



REAL ESTATE COACHING'S PAYOFF

Real estate's oft-maligned 'personal trainers' deliver a return on investment for most clients

Not all real estate agents think coaches are miracle workers, but an Inman survey found that the vast majority of agents working with coaches see a return on investment.

In an industry where brokerages often leave agents to fend for themselves, many real estate agents say they hire coaches for accountability and moral support. Some, however, view the real estate world's "personal trainers" as hucksters, the survey reveals.

In this in-depth special report, Inman explores the value of real estate coaching, shedding light on the economics, benefits and potential weaknesses of coaching, and probing why coaches attract some agents while repelling others.

In a survey of 997 brokers and agents conducted from Nov. 14 to Dec. 1, more than nine out of 10 respondents said their business climbed by 10 percent or more during the first year they worked with a coach. More than half said the increase exceeded 25 percent.



The benefit of working with a real estate coach most often cited by respondents was that their coaches held them accountable (80 percent), gave them perspective (77 percent) and trained them to use new business strategies (73 percent).

Real estate agents drop a lot of dough on coaches. About six out of 10 respondents said they spend between \$300 and \$749 a month on an individual coach, with the largest share putting the monthly cost between \$400 and \$499 (27 percent).

Coaches may rake in a lot of cash, but they also take plenty of heat.

Critics grumble that some real estate coaches hawk get-rich-quick schemes, don't have adequate experience, and teach outdated or one-size-fits-all business tactics.

SETTING THE RECORD STRAIGHT

If you've never worked with one, you might be skeptical that real estate coaches can actually deliver on all the promises they make.

But an Inman survey on real estate coaching found that the vast majority of agents working with coaches see a return on investment.

In an industry where brokerages often leave agents to fend for themselves, many agents say they hire coaches to provide personal accountability and moral support. But the survey shows others view the real estate world's "personal trainers" as hucksters.

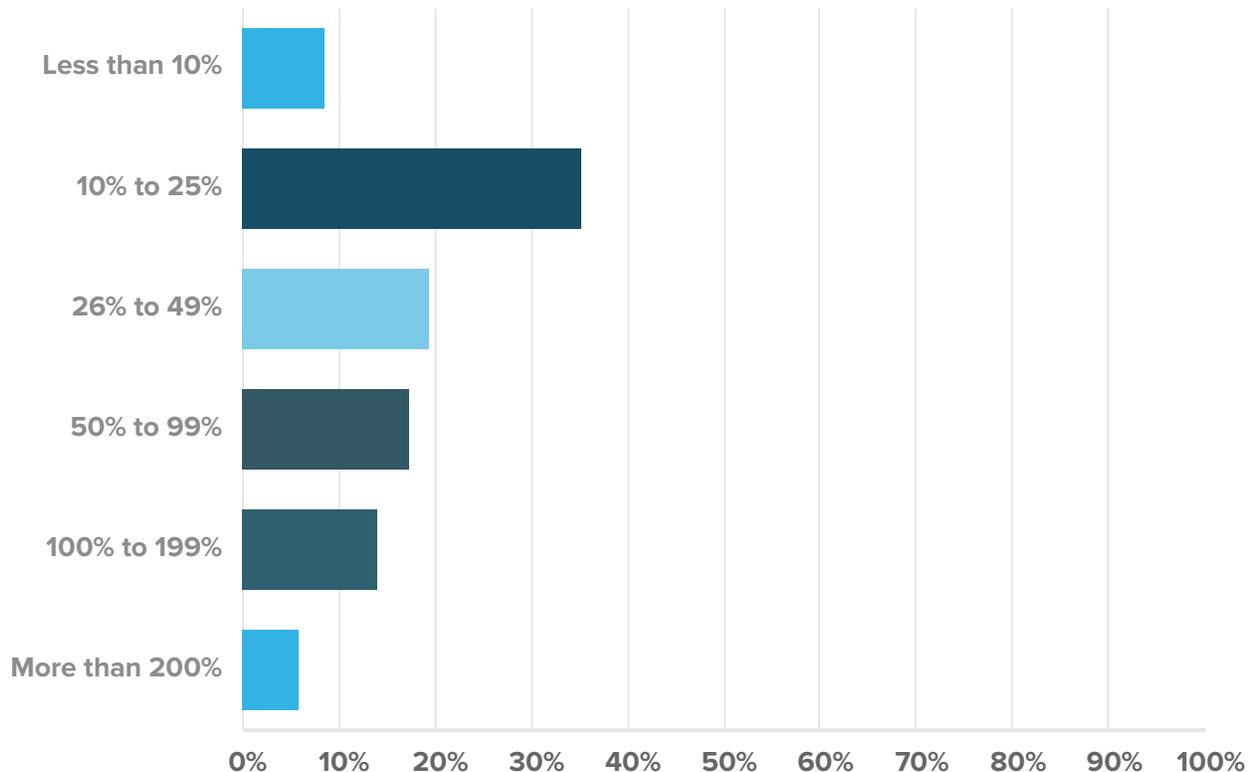
More than 9 out of 10 respondents said their business climbed by 10 percent or more during the first year they worked with a coach. More than half said the increase exceeded 25 percent.

For a fifth of respondents, business jumped twofold or more, by their reckoning.

i The most often cited benefit of working with a real estate coach was that coaches hold agents accountable (80 percent). "Giving me perspective" (77 percent) and "training me to use certain business strategies" (73 percent) followed close behind.

Q14 How much did your business increase during the first year you worked with a coach compared to the previous year?

Answered: 988 Skipped: 9



What exactly are coaches doing to produce these results?

“Do I need someone to get my ass in gear?” one skeptic asked dryly.

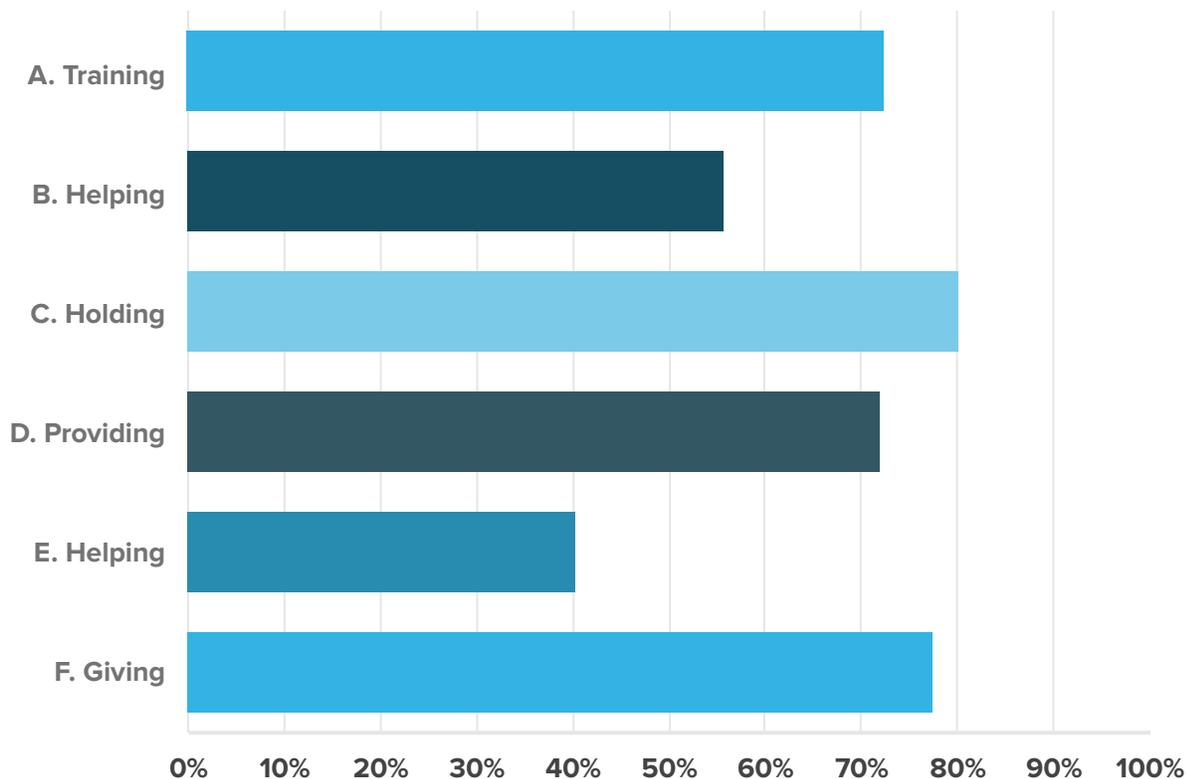
For many real estate agents, the answer is “yes.”

“Even with 20 years experience, I still need someone to help keep me motivated and on task,” admitted one participant. “Too much opportunity to ‘squirrel,’ [and I] get distracted.”

Real estate coaches *“let me know what others are doing to be successful so I don’t have to reinvent the wheel,”* said another. They help me *“see things clearly, help me focus, put things into perspective, [and are an] unbiased second eye,”* was another representative response. A crucial benefit of working with coaches appears to be more clients for real estate agents.

Q12 My coach helps me by:

Answered: 422 Skipped: 575



Answer Choices	Responses
A. Training me to use certain business strategies	72.51% 306
B. Helping me work through personal issues that hinder my performance	55.69% 235
C. Holding me accountable for my performance	80.09% 338
D. Providing encouragement	72.04% 304
E. Helping me solve transaction problems	40.28% 170
F. Giving me perspective on my business activities	77.49% 327
Total Respondents: 422	

A crucial benefit of working with coaches appears to be more clients for real estate agents.

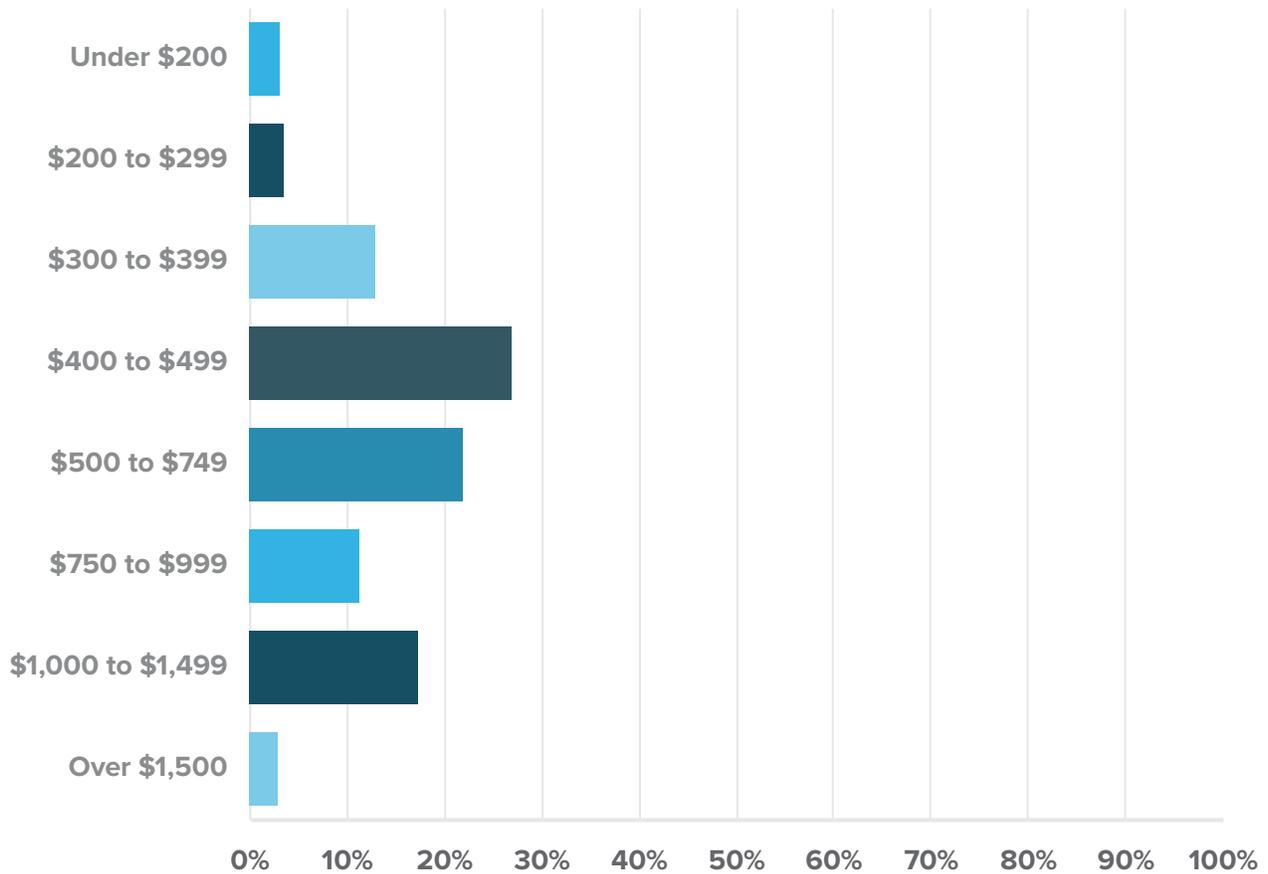
Real estate agents shell out quite a bit of cash for coaching. About 6 out of 10 respondents said they drop between \$300 and \$749 a month on an individual coach, with the largest share putting the monthly cost between \$400 and \$499 (27 percent).

Seventeen percent even pony up between \$1,000 and \$1,499 a month, while only 7 percent pay less than \$300.

i Close to 9 out of 10 respondents said their coach contributed to their number of listings, while 8 out of 10 said coaching increased their buyer client count. Survey responses seemed to support these findings, with feedback suggesting that agents tend to lean on coaches for help with chasing listings more than buyers.

Q10 If you're doing one-one-one coaching, what is the monthly cost of your coach?

Answered: 405 Skipped: 592



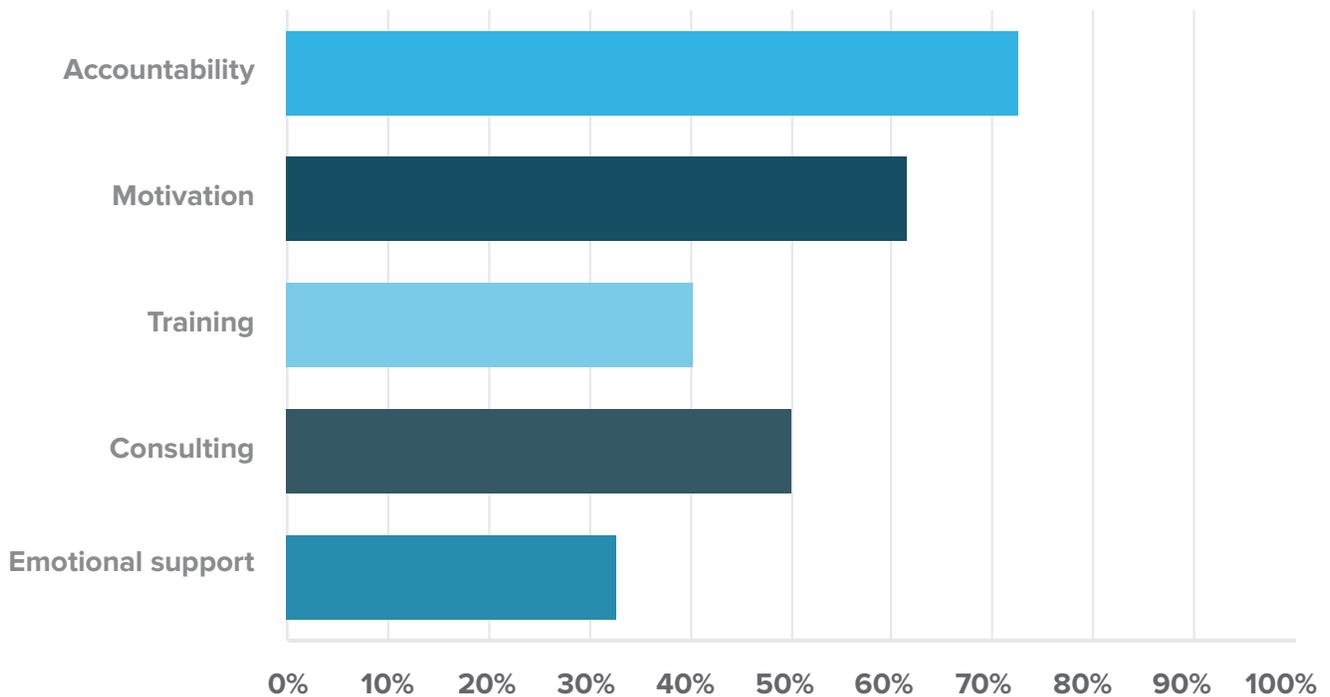
Costs predictably tend to run higher for team coaches. Seventy-two percent of respondents said that their team coach costs more \$1,000 a month or more.

Some real estate agents seem to gravitate toward coaches because they feel the traditional real estate brokerage model doesn't provide the structure and resources they need to be productive.

i Asked what coaches provide that brokerages don't, the most popular responses were accountability (73 percent), motivation (62 percent) and consulting (50 percent).

Q29 What do coaches provide that brokerages often don't (choose all that apply)?

Answered: 530 Skipped: 467



“I like the one-on-one attention,” said one respondent. *“I don’t get that from my manager.”*

Some brokerages provide coaching to their agents, but the survey suggests only a small share of companies keep coaches on staff.

Many real estate agents say they sign on with coaches for the same reasons professional athletes hire their own personal trainers.

“Think of the Michael Jordans of the world, Tiger Woods or any other athlete, artist or entrepreneur,” said one survey respondent. *“We all need someone to look at our swing from a distance if we want to improve our accuracy and distance; takes the guessing out of [the] equation.”*

In that vein, respondents were more likely to say that a real estate coach is most like a personal trainer, mentor or adviser than a drill sergeant, therapist or boss.

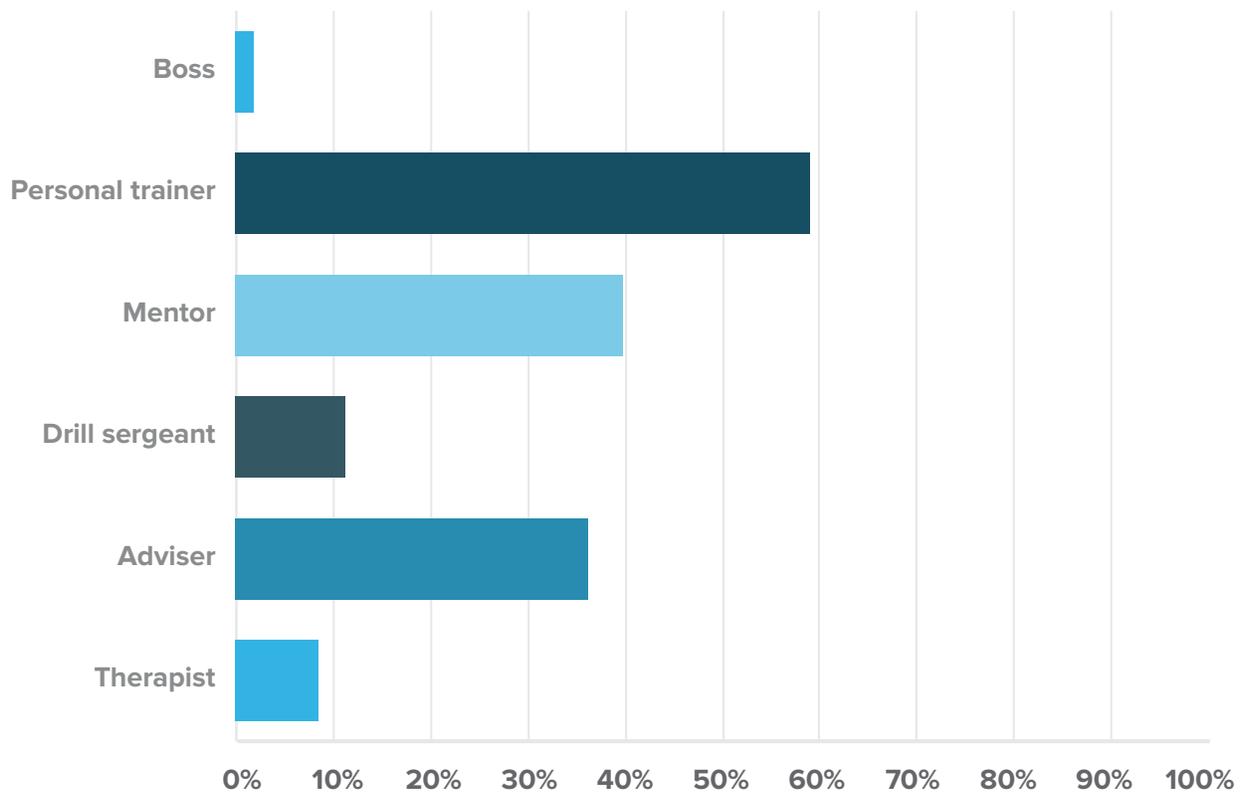
Still sounding a lot like athletes, survey respondents said coaches help them “do stuff I know I should but don’t” (42 percent), and by giving them a “competitive edge” (24 percent).

i Just 3 percent of respondents said their coaches work at their brokerage. (It’s possible a larger share of brokerages hire coaches as contractors, rather than employees.)

i Perhaps surprisingly, only 12 percent of respondents said helping them make more money was the biggest benefit of using a real estate coach.

Q26 A real estate coach is most like a:

Answered: 514 Skipped: 483



“Provide a wider outside perspective that I don’t have working on my own; sharing successes and failures of more top agents than I would otherwise be in contact with as well; and accountability, which is something I’ve struggled with since I was two,” one participant said when asked what their coach does for them that they can’t do themselves.

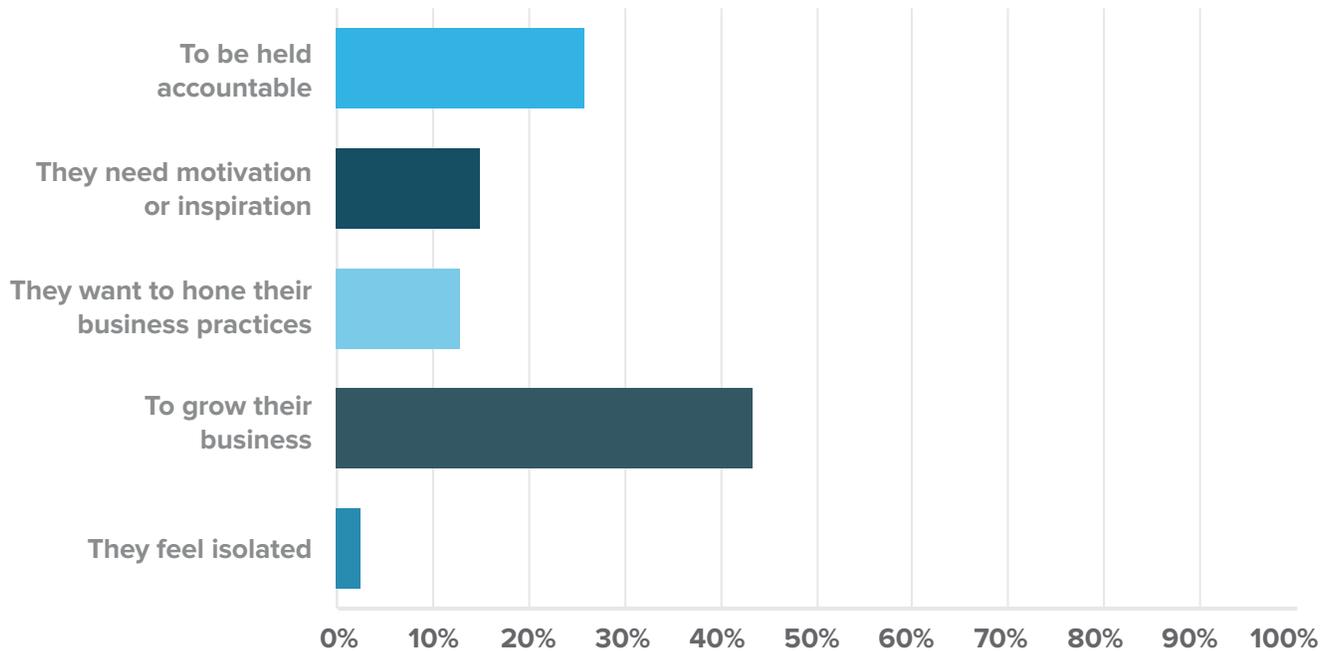
i Some respondents also said access to the circle of agents coaches travel in is a big draw. “The referrals within the agent network more than pay for our coaching investment,” said one respondent.

Asked to choose the biggest reason why real estate agents hire coaches — a question posed to all survey participants, not just those with coaches — the largest share of respondents selected “to grow their business” (44 percent), followed by “to be held accountable” (26 percent) and “because they need motivation” (15 percent).

Demand for such results were among the most popular reasons listed for seeking coaching, along with a desire to learn cutting-edge business tactics and gain a fresh perspective.

Q27 In your view, what is the biggest reason real estate agents use coaches?

Answered: 524 Skipped: 473



Real estate agents working with coaches at big companies that maintain agent networks, like The Mike Ferry Organization, Buffini & Company and Tom Ferry's coaching firm, represented the lion's share of respondents (70 percent) who took the survey.

Only 27 percent said they used coaches employed by small companies, while just 3 percent said they worked with in-house coaches.

Many respondents lavished praise on big-name coaches, bringing into focus their shaman-like status among followers.

"*My life!*" declared one respondent enrolled in a popular coaching program, when asked about the return on investment.

Detractors shake their heads.

Coaching is "like a cult thing," was one representative opinion. "I have (tried working with a coach) in the past but once you leave the workshop, your head clears and it seems unnecessary."

Another respondent noted that signing up for a program headed by a highly skilled coach does not necessarily mean you will get that top-notch coach. Some of the coaches working under a highly skilled coach can't hold a candle to their boss, the respondent said.

Character traits that may prevent agents from achieving goals like self-accountability and successful follow-up and door-knocking are myriad. But respondents often cited "*fear*" as the biggest weakness their coach has helped them address, such as "*fear of failure*," "*fear of success*," "*fear of taking listings*" and "*fear of making calls*."

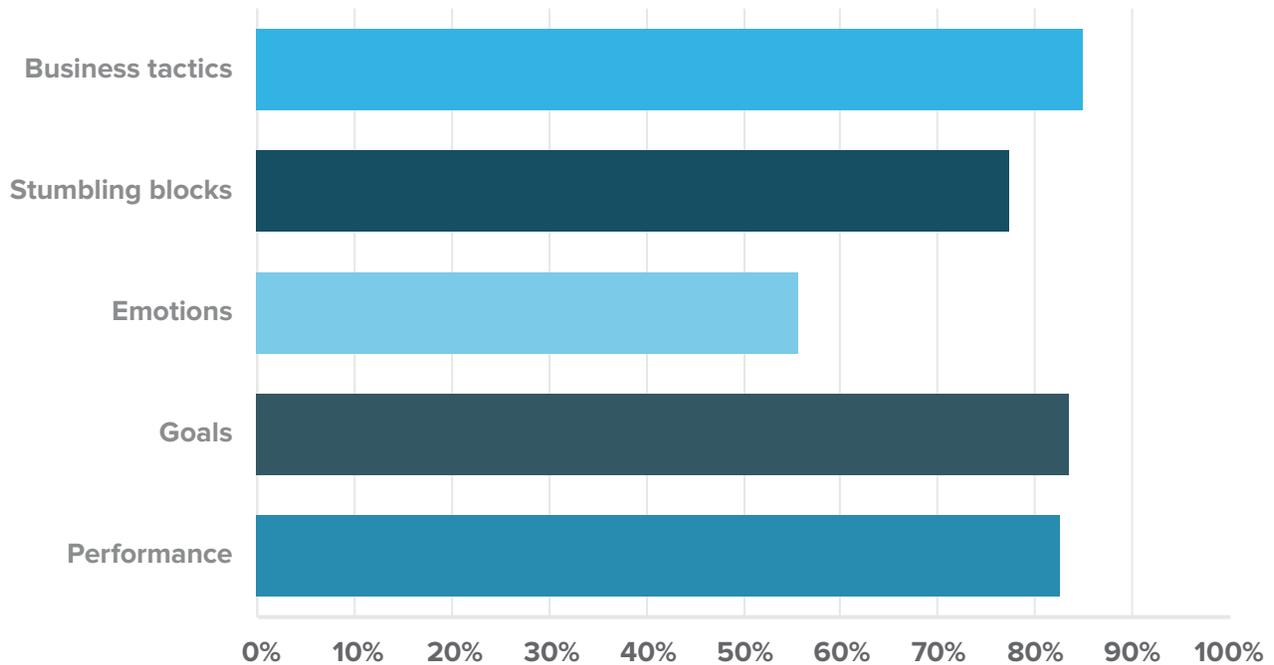
"Totally changing my attitude from feeling worthless and suicidal to believing I have a wonderful future and having exponential confidence in myself," was how one respondent described the benefits of working with a coach.

Such comments point towards the therapeutic value of coaching to some. That aspect was underscored by the survey's finding that 56 percent of respondents generally discuss their emotions during coaching sessions (though respondents were more likely to say that their coaching sessions usually cover business tactics, "*stumbling blocks*," "*goals*" and "*performance*"). Other weaknesses that agents said coaches helped them address were more business-focused, such as poor prospecting skills, inadequate scripts and difficulty with implementing an agent team model.

 *Procrastination, focus and confidence were other mindset-related issues mentioned by respondents.*

Q9 During a typical coaching session, my coach and I generally cover (choose all that apply):

Answered: 422 Skipped: 575



Not all respondents think real estate coaches are the best thing since sliced bread. Some objected to the concept of paying for accountability.

"I should not be in the business if someone has to motivate me to do what I should do to be successful," declared one.

Critics also wagged a finger at the marketing tactics used by some coaching companies, alleging that agents are suckered into signing long-term contracts by peddling get-rich-quick schemes that don't deliver.

"John Brown went from a poverty-level income to making a zillion dollars a year because of my coaching," said one respondent, poking fun at some of the come-ons employed by real estate coaches.

"I feel like they should add 'results not typical of the average client,' like weight loss gimmicks," quipped the same respondent.

i Others complained that the cost — 8 out of 10 respondents said they spend at least \$400 a month on coaching — doesn't justify the return.

Many of those who participated in the survey believe that some real estate coaches take advantage of real estate agents.

“They all prey on our fears and insecurities,” one said. “Sometimes that HELPS us grow, and sometimes it’s just parasitic.”

Many coaches don’t have adequate experience (if any) as real estate agents, teach outdated or cookie-cutter business tactics, or induct clients into “cults,” grumbled other knockers.

“Most have never sold a home in their lives,” jabbed one participant. “And if they did it was in a whole different market.”

“I am better than the coach I hired,” declared another.

Respondents listed similar reasons for quitting coaching, but other deal-breakers included demonstrating a lack of commitment and running out of things to teach.

“It became repetitive and predictable once the fundamentals were learned,” offered one participant.

Stale advice may cause some agents to drop coaches, but it spurs others to search out new ones.

“It’s important to switch up your coach to force new methods and keep your business evolving,” advised one respondent.

Some real estate agents drop their coaches for new ones because they feel like they’re being treated too harshly.

“Previous one was a drill sergeant,” said one respondent. “I need a cheerleader.”

Others wanted to switch things up the other way around.

“Needed a little more [prodding] ... Buffini is too soft for me,” said one respondent, explaining their decision to switch from Brian Buffini to Mike Ferry — both of whom run coaching companies that have trained legions of agents.

But with all the nitpicking about the approaches taken by individual coaches, many agreed that the effectiveness of the advice proffered also depends on the student’s level of commitment.

Nonetheless, the quality of coaching obviously matters.

i Real estate agents commonly jump between real estate coaches, with plenty of respondents indicating that they’ve worked with at least three.

i In fact, about 72 percent of respondents said that the payoff of coaching depends most on the agent’s level of commitment. Only about a quarter said the quality of coaching had the greatest impact on its effectiveness. One percent said cost of program was the biggest factor.

SO HOW DO YOU FIND THE RIGHT ONE?

Respondents said they chose their coaches over others based on criteria including experience, ideas, personality, passion, authenticity and charisma.

Drawing on these enviable qualities, real estate coaches must find ways to motivate their clients to make things happen. They do this most often by inspiring (51 percent) and encouraging (47 percent), hardly ever by browbeating (3 percent), according to the survey.

Real estate coaching doesn't always involve regularly hashing it out in calls or meetings. Some coaching can take place in a one-off session or event, as with seminars or training courses.

But nearly all respondents said they receive regular counseling from their coaches, with 95 percent indicating that they talk to their coaches either once a week (45 percent) or twice a month (49 percent).

Sessions rarely involve face time, however. The vast majority of respondents (89 percent) said they usually speak to their coaches on the phone, not in person (11 percent).

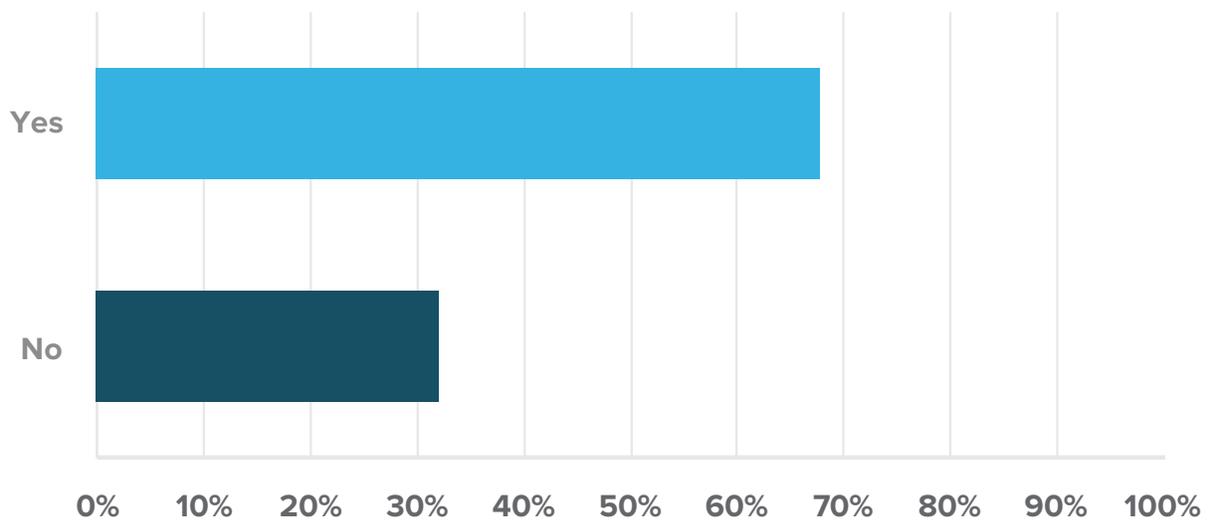
 Respondents were most likely to have found their coaches through a colleague (53 percent), followed by online search (20 percent) and advertisements (16 percent).

inman **SELECT**

COACHING SURVEY

Q1 Do you use a real estate coach?

Answered: 988 Skipped: 9



Q2. Why don't you use a coach?

(Showing the most used words and phrases)

- **Cost (too expensive, can't afford one) 32.96%**
- **Have had a coach at some point in my career 20.10%**
- **Value 6.70%**
- **Accountable (no need for a coach) 3.36%**
- **Market Dependent 2.87%**
- **Self-Motivated 2.87%**

Q3. If you have worked with a coach in the past and are not currently working with a coach, what caused you to stop?

(Showing the most used words and phrases)

- **Coach (from time-to time, sometimes, not right now) 24.50%**
- **Cost 17.22 %**
- **Too Expensive 6.62%**
- **Results (not reached) 3.31%**
- **Value 2.65%**
- **Styles Differ 2.64%**
- **Return (on Investment) 1.99%**
- **No Increase (in sales) 1.32%**
- **Self Motivated 1.32%**
- **Broker (provides coaching) 1.32%**

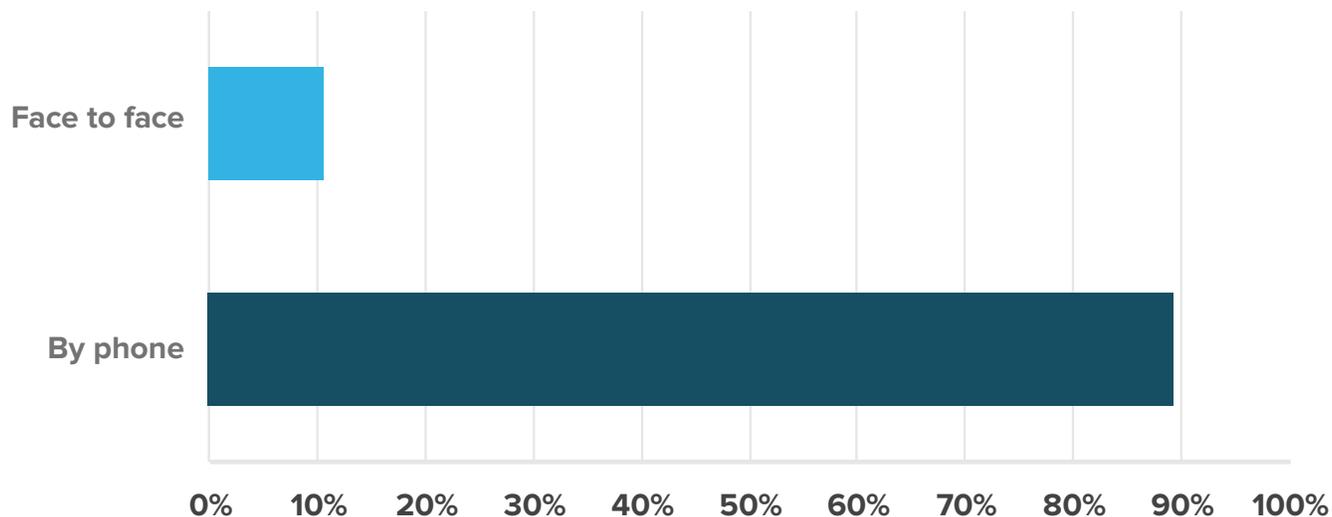
Q4. Why do you use a coach?

(Showing the most used words and phrases)

- **Accountability 38.79%**
- **Business (Growth) 23.93%**
- **New Ideas 12.34%**
- **Focus 10.33%**
- **Stay on Track 7.30%**
- **Motivation 6.80%**
- **Tom Ferry 5.04%**
- **Learning 5.04%**
- **Overall Improvement 4.28%**
- **Productivity 4.28%**
- **Increase (business, sales) 4.03%**
- **Guidance 3.53%**
- **Success 3.02%**
- **Income 2.27%**
- **Structure 1.51%**

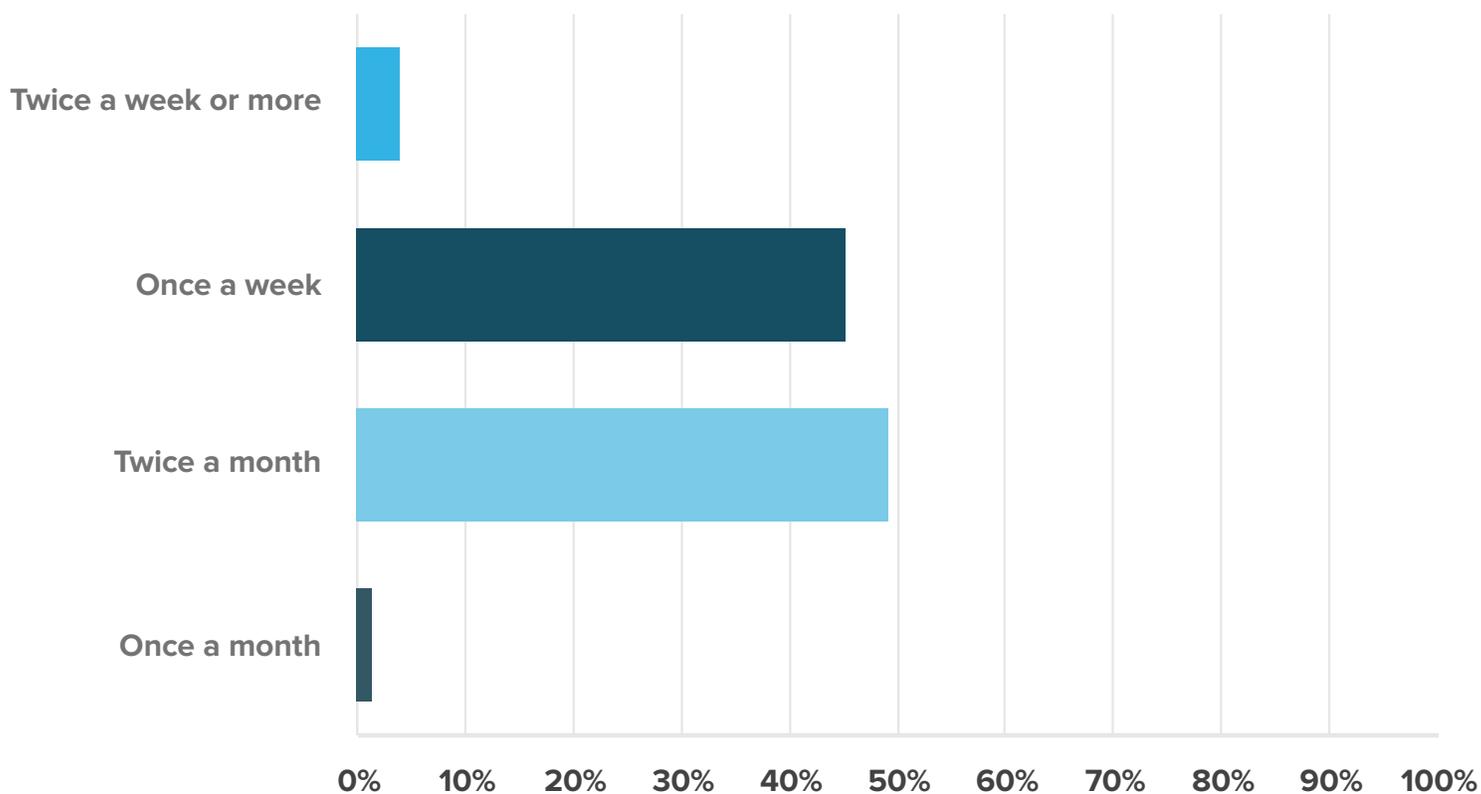
Q5 How do you usually communicate with your coach?

Answered: 419 Skipped: 578



Q6 How often do you speak to your coach?

Answered: 426 Skipped: 571



Q7 What motivated you to hire a coach?

(Showing the most used words and phrases)

- **Accountability**
- **Business**
- **Company**
- **Getting ahead**
- **Goals**
- **Growth**
- **Ideas**
- **Knowledge**
- **Money**
- **Needed outside perspective**
- **Production**
- **Results**
- **Sales**
- **Team**
- **Think**
- **Tom Ferry**

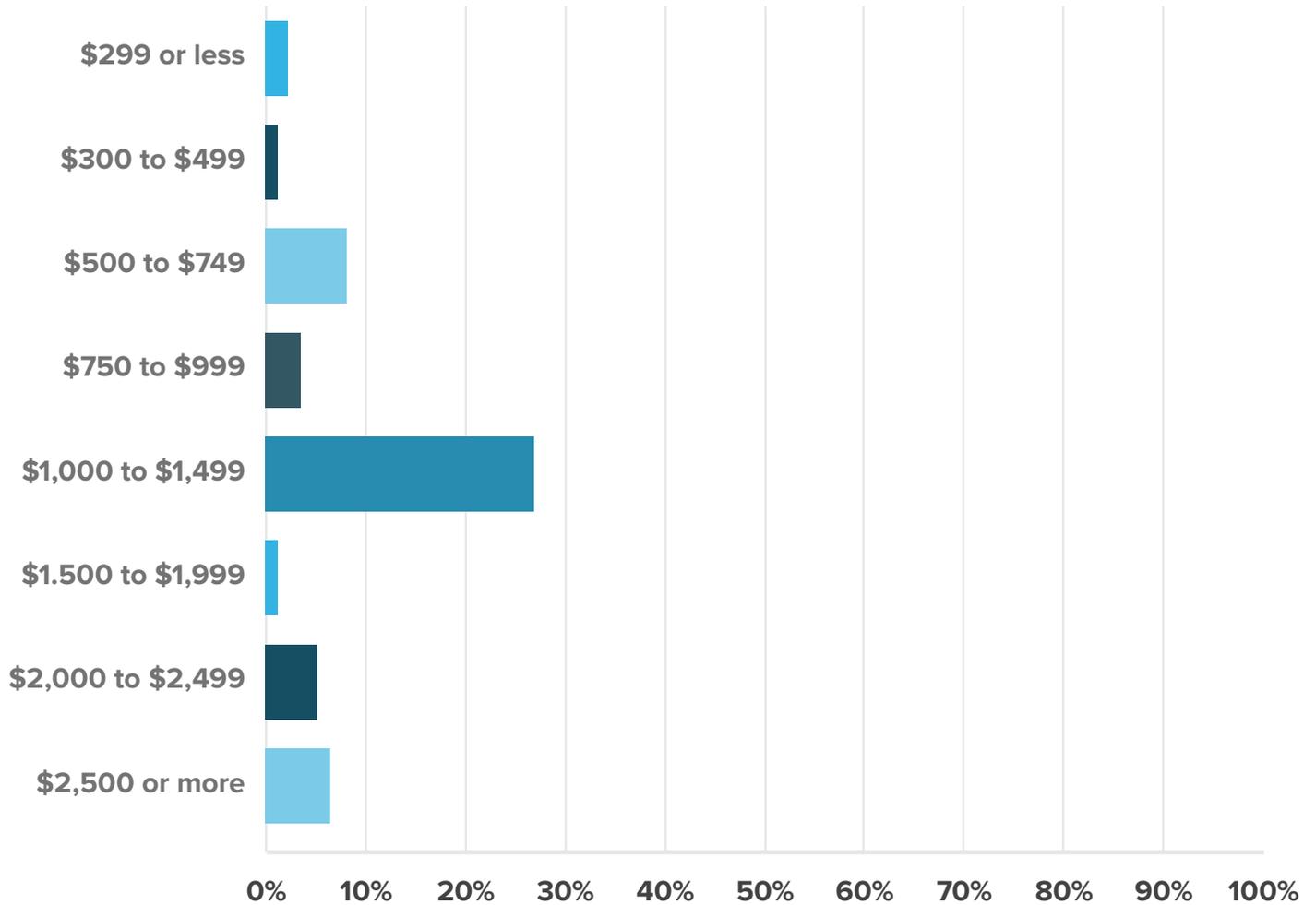
Q8 What was it about your coach that made you select him or her over others?

(Showing the most used words and phrases)

- Tom Ferry **10.55%**
- Business **9.23%**
- Liked **8.44%**
- Experience **6.86%**
- Company **6.33%**
- Successes **5.28%**
- Ideas (cutting edge) **3.17%**
- Track Record **2.90%**
- Flexibility **1.06%**
- Technology **1.06%**

Q11 If your coach is coaching your team, what is the monthly cost of your coach?

Answered: 171 Skipped: 826

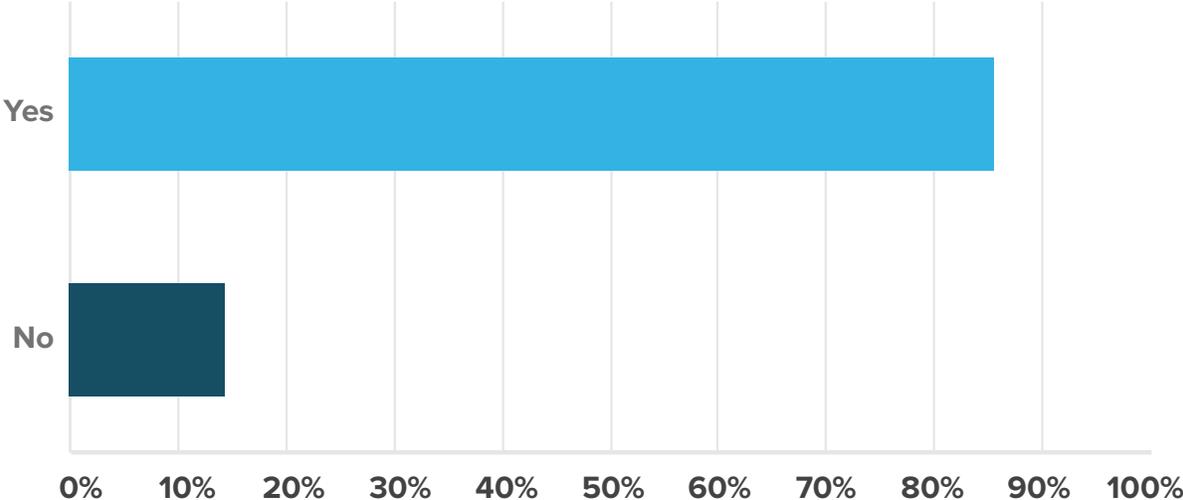


**Q13 Is there a measurable ROI with the investment you make in your coach?
If so, what is it?**

- **Attribute**
- **Business**
- **Deals**
- **Growth**
- **Increase**
- **Investment**
- **Measure**
- **Next year**
- **Production**
- **ROI**
- **Sales**
- **Skills**
- **Success**
- **Team**
- **Transactions**

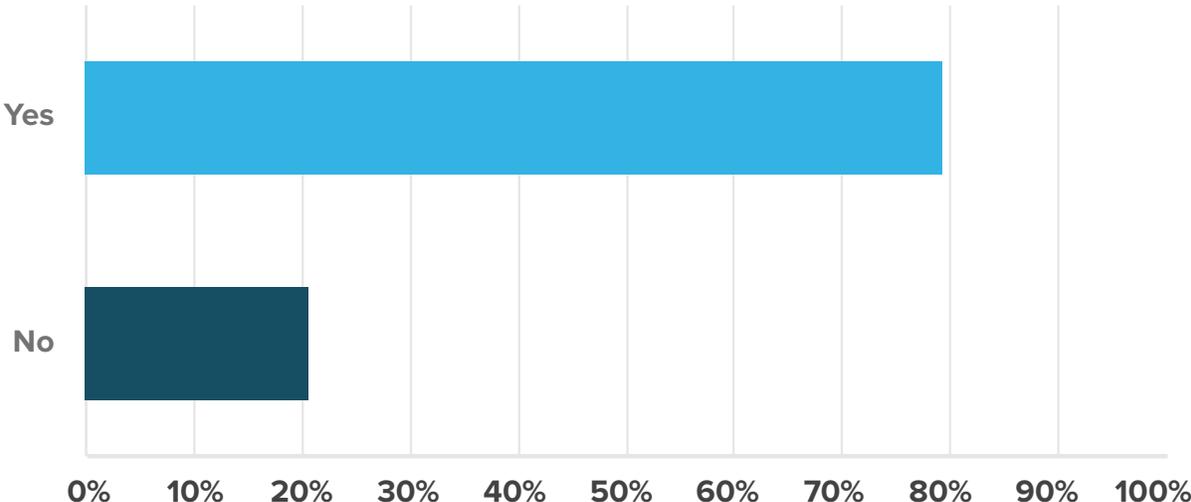
Q15 Does your coach contribute to increasing your number of listings?

Answered: 405 Skipped: 592



Q16 Does your coach contribute to increasing your number of buyers?

Answered: 407 Skipped: 590



Q17 What does a coach do for you that you could not do for yourself?

(Showing the most used words and phrases)

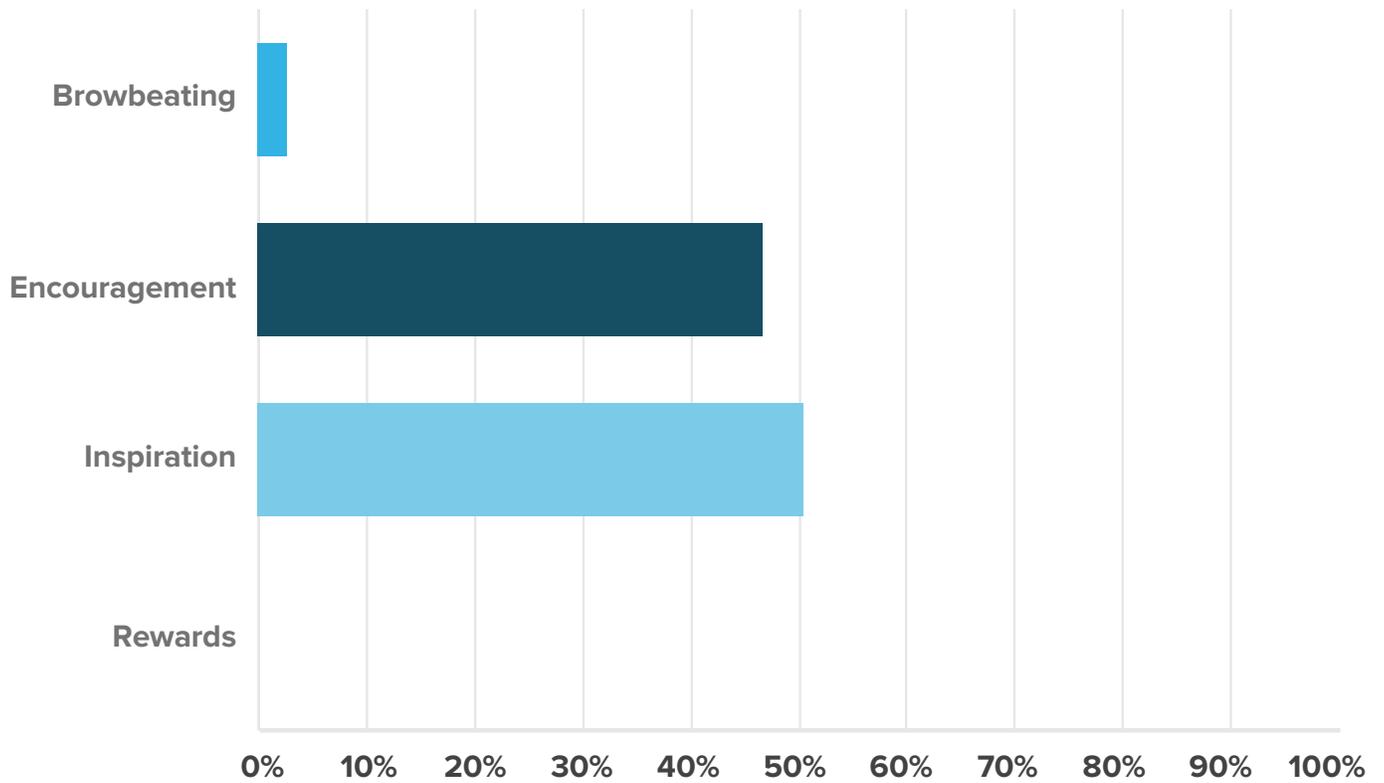
- **Accountability**
- **Answers**
- **Clarity**
- **Cutting edge**
- **Focused ideas**
- **Learning**
- **Marketing that works**
- **Mindset**
- **Motivation**
- **Organized**
- **Perspective**
- **Plan**
- **Point of view**
- **Proven systems**
- **Sales calls**
- **Support**
- **Tasks**

Q18 What is the biggest weakness that your coach has helped you address?

- Focus 7.60%
- Business (structure and planning) 6.14%
- Management (time and business) 5.56%
- Mindset 5.56%
- Fear 4.68%
- Organization 4.68%
- Accountability 4.09%
- Staying Focused 4.09%
- Tracking 3.80%
- Prospecting 3.51%
- Confidence 2.63%
- Goals 2.63%
- Procrastination 1.75%

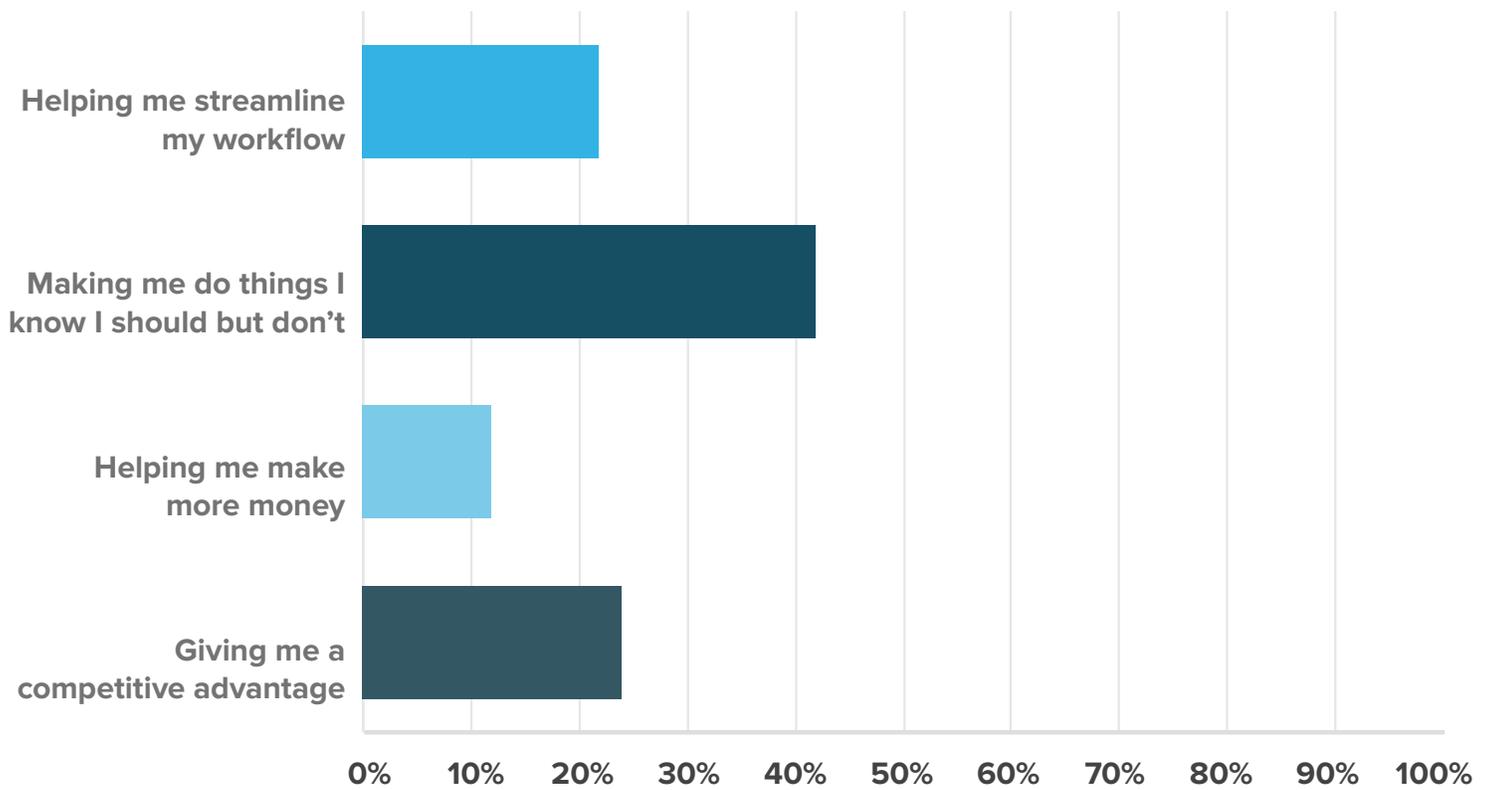
Q19 My coach motivates me by (choose all that apply):

Answered: 405 Skipped: 592



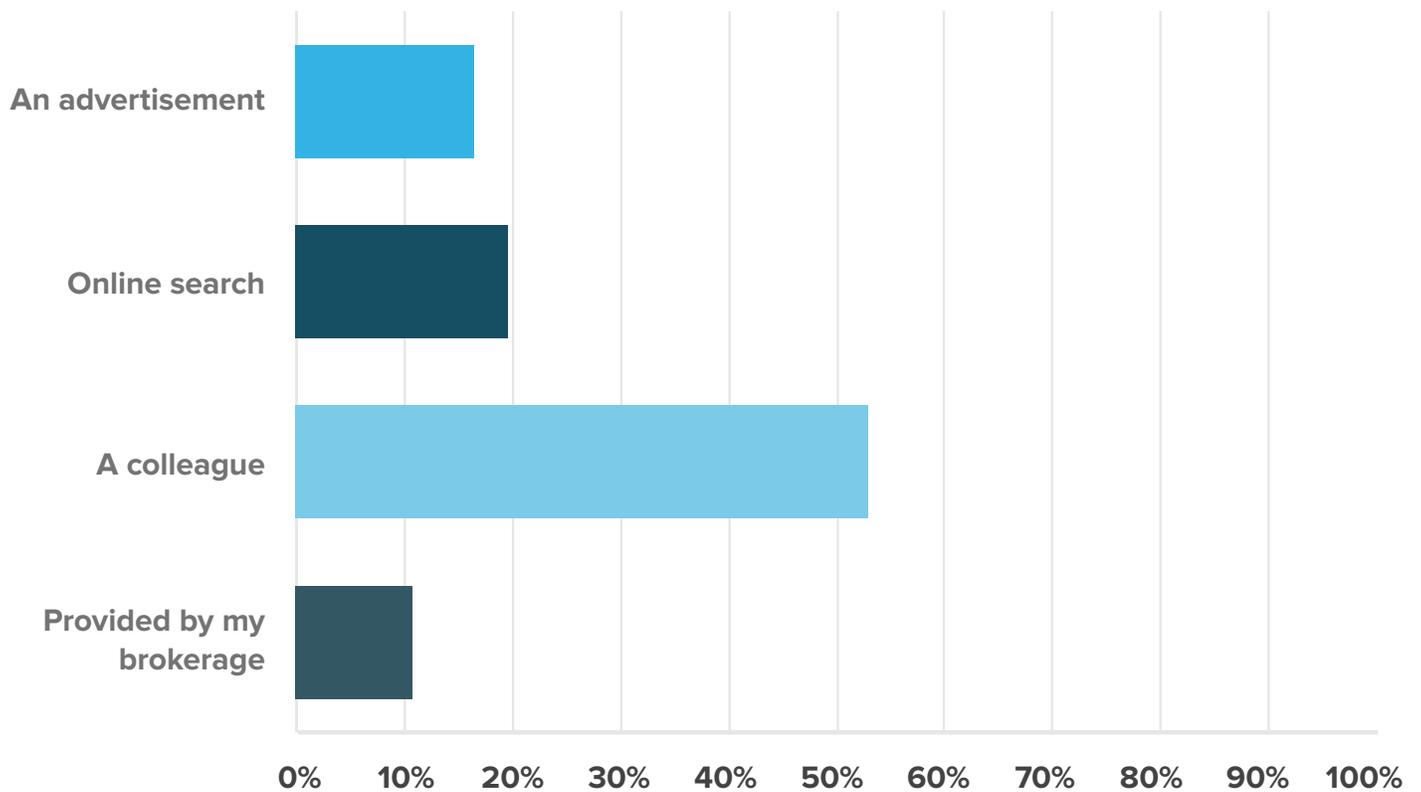
Q20 Coaching has benefited me most by:

Answered: 400 Skipped: 597



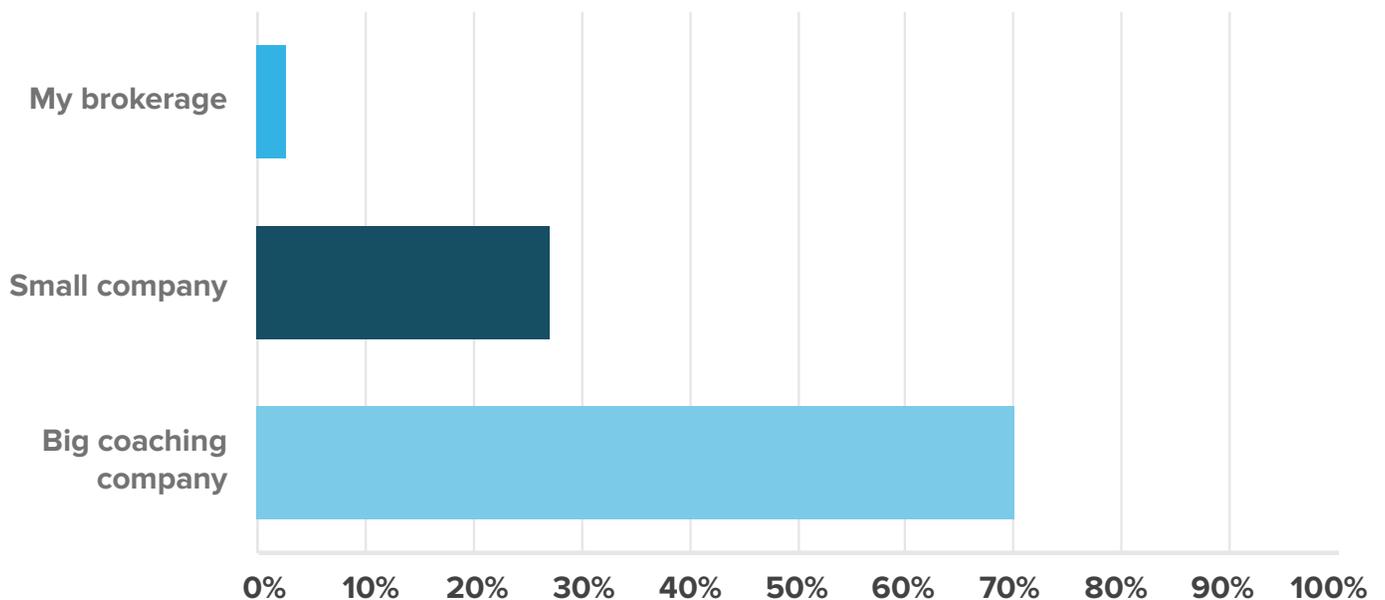
Q21 I found my coach through:

Answered: 219 Skipped: 778



Q22 Where does your coach work?

Answered: 383 Skipped: 614



Q23 Have you switched coaches? If so, why?

- **148** put of the **300** respondents answered “No”.
- Of the respondents who answered “Yes,” the most common response was “not a good fit.”

Q24 (Optional) What is the name of your coach’s company?

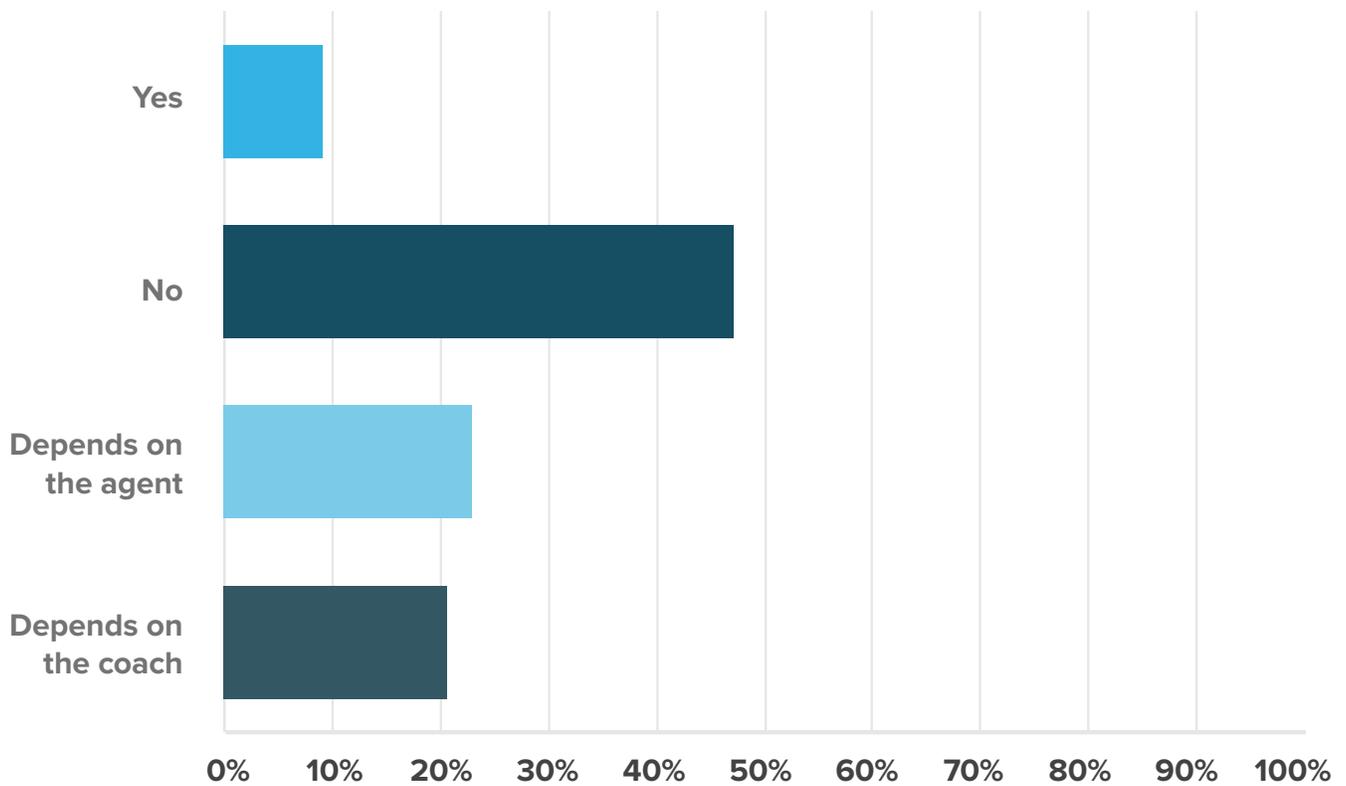
- Tom Ferry
- Buffini and Company
- MAPS
- Mike Ferry

Q25 (Optional) What is the name of your coach?

- Steve Olsen
- Donna Fleetwood
- Mary Jett
- Tim Harris
- Donna Stott
- Mary Nawabi
- Tom Ferry
- Doug Hannan
- Mike Stott
- Travis Robertson
- Dov Silberman
- Patrick Ferry
- Yvonne Arnold
- Eileen Rivera
- Sheila McGraw
- Bill Jenkins
- Jarrod Davis
- Carrie Craig
- Kate Vail
- Christina Banaga
- Kay Fairchild
- Dean Ayers
- Lizbeth Hale
- Don Jacks
- Marianne Curran

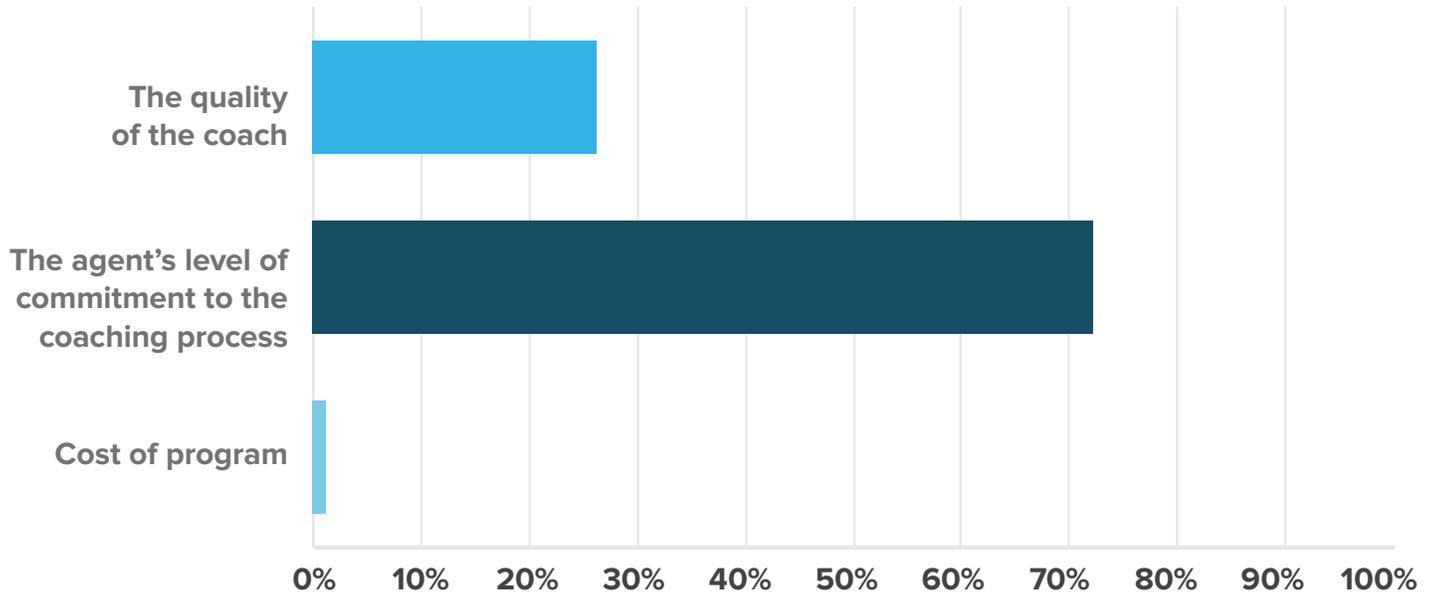
Q28 Do you think coaching is a waste of money?

Answered: 536 Skipped: 461



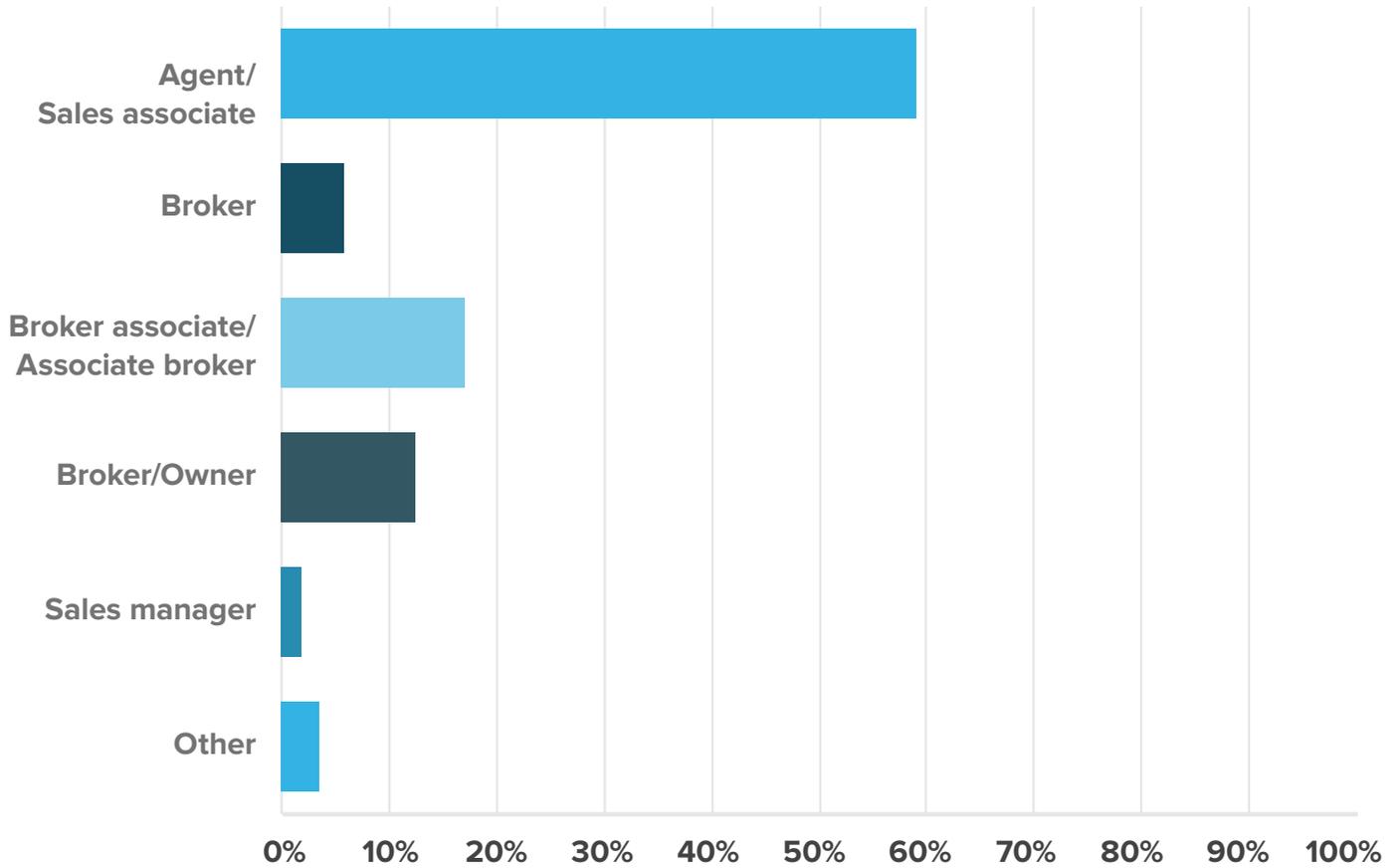
Q31 What does the effectiveness of coaching depend on most?

Answered: 534 Skipped: 463



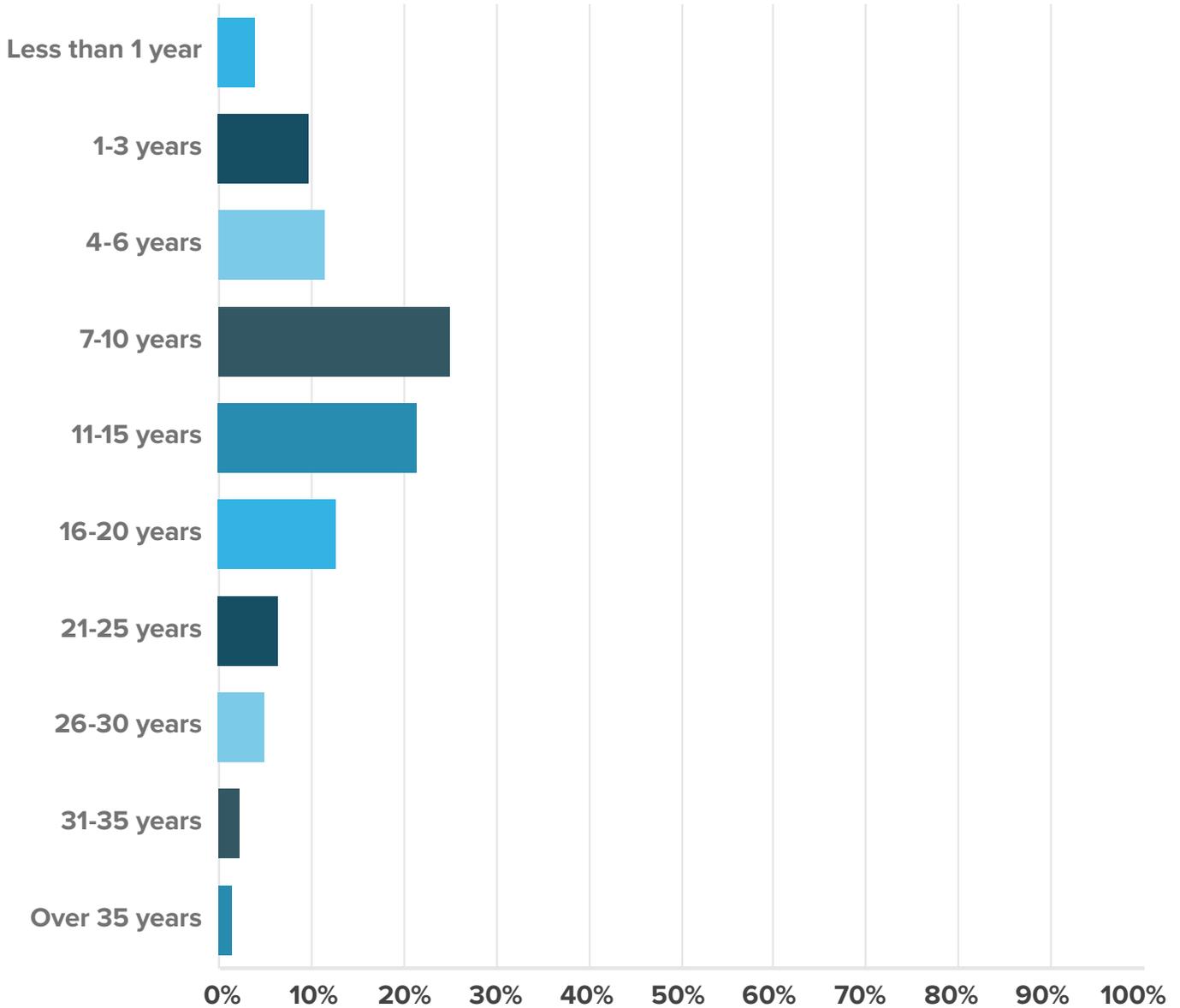
Q33 Please tell us about yourself. Which of the following options best describes your title?

Answered: 555 Skipped: 442



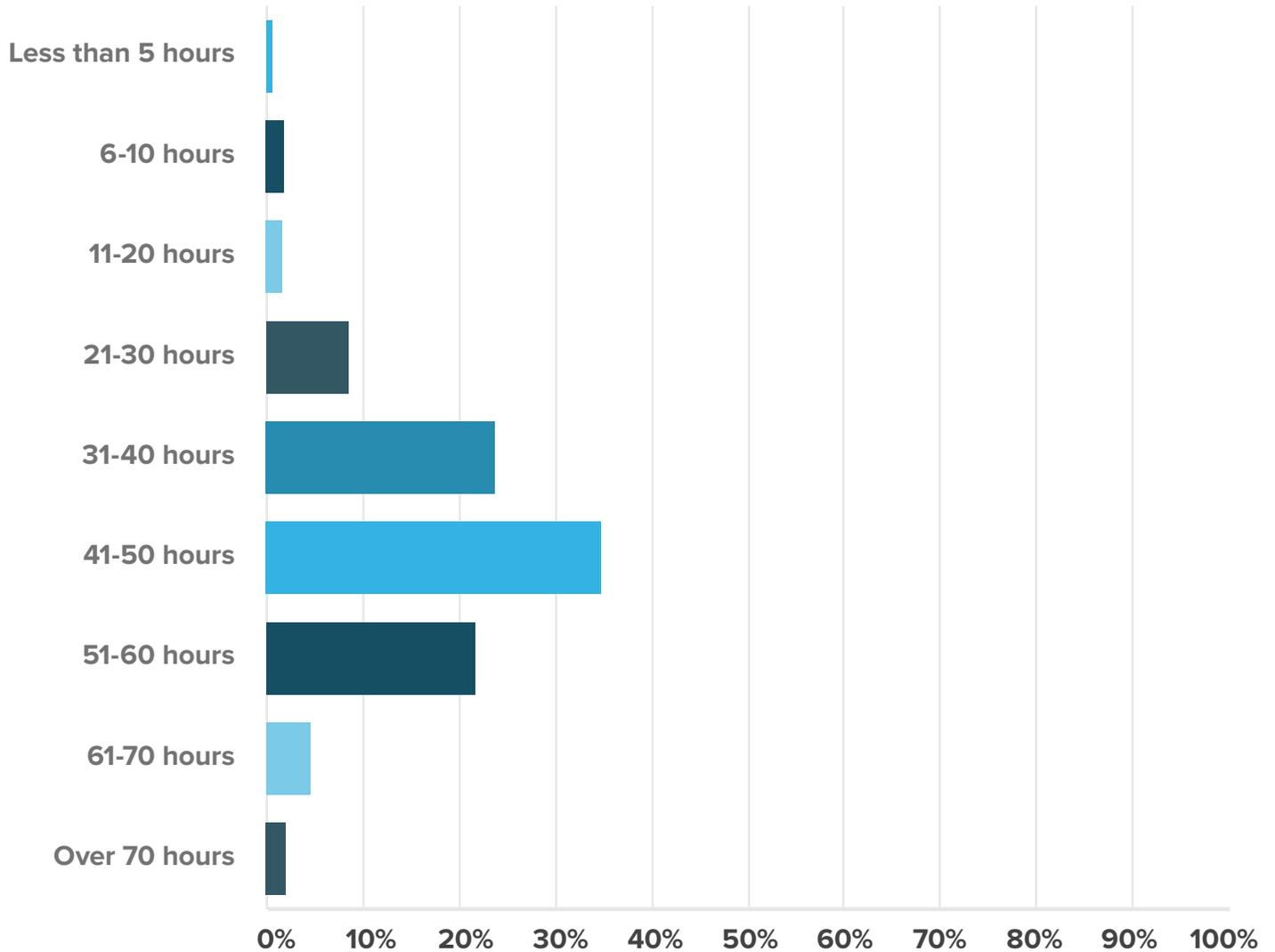
Q34 Please state the number of years (round up or down) that you have worked in real estate:

Answered: 555 Skipped: 442



Q35 On average, how many hours do you work per week in real estate?

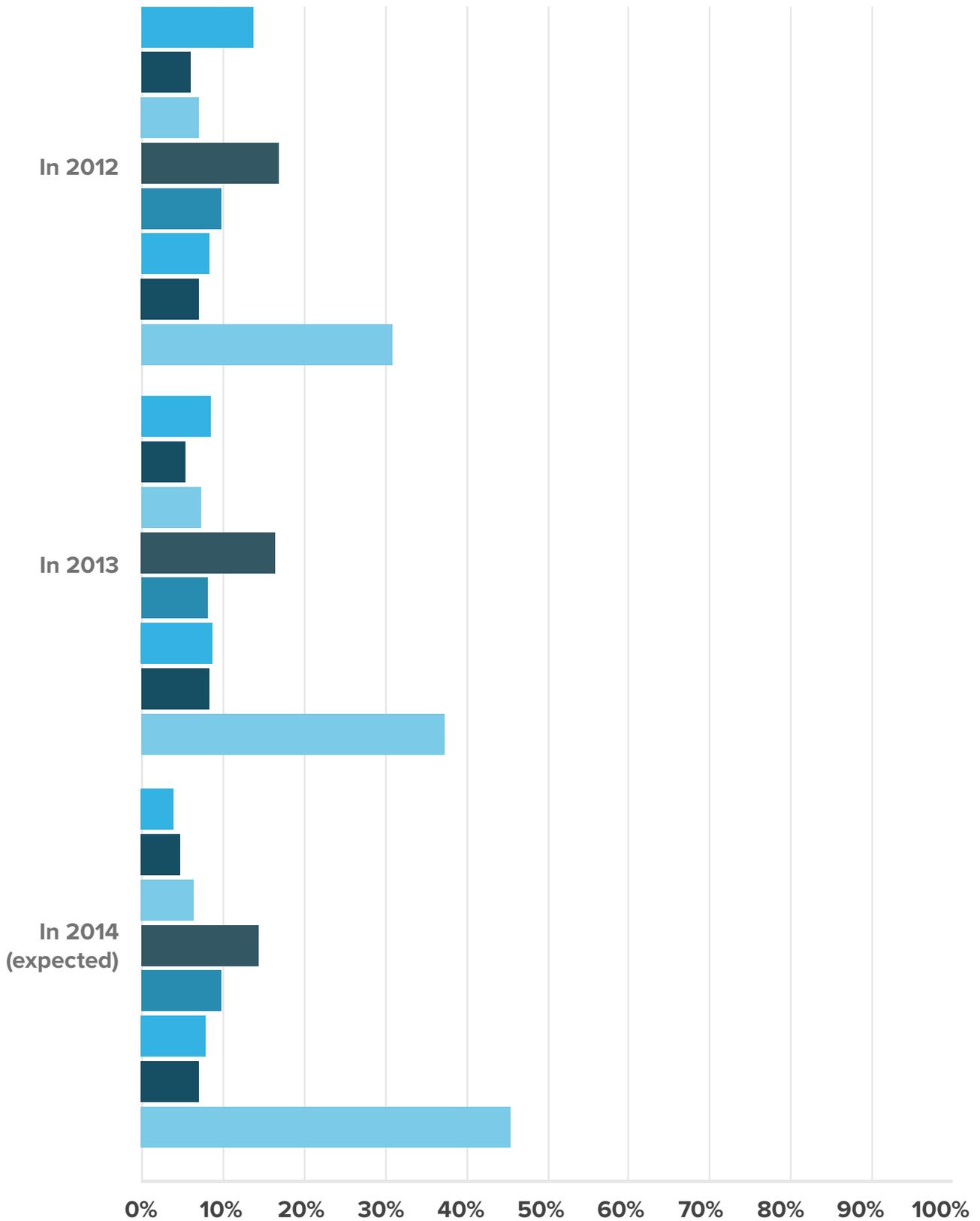
Answered: 555 Skipped: 442



Q36 How many transactions did you personally close?

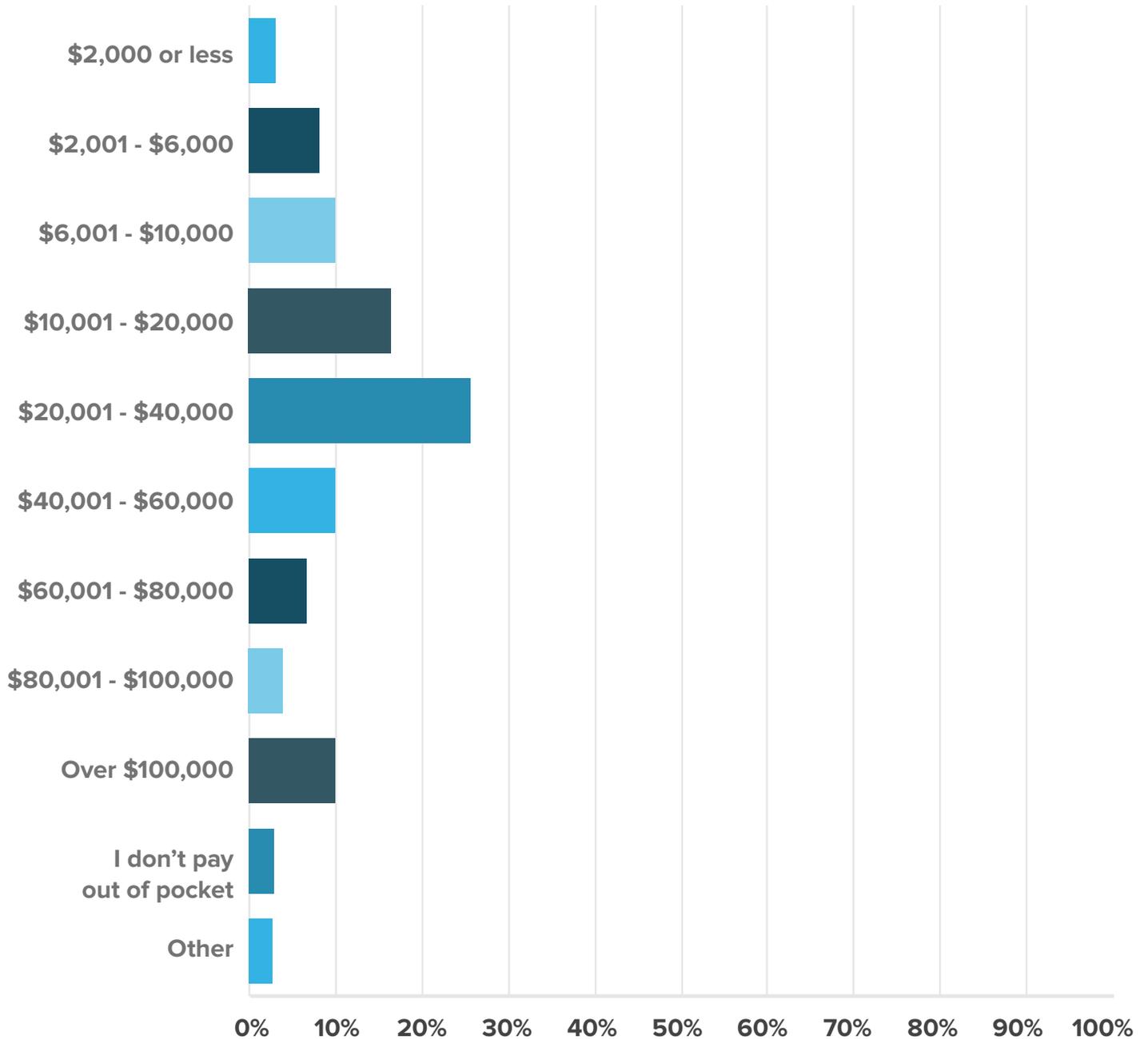
Answered: 555 Skipped: 442

0 1-3 4-6 7-10 11-15 16-20 21-25 Over 25



Q37 What are your annual individual paid out of pocket expenses?

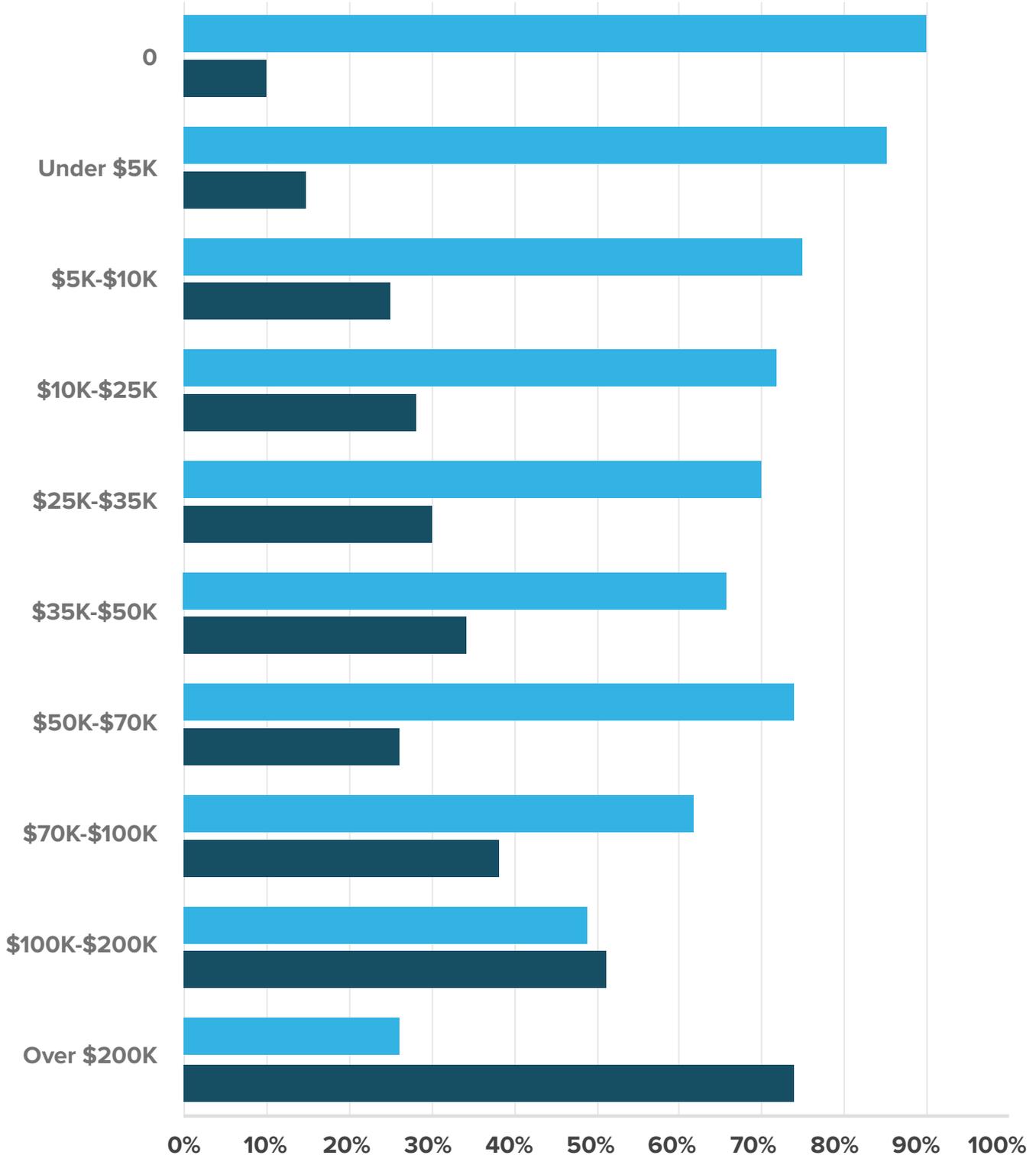
Answered: 555 Skipped: 442



Q38 Your pretax, individual gross income from real estate work:

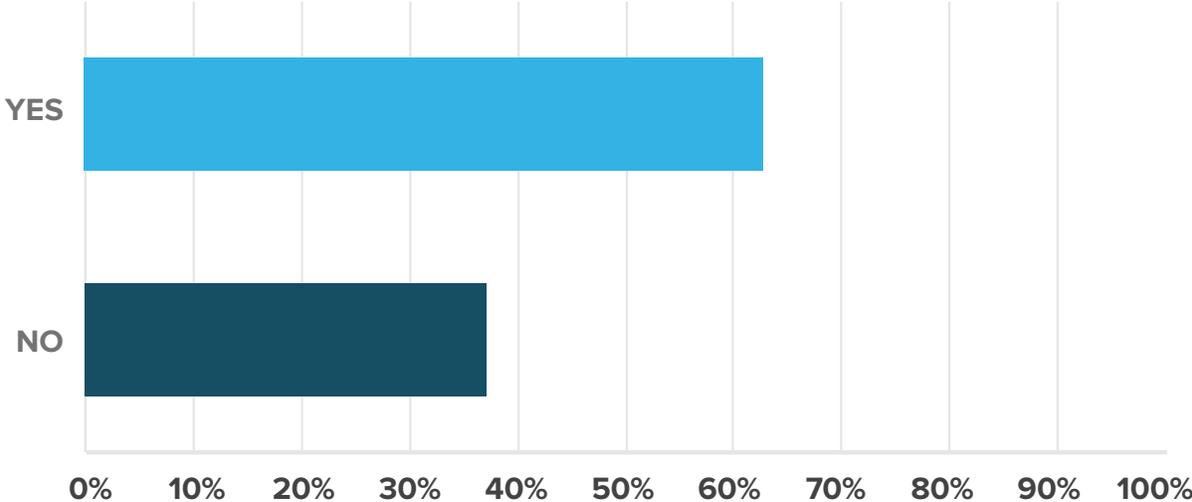
Answered: 555 Skipped: 442

2013 2014 (Expected)



Q40 Would you like to receive a summary version of the survey report via email?

Answered: 521 Skipped: 476



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