

**SPEECH BY MR TAN KIAT HOW, MINISTER OF STATE, PRIME MINISTER'S OFFICE & MINISTRY OF NATIONAL DEVELOPMENT, AT THE SINGAPORE ESTATE AGENTS ASSOCIATION'S SG REAL ESTATE AGENTS EXCELLENCE AWARDS 2020 ON 13 NOVEMBER 2020, 5PM**

1. Congratulations to SEAA on the launch of the inaugural SG Real Estate Agents Excellence Awards! This is a major milestone for the industry. It is the first industry-level award to recognise outstanding property agents who have demonstrated both professionalism and good sales performance in estate agency work.

2. Today, close to 400 of you are receiving awards for your achievements. As mentioned earlier by Minister Indranee, your commitment towards service excellence and professionalism is what drives good sales performance and high customer satisfaction. Congratulations once again to all award recipients!

**Overcoming COVID-19 Challenges**

3. The COVID-19 pandemic has impacted so many of us, and so many sectors of the economy negatively, including the real estate agency industry. But I am very heartened that the industry has remained resilient amidst this challenging period and has overcome the hurdles by adjusting and adapting business practices through the use of technology. For example, many of you have launched interactive virtual property tours, and have moved your training online.

4. SEAA has also stepped up in supporting the industry in adopting digital tools. For instance, you have partnered Silversea Media Group, an immersive media solutions provider, to introduce 4D virtual tours to your members. This has enabled agents to create more interactive virtual tours with e-forms, photos and videos, as well as the virtual staging of properties for home seekers to visualise possible home layouts.

5. You have also conducted training sessions on the use of digital tools such as virtual viewings and electronic signatures, to help all your members to fully utilise these digital tools.

## **Embracing Digital Transformation in the New Normal**

6. Beyond COVID-19 which will one day come to an end, technology will continue to catalyse the emergence of new business and service delivery models that may disrupt our sector. In recent years, we have seen new property portals emerge, providing consumers with convenient digital tools that enable them to handle property transactions on their own. We can expect that more consumers may opt for DIY transactions.

7. Consumer behaviour and expectations are evolving, with consumers becoming more discerning and tech-savvy. They may expect agents to provide property market analysis and highly personalised advice based on their needs, and not just information that can be found easily online. More may will also prefer the efficiency and convenience of digital tools, such as digital signing, and virtual viewings to shortlist properties before making physical visits. We expect this trend to fully continue in a post-COVID world.

8. I am very encouraged that many of our agencies and agents are adopting technology and embracing new ways of doing things. For example, 61-year-old Mr Hassan Bin Jaafar, who is one of the recipients of the Active Seniors award at today's ceremony. In addition to offering his clients his expertise honed from 24 years of experience in the industry, he continues to enhance his skills by attending courses to explore new marketing techniques on social media platforms such as Instagram, Facebook and WhatsApp. He now relies on these platforms to market his listings.

9. Another good example is 27-year-old Mr Jody Tan who joined the industry after leaving the army. Jody mentioned that his first year in the industry was rocky. He invested in training courses to level up his online marketing skills and managed to turn his real estate career around. He is now paying it forward by coaching his peers so that other agents can benefit from his experience. Jody is a recipient of our Outstanding Youths award today.

10. So thank you Hassan and Jody. They are two very good examples of how many of you have continued to upskill and upgrade by picking up new digital marketing skills to deliver better value-added services to your clients.

11. The industry needs to press on in this respect, and the Government is committed to support the real estate agency industry in this digital transformation journey.

12. Under the SMEs Go Digital programme, CEA is working with the Infocomm Media Development Authority (IMDA) and Enterprise Singapore (ESG) to introduce sector-specific solutions that property agencies can adopt with government grant support. The agencies will work with the industry to identify pre-selected solutions that address your needs. We aim to announce more details early next year, and I encourage all of you to take full advantage of these digital solutions and government support.

13. Similarly, government agencies have also embarked on digital transformation efforts to provide more efficient online services to Singaporeans. For example, HDB is working on the new HDB Portal – a single platform to make the buying and selling of HDB flats more convenient and seamless. By making property transactions more efficient, this platform will not just only benefit consumers, but also the entire real estate ecosystem, including property agencies and all of you, our property agents.

### **Bringing Together the Real Estate Agency Industry**

14. Digitalisation will require the support and leadership of the industry associations, including SEAA. The industry associations can do so on three fronts.

15. First, the industry associations can continue to play an active role by providing training opportunities on digital skills and aggregating resources to help small- and medium-sized agencies transform alongside the bigger agencies, so that no one is left behind. The need for the industry associations to support small- and medium-sized agencies in their digital transformation journey is even more pertinent as we enter the new normal.

16. Recently, I had the opportunity to engage Key Executive Officers (KEOs) from some of these agencies in an Emerging Stronger Conversation recently. On one hand, I was encouraged to hear that we have smaller agencies that are pushing above their weight and competing in international markets. Our agencies are going global.

17. On the other hand, participants candidly shared with me their challenges in going digital. While they tried their best to adapt such as using technology like Zoom and virtual viewings, and equipping their agents with basic digital skills, many smaller players face real digitalisation challenges given their limited scale and resources. This is where industry associations may be able to play a key role, by providing digital tools or platforms for their members' use, benefitting everyone.

18. In this regard, I am encouraged to hear that SEAA plans to continue enhancing its AgentKeys platform to facilitate the use of digital tools in estate agency work. Smaller agencies, and their agents, will stand to benefit from AgentKeys and other offerings provided and priced at scale. I hope that SEAA and other industry associations can continue to support their members on this transformation journey and again, as I said, leaving no one behind.

19. Second, the industry associations can set standards for the industry, for example by explaining best practices for work processes, or digital tools that agencies can adopt. For example, template contracts. Under the Digitalised Property Transactions Workgroup led by CEA, the industry associations have developed standard contract templates for residential property transactions which enable parties to contract faster without compromising their rights and interests. The industry associations should continue to encourage the adoption of these templates across the industry for your members, and all agencies, to enhance efficiency and certainty in property transactions.

20. Moving forward, we will also be looking at digitalising property transaction-related documents. This is a major initiative, and I seek the support of industry associations to share candid, constructive feedback from industry stakeholders with us.

21. Third, as the real estate value chain grows more complex, we need to foster closer collaboration amongst various stakeholders beyond the estate agency industry.

22. Besides the industry associations, there are also other entities, such as property listing portals, which support the work of property agencies and agents. I urge the industry associations to play a leading role in bringing players across the entire ecosystem together, and to find new ways to work together.

23. SEAA and PropertyGuru's collaboration in adopting the Guide on Best Practices for Consumer Ratings of Property Agents to develop an agent ratings platform is one good example of industry associations and other players in the real estate ecosystem coming together to benefit both agents and consumers. I hope industry associations can continue to represent the views and needs of property agencies and agents at these forums, so that we can together chart the future of the real estate sector together.

### **Raising Professionalism Remains a Priority**

24. Even as we adopt technology and new ways of doing things, we must not lose sight of the important task of raising professionalism and instilling consumer trust in the real estate agency industry. This is a joint effort involving CEA, the industry associations, property agencies and all of you agents out there.

25. Property transactions, as mentioned by Minister Indranee earlier, involve one of the biggest financial commitments consumers will make in their lifetime. It is crucial that property agents continue to provide sound and responsible advice to clients. Agents must help your clients make sound assessments of their own financial capabilities before committing to any major property purchases.

26. In recent months, we have observed quite a few advertisements which appear to encourage Singaporeans to view the current economic downturn as an opportune time to enter the property market. I think we need to be more circumspect. The COVID-19 crisis is far from being over. The duration and its eventual impact on our economy

and the global economy are uncertain. The need for financial discipline in making property purchases is especially pertinent now, given the current economic outlook.

27. Therefore, I urge everyone – property agencies and agents – to continue to be professional and responsible, and not stoke exuberant sentiments in the property market. I know that many of you will not take advantage of the trust that your clients place in you by encouraging them to take on risky, unproven property transactions. However, if you know of certain individuals or organisations who are not acting in their clients' best interests, please let us know, so that we can step in to correct such malpractice, and we can intervene. This is so that everyone can maintain trust in our sector.

## **Conclusion**

28. Everyone must do their part to raise the bar for professional and service standards and foster stronger trust between clients and agents. Sustaining the momentum of digital transformation in the new normal will not be easy. But with the industry associations doing more to drive collaboration both across the industry and with relevant stakeholders in the property sector, I am confident that we will be able to seize new opportunities and emerge stronger.

29. SEAA has been one of our strongest partners in promoting professionalism in the industry, including supporting the Estate Agents Pledge that was launched at CEA's 10<sup>th</sup> anniversary celebration last month. Thank you very much SEAA for your strong support, and I look forward to working even more closely with you in the future.

30. Once again, congratulations to SEAA on your inaugural event and to the award recipients on your outstanding achievements. Thank you very much.