

Ryan Serhant Interview

By: Carter Nolan (Delta Tau '23) and Doug Lanpher (Gamma '77)

Question: Could you tell us about yourself and how you got started in real estate and building the empire that you have today?

Answer:

Well, my name is Ryan Serhant. I was born in Texas, grew up outside of Boston. I went to Hamilton College and was a member of DKE. I went to school for English, theater, and literature. I was planning to go to law school but didn't get into a good one, so I did theater in NYC for two years, but wasn't making ends meet. I didn't want just a survival job, so I got a real estate license hoping to sell people apartments and hopefully make a few grand a month.

Question: What attracted you to DKE and what did your college experience look like?

Answer:

I was the theater kid, and there wasn't a fraternity for theater kids. There were no houses, so it was just dorms and sort of social clubs. All of the fraternities were tied to a specific sport, but DKE had a few guys in the arts along with a good mix of unique people. I wanted to be part of a community outside of classes but didn't want to be labeled as part of an athletic program. Two of some of my closest friends were Dekes at Hamilton.

Question: Do you work with any brothers now in real estate whom you knew from college?

Answer:

Not that I remember. We see each other out, but not that I work with. Oh, Eddie Bender is a realtor and works with me on a project on Walker Street and a handful of others. So the answer is yes, but I don't always connect it.

Question: Do you have any teamwork or leadership lessons that you learned through DKE in college that you now use today in real estate and business?

Answer:

Definitely during the pledging process there was a memorization part of it, right? Memorization is a huge part of what I do all day long. The presentations, sales skills, your ability to present your knowledge base in a very confident way—that's something we worked on in the fraternity. I did that as an actor, then in real estate, and now on reality TV all day, every day.

Also, your ability to create community and build good relationships is really important. More than ever, that defines those who are successful and those who are not. I think there's a tendency to delegate everything—not just tasks but also relationships. Something you learn in a fraternity is that you can delegate everything but relationships. Relationships are core and will keep you alive.

There's also a management principle: you manage in one of three ways—you show people what to do, you tell people what to do, or you teach them how to do it. Most people pick show or tell because they're easy. It's incredibly important, and the best mentors, the best leaders, the best managers, they teach. You want to teach someone, even if it means teaching them a couple of times. That's how you get the greatest work product, instead of just, "Hey, watch me do it" (showing) or "Hey, go do it this way" (telling). You're rolling the dice every time on an employee or a contractor. I learned that through DKE as well.

Question: Do you have any thoughts as to the relevance of fraternities in today's world as opposed to 20 years ago when you were there? Watching young men coming out of college right now, are fraternities less or more relevant?

Answer:

For me, I graduated pre-iPhone. There was no such thing as a group chat or WhatsApp group message. There was no Snapchat or Instagram. We had Facebook, but it wasn't a community place—it was more of a new Myspace at that time. I used the fraternity not for learning but because I needed a support group and a community.

I think probably now, especially as people are on their screens all the time, it's even more important than it was back then. When I was at Hamilton, you'd go to a concert and watch it with your eyes. Now, you watch it through your phone because you can't miss a moment. Everyone's just recording, and it's footage you're never going to watch. I've never gone back and watched a concert or fireworks, yet we record all of them—it's just so stupid.

That community element and building those relationships—because it's not what you know, it's who you know. And sometimes it's not who you know but who knows you. How do you create that inbound business versus outbound business? Otherwise, you'll just become an employee in a 9-to-5 until you get replaced, and you go do another 9-to-5 and so on. That hamster wheel can change the more people that know you, and you do that by creating relationships and a greater community—like a fraternity.

Question: Founding Serhant in 2020—what do you guys do to differentiate yourselves from other firms?

Answer:

We're just better... at everything. I'm not trying to reinvent the wheel; I just try to do the business

we know how to do, but do it at a far better level, with far more efficiencies, to create greater and faster revenue with much better margins than industry standard. You also make it fun and applicable to the next generation.

If you look around here, we have around 1,000 agents. The national average for a real estate agent is a 55-year-old woman. Our average agent is a diverse 28.5-year-old. It's just a different world for us compared to an industry that's like the Titanic trying to move, whereas we're more like a speedboat one day and a rowboat the next.

We also moved so fast because a long time ago I looked at the power of mobile, technology, and social, and realized we're professional marketers anyway. The more people who know what we sell, the better. If you can sell makeup and cars and T-shirts in a content-to-commerce model, why can't you do the same for high-ticket items like real estate in a content-to-community-to-commerce model? That was the math I put together in 2014. Ten years later, we've built the enterprise we have now, which enables us to put our properties—or anything we sell—in front of more qualified eyeballs than anyone else, 15 times faster.

So, if you're looking to sell a home or a building, there's literally no reason to use anyone else. We sell it faster and for more money because our distribution funnel is so large. Think about what people invest in: you invest in people to build a product, then you invest in distribution, which creates sales, and then the sales create revenue, which drives the valuation. Our distribution funnel is bulletproof, and it's completely organic. For example, our customer acquisition cost is close to zero, compared to other firms in our space. Our product is also differentiated because we can move so much faster and at a higher quality.

Question: The personal brand of yourself and the agents on your staff is so huge in contributing to that, too.

Answer:

There's a little bit of a... I try not to lean into it too much because I don't like to be pigeonholed... but there is a bit of a creator economy here. We were with MrBeast yesterday, and he is the definition of the creator economy. He can create any business tomorrow, and 100 million people will buy it tomorrow. The same with Apple—they could go into any business tomorrow, and it would be a billion-dollar business. So how do they keep focus for the betterment of their people, their staff, and their enterprise value?

For me, if I am the brand, and I am the rainmaker, the lead originator, how do we use that creator economics to drive lead flow for the betterment of the business? I think that this year we'll pass along, organically to our agents, something like 6,000 leads—whereas at other firms, this doesn't even exist as a stat you'd consider. So we're differentiated in that way for sure.

Question: Coming from there, what do you look for in your young agents and people who want to venture into real estate when you're hiring?

Answer:

A murderous sense of success, you know, and a desire to kill. I'm kind of kidding. But what I really look for is energy. You have to have good energy. You don't have to be a spaz, but you have to be able to hold eye contact, shake a hand—good days, bad days, sunshine, rain. Life can always be worse, and it can always be a whole lot better, so why not bank on the latter?

Empathy—you've got to be able to empathize with people. You have to meet them where they are. It's all about meeting the customer where the customer is. The same way I meet my developers where they are, and I meet my agents where they are. If they're rolling, you're rolling with them. If they're pissed off, I'm more pissed off.

And then enthusiasm—if you're not enthusiastic about what you do, it doesn't mean you have to love it, but then don't do it. Go be enthusiastic about something else.

Question: You've got to have a little bit of passion still though, right?

Answer:

We're sitting on the ground floor of my building in the center of Soho. It's 15,000 square feet, four floors. Prada isn't even the size of this building. I'm not obsessed with the building; I don't have passion for the real estate itself. I have passion for the brand. I'm passionate and enthusiastic about the brands of the properties we sell and the people we work with. I lean into that product of attention.

It used to be, when I graduated from Hamilton and moved to New York City and got into real estate, the top salesperson's product was their skill set—their ability to sell and work their rolodex. That was great, but how do I compete with that? Experience is going to take me forever. But slowly, because of these things (phones), the product shifted away from skill set into attention.

I saw that right in the first days of *Million Dollar Listing*. People watched me on that show and said, "NBC Universal saw that you're one of the best agents in NYC, out of 80,000 agents that are licensed, so you should come sell my house." I'd think, "Are you sure? I'm only on a TV show..." But that's it—the attention is now what I'm selling, not just the product. If you can attach the skill set to the product, and if you can connect the skill set to the attention—which is what our entire company is—then it's incredibly hard to compete with.

Question: One hundred percent, and I'm sure the Netflix show and the other TV appearances you've had have grown that exponentially as well?

Answer:

Yeah, my life changed when *Million Dollar Listing* happened. That was a totally different level of awareness for what I do, because it's a business show. And then it changed again when Netflix came out this summer. It put the brand and us in front of 200 million people in one day. It's a content distribution machine that you couldn't even pay for. So the lead flow, our websites, our systems—all broke, and we've been fixing them ever since.

Question: That's incredible. So you just got a \$40 million investment recently, and I see that the app SIMPLE is doing huge things for your staff.

Answer:

I think the industry leaders of the last two decades have figured out how to be tech-enabled for their industry—whether it's technology, automotive, real estate, insurance, or what have you. I think the leaders of the next two decades will be AI-empowered. That's not my idea; that's commonplace now.

So two years ago, I thought, "How is AI actually going to help us?" I think everyone else is going to give chatbots and widgets to real estate agents, but none of those creators are actual real estate agents. The last thing I want is a chatbot or a widget. I don't want to have to do any of that. Do you know how much work it is to do the selling, the showings, being stuck in your car, until a house can sell another house?

What AI can do now, and the reason so many investors are excited, is that we figured out how to support back-office sales enablement. It's probably the least cool and least sexy part of what we do. I focus so much on the Netflix show, the buildings, and the agents. SIMPLE is probably what most people are excited about, but it's relatively boring—it's AI recipes that automate back-office work. It takes human support staff, and we empower them using AI so they can manage the work not just of four salespeople (the industry average) but 100–150 salespeople at one time.

For us, the people are the moat. Everyone else is trying to create systems and screens and claim they have tech. We have that, but I think it's about empowering the people to be as automated as possible. It really combines SaaS automation with human expertise using AI, which is the best way to describe it.

Question: That's great, and it probably lets you scale incredibly?

Answer:

Yeah. If you think about anything, that's the best way to describe it. It used to be, when I was a kid, if my dad got paid, he'd get a check and have to go to the bank. If you wanted to check your investments, you sat down with a banker in the same building. It wasn't super simple because you still had to go there and sit and talk, right?

Then as the internet and especially mobile came around, all of that gets done at home or on the go. It's far simpler but not necessarily easier. I can't tell you what 99% of Chase.com does. Sometimes it was almost easier to go to the bank and say, "Hey, tell me where I am." So things got simpler, but not easier. It's the same thing in real estate—how do you actually make the entire process of doing administrative work as simple as possible? That's what SIMPLE does, and that's why we called it SIMPLE, to make it as easy as possible to work in sales.

Basically all our agents have access to the platform and service, and it makes them better every day. Then we'll roll it out to other sales teams and enterprise groups in different industries, because we built it with the foundation to support others, which is super cool. It's also a new space for me, which is fun.

Question: When you're running multiple companies, I'm sure time management has been an issue over time. You've talked about your "1,000-minute rule." Have you always operated that way, or was it something you developed over time?

Answer:

I've always been very, very aware of time as my greatest asset—that's just how I was raised and taught. How much money do you want to make a year? Divide that by a certain number of hours—that's your hourly wage. If you're spending time doing something you could pay someone that amount of dollars to do, you're literally wasting your time and your money.

When I got into real estate, there is no support, there is no help—you're an independent contractor, your own CEO, CFO, and COO. If you want to be successful, you have to figure out how to democratize your time and minutes. The business moves so fast that I can't operate in hours; I have to operate in minutes. I can't just say I have eight or nine hours a day. I have to think about 800, 900, or 1,000 minutes a day.

It was honestly just a way for me to become more comfortable operating as a solopreneur. Really thinking about the top three things I do every day: I find business, I keep business, and I do business. Finder, keeper, doing—that's it. Those are my three hats, and now I can calm down. I don't have to do 100 things a day; I have to find business, keep business, and do business. Obviously there are branches that come from those three hats, and I do them based on an allotment of 1,000 minutes I get fresh every day.

It also enabled me to be a bit happier, especially when minutes get ruined—when people screw you over or you're stuck in traffic. If you relate it back to minutes, it's actually more okay than you think. That's why if I ask, "What was the worst day you were in traffic last year?" you probably can't remember. But in the moment, it's all you can think about. Why let it affect me today? I just reallocate the mindset—"I'm in traffic for an extra 20 minutes. I'm not going to be late; I just got 20 minutes to be productive in a different way or be present." It's really helped me at work.

Question: One of the things you discuss is never negotiating your goals. What does this mean, and how do you explain it to others?

Answer:

I'm a big goal setter. I'm definitely not the spontaneous type. I'll do random things here and there—like I just jumped out of an airplane in Dubai, which was pretty spontaneous. But we were there—I didn't just hop on a plane to do that.

What it means is... I've written three books. Books are only interesting if the chapters are interesting. They need ups and downs. You've never read a book about someone's life where it's all awesome—it would be super boring. You also don't want to read a book that's all sad—that would be depressing. Every year, to me, is a chapter, and I'm the author of it. So I know how the chapter is going to end—at least I think I do. I set those goals for the end of the chapter, and I don't negotiate my ending—like a movie director. For example, Romeo and Juliet are going to die. We know how it ends; how we get there is the fun part.

You set the plan. You set the micro-wins that will get you to the major wins. But you don't negotiate those wins. You set them right now, and if you negotiate them—especially if you negotiate down—it has to be for a real reason. Otherwise, you're letting yourself down, or you're letting down your future you. So that's what I mean by that. We can negotiate anything else during the year—like you do this, this happens, you move, I do that—but I have a goal for the end of the year, and we don't move off that line.

Question: That's awesome. We have time for one or two more questions. What advice would you give to young entrepreneurs who want to start their own business or are in the process of starting one? How do they get started and progress?

Answer:

The number one thing I would say is: use AI. You just have to now, no matter what. Every employee you think you should hire is probably something you can already automate. Figure out how to operate in the new normal—planning and plotting your business for where you think you'll be five years from today. All the work we do now... My next call after this is about building our business today for 2030. Our mission next year (2025) is Mission 2030, even though it's only 2025. Things move so fast, and you have to be forward-thinking. You can change, pivot, do what you need to do—as long as you don't negotiate those goals.

Any entrepreneur has to use artificial intelligence to automate and speed up their business, and there are so many tools that are only going to get better. That's number one, no matter what you do—whether you're a content creator or you're making a hard product.

The second thing is the formula I found to be true, which isn't necessarily conventional: my 4 Ps. The first thing, when you're setting up a business or running your own shop, is you have to define your **purpose**. You've got to have a purpose. From purpose, you find the right **people**.

From those people, you can create any **product**. And from the product—if you do it correctly, with the right people and the right purpose—you get **profit** by default.

A lot of people start with the product because they have an idea for a thing or they're going to solve a problem. Then they try to align people with the product, and then they're like, "Oh, shit. We have to find a mission—maybe we're going to fix toilets for the world?" Then they get confused why there's no money and no one buys it. If you follow that framework—purpose, people, product, profit—I swear anyone can start a business and it'll be successful if you put in the time. That's it. What a nugget.

Question: What kind of legacy do you want to leave behind, and what's next for you and your brand?

Answer:

That's a good question. I'm a true enabler of independent contractors all over the world. I love seeing people come to our building or find me on social media and say, "Hey, I thought my life could only go one way, and then learning about you—reading your books, listening to your podcast, watching your TV shows—made me realize I could do so many other things. I actually did them, and following you continued to give me the confidence. You have no idea, but i have people say "I've dedicated the last 10 years to you," "I talked about you in my wedding speech," "My son is named Ryan." That happens every week. It's insane. I don't know what that's called, but I'd call it legacy in some form.

The other way I'd answer is my daughter—she's five, and she better be awesome.

What's next? Listen, there are multiple businesses here. I'd say Serhant Technologies as a holdco is going to be *the* sales enablement platform, not just for real estate but for all salespeople. I think what we're doing with AI makes a lot of CRMs and sales services out there somewhat obsolete in the next couple of years. We'll always do real estate; our real estate business is huge and probably the best out there. But it'll be just one spoke in our greater wheel.