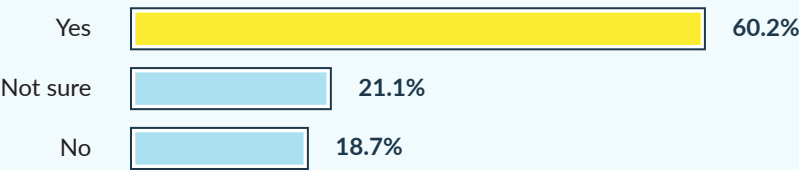


Up 300% from last year's results, one quarter of brokers expect CRE staffing needs to shrink this year.

Another one-quarter of brokers anticipate growth in staffing needs. This is down by 40% from last year's results where half of the brokers predicated that CRE staffing needs would grow.

Does your company plan to actively recruit more brokers and other team members this year? .....

Yes



Although most brokerages plan to actively recruit this year, this number is down 28% compared to last year.



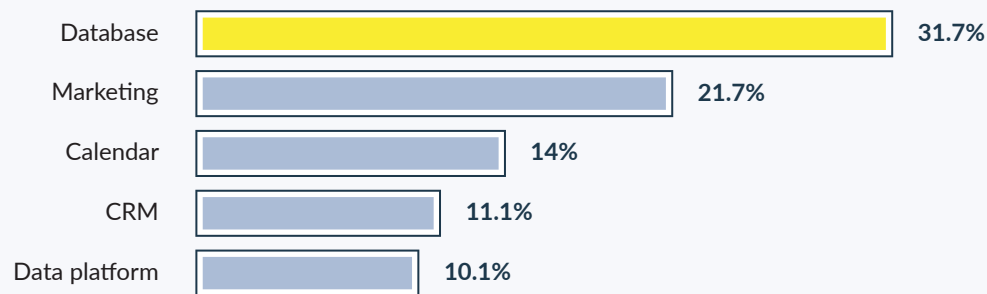


# 04

## Tech deep dive

What technology is the most valuable to your deal cycle? .....

# Database



The results graphed were the largest trends established across a total of 706 unique written responses.

Specific tools that were mentioned by name the most in these responses were CoStar/LoopNet, Buildout, and Outlook.

What technology is missing from CRE that would help you with your day-to-day work?

### CRM + Database

“A more relational database”

“A super simple CRM with contact categories, follow-up dates, tags, and notes”

“An easy-to-use CRM that integrates with other CRE systems—needs a short learning curve”

“CRE-specific CRM”

### More accessible and reliable data

“A complete, cohesive, consistent source for all title/ownership info”

“More property-specific local, national, and international analytics and economic reports”

“Data providers for local info on properties available and sold: packaged in a usable way”

“Verified data ownership & transparency”

### Integrated tech

“A more unified solution combining functions more seamlessly”

“A unified system from start to finish”

“Integration of software so one ‘system’ could cover everything”

“None of the servers talk to each other—CRE is way behind in technology”



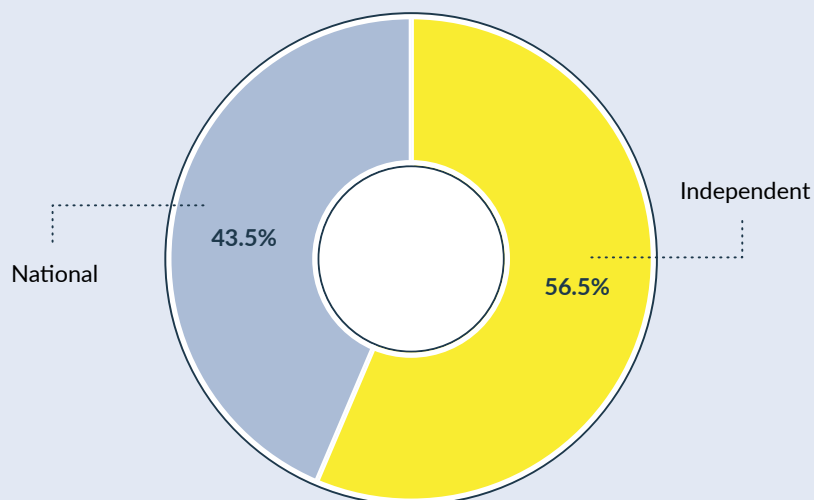


# 05

## About you

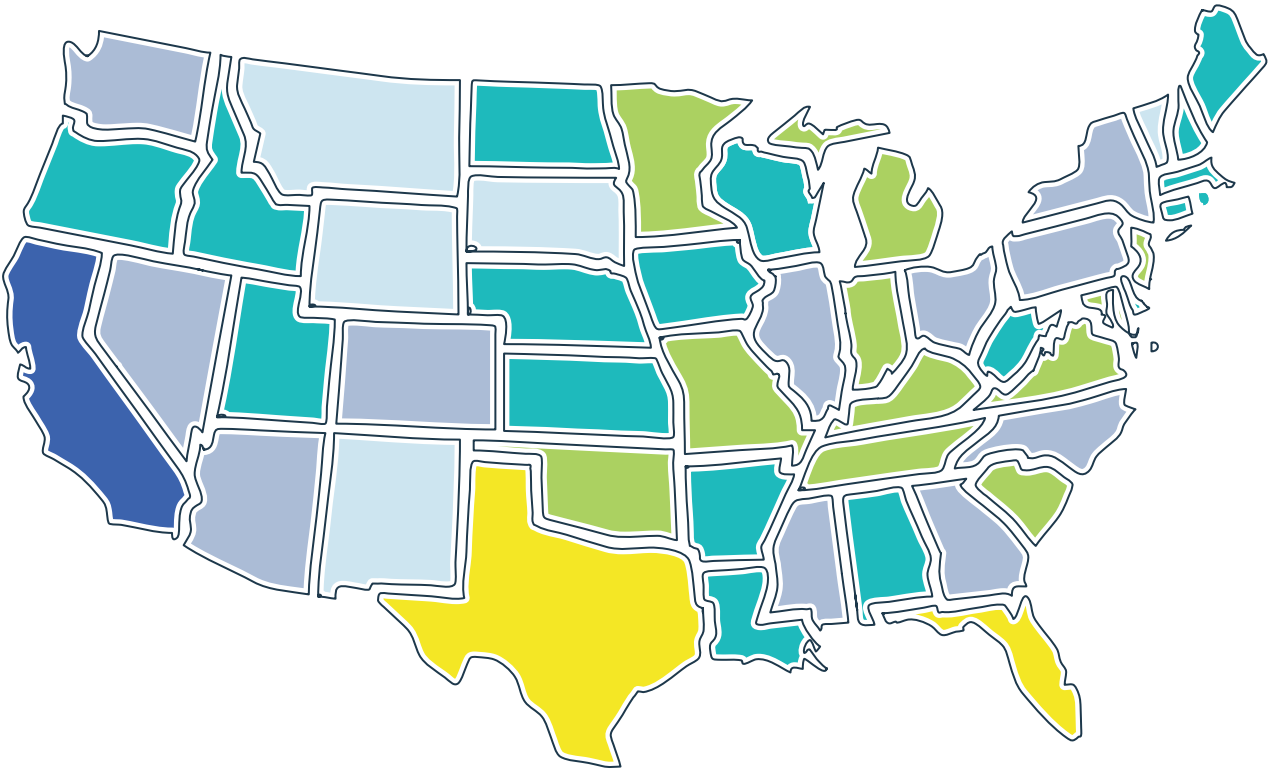
What is your company type?

# Independent



The majority of brokers surveyed work at independent brokerages.

What state is your brokerage located in? .....

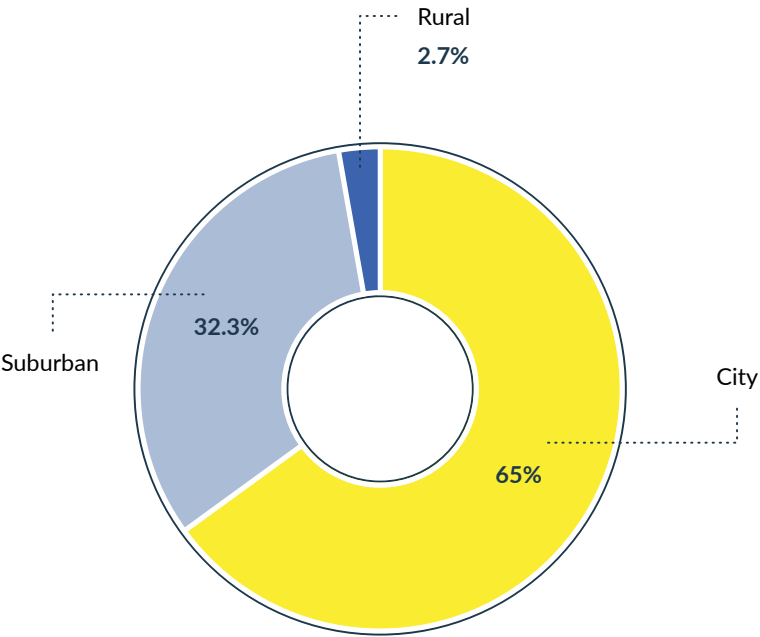


- > 10%
- 6–10%
- 2–5%
- 1.1–2%
- 0.1–1%\*
- None

\*Hawaii and Alaska

What best describes your brokerage's location? .....

City

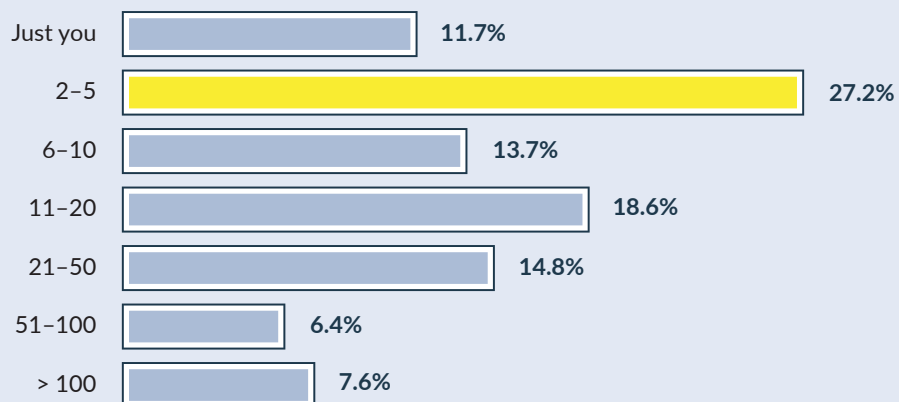


Brokers responded to the survey from across the country, with the majority of them being located in a city and a third in the suburbs.



How many brokers are in your local office? .....

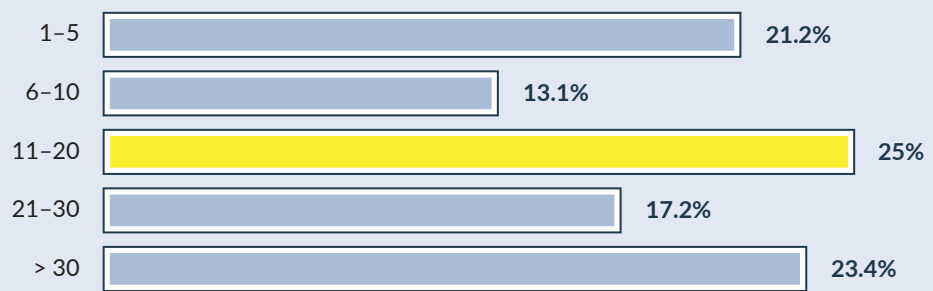
2-5



The majority of the brokers surveyed report working at small brokerages with less than 10 brokers.

How many years have you worked in commercial real estate? .....

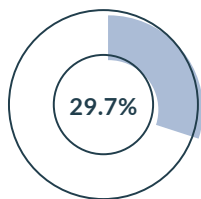
11-20



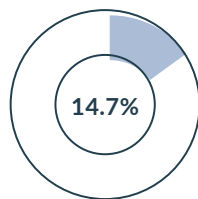
The majority of brokers surveyed have worked in CRE for less than 21 years.

What was your gross commission income in 2019? .....

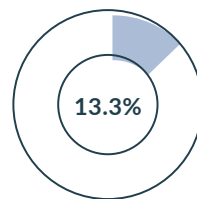
< \$100,000



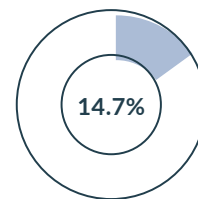
< \$100,000



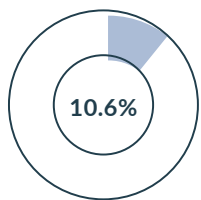
\$100,000–149,999



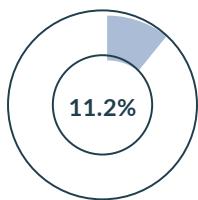
\$150,000–199,999



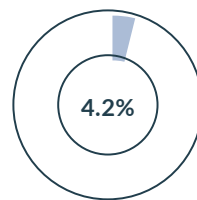
\$200,000–299,999



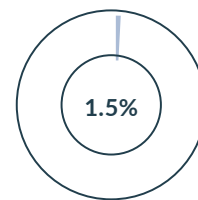
\$300,000–499,999



\$500,000–999,999



\$1M–2M

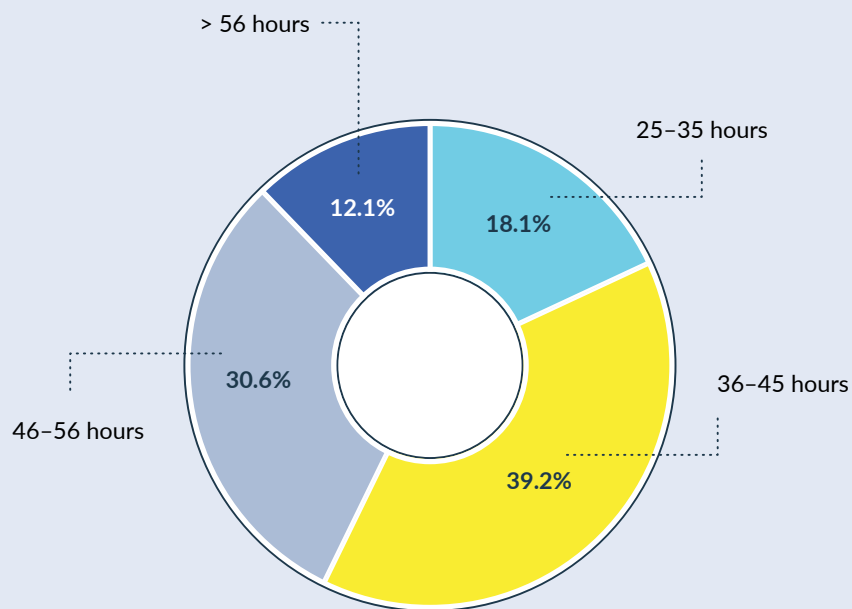


> \$2M

The majority of brokers report making less than \$200,000.  
Only 5.7% of survey respondents made over \$1,000,000.

On average, how many hours do you work in a week? .....

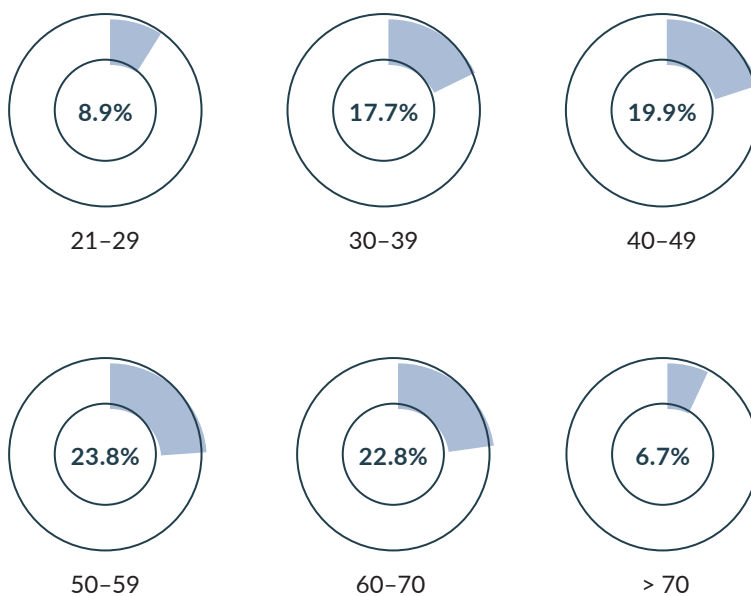
# 36-45 hours



While 40% of brokers report working a regular full-time work week, between 36 and 45 hours, the majority work more than 46 hours.

What age range do you fall into? .....

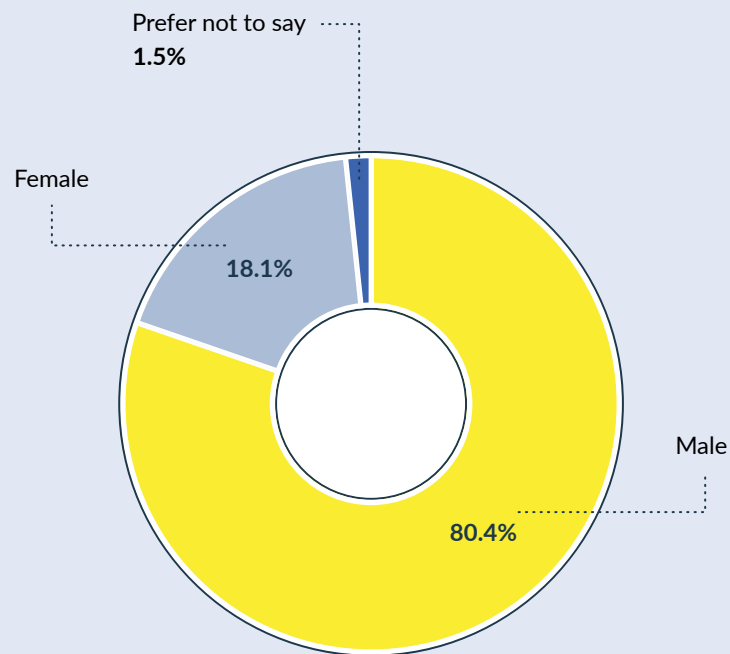
50-59



The majority of brokers are 50 years or older.

What gender do you identify with? .....

# Male

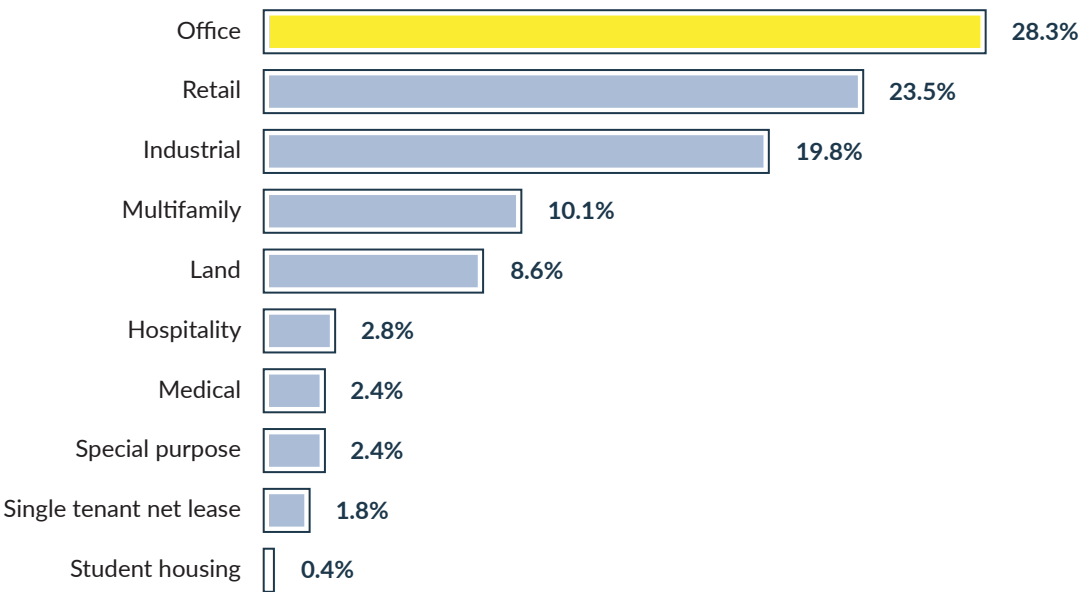


*Prefer to self-describe: 0%*

The large majority of broker respondents have been male across the entire history of the DNA of #CRE survey.

Which property type did you sell or lease the most of in 2019? .....

# Office



For the second year in a row, the majority of brokers report having sold or leased office properties the most.

Thank you

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Thank you

A special thank you to all of our  
partners who helped promote the  
2020 DNA of #CRE survey.



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