

## Giving brokers the boot



Sunder Prakasham, CEO, HomeShikari, aims to connect all the players in the real estate ecosystem

The real estate market in India, despite an overall economic sluggishness, continues to grow. While the sector is growing, traditional brokers who have been the middlemen between builders and home buyers continue thrive in a non-transparent manner, right from providing limited information to quoting inaccurate prices. This lack of transparency has opened up avenues for companies to get into the real estate space and over a period of time make these brokers redundant.

HomeShikari, a Web site aims to precisely do this. The company aims to connect all players in the real estate ecosystem such as buyers, sellers, owners, tenants and builders.

Unorganised brokers make a quick buck on residential homes purely due to the lack of transparency and access to information. Most brokers rarely understand the needs of the customer and push projects that give them a good margin. Large brokerage firms could be the only exceptions, but they are far and few. To be a broker in the Indian market, there is practically no qualification or certification required. No code of ethics, no regulations or laws either and no client is happy or satisfied dealing with brokers.

### The origin

Interestingly, the idea of HomeShikari was born out of the house hunting travails of the executive management team at TTK Services, a couple of years ago. “That set us thinking about going direct to consumers by building a platform for all players in the ecosystem to connect without intermediaries, thus bringing down costs for everyone,” says Sunder Prakasham, CEO of HomeShikari. It is incubated by TTK Services, a TTK group company where Prakasham is also the Managing Director of TTK Services and has prior experiences in handling online commerce ventures.

Thus, HomeShikari was launched for realty buyers in Bangalore in November 2011. In a market that has seen companies such as 99acres, the Bangalore-based startup is bullish about the demand for its kind of business. Prakasham believes that his company provides differentiated offerings as compared to existing players and competitors. “Our revenue model is based on listing fees and fees for value added services. It is a no brokerage, no spam and no ads model, the first of its kind in India,” asserts Prakasham. The company gets better margins from services that include property management and monitoring, tenant management, buying and selling assistance, getting *khata* or other property documents, property tax payments etc.

Part of the potential success of companies like HomeShikari has to do with changing behaviour patterns of Indians. Unlike the past when access to information was limited to brokers the new breed of net savvy consumers in metropolitan India like to gather as much information as possible, review and then make an informed choice about

buying a product, engaging a service or buying, renting a home.

This unreliability of information, in the past led to multiple people laying claims on a piece of same property. “We introduced our verified listings where our staff go and visit the property for sale or rent, take photographs, video, measure the property, do an accurate floor plan and upload all the information for searchers to make informed decisions,” says T.T.Venkatesh, Executive Director, TTK Services & CIO, HomeShikari. These listings go with a verified symbol which is an assurance to the searcher that what he is seeing on the website is what he is likely to get, if he physically visits the property. This allows a discerning consumer to pre-screen properties and then visits only those that meet his requirements, something similar to what eBay has done with its verified by eBay certifications.

The company claims that this is something that helps builders too. “We offer non-intrusive and preference based marketing that help interested clients to reach out to them after having reviewed all the information. This helps them connect with serious prospects only, leading to better efficiencies,” says Prakasham. Consumers, in turn can be comfortable that they will be contacted only if they have shown interest and that their personal information, thereby addressing their privacy concerns.

So, in a business that has brokers selling through classifieds and on the other hand online brokerage portal, why would someone go for HomeShikari? Answers Prakasham. “One is a marketing platform for builders and brokers, with absolutely no focus on the consumer and the other cannot avoid bias because they have vested interests in concluding a transaction.”

As they say, the proof is in the pudding. While the company does not disclose revenues, it says that 20 per cent of the people who have listed in homeShikari have had a successful transaction.

## Funding plans

So far the company has been funded through the profits it makes with a small seed investment from its existing investors. We are in the process of raising external funding to strengthen and consolidate our position in the Bangalore market and to further launch in other key cities across India, says Prakasham. While the company does not disclose revenues, it has about 65,000 registered users.

India has around 125 million Internet users, which is approximately 1/10th of its population. In other words, 90 per cent of the population continues to rely on brokers. The company has its work cut out to break this strangle hold and the sooner it does, the better for the company and most importantly consumers.