

Research reveals impact of joining Keller Williams Realty on mega agent production

Within first year, volume and GCI climb sharply; education cited as key

■ Lisa Wahlgren

We've never had any doubt that mega agents tended to experience a big jump in their production after they joined Keller Williams Realty," says **Mark Willis**, president and CEO. "But until now, we have not had the numbers to back up that belief or to quantify how substantial their production increases tended to be."

A new research study from Keller Williams University: *Impact of Joining Keller Williams Realty on Mega Agent Performance* compares mega agents' production before and after joining Keller Williams Realty, focusing on their last full year at their previous agency vs. their first full year with Keller Williams Realty. Most notable among the study's findings was a 31 percent increase in overall sales volume. (See figure 1). In addition to total volume, the study looked at:

- Gross commission income
- Total units closed
- Buyer units closed
- Seller units closed

The research also analyzed responses to the open-ended question, "What aspects of Keller Williams Realty have you found to be the most beneficial to you and your business?"

Of the 300 mega agents surveyed, the 95 whose responses are included

in this report met all of the following criteria:

- Closed 72 transactions or more in 2005
- Joined Keller Williams Realty within the last five years
- Were full-time agents prior to joining Keller Williams Realty
- Are currently full-time agents

Key findings

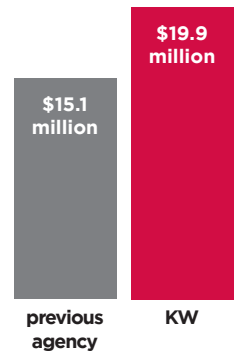
During their first full year with Keller Williams Realty, mega agents averaged steep increases for every measure of their production. The most notable percentage increase was in the area of overall sales volume and gross commission income (GCI). During their last full year with their previous agency, respondents reported a sales volume of \$15.1 million on average, compared to \$19.9 million for their first year with Keller Williams Realty.

The study shows that mega agents' average GCI for the year before they joined Keller Williams Realty was \$383,000. During their first full year with Keller Williams Realty, average GCI shot up to \$502,000. (See figure 2.)

In terms of total units sold in a year, the average jump was from 77 to 95 — a 23 percent increase. (See figure 3.) Buyer units sold increased

1. Volume climbs sharply during first year

31% increase



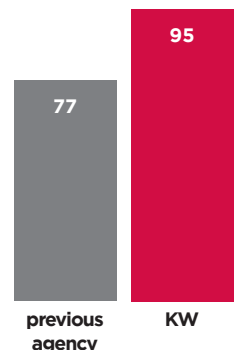
2. GCI increases are equally strong

31% increase



3. First-year growth in total units

23% increase



Mega Agent

story continued

by an average of 21 percent — from 35 to 43. The percentage increase in seller units sold was slightly higher — from 42 for respondents’ final year at their previous agency to 52 for their first year with Keller Williams Realty — a 23 percent increase.

Portrait of a mega agent

The average mega agent in the study had 15 years of experience in real estate and works 48 hours a week. Prior to joining Keller Williams Realty, 76 percent of them were with a major, franchised brokerage, and 24 percent were with an independent brokerage. (See figure 4.) RE/MAX® topped the list of the franchised brokerages, with 34 percent of the mega agents in the study having been with RE/MAX prior to joining Keller Williams Realty, followed by Coldwell Banker, 17 percent; Century 21, 9 percent; and Prudential, 7 percent.

Success factors

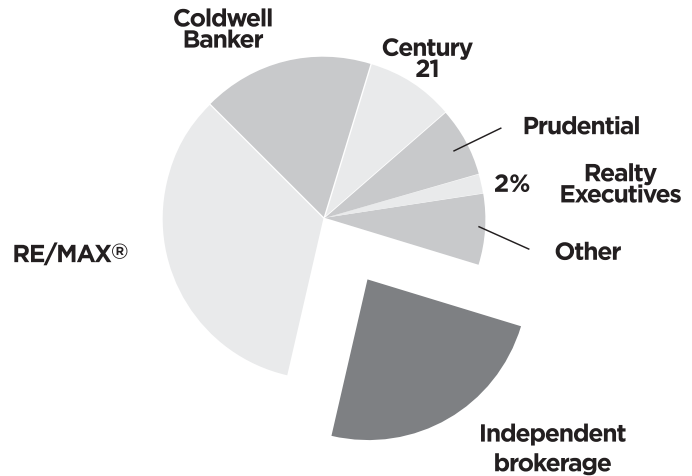
When asked, “What aspects of Keller Williams have you found to be the most

beneficial to you and your business?” 62 percent of respondents cited the role that education and training has played in their success. The positive impact of Keller Williams’ culture was next in line, with 41 percent of respondents pointing to it as a productivity boost. Rounding out the top three success factors, 38 percent of respondents noted that *The Millionaire Real Estate Agent* models and mindset proved to be central to their sizable production increases during their first year with Keller Williams Realty. (See figure 5.)

“It’s interesting to note that ‘Brand Recognition’ trailed the list of success factors, appearing as number 13 and cited by only 3 percent of respondents,” Willis points out.

“But this finding is very much in line with our belief that the agent, not the company, is the brand. That’s why we are committed to supporting agents in their success — not promoting and advertising Keller Williams Realty on a national level.” kw

4. Agency affiliation prior to joining Keller Williams Realty



5. Top 10 most beneficial aspects of Keller Williams Realty (according to survey respondents)

1.	Education and Training	62%
2.	Culture	41%
3.	MREA Mindset and Models	38%
4.	Events	32%
5.	Team Concept	22%
6.	KWRI Systems and Support	12%
7.	Coaching	12%
8.	Autonomy	11%
9.	Market Center and Regional Leadership	11%
10.	Pay Structure and Profit Share	9%

Data Source for Charts: Impact of Joining Keller Williams Realty on Mega Agent Performance. Keller Williams University 2007.