

The Digital Marketing of Rural Real Estate, the Latest Driving Force of Rural Gentrification in England?

NIAMH MCHUGH



Outline of Presentation

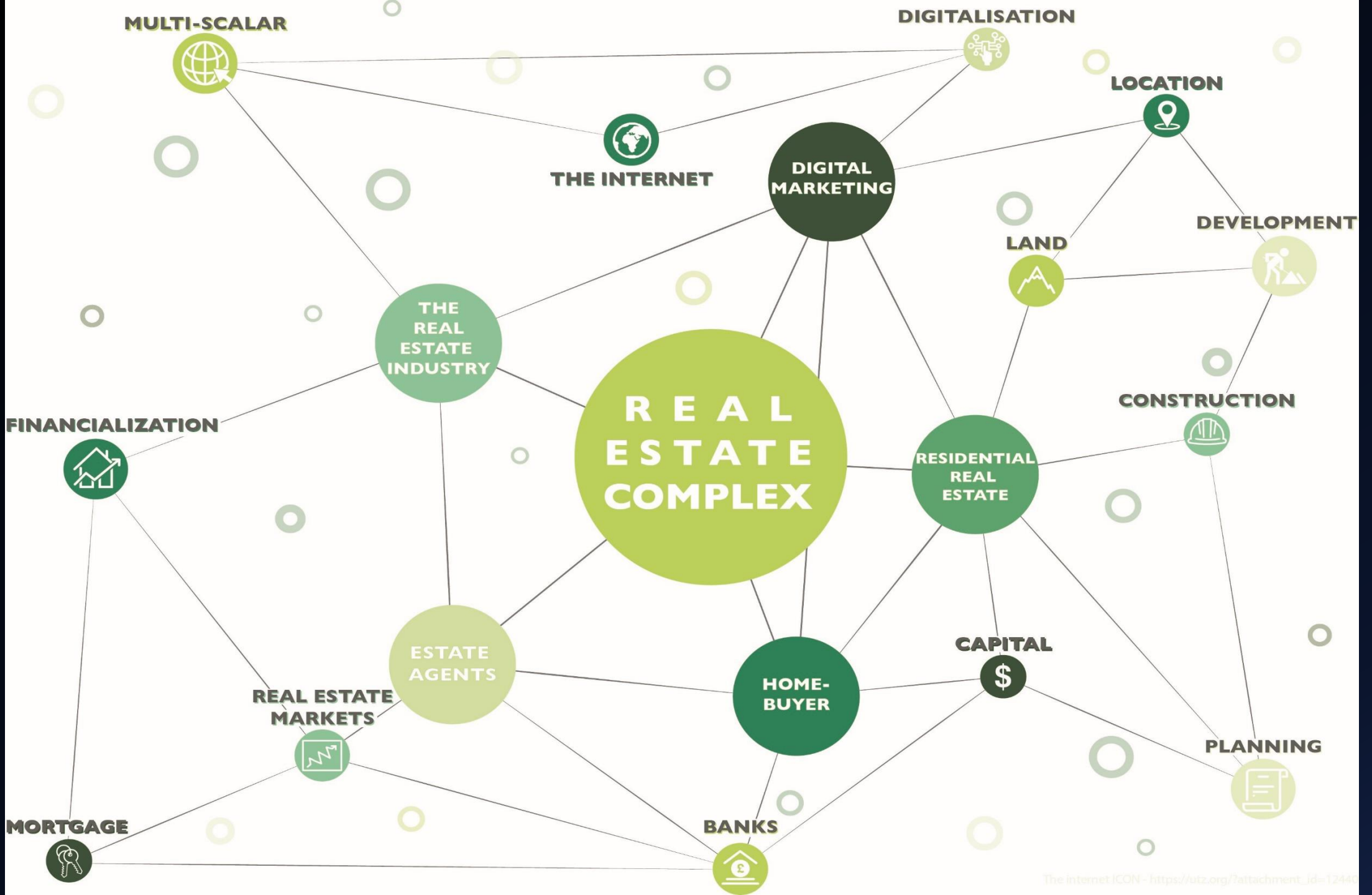
- Background of Research
- Research Aims and Objectives
- Case Study Sites
- Data Collection
- Results So Far....
- What's Next?
- Conclusions



Background of Research

“In the UK, people aspire to live in the countryside. A move to the provinces is seen as a mark of success. This desire for rural life is a defining part of our nation... It’s in the British DNA” (Country Life 2017).

- Previous work in this area can be traced back to the work of Darren Smith (2002), Martin Phillips (2005) and Gary Bridge (2001).
- Notably, Bridge (2001) highlighted that the role of estate agents had received “surprisingly little attention in the literature”, and within contemporary studies of rural gentrification this remains evident today.
- It is becoming increasingly clear that the “impact of digital technologies on residential real estate demands close study” due to the nature of these subjects and their significance within society (Fields and Rogers 2019: 1).



The Digital Marketing of Rural Real Estate, the Latest Driving Force of Rural Gentrification in England?

1) To investigate the role of digital marketing in transforming the rural real estate industry

- Identify key real estate agents operating in rural housing markets
- Determine the relationship and consequently the influence of digital marketing upon the rural real estate industry

2) Evaluate the impact of digital marketing upon processes of rural gentrification in contrasting rural areas in England

- Explore the various processes of rural gentrification which are operating within the case study areas
- Assess the impacts of digital marketing within the rural real estate industry upon processes of rural gentrification within the case study areas

Case Study Sites

Three Case Study Locations:

1. Great Missenden, Buckinghamshire
2. Ombersley, Worcestershire
3. Caldbeck, Cumbria

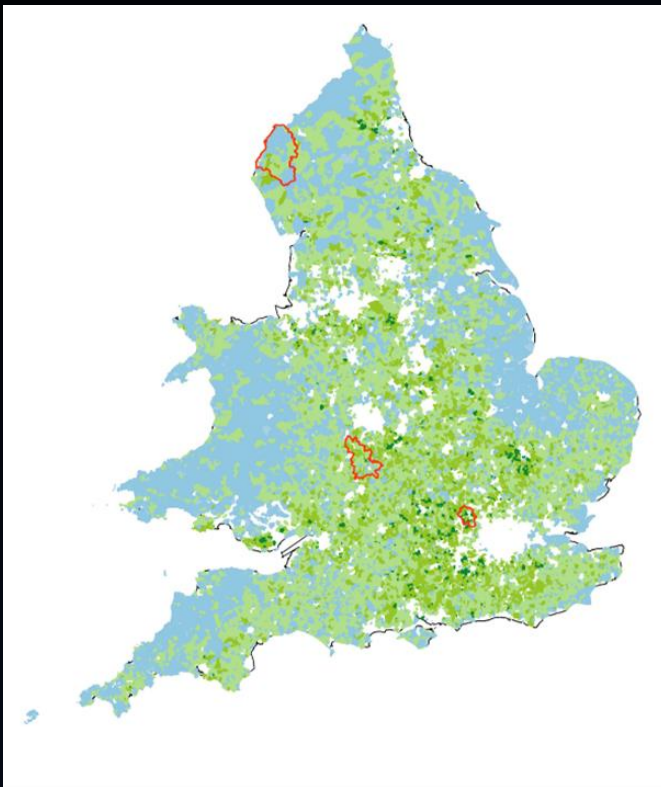
Rationale For Case Study Locations:

- Each site has to have a rural estate agency working in the area
- An area which has not been studied before (Phillips and Smith 2018)
- These sites represent different forms of rurality
- These sites represent different types of middle class groups (Class Classification developed by Martin Phillips and Darren Smith which is based on % of classed population)



% of classed population

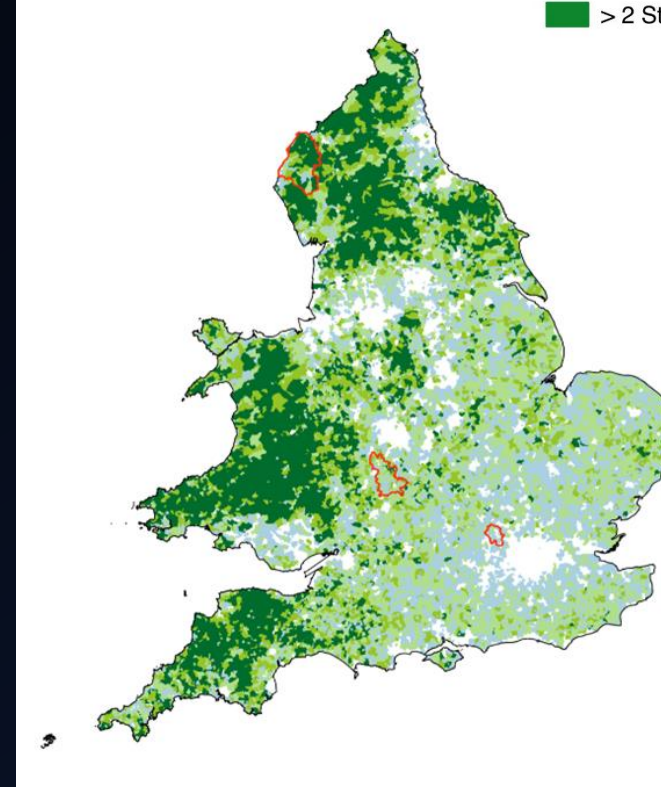
- < -2 Std Dev
- 2 Std Dev to -1 Std Dev
- 1 Std Dev to Mean
- Mean to 1 Std Dev
- 1 Std Dev to 2 Std Dev
- > 2 Std Dev



**Great Missenden, Buckinghamshire:
Managers & Industrialists**

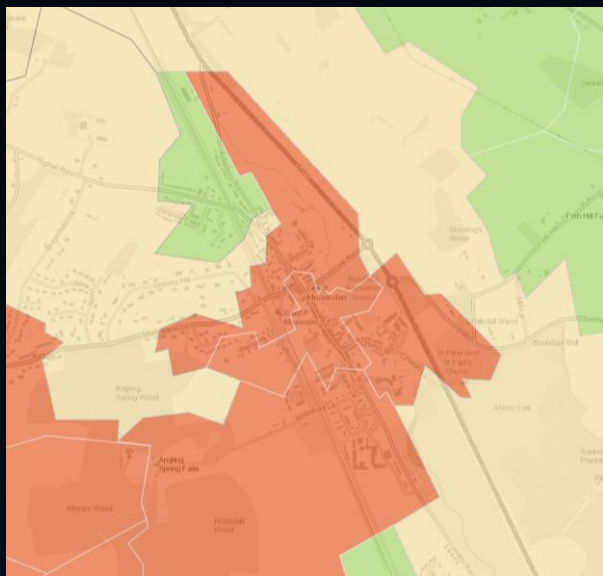


**Ombersley, Worcestershire:
Non-Agricultural Petit Bourgeoisie**

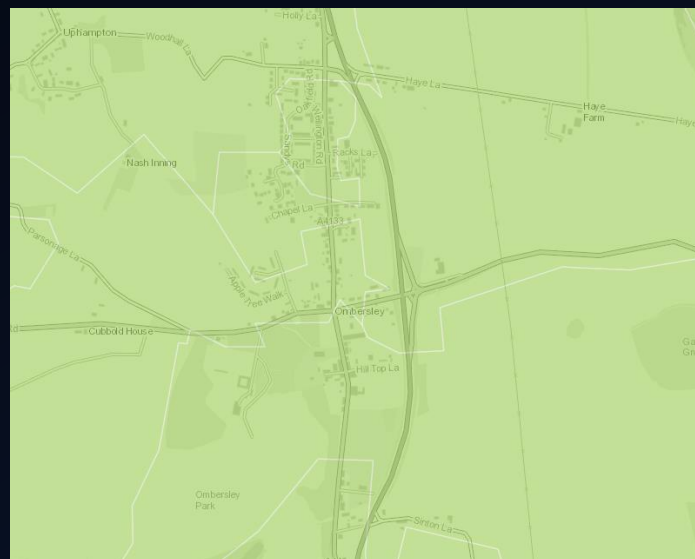


**Caldbeck, Cumbria:
Agricultural Petit Bourgeoisie**

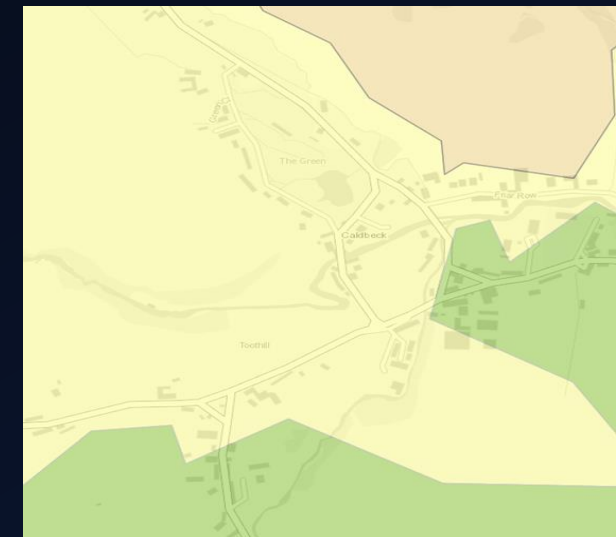
Great Missenden



Ombersley



Caldbeck



Data Collection



Results so far.....

Key themes:

- Many agencies are considering or already have “gone online” and have dropped their store front
- Property Portals are incredibly significant
- Traditional methods are still salient in some agencies
- Online marketing is perceived as important, but personal contact is still essential



Many Agencies Are Considering Or Already Have “Gone Online” And Have Dropped Their Store Front

- “I’m considering going online and getting rid of the high street office. I’m very ... I don’t want to become Thomas Cook, Mothercare, yeah, in other words just because everyone has been doing it the same way **since the beginning of time** doesn’t mean that’s the way you should just keep your nose to the grindstone and plough on with blinkered eyes”.
- “We rely on them (the customers) to make the initial contact – the biggest things you have is a good website, boards, Rightmove, it’s just that online presence... It **costs a lot of money** to have a fancy shopfront, it’s a massive overhead cost”.
- “We’ve adopted more of a **hub model**... we’ve closed 6 regional offices and have streamlined our services”



Property Portals Are Incredibly Significant

- “If you weren’t on Rightmove you wouldn’t be able to trade, Rightmove outstrips any property website in the UK as far as visitor numbers by 80%. To give you an idea, we pay about £300 a month for Zoopla and about £1900 a month for Rightmove. And you would be nuts to put a property on the market with an agent who doesn’t have Rightmove, I hate to say it. **Rightmove is the most powerful**”.
- “We use prime location, Predominantly we use Rightmove, Zoopla, Prime Location, On the Market and our own website. **I mean your own website is a waste of time** to be honest but everyone has there own website, I never ever go on there – **I always use Rightmove**. That’s primarily the thing.



Traditional Methods Are Still Salient In Some Agencies

- “In the olden days people use to advertise in the Newspaper, **complete waste of time** we don’t use that anymore – **dinosaurs use the newspaper** and nosy people who want to look at what’s on the market while they are having their coffee because the English obsession is looking at houses on the internet and spying on the neighbours”.
- “We also contact clients via the phone to see if they’re interested in properties that have come up on the on market. We still do a lot with **my old fashioned hat on**, we still do a relative amount of posting out **hard copy details**, our software – emails, but **I don’t think there is any substitute** for posting on a Wednesday or Thursday so that it arrives on a Friday or Saturday and **hard copy branding** being on the breakfast counter over the weekend for people”.
- “Any bit of exposure is good... we utilise a 24 colour brochure, personalised videos... we have a tailor made marketing strategy”.

Online Marketing Is Perceived As Important, But Personal Contact Is Still Essential

- “Websites are very important, more than people realise – if you’re judged purely on the portal the quality is limited... A company’s website differentiates you from your competition”.
- “There is nothing that matches experience, people like to see who they are dealing with, we’re tangible... we are nice people... but we still need to embrace technology”.
- “Near enough every method of marketing is equally important but the most important is human touch, talking to people, having that ongoing contact”



Source: <https://www.capitalradio.es>

Concluding Points

- Online marketing is impacting the operational structure and day to day operations of estate agencies.
- Differences between agencies which are locally, nationally and globally based.
- Estate agents continue to play a critical role in purchasing a property in the UK.



References

- Levy, D., Dunning, R. and Watkins, C. (2015) New behavioural business practices: agent interactions in the housing market. European Real Estate Society (ERES).
- Muhanna, W. (2000) E-commerce in the real estate brokerage industry. *Journal of Real Estate Practice and Education*, 3 (1), 1-16.
- Ryan, D. (2016) *Understanding digital marketing: marketing strategies for engaging the digital generation*. London: Kogan Page Publishers.
- Darling, E. (2005) The city in the country: wilderness gentrification and the rent gap. *Environment and Planning A*, 37 (6), 1015-1032.
- Phillips, M. and Smith, D. P. (2018) Comparative approaches to gentrification: Lessons from the rural. *Dialogues in human geography*, 8 (1), 3-25.
- Dietrich, M. and Holmes, P. (1990) The market structure of the estate agents industry in the 1980s: an empirical investigation. *Applied Economics*, 22 (5), 629-638.
- Brennen, J. S. and Kreiss, D. (2016) Digitalization. *The international encyclopedia of communication theory and philosophy*, 1-11.
- Bridge, G. (2001) Estate agents as interpreters of economic and cultural capital: the gentrification premium in the Sydney housing market. *International Journal of Urban and Regional Research*, 25 (1), 87-101.