



**2014 WAV Group
REALTOR®
Productivity Study**



WAV GROUP

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The world is looking up in real estate. Cautious optimism abounds. So now the real question is...how many REALTORS® are back in the game for REAL? How many have captured the hearts of sellers? How many have sold properties in the past 6 months? We believe the information that we have just gathered is encouraging. It looks like the wealth is being spread around to more REALTORS® than expected. We thought the numbers would reflect the 80/20 rule – In reality, it looks like the 60/40 rule is running the day.

So what does this all mean for MLSs? Other than creating optimism that membership will continue to increase, the actual number of productive agents in the market today can also alter the way MLSs evaluate the relevance of the MLS technologies they offer to their subscribers.

How Many Members are Active on a Daily Basis?

There's a general perception that just about every member of the MLS logs in daily to check on their listings, market performance etc. The REALITY?

Just 58% of members login daily to their MLS. There's an interesting correlation between the number of members that login to the MLS system with those that have a listing and/or transaction. So what is the other 42% doing? Some may just be holding their membership for their own use. Some may be commercial agents with little need to log into the MLS regularly. Still others may simply be proactive or disciplined in their business. They do not prospect regularly so they have no need to log-into the MLS for information that would help them build their business.

Bottomline, MLSs that are calculating adoption based on 100% of their subscriber base are calculating adoption incorrectly. There's no reason why a member that is not logging into the MLS system is going to use the additional services offered by their MLS.

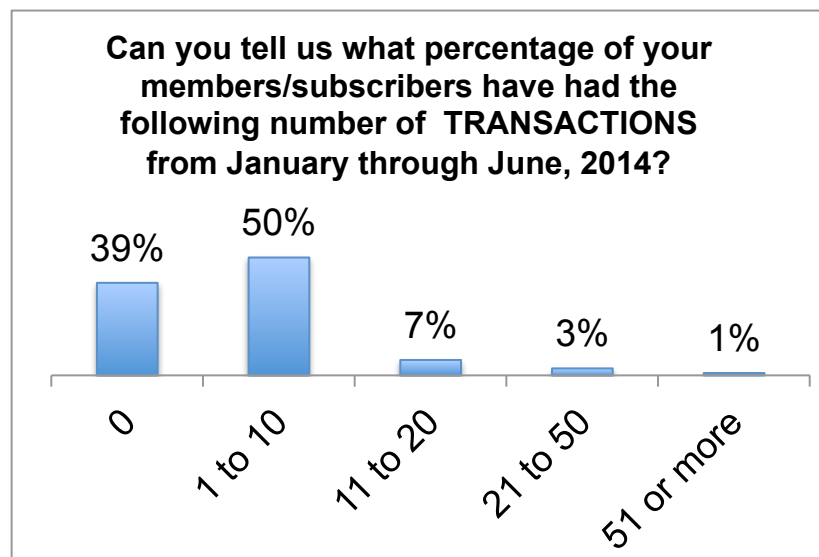
Transactions per Subscriber



As much as the data we've gathered shows an encouraging number of REALTORS® experiencing sales success, there are still many that are not listing or selling – in fact about 4 in 10. MLSs that calculate adoption based on ALL of their members are actually understating the success they've had in attracting productive agents to their suite of

technology tools.

Technology decisions need to be made to serve the needs of those that are driving the industry with transactions. Instead of thinking about achieving 25% adoption of all customers, how about thinking about 42% adoption of productive and involved agents?



It is no easy task to achieve 42% adoption, even among just producers, but it is more likely given the proactivity of active agents and their need for automation and valuable client-facing tools.



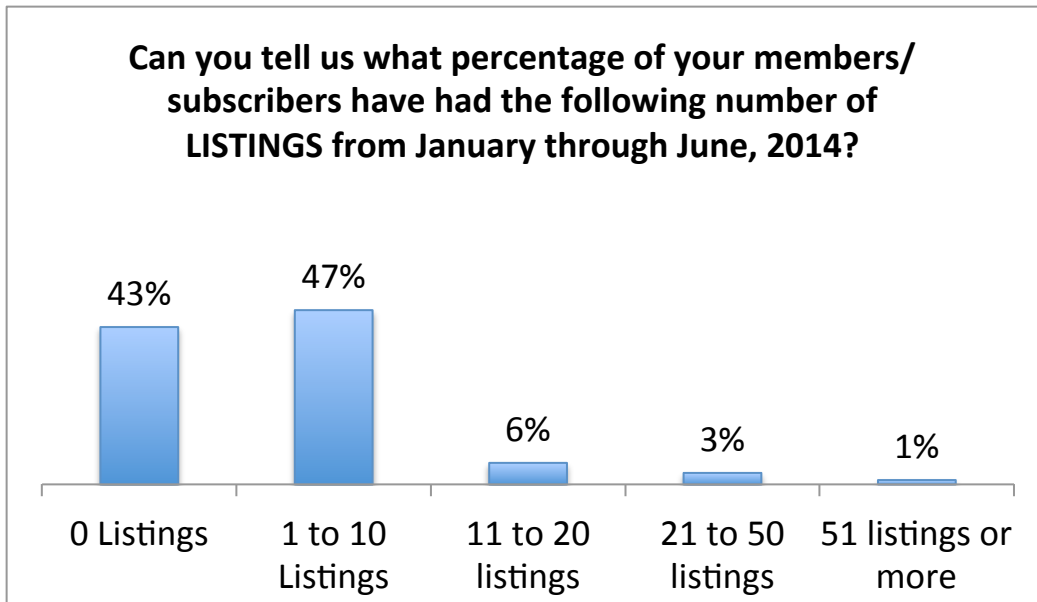
Listings per Subscriber

Many technologies are much more relevant for REALTORS® that are actively listing and selling properties.



Slightly over 4 out of 10 agents represented in the survey did NOT have a listing in the past 6 months. If an MLS calculates listing-centric tools using the total number of members, not just those that are

listing properties, they will underestimate actual usage. Some products are also critically important for a particular customer segment. Buyer’s agents, for example have very different needs than listing agents do. They need ways to demonstrate local neighborhood expertise and a strong ability to



guide a consumer through a transaction.

Agent ratings, for example, can be very valuable to buyer’s agents to demonstrate their strong

customer service and attention to detail. Many MLS tools that focus on online property marketing, for example, are not that relevant for buyers



agents, but in order to serve the needs of all of your customers, MLSs need to think about finding products that serve this important group as well.

Meeting the Needs of Individual Customer Segments

MLSs serve the needs of many customer segments. To ensure satisfaction and loyalty among all of these diverse groups, the best MLSs are sourcing products that are relevant to all of their customer groups. Appraisers, for example, are traditionally an underserved group. In research surveys we conduct for MLSs across the country, we often hear that appraisers do not feel they get the full value from the MLS because many products are not built for their needs. MLSs can think about offering better analytics tools and even appraiser-specific offerings to satisfy the needs of this important group. MLSs can also market products they currently offer to agents and brokers with appropriate appraiser messaging. Products like [RPR](#) and [FIND](#) can be very helpful to appraisers.

Here's a more meaningful way to project and calculate adoption of technologies considering the concentration of sales success among top producers:

Traditional Adoption Calculation:

Number of Subscribers:	10,000
Number of Users:	2,000
Adoption Percentage:	20%

Producer Adoption Calculation:

Number of Agents with Listings/Transactions: (10,000 agents less 40% that is not active)	6,000
Number of Users:	2,000
Adoption Percentage:	33%



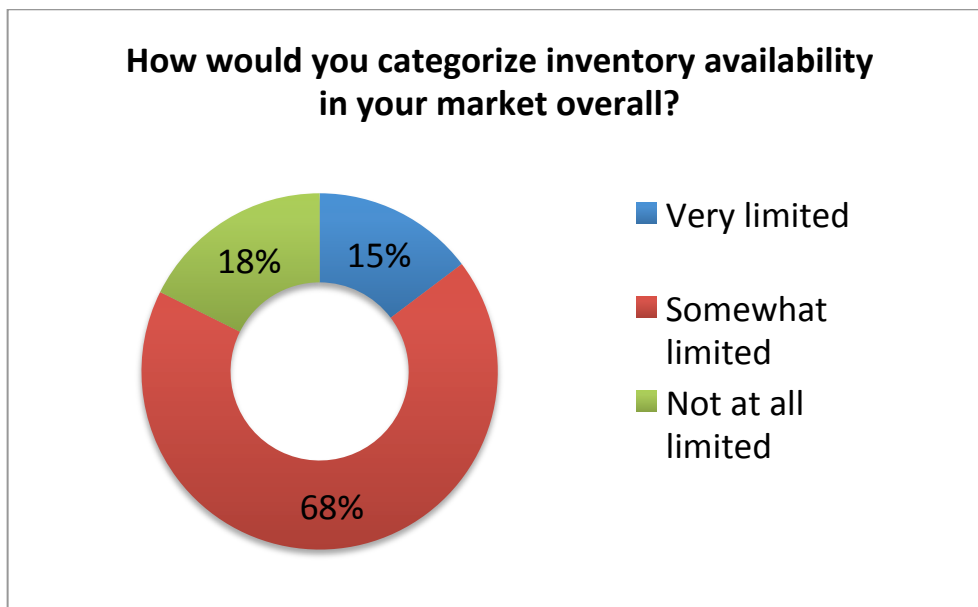
In the traditional adoption calculation model, 2000 agents equates to 20% adoption. By removing those that are not regularly logging into the MLS, not listing property and not transacting business, the adoption rate goes from 20% to 33%. Achieving technology adoption of 1/3 of your total audience is impressive and not easy to do. Some agents use only technologies delivered by their broker. Some believe they can make better choices on their own. And still others are so uncomfortable with technology that they do not use any technologies other than the MLS system.

It is very difficult to breakthrough to the REALTOR® audience unless you are offering a relevant, meaningful and valuable technology coupled with effective marketing programs that get their attention.

Inventory Availability

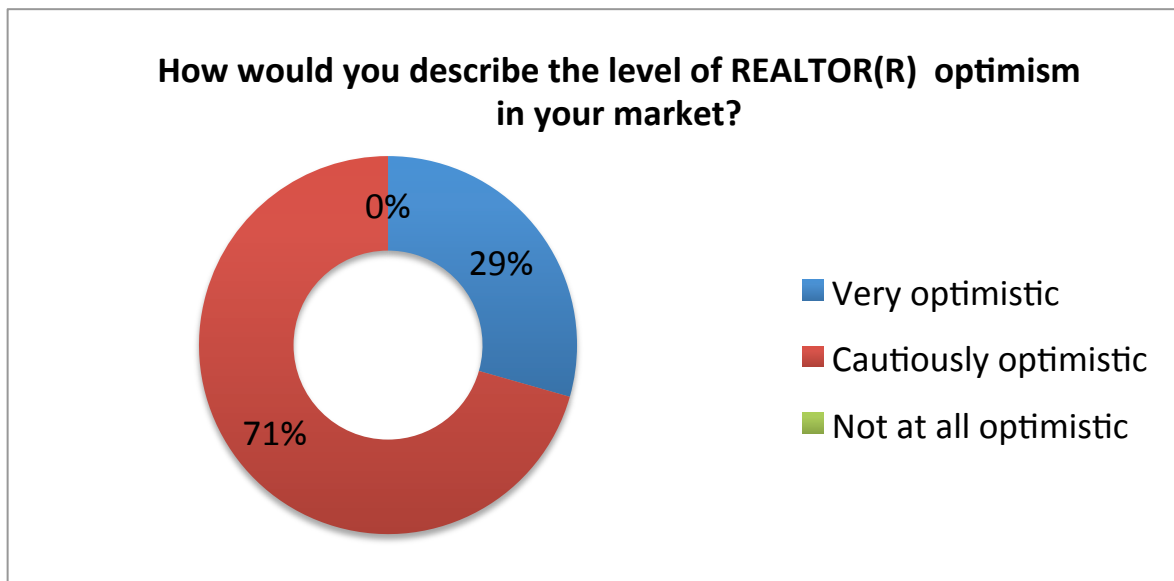
Respondents believe that Inventory is still relatively limited in their marketplaces. Just fewer than 1 in 5 believe that inventory is not limited at all.

As inventory continues to stabilize we're hopeful that the number of agents actively engaged in the business will continue to increase.



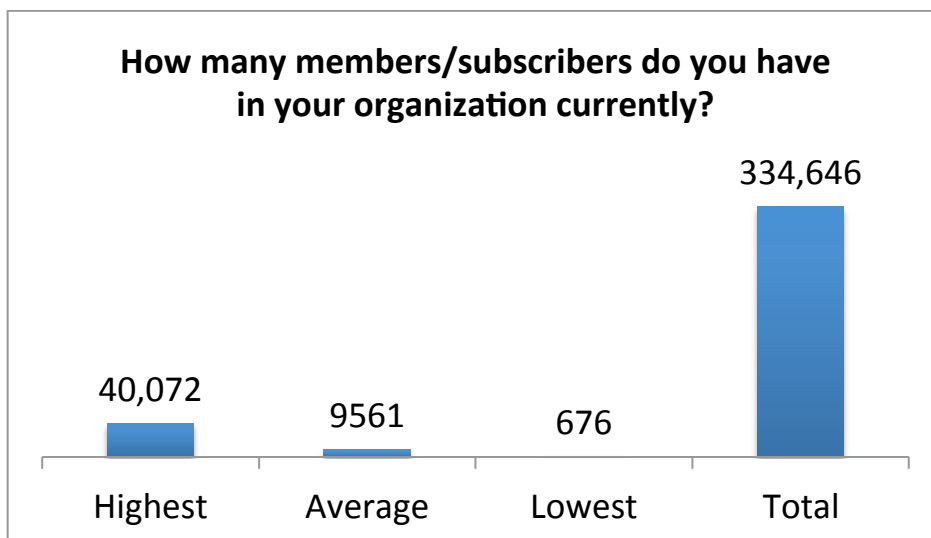
Perceived Optimism

Since nearly $\frac{3}{4}$ of respondents are cautiously optimistic and NONE of the respondents were not at all optimistic, we're again hopeful that the market will continue to increase and more REALTORS® will become successful.



Members Represented

There were nearly 335,000 represented in this study which is approximately $\frac{1}{3}$ of the total REALTOR® audience.



Methodology

WAV Group reached out to approximately 150 MLSs via a survey and phone call follow-ups. Each MLS was given the link to the survey as well as a word document outlining the survey questions. The MLS then had an appropriate amount of time to gather the data needed to complete the survey. The scope of questions were as follows:

- Current membership counts
- Percentage of membership that also belongs to NAR
- Average daily MLS system log-ins for Q2, 2014(not SSO Dashboard log-ins)
- Number of Listings by REALTOR Subscriber/Participant for January through June 2014
- Number of Transactions by REALTOR Subscriber/Participant from January 1st to June 30th, 2014
- Perceived level of optimism among membership
- Perceived inventory availability in market

About WAV Group

WAV Group is the leader in providing research and thought leadership to the MLS industry seeking to create a wave of positive change with every subject that it tackles. The firm is comprised of corporate executives with a depth of expertise in the real estate industry proven to catalyze new approaches leading to more customer-centricity and business success.

WAV Group supports many of the nation's largest real estate Multiple Listing Services, REALTOR® Associations, technology vendors, brokerages and franchises, in the US, Canada and Europe. WAV Group has expertise in the areas of strategic planning, technology evaluation, product development, market research, recruiting, sales & marketing plan development, technology selection and implementation.

For more information or to register to receive report releases and newsletters please contact Marilyn Wilson at 805-748-9118 or Marilyn@wavgroup.com

Thank you to Realtor Property Resource®

WAV Group would like to thank the leaders of Realtor Property Resource® for obliging us in our quest to understand the productivity of the real estate market. They have graciously sponsored this research for the benefit of the entire industry.



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