

Research on the Impact of the Internet Economy on the Development of the Real Estate Industry

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Abstract

As a open platform, the Internet can enable users to successfully complete data exchange, so as to obtain the comprehensiveness and depth of information. Its initial large amount of investment has greatly improved labor productivity and technology, and its series of related institutional changes have a wide impact on the real estate market. As an important lever to drive and stabilize economic growth, real estate, under the influence of the internet economy, will be more closely integrated with e-commerce to seek more new opportunities and development. By leveraging network resources and advantages, developers can more conveniently promote their commercial housing and provide consulting services for buyers.

Keywords

Internet Economy; Real Estate; Impact Mechanism.

1. Introduction

Traditional real estate marketing has significant geographical limitations, and real estate developers often have to conduct marketing activities locally. Both from a promotional perspective and the final sales results are not satisfactory. Marketing the real estate industry through the internet can effectively reduce marketing costs. On the other hand, by expanding the scope and media coverage of real estate marketing, space limitations can be broken. Entrepreneurs attract customers' attention by publishing real estate related information on the company's website, attract buyers' attention through various media promotions, stimulate consumer purchases, and ultimately promote the formation of real estate sales.

Today, the mobile internet is the most popular and timely real-time communication method, such as the implementation of the internet economy. Accurate marketing and personalized services are the goals pursued by the real estate industry, determined by different consumer groups and purchasing power, as well as different living and investment needs, and various grassroots goods and personal needs. The update and development of "electronic services" is a new topic in the real estate industry. If we divide the buyer behavior in the real estate market into three stages, namely before, during, and after the purchase, the internet economy mainly focuses on the pre-sale stage and the purchase stage, which are all limited by various factors.

The network economy can fully play a role in it. One characteristic of the internet economy is to solve the problems of "home" and "thousands of miles away". By providing multiple electronic interconnection services through mobile internet, fully utilizing various technologies and software, as well as connecting through internet and offline transactions, and using integrated tools in big data environments, many to many transactions can be achieved. It can meet the needs of both public and personal services, whether it is face-to-face or remote. Well done work can greatly improve consumers' purchasing and housing experience, customer satisfaction, and brand loyalty. In the context of big data, such interactive services will also expand and play a greater role in the real estate industry.

2. The Connotation and Characteristics of the Internet Economy

The Internet economy is a knowledge-based economy known as the "new economy" in the US economy. In other words, the new economy means high growth, high employment rate, and low inflation. The informatization brought by the technological revolution of the digital Internet is bound to be linked with the new economy, which presents a promising prospect of fundamentally solving the traditional business cycle and fluctuations [2]. Compared with traditional economics, the footprint of internet economics is unique, and economics is directly linked to internet economics. The internet economy has brought a large number of new products and services, reducing production costs. From the perspective of the buyer market, the internet economy can stimulate a huge information consumption market; From the perspective of the seller market, the internet economy provides new opportunities for enterprise development. The low-cost nature of internet operations has improved transaction efficiency between companies and customers, as well as between companies and suppliers.

In the common market, the three factors of production, circulation, and price can be obtained in the internet market. However, the fixed costs of the internet economy have not increased with the increase of profits. The internet economy is different from traditional economies, as the more internet usage, the lower the cost. The Internet is a high value-added economy, as well as a knowledge intensive economy. It is a new economy that is rapidly developing, in high demand, and has a wide impact of technological progress. It is a productive and efficient economy. For example, the Internet is the basis of computer technology and communication technology, and advanced technology is developing and prevailing in the current technological revolution. The business model of the internet economy is different from traditional business models. Compared to Amazon and traditional companies, we see the tremendous miracle created by the internet. In four years, Amazon has collected over 1.6 million users and sold 3.7 million books online. However, in China, after five years of development, the New China Bookstore has only sold 500000 books. Internet marketing is an exponential growth business model, and the Internet economy has improved the decision-making ability and speed of companies. The Internet economy has improved the reliability and timeliness of information, greatly reduced the uncertainty of enterprise business, and improved the decision-making ability of enterprises.

3. The Impact Mechanism of the Internet Economy on the Development of the Real Estate Industry

With the rapid development of the "Internet plus" model in recent years, the integration of the Internet and the real estate industry has brought many benefits to real estate developers and consumers. In the era of the Internet, communication between consumers and developers has almost reached a "zero" distance in space and time, making it easier for consumers to view houses and handle purchase procedures. Nowadays, there are more and more types of houses, and simply looking at the floor plan can no longer meet the needs of homebuyers. Some model

houses also differ from real house types, and with the help of 3D modeling on the internet, details of different house types can be restored proportionally, eliminating the need for blind viewing of the house; Can independently zoom in or out on modeling, view the house from different perspectives, and compare the differences of each unit type; You can also select keywords to filter out houses that meet your requirements, reducing the hassle of having to see the same house multiple times. Consumers can not only freely choose the type, direction, and floor of a house, but also influence and determine its internal structure. Real estate companies that have introduced "Internet Plus" can find various contracts, purchase procedures, and sales personnel information on their official websites. They can make online reservations for viewing and handling business, eliminating the uncertainty of phone reservations and the hassle of running back and forth at the sales office, and reducing the risk of being scammed. And developers provide consumers with free housing, buildings, and other professional business consulting services. If consumers are not satisfied, they can make multiple modifications until they are satisfied. Real estate developers can use 3D technology to visualize the ideal design effect of consumers into three dimensions.

In the internet economy, real estate companies promote more thoroughly and offer more discounts when buying a house. Nowadays, relying on the "fan effect" of the internet, many real estate companies seek help from real estate "big v" online to promote their houses. Out of trust in them, when buying a house, they pay more attention to their houses. The more times they promote, the higher the reputation of the real estate companies. Some real estate companies have taken a different approach by opening official live broadcasts to sell their own houses. For example, in May 2021, Country Garden launched over 26000 discounted properties on its mini program, and various discounts were obtained. In just 10 days, Country Garden's subscription list reached 17827 units, and the subscription amount skyrocketed to 14.3 billion yuan. This success ultimately relies on the collaboration of several major internet live streaming platforms. Live streaming on the internet not only promotes real estate companies, but also provides buyers with open and transparent prices, making buying more comfortable and reassuring.

The internet economy also supports public housing. The internet allows citizens to participate in community activities and management. Through internet ownership, the opinions of all residents in the community can be collected to meet the project needs of all consumers to the greatest extent. By supporting life management, public places have become the second place for residents to live, and the requirements for public engineering management are constantly increasing. Currently, consumers are at the center of their needs, where real estate developers provide various after-sales services to produce products that are more effective than competitors, fully meeting the needs of all consumers and forcing them to work. The internet has completely changed the way supply and demand communicate. We can see that in the economic environment of the Internet, the behavior of consumers and producers has undergone rapid changes. The former participates in the production and service process of the latter, while the latter has significantly changed its business philosophy, and consumer demand has become the center of production. Simply put, the concept of running a business is people-oriented. In the internet economy, the internet provides consumers with the most direct production decisions that are monopolistic with change, and intelligent networks bring the ideal living environment for humans.

The "Internet+real estate" has become a new trend, and the future house will be a highly intelligent building. Every item in family life is closely related to the internet, and people will eventually live in the electronic age. In the era of the Internet, in order to achieve the grand goals related to the global village, the concept of human housing will undergo unprecedented updates, at least in some aspects, providing fundamental material security for people's internet life. The most common requirement for internet survival is to have necessary internet facilities and communicate with other organizations. If all families can be transformed into a separate

brain, then the home internet, as a good sequence of the nervous system, can receive and transmit information through it.

4. Development Trends of the Real Estate Industry in the Internet Economy

Unlike traditional economies, the internet economy, as a new economic model, will bring greater leaps to society. The various changes brought by the internet to society will inevitably have an impact on the real estate economy.

Now, the wave of digitalization is sweeping, and all walks of life are following the trend and actively seeking Digital transformation. The real estate industry is no exception. The wide application of innovative technology in the real estate industry has promoted the Digital transformation of the real estate industry. Digitalization is driving new changes in the real estate industry. Industry insiders say that although real estate is currently in the early stages of digitization, with the continuous development of technologies such as VR, AI, and cloud computing, digitization of real estate will be the trend.

Although on the surface, the connection between the internet and the real estate industry is not very significant. One is the digital information channel, and the other is the residential space. However, the internet will have a huge impact on the real estate market, and the internet's "fan economy", "experiential marketing" and other network thinking will affect the development of the entire real economy. For the real estate industry, whether it is commercial real estate or residential, there is a natural connection with the service needs of users. The future development of the real estate industry may be built on the basis of the Internet. From the establishment of Xiaomi Apartment, the first "internet dwelling", to developers developing mobile apps to enhance services, "smart homes, remote control, and business touch networks" have begun to enter the public's view. The real estate industry has shifted from focusing on development to focusing more on management. The information internet has turned the world into a "global village", with increasingly blurred geographical distances. Economic activities based on the internet have successfully reduced the constraints on spatial elements. Through e-commerce, narrowing the gap between domestic and international markets is the most effective, as developers save a lot of funds and reduce strict restrictions.

The equalization of hierarchical and management structures among Chinese real estate enterprises in the internet economy enables buyers and developers to communicate directly and engage in conflicting ideas at different ends of the internet [5]. The traditional way of survival for real estate agents is to utilize market information and provide professional services. However, today's buyers can not only find professional real estate data online, but also find more business rules related to architecture and architectural design, such as bank loans and property insurance. Internet institutions can provide all information to traditional intermediaries. It can be seen that the business model of traditional intermediaries cannot be changed, and developers must also find new strategies to ensure product sales. Traditional values tell us that real estate is an ideal choice for investors, especially in populous China where real estate development is more attractive. But in the era of the Internet, intangible virtual assets are attracted by real estate investors. Hong Kong has long been known for speculating in the real estate market, and property prices continue to rise. However, after the foam burst, the prices of telecommunications and Internet fell. The latest statistical data shows that many investors nowadays view tangible assets such as real estate as 'practical tools'. On the other hand, the value of real space is far less than before, and the value of virtual space tends to surpass tangible assets. The more prominent a company is, the more valuable it is. VIP, you are the center of the times. This kind of sales is indelible in the process of the times, and they are necessary concepts for future property sales to obtain greater priority conditions. Therefore,

the impact of the internet economy on the real estate economy is both a challenge and an opportunity. The real estate industry should seize the trend of the internet and combine its own advantages to open up new fields.

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