



## RESO Business Case: Listing Images

### Business Need: Define Problem or Opportunity

**Synopsis:** In the Pain Point discussion during the RESO Retreat, an issue was raised about the lack of proper process & standards on images. The resulting confusion in the MLS industry drew great attention, and thus the need for proper standards in listing images is a key task ahead for us all.

#### MLS Industry Needs

Currently, MLS listings have all kinds of listing images for properties with various discrepancies, causing confusion for buyer agents and buyers alike, which affects the listing & transaction process.

#### Empty vs w/ Furniture

1) Some images show an empty room, which could usually mean the property is already empty, and a buyer expects to move in with no furniture or items in the property, while it could also be a virtual empty room image with furniture that will be removed before closing.

2) Some images show rooms with furniture, which could mean the room is furnished now but will be empty before closing; or furniture will stay when the buyer moves in; or in a very tricky scenario, the furniture shown is only through virtual staging and there is actually no furniture or even different kinds of furniture in rooms now. Listing agents do not specify which category of the above three this image falls in, thus the buyer agent and buyer have no way to have a clear understanding.

3) In some images, agents specify that the room image is virtual staging, which is a good practice and offers clear information.

#### Resolution, Lighting & Compression Issue

From another perspective, the resolution, lighting and even compression of the listing image varies, causing further confusion as to what the exact condition the property is in now, as well as causing trouble for the MLS as to the storage capacities and the proper showing images in the listing platform.

1) Too high resolution might not necessarily make a room look in great shape, or it might look better but will take up more space for MLS maintenance. An image with too low of resolution could make it hard to view the room's condition properly and could make it hard for image labeling/captioning, which gets into ADA & compliance needs.

2) Lighting is also essential for proper view of the room, as well as for proper image labeling/captioning going forward. An agent might try to hide some flaw in the room by

showing a dark image, or they might just be in a hurry and not paying attention to lighting settings. As a result, this will not only be negative on buyer impression but can affect the image labeling/captioning results. It can be negative for the MLS as well, due to loss of appeal/attraction to agent/buyer and creating uncertainty toward the listing, keeping it on the market longer and increasing maintenance costs for the MLS.

3) Image compression is also a key element to both MLSs and buyers/agents, and it has an effect on image labeling. An extreme case of listing images over 200 MB in size could make it costly for MLSs on maintenance. While some buyers might like images to not be compressed, images do not necessarily look better at high resolution. From an image labeling perspective, it could also add extra resource needs to process them. It would be better to put together a standard as to what image compression steps should be followed (i.e., webp or other process to use on all images for listings).

#### **Watermark, Privacy, Photoshop and Others**

1) Watermark in the images: Listing images contain watermarks, including commercial listing watermarks or watermarks from some particular group. This can create legal issues for the listing MLS. It can also create further difficulty in processing and understanding the images.

2) Privacy Issues in the images: As we also know, many times we see listing images containing privacy-exposing information of the property that would be harmful to sellers and could create legal issues for MLSs. There should be a better standard around acceptable criteria of images.

3) Photoshopped images to hide issues in the property or the rooms: We have also seen quite often that real estate agents Photoshop images to hide some issues in the property, which is misleading potential buyers and buyer agents.

4) There are other aspects of listing images that should be standardized that will reduce the image number needs, reduce cost for MLSs, make usage easier for buyers and buyer agents and make image labeling easier. For example, for external images, if we standardize it to a front image looking straight to front of house, a backyard image looking straight to back of the property, and optionally an extra image showing the backyard or patio, and one optionally showing front yard and street, and one optionally showing neighborhood community facility, this will make the external images and information clear, easy and standardized.

#### **Preparation and Kickoff of This Subgroup**

REAL is a deep tech company comprising top-notch machine learning PhDs, and ex/current NAR and regional association leaders and has AI patents in real estate applications from USPTO. We have worked extensively with property-listing images for years – including on image labeling/captioning, image analysis/recommendations – and we have developed unique advanced algorithms and systems to process them. What we found through our study/work is that the current MLS listing images are so diversified with many discrepancies that it is hardly a proper process for MLS groups to maintain, for buyers/buyer agents to



review and get information from, and for tech companies to process the images further. The confusion, misinformation and disconnect that listing images cause is way beyond what the industry is aware of. Thus, a better standard is definitely needed for a better future in the industry for MLSs and others. It will help streamline the listing process and elevate the industry to a new level to meet future trends & needs.

We are committed to contributing and helping to bring this subgroup and the relative standards to fruition to help industry.

### **Analysis: Assess Root Causes and Capabilities Gap**

*(Include assumptions, constraints, dependencies, stakeholders, risks.)*

**Assumptions:**

**Constraints:**

**Dependencies:**

**Stakeholders:** MLSs, technology companies, agents, buyers

**Risks:** Going forward, per increasing ADA & industry compliance regulation, and the resulting needs for image labeling/captioning, a proper standard for image labeling will also be needed later down the road.

### **Recommendation: Define Deliverables Scope**

*(Goals should be specific, measurable, achievable, relevant, time-bound.)*

**Goals:**

**Requirements (Critical Success Factors):**

### **Implementation: Describe Most Feasible Approach**

*(Include an initial action plan.)*

**Action Plan:**

**Evaluation: Measure the Costs and Benefits**

*(This should include financial, labor, scheduling and benefit estimates.)*

**Financial Costs:**

**Labor Costs:**

**Timing/Schedule:**

**RESO Benefits:**

- **Awareness:**
- **Membership:**
- **Revenue:**

**RESO Strategic Alignment: Efficiency, Streamlined Real Estate Technology**

*(This should provide some assurance that the business case aligns with RESO strategy.)*

**Creation:**

**Adoption:**

**Leadership:**