

Traditional Estate Agent versus On-line Only Estate Agent

What's the Difference? You really do need to know!

Television advertising can and does brainwash some house sellers into thinking they may as well give one of the new on-line only agents a try but in most cases they are not fully aware of the difference, the risks and how they can easily end up financially worse off than using a local traditional estate agent. So, here are the main differences which you may need to consider before taking a chance with your own home sale, often for little or no saving in fees.

Johnsons WILL get you a better price !

According to 'The Advisory', an independent advice group for house sellers, you will be much better off using a good traditional High Street agent such as Johnsons.

They established that in 73% of house sales, a good High Street agent achieved a better sale price than an on-line only agent and a **5% better price** for their clients. For an average house in Doncaster this equates to a massive £7,500 and makes saving a couple of hundred pounds on fees utterly pointless!

<https://www.theadvisory.co.uk/estate-agents/online-vs-high-street/>

Example of why NOT to use an on-line only agent

An on-line only agent was marketing a modern flat in Doncaster during 2019 where the owner had paid over £115k for it in 2007. It was advertised as leasehold with just under one year remaining when in fact it had over 100 years unexpired. The agent did not understand that a one year shorthold tenancy was not the actual tenure of the flat. After a whole year a sale was eventually agreed at just over 90k, some 24k less than had been paid for it over 10 years earlier. An enormous dis-service to the seller and a gift to the buyer.

Just one example of how using an on-line only agent can have a disastrous outcome for sellers!


A Complicated and Lengthy Contract - why is that necessary?

Johnsons Agency Agreement is very simple, extending to just two pages and we are happy to leave you with a printed copy to read before asking you to sign. With some online only agents you may not receive any paperwork at all but may be tied in to a 10-20 page contract, difficult to even find on their website, let alone read. Whatever you do, you **MUST** read the small print so you are aware of the risks, any hidden costs such as costly conveyancing or full fee withdrawal cost. Responsibility for just about everything which could go wrong is mostly pushed on to you, hence so much wording.

Costly Conveyancing Ties – just to top up their fee by £300?

Johnsons leave you free to choose your own low cost solicitor and may even help you with that choice. However, with some on-line only agents you are committed to using their own very expensive and far away conveyancing service unless you pay an extra administrative fee of over £300 to buy back your freedom to choose locally.

What if there's no sale? do you risk your full fee for nothing?

Johnsons will only charge you a modest sum to cover their administrative expenses but with some on-line only agents you may have unwittingly signed up and not realised that you have committed to paying their full fee within 10 months whether or not your home actually sells. No wonder trust is an issue with on-line only. 

Staffing Levels – surely one person is nothing like a team?

Johnsons have a team of local Doncaster based staff comprising valuers, sale negotiators, accompanied viewers and administrative staff all based locally and available to deal with your call promptly and efficiently. Most on-line only agents may have only one local person trying to do all, usually working from home and expected to provide a full service even when on holiday or sick. Not only is it expecting far too much, it is impossible to carry out an estate agency service to a good standard at all times and you the customer may well end up losing out as a result.

Viewings Service – viewers really do matter too

It's not just you the seller who expects a good service, viewers also need to be dealt with efficiently in order to encourage them to make an offer and be coaxed into making the best offer we can achieve for you. Arranging viewing via an on-line only channel can be a nightmare, especially when your agent will be giving priority to new business enquiries. Remember, he/she may be more interested in dealing with new enquiries because commission may have been paid or committed to upon listing for sale and not when your own home actually sells.

Sale Negotiations - how hard do on-liners really try?

Johnsons employ several full time negotiators who are all available to look after your sale, they are office based and dedicated to this very important task.

On-line only agents are usually busy out in the field giving free valuations and you may have to wait until they are free to return your call, nothing like as efficient or effective but you won't be aware of this until you have committed to their contract, and possibly even paying.

Post-Sale Progress Chasing – do they bother?

Johnsons ensure we chase up progress and spot any problems early on. With some of the on-line only agents this task simply doesn't get done properly unless you are the one who prompts or initiates it.

The sad fact is that traditional estate agents are in most cases doing this progress chasing and chain checking for them, as they check chains for their own sellers and buyers. Some on-liners may have been paid and already got their commission in advance so why should they worry?

False Economy? It is if you have to lower your price or your sale falls through

A seller may choose an on-line only agent thinking they may be saving a few hundred pounds. Unfortunately, a savvy purchaser who becomes aware of a lack of post sale interest being shown by the sellers on-line agent, may come to realise he can use any small excuse to lower his offer at the last hurdle. Amazingly, many sellers will think little of reducing their sale price by £1,000 or more in order to prevent a sale falling through which makes nonsense of trying to save a few hundred pounds in estate agent fees in the first place.

When sellers realise this risk and experience how much the agent's tied solicitors have charged for a very mediocre conveyancing job, only then may they vow they will never fall for on-line only again.

In the meantime, until the word gets round, it is down to those who know the difference to help make as many sellers aware of the potential pitfalls of online only agents, BEFORE they commit.

We are not saying all of the above apply to all on-line only agents. Please make your own enquiries, read the small print thoroughly and ask questions before you decide who will get the best results for your house sale.