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Agent Opinions on Brokerage Companies King County, Washington

Murray Consulting
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Introduction

- Client requested a survey of sales associates in King County, Washington to determine what “attitudes” and perspectives these agents had for working with different brokerages in the county as a “buyer’s agent” with the various brokerage companies on the “selling side”.
- Perspective on nine firms were sought: Coldwell Banker, John L. Scott, MLS4Owners, Prudential, RE/MAX, Skyline Real Estate, Sutton Real Estate, Windermere and Zip Realty.
- 6350 surveys were sent via the Internet
- 222 completed survey were received (3% response rate)



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Introduction

- Questions included:
 - Perceptions of how well known the firm was,
 - Whether it provided full or limited service,
 - How the respondent would feel as a buyer's agent with the particular firm representing the seller,
 - The primary and secondary areas of concern when they were either uncomfortable or extremely uncomfortable with a particular firm representing the seller



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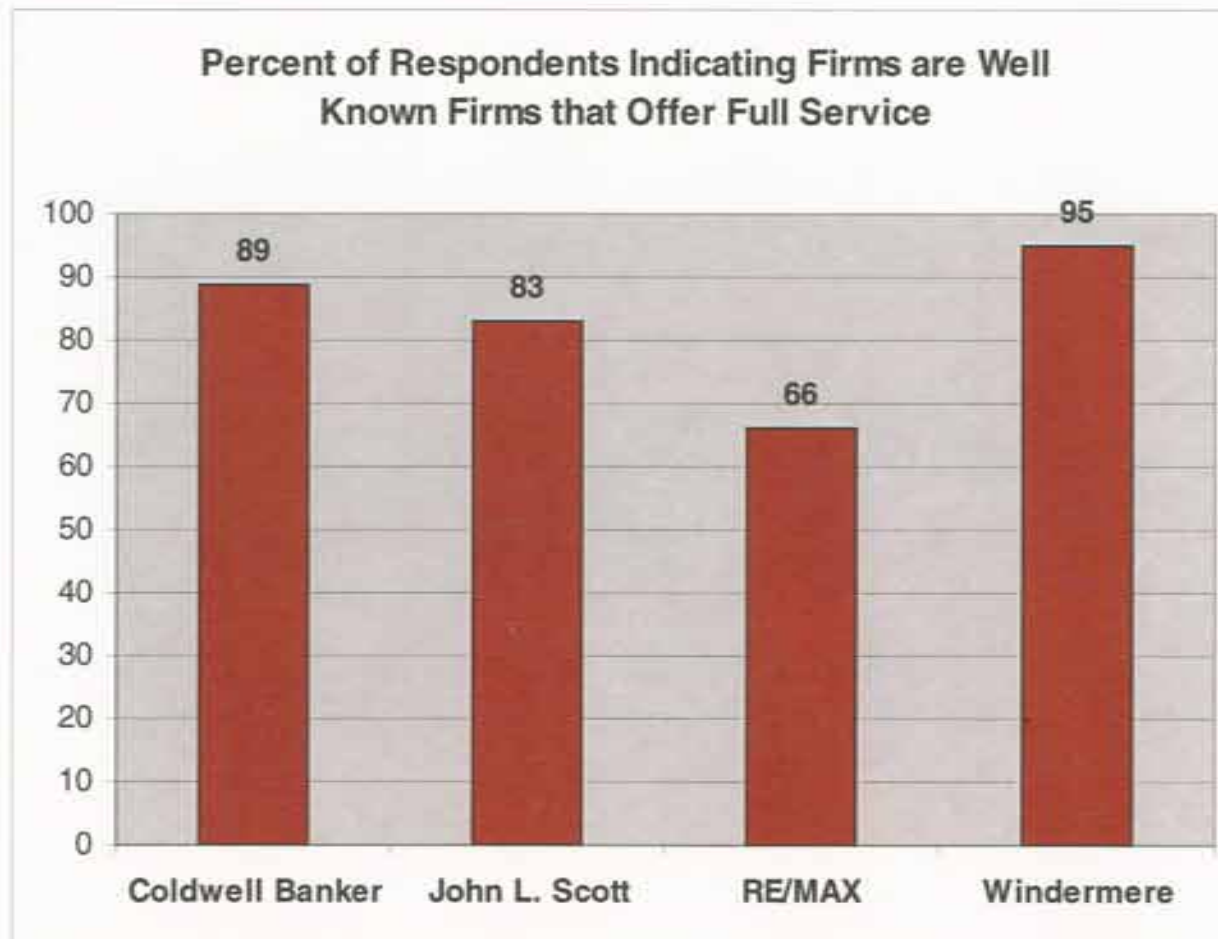
Executive Summary

- Well known firms that provide full service are the preferred transaction partner for a buyer's agent
- Less well known firms who offer full service are also perceived positively; however rather than any agent from the firm providing comfort, the level of comfort will be agent specific.
- Firms that provide limited service, many of whom are also less well known, are considered potentially troublesome, primarily because of the expectation that the buyer's agent will have to perform significant amounts of the work that would normally be the responsibility of the seller's agent.
- Additionally, the lack of seller knowledge of the transaction process as well as the seller's expectations are important concerns of the agent respondents
- Only in the case of sellers represented by MLS4Owners, do agents feel they can use the perceived lack of seller representation to get a better deal for their client.

4 Brokerage Companies were clearly perceived as being both well known and offering full service.



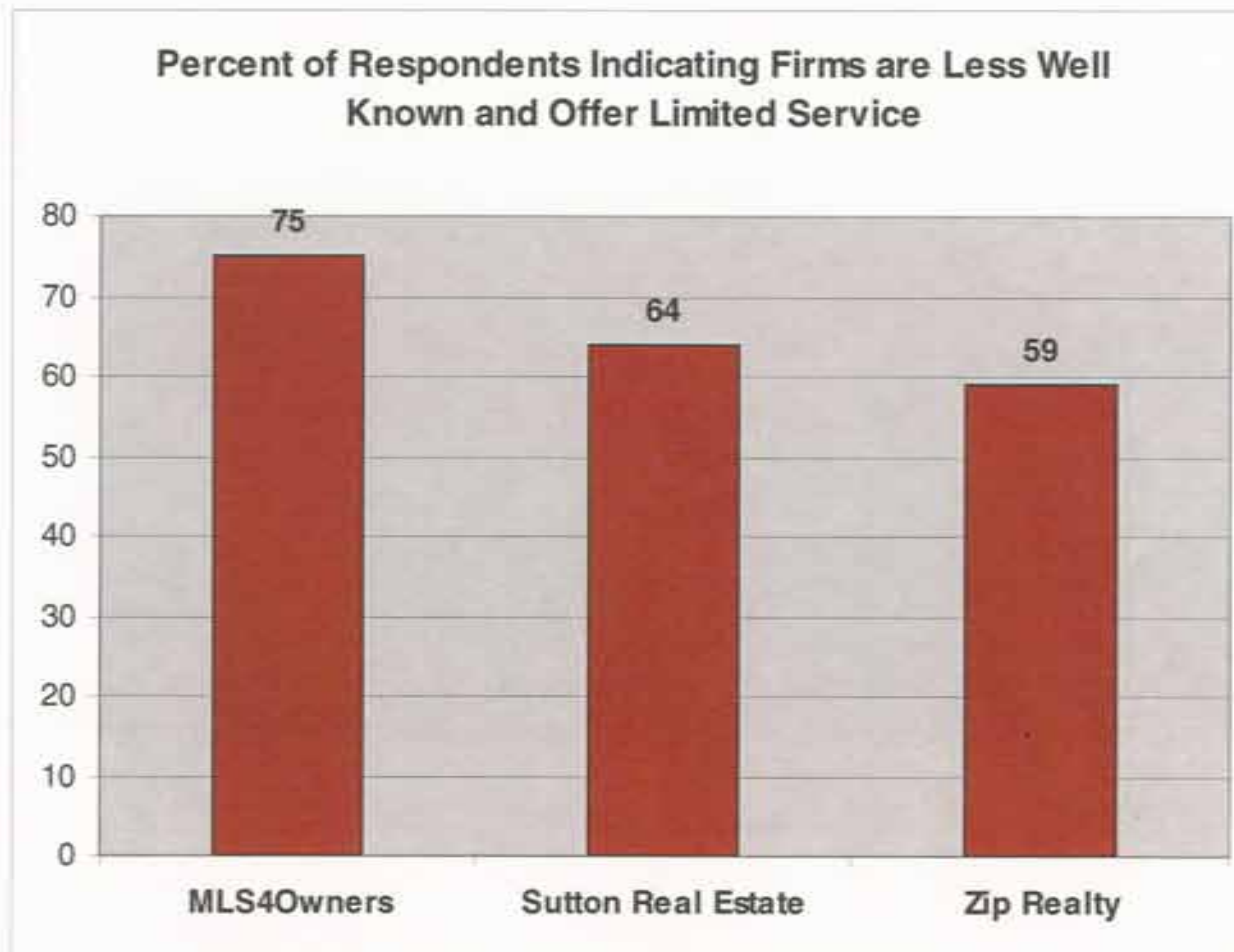
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3 Firms were perceived as being less well known and offering limited service, although there is some lack of understanding about Zip Realty where 22 percent of respondents chose “other” for their description.



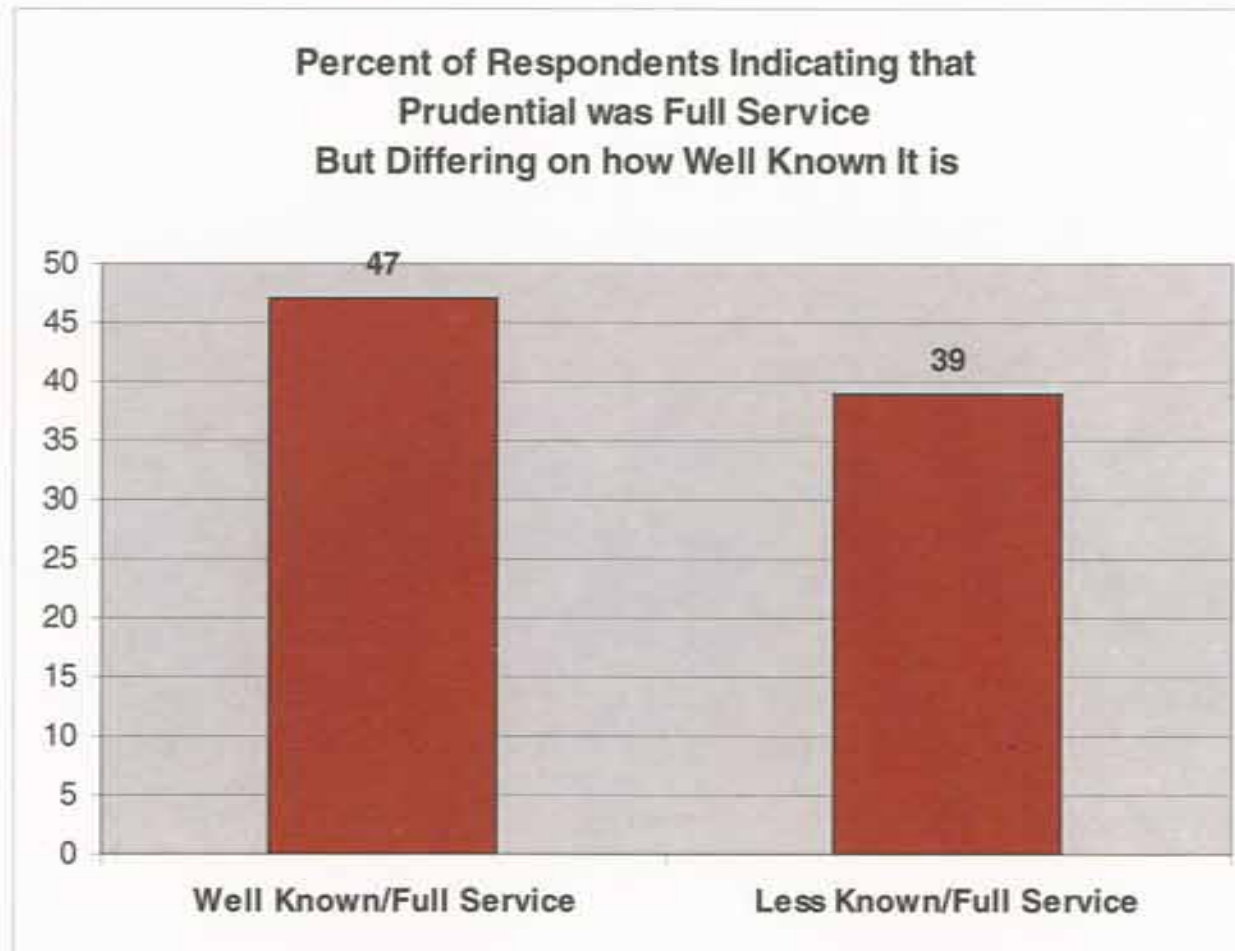
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Prudential was perceived to be a full service firm with some respondents perceiving it was less well known in the area



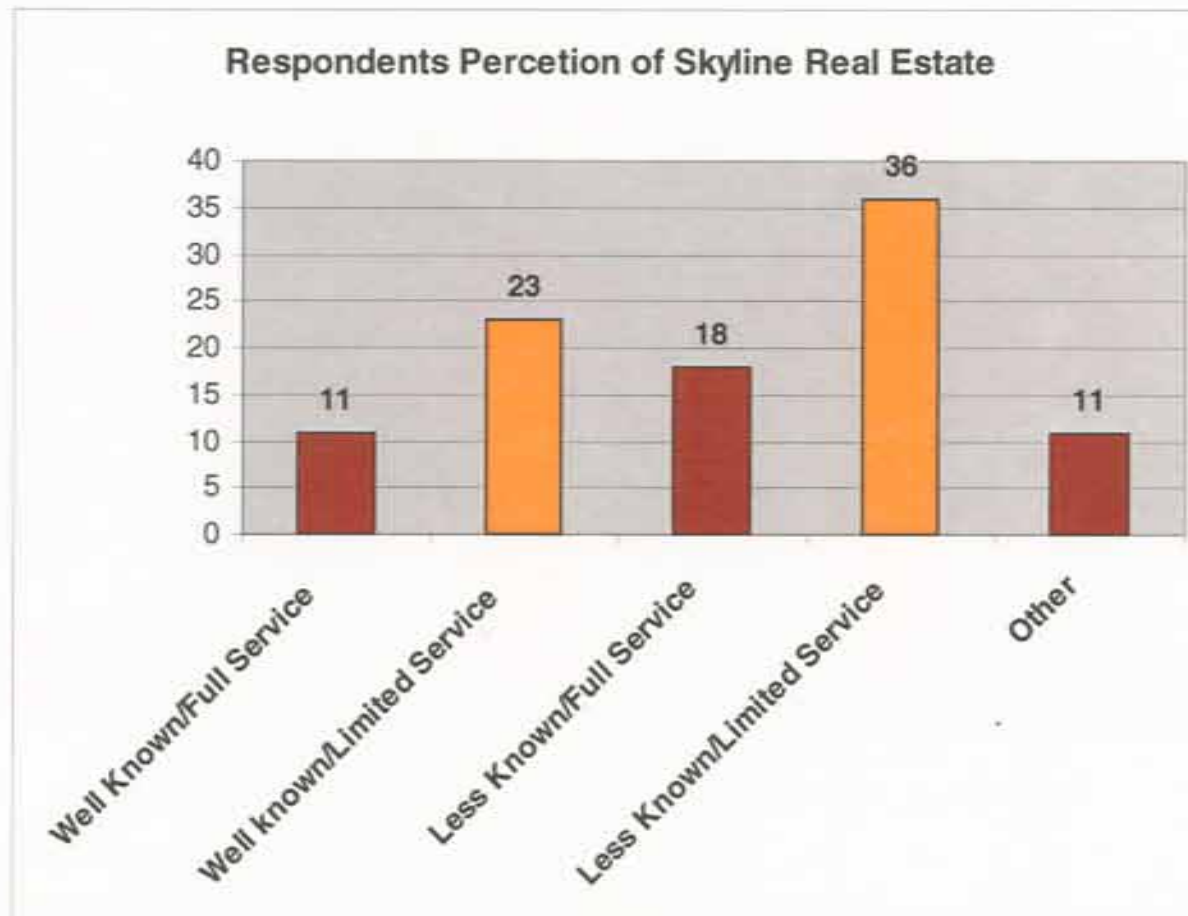
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Agents are confused about how well known Skyline Real Estate is, and whether it is full or limited service, although over 50% perceive it as offering limited service.

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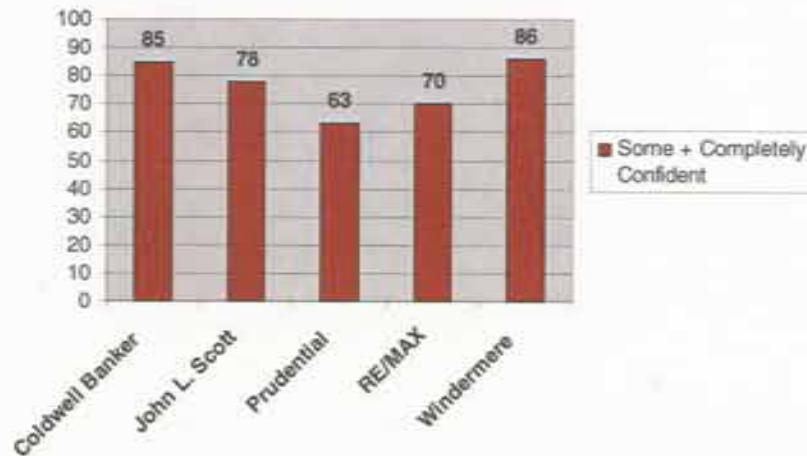


Agents were most comfortable with doing a transaction with firms that were well known and offered full service. Complete Confidence was greatest with Windermere and Coldwell Banker

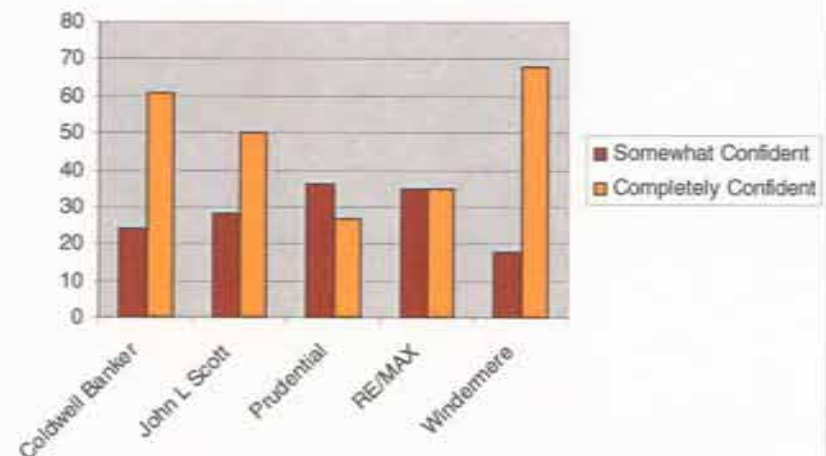


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Percent of Respondents Who Were Somewhat or Completely Confident in Doing a Transaction with a Brokerage Company



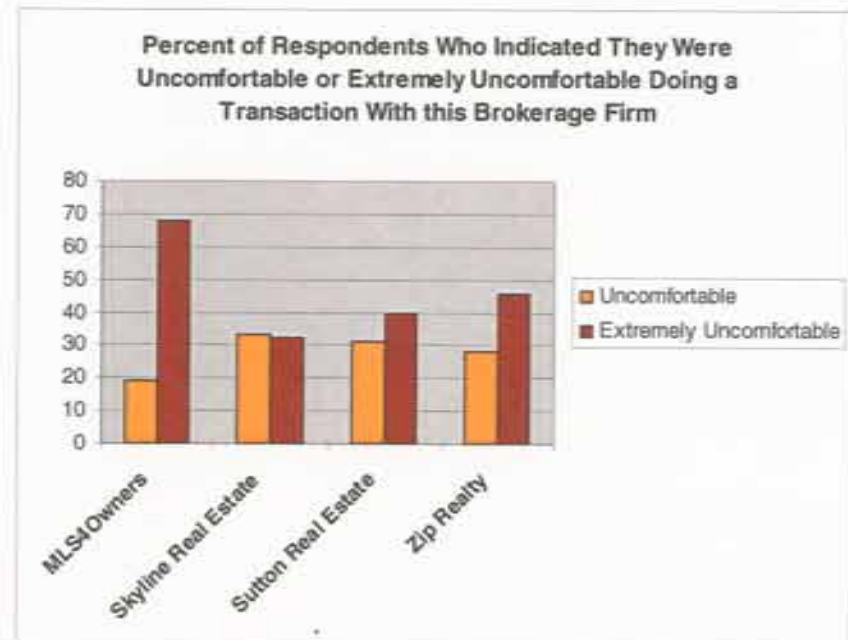
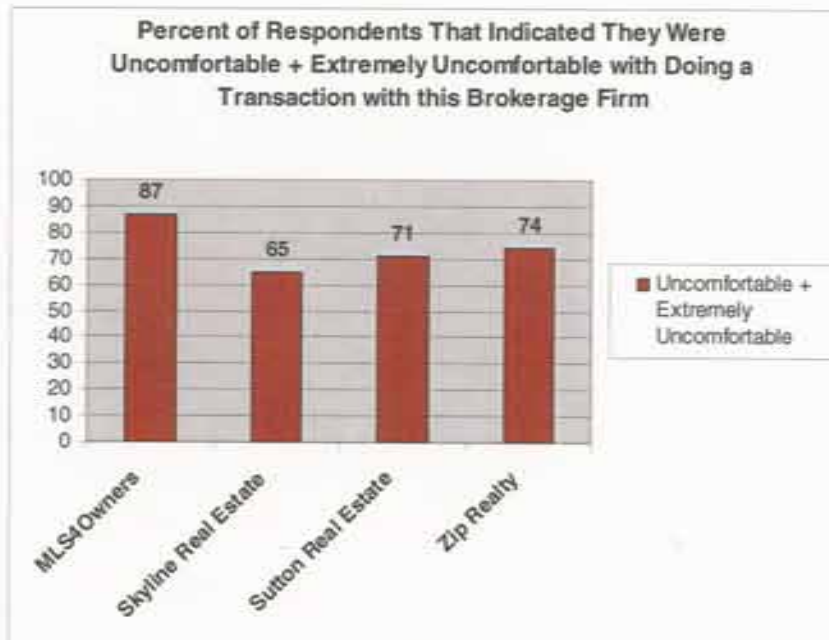
Percent of Respondents Indicating They Were Somewhat or Completely Confident in Doing a Transaction With a Brokerage Firm



Respondents were least comfortable with reduced service firms, particularly with MLS4Owners where 81 percent of respondents felt that they offered limited service



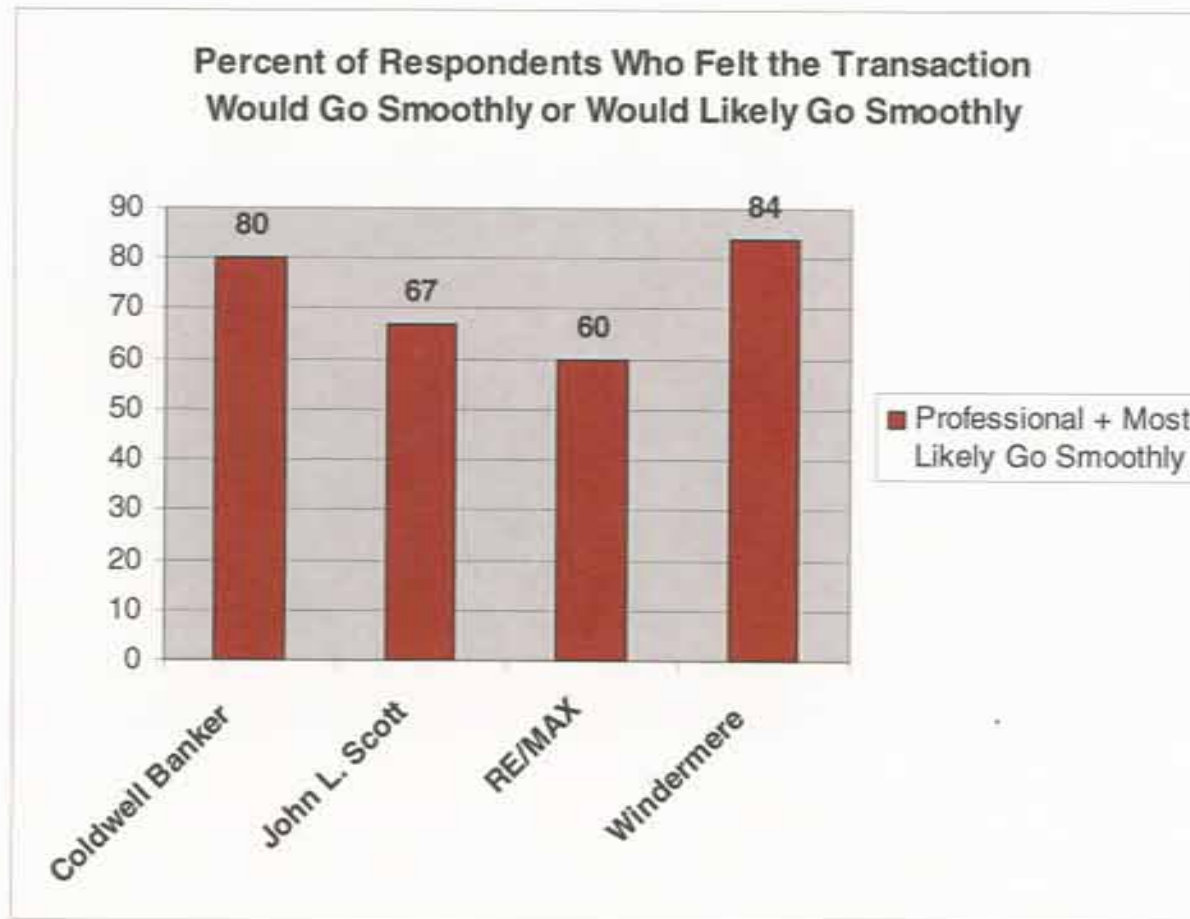
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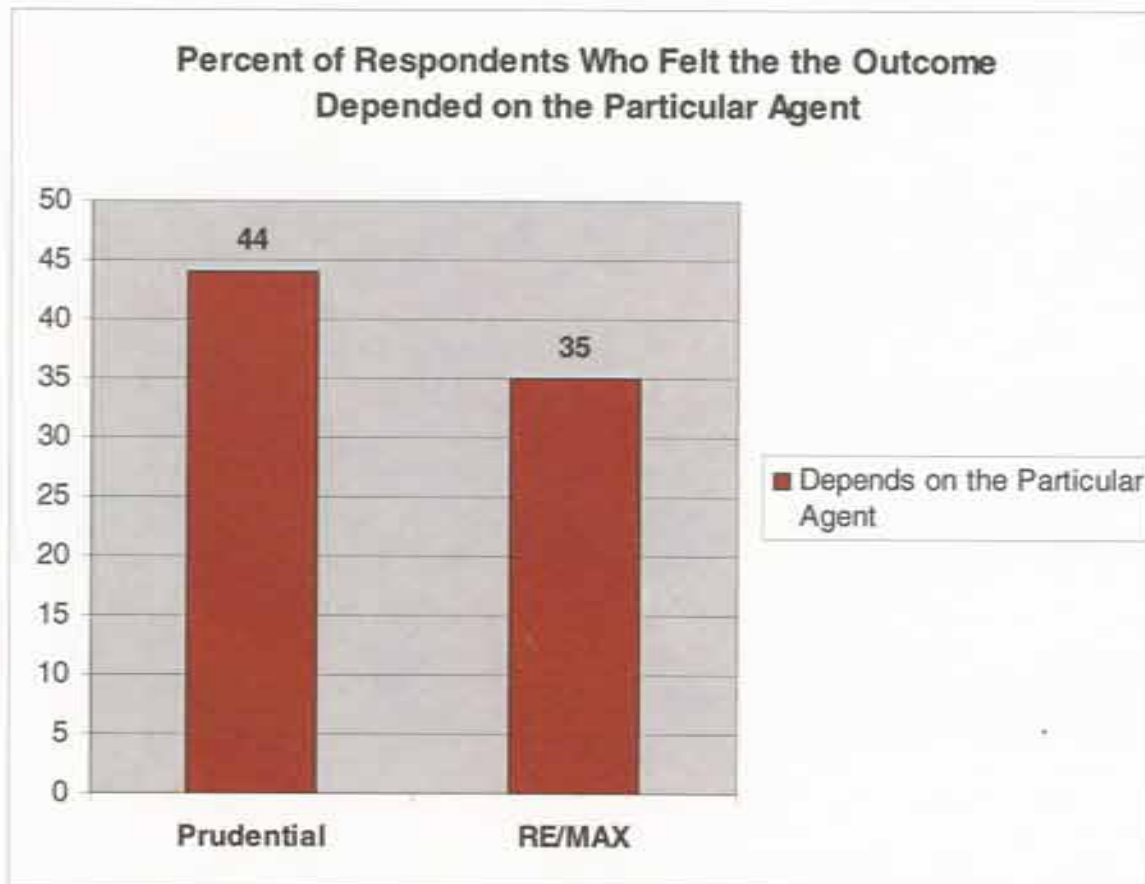
Respondents perceived that transactions with well known, full service firms would always or more often than not go smoothly





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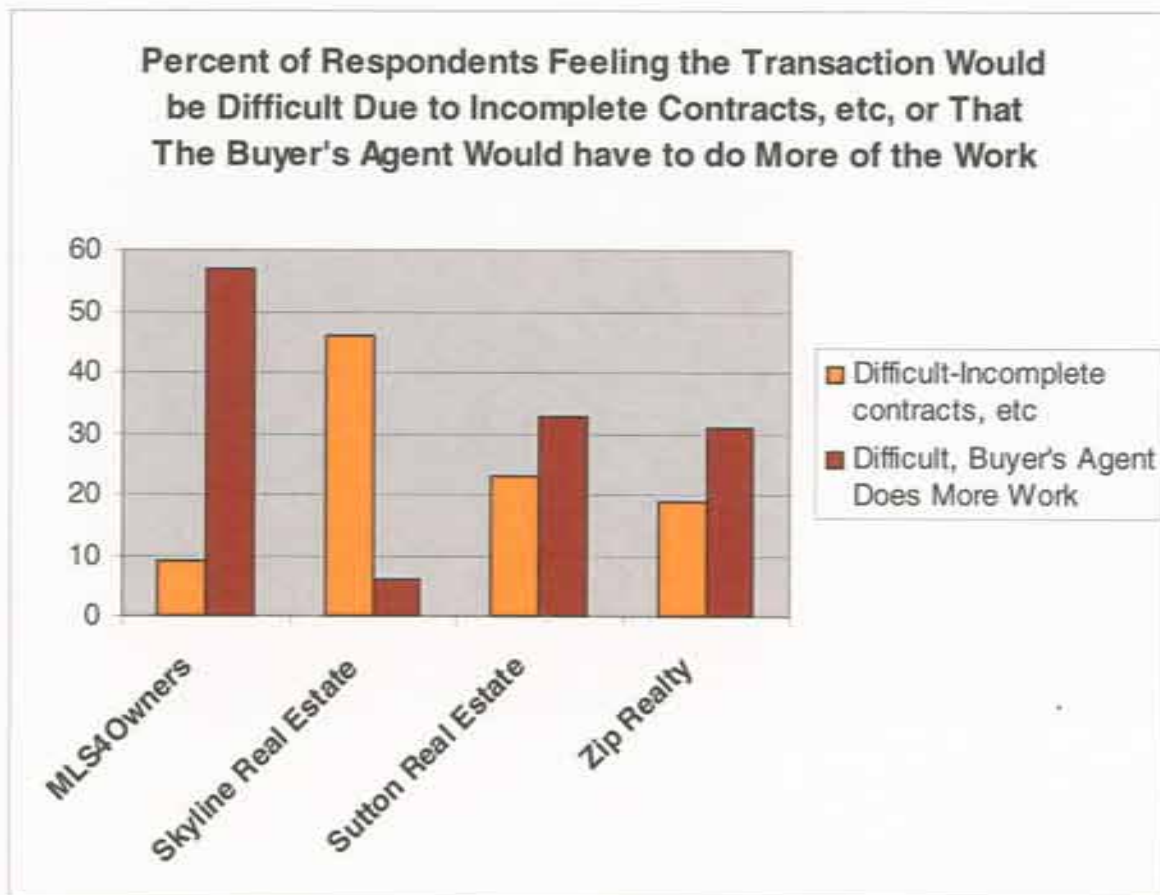
Two firms had one third or more of respondents who felt that the outcome was agent specific rather than a general positive or negative view of the firm as a whole





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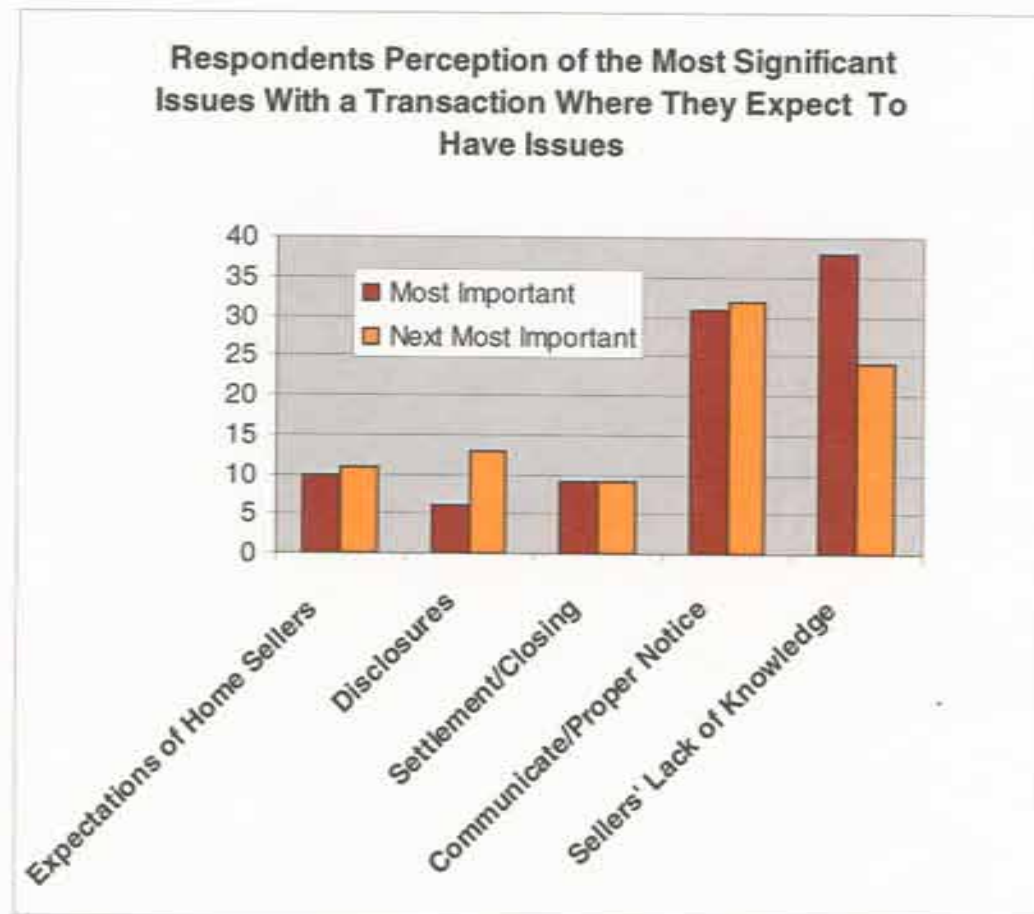
For four firms, 50 percent or more of respondents thought the transaction would be difficult, with MLS4Owners having both the highest total difficult score as well as the highest score on the amount that the buyer's agent would have to do.





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Among the aspects of the transaction where respondents have the greatest concern are the seller's lack of knowledge about the process of selling their home and the ability of the seller's agent to communicate and give proper notice.





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MLS4Owners seemed to be the most problematic firm for the respondents.

- MLS4Owners had the largest number of respondents being Uncomfortable or Extremely Uncomfortable with Transaction
- 85% of Extremely Uncomfortable responses were because the buyer's agent would have to do significant amounts of work normally done by the seller's agent
- 80% of Uncomfortable Responses were for the same reason



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Prudential and RE/MAX both had relatively high “Neutral” scores reflecting the expectation of transaction quality being more agent specific

- The largest percentage of both neutral and uncomfortable ratings for Prudential was due to the specific agent determining the outcome of the transaction
- The results for RE/MAX were the same.



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Summary

- Agent respondents appeared to feel more comfortable dealing with firms that are well known and who offer full service.
- For firms they perceived as both less well known and offering limited service, the key issue was primarily the level of work they would need to do as a buyer's agent to make the transaction work
- There may be a halo effect to firms that are well known and full service. Less well known firms that are perceived to offer full service are more likely to have more "neutral" ratings, and an expectation that the transaction success will be agent specific (Prudential, RE/MAX)



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Summary

- Of greatest concern to agents was the lack of knowledge by the seller about the process of selling their home
 - When Expectation of the Seller was added to their lack of knowledge, the issue of seller knowledge and expectation was far and away the largest concern of the buyer's agent.
- A close second was the expectation that communications would be poor and the seller's agent would fail to give proper notice.