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26 March 2019

## 2018 Public Perception Survey on the real estate agency industry

Consumers continued to be satisfied with the services rendered by their property agents, according to the Council for Estate Agencies' (CEA) third Public Perception Survey on the real estate agency industry.

2. The key findings from the survey include:

- 85 per cent of consumers in 2018 were satisfied with the service provided by their property agent. This is an increase from both the 2015 (79 per cent) and 2012 (81 per cent) surveys.
- Consumers whose agents used three or more forms of real estate technology tools during their property transaction were significantly more likely to have indicated that they were satisfied with their agents' service. This was consistent for consumers across all age groups.
- 72 per cent of consumers indicated that they would engage the services of a property agent in future transactions. This is higher than that in 2015 (60 per cent) and 2012 (66 per cent).

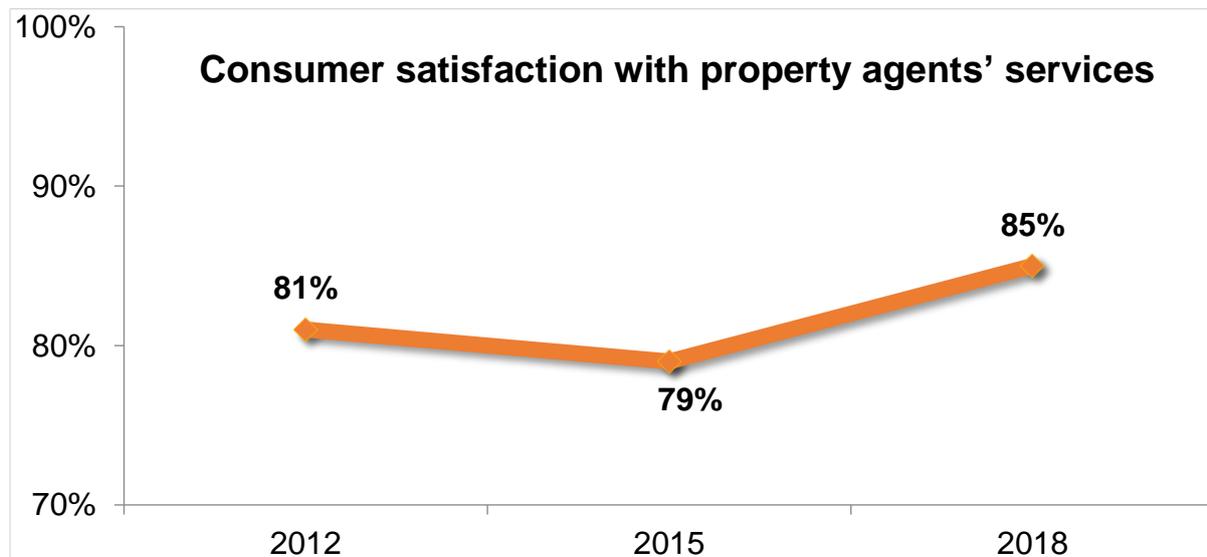
3. The three-yearly survey involved some 1,500 respondents, comprising individuals who had engaged the services of a property agent and those who had yet to. Face-to-face interviews were carried out with respondents over three months from May to July 2018 at various locations around Singapore. More information about the survey is at **Annex A**.

4. Mr Lee Kwong Weng (李广荣), Executive Director, CEA, said, "The uptrend in consumer satisfaction with their property agents' services is an indication that the industry has made steady progress in raising its professionalism and ethical standards,

and improving the service to its clients. In addition, the survey results indicate that the use of technology has a direct positive impact on consumer satisfaction. As we roll out the various initiatives under the Real Estate Industry Transformation Map, we will continue to support property agencies and agents in enhancing their knowledge and competencies, encourage them to leverage technology for innovation, productivity and service quality enhancement.”

### **Consumers consistently satisfied with property agents’ services**

5. 85 per cent of consumers surveyed in 2018 were satisfied with the services provided by their property agents. This represents an increase in satisfaction from both the 2015 (79 per cent) and 2012 (81 per cent) surveys. Satisfaction was consistently high among all consumer groups surveyed i.e. property buyers and sellers, landlords and tenants.



6. Consumers were asked to rate their property agents on 18 action statements (refer to **Annex B**). These statements are grouped into three professional attributes:

- Knowledge/Expertise
- Ethics/Conduct
- Service excellence

7. In 2018, consumers were most satisfied with their property agents in the area of Service Excellence, followed by Ethics/Conduct and Knowledge/Expertise. The top-rated attributes are:

2018	2015	2012
Property agent provides a copy of all signed documents ( <i>Service Excellence</i> )	Property agent is courteous to me at all times ( <i>Service Excellence</i> )	Property agent provides a copy of all signed documents ( <i>Service Excellence</i> )
Property agent is courteous to me at all times ( <i>Service Excellence</i> )	Property agent is contactable and responsive to my queries ( <i>Service Excellence</i> )	Property agent is courteous to me at all times ( <i>Service Excellence</i> )
Property agent advises me to declare information truthfully and comply with legal requirements ( <i>Ethics/Conduct</i> )	Property agent reasonably accommodates my needs ( <i>Service Excellence</i> )	Property agent is contactable and responsive to my queries ( <i>Service Excellence</i> )

8. Attributes that drew lower satisfaction levels from consumers were in these areas:

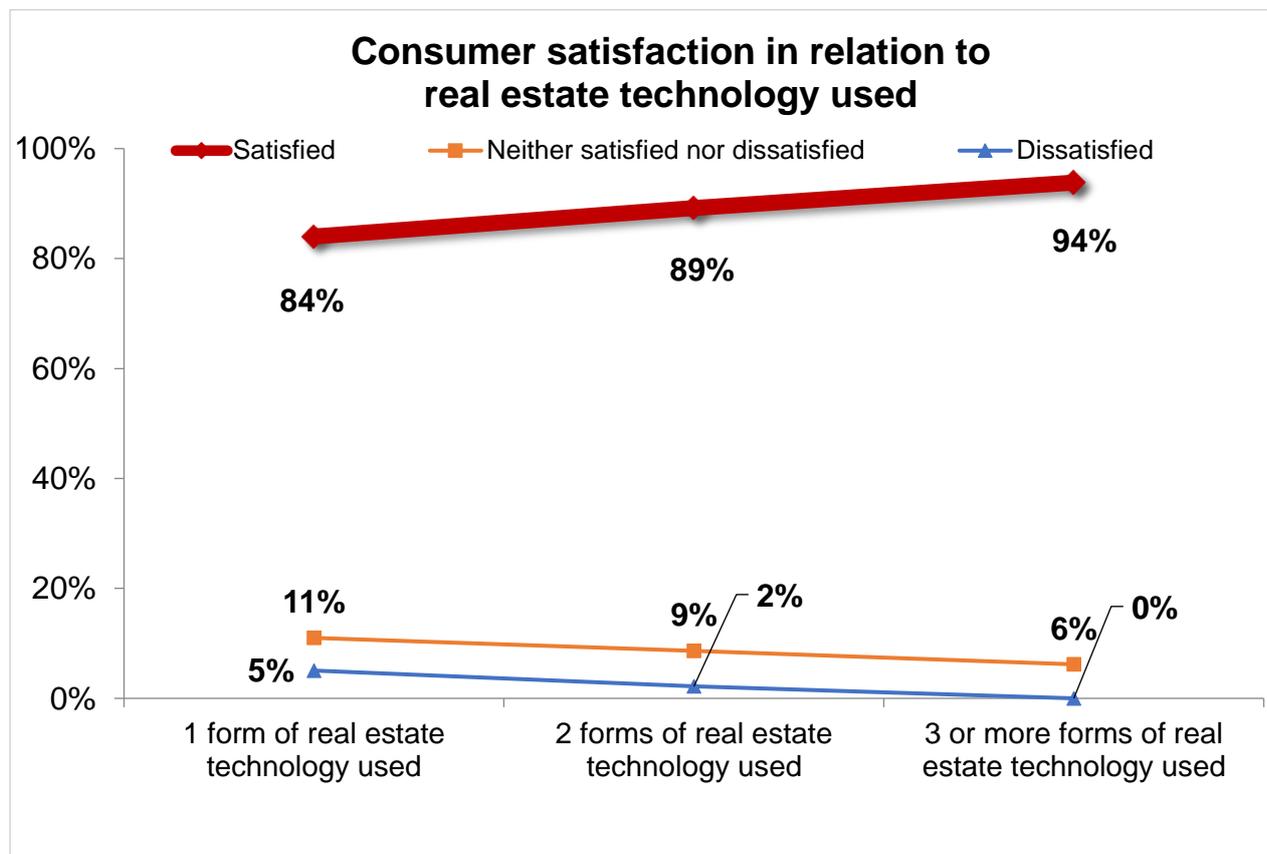
2018	2015	2012
Property agent provides advice on financial matters related to the transaction ( <i>Knowledge/Expertise</i> )	Property agent is not overly forceful in pressuring me to complete the transaction ( <i>Ethics/Conduct</i> )	Property agent provides advice on financial matters related to the transaction ( <i>Knowledge/Expertise</i> )
Property agent does his best to negotiate and secure the best price ( <i>Service Excellence</i> )	Property agent clearly explains the commission payable for the transaction ( <i>Knowledge/Expertise</i> )	Property agent provides accurate and up-to-date information related to the property and the property market ( <i>Knowledge/Expertise</i> )
Property agent provides accurate and up-to-date information on property and property market ( <i>Knowledge/Expertise</i> )	Property agent does his best to negotiate and secure the best price ( <i>Service Excellence</i> )	Property agent does his best to negotiate and secure the best price ( <i>Service Excellence</i> )

9. In a result similar to the 2015 survey, property agents' knowledge remained the most important dimension to consumers in 2018.

### Use of technology in property transactions linked to consumer satisfaction

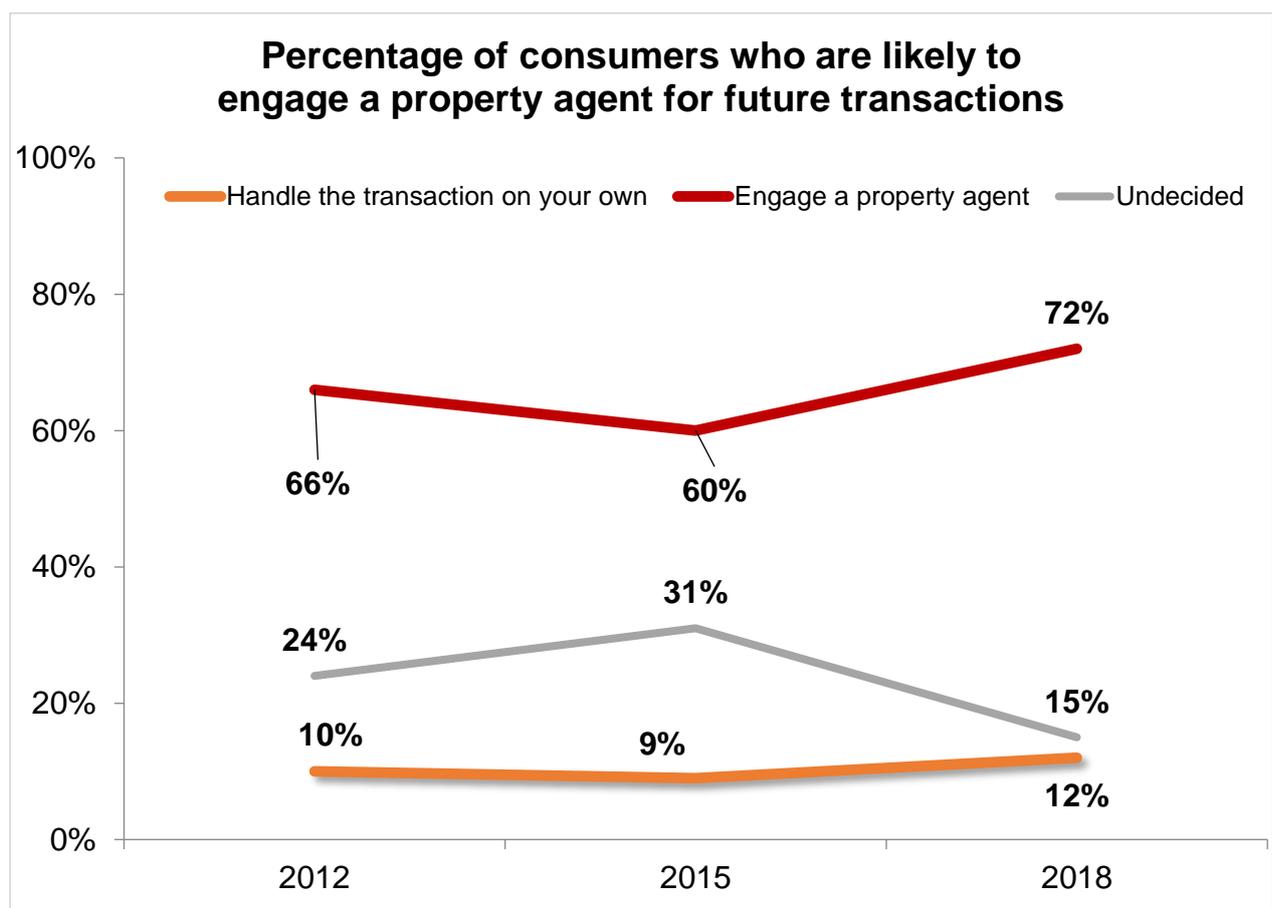
10. The 2018 survey was the first in which consumers were asked if their agents used any digital tools during the transaction. A third of respondents shared that their agents used at least one digital tool while facilitating the transaction. These tools included property apps with pricing calculators, information on property trends and property details, as well as electronic forms.

11. Consumers whose agents used three or more forms of real estate technology during their property transaction were significantly more likely to have indicated that they were satisfied with the services provided by their agents. This was consistent for consumers across all age groups.



## More consumers deciding to engage a property agent for future transactions

12. As with the earlier two surveys, consumers were asked if they intend to engage a property agent for future transactions. Consumers' intentions with respect to future transactions were strongly related to their satisfaction with the service provided by their property agents. Related to the overall higher level of satisfaction among consumers surveyed, 72 per cent of them indicated that they would engage the services of a property agent in future transactions in 2018. This is significantly higher than that in the 2015 (60 per cent) and 2012 (66 per cent) surveys. The proportion of consumers who were undecided decreased to 15 per cent from 31 per cent in 2015 and 24 per cent in 2012. 12 per cent of consumers indicated that they would likely handle property transactions on their own, an increase from nine per cent in 2015 and 10 per cent in 2012.



## Awareness of key industry practices and regulations

13. The 2018 Public Perception Survey also polled consumers on their awareness of 12 key industry practices and regulations (refer to **Annex C**). The survey found that consumer awareness has increased compared to 2015 and 2012, with an average score of 77 percent, or nine out of 12 areas. The score in 2015 was 73 per cent, or close to nine out of 12 areas. In 2012, the average score was 72 per cent, or eight in 11 areas.

14. As for potential consumers, their awareness averaged 69 per cent in 2018, an improvement from 65 per cent in 2015 and 59 per cent in 2012.

15. There was high awareness by consumers in these areas:

2018	2015	2012
Property agents must seek owners' consent before advertising	Property agents have to inform sellers or landlords of all offers/proposals	Property agents have to inform sellers or landlords of all offers/proposals
Property agents have to inform sellers or landlords of all offers/proposals	Property agents must seek owners' consent before advertising	Property agents must seek owners' consent before advertising
Agents must abide by the Code of Ethics and Professional Client Care established under the law (Estate Agents Regulations)	Property agents should co-broke, with consent of consumers, to get the best offer for them	Property agents cannot be associated with money-lending activities

16. Similar to consumers, potential consumers also displayed high awareness of the fact that property agents must seek owners' consent before advertising. They were also aware that agents cannot be associated with money-lending activities and that agents must abide by the Code of Ethics and Professional Client Care.

## **About the Council for Estate Agencies**

The Council for Estate Agencies (CEA) is a statutory board established in 2010 under the Estate Agents Act to regulate and promote the development of a professional and trusted real estate agency industry. The key responsibilities of CEA are to license property agencies and register property agents, promote the integrity and competence of property agencies and property agents, and equip consumers with the necessary knowledge to make informed decisions in property transactions involving property agents. For more information, please visit: [www.cea.gov.sg](http://www.cea.gov.sg).

### **About the CEA Public Perception Survey**

The Council for Estate Agencies (CEA) conducted our third Public Perception Survey (PPS) on property agencies and agents from May to July 2018. This is a three-yearly survey that we first conducted in [2012](#), and subsequently in [2015](#).

The survey allows CEA to gauge consumers' perception towards the services rendered by property agencies and agents. This in turn allows us to understand the progress of the industry in delivering professional service to consumers.

At the same time, the survey provides insights into consumers' awareness of key industry practices and regulations involving property agencies and agents in the property transaction process.

The 2018 survey, which was carried out via face-to-face interviews at various locations across Singapore, involved 1,529 respondents. These comprised 1,014 consumers who have engaged the services of a property agent over the past year as well as 515 potential consumers who have not engaged a property agent before.

As part of the survey, respondents were polled on their satisfaction levels when working with their agents, as well as their awareness of key industry practices and regulations.

The survey findings guide CEA as we plan for initiatives to further promote consumer awareness on working effectively with property agents to achieve the best outcomes when they buy, sell, or rent properties.

The findings also provide useful insights as CEA continues to support the industry's efforts in enhancing professionalism and service to clients.

**Professional attributes**

To determine the level of consumer satisfaction, consumers were asked to recall their experience with their property agent and rate them on each of the following 18 action statements on a scale of 1 to 7 (1 – strongly disagree, 4 – neutral, 7 – strongly agree). The statements are grouped under three key professional attributes.

**Knowledge/Expertise**

1. Property agent provides proper advice based on my needs and eligibility
2. Property agent provides advice on financial matters related to the transaction
3. Property agent provides accurate and up-to-date information related to the property and the property market
4. Property agent provides advice based on the latest rules, regulations, policies, and procedures
5. Property agent clearly explains the commission payable for the transaction
6. Property agent explains and provides sufficient time for consideration before signing documents
7. Property agent performs all paperwork correctly and accurately in a timely manner

**Ethics/Conduct**

8. Property agent acts in my best interest and does not have any conflict of interest
9. Property agent is trustworthy and does not mislead me
10. Property agent is transparent and informs me of all developments or issues related to my transaction in a timely manner
11. Property agent advises me to declare information truthfully and comply with legal requirements
12. Property agent is not overly forceful in pressuring me to complete the transaction

**Service Excellence**

13. Property agent does his best to negotiate and secure the best price
14. Property agent explains the transaction process and timeline
15. Property agent provides a copy of all signed documents
16. Property agent is contactable and responsive to my queries
17. Property agent reasonably accommodates my needs
18. Property agent is courteous to me at all times

**Awareness of key industry practices and regulations**

Consumers and potential consumers were asked about their awareness of the following 12 key industry practices and regulations. They were asked to indicate “Yes” or “No”:

1. Property agents must be registered with the CEA
2. Property agents must abide by the Code of Ethics and Professional Client Care established under the law (Estate Agents Regulations)
3. Consumers are encouraged to use the forms (Estate Agency Agreements) prescribed by CEA for sale, purchase, or lease of residential properties in Singapore
4. Consumers can negotiate the commission rate payable to the property agent
5. Property agents should co-broke, with the consent of both buyer and seller, to get the best offer for them
6. The same property agent cannot represent both buyer and seller, or landlord and tenant
7. Property agents have to inform sellers or landlords of all offers/proposals
8. Property agents must seek the owners’ consent before advertising
9. Property agents should not be associated with money-lending activities
10. Property agents cannot handle transaction monies, for or on behalf of any party
11. Consumers can complete their own property transactions (i.e. DIY) without the service of a property agent
12. There is an online public register to check the registration details of property agents